

October 3rd, 2014

Regional Standards Committee (RSC) responses to comments received on the posting of the NPCC Directory Development and Revision Manual

The RSC would like to thank those who provided comments on the proposed revisions to the Directory Manual posted from June 24th, 2014 to August 8th, 2014.

The RSC responses to individual comments are provided below.

General Comments:

1. Comment from National Grid:

The NPCC CEAP procedure document appears to be specific to NPCC Regional Reliability Standards. Will a NPCC CEAP procedure document be developed for NPCC Directories?

RSC Response:

Thank you for the comment.

The NPCC Board of Directors (BOD) has expressed concern that the cost of implementing a Regional Standard should be evaluated against the incremental reliability benefit the Standard achieves. The NPCC BOD directed NPCC Staff to develop a methodology to assess the cost and benefit of a Regional Standard and the NPCC Cost Effectiveness Analysis Procedure (CEAP) establishes a process to address those concerns.

In February 2014 the BOD further directed that the development of NPCC criteria should also be subject to a CEAP review. However, rather than developing a separate CEAP provision for criteria evaluation, the BOD directed that the existing NPCC Directory Manual be revised to incorporate CEAP considerations.

2. Comment from National Grid:

III. APPLICABILITY OF NPCC CRITERIA

The requirements of an NPCC Directory apply only to those facilities defined as NPCC bulk power system elements ~~as~~ identified through the performance based methodology of NPCC Document A-10,

RSC Response:

Thank you for the comment.

Comment accepted.

The word 'and' replaced with 'as' in the subject paragraph.

Comment Form Responses:

Comment Form Background:

The following comment form questions were developed by NPCC Staff and accompanied the Directory Manual posting in order to solicit comment from NPCC Members during the Open Process posting of the Manual.

Comment Form Question#1:

Regarding the future disposition of NPCC Appendices ('B' Guideline and 'C' Procedure documents incorporated within Directories as an Appendix) it has been proposed that all such Appendices, in addition to stand- alone B Guideline and C Procedure documents (never incorporated within a Directory) should be contained in a single NPCC Reference document.

The purpose of the Reference document would be to house all documents that support the criteria in one location.

In this manner each Directory would only contain the more stringent or more specific NPCC criteria and the Reference document would contain the Appendices and the stand alone B and C documents.

Do you agree that Appendices should be removed from each of the Directories and included (along with remaining B and C documents) into a single NPCC Reference document?

3. Comment from the IESO:

We are indifferent as to whether to keep relevant B and C documents as appendices in a Directory, or to consolidate all such documents as a single NPCC Reference document.

RSC Response to Comments on the NPCC Directory Development and Revision Manual.

The former approach offers the advantage of having all relevant materials in the same Document, especially for those B and C documents that assist entities in fulfilling obligations stipulated in the Directory. However, the disadvantages could include (a) not having the Directory documents to cleanly contain NPCC more stringent/more specific criteria, and (b) requiring special treatment to those B and C documents that are not related to and incorporated as appendices in any Directories.

The latter approach offers the advantage of one-stop shop, but links need to be provided in each and every Directory to point to the appropriate parts/Sections in the Reference document. This can result in confusion and missed update when either the Directory or the referenced document is revised.

Given the two options, and in view of the introduction of the CEAP process, it may be advisable at this time to focus on incorporating the CEAP process first. After receiving approval of the revised Manual, NPCC may proceed to assessing and making changes as appropriate to the treatment of the B and C materials.

RSC Response:

Thank you for the comment.

Comment accepted.

The RSC appreciates the additional information provided in this comment regarding the pros and cons surrounding each of the two options presented. NPCC will revisit the treatment of B and C materials in a Directory after the changes to the Manual that incorporate CEAP considerations are finalized and approved. In this manner NPCC will have further information regarding Member sentiment on the disposition of B and C documents and can proceed accordingly.

4. Comment from Dominion:

Directory specific Appendices should remain with the Directory

RSC Response:

Thank you for the comment.

Please see RSC response to the IESO comment above.

5. Comment from UI:

UI agree with moving the remaining B and C documents into a Directory as long as they can continue to be approved by the Task Force.

If the only method to conform with NPCC Rules and allow the Task Force to be the approver of revisions to B and C documents is to move them out of the Directory then UI supports moving all B and C documents to a single directory.

