



# Reliability 201: O&P

**Curtis Crews**

**Director, O&P Compliance and Risk Assessment**

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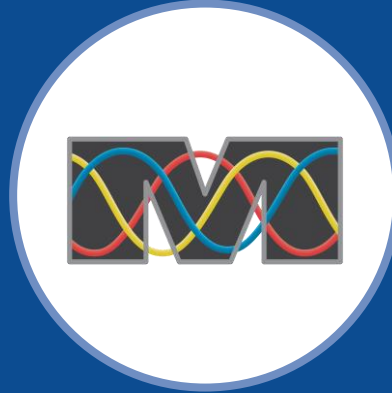


# Upcoming ERO Events



**June - July 13, 2023**

Inverter-Based  
Resource Webinar  
Series



**June 29, 2023**

Regional Summer  
Assessment Webinar



**July 17, 2023**

Technical Talk  
with RF



slido

Product

Solut

#TXRE

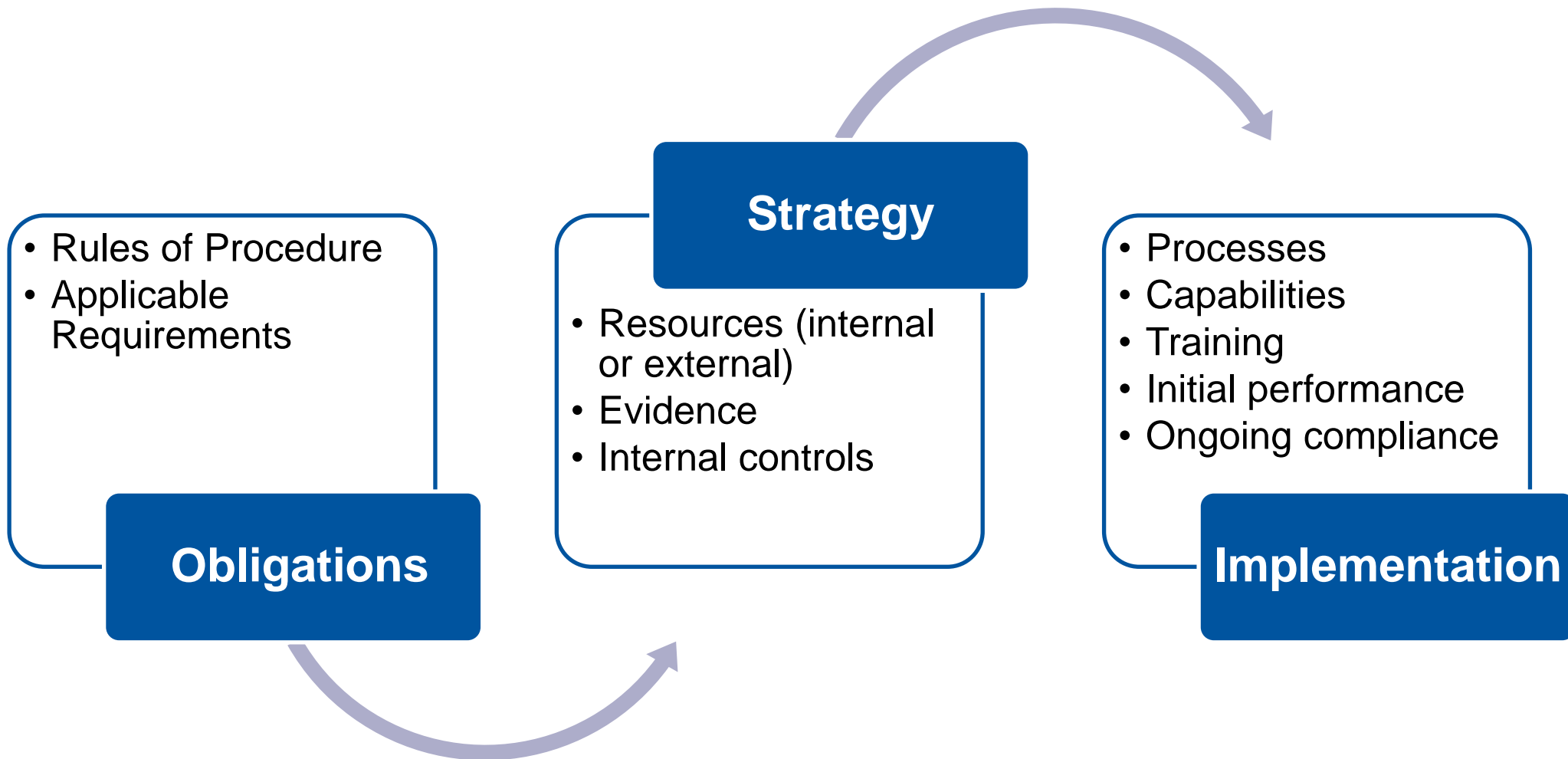
Joining as a participant?

