

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

Electric Reliability Organization	)	
Proposal to Retire Requirements	)	Docket No. RM13-8-000
in Reliability Standards	)	

**COMMENTS OF INTERNATIONAL TRANSMISSION COMPANY  
d/b/a ITCTransmission, MICHIGAN ELECTRIC TRANSMISSION COMPANY,  
LLC, ITC MIDWEST LLC, AND ITC GREAT PLAINS, LLC**

International Transmission Company d/b/a ITCTransmission, Michigan Electric Transmission Company, LLC, ITC Midwest LLC and ITC Great Plains, LLC (collectively, “ITC”) submit these comments in response to the Federal Energy Regulatory Commission’s (“Commission’s”) June 20, 2013 Notice of Proposed Rulemaking (“NOPR”).<sup>1</sup> The NOPR proposes to approve the retirement of 34 requirements within 19 Reliability Standards identified by the North American Electric Reliability Corporation (“NERC”).

**I. BACKGROUND**

In 2006, the Commission established a process to select and certify an Electric Reliability Organization (“ERO”)<sup>2</sup> and, subsequently, certified NERC as the ERO.<sup>3</sup> On

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<sup>1</sup> 143 FERC ¶ 61,251 (2013) (“NOPR”).

<sup>2</sup> *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval and Enforcement of Electric Reliability Standards*, Order No. 672, FERC Stats. & Regs. ¶ 31,204, *order on reh’g*, Order No. 672-A, FERC Stats. & Regs. ¶ 31,212 (2006).

<sup>3</sup> *North American Electric Reliability Corp.*, 116 FERC ¶ 61,062, *order on reh’g & compliance*, 117 FERC ¶ 61,126 (2006), *aff’d sub nom., Alcoa, Inc. v. FERC*, 564 F.3d 1342 (D.C. Cir. 2009).

March 15, 2012, the Commission accepted, with conditions, NERC's proposed "Find, Fix, Track and Report" ("FFT") initiative.<sup>4</sup> The FFT process provides NERC and NERC's designated Regional Entities the flexibility to address lower-risk possible violations through an FFT informational filing as opposed to issuing and filing a Notice of Penalty. In accepting that proposal, the Commission observed that

NERC's FFT initiative is predicated on the view that many violations of requirements currently included in Reliability Standards pose lesser risk to the Bulk-Power System. If so, some current requirements likely provide little protection for Bulk-Power System reliability or may be redundant. The Commission is interested in obtaining views on whether such requirements could be removed from the Reliability Standards with little effect on reliability and an increase in efficiency of the ERO compliance program. If NERC believes that specific Reliability Standards or specific requirements within certain Standards should be revised or removed, we invite NERC to make specific proposals to the Commission identifying the Standards or requirements and setting forth in detail the technical basis for its belief. In addition, or in the alternative, we invite NERC, the Regional Entities and other interested entities to propose appropriate mechanisms to identify and remove from the Commission-approved Reliability Standards unnecessary or redundant requirements.<sup>5</sup>

Pursuant to this directive, and after a review of existing reliability standards, NERC submitted a petition seeking FERC approval for the retirement of 34 requirements within 19 Reliability Standards. NERC asserts that the 34 requirements proposed for retirement "are redundant or otherwise unnecessary" and that "violations of these requirements ... pose a lesser risk to the reliability of the Bulk-Power System."<sup>6</sup> Specifically, NERC identified the following requirements for elimination:

- BAL-005-0.2b, Requirement R2 – Automatic Generation Control
- CIP-003-3, -4, Requirement R1.2 – Cyber Security – Security Management Controls
- CIP-003-3, -4, Requirements R3, R3.1, R3.2, and R3.3 – Cyber Security – Security Management Controls

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<sup>4</sup> *North American Electric Reliability Corp.*, 138 FERC ¶ 61,193 (2012), *order on reh'g and clarification*, 139 FERC ¶ 61,168 (2012).

<sup>5</sup> *Id.* at P 81 ("P 81 directive").

<sup>6</sup> NOPR at P 6.

- CIP-003-3, -4, Requirement R4.2 – Cyber Security – Security Management Controls
- CIP-005-3a, -4a, Requirement R2.6 – Cyber Security – Electronic Security Perimeter(s)
- CIP-007-3, -4, Requirement R7.3 – Cyber Security – Systems Security Management
- EOP-005-2, Requirement R3.1 – System Restoration from Blackstart Services
- FAC-002-1, Requirement R2 – Coordination of Plans for New Facilities
- FAC-008-3, Requirements R4 and R5 – Facility Ratings
- FAC-010-2.1, Requirement R5 – System Operating Limits Methodology for the Planning Horizon
- FAC-011-2.1, Requirement R5 – System Operating Limits Methodology for the Operations Horizon
- FAC-013-2, Requirement R3 – Assessment of Transfer Capability for the Near term Transmission Planning Horizon
- INT-007-1, Requirement R1.2 – Interchange Confirmation
- IRO-016-1, Requirement R2 – Coordination of Real-Time Activities between Reliability Coordinators
- NUC-001-2, Requirements R9.1, R9.1.1, R9.1.2, R9.1.3, and R1.9.4 – Nuclear Plant Interface Coordination
- PRC-010-0, Requirement R2 – Assessment of the Design and Effectiveness of UVLS Programs
- PRC-022-1, Requirement R2 – Under-Voltage Load Shedding Program Performance
- VAR-001-2, Requirement R5 – Voltage and Reactive Control

## **II. COMMENT**

ITC supports NERC's proposal to eliminate all 34 identified requirements.

Consistent with the Commission's P 81 directive, ITC believes that the identified requirements provide little protection for Bulk-Power System reliability and/or are redundant, and can safely be retired from the Reliability Standards in question with no effect on reliability and with an increase in efficiency of the ERO compliance program. Reliability requirements which have become duplicative or unnecessary but which remain in force can themselves pose reliability risks by drawing resources away from monitoring of and compliance with other requirements. ITC backs not only NERC's substantial efforts in

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this proceeding to identify and remove such requirements, but also NERC's stated commitment to apply the concepts of the P 81 directive to future standards drafting.<sup>7</sup>

### **III. CONCLUSION**

WHEREFORE, for the reasons discussed herein, ITC respectfully asks the Commission to act in manner consistent with the foregoing.

Respectfully submitted,

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<sup>7</sup> NOPR at P 13.