171 FERC ¶ 61,052

UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;

Richard Glick, Bernard L. McNamee,

and James P. Danly.

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| Disturbance Monitoring and Reporting Requirements Reliability Standard  Coordination of Protection Systems for Performance During Faults and Specific Training for Personnel Reliability Standards  Supply Chain Risk Management Reliability Standards  North American Electric Reliability Corporation | Docket Nos. | RM15-4-000  RM16-22-000  RM17-13-000  RD18-4-000 |

ORDER GRANTING DeFERRED Implementation of

CERTAIN NERC Reliability Standards

(Issued April 17, 2020)

1. On April 6, 2020, the North American Electric Reliability Corporation (NERC) filed a motion seeking to defer the implementation of several Commission-approved Reliability Standards that have effective dates or phased-in implementation dates that fall in the second half of 2020. NERC requests a three-month deferral of the implementation of Reliability Standards CIP-005-6 (Cyber Security – Electronic Security Perimeter(s)), CIP-010-3 (Cyber Security – Configuration Change Management and Vulnerability Assessments), and CIP-013-1 (Cyber Security – Supply Chain Risk Management); and a six-month deferral of the implementation of Reliability Standards PRC-002-2 (Disturbance Monitoring and Reporting Requirements), PRC-025-2 (Generator Relay Loadability), PRC-027-1 (Coordination of Protection Systems for Performance During Faults), and PER-006-1 (Specific Training for Personnel). In this order, we grant NERC’s motion.

# Background

## Section 215 and Mandatory Reliability Standards

1. Section 215 of the Federal Power Act (FPA) requires the Commission to certify an Electric Reliability Organization (ERO) to develop mandatory and enforceable Reliability Standards, subject to Commission review and approval.[[1]](#footnote-2) Once approved, the Reliability Standards are enforceable in the United States by the ERO, subject to Commission oversight, or by the Commission independently.

## COVID-19

1. On March 13, 2020, the President issued a proclamation declaring a national emergency concerning COVID-19. On March 18, 2020, the Commission and NERC issued a joint statement announcing they would use regulatory discretion when considering the impact of the COVID-19 pandemic on registered entities’ ability to comply with Reliability Standards. In recognition of the impacts of the COVID-19 pandemic, the Commission also extended filing deadlines in reliability proceedings pending before the Commission.[[2]](#footnote-3)

# NERC’s Motion

1. NERC requests that the Commission delay the implementation of Commission-approved Reliability Standards that are scheduled to become effective, in whole or in part, in the second half of 2020.[[3]](#footnote-4) NERC requests that the Commission delay the implementation of these Reliability Standards by three to six months, as follows:

(a) For Reliability Standards CIP-005-6, CIP-010-3, and CIP-013-1, NERC seeks to extend the implementation of these standards by three months, from the currently scheduled July 1, 2020 effective date to October 1, 2020.

(b) For the Reliability Standard PRC-002-2 phased-in 50% compliance requirement, NERC seeks to extend the implementation date by six months from the currently scheduled July 1, 2020 compliance date to January 1, 2021.

(c) For the Reliability Standard PRC-025-2 phased-in implementation of Attachment 1: Relay Settings, Table 1 Options 5b, 14b, 15b, and 16b, NERC seeks to extend the implementation date by six months from the currently scheduled July 1, 2020 compliance date to January 1, 2021.

(d) For Reliability Standards PER-006-1 and PRC-027-1 and the associated new and revised NERC Glossary definitions, NERC seeks to extend the implementation of these standards by six months, from the currently scheduled October 1, 2020 effective date to April 1, 2021.

1. NERC states that it filed its motion to help ensure grid reliability amid the impacts posed by COVID-19.[[4]](#footnote-5) NERC notes that the Commission and NERC have taken steps in recognition of the “critical importance of the reliability of the nation’s energy sector and the steps that registered entities are taking to maintain the health and safety of their workforce and communities.”[[5]](#footnote-6) NERC asserts that delaying the implementation of these Reliability Standards is consistent with the actions taken by the Commission and NERC to address the impacts of COVID-19.[[6]](#footnote-7)
2. NERC asserts that its motion is in the public interest and would not adversely impact reliability. NERC explains, in order to establish compliance with these Reliability Standards, registered entities would need to expend significant effort and resources in the coming months towards establishing and implementing processes and procedures, conducting the required coordination, and establishing documentation of compliance. NERC states that “[b]y providing for additional time and flexibility to establish compliance with new obligations, entities could continue to focus their immediate efforts and resources on maintaining the safety of their workforces and communities and ensuring the reliability of the grid during this public health emergency.”[[7]](#footnote-8)

