“Grid Assurance”

Steven Naumann
VP – Transmission and NERC Policy
Exelon Corporation
312.394.2807
steven.naumann@exeloncorp.com

Biography

Steven T. Naumann is Vice President – Transmission and NERC Policy at Exelon Corporation. He is responsible for developing policy for Exelon on transmission pricing, cost allocation, and high level transmission planning policy nationwide. He also directs the development of reliability policy issues relating to standards, compliance and other issues involving the North American Electric Reliability Corporation (NERC), the Electric Reliability Organization certified by the Federal Energy Regulatory Commission (FERC). Mr. Naumann joined Commonwealth Edison Co. following service as an officer in the United States Air Force. During his over 40 years at Exelon and Commonwealth Edison, Mr. Naumann has held a number of engineering, managerial and executive positions responsible for the planning, operation, and security of the electric delivery system. He has participated on a number of committees, working groups and task forces of NERC and the Mid-America Interconnected Network Regional Reliability Council (MAIN), including serving as Vice Chairman of MAIN from 2004-2005. Mr. Naumann served on NERC Member Representatives Committee as a representative of the Investor Owned Utilities and as Vice Chairman and Chairman. He has testified before Congress, FERC, the Illinois Commerce Commission and the Public Service Commission of Wisconsin.

Mr. Naumann received a Bachelor of Science degree in Electric Power Engineering in 1971 and a Master of Engineering degree in Electric Power Engineering in 1972, both from Rensselaer Polytechnic Institute in Troy, New York. He later received a J.D. degree from Chicago-Kent College of Law in 1988. Mr. Naumann is a Registered Professional Engineer in the State of Illinois and is licensed to practice law in Illinois.

Abstract – Grid Assurance

The electric transmission grid has benefited from significant investment as of recent, but opportunity still exists for the Bulk Electric System to be significantly impacted from natural disasters and deliberate attacks. As a result, NERC developed a mandatory reliability standard, CIP-014, requiring transmission owners to develop plans to increase the physical security of critical substations and resiliency of the grid. In the Fixing America’s Surface Transportation (FAST) Act, passed in December 2015, the U.S. Department of Energy was tasked with preparing a plan to submit to Congress to establish a Strategic Transformer Reserve. The utility industry is working to respond to this increased need by planning for more robust restoration plans and increased domestic sparing of critical, long lead-time equipment.
In an effort to address these requirements, energy companies came together to jointly develop the Grid Assurance business model. Specifically, Grid Assurance is targeted to provide an additional level of protection beyond current industry initiatives (such as EEI’s STEP program) to respond to catastrophic events. Grid Assurance looks to create a reserve of key transmission equipment (starting with power transformers and circuit breakers) along with necessary logistics plans to respond quickly to major events affecting the bulk electric system. The service will be available to all transmission owners, but the company itself will not be rate regulated. This presentation will walk through the basic concept and need for Grid Assurance, the current status and the plan for bringing the service to market.