



# PJM Transmission Owners & NERC Reliability Standards Compliance

March 4, 2010

Tom Bowe

- Provide the TOAAC with:
  - an Overview of PJM's recent compliance audit
  - Immediate Lessons Learned
  - Areas for future work and consideration

- Order 693 – RFC Reliability Standards Compliance Audit
  - Over 300 Requirements and Sub-Requirements
- CIP Compliance Spot Check
  - The following Standards and requirements are within the scope of this Spot Check:
    - CIP-002-1 R1, R2, R3
    - CIP-003-1 R1, R2, R3
    - CIP-004-1 R2, R3, R4
    - CIP-007-1 R1
    - CIP-008-1 R1
    - CIP-009-1 R1, R2
- Substantial Pre-work – over 40K pages of evidence submitted

- 24 Auditors – 3 teams of 8
  - 6 From FERC (3 - CIP),
  - 3 from NERC (1 - CIP)
  - 4 from SERC (1 CIP) remainder were RFC (3 CIP)
- Many with direct PJM Member experience
- NERC present to “observe” RFC and SERC
- FERC present to “observe” NERC, Regions, PJM
- Observers are active auditors

- COM-002, R2 – Three Part Communications
  - What is a directive?
- VAR-001 R2, R9 – Reactive Resources
  - “Acquire” Reactive Resources
  - SOL Definition
  - Post Contingency Local Load Relief Warnings (PCLLRW)

1. PJM's definition/application of SOLs to facilities 230 kV and above vs. all BES facilities
2. Post Contingency Local Load Relief Warnings (PCLLRW)
3. Performance of TOP tasks/duties by non-PJM personnel (Examples: 138 kV capacitor switching/operation, system restoration) (TOP/TO Relationship Issue)

- Not an issue for discussion during the Audit
- PJM spent a lot of time setting the stage for our operating relationship
- NERC seemed to push issue, but RFC staff intervened
- Not an issue for CIP-002 – as it was for ERCOT
- RFC Leadership still in support of our registrations
- Value in our:
  - TOP/TO Matrix
  - PJM Certification
  - TO Audits
- But – Future FERC discussions?

- **Agreements with Neighbors**
  - RTO to RTO JOA vs. TOP to TOP/BA
- **Communications with Neighbors**
  - TOP to TOP vs. RC to RC
- **TPL – Planning Standards**
  - PC & TEAC Records
- **PRC-001 – Relay Coordination**
  - Relay Subcommittee Work

- Value of “Compliance Bulletins”
- Evidence Mapping –
  - All Versions of Everything
  - When is Too Much? 40K pages, 400 page survey response?
- Preparation
  - Opening Presentation
  - Tour
  - SME’s in Navigating the Evidence
- Rapid and Organized Response to RFI’s
- Very positive support of our TO’s – Thank You

- SOL Definition – May need to evolve
- Operator training – Spring Seminar?
- Refinements to the TOP/TO Matrix
- Future TOP/TO Discussions with our Regulators

- **PJM's Four CVI's**
  - Three returned with possible non-compliance
  - Common Themes
    - COM-002
    - PRC-001
  - March 30<sup>th</sup> Meeting with RFC Staff
- **Relays and Certification – still an issue with FERC**

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