# Notice of Filing, Interventions and Answers

1. Notice of NERC’s filing was issued on April 6, 2020 with answers or protests due on or before April 9, 2020. Reliable Energy Analytics LLC, the ISO/RTO Council, and the Joint Associations[[8]](#footnote-9) filed timely answers in support of NERC’s proposal, as described in NERC’s filing. Commenters agree with NERC that the added flexibility provided by the delays would allow registered entities to recover from the impacts of the COVID-19 outbreak before implementing new controls and processes.[[9]](#footnote-10)
2. Protect Our Power filed an out-of-time answer, suggesting that the Commission grant a shorter (i.e., 30-day) extension for Reliability Standard CIP-013-1 because of the critical nature of the utility industry supply chain and that many or most utilities may already be prepared to comply by the current July 1 deadline.**[[10]](#footnote-11)** Michael Mabee (Mabee) filed an out-of-time protest, asserting that a pandemic was not unexpected and “the industry should have been prepared.”**[[11]](#footnote-12)**

# Procedural Matters

1. The unopposed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission’s Rules of Practice and Procedure, [18 C.F.R. § 385.214 (2019)](https://1.next.westlaw.com/Link/Document/FullText?findType=L&pubNum=1000547&cite=18CFRS385.214&originatingDoc=I7f081e375bf611e7bfb79a463a4b3bc7&refType=LQ&originationContext=document&transitionType=DocumentItem&contextData=(sc.Search)).
2. Pursuant to Rule 213 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. §385.213 (2019), we reject the out-of-time answer and protest.[[12]](#footnote-13)

# Discussion

1. We grant NERC’s motion and defer the implementation of Reliability Standards CIP-005-6, CIP-010-3, and CIP-013-1 by three months, and the implementation of Reliability Standards PER-006-1, PRC-002-2, PRC-025-2, and PRC-027-1 by six months. We are persuaded by NERC’s statement that granting this motion will allow registered entities to focus their immediate efforts and resources on maintaining safety and ensuring the reliability of the grid. Accordingly, we find that the deferred implementation dates constitute a reasonable and proportionate response to the substantial impacts of the COVID-19 pandemic on registered entities without unduly delaying the implementation of these Reliability Standards.
2. The Reliability Standards that are the subject of this order are important for ensuring the security and reliability of the grid. We recognize that registered entities have likely already taken significant steps to ensure the effective and timely implementation of these Reliability Standards, and we encourage them to continue doing so. Nevertheless, it is now necessary to balance the important role these NERC Reliability Standards play in protecting the reliability and security of the Bulk-Power System with the need for registered entities to respond to the immediate challenges of COVID-19. Therefore, we expect entities to continue their work in implementing the standards and to take advantage of the additional time to ensure they are fully compliant with these Reliability Standards when they become enforceable.

The Commission orders:

The Commission hereby grants NERC’s motion to defer the implementation dates of certain Reliability Standards, as discussed in the body of this order.

By the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,

Deputy Secretary.

1. 16 U.S.C. § 824o (2018). [↑](#footnote-ref-2)
2. *See Notice Granting Extension of Time*, Docket No. AD20-11-000 (Mar. 19, 2020); *Notice of Extension of Time*, Docket No. RM19-20-000 (Apr. 2, 2020); *Notice of Extension of Time*, Docket No. RR19-7-000 (Apr. 2, 2020); *Notice of Extension of Time*, Docket No. RM20-8-000 (Apr. 2, 2020). [↑](#footnote-ref-3)
3. NERC Motion at 4. [↑](#footnote-ref-4)
4. *Id.* at 2. [↑](#footnote-ref-5)
5. *Id.* at 3. [↑](#footnote-ref-6)
6. *Id.* at 4. [↑](#footnote-ref-7)
7. *Id.* at 5. [↑](#footnote-ref-8)
8. Edison Electric Institute, the American Public Power Association, the National Rural Electric Cooperative Association, and the Large Public Power Council. [↑](#footnote-ref-9)
9. *See e.g.,* ISO/RTO Council Comments at 4; Joint Association Comments at 7. [↑](#footnote-ref-10)
10. Protect Our Power Answer at 4. [↑](#footnote-ref-11)
11. Mabee Protest at 2. [↑](#footnote-ref-12)
12. Even if the answer and protest had been timely submitted, we would have denied them on the merits. We are unpersuaded that NERC’s requested three-month extension “may not be in the public interest” and find that, although registered entities have taken steps to prepare for contingencies, it is nevertheless reasonable to provide them additional flexibility to properly allocate resources to address the impacts of COVID-19. NERC’s requested extension allows entities to do so and NERC has indicated that granting the motion will not adversely impact the reliability of the Bulk-Power System. [↑](#footnote-ref-13)