Revisions to NERC Standard Processes Manual to Implement SPIG Recommendations

Please **DO NOT** use this form for submitting comments. Please use the [electronic comment form](https://www.nerc.net/nercsurvey/Survey.aspx?s=e37ec4c7a5534303b6c3778ce89cbc1d) to submit comments on the proposed revisions to the NERC Standard Processes Manual. The electronic comment form must be completed by 8 p.m. ET **July 19, 2012**.

If you have questions please contact Laura Hussey at [laura.hussey@nerc.net](mailto:laura.hussey@nerc.net) or by telephone at 404-446-2579.

All of the documents associated with the proposed revisions are stored on the [project page](http://www.nerc.com/filez/standards/Standards_Processes_Manual_revisions_SPIG_2012.html).

# Background Information

The Standards Committee has authorized posting proposed revisions to the NERC Standards Processes Manual for a formal 30-day comment period through July 19, 2012. Following the 30-day comment period, the Standards Committee Process Subcommittee will consider the comments and prepare a final set of proposed revisions to be posted for a formal 45-day comment period with a ballot during the last ten days of the comment period.

These revisions are intended to be responsive to recommendations from the Standards Process Input Group (SPIG). 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 needed 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, it 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 the input received, the SPIG made 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](http://www.nerc.com/docs/standards/sar/Standards_Process_Input_Group_04.24.12_ver_8_FINAL.pdf).

At its May 2012 meeting, the NERC Board of Trustees assigned the Standards Committee to work on implementation of recommendations 1, 4, and 5 (and thus Recommendations 2 and 3, which focus on the RISC and interfacing with governmental authorities, are not addressed in the posted revisions to the Standard Processes Manual). The Standards Committee Process Subcommittee formed four subteams to develop proposed process changes to implement these recommendations. The proposed revisions to the Standard Processes Manual reflect the work of these subteams, and the Standards Committee and Process Subcommittee would like your input to ensure that the proposed revisions are consistent with the SPIG recommendations and will result in a process that meets the needs of the industry to develop high quality Reliability Standards in a manner that makes efficient use of industry resources.

Note that a number of the SPIG’s suggestions associated with Recommendations 4, and 5 do not require specific changes to the NERC Standard Processes Manual. The Standards Committee is working with NERC staff on the implementation of those suggestions.

You do not have to answer all questions. Enter all comments in simple text format. Bullets, numbers, and special formatting will not be retained in the electronic form.

1. In Recommendation 1, the SPIG recommended that NERC continue to meet the minimum requirements of the American National Standards Institute (ANSI) process to preserve ANSI accreditation. In Recommendation 5, the SPIG encouraged NERC to address standards process and resource issues by revising the standard development process to improve timely stakeholder consensus in support of new or revised reliability standards. This recommendation included suggestions that comment responses be bundled, and that the SDT post the draft standard for an informal comment period of 30 days but not be required to respond to comments.

NERC has confirmed with ANSI that only one formal comment period is required under ANSI’s process. To fulfill Recommendation 5 while remaining in accordance with Recommendation 1, the revised standard process requires only one formal comment period. The drafting team is required to respond to comments in writing prior to a Final Ballot being conducted, although the team may respond in summary form. The drafting team may offer individual responses if deemed necessary or useful for developing additional consensus. Informal comment periods and other means of gathering informal input may be employed at any time to collect stakeholder feedback, but the drafting team is not required to respond in writing to comments obtained in these forums (though they may do so if they wish).

Do these proposed revisions adequately address the SPIG Recommendations? If not, please explain why and offer an alternative solution for improving the timely development of standards while maintaining ANSI accreditation.

Yes

No

Comments:

1. As noted in Question 1, SPIG Recommendation 1 states that NERC should continue to meet the minimum requirements of the American National Standards Institute (ANSI) process to preserve ANSI accreditation. Currently, the NERC standards development process exceeds the minimum ANSI requirements in two areas that involve the treatment of Negative (No) ballots (ballots “rejecting” a standard or standards-related item, both with and without comments):
   1. The NERC Standards Development Process considers negative votes with comments (regardless of the nature of the comment or if the comment is even relative to the standard being balloted) in both the determination of quorum and in calculating industry consensus.
   2. The NERC Standards Development Process considers negative votes without comments in the determination of quorum and in calculating industry consensus.

ANSI requirements consider negative votes with comments related to the proposal under consideration in determining quorum and the calculation of industry consensus. However, ANSI requirements do not require the consideration of negative votes accompanied by comments that are not related to the proposal under consideration, or negative votes without comments in determining industry consensus. ANSI requirements allow for negative votes to be considered only in the calculation to determine quorum.

Thus, in the revised Standard Processes Manual, negative votes that are submitted without comment, or that are submitted with a comment unrelated to the posted standard, will be included in the determination of quorum but will not be included in the determination of consensus. Stakeholders will be given explicit guidance on submitting constructive comments to drafting teams, and they will be given an explanation if their vote and associated comment are not included in consensus (with the opportunity to appeal). This change ensures that stakeholders are encouraged to offer constructive feedback that drafting teams can use to improve draft standards and reach consensus efficiently.

Does this proposed revision adequately address SPIG Recommendation 4? If not, please explain why and offer an alternative solution for improving the timely development of standards while maintaining ANSI accreditation.

Yes

No

Comments:

1. As part of Recommendation 4, the SPIG encouraged NERC to require the alignment of standard requirements/measures with Reliability Standard Audit Worksheets (RSAWs). The SPIG also recommended that NERC revise the Essential Elements of the Standards Template to eliminate redundancies.

To address these recommendations, the revised Standard Process Manual eliminates measures from the standard template in favor of having drafting teams work with ERO compliance staff to develop more detailed RSAWs in parallel with the standard.

Does this proposed revision adequately address SPIG Recommendation 4? If not, please explain why and offer an alternative solution for addressing the SPIG’s Recommendations with respect to RSAWs and the Essential Elements of the Standards Template.

Yes

No

Comments:

1. As stated in Question 3, as part of Recommendation 4, the SPIG encouraged NERC to revise the Essential Elements of the Standards Template to eliminate redundancies, using Violation Severity Levels (VSLs) as an example.

To address this Recommendation, the revised Standard Process Manual eliminates VRFs and VSLs from the standard template in favor of a Sanction Table Reference (Results-Based Requirement Category Reference) to conserve drafting team and stakeholder resources and ensure consistency in the application of sanctions.

Does this proposed revision adequately address SPIG Recommendation 4? If not, please explain why and offer an alternative solution to revise the Essential Elements of the Standards Template to eliminate redundancies such as VSLs.

Yes

No

Comments:

1. As part of Recommendation 4, the SPIG encouraged NERC to ensure the cost effectiveness of standards through documentation of alternatives analysis.

A Cost Effective Analysis Proposal (CEAP) was posted for industry comment on May 7, 2012, through July 6, 2012. Does this draft document adequately address the SPIG Recommendation? If not, please explain why and offer an alternative solution for ensuring the cost effectiveness of standards through documentation of alternatives analysis.

Yes

No

Comments:

1. If you have any other comments on these proposed revisions that you haven’t already mentioned above, please provide them here:

Comments: