



NORTHEAST POWER COORDINATING COUNCIL, INC.
1040 AVE OF THE AMERICAS, NEW YORK, NY 10018 TELEPHONE (212) 840-1070 FAX (212) 302-2782

Date: September 8, 2009

To: NPCC Board of Directors

From: Guy V. Zito
Assistant Vice President – Standards
Chair Regional Standards Committee

Subject: Regional Standards Committee (RSC) September Report to the NPCC Board of Directors

Since the June, 2009 NPCC BOD Meeting Report, the RSC would like to highlight the following recent activities;

- Provided 14 recommendations or issues papers and comments to assist the NPCC members with all NERC standards ballots
- Reviewed and commented on 5 separate projects consisting of 6 standards and numerous technical documents and process posted for comment
- Submitted a Standards Authorization Request resulting in immediate “in process” substantive change to work underway for the draft Protection System Maintenance standard.

Further details on the RSC activities have included, but not been limited to the following:

- NPCC Directory development:
 - *Directory #1, Design and Operation of the Bulk Power System*, (A-02) the initial draft translation was posted for a second time in the NPCC Open Process. All comments have been addressed by the Task Force on Coordination of Planning (TFCP) The draft of Directory #1 will be presented to RCC at its September meeting for approval and subsequent Full Member ballot.
 - *Directory #3, Maintenance Criteria for BPS Protection*, was posted for a second Open Process Review to consider revisions to the Criteria section of the document . All comments were addressed by TFSP, and by Full Member ballot these revisions were approved on June 30, 2009.
 - *Directory #4, Bulk Power System Protection Criteria*, (A-05) the initial draft translation was posted to the NPCC Open Process. All comments have been addressed by the Task Force on System Protection (TFSP), and the draft of

Directory #4 will be presented to RCC at its September meeting for approval, and subsequent Full Member ballot.

- *Directory #5, Operating Reserve, A-06*, the initial draft is under review by the Task Force on Coordination of Operation (TFCO) in preparation for the initial 45 day posting in the NPCC Open Process.
- *Directory #12, Under frequency Load Shedding Program Requirements*, was approved by the Full Members on June 26, 2009.

The NPCC Underfrequency Shedding Regional Standard Drafting Team (RSDT) has completed the development of an initial draft of the proposed UFLS Regional Standard, and posted the document to the NPCC Open Process to receive comments. Currently those comments are being reviewed by the RSDT as drafting work on the standard continues.

The RSDT has proposed the following solutions to certain UFLS related issues within the standard:

✓ Small entities (less than 100MWs):

Modified the requirements for small entities such that fewer tripping stages are established, but frequency trip thresholds and percent of cumulative load shed are maintained as recommended by SS38 and approved by RCC.

✓ Generator Tripping:

Introduced a second curve in addition to the existing curve in Figure 1 of the draft UFLS standard. The new curve (from PRC-024), which coordinates with the NPCC UFLS Program characteristics would require generators that trip above the proposed second curve to provide the technical basis for their trip settings to the PC. However, they would not be required to obtain compensatory load shedding. Generators that trip above the existing curve (Compensatory Load Shedding Curve) in Figure 1 must still provide compensatory load shedding.

The RSC coordinated the respective NERC UFLS activities with all UFLS regional activities such as the development of Directory #12 (UFLS Program Requirements) and the parallel revisions to Directory #2 (Emergency Operation), both of which were recently approved by ballot of the Full Members..

All UFLS RSDT meetings are open and publicized on the NPCC Website and notifications of NPCC regional standard development activities and meetings are sent to NERC and adjoining regions.

- The Regional Standard Authorization Request (RSAR) for the NPCC Special Protection System, (SPS) regional standard has been drafted and accepted by the RSC. The RCC has assigned the drafting task, as outlined in the NPCC Regional Standards Development Procedure, to TFSP for drafting. The RSAR was also sent to NERC and posted on the NERC Regional Standards Development page. NPCC Standards staff will be participating with TFSP during the development of the Regional Standard. A whitepaper is being produced by TFCP that will provide some foundation concepts for the standard. The RSC anticipates starting this standard development in 2010.