RSC Response:

Thank you for the comment.

Please see RSC response to the IESO comment above.

6. Comment from Con Edison:

Would suggest that keeping the approach where the relevant B and C documents are put in an appendix to the Directory offers more of a “one stop shop” for all documents relevant to the Directory.

RSC Response:

Thank you for the comment.

Please see RSC response to the IESO comment above.

Comment Form Question#2:

The section of the Manual that describes revisions to only the Appendix section of a Directory has been revised.

Formerly, a revision to the Appendix section of a Directory required RCC approval

RSC Response to Comments on the NPCC Directory Development and Revision Manual.

The Manual has now been revised such that for changes to **only** the Appendix section of a Directory Task Force approval of such a revision would be sufficient.

Do you agree with this revision to the Manual?

7. Comment from the IESO:

We would suggest that the same process for approving the former B and C documents, prior to the creation of Directories, be adopted.

RSC Response:

Thank you for the comment.

Comment not accepted.

Prior to the development of the NPCC Directories revisions to a 'B' Guideline document required RCC approval while revisions to a 'C' Procedure document required Task Force approval. Once the Directories were established relevant 'B' Guidelines and 'C' Procedure documents were incorporated into each Directory as Appendices without regard to distinguishing Appendices that were formerly B documents from Appendices that were formerly C documents.

Although the Appendices within a Directory support the consistent implementation, interpretation and monitoring of the criteria requirements, they do not contain criteria language and as such revisions to an Appendix can be approved by the appropriate Task Force.

8. Comment from Dominion:

The NPCC "B" Guidelines and "C" Procedures are embedded in the Regional Criteria, are technical in nature, and are required to implement the Regional Criteria. As such, Dominion believes revisions to the Appendix section of a Directory should continue to require RCC approval.

RSC Response:

Thank you for the comment.

Comment not accepted.

Please see RSC response to the IESO comment above.

9. Comment from UI:

UI agrees.

RSC Response:

Thank you for the comment.

Please see RSC response to the IESO comment above.

Comment Form Question#3:

Please provide any other comments (that you have not already provided) regarding the RSC proposed revisions to the NPCC *Directory Development and Revision Manual*.

Comment from the IESO:

10. Additional Comment:

P.7 and P.8 presents the general process to conduct an initial cost assessment for creating a new/revising a Directory. We suggest the RSC to review the timing for requesting the Lead Task Force to start drafting an initial version of the Directory document when the RSC hasn't yet completed the Cost Effectiveness Analysis of the cost benefit of the proposed Directory via the Cost Benefit Analysis (CBA) section of the CEAP. Having the Task Force start drafting the Directory may be premature if the CBA results should suggest that the project is not cost-justified (beneficial).

The above concern is based on our understanding that the CBA portion is intended to assess the benefit of a project to create/update a Directory, whereas the CEA portion is to assess the cost-effectiveness of the draft Directory.

RSC Response:

Thank you for the comment.

Comment not accepted.

The process for developing a new Directory has been revised to allow an initial review of the draft Directory via the Cost Benefit Analysis (CBA) section of the CEAP. The CBA provides for an initial, high level review of the draft.

The draft Directory is used as the basis for both the CBA and the subsequent Cost Effectiveness Analysis (CEA) portions of the CEAP.

Comment from Dominion:

11. Additional Comment:

As per Article IV (4.2) (2) of the NPCC Bylaws, NPCC's regionally-specific more stringent reliability Criteria apply to Full Members of NPCC with generation and transmission facilities on which faults or disturbances can have a significant adverse impact outside of the local area and which are identified utilizing a reliability impact-based methodology (i.e. NPCC Document A-10, "Classification of Bulk Power System Elements"). In essence, NPCC Regional Criteria are applied and enforced on a sub-set of regional entities (i.e. Full Members), on a very specific set of elements (i.e. A-10 or NPCC BPS).

In 2007, the Electric Reliability Organization (ERO) was established resulting in mandatory NERC and Regional Reliability Standards (Reliability Standards). NERC and Regional Reliability Standards (Reliability Standards) are applied based on the NERC Registration Criteria (including NPCC-CGS-002 for generator materiality), standard applicability, and the bulk electric system definition (current and soon to be effective).

