

Appendix A3 - Northeast Power Coordinating Council (NPCC) 2015 CMEP Implementation Plan for Entities within the U.S.

This Appendix contains the CMEP Implementation Plan (IP) for the registered entities within the U.S. portion of NPCC as required by the NERC Rules of Procedure.

1. Compliance Monitoring and Enforcement

1.1 CMEP IP Highlights and Material Changes

NPCC will continue to implement a cyber-security outreach program that consists of NPCC Subject Matter Experts visiting critical facilities owned by participating entities (participation is voluntary) and assessing the cyber security posture of the control systems that support the operation of these facilities.

NPCC will continue the physical security outreach program in 2015 (participation is also voluntary) and NPCC staff will hold a Security Information Exchange session, which will include entity presentations, at the spring and fall Compliance Workshops.

As part of the CIP Version 5 transition and consistent with NERC guidance, NPCC will perform CIP audits based on the entity's selected option for maintaining compliance with CIP standards during the Transition Period:

Continue to comply by maintaining a valid RBAM for Critical Asset identification pursuant to CIP-002-3. Option 1

For Responsible Entities that have already adopted the CIP V4 Critical Asset Criteria (CIP-002-4, Attachment 1), use the CIP V4 Critical Asset Criteria in its entirety, with the exception of criterion 1.4 (Blackstart Resources) and criterion 1.5 (Cranking Paths), to identify assets subject to the controls in CIP-003-3 through CIP-009-3. Option 2

Use the CIP V5 "High" and "Medium" Impact Rating Criteria (CIP-002-5.1, Attachment 1) to identify assets subject to the controls in the CIP V5 Standards. Option 3

The on-site CIP Audits will be conducted as directed in the Guidance document. CIP Audits of those entities that have not chosen to move to Version 5 (Options 1 and 2) will be audited to Version 3. If an entity indicates that they have adopted CIP Version 5 (Option 3), NPCC will review their compliance with Version 5 Standards. In all cases, NPCC's approach would be to perform a review of those Standards / Requirements that are "mostly compatible" with the Version 5 Standards. Since Version 3 is enforceable until July 1, 2016, no findings of non-compliance with Version 5 Standards will be issued. A non-public document will be issued indicating any areas of concern where future compliance with version 5 may be in jeopardy.

Previously, off-site CIP audits had been conducted to verify that an entity does not have any Critical Cyber Assets. In accordance with the recently released CIP Transition Guidance, there are no off-site CIP audits scheduled in 2015. NPCC may include selected Spot Checks in place of the Off-site CIP Audits.

NPCC will be providing more details on the CIP approach to Compliance Monitoring in an upcoming Webinar (date not yet determined) and at our Compliance Workshops.

1.2 Other Regional Key Initiatives & Activities

NPCC will continue to participate in the Risk Based Registration Advisory Group (RB-RAG) which is charged with the ERO-wide development of criteria for risk-based registration.

NPCC will continue to participate in the Reliability Assurance Initiative Advisory Group (RAIAG) which is monitoring and ensuring the uniform ERO-wide implementation of RAI monitoring and enforcement activities.

NPCC will continue to participate in the RAI Program related to the Logging (Aggregation) of Minimal Risk Issues. NPCC also expects to treat certain minimal risk violations as Compliance Exceptions.

NPCC will continue to be a member of the RAI Regional Entity Group (RAIRE), which is formulating the overall RAI Training and ICE protocol and guidance documents.

NPCC supported all six Webinars associated with the NERC Compliance Auditors Handbook and ERO Checklist. NPCC will continue to provide input to the NERC Manual Task Force (MTF) tasked with maintaining the Auditors Handbook and enhancing Auditor Tools.

NPCC will continue to participate in the development of a program to implement CIP-014-1, Physical Security.

NPCC will continue to participate in the NERC CIP Version 5 Transition Guidance workgroup.

As part of the Events Analysis process, NPCC will continue to encourage registered entities to perform a voluntary, systematic Compliance Analysis (CA) in response to all system events and disturbances. Registered entities are also expected to share the CA with the RE for all Category 2 and above events.

2. Regional Risk Assessment Process

NPCC’s Regional Risk Assessment Process is a summary and compilation of specific parts of NPCC’s Entity Inherent Risk Assessment process and NERC’s IRA Assessment Guide that takes into account the nine areas of focus for 2015 consideration.

