Alignment of PRC-005 Compliance Dates

I. PRC-005 Compliance Issue and Proposal to Align Compliance Dates

Since the approval of PRC-005-2, a number of standards development projects have resulted in either including or excluding devices from the scope of PRC-005. Currently, there are eight approved or currently proposed PRC-005 versions, and each Version comes with a separate implementation schedule. Version PRC-005-2(i) is the current mandatory and enforceable version as of the date of this posting. Depending on the type of device and specific requirement in some of the PRC-005 versions, the implementation is divided into phases, requiring registered entities to gradually ensure compliance of a percentage of their devices until they reach 100% compliance.

Versions -3, -4, and -6 will require three consecutive updates to the registered entities' Protection System Maintenance Programs (PSMP), which is expected to be a time-consuming task for many entities. Based on the implementation plans for these three versions, the required PSMP updates would have to be completed within one (1) year to eighteen (18) months. According to the PRC-005 drafting team, which represents various industry members, this short period of time for review and identification of all assets subject to the revised PRC-005 versions could lead to errors and misidentification of devices. Further, the existence of eight implementation plans could lead to misinterpretations and inconsistencies in the compliance and auditing practices throughout the Electric Reliability Organization (ERO) Enterprise.

To address this compliance issue, the PRC-005 drafting team requested that NERC align the effective dates of all outstanding PRC-005 Versions, thus simplifying the implementation schedule for this Reliability Standard. In response to the drafting team's request, NERC plans to petition the Federal Energy Regulatory Commission (FERC) to delay the implementation of approved versions PRC-005-3 and PRC-005-4. Because PRC-005-6 reflects the new applicability that has been introduced by PRC-005-2(ii), PRC-005-3, PRC-005-3(i), PRC-005-3(ii), PRC-005-4, PRC-005-5, and PRC-005-6, when PRC-005-6 becomes effective, all new applicability will become effective and aligned to the same dates. NERC proposes that the phased in implementation of PRC-005-2 continue in accordance with the PRC-005-2 implementation plan, which is incorporated by reference into the implementation plan for currently-effective PRC-005-2(i).The phased implementation approach will remain but the effective dates for each phase will align applicability.

This proposal is reflected in the implementation plan for PRC-005-6. If supported by industry members and adopted by the NERC Board of Trustees, the implementation plan will be included in the PRC-005-6 petition to be filed with FERC for approval.

II. PRC-005 Versions Overview

The draft PRC-005-6 incorporates all revisions made to PRC-005-2 as a result of the development of PRC-005-2(i) (the currently-effective version), PRC-005-2(ii), PRC-005-3, PRC-005-3(i), PRC-005-3(ii), PRC-005-4, and PRC-005-5, and PRC-005-6. Version -3 added Automatic Reclosing devices; versions 2(i), 3(i), and -5 exclude individual dispersed generation resources from the applicability of the standard; versions 2(ii) and 3(ii) replace the term "Special Protection System" with the term "Remedial Action Scheme"; version -4 added Sudden Pressure Relays; and version -6 will add supervisory relays and exclude individual dispersed generation resources from the applicability of this Reliability Standard.

From this list of all PRC-005 versions, versions 2(i), 3, 3(i), and 4 are approved by FERC; PRC-005-2(ii) and PRC-005-3(ii) are pending regulatory approval; PRC-005-5 has not yet been filed for approval with FERC; and PRC-005-6 is currently under development.

III. Impact on the Reliability of the Bulk Power System and on Compliance with PRC-005

Based on the implementation schedule for the FERC-approved PRC-005-3, PRC-005-3(i), and PRC-005-4, and estimated approval and effective dates for the remaining versions, the delay in the implementation of PRC-005-3 and PRC-005-4 created by this proposal is anticipated to be approximately one year.

The proposed changes described here and in the proposed PRC-005-6 implementation plan will not affect the immediate implementation of version 2(i). This version excludes certain dispersed generation resources from the definition of Bulk Electric System, and from the applicability of PRC-005. Thus, registered entities that own and operate dispersed generation resources will remain unaffected by the proposed changes.

PRC-005-2(ii) and PRC-005-3(ii), which as of this writing are pending before the Commission, reflect enhancements to the NERC Glossary of Terms related to Special Protection Systems and Remedial Action Schemes. A potential delay in implementation of the revised definition of Remedial Action Scheme would not present a risk to the reliability of the Bulk Power System (BPS). Finally, the anticipated changes related to Remedial Action Schemes are minor in nature and are unlikely to introduce an actual reliability risk.

Because the Automatic Reclosing devices and Sudden Pressure Relays brought in by versions -3 and -4 are limited in scope, a potential delay in the implementation of these versions of PRC-005 is also unlikely to increase risk to the BPS. Many of these devices are already monitored by industry in anticipation of the upcoming compliance requirements, but may not be specifically included in the registered entities' PSMPs at this time.

IV. Benefits to Registered Entities

The proposal aims to simplify the compliance efforts of all registered entities subject to PRC-005 and give industry additional time to comply with versions -3, -4, and -6, which require PSMP updates. Having PRC-005-2(ii), PRC-005-3, PRC-005-3(i), PRC-005-3(ii), PRC-005-4, PRC-005-5, and PRC-005-6 essentially become effective at the same time through a single, unified PRC-005-6 Reliability Standard and associated implementation plan minimizes the possibility of misinterpretations of multiple PRC-005 versions and associated compliance obligations, thus limiting the compliance risk for registered entities. In addition, the proposed changes will not affect the anticipated exclusion of certain dispersed generation resources from the scope of the standard.

To further facilitate compliance, NERC plans to use the additional time until PRC-005-6 becomes effective to conduct outreach and provide training to ensure that registered entities are well aware and prepared to meet their obligations under the various PRC-005 versions.

Effective Date Information

Table 1 provides information regarding each version of the PRC-005 standard.

Table 1: PRC-005 Effective Date Information

Standard	Effective Date[1]	Comments
PRC-005-2	April 1, 2015	
PRC-005-2(i)	May 29, 2015	Proposed effective date with version 2, which was immediately following FERC approval.
PRC-005-2(ii)	Filed and Pending Regulatory Approval	Proposed to be deferred; will be replaced with version 6.[2]
PRC-005-3	April 1, 2016	Proposed to be deferred; will be replaced with version 6.
PRC-005-3(i)	April 1, 2016	Proposed to be deferred; will be replaced with version 6.
PRC-005-3(ii)	Filed and Pending Regulatory Approval	Proposed to be deferred; will be replaced with version 6.
PRC-005-4	January 1, 2016	Proposed to be deferred; will be replaced with version 6.
PRC-005-5	Pending Regulatory Filing	Proposed to be deferred; will be replaced with version 6.
PRC-005-6	Pending Regulatory Filing	TBD

[1] The effective date listed is the start date of when the standard becomes effective. This does not include the phased in approach.

[2] The effective date is dependent on when FERC approves PRC-005-6, which could be from three (3) months to one (1) year after submittal of the petition for approval.