

## **General Comments**

LPPC thanks the Modernization of Standards Processes and Procedures Task Force (MSPP TF) members for preparing the Final Recommendations. LPPC supports the effort to improve the standards development process and the Final Recommendations make important refinements to the Draft Recommendations. Overall, LPPC is not proposing major changes to the recommendations but rather is highlighting specific areas or concerns that LPPC members have on how these recommendations are implemented over the next months and years.

LPPC also supports the comments submitted by APPA (and TAPS).

## **Comments on the Standard Initiation Process**

### **1. Stakeholders Need the Opportunity to Submit Written Comments**

The Final Recommendations give the RISC Sub-committee a wide latitude to handle stakeholder feedback on Standard Initiation Requests, but they make the submission of written comments optional. LPPC believes stakeholders must have an opportunity to submit written comments on Standards Initiation Requests regardless of whether a Standard Initiation Workshop is held. Some stakeholders may not be able to attend the workshop in person or have time during the workshop to provide their comments remotely. Written comments are a key step to ensure all stakeholder voices are heard and opinions considered.

### **2. Process is Needed to Resolve Comments & Approve the Reliability Standard Term Sheets**

The Final Recommendations have the RISC Sub-committee approving the final Reliability Standard Term Sheets, but the process details for this are not prescribed. The final process that is developed during the implementation phase should consider how comments on the Term Sheets are resolved and the consequences of the straw poll.

### **3. Qualifications, Term Lengths, and Term Limits for RISC Sub-committee Members are Needed**

The Final Recommendations provide no specifics on the qualifications, term lengths, and term limits for RISC Sub-committee members. These details are important and should be required during the creation of the RISC Sub-committee structure in the implementation phase.

#### 4. Transitional Period for Existing Standards Committee & Project Transfer

The Final Recommendations lack details on the transition period from the current Standards Committee to the new proposed process. This is an important part of the implementation period as existing projects in flight will be impacted by the transition, and an efficient process to transfer existing projects is critical.. Details on the transition should be shared with Standards Committee members to keep them engaged in their work until the Standards Committee is retired.

#### 5. Visibility Needed Amidst Removal of Check-Point Requirements

LPPC supports the Final Recommendation to remove check-point requirements such as authorizing postings and formation of drafting teams to increase the efficiency of Standards development. However, visibility and communication is needed on the use, or lack thereof, of the Stakeholder SME Pool and Project Teams during Term Sheet development. It is important for stakeholders to know when informal or ad-hoc teams are consulted by NERC Staff in the development of the Term Sheets and other Standard documentation.

#### 6. Complex vs. Non-Complex Determination

The RISC Sub-committee must decide early in a project whether the project is complex or not. If it is considered not complex, the Final Recommendations allow NERC Staff to develop the Term Sheet and lead Standard drafting without forming a Project Team. Clarity is needed in the charters and guidance documents that are created during the implementation phase.

### **Comments on the Standard Drafting Process**

#### 1. New or Revised Guidance Documents

LPPC recommends that the following existing Standards development guidance is maintained in the new proposed process. This guidance is essential for drafting new NERC Standards and captures years of lessons learned from Standards development work.

- Drafting Team Reference Manual
- Drafting Team Nominee Selection Criteria
- Special Rule to Address Certain Regulatory and Board of Trustees Directives

These process documents are currently maintained by the Standards Committee Process Subcommittee (SCPS), which will be eliminated with the new RISC structure.

The ownership of these documents needs to be transitioned into the new RISC Sub-committee structure. LPPC encourages that industry volunteers continue to be involved in the drafting and reviews of these supporting process guidance documents, as is currently performed by the SCPS.

These guidance documents should also be revised to include new instructions for the following process changes:

- Implementing AI and common errors introduced by AI
- How to write the term sheet
- How to conduct the straw poll
- Revised Project Team selection criteria
- Stakeholder SME Pool selection criteria
- Fast track process steps and criteria for initiating the process

LPPC recommends that during the implementation and transition period, a guidance document is created to provide clear instructions on what to do when industry consensus is not reached. For example, what are the criteria for “offboarding” a Standard Project? When should the Section 321 of the Rules of Procedure (ROP) be invoked for a Standards Project? There are existing Standards Committee guidance documents that provide instructions for offboarding and invoking Section 321 of the ROP, and accordingly, these guidance documents should be revised.

When reviewing the SCPS and other SC guidance documents, LPPC identified that the MSPP TF Final Recommendations did not address how Standard Requests for Interpretation (RFI) will be handled in the new process. Standard RFIs are an important tool and this process should be retained. The RSTC may not be the appropriate committee to review and disposition RFIs. Since RFIs are related to compliance issues or audit interpretations, the Compliance and Certification Committee (CCC) is a better choice to review incoming RFIs. Once accepted or rejected, the RFI should follow the same Standard drafting and balloting process as the SIR.

## 2. Tools and Reports

If NERC intends to replace the Standards Balloting and Commenting System (SBS) software with a different platform, LPPC recommends that a group of industry stakeholders be formed to test the new platform before rolling it out. This user group should be composed of compliance professionals or other company facilitators that will be responsible for entering comments, straw poll votes, and ballots. The user group

could report up to the RISC Sub-committee and be disbanded once the new platform is fully functional.

With the elimination of the Project Management and Oversight Subcommittee (PMOS), LPPC recommends that the RISC or NERC Staff continue to maintain the same schedule transparency and timely updates on upcoming Standard Drafting Process (SDP) milestones. The Workfront reports should continue to be updated monthly with input from the Project Teams and the Three-month Outlook posted on the NERC website.