1. Infrastructure maintenance
2. Uncoordinated protection systems
3. Protection systems misoperations
4. Workforce capability
5. Monitoring and situational awareness
6. Long term planning and system analysis
7. Threats to cyber systems
8. Human error
9. Extreme physical events

NPCC’s Regional Risk Assessment Process includes the following:

2.1 Functional Registration Impact Profile

The Functional Registration Impact Profile is used to populate NPCC’s standards subject to Regional monitoring. It considers the potential effect on the reliability of the Bulk Power System (BPS) based on NPCC’s Regional perspective and registered entity’s functions. The following table shows the initial impact classification of registered entities.

Assignment of Initial Functional Registration Impact		
High Impact	Medium Impact	Low Impact
RC/BA	TO w/o BES facilities	GO/GOP under 200 MW
TOP	GO /GOP between 200 MW and 500 MW	DP peak load under 1000 MW
TO w/ BES facilities	DP peak load over 1000 MW	
GO /GOP over 500 MW		

2.2 NPCC Regional Compliance History

NPCC will examine the past compliance history of the entire Region. This will include an identification of the Standards and Requirements that have been violated the most within the NPCC Region. It will examine past audit performances, including the number and type of violations that were discovered through audits compared with the number and type of violations that were discovered through self-reports or Self-Certifications. It will also incorporate any issues or problems that may have been identified that did not result in a potential violation.

2.3 NPCC Regional Enforcement History Profile

NPCC will analyze violations to identify any trends regarding:

- Level of risk to the BPS (operational vs. documentation)
- Timeframes of violations (real time, next day, planning)
- Number of repeat violations

2.4 NPCC Overall Evaluation

Based on a registered entity's function, NPCC will specifically examine impact and violations based on the following:

- RC
 - Qualifying IROL/SOL events
 - Qualifying loss of load events
- BA
 - DCS Performance (ACE or restoration of reserve)
 - Qualifying IROL/SOL events
 - Qualifying loss of load events
- TO/TOP
 - Qualifying IROL/SOL events
 - Protection System Misoperations
 - Qualifying loss of load events
- GO
 - Protection System Misoperations

3. Regional Risks and Associated Reliability Standards

The table below contains the Regional risk elements identified during the Regional Risk Assessment. The table also contains associated Reliability Standards/Requirements to identified risks that may be considered in the Regional compliance oversight plan.

Reliability Standards Subject to Regional Monitoring		
Regional Risk Focus Areas	Justification	Associated Standard & Requirement(s)
Uncoordinated Protection Systems; Protection System Misoperations; Monitoring and Situational Awareness	NPCC identified three risk elements where it was necessary to develop a Regional Standard to ensure that applicable entities had Disturbance Monitoring Equipment and capabilities to monitor and capture adequate disturbance data to facilitate Bulk Electric System event analyses.	PRC-002-NPCC-01
Infrastructure Maintenance	Basic capability required to manage reliability during emergency conditions	FAC-003-3 R1,R2,R4,R5,R6,R7

Reliability Standards Subject to Regional Monitoring		
Regional Risk Focus Areas	Justification	Associated Standard & Requirement(s)
Uncoordinated Protection Systems	Basic capability required to manage reliability during emergency conditions NPCC reliability area of focus in 2015	PRC-006-1 R8,R9,R10 PRC-015-0 R1 PRC-005-1.1b R1,R2 PRC-023-3 R1 to R6
Workforce Capability	NPCC reliability area of focus in 2015 Basic capability required to manage reliability during emergency conditions Process is critical to maintaining the power system equipment capability/reliability	IRO-005-3.1a R6,R7 TOP-002-2.1b R5,R6,R7,R8,R10,R14 TOP-008-1 R1,R2,R3 TOP-007-0 R1 to R4 VAR-002-2b R1 to R3
Monitoring and Situational Awareness	Basic capability required to manage reliability during emergency conditions Conditions/equipment/capability to perform the functions can change as technology changes NPCC reliability area of focus in 2015	BAL-001-1 R1 to R4 BAL-002-1 R1 to R6 BAL-003-0.1b R2,R3,R5 COM-001-1.1 R1,R2 IRO-005-3.1a R9,R12 IRO-009-1 R3
Long Term Planning and System Analysis	NPCC reliability area of focus in 2015 Basic capability required to manage reliability during emergency conditions	MOD-001-1a R2 to R5 and R7 to R9 MOD-029-1a R1 to R8 TPL-003-0b R1 to R3
Human Error	Basic capability required to manage reliability during emergency conditions	PER-003-1 R2
Extreme Physical Events	Basic capability required to manage reliability during emergency conditions	EOP-001-2.1b R2,R6 EOP-002-3.1 R1,R3,R5 EOP-005-2 R2