Multiple obligations (i.e. Regional Criteria and Reliability Standards as discussed above) result in compliance uncertainty and unnecessary risk. NPCC staff recognizes this compliance uncertainty and has responded by providing webinars, Compliance Guidance Statements, clarifications, interpretations and the like. Dominion believes this approach will continue to mask the problem and time would be better spent by NPCC staff and regional entities evaluating the Regional Criteria, eliminating as many as possible, and

incorporating the balance (i.e. those absolutely necessary for reliability) into Reliability Standards.

RSC Response:

Thank you for the comment

NPCC, in accordance with its By Laws, promotes the reliable and efficient operation of the international, interconnected Bulk Power System in Northeastern North America through the development of regionally specific reliability criteria.

As part of NPCC's responsibilities under the NERC Regional Delegation Agreement (RDA), NPCC must adhere to the NERC Rules of Procedure and continually evaluate the regional reliability requirements contained in the criteria documents against all new and revised NERC Reliability Standards. This evaluation must determine if the Regional reliability criteria need revision or continue to be needed to in order to implement, augment or comply with NERC Reliability Standards and also to ensure that the Regional reliability criteria are not inconsistent with the NERC ERO Reliability Standards.

12. Additional Comment:

Dominion:

Regarding the incorporation of the NPCC Cost Effectiveness and Analysis Procedure (CEAP), this process must first analyze whether a Regional Criteria is justified, based on response #1.

RSC Response:

Thank you for the comment.

The process for developing a new Directory has been revised to allow an initial review of a new Directory (i.e. criteria) via the Cost Benefit Analysis (CBA) section of the CEAP. The CBA provides for an initial, high level review of the draft.

Comments from UI:

13. Additional Comment:

Page 3: Delete “All of NPCC’s A criteria documents except A-1 (Criteria for Review and Approval of Documents), A-10 (Classification of BPS Elements) and A-15 (Disturbance Monitoring Equipment Criteria) have been translated into the Directories.” It does not appear to serve any purpose to include this in background, unless there is a desire to include an explanation why these remaining A documents are not being converted.

RSC Response:

Thank you for the comment.

Comment accepted.

The subject language in the comment has been deleted.

14. Additional Comment:

UI

Page 3: Revise “However, although most of the B Guideline and C Procedure documents have been transferred to Directories as Appendices in support of the relevant criteria, not all B and C documents were determined to be related to a Directory and as a result some standalone B Guideline and C Procedure documents will remain at the conclusion of the Directory project.”

To: The existing B Guideline and C Procedure documents have either been transferred to Directories as Appendices in support of the relevant criteria, or will remain as standalone B Guideline and C Procedure documents at the conclusion of the Directory project.”

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

15. Additional Comment

UI

Section V.1 page 7 and 8.

- a. Change “The NPCC Manager of Reliability Criteria shall forward the request to the Regional Standards Committee (RSC) in order for the RSC to review the request and assign its development to the appropriate NPCC Task Force. Included in the transmittal of the request to the RSC, the NPCC Manager of Reliability Criteria shall request the RSC to authorize a Cost Effectiveness Analysis utilizing the NPCC CEAP procedure for this evaluation.” To
“The NPCC Manager of Reliability Criteria shall forward the request for the development of a new Directory along with a request to the RSC to authorize a Cost Effectiveness Analysis utilizing the NPCC CEAP procedure to the Regional Standards Committee (RSC). The RSC will review the requests and assign the request to develop a new Directory to the appropriate Task Force.” [Divide into two sentences for clarity]

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

16. Additional Comment:

UI

Page 7 second paragraph: The sentence: “The Lead Task Force responsible for developing the new Directory shall draft an initial version of the document consistent with the Directory template in Attachment A.” becomes a stand-alone sentence after the prior edit.

RSC Response:

Thank you for the comment.

Comment accepted.

17. Additional Comment:

UI

Third paragraph: change “Subsequent to RSC review and approval of the CBA” to “After the RSC reviews and approves the CBA”. [Active tenses]

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

18. Additional Comment:

UI

Change “At the conclusion of the 45 day Open Process period, the Lead Task Force will discuss the comments submitted and deliberate on whether the criteria requirements are developed enough to begin the Cost Effectiveness Analysis (CEA) portion of the CEAP and where appropriate request the RSC to initiate the CEA.” TO “At the conclusion of the 45 day Open Process period, the Lead Task Force will discuss the comments submitted. The Lead Task Force shall also determine if the Cost Effectiveness Analysis (CEA) portion of the CEAP shall begin and, where appropriate, request the RSC to initiate the CEA.” [Clarity by dividing into 2 sentences. Rewording the CEA portion to focus on initiating the CEAP process and not deliberation].

