



Federal Energy Regulatory Commission
May 14, 2014
Open Commission Meeting
Staff Presentation
Item E-1

"Good morning Chairman Bay and Commissioners,

"Today we will provide a summary of Item E-1.

"Agenda item E-1 is a draft Notice of Proposed Rulemaking addressing proposed Reliability Standard TPL-007-1 (Transmission System Planned Performance During Geomagnetic Disturbances), also referred to as the Second Stage GMD Reliability Standard. The North American Electric Reliability Corporation (NERC) developed and submitted the proposed Reliability Standard in response to Order No. 779. The draft Notice of Proposed Rulemaking proposes to approve the Second Stage GMD Reliability Standard, including the associated violation risk factors, violation severity levels, implementation plan and effective dates.

"While proposing to approve the Second Stage GMD Reliability Standard, the draft Notice of Proposed Rulemaking, pursuant to the Commission's authority under section 215(d)(5) of the Federal Power Act, proposes to direct NERC to develop three modifications to the Second Stage GMD Reliability Standard. First, the draft Notice of Proposed Rulemaking proposes to direct NERC to modify the "benchmark GMD event" definition set forth in Attachment 1 of the Reliability Standard so that the "reference peak geoelectric field amplitude" component of the definition is not based solely on spatially-averaged data. Second, the draft Notice of Proposed Rulemaking proposes to direct NERC to develop revisions to the proposed Reliability Standard to require installation of monitoring equipment (i.e., geomagnetically-induced current monitors and magnetometers) to the extent there are any gaps in existing monitoring and magnetometer networks, to ensure a more complete set of data for planning and operational needs. Third, the draft Notice of Proposed Rulemaking proposes to direct NERC to develop revisions to the proposed Reliability Standard to establish specific deadlines for the development of corrective action plans and the completion of activities called for in corrective action plans.

"In addition to the three proposed directives, the draft Notice of Proposed Rulemaking proposes to direct NERC to study and submit informational filings addressing areas including spatial averaging, earth conductivity models, and how data from geomagnetically-induced current monitors and magnetometers can be made available to researchers. In the first informational filing, which would be due six months following the effective date of a final rule in this proceeding, NERC would submit a work plan that includes a schedule for conducting the directed research and for submitting one or more informational filings that apprise the Commission of the results of the four additional study areas as well as any other relevant developments in GMD research. In the submissions, NERC would also assess whether the Second Stage GMD Reliability Standard remains valid in light of new information or whether revisions are appropriate.

"The draft Notice of Proposed Rulemaking seeks comment on these proposals and other issues. Comments are due 60 days after publication of the Notice of Proposed Rulemaking in the Federal Register.

"This concludes our presentation, we are happy to take any questions you may have."