

SERC Compliance Monitoring and Enforcement Program

Implementation Procedure 4.0 Annual Implementation Plans



SERC CMEP Implementation Procedure 4.0: Annual Implementation Plans

Revision History

| Revision | Date | Originator | Comments |
|----------|-------------------|-------------------------|--|
| 0 | May 31, 2007 | T. Galloway | Document Origination. |
| 1 | August 1, 2007 | M. Ladrow | Incorporated NERC typographical error changes and modified formatting of procedure and appendices. |
| 2 | November 15, 2007 | M. Ladrow J. Harrell | Update procedure and appendices A, B & C to reflect requirements of 2008 CMEP. |
| 3 | April 14, 2009 | J. Harrell | Removed inaccurate reference to NERC ROP, Section 500. Removed Notes 1 & 2 in Section 4.0. Removed all appendices. Added "References" section. |
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Cross Reference Table

The procedures listed in the table below refer to this procedure, Compliance Implementation Procedure 4.0: Annual Implementation Plans. As revisions are made to Procedure 4.0, the Originator should review the procedures listed to determine if corresponding changes to these procedures are warranted.

| Procedure Number | Procedure Title |
|------------------|-----------------|
| N/A | |
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Responsible SERC Group(s)

SERC BCC

Review and Re-Approval Requirements

This document will be reviewed every two years or as appropriate for possible revision. The existing or revised document will be re-approved by the SERC Board Compliance Committee (BCC), distributed by the Compliance Director to all applicable SERC staff, and posted on the website for Registered Entity and SERC Member reference.

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1.0 Purpose

NERC maintains and updates an annual NERC Implementation Plan, which is to be carried out by SERC in its performance of responsibilities and duties in implementing the NERC Compliance Monitoring and Enforcement Program. In turn, SERC creates an annual Regional CMEP Implementation Plan that is approved by NERC. The purpose of this procedure is to define typical content within both the NERC and SERC annual implementation plans and to provide typical timelines. This procedure augments Section 4.0 of the SERC Compliance Monitoring and Enforcement Program (CMEP) document. NERC will issue its annual plan by October 1 and SERC will issue its annual plan by November 1 for the upcoming year.

2.0 Responsibilities

- NERC issues an annual CMEP Implementation Plan for upcoming year by October 1st.
- Compliance Director (CD) issues SERC's Annual CMEP Implementation Plan by November 1st.
- The Audit manager updates the Audit Long-range plan and develops an annual audit schedule as input to the SERC Annual CMEP Implementation Plan.
- The Compliance Enforcement Manager (CEM) reviews compliance violations for overall themes and analyzes overall compliance program performance as input to the SERC Annual CMEP Implementation Plan.
- At the request of the Compliance Director, Compliance Advisory Groups (CAGs) provide input to the SERC Annual CMEP Implementation Plan.

3.0 References

SERC CMEP Section 1.1, Definitions, and Section 4.0, Annual Implementation Plans
NERC Rules of Procedure, Section 401.6

4.0 Procedure Steps

SERC or NERC responsibility is denoted in parentheses.

- 4.1 (SERC) By **July 1st**, the Compliance Director schedules meetings and/or telecons as needed to obtain input toward the SERC Annual CMEP Implementation Plan for the upcoming year.
- 4.2 (SERC) By **September 1st** the Audit Manager provides the Compliance Director the proposed audit schedule for the upcoming year.
- 4.3 (SERC) By **October 1st**, the Compliance Enforcement Manager provides a report to the Compliance Director identifying any themes or trends from the current year that warrant particular compliance attention during the upcoming year. This report will include:
 - Most frequently cited standards in noncompliance / possible violation
 - Monitoring methods that identified noncompliance / possible violation

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- Repetitive or longstanding noncompliance / possible violation by entities
- Events or disturbances of interest in the region
- Timeliness effectiveness of mitigation plans associated with compliance activities
- Comparison of SERC performance to other regions on the above.

4.4 (NERC) By **October 1st**, NERC issues the NERC Compliance Monitoring and Enforcement Program Implementation Plan, or NERC Implementation Plan. The NERC Implementation Plan specifies the Reliability Standards that are subject to reporting by Registered Entities to SERC in order to verify compliance and identifies the appropriate monitoring procedures and reporting schedules for each such Reliability Standard.

4.5 (SERC) By **October 8th**, the Compliance Director obtains and distributes the NERC Implementation Plan to the SERC Board Compliance Committee and applicable SERC staff.

4.6 (SERC) By **October 22nd**, the Compliance Enforcement Manager (CEM) defines dates for all applicable filings and self-certifications based on the subset of standards designated by NERC for active monitoring in the upcoming year. Coincident with identifying these dates the CEM defines associated milestones for filing form development and review of submitted forms and initiates the update of related SERC procedures and other documents.

4.7 (SERC) By **November 1st**, the Compliance Director issues the SERC Annual CMEP Implementation Plan. The CD coordinates with the BCC for review and approval of the plan as required and issues the report to NERC for approval. A copy of the SERC Annual Implementation Plan is placed on the SERC website. Plan contents will include the following:

- Listing of mandatory and effective reliability standards with the monitored subset(s) designated.
- Other Reliability Standards proposed for active monitoring by SERC.
- Methods to be used by SERC for reporting, monitoring, evaluation, and assessment of performance criteria with each Reliability Standard.
- Required filing dates for each discipline (OP, Planning, and Cyber) and the associated standards.
- Annual audit schedule.

The format of the SERC Annual CMEP Implementation plan closely follows the format of the NERC Implementation Plan. SERC describes its Compliance Enforcement Program, highlighting its mission and vision and explaining its eight methods to identify potential violations. Similarly, SERC expands on its outreach activities, lessons learned, and self improvement activities. In addition to the audit related documents listed above, the attachments to the SERC plan also include its Long Range Audit Plan.

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- 4.8 The Compliance Director revises the plan as required and denotes the change via revision level. Revisions are posted to the SERC website and sent to NERC.