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NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Recommendation to Industry: Consideration of Actual Field Conditions in Determination of Facility Ratings

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to ensure
the reliability of the
bulk power system

- Introductions and Webinar Protocol
- NERC Antitrust Compliance Guidelines
- Background
- Alert Expectations
- General/Administrative
- Question and Answer
- Adjourn

- Presenters will discuss alert
- Submit questions via message feature on ReadyTalk
 - No direct audio capability
- Questions addressed following presentation
- List of Q&A to be posted

- Users, owners, and operators provide NERC with operating experience information and data
- NERC converts this information to useful guidance that feeds the reliability assessment program
 - Event analysis findings
 - Lessons learned
 - Other analysis and information
- Issues formal notice through Alerts
 - Advisories, ***Recommendations***, Essential Actions

Reliability / Compliance Excellence

Reliability excellence

- Best practices, benchmarking
- Engrained behaviors
- Compliance margin
- Continuous improvement

Compliance excellence

- Senior management engagement
- Preventive measures
- Detection, cessation, reporting
- Remediation

Recommendation to Industry

- Specific actions NERC is recommending
- Evaluate and take appropriate action
- Provide reports of actions taken and updates on progress in accordance with the reporting date(s) specified by NERC.
- In the US, NERC reports to FERC on actions taken and success in addressing vulnerability
 - Report due within 30 days of response

- Initially identified through investigation into vegetation management contact
 - Substantial inconsistencies in topography relative to design basis
 - “As-built” deviated from design
- Entity surveyed 230 and 345 kV systems using advanced technologies
 - Identified > 100 clearance issues
 - Interim adjustments to ratings
- Input from other entities indicates significant potential for concern
 - Reliability impacts
 - Safety impacts

Alert Objectives

- Identify the full extent of field discrepancies that could impact facility ratings
- Prioritize corrective action based on operational/reliability significance
- Approach corrective action systematically to maintain bulk power system reliability
- Promote use of sufficiently accurate measurements
- Enhance industry understanding

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Alert Expectations

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- **Transmission Owners and Generator Owners**
 - Responsible for developing and implementing facility ratings methodology to rate facilities
- **Transmission Operators, Generator Operators, and Reliability Coordinators**
 - Responsible for operating equipment within ratings and system within limits
- **Transmission Planners and Planning Authorities**
 - Responsible for planning system to remain within limits in the planning horizon

- Transmission facilities and transmission lines
 - Transmission lines
 - Generator tie lines
 - Radial transmission lines
 - Interconnection facilities
- Broader than scope of NERC standards

Transmission/Generator Owner Expectations

- Review facility ratings methodology
 - Verify determination based on actual field conditions within acceptable tolerances
- Verify facility design, installation, and field conditions are within identified tolerances
 - Facilities loaded at their rating

Transmission/Generator Owner Expectations

- Respond to NERC Alert Questionnaire by December 15, 2010
 - Description of previous assessment and results
 - If not, a description of plan to assess all transmission lines
 - How the measurements and assessment will be accomplished
 - Estimate to complete

Transmission/Generator Owner Expectations

- Report to Reliability Coordinator and Regional Entity by April 7, 2011
 - As-built condition discrepancies result in incorrect ratings
- Coordinate with Reliability Coordinator, Transmission Operator, and/or Generator Operator for interim strategy
 - Prioritize mitigation approach
- Inform Transmission Planner and Planning Authority
- Complete remediation strategy issues by October 7, 2012
 - Extension requires NERC approval

Reliability Coordinator Expectations

- No reporting obligation on December 15, 2010
- Optimize system reliability throughout assessment
 - Evaluate impact in operating timeframe
- Help entities prioritize mitigation strategy
 - Establish and coordinate interim mitigation plans across footprint
 - Coordinate with planning entities
- Update operating procedures, models, and limits

Transmission/Generator Operator Expectations

- No reporting obligation on December 15, 2010
- Accept Transmission and Generator Owner findings
- Propose and coordinate interim mitigation plans with Reliability Coordinator
 - Update operating procedures, models, and limits

Transmission Planner/Planning Authority Expectations

- No reporting obligation on December 15, 2010
- Accept Transmission and Generator Owner findings
- Update models and limits during remediation
- Evaluate impact during mitigation timeframe
 - Provide input to Reliability Coordinator regarding priorities

- Entities devote required attention to the issues identified
- Develop a proactive and aggressive strategy to assess and mitigate identified issues
- Implement thoughtful, prioritized mitigation strategies that preserve reliability
- Implement facility ratings methodology that permits future ongoing validation

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General/Administrative

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- Must actively respond in NERC Alerts
 - Acknowledge the alert
 - Submit response
 - Designated company officer approves
 - Powerpoint posted with Webinar slides
- Will publish questions and answers
- Webinar available on NERC Website
- 2nd Webinar in 2-3 weeks

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Question and Answer

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Adjourn

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