

Talk with Texas RE Self-Logging

December 10, 2015

Agenda

- 1. Process for Registered Entities to become eligible to self-log**
 - How to apply
 - Texas RE's formal review of your registered entity's eligibility to self-log
- 2. The self-logging process itself**
 - How to draft proper self-log submissions

What is Self-Logging?

A form of self-reporting

Can replace individual Self-Reports

Registered entity logs minimal risk noncompliance

- Log contains detailed description of issue, risk assessment, and mitigation
- Submitted to Regional Entity for review and approval at least once every 3 months
- Once approved, presumed appropriate for compliance exception treatment

Self-Logging Eligibility Process Overview

Request and Review

- Registered entity requests to participate
- Texas RE reviews the request (and supporting documents)

Approval

- Texas RE sends a participation letter to the registered entity

Logging

- Registered entity submits first log on date indicated in the participation approval letter
- Texas RE will notify NERC of participants

Self-Logging Eligibility Review Process, cont.

- **Registered Entities request to participate in the Self-Logging Program**
- **To submit a formal request, do three things:**
 1. Complete the Self-Logging Program Participation Request Template
 2. Include any documents (processes, etc.) describing your internal controls
 3. Email Texas RE at: enforcement@texasre.org with the subject line “Request for Evaluation – [Registered Entity Name]”

Self-Logging Webpage – Request Document



Texas RE webCDMS Access

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- NERC COMPLIANCE
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 - Self-Logging Program**
 - Mitigation Planning
 - Posted Violations
 - Sanctions and Penalties
 - Settlement Procedures
 - Hearing Process
 - Risk Assessment

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Self-Logging Program

The self-logging program permits registered entities that possess sufficient internal controls to maintain a self-logging spreadsheet for eligible minimal risk noncompliance issues. The registered entity typically submits its noncompliance logs to Texas Reliability Entity, Inc. (Texas RE) at least once every three months. There is a presumption that these self-logged minimal risk noncompliance issues will be resolved as Compliance Exceptions.

RELATED LINKS

[NERC RAI Page](#)

To determine a registered entity's eligibility to self-log, Texas RE conducts a formal review of the registered entity's internal controls. To participate in the self-logging program, the registered entity must demonstrate that it has sufficiently institutionalized processes in place to identify, assess, and correct operational risks to reliability. The details regarding the evaluation process for these internal controls are described in the May 20, 2015 ERO Enterprise Self-Logging document below.

To be evaluated for self-logging, please complete the "Self-Logging Program Participation Request" form below, attach any relevant documents regarding your internal controls you believe Texas RE should consider in its formal evaluation, and send an email to enforcement@texasre.org with the subject line "Request for Evaluation - [Registered Entity Name]." Upon receiving the request, Texas RE will contact you regarding any additional information we may need to complete our review. Once Texas RE receives all the necessary information, we will begin the process of evaluating whether your registered entity is eligible to self-log. Following completion of our evaluation, Texas RE will provide you with a written notice regarding whether your registered entity qualifies for self-logging and an explanation of the factors affecting Texas RE's determination. Texas RE may also limit your registered entity's self-logging activities to certain categories of Reliability Standards or identified Reliability Standard requirements.



DOCUMENTS

[May 20, 2015 ERO Enterprise Self-Logging Program Document](#)
(Nov 12, 2015 , .pdf, 278 KB)

[FERC Order Accepting NERC Compliance Filing](#)
(Nov 12, 2015 , .pdf, 212 KB)

[Self-Logging Program Participation Request](#)
(Dec 09, 2015 , .docx, 72 KB)



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<http://texasre.org/cmep/enforcement/selflogging/Pages/Default.aspx>

Self-Logging Program Participation Request Template

Provides a template for descriptions of internal controls

Assists Texas RE in understanding and framing your internal processes

Streamlines Texas RE's eligibility review

Self-Logging Eligibility Review Process, cont.

After Texas RE receives your formal request, template, and documents...

Texas RE may request additional information to complete the formal review

Notice Provided

Formal Eligibility Evaluation Begins

Self-Logging Eligibility Criteria

- **Texas RE will review your registered entity's:**
 - History with Texas RE
 - Compliance history
 - Texas RE's experience with your entity
 - Evidence of effective processes for identifying possible noncompliance
 - Timing and quality of self-reports
 - Risk Assessment Ability/Quality
 - Mitigation Performance
 - Internal Compliance Program
 - Inherent Risk
 - Proposed Self-Logging Procedure (optional)

Self-Logging Webpage – Program Document



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<http://texasre.org/cmep/enforcement/selflogging/Pages/Default.aspx>

Texas RE's Determination

- **Texas RE will provide formal, written notification of our eligibility determination.**
- **The determination will include:**
 - Whether the registered entity qualifies for self-logging
 - The basis for Texas RE's decision
 - The Reliability Standards for which the registered entity is eligible to self-log
 - The date the first self-log is due

