



Legislation Text

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GRU Electric Operations and Planning Compliance Policy and Administrative Guideline (B)

GRU is required to comply with applicable reliability standards promulgated by the North American Electric Reliability Corporation (NERC), and a supporting commitment from the City Commission is an important consideration by FERC as to the GRU's intent and commitment to comply. The Energy Policy Act of 2005 broadened the powers of the Federal Electric Regulatory Commission (FERC) to certify and oversee the nation's Electric Reliability Organization (ERO), regulating reliability aspects of the bulk power generation and transmission grid. FERC has since certified the NERC to serve as the ERO, with certain functions delegated to regional entities. In Florida, NERC has delegated compliance monitoring and enforcement to the Florida Reliability Coordinating Council (FRCC). Subject to review and approval by FERC, NERC is responsible for promulgating mandatory reliability standards and rules of conduct applicable to "all users, owners and operators of the bulk-power system," which includes generation, transmission, and, in some cases, distribution facilities.

In the conduct of its electric business, the City of Gainesville, Florida, doing business as Gainesville Regional Utilities (GRU), owns and operates facilities which are part of Florida's bulk power electrical transmission grid and, in turn, relies upon the grid for power supply and reliability services and is required to comply with all applicable reliability standards and rules promulgated by FERC, NERC, and/or FRCC. Compliance with all applicable reliability standards and rules is monitored and enforced by NERC and FRCC through 1) periodic or random compliance audits; 2) self-reporting of non-compliance; and 3) specific post-event investigations. Non-compliance with applicable reliability standards may result in monetary penalties. FRCC has scheduled GRU for an on-site compliance audit beginning April 20, 2009.

The City Commission adopted the proposed resolution stating the City of Gainesville's commitment to the policy of compliance with the applicable reliability standards promulgated by the North American Electric Reliability Corporation (NERC).

Non-compliance with applicable reliability standards may result in monetary penalties. Management of GRU's Compliance Program may require the occasional hiring of consultants and experts.

Prepared by Ed Regan, Assistant General Manager for Strategic Planning

Submitted by Robert E. Hunzinger, General Manager