

EOP-012-3

Generator Cold Weather CAP Extension and Constraint Process

Purpose

This Electric Reliability Organization (ERO) Generator Cold Weather Corrective Action Plan (CAP) Extension and Constraint Process document addresses how ERO Enterprise staff will review generator cold weather CAP extensions and Constraints developed under Reliability Standard EOP-012-3 Requirements and Attachment 1. The extension requests for a non-US Registered Entity should be implemented in a manner that is consistent with, or under the direction of, the applicable governmental authority or its agency in the non-US jurisdiction.

NERC Compliance Assurance & Certification will maintain this document under existing ERO Enterprise processes. This document will be reviewed and updated by NERC Compliance Assurance & Certification, as needed. Notification to industry on changes will occur through The North American Electric Reliability Corporation's (NERC's) normal public posting and industry announcements to maintain industry awareness. The steps outlined here will help to ensure a timely, structured, and consistent approach to CAP extension request and Generator Cold Weather Constraint submittals and processing.

Each Compliance Enforcement Authority (CEA) is responsible for providing staff to facilitate timely processing in a consistent manner. NERC Compliance Assurance & Certification will provide training, oversight, and guidance, as needed, for successful implementation of this process. A templated submittal form as well as guidance on materials that support timely and consistent processing will be provided in the appropriate format (e.g., training, outreach, guides, etc.).

CAP Extension Request Review Process

Process Overview

If a registered entity has determined that a CAP developed in accordance with EOP-012-3 Requirements R6 or R7 cannot meet the timetable provided per R6 Part 6.3 or R7 Part 7.1, then the entity will submit an extension request to the ERO Enterprise for approval no less than 60 calendar days prior to the original required CAP completion date¹. It is the Generator Owner's (GO's) obligation and responsibility to provide clear documentation with the extension request in a timeframe that allows the ERO Enterprise to process the request effectively.

The entity will work with the Regional Entity designated as its CEA as outlined in this process. The entity submitting the extension request will be referred to as the 'submitting entity' and may represent only itself or multiple registered entities who have developed a joint extension request². The submitting entity is

¹ The ERO Enterprise is aware that in certain situations the submittal timeframes may not be met due to circumstances beyond the control of a Generator Owner. The ERO Enterprise will prioritize efforts to help ensure timely processing of extension requests as these circumstances arise.

² As a single Corrective Action Plan may be developed for multiple sites and multiple entities, a Corrective Action Plan extension request may be done in a similar manner.

responsible for ensuring all registered entities jointly submitting the extension request are listed in the requested information below and for distributing any communications from its CEA to the other entities that are part of the joint extension request. If a joint extension request is submitted for multiple registered entities who have different Regional Entities designated as the CEA, the submitting entity's CEA will perform the steps outlined in this process and will be responsible for coordinating with the Regional Entity(ies) that are the designated CEA for the additional entities party to the joint extension request.

For entities in Coordinated Oversight, the CEA for this process is the Lead Regional Entity (LRE). The LRE will coordinate with the Affected Regional Entity(ies) (ARE) and the AREs may participate in the joint review as well.

Step 1 – Registered Entity Submittal

If an entity determines that it cannot meet the required timetable for completing a CAP, the submitting entity will submit the requisite data to their CEA through Align and the Secure Evidence Locker (SEL) or other process tools as directed by the CEA. It is expected that data will be marked in accordance with Section 1500 of the Rules of Procedure in a similar manner to the evidence provided during a Compliance Audit.

Entities are encouraged to submit the extension request as soon as they are aware they will not meet the CAP completion date, but no later than 60 calendar days before the original required completion date. The 60-day timeframe provides the submitting entity and the CEA sufficient time to have discussions, as needed, prior to the required completion date. It is the submitting entity's responsibility to ensure that all information detailed in EOP-012-3 Part 6.4 or Part 7.2 and requested in Align is provided in the entity's extension request to facilitate the review.

Step 2 – ERO Enterprise Review

The CEA will acknowledge receipt of the submission in writing (either through Align or email) within 15 calendar days and verify that all information detailed in EOP-012-3 Part 6.4 or Part 7.2 is provided in the submittal. The CEA will work with the submitting entity to provide any missing information. The CEA will notify NERC of the extension request submittal and provide all associated information when acknowledging receipt of the submission.

