##### February 11, 2014

**TO:** All Interested Parties

**FROM:** Elizabeth Mallett, NAESB Staff Attorney

**RE: NERC/NAESB Coordination**

**Update on the NERC/NAESB Coordination Efforts –**

NAESB and NERC continue their dedication to achieve industry objectives by actively harmonizing on several projects. The two organizations conduct monthly coordination conference calls that are typically focused on a variety of topics including the Electric Industry Registry (EIR), the Parallel Flow Visualization (PFV) project, the items identified for accelerated development in the NERC Reliability Standards Development Plan, and any additional coordination issues identified by the NERC project managers or the NAESB subcommittee co-chairs.

The NERC Project 2012-05 ATC Revisions (MOD A), the resulting proposed standard – MOD-001-2, and the related NAESB standards development request from NERC have also been frequent topics of discussion during the coordination calls. The proposed NERC standard was approved by the NERC Board of Trustees on February 6, 2014 and filed with the FERC on February 10, 2014. A standards development request regarding the MOD standards has been submitted from NERC to the NAESB office. MOD A concentrated on closing out directives from FERC Order No. 729 and resulted in MOD-001-2, a NERC standard that condenses MOD-001-1a, MOD-004-1, MOD-008-1, MOD-028-1, MOD-029-1a, and MOD-030-2 into a single standard solely addressing reliability-related issues. In order to ensure that the commercial aspects of the MOD requirements are maintained, the submitted standards request asks NAESB to consider incorporating into its standards elements from the MOD standards that are not being retained in the proposed reliability standard MOD-001-2. The standards request will be triaged through the NAESB Triage Subcommittee and may result in modifications or additional NAESB standards. NERC and NAESB staff recently held a conference call with the FERC staff to discuss the filing and implementation process of the revised NERC MOD A standards and the prioritization of NAESB activities in relation to the effort.

Additionally, NERC and NAESB leadership continue to exchange notes related to gas-electric coordination, demand response and energy efficiency, cybersecurity efforts, and the existing structure of the organizations. NERC and NAESB executive leadership will continue to meet periodically to evaluate the status of these efforts and any future developments which may require coordination.