### 3. Questions to Address During Implementation

LPPC members have several questions and topics of interest related to the implementation of the SDP changes.

- 1) Who is responsible for summarizing the results of the technical conference? The meeting summary document will need to capture the issues and concerns brought up by the industry, and it's unclear if NERC Staff or the RISC members will have the bandwidth to produce this document.
- 2) Who is responsible for drafting the RSAWs? Or are RSAWs going away in this new process? The current process for drafting RSAWs is not specific on who and when an RSAW should be developed, so this question often comes up even with the existing process.
- 3) Who is responsible for drafting or identifying the need for implementation guidance?
- 4) Who is responsible for drafting the technical rationale? Will AI be leveraged to create the technical rationale?
- 5) Who is responsible for drafting the Implementation Plans?
- 6) Who is responsible for performing the Quality Reviews?
- 7) How will existing Standard Drafting Teams be transitioned into the Stakeholder SME Pool?
- 8) Questions on the implementation of the straw poll:
  - a. Who is responsible for drafting the comment form for the straw poll?
  - b. What platform will be used for the straw pool? Whatever tool is selected, the industry should be able to view "live" comments submitted by other

entities. LPPC supports creating a dedicated group of individuals to draft the guidance for how straw polls should be executed.

- c. What's the threshold for reaching industry consensus in the straw poll? For example, will the threshold continue to be 2/3 approvals? And will there be an analysis to determine if there's adequate quorum and representation from the impacted registered entities?
- d. Who is responsible for organizing the materials for industry webinars during the straw poll commenting periods? Will there still be industry webinars or outreach for each of the straw polls? LPPC members strongly support the existing process for scheduling industry webinars for each comment posting, so that the Project Team can explain the changes or rationale for the Requirements. These industry webinar recordings are used even years after the Standard is approved to understand the original intent behind each Requirement.

#### 4. Transition Process

LPPC is supportive of a trial run of the new process changes before the process changes are fully implemented. However, the execution of this trial process should be fully transparent, documented on the NERC website, and clear criteria established on which Standard Projects are selected for early trial implementation. Additionally, implementation of the MSPP TF recommendations should not occur until the NERC Board of Trustees have approved the recommendations, and the ROP redlines are drafted for industry comment.

#### 5. Project Teams

LPPC agrees that dedicated Project Teams should be assigned to all active Standard Projects and these teams should be responsible for the work product (i.e. technical rationale, implementation plans, comment forms, etc.). Guidance should be developed for what to do if the Stakeholder SME Pool does not have the bandwidth to work on multiple Standards at one time, or if the Stakeholder SME Pool does not have the applicable experience/background. This guidance should also include instructions on how individuals can join the Stakeholder SME Pool, and how to ensure there is adequate representation from each Segment, interconnection, and technical areas.

#### 6. Process Flowchart

LPPC has the following suggestions for the Standard Drafting Process flowchart:

- Create a separate swim lane for the Project Team in the Drafting process flowchart. The Project Team members may not be the same individuals as the RISC Sub-committee members. Additionally, having a separate swim lane for the Project Team will clarify where the handoffs occur between the RISC Sub-committee and the Project Team.
- Add a step in the flowchart for the Quality Review (QR) prior to the “informal outreach” step. As noted in the comments above, it’s unclear who is responsible for performing the QR. Adding this step to the flowchart will help clarify both when the QR is performed and who is performing it.

## 7. Regional Inclusion on the SME Stakeholder Pool

The Stakeholder SME Pool should include regional entity representatives to provide real auditing perspectives to aid in drafting.

## 8. RISC Sub-Committee Oversight is Unclear

Under the Final Recommendations, the RISC Sub-committee is given oversight of the SDP. The RISC Sub-committee’s oversight by the RISC versus the NERC Board is unclear. The Final Recommendations state that the Board appoints all members to the RISC Sub-committee, even those elected members, and they all serve at the pleasure of the NERC Board. However, the RISC Sub-committee serves under the RISC. Clarity is needed as to the different authority vested in the Board and the RISC, and the process for NERC Board appointments to the RISC Sub-committee.

## **Comments on the Standard Balloting Process**

### 1. Support for Company-Based Voter Designations, Voting Rights, Comments

LPPC supports the MSPP TF’s vision of Registered Ballot Body memberships in that they belong to the member companies. Thus, as recommended, companies should have discretion to designate one voter or alternate across their applicable segment(s), improving coordination and reducing missed ballots. This centralized designation also simplifies updates during role changes or retirements. LPPC also appreciates the recommendation to maintain individual voting rights for individual member companies. And we believe that allowing participation via commenting provides a more flexible and equitable eligibility pathway.

### 2. Improved Outreach and Training

LPPC supports enhanced outreach aimed at understanding participation by affiliated entities. This engagement should include training opportunities. Maintaining current, sustainable training resources is important due to evolving roles and the continual introduction of new compliance personnel.

### 3. Clarifying the Use of Section 321/322

LPPC does not agree with the recommendations that allow use of Sections 321/322 of the ROP after only a single failed ballot. When the Section 321 was utilized in the past, it occurred after two failed ballots. This seems like an appropriate precedent that is worth capturing as a requirement. Additionally, this process language should remain flexible to accommodate the possibility of last-minute comments that did not arise during the commenting process rather than stressing resources due to confining language.

### 4. Fast-Track Qualification and Criteria

LPPC notes that the Final Recommendations do not specify the criteria that would be used to qualify a Standards Project for the fast-track process. This criteria should be clearly delineated (i.e. bullets) in the Standards Process Manual.