

# NERC

NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

## TAPS presentation April 27, 2009

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NERC Board of Trustees

to ensure  
the reliability of the  
bulk power system

## To ensure the reliability of the bulk power system in North America

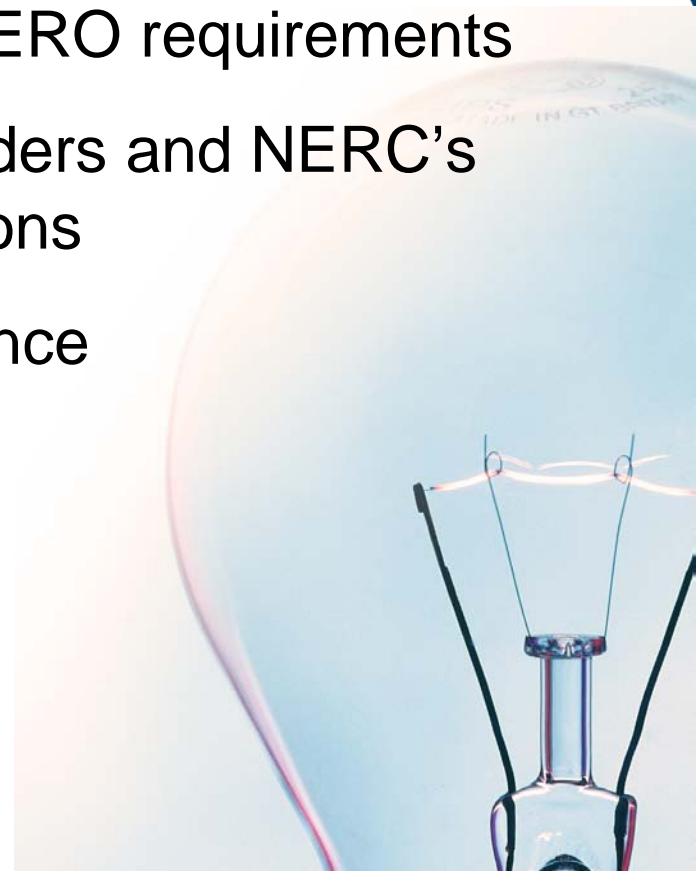
- Develop & enforce reliability standards
- Analyze system outages and near-misses & recommend improved practices
- Assess current and future reliability



Maintaining balance between stakeholder interests and public regulatory responsibilities critical to NERC's success

# Performance Assessment Scope

- Mandated requirement to assess ERO performance three-years after certification
  - Explanation of how NERC fulfills ERO requirements
  - Recommendations from stakeholders and NERC's response to those recommendations
  - Assessment of regional performance