# Enter event code

Join an existing event

**Slido Question #1**  
**How many years of NERC compliance experience do you have?**





## Rules of Procedure (ROP) Identify a Registered Entity's Obligations within the Regulator Framework of the ERO Enterprise

- Monitoring methods- types and general process
- Provision of evidence
- Disposition of findings

## Numerous Resources to Identify Applicable Reliability Standards and Requirements

- NERC "US Effective Date Status/Functional Applicability" spreadsheet
  - <https://www.nerc.com/pa/Stand/Pages/default.aspx>
- Texas RE provides information as part of Registration process

## Compliance Oversight Plan (COP)—Guidance to Consider

## Implementation Plan (IP)—Guidance to Consider





**After the foundation of an O&P Compliance Program has been established, internal controls are essential to ensure ongoing compliance with Reliability Standards.**

- Alarms and notifications
- Change management
- Internal review
- Inventory tracking
- Onboarding
- Processes and procedures
- Periodic verification
- Training





**Assign subject matter experts to perform internal audits for specific Reliability Standards and Requirements (make a plan!)**

- Review Implementation Plan Focus Areas every year
- Review Compliance Oversight Plan
- Review internal risk assessment
- Review Reports- Reliability Issues Sub-Committee, State of Reliability reports, Event Reports



**Identify prescribed tasks where internal resources are insufficient and third-party contractors may be required**

- Find out who does what best (NSRF, CIPWG, vendor fairs, etc.)
- Texas RE does not endorse any one group



**Determine sufficiency and completeness of retained evidence**

- Using templates (e.g., CIP ERT, PRC-005, etc)?
- Are evidence files up to date for risks identified?
- Are evidence files easily retrievable?
- Any new or updated processes need reviewed?
- Any new roles/staff?
- Does the evidence pass your internal audit process?
- Any new Standards/Requirements that affect training, documentation, evidence, etc. ?



**Review resources**

- NSRF presentations and CIPWG presentations
- Compliance Guidance-- Implementation Guidance, Practice Guides
- Compliance Oversight Plan
- Workshops/Talk with Texas RE/Texas RE view
- Texas RE MRC and Board presentations





# Robust Compliance Program

Periodically review document processes associated with identified risks

Are capabilities in place to meet obligations?

Review training materials

Set timeframes for periodic required efforts to be **less** than timeframe required for Compliance

Test internal controls

- Do not simply accept result as evidence internal control is effective
- Treat test as if was being done by a Region (i.e., practice like you play)

Periodic review results provided to management

Validate with peers



**Do internal audits especially focused on risks identified!**

**Do not assume that an engagement follows a pre-determined time period**

**Be prepared to be audited and not be in a position that requires preparation. Bake compliance and the internal controls needed for compliance into you company.**



## Slido Question

**What standards are emphasized in your organization's internal training program?**



## PRC-005-6 R3

- Commission Protection Systems to establish initial performance dates
  - Process/notification/documentation
- Maintenance of Protection Systems to maintain reliability
  - Process/notification/documentation



## Slido Question

**What are some strategy examples for PRC-005?**



## Slido Question

**What are some implementation examples for PRC-005?**



Personnel  
assigned and  
trained

Internal audit  
planned in  
March

In COP (not IP)

Not internal risk  
assessment  
(Why?)

Related to risks  
identified in  
RISC report

Identified in  
Texas RE  
Enforcement top  
10 issues

Attend  
NERC/ERCOT  
protection  
meetings

Attend NSRF



## Determine Sufficiency and Completeness of Process/Retained Evidence (Determine Periodicity)

- Using most recent PRC-005 template/process
- Evidence files up to date and easily retrievable for risks identified
- New or updated processes/templates/software have been reviewed and staff is trained
- New roles and staff aware of expectations, location of documentation, timing, peer review, etc.
- Periodic review of evidence passed internal audit process
- No new Standards/Requirements that affected training, documentation, evidence are in play
- For new/updated Protection Systems, other Standards were considered and updates applied as needed (PRC-027, FAC-008, PRC-004, PRC-006, PRC-012, PRC-023, PRC-024, PRC-025, CIP-002, etc.)?





## Review Resources

- All internal groups updated routinely
- NSRF peer review and presentations (CIPWG presentations as well) have been completed
- Compliance Guidance—Implementation Guidance, Practice Guides-no new ones to consider
- Workshops/Talks with TexasRE/Texas RE *view* all reviewed for applicable content regarding risk
- Considering demonstration of internal controls to Texas RE outside of an engagement (utilizing posted ICAT)





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# Upcoming Sessions



June 5—Intro to Align

June 6—Standards Development

June 8—Compliance Monitoring

June 13—CIP 201

June 14—Foundations of O&P

June 15—O&P 201

June 20 – Risk-Based Approach to Reliability

June 21 – Improving Self-Reporting 201

June 22 – NERC Data Submission, Events Analysis, and Guidelines

June 27 – Initial Engagement Submissions

June 29 – Reliability Services

JUNE 2023						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
28	29	30	31	1	2	3
4	5 	6 	7	8 	9	10
11	12	13 	14 	15 	16	17
18	19	20 	21 	22 	23	24
25	26	27 	28	29 	30	1



The background of the slide features a blurred Texas state flag on the left and a target with several darts on the right. The darts are clustered in the center of the target, suggesting a focus or a goal.

# Questions?



**TEXAS RE**

Ensuring electric reliability for Texans