

Standards Announcement

Project 2010-17 BES Definition
Rules of Procedure Modifications to Support BES Exception Requests
Comment Period Open September 13 – October 27, 2011

Details Are Now Available at: BES Rules of Procedure Page

The purpose of this announcement is to request stakeholder comments on proposed modifications to NERC's Rules of Procedure to support processing requests for exceptions to the definition of BES. The proposed modifications are posted for a 45-day comment period ending at **8 p.m. Eastern on Thursday, October 27, 2011**.

The Rules of Procedure modifications are being posted at this time to allow for comments in concert with two additional documents that are posted under NERC Standards Project 2010-17: 1) the BES and 2) draft application form titled: *Detailed Technical Information to Support a BES Exception Request*. The Definition of BES and the application form have already been posted for a parallel 45-day formal comment period that will end on Monday, October 10.

Formal 45-day Comment Period Open Through 8 p.m. Eastern on Thursday, October 27, 2011.

Two separate teams have been working in parallel to develop the documents necessary to respond to FERC Order Nos. 743 and 743-A, which directed NERC to revise the definition of the BES and to develop a proposed exemption process. This announcement pertains to the work of one of those teams, the Rules of Procedure team, which is working on modifications to NERC's Rules of Procedure to support processing requests for exceptions to the BES definition; the second team, the Definition of Bulk Electric System Standard Drafting Team (DBES SDT), has also recently posted its work for comment so that stakeholders will be able to review both sets of documents in concert.

The Rules of Procedure team has posted the following documents for comment:

 Proposed new Section 509 of NERC Rules of Procedure: Exceptions to the Definition of the BES

- Proposed new Section 1703 of NERC Rules of Procedure: Challenges to NERC Determinations of BES Exception Requests under ROP Section 509
- Proposed new Appendix 5C to NERC Rules of Procedure: Procedure for Requesting and Receiving An Exception From the Application of The NERC Definition of BES (clean and redline showing changes to May 2011 posting)

In addition, the following supporting documents have been posted for information:

- BES Exception Request flowchart and timelines
- Exception Request Form template
- The (DBES SDT) is drafting the definition of BES and an application form titled: Detailed Technical Information to Support a BES Exception Request. These documents have been posted for comment through October 10, 2011.

Instructions for Commenting

Please use this <u>electronic form</u> to submit comments. If you experience any difficulties in using the electronic form, please contact Eleanor Crouch at <u>eleanor.crouch@nerc.net</u>. An off-line, unofficial copy of the comment form is posted on the project page:

http://www.nerc.com/filez/standards/Rules of Procedure-BES.html

Next Steps

The Rules of Procedure drafting team will review comments submitted during this formal comment period to determine whether to make additional changes to the Exception Process. The DBES SDT will review the comments submitted during the formal comment period and the initial ballot to determine whether to make additional changes to the BES definition, the application form and the supporting documents.

Background

On November 18, 2010 FERC issued Order No. 743 and directed NERC to revise the definition of BES so that the definition encompasses all Elements and Facilities necessary for the reliable operation and planning of the interconnected bulk power system. Additional specificity will reduce ambiguity and establish consistency across all Regions in distinguishing between BES and non-BES Elements and Facilities.

In addition, NERC was directed to develop a process for identifying any Elements or Facilities that should be excluded from the BES. NERC is working to address these directives with two activities — the definition of BES is being revised through the standard development process, and a BES Definition Exception Process is being developed as a proposed modification to the Rules of Procedure.

FERC Order Nos. 743 and 743-A require that the definition and proposed exception process be filed by January 25, 2012.

Additional information concerning Project 2010-17 Definition of the Bulk Electric System can be found at: http://www.nerc.com/filez/standards/Project2010-17 BES.html. A Fact Sheet has been posted on this page that explains the phased approach approved by the Standards Committee to ensure that the DBES SDT meets the January 25, 2012 deadline for filing a revised definition of BES, while at the same time providing time to consider other issues identified by stakeholders and develop adequate technical justification for the approach the drafting team proposed to address those issues.

Standards Process and Process for Amending NERC Rules of Procedure

The <u>Standard Processes Manual</u>, which is Appendix 3A of the NERC Rules of Procedure, contains all the procedures governing the NERC standards development process. Section 1400 of the NERC Rules of Procedure and Article XI of the NERC Bylaws contains the procedures governing adoption, amendment, and repeals of the NERC Rules of Procedure. The success of the NERC standards development process depends on stakeholder participation. We extend our thanks to all those who participate.