- The Regional Standard for Disturbance Monitoring, (DM) has been drafted and its second posting in the NPCC Open Process for industry comment ended July 15, 2009. The Disturbance Monitoring Drafting Team (DMSDT) has reviewed the comments received, prepared responses to those comments, and made revisions to the Standard as necessary. The DMSDT is finalizing the Implementation Plan in preparation for preparing the documents. All meetings are open and publicized on the NPCC Website. Notifications are also sent to NERC and adjoining regions.

- The NPCC RSC continues to provide input to the NERC Standards Committee Process Subcommittee and is working to revise the NERC Reliability Standards Development Procedure Manual. Specifically being addressed and of interest to NPCC are:
 - Gaining efficiencies in the ERO standards process
 - Provided input into the NERC Alert System to dissuade NERC from continuing to utilize primary compliance contacts for future phases of the NERC Alert
 - Developed and is currently promoting a proposal for changes to the Formal Interpretation process to allow comment periods which was recently posted for comment on the NERC website
 - Proposed increase of the frequency that the Violation Severity Level and Applicability Matrix is published and achieved agreement at NERC to achieve this
 - Ongoing support of the Regional Variance procedure and recognition of Quebec as a separate interconnection and associated benefit of the rebuttable presumption of validity of its reliability variance, embedded within NPCC

- A revised tabulation of more stringent, regionally-specific NPCC Criteria (when compared with relevant NERC criteria), has been developed and issued to the New York Public Service Commission. Review of the tabulation will continue after the NPCC Directories are completed.

- NPCC coordinated ballot recommendation or provided issue statements on the following standards ballots:
 - Reliability Standards Development Procedure - Version 7
 - Project 2009-10 - Interpretation Of PRC-005-1 R1 By Compliance Monitoring Processes Working Group (CMPWG)
 - Project 2009-14 - Interpretation Of TPL-002-0 R1.3.10 By PacifiCorp Project
 - Project 2009-17 - Interpretation Of PRC-004-1 And PRC-005-1 R2 By Y-W Electric And Tri-State G&T
 - Project 2008-08 - EOP VSL Revisions
 - Project 2007-23 - Violation Severity Levels
 - Project 2008-14 - Cyber Security Violation Severity Levels
 - Project 2009-15 - Interpretation Of MOD-001-1 R2 And R8 And MOD-029-1 R5 And R6 By NYISO
 - Reliability Standards Development Procedure - Version 7
 - Project 2009-08 - Nuclear Plant Interface Coordination
 - Project 2008-07 - Interpretation Of EOP-002-2 R6.3 And R7.1 By Brookfield Power
 - Cyber Security Order 706B - Nuclear Plant Implementation Plan
 - Project 2009-18 - Withdraw Three Midwest ISO Waivers
 - Project 2009-13 - Interpretation Of CIP-006-1 R1.1 By PacifiCorp

- Project 2009-12 - Interpretation Of CIP-005-1 R4.2.2 And R1.3 By PacifiCorp
- Reviewed and coordinated consensus NPCC comments to the extent possible and transmitted same to NERC for the following:
 - Project 2006-06 - Reliability Coordination
 - Project 2006-08 - Transmission Loading Relief
 - Cyber Security Order 706B - Nuclear Plant Implementation Plan
 - Functional Model Technical Document - Version 5
 - Project 2008-06 - Cyber Security - Order 706 (Concept Paper Document)
- RSC reviewed the following Reliability First Corporation (RFC) Regional Standards
 - EOP-001-RFC-01 _ Emergency Operation Plans
 - EOP-501-RFC-01 - Transmission Emergency Action Plan
- NPCC RSC is participating in the activities of the NERC Regional Reliability Standards Working Group, RRSWG and coordinating standard development activities with the other Regions to achieve consistency, uniformity and promote reliability objectives throughout the Interconnections in North America. The September RRSWG Meeting will be held in the NPCC Offices. The use of templates and processes at the NERC level will be addressed.
- The NPCC is actively participating in the activities of the NERC Functional Model Working Group and development of Version 5 of the Functional Model as well as provided comments during the recent comment period.
- The NPCC RSC Executive Committee met to address issues that arose between RSC Meetings. Discussed were the FERC NOPR on PRC-023-1 Relay Loadability, the NERC Reliability Standards Development Plan, Proposed Changes to NERC Rules of Procedure Section 500 and Appendix 5, and changes to the NPCC Website. The NPCC RSC Executive Committee Meetings are open to all RSC members as well as the public.
- RSC has tentatively scheduled bimonthly conference calls to discuss items of importance between RSC Meetings.



