Standards Announcement

NERC Standard Processes Manual Revisions to Implement SPIG Recommendations
Posted for a 30-day Stakeholder Comment Period: June 20, 2012 – July 19, 2012

Now Available

Proposed revisions to the NERC Standard Processes Manual (SPM) to implement the Standard Process Input Group's (SPIG) recommendations have been posted for a 30-day comment period through July 19, 2012. To support the revisions, explanatory text boxes have been included within the revised SPM, and a white paper and the original SPIG recommendations have also been posted for additional background information and rationale.

Instructions for Commenting
Please use this electronic form to submit comments. If you experience any difficulties in using the electronic form, please contact Monica Benson at monica.benson@nerc.net. An off-line, unofficial copy of the comment form is posted on the project page.

Next Steps
When it approved the draft SPIG recommendations in May, the NERC Board of Trustees (BOT) set December 31, 2012 as the deadline for filing the proposed SPM and associated Rules of Procedure (ROP) changes with FERC, and directed the Standards Committee (SC) to bring a proposed package of revisions to the standards process for its adoption in November. After the comment period closes on July 19, 2012, a comment report will be circulated and the SC Process Subcommittee (SCPS) and its sub-teams will revise the SPM and associated documents accordingly. The SPM and ROP changes will then be posted for a 45-day formal comment period and initial ballot in August, 2012, revised according to comments, and, ideally, be posted for a 10-day recirculation ballot in October, 2012. The documents will then be presented to the NERC BOT and prepared for filing.

Background
At its February 9, 2012 meeting, the NERC Board of Trustees (BOT) requested the assistance of the NERC Member Representatives Committee (MRC) to provide policy input, and a proposed framework, for specific improvements to the standards development process. The MRC Chair and Vice Chair invited several members of the MRC, two NERC BOT members, the NERC CEO, and the Standards Committee (SC) Chair – the group collectively known as the SPIG – to join with them as participants in developing recommendations to improve the standards development process in the following key areas:

- Clarity on the reliability objectives, technical parameters, scope, and the relative priority of the standards project

- The drafting process (developing the specific technical content of the standard)

- Standards project management and workflow

- Formal balloting and commenting

To help ensure that the SPIG focused its efforts on the most important areas for improvement, the group began its work by gathering input from subject matter experts, including the regions, the MRC, standard drafting team leaders, NERC staff, and other stakeholders. This input was collected through a series of interviews, supplemented by a formal survey.

Based on that input, the SPIG produced a document with five recommendations to modify the way NERC develops Reliability Standards and other solutions intended to improve the priority, product, and process of standards development:

1. **American National Standards Institute (ANSI):** NERC should continue to meet the minimum requirements of the ANSI process to preserve ANSI accreditation.

2. **Reliability Issues Steering Committee (RISC):** The NERC BOT is encouraged to form a RISC to conduct front-end, high-level reviews of nominated reliability issues and direct the initiation of standards projects or other solutions that will address the reliability issues.

3. **Interface with Regulatory and Governmental Authorities:** The NERC BOT is encouraged to task NERC management, working with a broad array of Electric Reliability Organization resources (e.g., the MRC, technical committees, Regional Entities, trade associations, etc.) to develop a strategy for improving the communication and awareness of effective reliability risk controls to increase input and alignment with state, federal, and provincial authorities.

4. **Standards Product Issues:** The NERC BOT is encouraged to require that the standards development process address the use of results-based standards; cost effectiveness of standards and standards development; alignment of standards requirements/measures with Reliability Standards Audit Worksheets (RSAWs); and the retirement of standards no longer needed to meet an adequate level of reliability.

5. **Standards Development Process and Resource Issues:** The NERC BOT is encouraged to require the standards development process to be revised to improve timely, stakeholder consensus in support of new or revised reliability standards. The BOT is also encouraged to require standard development resources to achieve and address formal and consistent project management and efficient formation and composition of standard drafting teams.

The recommendations also aim to strengthen consensus building, first on the need for a standard, and then on the requirements themselves. Further detail is available in the posted SPIG report.

These recommendations were presented to the BOT and approved on May 9, 2012. The SC was specifically charged with addressing SPIG Recommendations 1, 4, and 5. The SC has organized this effort by leveraging

each of its subcommittees, the Process Subcommittee (SCPS) and the Communications and Planning Subcommittee (SCCPS), to work in parallel on developing proposed revisions and conducting outreach to industry stakeholders to ensure that all interested stakeholders have an opportunity to provide their input.

Since May, sub-teams of the SCPS, supported by NERC standards and legal staff, have developed proposed revisions to the SPM and associated changes to Section 300 of NERC's Rules of Procedure (ROP). These sub-teams have focused on changes in the following categories:

- Sub-team 1: Analysis of ANSI requirements and streamlining commenting and balloting

- Sub-team 2: RSAWs and essential elements of a standard

- Sub-team 3: Options for handling 'no' votes to ensure drafting teams have the information they need to perform their work

- Sub-team 4: Cost Effective Analysis Process

The proposed revisions from these sub-teams are included in the posted redline version of the SPM, and the SCPS is looking forward to industry feedback on its work.

An oversight team composed of SC leadership and NERC standards and legal staff is managing the project. This group has reviewed all proposed changes from the sub-teams and will coordinate the schedule of postings, SC materials for approval, and BOT materials for approval.

Separate but related projects are already in progress to implement aspects of the SPIG recommendations that do not require changes to the SPM. These include efforts to develop a Cost Effective Analysis Process (CEAP) and train drafting teams to have a role in developing RSAWs.

The next six months will require hard work of industry stakeholders – both the SC and its subcommittees, as well as those participating in these process revisions by offering formal and informal comments – but the result will be a more efficient process that produces sound, technically excellent standards in a way that makes better use of limited industry resources.

Additional documentation is available on the project page.

Standards Development Process
The Standards Processes Manual contains all the procedures governing the standards development process. The success of the NERC standards development process depends on stakeholder participation. We extend our thanks to all those who participate.

For more information or assistance, please contact Monica Benson, at monica.benson@nerc.net.