

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

Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards

Docket No. RM13-8-000

COMMENTS OF DOMINION RESOURCES SERVICES, INC.

Pursuant to the Notice of Proposed Rulemaking (“NOPR”) issued by the Federal Energy Regulatory Commission (“FERC” or “Commission”) on June 20, 2013 in the above captioned proceeding,¹ Dominion Resources Services, Inc., (“DRS” or “Dominion”), on behalf of: Virginia Electric and Power Company, doing business as Dominion Virginia Power; Dominion Nuclear Connecticut, Inc.; Dominion Energy Brayton Point, LLC; Dominion Energy Manchester Street, Inc.; Elwood Energy, LLC; Kincaid Generation, LLC; and Fairless Energy, LLC,² hereby submits the following comments in response to the Commission’s NOPR regarding the Electric Reliability Organization proposal to retire 34 requirements within 19 Reliability Standards as identified by the North American Electric Reliability Corporation’s (“NERC”) and also the Commission’s proposal to withdraw 41 directives that NERC develop modifications to the Reliability Standards.

I. NOTICES AND COMMUNICATIONS

Notices and communications related to this filing should be directed to the following:

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¹ Notice of Proposed Rulemaking, Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards, 143 FERC § 61,251, Docket No. RM13-8-000 (June 20, 2013) (“NOPR”).

² NERC deactivated Dominion Energy Kewaunee, Inc. on its Compliance Registry as the nuclear power station is being decommissioned.

II. BACKGROUND

On September 30, 2011, NERC filed a petition with the Commission requesting approval of a new initiative Find, Fix, Track and Report (“FFT”) to address potential violations of reliability standards that pose a lesser risk to the impact of the Bulk Power System (“BPS”). On March 15, 2012, the Commission issued an order conditionally accepting NERC’s FFT proposal and in Paragraph 81 of that order, stated:

The Commission notes 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.³

The Commission’s P81 Order directed NERC to make a compliance filing within a year to address the Commission’s proposals, including the identification of redundant requirements and those that did little to protect the reliability of the BPS.

Consistent with the Commission’s guidance NERC initiated the “P 81 Project” to identify requirements that could be retired without jeopardizing reliability or creating a reliability gap. NERC worked with trade associations, industry stakeholders, and staff from the Regional Entities to develop a list of requirements that they presented to the Standards Committee in the form of a Standards Authorization Request (“SAR”).

³ North American Electric Reliability Corp., 138 FERC § 61,193 at P 81 (March 15, 2012) (“P81 Order”).

On February 28, 2013, NERC filed its Petition with the Commission recommending the retirement of the 34 Reliability Standard requirements identified in the P 81 Project. On June 20, 2013, the Commission issued a NOPR stating that the requirements proposed by NERC for retirement “(1) provide little protection for Bulk-Power System reliability or (2) are redundant with other aspects of the Reliability Standards.”⁴ Included in the NOPR was an additional Commission proposal to withdraw 41 outstanding Commission directives that NERC develop modifications to Reliability Standards. The Commission noted that there are over 150 directives still outstanding but that many may no longer warrant attention to ensure reliability of the BPS and thus should be withdrawn. The NOPR sought comments on both NERC’s retirement and the Commission’s withdrawal proposals.

III. COMPANY BACKGROUND

Dominion Resources, Inc. (“DRI”) is a public utility holding company under the Public Utility Holding Company Act of 2005 and is the parent of several subsidiaries. DRI’s subsidiaries include a fully integrated electric utility and providers of wholesale electricity, transportation of natural gas, and related services to customers in the Mid-Atlantic, Midwest, and Northeast regions of the United States. DRI’s subsidiaries’ portfolio consists of approximately 28,000 megawatts of power generation, 6,000 miles of electric transmission, 6.3 trillion cubic feet equivalent of proved natural gas reserves, 7,800 miles of natural gas pipeline, and the nation’s largest natural gas storage system with about 950 billion cubic feet of storage capacity, and a LNG-import terminal. DRS provides various management services to DRI affiliates.

IV. DOMINION COMMENTS

Dominion applauds NERC’s efforts in identifying requirements to be retired and supports NERC’s petition as submitted to the Commission. Dominion believes that the 34 identified

⁴ NOPR at Summary.

requirements meet the criterion established by the P81 Project and thus should be retired. Likewise, Dominion endorses the Commission's additional proposal of withdrawing 41 outstanding Commission directives for NERC to develop modifications to the Reliability Standards as no longer being necessary.

A. Retirement of Requirements

Dominion appreciates NERC's ongoing effort and diligence to review Reliability Standard requirements to identify those eligible for retirement, particularly those that focus on administrative documentation and do little to support or enhance the reliability of the bulk electric system ("BES"). Dominion believes that the focus of NERC compliance should be placed upon quality Reliability Standards centered on reducing risk to the BES. It is critical that each Reliability Standard provide key elements that when adhered to support the reliability of the North American BPS. Dominion agrees with NERC that the retirement of the identified requirements "will allow industry stakeholders to focus their resources appropriately on reliability risks and will increase the efficiency of the ERO compliance program."⁵

B. Withdrawal of 41 Commission Directives

The Commission is to be applauded on its ongoing effort to review directives and proposing their withdrawal to help reduce unnecessary burdens. Dominion agrees with the Commission that the withdrawal of the 41 identified directives will enhance the efficiency of the Reliability Standards Development Process while having little or no impact on BES reliability. Dominion further supports the Commission's position that the 41 directives (1) have either been addressed in some other manner; (2) provide general guidance as opposed to a specific directive;

⁵NERC Petition at 2.

or (3) are redundant with another directive.⁶

V. CONCLUSION

Dominion respectfully requests that the Commission consider its comments as it contemplates approval of NERC's proposal to retire 34 requirements within 19 Reliability Standards, approve the implementation plan as laid out in NERC's petition, and also withdraw the 41 identified outstanding Commission directives proposed by the Commission in the aforementioned NOPR.

Respectfully submitted,

/s/ Cheri M. Yochelson

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⁶ NOPR at P 86.

CERTIFICATE OF SERVICE

I hereby certify that I have on this the 27th day of August 2013 caused the foregoing motion to intervene and comment to be sent by electronic mail or first class mail as appropriate to all parties on the list compiled by the Secretary in this proceeding.

/s/ Cheri M. Yochelson

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