Self-Logging Revocation

- **Registered entities' eligibility to self-log may be revoked if:**
 - The registered entity logged instances of noncompliance are insufficient due to:
 - Unclear or missing information
 - Unsupported risk determinations
 - Inadequate mitigation
 - The registered entity has repeated, avoidable inaccuracies in its log
 - The registered entity has misrepresented information

Self-Logging Process

- **Registered entity submits log to Texas RE on or before due date**
 - Submit to enforcement@texasre.org
 - Future system changes to allow submittal through webCDMS
- **Texas RE Enforcement will review the log to ensure that the logged instances of noncompliance are:**
 - Adequately identified and described
 - Reasonably and justifiably assessed as minimal risk, and
 - Adequately and appropriately corrected (i.e. mitigated)

Elements of a Complete Self-Log Entry

- 1. Region, Name of Entity, NCR**
- 2. Standard and Requirement**
- 3. Description of Remediated Issue**
 - Discovery date
 - How your registered entity discovered issue
 - Applicable functions
 - Standard requirement language at issue and how your registered entity violated it
 - Detailed description of the violation
 - Duration of the violation (date it began and ended)
 - Root cause statement
- 4. Description and status of mitigation activities**
- 5. Completion date for all mitigation activities**
- 6. Date issue reported to Texas RE**

Guidance for Drafting Log Submissions

- CE Spreadsheet located on NERC Enforcement and Mitigation page
- <http://www.nerc.com/pa/comp/CE/Pages/Enforcement-and-Mitigation.aspx>

The screenshot shows the NERC website's navigation menu and the Enforcement and Mitigation page. The left sidebar contains a list of links, including "Enforcement and Mitigation". The main content area is titled "Enforcement and Mitigation" and includes a list of links for various documents. A red arrow points to the link for the "Searchable Compliance Exception (CE) Spreadsheet".

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Program Areas & Departments > Compliance & Enforcement > > Enforcement and Mitigation

Enforcement and Mitigation

2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008

Clicking:

- "View NOP >>" displays a copy of the Notice of Penalty filed by NERC with the listed Regulatory Authority for the listed violations by the listed registered entity;
- "View Order >>" indicates that the Regulatory Authority has issued an Order, and clicking it displays a copy of the Order;
- "Response >>" displays a copy of a document other than an Order by the Regulatory Authority;
- "NERC Filing >>" displays a copy of a document, other than an NOP, filed by NERC with the listed Regulatory Authority regarding the listed violations; and
- "Statement" displays a copy of the statement that the registered entity submitted to NERC regarding the listed violations.

All Regulatory Files documents listed are posted in descending order by filing date.

For the Searchable Notice of Penalty Spreadsheet, click [here](#).
The Searchable Notice of Penalty (NOP) Spreadsheet is based on filed NOPs and is provided for informational purposes only. In the event of a conflict between information on the Searchable NOP spreadsheet and filed NOPs, the filed NOPs govern.

For the Public Non-CIP violations in the Searchable Spreadsheet Notice of Penalty Spreadsheet, click [here](#).
For the Public CIP violations in the Searchable Spreadsheet Notice of Penalty Spreadsheet, click [here](#).
The Searchable Notice of Penalty (NOP) Spreadsheets are based on filed NOPs and is provided for informational purposes only. In the event of a conflict between information on the Searchable NOP spreadsheet and filed NOPs, the filed NOPs govern.

For the Public Non-CIP remediated issues in the Searchable Find, Fix, Track and Report (FFT) Spreadsheet, click [here](#).
For the Public CIP remediated issues in the Searchable FFT Spreadsheet, click [here](#).
The Searchable FFT Informational Filing Spreadsheets are based on remediated issues that were submitted for informational purposes only. In the event of a conflict between information on the Searchable FFT spreadsheet and filed FFTs, the filed FFTs govern.

For the Public Non-CIP issues in the Searchable Compliance Exception (CE) Spreadsheet, click [here](#).
For the Public CIP issues in the Searchable CE Spreadsheet, click [here](#).
The Searchable CE Spreadsheets are based on noncompliance that were posted and are provided for informational purposes only.

Minimal Risk Only!

Items that Cannot be Self-Logged

Examples of what cannot be self-logged:

- Noncompliance posing moderate or greater risk
- Loss of load
- Instability to the BPS
- Uncontrolled separation
- Cascading blackouts
- Vegetation contracts causing extended outages
- Systemic or significant performance failures
- Intentional or willful acts/omissions
- Gross negligence

If issues on the log are not appropriate for self-logging, Texas RE will notify the registered entity

- Issue should be self-reported through webCDMS as a self-report

Questions

