NERC
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

Consideration of Comments on Non-binding Poll of VRFs and VSLs for PER-003-1 - Operating Personnel Credentials (Project 2007-04)

Date of Poll: September 14 – 24, 2010

Summary Consideration: A non-binding poll of VRFs and VSLs was conducted from September 14-24, 2010 and achieved a quorum with 86% of those who registered to participate provided an opinion; 83% of those who provided an opinion indicated support for the VRFs and VSLs that were proposed. The drafting team considered the comments submitted, but did not make any changes to the VRFs or VSLs based on those comments.

The majority of the negative commenters felt the VSLs were either set too high or should be graduated. The Requirement is binary in that the System Operator either has the appropriate, valid certificate or does not. The Real-time operation of the power system is dynamic and the intent of this requirement is to ensure that there is a System Operator with a minimum set of competencies sitting in each RC, TOP, and BA control room at all times. The Violation Severity Levels are based on the VSL Guidelines, Guideline 2 which states "A violation of a "binary" type requirement must be a "Severe" VSL."

Several of the negative commenters felt that the VRFs were too high and should be at a medium level at best. The current standard contains a single requirement with a high VRF and the SDT believes that this is appropriate with the definition of a high VRF. The SDT is not saying that non-compliance will necessarily lead to cascading outages. In the event of an emergency an unqualified System Operator may not know what to do and his or her actions could directly cause or contribute to Bulk-Power System instability, separation, or a cascading sequence of failures, or could place the Bulk-Power System at an unacceptable risk of instability, separation, or cascading failures.

A few of the negative commenters wanted the "minimum competencies" removed from the proposed standard. FERC Order 693 contains a directive to modify the PER-003 standard to include minimum competencies. The SDT believes that the "Areas of Competency" as used in the proposed standard represent the most efficient and effective method of meeting this FERC directive and the NERC Certification program provides the foundation for the minimum competency that a person must possess to operate the Bulk Electric System reliably. The "Areas of Competency" identified in this standard are, by design, at a high enough level to ensure they will be included in any exam the NERC Certification Program would use both now and in the future; recertification through training would also touch upon one or more of these areas ensuring that anyone maintaining a valid NERC Certification has enhanced his or her ability to operate the Bulk Electric System.

If you feel that the drafting team overlooked your comments, please let us know immediately. Our goal is to give every comment serious consideration in this process. If you feel there has been an error or omission, you can contact the Vice President and Director of Standards, Herbert Schrayshuen, at 609-452-8060 or at herb. schrayshuen@nerc.net. In addition, there is a NERC Reliability Standards Appeals Process.[1]

[1] The appeals process is in the Reliability Standards Development Procedure: http://www.nerc.com/files/RSDP_V6_1_12Mar07.pdf.

Voter	Entity	Segment	Vote	Comment
Robert Martinko Kevin Querry Mark S Travaglianti Douglas Hohlbaugh	FirstEnergy Energy Delivery FirstEnergy Solutions FirstEnergy Solutions Ohio Edison Company	1 3 6 4	Negative	FE believes that, although important to reliability, a violation of system operator certification does not present a HIGH risk to the BES. Therefore, we suggest changing the VRF from HIGH to MEDIUM in all three requirements of standard PER-003-1.
Response: The current standard contains a high VRF. The SDT believes that this is appropriate with the definition of a high VRF. Also, the SDT is not saying that non-compliance will necessarily lead to cascading outages. However, in the event of an emergency an unqualified System Operator may not know what to do and his or her actions could directly cause or contribute to Bulk-Power System instability, separation, or a cascading sequence of failures, or could place the Bulk-Power System at an unacceptable risk of instability, separation, or cascading failures.				
Terry Harbour	MidAmerican Energy Co.	1	Negative	The high VRFs overstate the risk.
Response: The current standard contains a high VRF. The SDT believes that this is appropriate with the definition of a high VRF. Also, the SDT is not saying that non-compliance will necessarily lead to cascading outages. However, in the event of an emergency an unqualified System Operator may not know what to do and his or her actions could directly cause or contribute to Bulk-Power System instability, separation, or a cascading sequence of failures, or could place the Bulk-Power System at an unacceptable risk of instability, separation, or cascading failures.				
James A Maenner		8	Negative	There needs to be more granularity in VFR/VSL. There is significant difference between an operator who's certificate recently expired and an operator who has never been certified. Recommend the following scale: Medium - an operator's certification expired 1 day to 30 days prior to the date of violation. High - an operator's certification expired 31 to 60 days prior to the date of the violation. Severe - operator never certified or certification expired over 60 days prior to the date of the violation.
Response: The SDT feels that the Requirement is binary in that the System Operator either holds the appropriate, valid certificate or does not. The SDT believes that the Real-time operation of the power system is dynamic and the intent of this requirement is to ensure that there is a System Operator with a minimum set of competencies sitting in each RC, TOP, and BA control room at all times.				

