



MINUTES
PJM Interconnection
Reliability Standards & Compliance Subcommittee

Monthly WebEx

Wednesday, March 18, 2010
10:00 AM
Dial-in Number: as posted
Participant Code: as posted

Attendees:

The list of attendees is unavailable.

1. ADMINISTRATIVE

- a. Call to Order
- b. Roll Call & Introductions
- c. Antitrust Guidelines
 - Mr. Moleski read the antitrust guidelines and called for questions. None received.
- d. Compliance Disclaimer
 - Mr. Moleski read the compliance disclaimer, and called for questions. None received.
- e. Approval of the Agenda
 - Mr. Brown was asked to add the Frequency Excursion of 3/18/10.
 - Revised Agenda was approved.

2. MINUTES

- The Reliability Standards & Compliance Subcommittee approved the minutes of the February 18th WebEx without additions or corrections. In the minutes for the March 3rd

meeting, there was a correction made to the dates for the compliance training in Allentown. The meeting minutes for the March 3rd meeting were approved as amended.

3. NERC & REGIONAL COMMITTEE UPDATE

- a. Mr. Brown reported that the NERC Standards Committee had a light agenda. The top 10 concerns were listed – the most concern was around Cyber Security. Legislation currently being discussed would give FERC the authority over the power system during “Major Events”. Also calls for FERC to make standards to address the “Aurora Event” within 180 days. A member added that the Aurora Vulnerability Notification is now out for a 60 day comment period. Another member commented that there is the potential to require spares for large transformers. This will represent a significant expense, and require a large lead time to build an inventory. Government will assist the industry w/ advice. Some comments made that this could be the first step toward nationalization of the grid. Several members expressed their skepticism that the FERC had the expertise to do this.
- b. NERC Standards Committee also discussed the change in Violation Risk Factors (VRFs). Mr. Brown will forward the new VRF levels – five suggested now instead of three (One added @ top, one added @ bottom). The intent was not to make a tool that fit every situation, merely to provide the Standard Drafting Teams with better guidance and tools.
- c. Mr. Bryson presented preliminary details on the frequency disturbance of 7am, March 18. PJM had a gen/load mismatch. The Area Control Error (ACE) went approximately 2,000 MWs low. PJM has initiated a Root Cause Analysis. A member questioned whether this was a reportable item. Mr. Bryson replied that a RCIS summary went out, in accordance with EOP-004. Mr. Bryson also pointed out that this was an event involving multiple facilities.

4. STANDARDS DEVELOPMENT ACTIVITIES

- a. Voltage & VAR SAR – in proposal stage. Object is a continent wide “coordinated set of reactive criteria”, with a focus on planning. There was some discussion on the difference between an administrative standard, and a reliability standard.
- b. Vegetation Management – This standard is the test standard for the new reliability-based format. There appears to be little change in substance; mainly formatting. The drafting team will be using informal comment periods along with the required formal comment period. Mr. DiCaprio highlighted that one requirement says the standard applies to IROL facilities, and the next requirement says that the standard applies to all other facilities.
- c. FERC Order 729 – No comments
- d. Disturbance and Sabotage reporting SAR – The SDT has discussed the word Sabotage, and posted a concepts paper for industry comment. Mr. DiCaprio’s concern centers on including all reporting in one standard. Mr. DiCaprio also has concerns about defining “Situational Awareness” in a NERC standard. A new term has been included, “Impact Events”. There are

also some concerns that if an event doesn't get reported, that an "expert" at FERC could decide that it should have been reported.

- e. The subcommittee decided to pass on an item by item review of the standards up for ballot & comment.
- f. Demand Response Registration – Functional Model Working Group is looking for expert advisors to participate.

5. COMPLIANCE ACTIVITIES

- a. PJM is currently involved in 4 Compliance Violation Investigations. RFC has issued the Analysis & Findings for three of them. N&RC will be traveling to RFC to discuss the evidence with the RFC Compliance Enforcement staff.
- b. NUC-001 – PJM will be making manual changes to clearly demonstrate PJM's compliance with this standard.
- c. Mr. Moleski informed the members of PJM's plan for the MOD-017 & MOD-019 data submittals to RFC.
- d. CIP Spot Check Results – RFC has provided its exit presentation to PJM. There are a few potential non-compliances, mostly administrative in nature, one of which centers on remote access to the EMS. A member commented that out of an overabundance of caution, his company actually disabled their remote access for a period in time while they negotiated w/ RFC. Another issue was related to Personal Risk Assessment (PRAs). PJM has documentation that the PRA was done, but didn't actually have the results on file. Mr. Brown promised more details as they become available.
- e. Pending FERC Actions – Mr. Brown agreed to add them to the agenda for the next meeting.
- f. A member commented that CIP Version 2 takes effect April 1st. There are no changes worth mentioning.

6. MEMBER ISSUES

No member issues noted.

7. FUTURE MEETING DATES

Face-to Face: May 18, 2010

August 19, 2010

- Mr. Heimbach noted that PPL will be hosting compliance training in Allentown, PA on May 18 7 19, and stated that there will be additional seats available. Mr. Brown will follow-up with Mr. Hoopes at PPL to determine if there is an opportunity to combine the RSCS meeting with the training.

Monthly WebEx: Third Thursday of every month.

ADJOURN

- Barry Skoras, PPL, made a motion to adjourn.
- Ellen Oswald, EMMT, seconded the motion. Meeting adjourned.