



2020 Spring Compliance Seminar

This document provides SERC staff responses to questions asked by entities. The information provided herein is intended, on its date of posting, to provide guidance to the industry. Actions based on this information shall have no standing for the purpose of contesting or mitigating any findings of noncompliance by SERC. Compliance depends on a number of factors including the precise language of the Standard, the specific facts and circumstances, and the quality of evidence. Compliance will continue to be determined based on language in the NERC Reliability Standards as they may be amended from time to time.

- 1. PRC-001-1.1(ii):** SERC posted a question and answer in their [January 2020 Newsletter](#) concerning PRC-001 Requirement R3. Requirement R3 requires a GOP and TOP to “coordinate all new protective systems and all protective system changes”. Protection System is a NERC defined term. Is SERC stating that an entity is required to notify other entities for any changes/replacements to any of the elements of a Protection System (e.g., battery chargers; PT or CT devices; control circuitry; etc.)? Would SERC please confirm? Would SERC Clarify whether they are referring to Protection System (defined) or any element of a protection system (non-defined)? Could you clarify that this is only TOP and GOP?

RESPONSE:

The current and enforceable PRC-001-1.1(ii) uses the term protective systems in Requirement 3, not the NERC defined term Protection System (capitalized). SERC audits standards in accordance with the language of the standard. In this case, protective systems would be the non-defined term and would include any element of a protection system. R3.1 is applicable to the GOP, and R3.2 is applicable to the TOP for coordination of all new protective systems and all protective system changes with its Transmission Operator and Host Balancing Authority(s). PRC-001-1.1(ii) is being retired on 9/30/2020, and Requirement 3 will be addressed by PRC-027-1. PRC-027-1 clarifies the coordination aspects and incorporates the reliability objectives of Requirements R3 and R4 from PRC-001-1.1(ii). PRC-027-1 explicitly refers to “Protection System settings”. Please refer to Attachment A of PRC-027-1 that clearly delineates applicable Protection System functions that require coordination with other Protection Systems.

- 2. PRC-001-1.1(ii):** Our entity investigated the consideration of comments for PRC-001 as part of our research for Q1; and we became aware of the question posed by Northeast Power Coordinating Council. It appears Northeast Power Coordinating Council requested the SDT to modify “protective system” (undefined) to “Protection System” (defined); but we cannot find the response to this question. If SERC and NERC defined “protective system” as something else; can SERC please communicate this to the entities? Is this response regional specific? Could you clarify that the response would be accepted across the ERO?

RESPONSE:

The language concerning protective systems in PRC-001-1.1(ii) has remained the same and was not changed to the NERC defined term “Protective Systems”. SERC does not define “protective system” as anything different from the standard language. No, this response is not regional specific. Also, please reference the response to question 1 above.

3. As an entity in the process or revising, and attempting to create a more streamlined and user friendly set of CIP Policies, various sources of guidance were consulted, including the Guidelines and Technical Basis included in CIP-003, the SERC Responses to [REF Session Questions Posted dated 10/10/2018](#), the [March SERC Newsletter](#) and a third party consultant. There seems to be some disagreement as to what is preferable: a document that is overarching, providing key objectives with defined roles and responsibilities, versus a policy document written in a manner that will be audited by confirming that every requirement and sub-requirement is specifically cited.

- a. To be compliant, is it sufficient to just state in the policy that the entity shalland recite the standard, indicating a commitment to follow the standard? Must a “shall statement” for each requirement be made in the policy to ensure that the entity is “committed” to following every requirement and sub-requirement? This approach would seem to provide little benefit or guidance to the reader as to accomplishing the intent of the Standards.
- b. Must every requirement and sub-requirement really be explicitly addressed in policy documents to be compliant with CIP-003?
- c. It appears the guidance provided by the auditors to the REF FAQ is different than the guidance provided by the assist team. Which one governs?

Under review. Response to be posted upon receipt.

4. CIP-004 R4 requires the following.

Process to authorize based on need, as determined by the Responsible Entity, except for CIP Exceptional Circumstances:

- 4.1.1. Electronic access;
- 4.1.2. Unescorted physical access into a Physical Security Perimeter; and
- 4.1.3. Access to designated storage locations, whether physical or electronic, for BES Cyber System Information.