The CEA will then perform a review³ of (1) the circumstances beyond the control of the entity preventing implementation of the CAP within the identified timetable; (2) the revisions to the selected actions in the CAP; and (3) the updated timetable for implementing the selected actions. Any additional information requested to support the extension request review will be coordinated with the submitting entity by the CEA. The CEA will complete the review within 45 calendar days of acknowledgement or provide notification to the submitting entity that they are extending the time needed for review.

Examples of circumstances beyond the control of the responsible entity include, but are not limited to⁴:

³ NERC may choose to participate in any review at its own discretion or at the request of the CEA.

⁴ The list provided is not exhaustive. Clear explanation of the facts and circumstances that demonstrate "beyond the control" is needed. The concept of "beyond the control" is also used in Reliability Standards FAC-003 Requirements R1 and R7, PRC-004 Requirement R5, TPL-001-5.1 Requirement R2, and TPL-007 Requirements R7 and R11.

- Delays resulting from regulatory/legal processes, such as permitting.
- Delays resulting from stakeholder processes required by tariff.
- Delays resulting from equipment lead times; or
- Delays resulting from unit outages being denied.

Due diligence (i.e., reasonable steps taken) in ordering equipment, obtaining permits, scheduling outages, etc., will be considered as part of the determination of whether a particular set of facts constitute circumstances beyond the control of the entity.

Step 3 – Registered Entity Notification

The CEA will communicate the approval or denial of the extension request or continuation of the time needed to review the extension request in writing to the submitting entity including the rationale for the determination. For any continuation of the review, the CEA will also provide the submitting entity with a revised timeline for when the determination will be provided. If an extension request is denied, the selected actions in the CAP need to be completed in accordance with the original timetables.

If a CAP extension request was denied, the submitting entity may request, within 15 calendar days of denial, a joint NERC and CEA review of the denial. The joint review should take no longer than 10 calendar days (subject to the information and resources available.) NERC and the CEA will evaluate the information provided and the submitting entity will be notified of the determination.

Step 4 – Reporting to NERC

Quarterly, the CEA will provide NERC with a report that, at a minimum, includes each extension request, whether the request was approved or denied, and the CEA's rationale for its decision. NERC will periodically provide trending and analysis of aggregated anonymized CAP extension requests for industry awareness and guidance.

Constraint Review Process

Process Overview

If a registered entity has determined that a Generator Cold Weather Constraint, developed in accordance with Reliability Standard EOP-012-3 Attachment 1, exists, the entity will work with the Regional Entity designated as its CEA to submit the Generator Cold Weather Constraint, with supporting documentation, to the CEA for review, evaluation, and validation or approval as outlined in this process.

The entity submitting the Generator Cold Weather Constraint(s) will be referred to as the 'submitting entity' and may represent itself or multiple registered entities under the same ownership with the same Generator Cold Weather Constraint. The submitting entity is responsible for ensuring all registered entities included are listed in the requested information and is for distributing any communications from its CEA to the other entities that are part of the Generator Cold Weather Constraint. If a Generator Cold Weather Constraint is submitted for multiple registered entities under the same ownership who have different Regional Entities designated as the CEA, the submitting entity's CEA will perform the steps outlined in this process and will

be responsible for coordinating with the Regional Entity(ies) that are the designated CEA for the additional entities party to the Generator Cold Weather Constraint.

For entities in Coordinated Oversight, the CEA for this process is the Lead Regional Entity (LRE). The LRE will coordinate with the Affected Regional Entity(ies) (ARE) and the AREs may participate in the joint review as well.

Step 1 – Registered Entity Submittal

If an entity determines that it meets the required Generator Cold Weather Constraint language within Attachment 1, the submitting entity will submit the requisite data to their CEA through Align and the Secure Evidence Locker or other process tools as directed by the CEA. It is expected that data will be marked in accordance with Section 1500 of the Rules of Procedure in a similar manner to the evidence provided during a Compliance Audit.

Entities are encouraged to submit the Generator Cold Weather Constraint as soon as they are aware they will meet the Generator Cold Weather Constraint language within Attachment 1 but are required to meet EOP-012-3 Requirement R8⁵. Early submittal is requested to allow the CEA time to review, evaluate, and validate or approve the Generator Cold Weather Constraint.

