

Agenda

Project Management and Oversight Subcommittee (PMOS) Meeting

March 14, 2018 | 8:00– 10:00 a.m. Mountain

Dial-in: 1-415-655-0002 | Access Code: 737 681 815 | Meeting Password: 031418

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Introduction and Chair's Remarks

NERC Antitrust Compliance Guidelines and Public Announcement*

Agenda Items

1. **Review March 14 Agenda - (Approve)** (C. Yeung)
2. **Consent Agenda – (Approve)** (C. Yeung)
 - a. January 31, 2018 Project Management and Oversight Subcommittee Meeting Notes*
3. **Review of Prior Action Items – (Review)** (S. Barfield-McGinnis)
4. **Project Tracking Spreadsheet (PTS) – (Review)**
 - a. 2015-09 – Establish and Communicate System Operating Limits – **(Update)** (K. Lanehome)
 - b. 2015-10 – Single Points of Failure TPL-001 – **(Update)** (M. Pratt)
 - c. 2016-02 – Modifications to CIP Standards – **(Update)** (K. Lanehome, A. Mayfield, or K. Rosener)
 - i. Directives and Control Center Communication Networks
 - ii. TO Control Centers performing TOP obligations
 - iii. Version 5 TAG, Cyber Asset and BES CA (BCA) definitions, Network and Externally Accessible Devices (ESP, ERC, IRA), Virtualization, and CIP Exceptional Circumstances
 - d. 2016-04 – Modifications to PRC-025-1 – **(Update)** (C. Yeung)
 - e. 2017-01 – Modifications to BAL-003-1 – **(Update)** (A. Casuscelli or L. Lynch)

¹ When joining the web portion, start with the web link first. Once logged in, a dialog box will open with all numbers or an option for WebEx to call your number. More importantly, it will give you your ATTENDEE ID#. Please use that number, if calling in, when prompted to do so. It links your web session to the caller on the phone.

- f. 2017-02 – Modifications to Personnel Performance, Training, and Qualifications Standards – **(Update)** (M. Brytowski)
 - g. 2017-03 – Periodic Review of FAC-008-3 Standard – **(Update)** (M. Pratt)
 - h. 2017-04 – Periodic Review of Interchange Scheduling and Coordination Standards – **(Update)** (C. Yeung)
 - i. 2017-05 – Project 2017-05 NUC-001-3 Periodic Review – **(Update)** (C. Bellville or A. Casuscelli)
 - j. 2017-06 – Modifications to BAL-002-2 – **(Update)** (K. Lanehome)
 - k. 2017-07 – Standards Alignment with Registration – **(Update)** (M. Brytowski)
5. **Other**
- a. Next meeting – conference call Wednesday, April 25, 2018 from noon to 1:30 Eastern
6. **Adjournment**

*Background materials included.

Antitrust Compliance Guidelines

I. General

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

II. Prohibited Activities

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.

- Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.

III. Activities That Are Permitted

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation, Bylaws, and Rules of Procedure are followed in conducting NERC business.

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.

Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

Public Announcements

REMINDER FOR USE AT BEGINNING OF MEETINGS AND CONFERENCE CALLS THAT HAVE BEEN PUBLICLY NOTICED AND ARE OPEN TO THE PUBLIC

For face-to-face meeting, with dial-in capability:

Participants are reminded that this meeting is public. Notice of the meeting was posted on the NERC website and widely distributed. The notice included the number for dial-in participation. Participants should keep in mind that the audience may include members of the press and representatives of various governmental authorities, in addition to the expected participation by industry stakeholders.

Meeting Notes

Project Management and Oversight Subcommittee (PMOS) Conference Call

January 31, 2018 | Noon to 1:30 p.m. Eastern

Introduction and Chair's Remarks

Chair C. Yeung called the meeting to order at 12:03 p.m. Eastern. The Chair provided the subcommittee with opening remarks and welcomed members and guests. All members were in attendance.

Members included: Colby Bellville, Michael Brytowski (vice chair), Amy Casuscelli, Ken Lanehome, Linda Lynch, Ash Mayfield, Mark Pratt, Kirk Rosener, and Charles Yeung (chair).

Observers included: Rachel Coyne, Brenda Hampton, Quinn Morrison, and Guy Zito.

NERC Antitrust Compliance Guidelines and Public Announcement

NERC Antitrust Compliance Guidelines and Public Announcement were reviewed by S. Barfield-McGinnis. There were no questions.

Agenda Items

1. Review of Agenda

C. Yeung reviewed the agenda with members and attendees.

2. Consent Agenda

S. Barfield-McGinnis noted to the group that action for Project 2017-02 on the agenda needed to be updated to "accept baseline" rather than "review." Both the amended agenda and PMOS December 6, 2017 Meeting Notes were approved by consent.

3. Review of Prior Action Items

S. Barfield-McGinnis reported there were no action items from the December 6 meeting.

4. Project Tracking Spreadsheet (PTS) and Project Review

- a. 2013-03 – Geomagnetic Disturbance Mitigation – S. Barfield-McGinnis noted that the project was filed with the Federal Energy Regulatory Commission and could be archived in the PTS. There were no objections.
- b. 2015-09 – Establish and Communicate System Operating Limits – K. Lanehome reported the project could post in March or April.
- c. 2015-10 – Single Points of Failure TPL-001 – M. Pratt reported the documents are in quality review. The team is removing the Reliability Coordinator functional entity. The team approach is to classify single points of failure as a new "P8" category for redundancy. G. Zito expressed caution about using the term "redundancy" for the category.

