

NEW YORK STATE RELIABILITY COUNCIL
MEETING 207: July 8th, 2016
Report for Agenda Item 8.1: Michael Forte
NPCC Board of Directors Report

The upcoming NPCC Board of Directors (BOD) meeting will be held on August 3rd. The following is a summary of the NPCC Prioritized Reliability Issues List, which was discussed at the June 30th NPCC BOD Meeting.

NPCC Prioritized Reliability Issues List

NPCC maintains a Prioritized Reliability Issues List and evaluates the strengths, weaknesses, opportunities, and threats of various issues on the reliability of the bulk power system (BPS). At the June NPCC BOD meeting, the NPCC CEO & President discussed two areas of focus: (i) cyber and physical risks and (ii) resource adequacy. Highlights from the President's Report are summarized below.

I. Cyber and Physical Security

a. Prioritized Reliability Issues

- i. Near Term Issue – Safeguarding the BPS from vulnerabilities and asymmetrical risks created by physical and cyber threats in a cost effective manner.
- ii. Long Term Issue – Ability to assess and communicate with oversight entities and educate industry regarding the physical and cyber threats to the grid.
- iii. Strategic Response – Provide strategic leadership within the Electric Reliability Organization (ERO) Enterprise regarding implementation of NPCC compliance monitoring of CIP version 6 and CIP-014, and increase Inherent Risk Assessments (IRAs) performed in the NPCC Region to include all NPCC registered entities and Internal Controls Evaluations of all registered entities being performed in 2016.

b. NPCC Highlights

- i. At the Spring 2016 NPCC Compliance and Standards Workshop, NPCC presented an overview of the recently developed outreach program for entities that have Low Impact BES Cyber Systems. One outreach session has been completed and two more have been scheduled.
- ii. NPCC staff visited five facilities that are subject to the CIP-014-2 *Physical Security* and completed a reliability gap analysis for the facilities identified as “critical” by the Applicability section of the Standard. Additional facilities may be scheduled for review, as needed.
- iii. The 2016 Spring NPCC System Operator Seminar included a table-top exercise related to operating aspects of NERC Standards and presentations regarding GridEx III and events that occurred in each of the NPCC Balancing Authority Areas and in PJM.

II. Resource Adequacy

a. Prioritized Reliability Issues

- i. Near Term Issue – Assess reliability impacts relating to fuel security and variable resources such as grid-connected wind and solar.
- ii. Long Term Issue – Reliable integration of distributed resource technologies.

- iii. Strategic Response – Expand NPCC’s reliability assessments to include distributed energy resource penetration and its impact on essential reliability services (ESRs) and improve reliability by analyzing trends and underlying causes of events to quantify risk to the bulk electric system (BES).

b. NPCC Highlights

- i. The Interregional Planning Stakeholder Advisory Committee met in May 2016 to review the NCSP15, which is an update on system needs that could require potential interregional solutions, projects with potential cross border impacts, and next steps.
- ii. Twelve power flow cases were developed for the 2016 NPCC Library of Cases, which will be submitted to the Multiregional Modeling Working Group (MMWG) in July 2016. The MMWG aggregates the power flow cases from the six Regions within the Eastern Interconnection into the Eastern Interconnection Power Flow Cases for publishing in October 2016.
- iii. There were no reported NPCC Special Protection Systems (SPS) misoperations during the second quarter. There are 109 approved SPSs on the NPCC SPS List as of March 2016.
- iv. The Eastern Interconnection Reliability Assessment Group (ERAG) Steering Committee (SC) initiated the 2016 ERAG Reliability Assessment that builds on the 2015 Weather-Scenario Assessment to consider N-2 contingency analysis.