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Date: September 8, 2009
To: NPCC Board of Directors
From: Stanley E. Kopman
Assistant Vice President – Compliance
NPCC
Subject: NPCC September, 2009 CMEP Summary Report

This document provides the NPCC Board of Directors with the latest summary of key regional issues, trends, and other significant events related to the CMEP and associated Compliance Committee activities.

- **Key Issues**

- NPCC has updated its Compliance Registry based on the latest information including those changes related to the issuance of its Compliance Guidance Statement (CGS) entitled *Defining Generator Materiality for Registration* (NPCC-CGS-002 Rev. 0).
- NPCC Compliance Staff continues its preparation for the NERC Audit of NPCC implementation of the CMEP under the Regional Delegation Agreement, scheduled from October 19-23, 2009. The IT portion of this audit will be conducted the week of November 9th, 2009.
- Subgroup of NPCC Compliance Committee has completed its assessment of the NPCC Compliance Staff's implementation of the Off-Site Audit portion of the Compliance Audit Program.

- **Status of Canadian MOU Development**

Québec – NPCC continues to review a revised version of the Québec Compliance Monitoring and Enforcement Program (QCMEP) from the Régie de l'énergie; the NERC Reliability Standards have been filed with the Régie de l'énergie, by HQT, the RC in Québec, in accordance with Québec legislation. The Régie de l'énergie is currently reviewing this submittal.

Ontario – A revised version of the MOU is being reviewed by NERC. A supporting protocol document is also being reviewed by NPCC Compliance Staff.

New Brunswick –Review of NBSO Compliance Program Implementation to be scheduled during 3rd or 4th quarter of 2009.

Nova Scotia – The latest draft of the four-party MOU (between NPCC, NERC, Nova Scotia Power Incorporated (NSPI) and Nova Scotia Utility and Review Board (NSUARB) is being developed by NSUARB.

- **Significant Events/Compliance Violation Investigations**

NPCC is involved in one active CVI.

- **Compliance Trends**

Entity has met all milestones required in the Remedial Action Directive issued by NPCC on May 29, 2009 related to FAC-003-1 violations. NPCC is currently reviewing the entity's mitigation plan to address the violations of FAC-003-1.

- **Latest Status of NPCC Violations Since Last Report**

- **Initial Notices of Alleged Violation Issued**

- Violations in the United States

NPCC issued four Initial Notice of Alleged Violation (INOAV) to one entity related to CIP-004-1.

NPCC issued three Initial Notices of Alleged Violation (INOAV) to one entity related to CIP-006-1.

NPCC issued two Initial Notices of Alleged Violation (INOAV) to an entity related to PRC-008-1.

NPCC issued Initial Notices of Alleged Violation (INOAV) to two entities (one each) related to PRC-005-1.

NPCC issued an Initial Notice of Alleged Violation (INOAV) to an entity related to CIP-001-1.

NPCC issued an Initial Notice of Alleged Violation (INOAV) to an entity related to PRC-001-1.

NPCC issued Initial Notice of Alleged Violation (INOAV) to two entities related to BAL-005-0.

- Violations in Canada

No new Violations this reporting period.