- d. 2016-02 – Modifications to Critical Infrastructure Protection (CIP) Standards – K. Lanehome reported the team would be meeting in mid-February and post CIP-012 for comment and ballot at the end of February. The team anticipates presenting the standard to the NERC Board of Trustees (Board) in May 2018 for adoption. He also noted that the team is updating the implementation plan for CIP-002.
- e. 2016-04 – Modifications to PRC-025-1 – C. Yeung deferred to S. Barfield-McGinnis for the update. He noted that the project will be moving forward for adoption by the Board at their February 2018 meeting.
- f. 2017-01 – Modifications to BAL-003-1 – L. Lynch reported the team was meeting today and would be combining the two Standard Authorization Requests (SAR). Anticipate delivering to Standards Committee (SC) in March to authorize final posting of SAR and move to standard drafting.
- g. 2017-02 – Modifications to Personnel Performance, Training, and Qualifications Standards – M. Brytowski reported that the SC approved the SAR and the Project 2017-02 SAR drafting team (SAR DT) was appointed as the standard drafting team for the standard development process. The standard was posted January 22, 2018 for a 45-day comment period and closes on March 7, 2018. No issues are anticipated with this project. He also presented the proposed project baseline schedule to the group. The following baseline schedule was presented to attendees:
 - i. 1/22/2018 – Initial Ballot
 - ii. 4/27/18 – Final Ballot
 - iii. 5/9/18 – Board Adoption
 - iv. 6/9/18 – Filing (date is typically 30 days after Board)

A motion by M. Brytowski was made to accept the baseline as presented. The motion was properly seconded and passed unanimously.

- h. 2017-03 – Periodic Review of FAC-008-3 Standard – M. Pratt reported the periodic review team had a conference call on January 11, 2018 and will have an in-person meeting February 5, 2018 to review responses.
- i. 2017-04 – Periodic Review of Interchange Scheduling and Coordination Standards (INT) – C. Yeung updated attendees that the INT review team has posted the comment form with recommendations for comment through February 23, 2018. They will review the responses at their next meeting at the end of February. The main recommendation is to retire INT-004-3.1 and INT-010-2. There are also recommendations to remove terms from the standards for “emergency” and “on-time” due to ambiguity.
- j. 2017-05 – Project 2017-05 NUC-001-3 Periodic Review – A. Casuscelli noted that the review team’s preliminary recommendations have been posted for a 45-day comment period ending January 29, 2018. A conference call will be scheduled to review the comments received and finalize the team recommendations.

- k. 2017-06 – Modifications to BAL-002-2 – K. Lanehome reported that the team is working on the SAR and plan to deliver to the SC in February for acceptance and to appoint the SAR team as the drafting team.
- l. 2017-07 – Standards Alignment with Registration – M. Brytowski reported that the team met at CAISO on January 17, 2018. The team has a call on March 8, 2018 and anticipates posting a SAR in February 2018, and present the SAR at the March 2018 SC meeting.

5. PMOS Membership

- a. NERC received a request from Sean Cavote, PSEG, to join the PMOS. C. Yeung led a discussion on whether there is a need to augment the PMOS with additional members. It was determined that projects were adequately covered and there was not a need to add members to PMOS. S. Barfield-McGinnis took an action item to respond to S. Cavote on the PMOS decision. The discussion raised questions concerning opportunities for PMOS to be engaged on other projects like the Standards Efficiency Review (SER) project.

6. Other

- a. C. Yeung asked the PMOS members if there were ways the PMOS Liaisons could have provided input to the Critical Infrastructure Protection Notice of Proposed Rulemaking that proposed a number of directives. There were no specific input identified by the members or other attendees.
- b. C. Yeung asked members what could be done to increase visibility on Guideline development with Standards projects. Members provided a couple of ideas, such as, adding the information to the weekly Standards and Compliance bulletin. S. Barfield-McGinnis took an action item to investigate.
- c. C. Yeung reminded the group the next PMOS meeting will be in-person at the Western Electricity Coordinating Council (WECC) Regional Entity in Salt Lake City, Utah on Wednesday, March 14, 2018 from 8:00 to 10:00 a.m. Mountain.

7. Action Items

- a. Ensure the team holds a webinar for Project 2015-10 Single Points of Failure. (M. Pratt)
- b. Update Project 2016-02 Modifications to CIP Standards PTS dates to the third comment period for CIP-012 and the third and fourth comment period for CIP-002. (S. Barfield-McGinnis)
- c. Update Project 2017-01 Modifications to Bal-003-1 to note that the two SARs were combined to the PTS. (S. Barfield-McGinnis)
- d. Update Project 2017-02 Modifications to Personnel Performance, Training, and Qualifications Standards with baseline schedule. (S. Barfield-McGinnis)
- e. Research ways to improve visibility of Reliability Guidelines, Implementation Guidance, and other documents related to standards. For example, adding links to the weekly Standards and Compliance bulletin. (S. Barfield-McGinnis)

- f. Determine if there are opportunities for PMOS to become engaged with the upcoming SER project. (S. Barfield-McGinnis)

8. Adjournment

C. Yeung adjourned the meeting at 1:31 p.m. Eastern.