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

19. Additional Comment:

UI

Change “If the responses to comments received on the draft result in substantive changes to the document, then the revised draft shall be reposted to the Open Process for a successive 45 day posting period. Alternatively, if no substantive changes are developed which would require additional postings of a revised draft, the new Directory is presented to the Reliability Coordinating Council (RCC) for approval.” To

“If the responses to comments received on the draft result in substantive changes to the document, then the revised draft shall be reposted to the Open Process for a successive 45 day posting period. The process of comment review, revision and re-posting for comment continues until no substantive modifications to the draft Directory are made. “[Clearer that multiple comment postings can occur.]

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

20. Additional Comment:

UI

Change “Additionally, the RSC in accordance with the CEAP will use the responses to the CEA survey to develop a recommendation based on the cost effectiveness of the proposed Directory.” TO “the RSC in accordance with the CEAP will use the responses to the CEA survey to develop a recommendation based on the cost effectiveness of the proposed Directory.” No need for word Additionally.

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

RSC Response to Comments on the NPCC Directory Development and Revision Manual.

21. Additional Comment:

UI

Change Last paragraph “Upon RCC approval the document is submitted for a ballot to the NPCC Full Member Representatives along with the RCC recommendation of approval.”
After the RCC approves both the draft Directory and the CEAP the draft Directory is submitted for a ballot to the NPCC Full Member Representatives along with the RCC recommendation of approval.” {The RCC needs to approve both documents prior to ballot}

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

21. Additional Comment:

UI

Page 8 Flowchart 1 is missing the CEAP it also is incorrect showing a Comments Received Yes looping back to Task Force drafts proposed directory. It should be:

- i. Comments received – Yes
- ii. LTF reviews comments
- iii. Substantive Changes Made (Yes or No)
 1. If Yes
 - a. Loop back to: Draft directory Posted for comment
 2. If No – go to RCC

RSC Response:

Thank you for the comment.

Comment accepted.

Flowchart in Figure #1 (New Directory) revised to incorporate CEAP and substantive comment loop.

22. Additional Comment:

UI

Additional Comment:

Figure 2 page 10.

Same issue with the flow chart.

Missing a “Substantive Change made choice.

RSC Response:

Thank you for the comment.

Comment accepted.

Flowchart in Figure #2 (Criteria Revisions) revised to incorporate substantive comment loop.

23. Additional Comment:

UI

Page 11 change “The Lead Task Force shall be responsible for posting the Directory which contains the revised or retired Appendix to the NPCC Open Process review for 45 days. Additionally, although the entire Directory will be posted to the open process, the Lead Task Force will limit the comments solicited to only the subject Appendix.” Remove additionally. Change to “The Lead Task Force shall be responsible for posting the Directory (in its entirety) which contains the revised or retired Appendix to the NPCC Open Process review for 45 days. The Lead task Force will limit the comments solicited to only the subject Appendix”

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

24. Additional Comment:

UI

Page 11, 5th paragraph in section the author introduces the use of parenthesis such as change (s). Let's be consistent since two sentences further the author uses changes. It's either changes or change (s) throughout the directory.

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made and the document was scanned to correct two other similar instances.

25. Additional Comment:

UI

Page 12 figure 3, Same issue with the flow chart. Missing a "Substantive Change made choice.

RSC Response:

Thank you for the comment.

Comment accepted.

Flowchart in Figure #3 (Revisions to Appendices) revised to incorporate substantive comment loop.

26. Additional Comment:

UI

Page 14: Why is it Upon RCC Recommendation? In the process to create a Directory it requires RCC Approval. Also the prior paragraph says the Lead Task Force is submitting to RCC for approval. Should change recommendation to approval.

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

27. Additional Comment:

UI

Page 17 request for Clarification, third paragraph. “The Manager of Reliability Criteria shall notify the originator of the Request for Criteria Clarification if the Request has been denied by providing the originator with a written response explaining the circumstances of the denial.” Does this mean the MGR of Reliability Compliance can deny a request? If so, it should be stated. Right now it appears the manager is preparing a submittal to the Lead task Force only. If the Manager has the authority to deny the request then add “ The manager of reliability Criteria shall review the request and upon his or her own initiative wither deny the request or forward the request to the Lead Task force. If denied the Manager Rel Crit shall notify etc...” [This is a process question as well as a formatting question.]

