

FERC

Development of Regional Entity Standards

NERC Regional Standards



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TEXAS REGIONAL ENTITY



- NERC/TRE Delegation Agreement
 - First filing October 30, 2007
 - March 21, 2008, Commission Order to Amend
 - Effective as of April 5, 2008
- Registration
 - Users, Owners, and Operators – BPS/ BES
- Administer Regional Compliance Program
 - NERC Standards
 - Regional Standards
- Develop TRE Regional Entity Standards

Variations to NERC Standards



- Variations to NERC Standards
 - Entity Variance
 - Approved through NERC SDP
 - Regional Variance Less than Interconnections
 - Approved through NERC SDP
 - Voted by the Interconnection
 - Regional Variance Interconnection Wide
 - Approved through NERC SDP
 - NERC Rebuttable Presumption (Just and Reasonable)
 - Technically Correct – NERC and FERC
 - Voted by the Interconnection

MANDATORY REGIONAL STANDARDS



- RR07-11-000 ISSUED JUNE 8, 2007
 - Order Approving WECC RE Standards
 - Continuation of 8 WECC Mandatory Standards
 - Reliability Management System (RMS)
 - First RMS Standards Established in 1998
 - Standards Developed after 1996 Blackouts
- ONLY APPROVED RE STANDARDS
 - RFC has submitted Standards to NERC
 - MRO has submitted Standards to NERC

MANDATORY REGIONAL STANDARDS (continued)



TRE's Standard Development Procedures

- Exhibit C of the TRE Delegation Agreement
- The process that Texas RE may use to develop Regional Reliability Standards and Regional Variances that are proposed to NERC for adoption
- Set More Stringent Reliability Requirements than NERC Reliability Standard
- Cover Matters Not Covered by an Existing NERC Reliability Standard

MANDATORY REGIONAL STANDARDS (continued)



- TRE Standard Development Procedure
 - Any person affected by ERCOT BPS
 - Submit Standard Authorization Request (SAR)
 - Reliability Standards Manager (RSM)
 - Verifies correctness
 - Post the SAR for comment
 - Reliability Standards Committee (RSC)
 - Accept or Reject the SAR
 - Accepted SAR posted for Public Viewing
 - Direct Reliability & Operation Subcommittee to form SDT

MANDATORY REGIONAL STANDARDS (continued)



- TRE Standard Development Procedure (continued)
 - Reliability & Operation Subcommittee (ROS)
 - RSM request SDT members
 - ROS picks chairperson of SDT
 - SDT and RSM Develop Implementation Plan
 - SDT Drafts RE Standard
 - SAR Requirements
 - Implementation Plan requirements
 - Draft is Posted for Comments
 - Responds to comments
 - Determines with RSC if posted for Comments or Ballot

MANDATORY REGIONAL STANDARDS (continued)



- TRE Standard Development Procedure (continued -3)
 - NERC's BOT Approved TRE Standard Filed with FERC
 - FERC NOPR Team of OER, OGC, and OE Staff
 - OER Technical Review Panel Reviews Technical Aspect of TRE Standard
 - Commission Publishes NOPR
 - Posted for 45 Days comment period
 - FERC Order Team responds to Comments
 - Commission Publishes Order
 - Approves or Remands TRE Standard

LESSONS LEARNED



- Regional Reliability Standards Work Group
(RRSWG)
 - RRSWG is made up of
 - RE's Standards Managers (TRE; Judith James)
 - NERC Staff (Stephanie Monzon)
 - FERC Staff (Observer)
 - Coordinate RE Activities with NERC Activities
 - UFLS
 - Determines Impacts of FERC and NERC Procedures on RE
 - Reports Regional Activities to NERC SC

LESSONS LEARNED (Continued)



- Observation made By RRSWG
 - Possible Changes to Standards Development Procedures
 - Review of RE Standards by NERC Before Regional Vote
 - Remanded back to Region after RE BOT approval
 - Regional Entity Standards
 - Reviewed by RE OGC for Legal Correctness
 - Reviewed by RE Compliance Group
 - Administer Compliance Program
 - Develop VRF and VSL
 - Assistance from FERC Staff
 - Clarify Commission Directives
 - Assist in Developing Correct Standard Structure

Conclusions



- When applied correctly RE Standards and Variances are very beneficial.
- Procedures from Order 672 and Delegation Agreements are being reviewed for Improvement.
- Much More Work To do.
 - Reliable Standards for New Technology
 - Modify inefficient Procedures
 - Complete the NERC Standard Development Plan



Questions? Comments?

Personal Stories?

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Development of Mandatory Standards

Past to Present to Future



NERC Standards & Regional Standards



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