

Electric Reliability Update-October 28, 2016: FERC Approves NERC 2017 Business Plans and Budgets; Annual Grid Security Conference Highlights Best Practices; DHS Officials Warn Utilities of Potential Cyberthreat

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FERC

FERC Approves NERC 2017 Business Plans and Budgets - October 20 - FERC accepted the 2017 business plans and budgets for NERC, the Regional Entities, and the Western Interconnection Regional Advisory Board (WIRAB). NERC's 2017 Business Plan and Budget proposal, originally filed on August 23, totals \$154,832,467, including \$54,326,337 for NERC funding, \$99,746,574 for Regional Entities funding, and \$759,556 for WIRAB funding.

NERC

NERC Submits 2016 Informational Filing on Frequency Response - October 21 - NERC has submitted, for informational purposes only, its 2016 Frequency Response Annual Analysis report. The filing updates statistical analyses and calculations contained in the petition for approval of proposed Reliability Standard BAL-003-1.1 and also identifies inconsistencies and determines adjustment factors for calculating Interconnection Frequency Response Obligations (IFROs).

Annual Grid Security Conference Highlights Best Practices - October 19 - Security experts from industry and government convened in Quebec City for NERC's annual grid security conference to discuss the ongoing collaboration between U.S. and Canadian utilities to protect the bulk power system against cyber and physical security threats. Panel discussions included topics on geomagnetic disturbances, industry use and government policy for unmanned aircraft systems, and screening networks for cyber and physical security threats. Presentations will be posted on NERC's [GridSecCon](#) webpage.

Cybersecurity and Grid Security

DHS Officials Warn Utilities of Potential Cyberthreat - October 25 - After a October 21

cyberattack on Dyn, a New Hampshire company that manages web traffic for many popular U.S. websites, crippled Americans' ability to access the internet, [Department of Homeland Security officials have warned utilities](#) that they could be targeted in similar attacks. The attack on Dyn was a distributed denial-of-service (DDoS) attack that targeted smart-grid devices and infected them with Mirai malware. While DHS has not yet said that similar DDoS attacks threaten North American grid reliability, officials have cautioned that internet-exposed equipment used by utilities could be swept up in such an attack.

White House Issues Executive Order to Address Geomagnetic Disturbances - October 24 - The Obama Administration [issued an executive order](#) directing DOE and DHS to create a pilot program to deploy, test and evaluate devices that can shield transformers against dangerous ground currents resulting from geomagnetic disturbances (GMDs). The order, which makes no reference to NERC, attempts to speed the regulatory process that addresses extreme space weather events that can have a significant impact on critical infrastructure, including the electric grid. FERC has also been working on responses to the GMD threat since 2012, which includes, but is not limited to, the blocking devices in the White House GMD order.

Other Developments

DOE Announces \$5 Million Investment in New Research to Improve Grid Reliability through Enhanced Visibility - October 19 – The Department of Energy's Office of Electricity Delivery and Energy Reliability announced a [\\$5 million investment](#) in research that will allow organization in California, New York and Tennessee to develop synchrophasors in the areas of reliability management and asset management. Synchrophasors use GPS satellites to time-synchronize the data they collect and can thus provide system operators with a near real-time snapshot of the grid's operating status. This enhanced visibility of the grid allows grid operators to manage their systems more efficiently and improve reliability.

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