RSC Response:

Thank you for the comment.

Comment accepted.

The subject paragraph has been deleted.

28. Additional Comment:
UI

Page 20 section VII change “The NPCC Directory Development and Revision Manual will be reviewed for possible revisions at least once every five (5) years or more frequently if required.” By removing the phrase for possible revisions. It is a review and a review is for content and relevance.

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

Comments from Con Edison:

29. Additional Comment:

Section 1, New Directories: The first sentence of page 8 of the manual states:

“The RSC working with the NPCC Standards Program Area shall utilize the NPCC CEAP to perform an initial analysis of the cost benefit of the proposed Directory ...”

Please clarify the term NPCC Standards Program Area. In the alternative replace the words “Program Area” with the words “Staff and Consultants.”

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

30. Additional Comment:
Con Edison

RSC Response to Comments on the NPCC Directory Development and Revision Manual.

The second half of the first sentence of page 8 of the manual states:

“... via the Cost Benefit Analysis (CBA) section of the CEAP.”

Will the CEAP Manual be revised to reflect the NERC-style cost-impact/cost-effectiveness analysis (CIA/CEA) approach, rather than the cost-benefit analysis (CBA) approach used in the earlier NPCC CEAP manual? We recommend the shift in emphasis to CIA/CEA, given the difficulty in determining a specific reliability benefit.

RSC Response:

Thank you for the comment.

Currently the NERC CEAP is under development. However, the Cost Benefit Analysis (CBA) section of the NPCC CEAP and the Cost Information Analysis (CIA) section of the draft NERC CEAP document are both designed to accomplish an initial high level cost evaluation in order to determine an order of magnitude cost prior to proceeding with further development of the standard.

Upon completion and approval of the NERC CEAP, NPCC will review its BOD approved CEAP in order to determine if revisions to the NPCC CEAP based on the NERC CEAP are required.

31. Additional Comment:

Con Edison

Further, there is no mention of surveying members for more cost-effective alternative approaches to the proposed Directory wording.

If the changes represent non-substantive corrections or errata, then no CEAP should be required. If the change(s) are the result of a NERC approved change in a reliability standard already subject to a CEAP review, then no separate, redundant NPCC CEAP review should be required.

RSC Response:

Thank you for the comment.

Regarding the comment to survey Members for a more cost effective approach to a new Directory, such information will be obtained as part of the CBA section of the CEAP which will solicit alternatives from the Members via a survey as part of the initial high level CBA analysis of the cost benefit of the proposed Directory.

32. Additional Comment:
Con Edison

Page 9 does not yet reflect any part of the CEAP on the flow diagram.

RSC Response:

Thank you for the comment.

Comment accepted.

Flowchart in Figure #1 (New Directory) revised to incorporate CEAP and substantive comment loop.

33. Additional Comment:
Con Edison

Page 10, Section 2, Directory Revisions: When would the CEAP be performed on a Directory Revision? Shouldn't there be a requirement for a finding that the proposed changes are non-impactful? Otherwise the CEAP should always be invoked for impactful changes. The deletion of requirements and/or Criteria from a Directory is generally non-impactful (or favorably impactful) from a cost-effectiveness analysis perspective. The NPCC AVP of Standards Development should have the authority to waive the CEAP, if he/she assesses the change to be non-impactful.

RSC Response:

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

34. Additional Comment:
Con Edison

Page 14 – Is there a possibility that the revision of a Glossary Definition would increase member costs, e.g., Protection System Components? If so, then the CEAP process should be invoked.

RSC Response:

RSC Response to Comments on the NPCC Directory Development and Revision Manual.

Thank you for the comment.

Comment accepted.

The suggested change in the language has been made.

35. Additional Comment:
Con Edison

Page 17 – Directory Retirement: The section is written anticipating that the Directory is retired in total. Where would retirement in part be covered, e.g., under Section 2 Directory Revisions?

RSC Response:

Thank you for the comment.

Yes.

A partial (or less than total) Directory retirement would be considered a revision to the criteria.