Northwest Public Power Association
Resolution 2019-04
Reliability Standards and Defining Resilience

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. 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 has improved significantly by focusing on a risk-based prioritization approach to standards development and auditing efforts. However, federal policymakers have become increasingly concerned about the “resilience” of the grid – a term that is generally thought of as the ability to maintain reliability during extreme weather or other catastrophic events and to quickly restore power in the wake of a widespread outage, and is sometimes used to refer to the ability to secure generation or facilities as assurance against grid failure. This subset of reliability/resilience issues has been used to justify policy proposals unconnected to the reliability standards-setting process and state and regional resource adequacy regimes.

NWPPA’s Position

- NWPPA supports efforts to maintain and improve the reliability of the nation’s Bulk Electric System (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 policymakers to engage the industry in defining “resilience” before adopting any policy related to grid reliability outside the existing standards-setting process.
- NWPPA urges policymakers to ensure that any new resilience policies do not adversely impact the ability of local utilities to manage their respective distribution-level facilities in a safe and cost-effective manner.
- NWPPA supports working relationships between the Federal Energy Regulatory Commission, NERC, the regional reliability organizations and the electric utility industry in defining resilience, and to identify and reduce unnecessary or duplicative standards and compliance documentation that does not directly impact the reliability of the BES.
• 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.