- **Status of NPCC Violations Settlement Activities**

NPCC has reached a Settlement Agreement related to two violations of FAC-003-1. The Settlement Agreement was forwarded to NERC on June 29, 2009.

NPCC has 12 violations, by four registered entities, related to CIP-001-1 that have revised Settlement Agreements that have been sent to be re-signed by both the registered entities and NPCC.

Settlement Agreements have been sent to NERC, for review and comment prior to signing, on August 14 2009 related to violations of VAR-002-1 and CIP-001-1.

NPCC continues in active settlement discussions with a registered entity related to nine violations of PRC-005-1.

Violations in Canada

NPCC continues settlement discussions with a Canadian entity related to four violations of FAC-003-1 and as reported earlier is in receipt of an associated mitigation plan that is being reviewed.

- **NPCC 2009 Compliance Audit Program**

- Nineteen (19) On-Site Audits are scheduled for 2009. Fourteen (14) have been completed to date.
- One hundred and twenty (120) Off-Site Audits are scheduled for 2009. Sixty (60) have been completed to date and eleven (11) are in progress.
- Approximately 200 spot checks will be conducted in 2009. All notification letters have been sent. Seventy-three (73) spot checks have been completed.



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Date: September 8, 2009
To: NPCC Board of Directors
From: Philip A. Fedora - Assistant Vice President – Reliability Services
Subject: Reliability Coordinating Committee (RCC) Report to the NPCC Board

The following items are scheduled for approval at the September 10, 2009 RCC meeting:

- ✓ June 3, 2009 Draft-For-Approval Meeting Minutes
- ✓ Roster Changes
- ✓ Disturbance Reports:
 - June 25, 2009 – Trip of the Phase II HVdc Interconnection
 - July 2, 2009 - Separation of New England and New Brunswick
- ✓ 2009/2010 NPCC Winter Multi-Area Probabilistic Assessment Scope & Schedule
- ✓ 2010 NPCC Tie Benefits Study Scope & Schedule
- ✓ NPCC Long Range Adequacy Overview Scope & Schedule
- ✓ CO-12 Working Group Scope
- ✓ CP-8 Working Group Scope
- ✓ Bulk Electric System Assessment Report
- ✓ Ontario Comprehensive Review of Resource Adequacy
- ✓ New England Control Area Comprehensive Transmission Review
- ✓ Bulk Power System Risk Assessment Recommendation
- ✓ A-10 Bulk Power System Methodology Review
- ✓ Underfrequency Load Shedding (UFLS) Implementation Plan
- ✓ Mitigation plans for Coordination of UFLS Tripping

The following items are to be considered by the RCC for submittal to the NPCC Membership for their approval:

- ✓ Directory # 1 – Design and Operation of the Bulk Power System
- ✓ Directory #4 – Bulk Power System Protection Criteria



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Date: September 8, 2009
To: NPCC Board of Directors
From: Stephen R. Allen, SalientPoint LLC
Chairman, Public Information Committee
Subject: Public Information Committee (PIC) Report to the NPCC BOD

NERC Regional Communications Group (RCG) Efforts

- Participated in monthly NERC RCG conference calls on July 7 and August 11. Communications-related agenda items included:
 - NERC three-year performance assessment – FERC filing on July 20 provided evaluation of NERC and Regional Entity effectiveness. No media release was issued as assessment was considered a routine administrative filing. NERC reported limited media interest.
 - NERC’s CIP Standards – Cyber security conferences, Homeland Security Committee hearing, and a report issued by LogLogic (security management firm) critical of NERC standards to protect U.S. critical infrastructure resulted in print media coverage (Bloomberg, SC Magazine, Federal Computer Week, PC World). NERC webinar on CIP Standards Revisions concept paper was held on August 25.
 - Executive Brief on “Electromagnetic Pulse & Geomagnetic Storm Events” posted on NERC website (but not distributed to media).
- September monthly conference call cancelled due to lack of new developments/updates.

NPCC/PIC Communications Coordination

- The above efforts resulted in no NPCC media inquiries and required no coordination with PIC members.