



Federal Energy Regulatory Commission
May 17, 2018
Open Commission Meeting
Staff Presentation
Item E-1

"Good morning Chairman McIntyre and Commissioners,

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

"Agenda item E-1 is a notice of proposed rulemaking that addresses proposed Reliability Standard TPL-007-2 (Transmission System Planned Performance During Geomagnetic Disturbances). The North American Electric Reliability Corporation (NERC) developed and submitted the proposed Reliability Standard in response to Order No. 830. In Order No. 830, the Commission directed NERC to modify currently-effective Reliability Standard TPL-007-1: (1) to revise the benchmark GMD event definition, as it pertains to required GMD Vulnerability Assessments and transformer thermal impact assessments, so that the definition is not based solely on spatially-averaged data; (2) to require the collection of necessary geomagnetically induced current (GIC) monitoring and magnetometer data; and (3) to include a one-year deadline for the preparation of corrective action plans and two- and four-year deadlines to complete mitigation actions called for in corrective action plans involving non-hardware and hardware mitigation, respectively.

"The draft notice of proposed rulemaking proposes to approve Reliability Standard TPL-007-2. Proposed Reliability Standard TPL-007-2 largely addresses the directives in Order No. 830 by: (1) incorporating, in addition to the benchmark GMD event definition, a new supplemental GMD event definition that is not derived from spatially-averaged data; (2) requiring applicable entities to collect GIC and magnetometer data; and (3) imposing deadlines for the preparation of corrective action plans and the completion of corrective action plan tasks based on the timeline set forth in Order No. 830.

"While proposing to approve Reliability Standard TPL-007-2, pursuant to section 215(d)(5) of the Federal Power Act, the draft notice of proposed rulemaking also proposes to direct NERC to modify Reliability Standard TPL-007-2 to require applicable entities to develop and implement corrective action plans to mitigate supplemental GMD event vulnerabilities. The draft notice of proposed rulemaking proposes to require NERC to comply with this directive within 12 months of the effective date of Reliability Standard TPL-007-2.

"In addition, the draft notice of proposed rulemaking seeks comment on two options to address the provision in proposed Reliability Standard TPL-007-2 that permits applicable entities to exceed corrective action plan deadlines. Under one option, the Commission would direct NERC to modify Reliability Standard TPL-007-2 to require NERC to consider extensions of corrective action plan deadlines on a case-by-case basis, as directed in Order No. 830. Under the second option, the Commission would approve the requirement in Reliability Standard TPL-007-2 as proposed by NERC. Under either option, the Commission proposes to direct NERC to submit a report regarding how often and why applicable entities are exceeding corrective action plan deadlines.

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