If an entity determines a Generator Cold Weather Constraint is required for a unit, then subsequently has another unit that requires declaration of the same Generator Cold Weather Constraint (e.g., the same issue occurred at another location with implementing a freeze protection measure) an update to the original Generator Cold Weather Constraint is allowed. Note that supporting information for the other site is needed and the submittal/review timelines (per Requirement R8 and this process) will remain the same for the “new” addition. This will allow a GO to perform the 36-calendar month review of the Generator Cold Weather Constraint for both instances at the same time.

It is the submitting entity’s responsibility to ensure that all information detailed in EOP-012-3 R8 and Attachment 1 is provided in the entity’s submittal to facilitate the CEA review. The submitting entity should review language within Attachment 1 and identify, in the submittal, if the Generator Cold Weather Constraint is a known Generator Cold Weather Constraint or a Generator Cold Weather Constraint requiring further review for approval.

Step 2 – ERO Enterprise Review

The CEA will acknowledge receipt of the submission in writing (either through Align or email) within 15 calendar days and verify that all information detailed in EOP-012-3 R8 and Attachment 1 is provided in the submitting entity’s submittal. The CEA will work with the submitting entity to provide any missing information. The CEA will notify NERC of the Generator Cold Weather Constraint submittal (either through Align or via email) when acknowledging receipt of the submission. Indication of the Generator Cold Weather

⁵ Per EOP-012-3 R8.1, the Generator Owner must submit its Generator Cold Weather Constraint declaration(s) to the CEA within 45 calendar days of determining that the Generator Cold Weather Constraint is applicable for in-service units. For Generator Cold Weather Constraints determined in accordance with Requirement R2 for generating unit(s) upon beginning commercial operation, the Generator Owner must submit the Generator Cold Weather Constraint declaration(s) no later than 15 calendar days after commercial operation.

Constraint type (e.g., “Known” or “Case-by-Case”) will be included in the notification to ensure NERC has sufficient visibility and oversight in the process.

The CEA will review the Generator Cold Weather Constraint submittal and supporting information⁶. Any additional information requested to support the Generator Cold Weather Constraint review, evaluation, and validation or approval will be coordinated with the submitting entity by the CEA. The CEA will complete the review within 10 calendar days of submittal receipt confirmation for known Generator Cold Weather Constraint and 45 calendar days of submittal receipt confirmation for those Generator Cold Weather Constraint requiring further review for approval or provide notification to the submitting entity that they are extending the time needed to review⁷.

The determination whether to approve the case-by-case Generator Cold Weather Constraint will be based on the specific facts and circumstances provided by the submitting entity that defends and supports the declared constraint under the identified situations in EOP-012-3 Attachment 1.

Step 3 – Registered Entity Notification

The CEA will communicate the validation, approval, or denial of the Generator Cold Weather Constraint or continuation of the time needed to review the Generator Cold Weather Constraint in writing (via Align or email) to the submitting entity including the rationale for the determination. For any continuation of the review, the CEA will also provide the submitting entity with a revised timeline for when the determination will be provided. Denial of a Generator Cold Weather Constraint requires the entity to update its CAPs with corrective actions that will be completed within the timetables in Requirement R6 Part 6.3 or Requirement R7 Part 7.1 to begin from the date the GO is notified that the Generator Cold Weather Constraint is invalid. Communication efforts between the submitting entity and the CEA related to updates of the CAP and timetables resulting from a denial of a Generator Cold Weather Constraint are strongly encouraged.

If a Generator Cold Weather Constraint was denied, the submitting entity may request, within 15 calendar days of denial, a joint NERC and CEA review of the denial. The joint review should take no longer than 10 calendar days (subject to the information and resources available.) NERC and the CEA will evaluate the information provided and the submitting entity will be notified of the determination.

Step 4 – Reporting to NERC

Quarterly, the CEA will provide NERC with a report that, at a minimum, includes each Generator Cold Weather Constraint request received, whether the request was validated, approved, or denied, and the CEA’s rationale for its decision. NERC will periodically provide trending and analysis of aggregated anonymized Generator Cold Weather Constraint declarations for industry awareness and guidance.

⁶ NERC may choose to participate in any review at its own discretion or at the request of the CEA.

⁷ If a large number of entities submit Generator Cold Weather Constraints at the same time (especially those tied to initial performance expectations as set in the EOP-012-3 Implementation Plan), the ERO Enterprise anticipates additional time will be needed to accommodate these initial reviews.