

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Reliability Monitoring, Enforcement
and Compliance Issues

Docket No. AD11-1-000

AGENDA FOR THE TECHNICAL CONFERENCE

(November 2, 2010)

The Federal Energy Regulatory Commission (Commission) issued a notice on October 1, 2010 that it will hold a Commissioner-led Technical Conference on November 18, 2010 in the above-referenced proceeding to explore issues associated with reliability monitoring, enforcement and compliance. The Commission announced the conference in its September 16, 2010 order that accepted the North American Electric Reliability Corporation's initial assessment in Docket No. RR09-7-000 of its performance as the nation's Electric Reliability Organization (ERO), and performance by the Regional Entities, under their delegation agreements with the ERO.¹

This Technical Conference will be held in the Commission Meeting Room (2C) at Commission Headquarters, 888 First Street, NE, Washington, DC 20426, from 1 p.m. until 5:00 p.m. EST. Attached is the Agenda for the conference. The Commission will issue a later notice that lists the panelists for the conference.

The conference will be transcribed and Webcast. Transcripts of the conference will be immediately available for a fee from Ace-Federal Reporters, Inc. (202-347-3700 or 1-800-336-6646). A free webcast of the conference is also available through www.ferc.gov. Anyone with Internet access who desires to listen to this event can do so by navigating to www.ferc.gov's Calendar of Events and locating this event in the Calendar. The event will contain a link to its webcast. The Capitol Connection provides technical support for the webcasts and offers the option of listening to the meeting via phone-bridge for a fee. If you have any questions, visit www.CapitolConnection.org or call 703-993-3100.

All interested parties are invited and there is no registration list or registration fee to attend.

¹ *North American Electric Reliability Corporation; Reliability Standards Development and NERC and Regional Entity Enforcement*, 132 FERC ¶ 61,217, at P 12 (2010).

For further information, contact Roger Morie by e-mail at roger.morie@ferc.gov or by phone at 202-502-8446 (before November 11, 2010), and Gregory Campbell by e-mail at gregory.campbell@ferc.gov or by phone at 202-502-6465 (after November 11, 2010).

Nathaniel J. Davis, Sr.,
Deputy Secretary.

Attachment: Agenda for the Technical Conference

AGENDA FOR THE TECHNICAL CONFERENCE

- I. Opening Statements (1 – 1:15 pm)
- II. Panel 1: Reliability Standards Compliance and its Monitoring by Regional Entities and NERC (1:15 – 2:45)

- Status of compliance: what are the current trends in possible violations and levels of compliance, including the numbers of audits, possible violations, self-reports and penalties

Critical Infrastructure Protection (CIP) and non-CIP Violations

“Documentation” Violations and “Performance” Violations

- Are Regional Entities and NERC conducting compliance audits and other compliance processes consistently across the country? How does NERC test for consistency?

Are there inconsistencies in audit processes and audit results? If so, what kinds and why? What are current specific examples?

How do NERC and the Regional Entities set priorities of what to audit, and are they doing a good job setting priorities?

Do audits focus too much on documentation? Would alternative auditing methods also demonstrate compliance and improve reliability?

Possible improvements or solutions

- Event Analysis and Compliance

Focus on the potential tension between event analysis/lessons learned and NERC/RE compliance and enforcement activities

- How can the Commission, NERC and the Regional Entities help create a culture of compliance?

- III. Break (2:45 – 3:00)

AGENDA FOR THE TECHNICAL CONFERENCE
(Continued)

IV. Panel 2: Violation Processing and Penalties (3:00 – 4:30)

- Streamlining processes to reduce compliance violation backlogs and minimize future backlogs

Regional Entity and NERC levels of review

Appropriate Notice of Penalty records

Development of “traffic tickets,” “parking tickets” and “warning tickets”

- How effective are the NERC Sanction Guidelines, and are they applied consistently? What changes may be warranted to improve effectiveness and/or consistency of the Sanction Guidelines?
- Do current enforcement and compliance processes provide proactive approaches and improve reliability by reducing future reliability standard violations and system disturbances?

What metrics are currently utilized for compliance-based reliability improvement?

What do these metrics show?

How can the Commission, NERC and the Regional Entities promote transparency of results and dissemination of lessons learned?

V. Questions from the Audience (4:30 – 4:50)