**Northwest Public Power Association**

**Resolution 2017-04**

**Reliability Standards and Enforcement Reform**

**Background**

Providing safe, reliable electricity at a reasonable price while protecting the environment has always been a fundamental responsibility of consumer-owned, not-for-profit electric utilities. Customers of consumer-owned utilities experience equal and often greater electric system reliability than other utility customers.

In the years since Congress adopted mandatory and enforceable reliability standards in the Energy Policy Act of 2005 [Federal Power Act (FPA) section 215], the state of reliability standards has improved significantly by focusing on a risk-based prioritization approach to standards development and auditing efforts. However, the electric utility industry continues to be concerned about the cost and complexity of reliability compliance, especially as the scope of the Bulk Electric System (BES) grows and the expansion of standards reaching into distribution-level assets.

**NWPPA’s Position**

* NWPPA supports efforts to maintain and improve the reliability of the nation’s BES.
* NWPPA supports risk-based reliability standards focusing only on facilities and entities that are critical to reliability of the BES per Section 215 of the FPA.
* NWPPA urges the North American Electric Reliability Corporation (NERC) to ensure that any refinements and reforms to the set of reliability standards that are intended to better protect the bulk electric system do not adversely impact the ability of local utilities to protect their respective distribution-level facilities in the most cost-effective manner.
* NWPPA supports working relationships between the Federal Energy Regulatory Commission, NERC, the regional reliability organizations and the electric utility industry to identify and reduce unnecessary or duplicative standards and compliance documentation.
* NWPPA supports the development of appropriate regional reliability standards based upon the operating characteristics of regional power grids as defined by local and regional experts.
* NWPPA supports the industry-led standard development process and advocates for NERC’s role as the lead to assure reliability of the BES.
* NWPPA urges consistent standard application and guidance from FERC, NERC, and regional reliability organizations.

Origination Date: 2011. Revised in 2012, 2014, 2016 and 2017.