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John Tolo	Tucson Electric Power Co.	1	Negative	Although System Operator certification is a requirement under PER-003, it is our belief that the mere act of taking a certification exam does not ensure that the System Operator is adequately trained or knowledgeable for situations that he or she may encounter. It is also our belief that the Violation Severity Level(VSL) should, at best, be "high" not Severe. thank you
Response: The SDT believes that in addition to achieving NERC certification, it is the entity's responsibility to determine when an individual (trainee) is qualified to fill a Real-time operating position. The SDT feels that the Requirement is binary in that the System Operator either holds the appropriate, valid certificate or does not. The SDT based the Violation Severity Level on the VSL Guidelines, Guideline 2 which states "A violation of a "binary" type requirement must be a "Severe" VSL."				
Jason L Marshall	Midwest ISO, Inc.	2	Negative	We disagree with the VRFs. NERC's definition of a High VRF includes the following language: "A requirement that, if violated, could directly cause or contribute to bulk electric system instability, separation or a cascading sequency of failures...". No violation of any of these requirements could be deemed to directly cause instability, separation or cascading. Another event would have to occur such as an uncertified operator failing to take appropriate action. Even with an uncertified operator, the registered entity would have to violate PER-002, PER-004 and PER-005 as well. There are requirements in those standards regarding training for emergency conditions that will better prepare an operator. Thus, the requirements in PER-003 should not have High VRFs because there is no direct connection between a violation of the proposed requirements and instability, separation or cascading. Further, we argue that the requirements are largely administrative and therefore should have Lower VRFs.
Response: The current standard contains a high VRF. The SDT believes that this is appropriate with the definition of a high VRF. Also, the SDT is not saying that non-compliance will necessarily lead to cascading outages. However, in the event of an emergency an unqualified operator may not know what to do and therefore could result in cascading outages in a requirement that, if violated, could directly cause or contribute to Bulk-Power System instability, separation, or a cascading sequence of failures, or could place the Bulk-Power System at an unacceptable risk of instability, separation, or cascading failures.				
Charles H Yeung	Southwest Power Pool	2	Negative	We do not support the standard as written. Please refer to the comments submiited by the IRC Stadnards Review Committee for our concerns.
Response: The SDT cannot find in any of the Comment reports (formal comment period, initial ballot or this document) that references the IRC Standards Review Committee.				

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Tony Eddleman Don Schmit	Nebraska Public Power District	3 5	Negative	Violation Severity Levels are all Severe. It would seem that the amount of time a position was staffed with a non-certified person does not play into the severity, and it should. There is more risk involved the longer a position is staffed without a certified person.
Response: The SDT feels that the Requirement is binary in that the System Operator either holds the appropriate, valid certificate or does not. The SDT based the Violation Severity Level on the VSL Guidelines, Guideline 2 which states "A violation of a "binary" type requirement must be a "Severe" VSL."				
Scott Peterson	San Diego Gas & Electric	3	Negative	Violation Severity Levels - there has to be some variations to VSLs. Currently, only Severe VSLs are defined. The previous version of this standard, PER-003-0, specified variations in the Levels of Non-Compliance.
Response: The SDT feels that the Requirement is binary in that the System Operator either holds the appropriate, valid certificate or does not. The SDT believes that the Real-time operation of the power system is dynamic and the intent of this requirement is to ensure that there is a System Operator with a minimum set of competencies sitting in each RC, TOP, and BA control room at all times.				
Michael Ibold	Xcel Energy, Inc.	3	Negative	Xcel Energy votes negative, primarily because the standard continues to list competencies required, thought the entities have no control over what competencies are actually covered in the testing to obtain the certificates listed. The standard should be simple and uncluttered and list the certifications required for each functional entity. If there is a need to list competencies that are covered by the certification process, then the governing criteria for that certification process should be assigned that obligation.
Response: FERC Order 693 contained a directive to modify the PER-003 standard to include minimum competencies. The SDT believes that the "Areas of Competency" as used in the proposed standard represents the most efficient and effective method of meeting this FERC directive. The drafting team believes that the NERC Certification program provides the foundation for the minimum competency that a person must possess to operate the Bulk Electric System reliably. Note that the competencies identified for the certification exams are identified through a highly structured, valid process that involves incumbent System Operators. The "Areas of Competency" identified in this standard are, by design, at a high enough level to ensure they will be included in any exam the NERC Certification Program would use both now and in the future. In addition, recertification through training would also touch upon one or more of these areas ensuring that anyone maintaining a valid NERC Certification has enhanced their ability to operate the Bulk Electric System.				
Henry E. LuBean	Public Utility District No. 1 of Douglas County	4	Negative	The VRFs seem to be OK but the VSLs are too high for affects on the BES. Direct affects on the reliability of the BES, such as SOL violations are clear, black or white. Indirect affects, or no affect at all, such as whether a system operator is certified or not, should not be held to such a "severe" level. Every decision of a system operator does not have a direct affect on the reliability of the BES; only the major ones that cause problems, under certain circumstances, at certain times, etc. etc. Even the major decisions don't cause negative problems most of the time. A single decision out of many, that might cause a negative problem, should not be held to the same VSL as the black and white reliability problems that occur one-on-one (directly).

