



October 18, 2012

News Media Contact

Craig Cano | 202-502-8680

Docket Nos. RM12-22-000, RM12-4-000

FERC Proposes Enhancements to Reliability of Bulk Power System

The Federal Energy Regulatory Commission (FERC) today took steps to ensure continued reliable operation of the nation's bulk power system by proposing to approve a revised vegetation management standard and to require new standards addressing the impacts of a geomagnetic disturbance (GMD).

GMDs, which result in distortions to the earth's magnetic field, may cause severe problems with grid reliability, including blackouts as well as damage to critical or vulnerable equipment. Although strong disturbances are infrequent, current mandatory reliability standards do not adequately address vulnerabilities.

To address this reliability gap, today's Notice of Proposed Rulemaking (NOPR) proposes to direct the North American Electric Reliability Corporation (NERC), the FERC-approved Electric Reliability Organization, to develop and submit new GMD standards in a two-stage process.

First, within 90 days of the effective date of a final rule in the proceeding, NERC would file one or more standards requiring owners and operators of the bulk power system to develop and implement operational procedures to mitigate GMD effects. That such procedures already are in place in some areas should allow for faster development and implementation of these standards, the NOPR says.

In the second stage, FERC proposes that NERC file, within six months of a final rule, standards that require grid owners and operators to conduct initial and continuing assessments of the potential impacts of GMDs and, based on those assessments, implement strategies to protect the bulk power system, including automatic blocking of geomagnetically induced currents, instituting specification requirements for new equipment, inventory management, or isolating certain equipment that is not cost effective to retrofit. Stage two would be implemented in phases, focusing first on the most critical and vulnerable assets.

The NOPR does not propose specific requirements, but offers guidance regarding the assessments of the grid's vulnerability to GMDs, the mechanisms for protecting critical or vulnerable components and an implementation schedule. FERC seeks comments on all aspects of the proposal.

In a separate NOPR on vegetation management, FERC proposes to approve revisions submitted by NERC that would:

- Expand the applicability of the standard to include lines operated below 200 kilovolts that are part of an Interconnection Reliability Operating Limit or a Major Western Electricity Coordinating Council Transfer Path.
- Set a new minimum annual inspection requirement.
- Incorporate new minimum clearance distances into the text of the standard.

Comments on both proposals are due 60 days after publication in the *Federal Register*.