

II. MOTION

WIRES moves to intervene on the basis that it is uniquely situated to comment on the impact of the Commission's Order and the forthcoming NERC Standards. WIRES is comprised of a broad range of transmission owners, operators, customers, and service providers that will be directly and substantially subject to the Standards adopted. Other members depend heavily upon assurances of continued reliability of the system. In sum, WIRES has unique interests that cannot be adequately represented by any other party. It therefore respectfully requests that it be granted intervention in this proceeding for all purposes.

III. COMMENTS

The Commission quite appropriately acknowledges that the industry has already focused on the risks to critical facilities and taken steps to protect them from physical security threats. WIRES believes that the kind of risk assessments that the Commission asks NERC to institute on an industry-wide basis are important to the actual and perceived reliability of the electric system. However, WIRES also appreciates the Commission's recognition that responses to emerging risks to the system need not be the same in all cases. WIRES therefore supports the Commission's initiative and its intent to be flexible in its implementation.

The resilience of the high-voltage transmission system, and the electric system as a whole, is essential to the sustainability of our economy and the American standard of living. Whether from extreme weather, cyber attack, physical assault, or celestial weather phenomena, threats to the continued operation of the grid raise increasingly difficult challenges to the owners and operators of critical facilities and complex public

policy questions for regulators and other policy makers. In other words, this is an area of growing and evolving concern that demands due process and deliberation.

In that regard, WIRES emphasizes its strong conviction that robust infrastructure, built to serve the multiple long-term needs of our electric economy, is the principal basis of real system resilience in the face of the diverse threats, whether they arise from climate change, calculated violence against the system, the vulnerabilities associated with digital technologies, or other phenomena. Resilience resides as much in the energy diversity, the absence of congestion, and technological innovation that transmission enables, as well as in the basic prudence that the operation of essential energy delivery facilities dictates, as it does in protection for individual facilities. One of the basic ways to defend against the consequences of assaults on critical facilities is to continue to plan, design, and develop the grid to enhance overall system robustness while making individual elements less critical. Of course, it may be difficult to apply and adapt security Standards in real time as demand, technology, and the modern grid change. Order No. 1000 and the implementation process that has followed will have a profound effect on the design and configuration of the high-voltage grid and its overall modernization in the coming decades. WIRES is persuaded that the way transmission is planned and built always involves meeting security challenges, whether for additional capacity, hardening key facilities, enhancing restorative capabilities, or addressing multiple contingency outages. Thus, beyond the protection afforded individual facilities, the new Standards should be crafted to be adaptable to the changing design of regional systems, in which the “criticality” of individual facilities and loads may change from time to time.

In sum, transmission development is both complex and heavily regulated, meaning that transmission facilities cannot be produced or even replaced “just in time.” Under current utility-specific, regional, and interregional planning regimes, planners model their systems for the possibility of a loss of facilities from multiple contingencies over a long period. As the nation invests in a truly 21st Century Bulk Power System, the definition of how ‘resilience’ is to be defined and how physical and cyber security costs are to be recovered will be as important to the Commission’s long-term market goals as they are to achieving high levels of reliability. Interoperability, system stability, and avoidance of cascading failures or uncontrolled separations entail far more than a standardized risk assessment procedure, important as that may be.

WIRES urges the Commission to ensure that the physical security Standards work well and consistently with current efforts to achieve grid modernization, congestion relief, overall security, and operational flexibility over the life of transmission assets. We urge the Commission to adopt a broad view of what security means in this instance, beyond mere fortification of individual facilities that are deemed critical under today’s analyses of the grid and its operations. That focal objective can be deemed “resilience.” While not precisely defined in this context, it is the goal we are all ultimately pursuing. This larger task of ensuring system resilience certainly ranges beyond NERC’s capabilities or obligations under the Order. The forthcoming Standards must therefore be considered and applied in light of the current modernization efforts and cost issues. In other words, we look forward to a collaborative Commission process that balances the diverse and complementary efforts to expand, modernize, and secure this vital infrastructure and in which WIRES can play a constructive role.

IV. CONCLUSION

In conclusion, WIRES believes that the Order is an appropriate exercise of the Commission's authority under Section 215 of the Federal Power Act³ and one that is in the public interest. WIRES nevertheless urges the Commission to support a Standard-setting process that supports and expands on existing security measures and the Commission's other goals, especially the promotion of a robust grid that maintains a flexibility, adaptability, and strength that renders attacks on critical facilities less consequential to electricity consumers and the economy.⁴

Respectfully submitted,



James J. Hoecker
Hoecker Energy Law & Policy PLLC
Husch Blackwell LLP
750 Seventeenth Street, N.W. Suite 900
Washington, D.C. 20006
James.Hoecker@huschblackwell.com

WIRES Counsel

Phillip C. Grigsby
Vice President, Commercial Transmission
Duke Energy
PO Box 1007
Charlotte NC 28201-1007
phillip.grigsby@duke-energy.com

WIRES President

³ 16 U.S.C. § 8240 (2012).

⁴ We therefore note with approval Commissioner Norris' concurring opinion, in which he states that a "more resilient grid should significantly limit the impacts of physical events, and potentially discourage future physical attacks, by ensuring that power will continue to flow to consumers even if certain elements of the grid are harmed." (at p. 3).

Dated: March 28, 2014

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in these proceedings.

Dated at Washington, D.C., this 28th day of March 2014.

Anne Fazzini
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