4. Compliance Oversight Plan

The specific list of audited standards will be contained in the entity's audit notification letter sent at least 90 days prior to the scheduled audit. The specific list of 2015 Self Certifications, applicable registered functions, dates, and scheduled reporting dates will be posted on the NPCC website. The link to the Self Certification Schedule is:

<https://www.npcc.org/Compliance/Compliance%20Reporting%20Schedules/Forms/Public%20List.aspx>

NPCC will not audit Interchange Authorities, Load Serving Entities or Purchase-Selling Entities in 2015. The audit schedule is also located on the NPCC's website here:

<https://www.npcc.org/Compliance/Audit%20Schedule/2015%20Preliminary%20Audit%20Schedule.pdf>

Audits of Canadian Entities will be conducted in accordance with the appropriate agreements.

The following U.S. entities are scheduled for an audit in 2015:

2015 Compliance Audit Plan	
NCR #	Registered Entity
NCR00538	Astoria Energy, LLC
NCR11377	Brayton Point Energy, LLC
NCR11324	Brookfield White Pine Hydro, LLC
NCR07024	Burlington Electric Department
NCR07025	Calpine Energy Services
NCR07026	Capitol District Energy Center Cogeneration Associates, JV
NCR07029	Central Maine Power Company
NCR00200	Dynegy Power, LLC
NCR04057	Exelon Generation Co., LLC (Power)
NCR07087	Flat Rock Windpower L.L.C.
NCR07090	Fortistar North Tonawanda
NCR11121	GenOn East 1
NCR07101	Granite Ridge Energy, LLC
NCR07108	Huntley Power LLC
NCR07111	Hydro-Quebec Production
NCR00124	Ipswich Municipal Light Department
NCR07124	ISO-NE
NCR07130	KIAC Partners
NCR11339	Lakeside New York LLC
NCR00164	Littleton Electric Light Department
NCR07132	Lockport Energy Associates
NCR07133	Long Island Power Authority
NCR11287	Marble River LLC
NCR00208	Marblehead Municipal Light Department
NCR07136	Mass. Municipal Wholesale Electric Company
NCR07139	MASSPOWER
NCR07141	Middletown Power LLC
NCR07128	National Grid Generation LLC
NCR07154	New Athens Generating Company, LLC
NCR07091	New Hampshire Transmission, LLC
NCR07160	New York Independent System Operator
NCR10332	NextEra Energy Resources, LLC
NCR07180	NSTAR Electric Company
NCR07181	NYSEG
NCR11337	ReEnergy Black River
NCR11152	Tanner Street Generation, LLC
NCR00543	TC Ravenswood LLC
NCR00088	TC Ravenswood Services Corp.
NCR07220	TransCanada Hydro Northeast Inc

2015 Compliance Audit Plan	
NCR #	Registered Entity
NCR07228	Vermont Transco, LLC

5. Compliance Outreach

Compliance Outreach Activities	
Outreach Activity	Anticipated Date
<p>NPCC utilizes its semi-annual workshops as a primary mechanism for outreach to its registered entities. An Introduction to NPCC presentation is included at each workshop.</p> <p>NPCC conducts webinars open to all NPCC registered entities on an as needed basis. It also posts webinar question-and-answer documents as appropriate. NPCC responds to individual requests from registered entities, but if an individual concern can be applied to all registered entities, NPCC will post a Compliance Guidance Statement or clarification to address that concern.</p> <p>NPCC conducts surveys of its registered entities as needed to acquire registration data, BES element data, workshop content preferences, etc.</p> <p>NPCC hosts monthly Compliance Committee meetings to disseminate the latest information regarding the compliance program to industry stakeholders.</p> <p>In 2013, NPCC implemented a Physical Security Outreach Program. Under this continuing program, NPCC physical security subject matter experts perform voluntary physical security assessments for certain registered entities.</p> <p>NPCC developed a Cyber Security Outreach Program that began in 2014 and will continue in 2015.</p> <p>In 2015, NPCC will institute a CIP Version 5 transition outreach program.</p> <p>NPCC developed an internal entity guide to assist registered entities in meeting quarterly reporting requirements pursuant to PRC-004 and NERC ALR4-1.</p> <p>The NPCC website includes links associated with the areas of Standards, Registration, Compliance Monitoring, and Enforcement.</p>	<p>2015 workshop dates: May 19-21 and Nov 17-19.</p>