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Response: The SDT feels that the Requirement is binary in that the System Operator either holds the appropriate, valid certificate or does not. The SDT based the Violation Severity Level on the VSL Guidelines, Guideline 2 which states "A violation of a "binary" type requirement must be a "Severe" VSL."				
Alan Gale	City of Tallahassee	5	Negative	The exclusion of a clause to reduce the compliance severity if an emergency situation occurs that requires a non-certified person to be able to perform duties while transitioning to a backup facility will result in no-one performing any monitoring or any action during the transition because it is better to let the system fail than risk a High VRF with a Severe VSL.
Response: The drafting team believes that the transition to the backup control center is covered by EOP-008-0 Requirement R1.8 and in EOP-008-1 Requirements R1, R3 and R4.				
James B Lewis	Consumers Energy	5	Negative	Please see comments in the Standards vote.
Response: The SDT thanks you for your comment. Please refer to our response in the initial ballot comment report.				
Rex A Roehl	Indeck Energy Services, Inc.	5	Negative	Not all violations should be at the Severe level
Response: The SDT feels that the Requirement is binary in that the System Operator either holds the appropriate, valid certificate or does not. The SDT based the Violation Severity Level on the VSL Guidelines, Guideline 2 which states "A violation of a "binary" type requirement must be a "Severe" VSL."				
Charlie Martin	Louisville Gas and Electric Co.	5	Negative	Operators must successfully complete the NERC Reliability Operator or other appropriate NERC certification process. Including Areas of Competency in the requirements is at best superfluous and at worst confusing. If demonstration of minimum competency is different from the NERC certification process then criteria for demonstrating such competencies need to be set forth in R1, if not then the term should be removed from the requirements. E.ON U.S. suggests the wording of R1 (and R2 and R3 as appropriate) be revised to: 'Each Reliability Coordinator shall staff its real-time operating positions with System Operators who hold a valid NERC Reliability Operator certificate.' References to Areas of Competency and minimum competency relate to certification examination topics and are more appropriately set forth in documents directly related to the content and testing topics of the various certification examinations, e.g,, NERC's Rules of Procedure."
Response: FERC Order 693 contained a directive to modify the PER-003 standard to include minimum competencies. The SDT believes that the "Areas of Competency" as used in the proposed standard represents the most efficient and effective method of meeting this FERC directive. The drafting team believes that the NERC Certification program provides the foundation for the minimum competency that a person must possess to operate the Bulk Electric System reliably. The "Areas of Competency" identified in this standard are, by design, at a high enough level to ensure they will be included in any exam the NERC Certification Program would use both now and in the future. In addition, recertification through training would also touch upon one or more of these areas ensuring that anyone maintaining a valid NERC Certification has enhanced their ability to operate the Bulk Electric System.				

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Joseph O'Brien	Northern Indiana Public Service Co.	6	Affirmative	Given the standard the VSL's look fine.
Response: The SDT thanks you for your affirmative response and clarifying comment.				
Dennis Sismaet	Seattle City Light	6	Affirmative	Appropriate to change the language to indicate NERC certification as the requirement.
Response: The SDT thanks you for your affirmative response and clarifying comment.				
Brad Chase	Orlando Utilities Commission	1	Abstain	It is unclear as to what evidence is required to prove "demonstrated minimum competency" since this level of competency is not defined and is clearly up to interpretation. Additionally it would appear that by the wording of the main requirements, obtaining and maintaining a valid NERC certification itself demonstrates the minimum competencies (through use of the word "by") alleviating the need for the competencies sub-requirements. If evidence of system operators demonstrating minimum competencies is expected to presented during a compliance audit, entities need to have a reasonable expectation of what will be expected. This is currently not the case.
Response: The SDT has modified the Measure M1.3 to provide clarification. The Measure M1.3 now reads “A copy of each of its System Operator’s NERC certificate or NERC certificate number with expiration date which demonstrates compliance with the applicable Areas of Competency”.				
Danny McDaniel	Cleco Power LLC	1	Affirmative	None
Michelle A Corley	Cleco Corporation	3	Affirmative	None
Stephanie Huffman	Cleco Power	5	Affirmative	None
Robert Hirchak	Cleco Power LLC	6	Affirmative	None