Question: With respect to CIP-004 R4.1.3, does the CIP Exceptional Circumstance provision extend to the BES Cyber System Information as well as the designated storage location?

Under review. Response to be posted upon receipt.

5. PRC-006-3: With respect to Requirement 2, is there any expected periodicity for identifying the islands that require study? Absence any verbiage requiring a specified periodicity, would an entity be found compliant if they identified islands, for example every 10 years, if their criteria document permitted that interval?

RESPONSE:

A UFLS design assessment must be performed at least once every five years. Identifying the island is essential to the UFLS design assessment.

Follow-up Question:

Please provide rationale for the periodicity of at least every five years as R2 makes no mention of how often the criteria must be applied. R4 does require that a UFLS design assessment be made every five years. However, that would seem to be of the islands previously identified in R2. While it does make sense to periodically apply the criteria, it is not as clear that the standard has

established the required frequency of applying the criteria. Please provide rationale for the response given.

Follow-up Response:

A UFLS design assessment must be performed at least once every five years. The criteria developed in R1, to select portions of the Bulk Electric System that may form islands, and the identification of one or more islands to serve as a basis for the Planning Coordinator design of its UFLS program in R2 are key elements that support the five year UFLS design assessment to ensure it meets the performance characteristics in Requirement R3 for each island identified in Requirement R2. Simulating the design assessment at least every five years validates the Planning Coordinator's design, therefore requiring analysis of the island boundaries based on the most up-to-date System configuration.

- 6. PRC-006-3:** The standard is clear with respect to doing a design assessment within two years of an islanding event; however, assuming that the design criteria is applied once every five years and at that time a new island is identified. In that situation the new island was not identified because of an event, but rather periodically applying the criteria. The question is how much time does an entity have to design or modify the existing design after the new island is identified?

RESPONSE:

This scenario would result in the current UFLS design not meeting the performance characteristics in Requirement R3; therefore, Requirement R15.1 would be applicable.

Requirement Reference: R15.1. For UFLS design assessments performed under Requirement R4 or R5, the Corrective Action Plan shall be developed within the five-year time frame identified in Requirement R4.

7. PRC-026-1: Scenario

March 2019 - Transmission Owner that has been notified by its Planning Coordinator in an annual process that the BES Element has been identified and is subject to the PRC-026 Standard. This action would have initiated the Requirement 2 to determine that the load responsive relays meet the PRC-026 criteria.

January 2020 - The Planning Coordinator provides an updated list of BES Elements subject to the PRC-026 Standard. The BES Element is not identified on the list that the Planning Coordinator provided.

Question: If the Transmission Owner has not determined (as required by R2) whether or not the relays are set pursuant to PRC-026 (since receiving the March 2019 notification), must the relays still be evaluated? Assuming not, what evidence would be sufficient to demonstrate that no action was required?

RESPONSE:

See responses posted for PRC-026 (#053) and PRC-026-1 (#054) under Standards category on the [Q&A and Lessons Learned](#) page of the SERC website.

8. PRC-026-1: Scenario

March 2019 - Transmission Owner that has been notified by its Planning Coordinator in an annual process that the BES Element has been identified and is subject to the PRC-026 Standard. This action would initiate the implementation of Requirement 2 to determine that the load responsive relays meet the PRC-026 criteria.

November 2019 - The Transmission Owner determines that the relays on the identified BES Element do not meet PRC-026 Attachment B criteria.

Question: Would this determination initiate the requirement to complete and implement a Corrective Action Plan?

RESPONSE:

See response posted for PRC-026-1 (#054) under Standards category on the [Q&A and Lessons Learned](#) page of the SERC website.

- 9. PRC-026-1:** With respect to Requirement R1, since the Planning Coordinator in which the BES Element is located has the responsibility to identify any BES Elements that are subject to the PRC-026 Standard, is that the only source that the Transmission Owner has a responsibility to act upon relative to PRC-026?

RESPONSE:

Yes, the PC responsible for the Planning Area in which the BES Element is located would be the only function to provide a list of elements that meet the criteria in Requirement R1.