

NERC Reliability Standards

Accelerated Transition to Version 0

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Accelerated Standards Transition

- Message from August 14: need for clear and measurable standards:
 - US/Canada TF Report Recommendation 25
 - FERC Reliability Policy Order
- Multiple sets of 'reliability rules' and processes
 - Operating policies, planning standards, compliance templates, new standards
 - Industry volunteer resources spread too thin
- Consensus on new standards takes time
- Need to minimize cost and impacts of standards transition
- Need to ensure reliability continuity

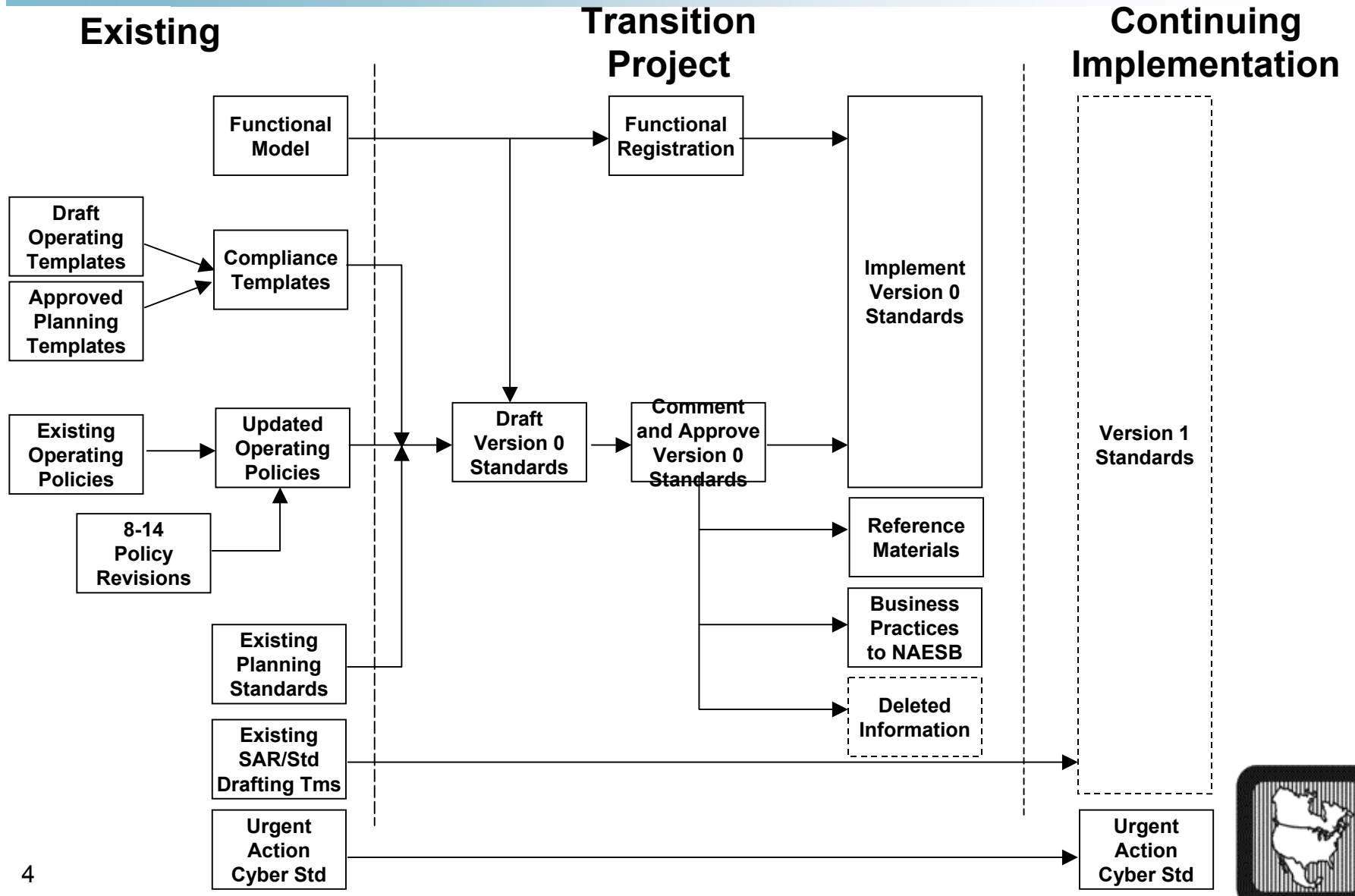


Objectives by 2/05

- Translate existing operating policies, planning standards, and compliance templates into 'Version 0' reliability standards
 - Identify functions
 - Split out business practice sections to NAESB
 - Minimal 'content' change
 - Use ANSI-accredited process
- Complete initial function registrations
- Adopt 'Version 0' standards and retire existing policies, standards, templates
- Consolidate resources for standards development
- Streamline standards process



Project Overview



Transition Steps

- Board approved compliance templates 4-2
- Revisions to Policies 5, 6, and 9 balloted
- Staff and consultant support available
- Drafting team nominations due 4/30
- SAR/Plan posted until May 19 (STMT)
- Committee inputs due 6/4
- Drafting team draft Version 0 due 7/2
- Committee meetings to review/key issues
- Post draft 2 August 30 to October 15
- Initial functional registration due October 31
- Committee approval Version 0 in November
- RBB ballot on Version 0 in December
- BOT adoption in February 2005



Version 0 Format Guidelines

- Template
 - Title
 - Purpose
 - Requirements
 - Measures
 - Regional Differences
 - Compliance Monitoring
- Control Area (FM Function)
- Identify potential
 - Business practices
 - References
 - Deletions
- Guides are not requirements
- Do not change scope of reliability rules



Benefits of Accelerated Transition

- Address FERC reliability initiative for enforceable standards
- Focus work on one set of reliability rules
- Use one, ANSI-accredited process
- Minimize initial impact of transition to new standards by removing “step jump”
- Reduce burden on industry to follow multiple groups
- Facilitate NAESB adoption of business practices
- Streamline standards development process going forward

