

FERC's Division of Reliability



**NARUC Electric Reliability Staff
Subcommittee Meeting
February 13, 2005
Washington, DC**

Joseph H. McClelland
Director, Division of Reliability
Office of Markets, Tariffs, and Rates
Federal Energy Regulatory Commission

FERC's Strategic Plan

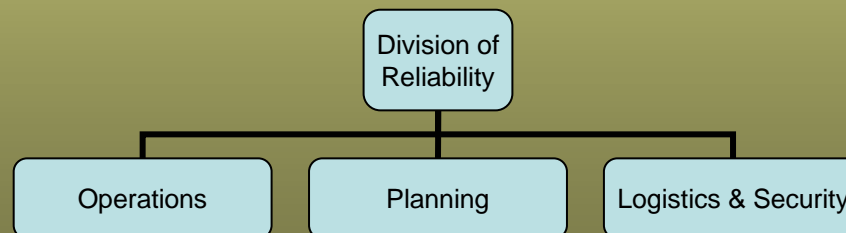


- **Early in 2004, Chairman Pat Wood stated that reliability is at the top of FERC's agenda**
- **FERC revised its Strategic Plan to specifically include reliability elements:**
 - Allow prompt recovery of prudent expenses to safeguard reliability, security and safety
 - Oversee the development and enforcement of grid-reliability standards
 - Work with other agencies to improve infrastructure security
 - Work with the states to support robust programs for customer demand-side participation

Reliability Division and Staff



- Existing and new staff complimented with outside industry experts
- Working within OMTR and with OMOI and OEP
- The Division will be organized into three groups; Planning, Operations, and Logistics and Security
 - Planning efforts will include the identification and investigation of areas of congestion
 - Operations activities will include the review of the operation and maintenance activities of transmission owners
 - Logistics and security efforts will review areas such as rates, cost recovery, and cyber security



Some Past Initiatives of the Reliability Group



- **Completion of the Blackout Report including specific recommendations for change and improvement**
- **Participation in the Reliability Readiness Review Audits with the North American Electric Reliability Council (NERC) including the follow-up Technical Conference on September 29th**
- **Investigations and studies such as the Vegetation Management Study**
- **Participation in a natural gas pipeline disruption impact analysis**
- **Tracking and identification of the grid operation functions between entities**
- **Study and identification of best tools and practices for IT functions**
- **Submission of the Congressional Report for Fiscal Year 2004 detailing FERC's reliability activities**

Some Future Initiatives of the Reliability Division



- **Cyber security evaluations of supervisory control and data acquisition (SCADA) systems and IT platforms**
- **Transmission planning oversight including adequacy and extreme contingency plans**
- **Spare bulk power supply system equipment studies**
- **Industry metrics and standards**
- **Reactive power oversight, including planning, operations, and compensation**
- **Participation in FERC's technical workshops and conferences**
- **Work that will be required by any reliability legislation – various rulemakings**

A Cooperative Effort



- **Common goal of enhancing reliability**
- **We are working in partnership with**
 - Canada and States
 - Other Federal Agencies (DOE, DHS, NRC, etc.)
 - NERC, regional reliability councils and industry stakeholder groups
 - Non-jurisdictional entities
- **Can't be done alone**