##### December 2, 2019

**TO:** All Interested Parties

**FROM:** Caroline Trum, NAESB Deputy Director

**RE: NAESB Board of Directors Update – WEQ Coordination**

This year, NAESB has engaged in coordination with multiple entities regarding activities that impact the wholesale electric industry, including NERC, EIDSN, Inc., and Peak RC.

On November 25, 2019, the WEQ Business Practices Subcommittee (BPS) voted out a recommendation in support of the Parallel Flow Visualization (PFV) enhanced congestion management process. The recommendation address 2019 WEQ Annual Plan Items 1.a and 1.b and proposes modifications to WEQ-008 Transmission Loading Relief – Eastern Interconnection and supporting changes to WEQ-000 Abbreviations, Acronyms, and Definition of Terms. The PFV project has been a long-term coordination effort between NAESB staff, NERC staff and subcommittee leadership, and EIDSN, Inc leadership. In September, NERC performed a reliability assessment of the PFV field trial based on the EIDSN Parallel Flow Visualization Metrics Report (EIDSN Report). Consistent with the EIDSN Report, the NERC Operating Reliability Subcommittee reported to the NERC Operating Committee the endorsement by the EIDSN IDC Steering Committee that no modifications are needed to the PFV-related business practice standards to address any reliability issues. As such, on October 15, 2019, the WEQ Executive Committee directed the WEQ BPS to complete the PFV-related standards development effort. The formal comment period for the recommendation concludes on January 13, 2020. Any adopted and ratified standards will be incorporated into Version 003.3 of the WEQ Business Practice Standards.

On November 15, 2019, WEQ membership ratified revisions to the WEQ Business Practice Standards to address two requests for standards development submitted by NERC to NAESB. The two requests address retirements to the NERC Reliability Standards approved by the NERC Board of Trustees as part of the NERC Standards Efficiency Review. The modifications, which impact WEQ-004 Coordinate Interchange and WEQ-023 Modeling, were adopted by the WEQ Executive Committee on October 15, 2019. The revisions incorporate requirements retired from the NERC Interchange Scheduling and Coordination Reliability Standards and the NERC Modeling, Data, and Analysis Reliability Standards, respectively. The ratified standards will be incorporated into Version 003.3 of the WEQ Business Practice Standards. NAESB staff continues to remain engaged with NERC staff regarding the next phase of the NERC Standards Efficiency Review.

The WEQ Cybersecurity Subcommittee has voted out a no action recommendation in support of a recurring annual plan item to develop modifications as needed to the business practice standards to support and/or complement the NERC Critical Infrastructure Protection (CIP) Reliability Standards and other NERC/FERC cybersecurity activities. In evaluating the annual plan item, the subcommittee considered several revisions to the NERC CIP Reliability Standards, including the FERC-adopted [CIP-008-6 Cyber Security Incident Reporting and Response Planning](https://www.nerc.com/_layouts/PrintStandard.aspx?standardnumber=CIP-008-6&title=Cyber%20Security%20%E2%80%94%20Incident%20Reporting%20and%20Response%20Planning) and [CIP-003-8 Cyber Security Security Management Controls](https://www.nerc.com/_layouts/PrintStandard.aspx?standardnumber=CIP-003-7&title=Cyber%20Security%20%E2%80%94%20Security%20Management%20Controls) as well as revisions to the reliability standards to address directives contained in [FERC Order No. 850 Supply Chain Risk Management Reliability Standards](https://www.nerc.com/FilingsOrders/us/FERCOrdersRules/Order%20No.%20850%20Supply%20Chain%20Risk%20Management%20Reliability%20Standards.pdf). The subcommittee also reviewed the [FERC NOPR to Approve Reliability Standards CIP-012-1 Cyber Security Communications between Control Centers](https://www.nerc.com/FilingsOrders/us/FERCOrdersRules/NOPR%20CIP-012-1.pdf). Although the WEQ Cybersecurity Subcommittee determined that no action was needed at this time, the subcommittee has identified several ongoing efforts that could result in additional revisions to the NERC CIP Reliability Standards that should be monitored for next year: NERC Project 2016-02 – Modifications to CIP Standards, NERC Project 2019-02 BES Cyber System Information Access Management, and NERC Project 2019-03 Cyber Security Supply Chain Risks. NAESB staff regularly communicates with NERC staff regarding the progress of these projects.

NAESB and NERC staffs have also been coordinating regarding the development of the 2020 WEQ Annual Plan and the 2020 – 2022 NERC Reliability Standards Development Plan. In August, the WEQ Standards Review Subcommittee reviewed the draft 2020 – 2022 NERC Reliability Standards Development Plan and identified several projects that should be monitored by NAESB for the potential development of complementary business practice standards. These comments were reviewed by NAESB leadership and provided to NERC as part of the formal comment period that closed on September 5.

Finally, NAESB has been coordinating with Peak RC regarding the organization’s retirement as the reliability coordinator for the Western Interconnection. NAESB staff worked with Peak RC, NERC staff, and the entities that now act as the reliability coordinators for the Western Interconnection to ensure proper registration in the NAESB EIR. NAESB also coordinated with Peak RC to help develop a transition guide for impacted entities.