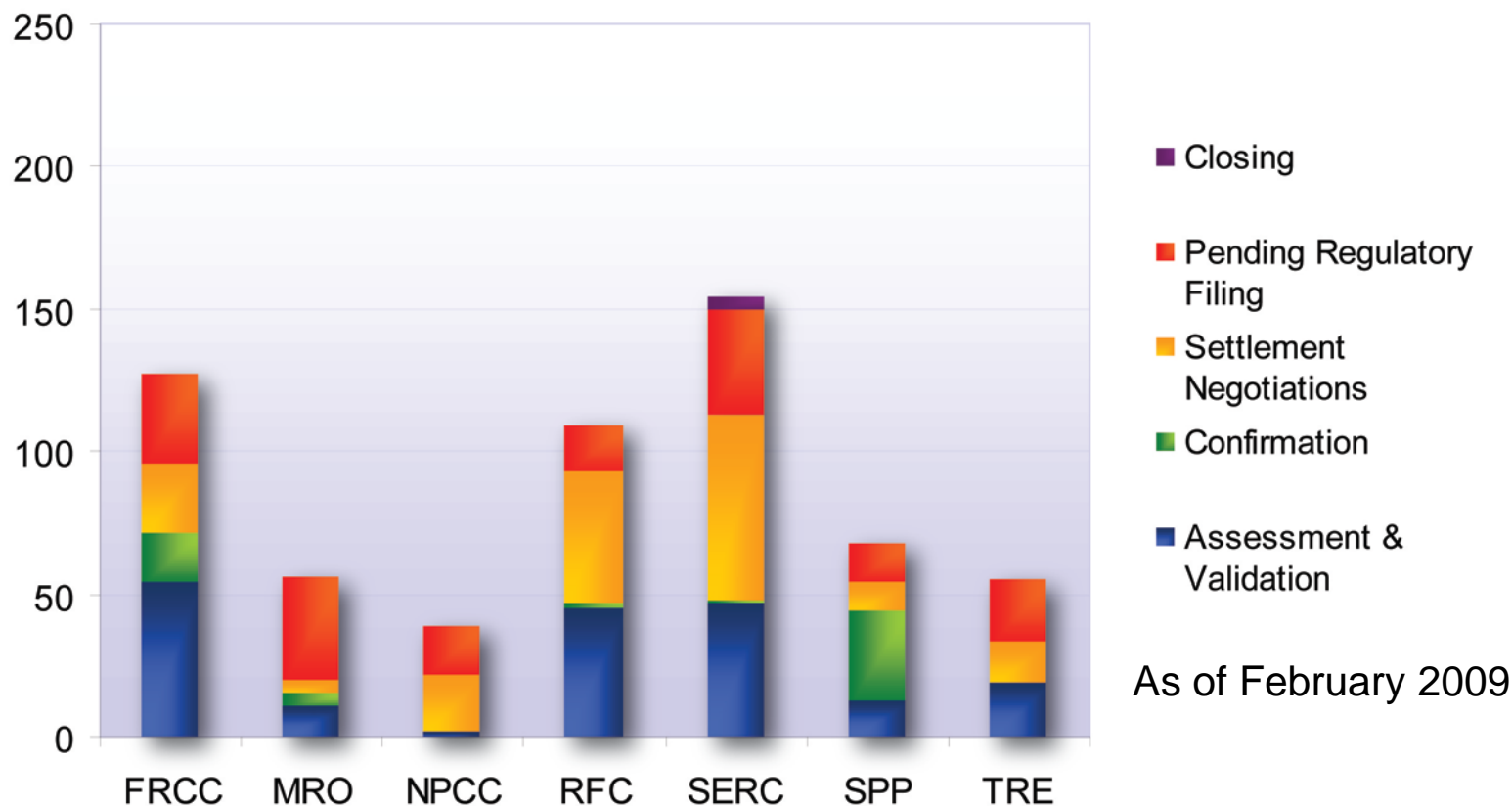


# Performance Assessment Schedule

| Date     | Action   |
|----------|--|
| April 25 | First draft of the assessment will be posted for comment |
| May 5-6  | Assessment discussed at May BOT/MRC meeting              |
| ~ May 15 | Stakeholder Workshop                                     |
| May 29   | Deadline for stakeholder comments                        |
| July 1   | Revised draft posted                                     |
| July 13  | Board to consider revised draft                          |
| July 20  | Submit to regulatory authorities                         |

# Compliance Backlog Improving

**Pending Violations Summary by Process Steps**  
**FERC Enforceable Alleged Violations Summarized by Status**





- Significant increase expected, tied to expansion of ERO role and cyber security

| Date      | Action  |
|-----------|---|
| April 24  | First draft posted for stakeholder comment                    |
| May 15    | Comments due on first draft                                   |
| June 15   | NERC-FAC-approved second draft posted for stakeholder comment |
| July 3    | Deadline for stakeholder comments on draft 2                  |
| August 4  | Board of Trustees Approval                                    |
| August 24 | Filing with governmental authorities                          |

- High priority for electric industry
- Activities underway to help the industry secure critical infrastructure go beyond the standards
  - Alerts system can reach 1800 entities in minutes
    - Used to provide guidance on “Conficker” worm
  - Education effort
- Additional government authority is needed to address specific, imminent cyber threats

- System Protection Initiative
- Integration of Variable Generation
- North American Synchro-Phasor Initiative
- Reliability Metrics & Benchmarking







# Question & Answer