##### February 15, 2024

**TO:** All Interested Parties

**FROM:** Caroline Trum, Director, Wholesale Electric Quadrant

**RE: WEQ Coordination Activities with NERC**

As evidenced by NAESB’s and NERC’s decades-long coordination relationship, the organizations are dedicated to working together so support wholesale electric industry needs in areas where there may be overlapping commercial and reliability considerations. At a staff level, this coordination is supported, in part, through standing monthly calls to discuss the various ongoing efforts within each of the organizations. Additionally, the WEQ Standards Review Subcommittee (SRS) actively reviews NERC development projects to identify areas where there may be a need for coordination between the NERC Reliability Standards and the NAESB Business Practice Standards. Among other areas, recent topics of discussion have included gas-electric market coordination, distributed energy resources (DERs), and the definitions for shared defined terms.

NAESB staff is communicating with NERC staff regarding NERC’s efforts to develop reliability standards to address recommendations from the FERC, NERC, and Regional Entity Joint Staff Report: The February 2021 Cold Weather Outages in Texas and the South Central United States. As part of NERC Project 2021-07 Extreme Cold Weather Grid Operations, Preparedness, and Coordination, NERC is revising Reliability Standards TOP-002, EOP-011, and EOP-012. In support of coordination between NAESB and NERC, the WEQ BPS has an assignment as part of the 2024 WEQ Annual Plan to review these standards and create, as needed, complementary business practice standards to support the industry.

The WEQ BPS and the RMQ BPS have a number of standard development assignments addressing the creation of business practices to support the utilization and interoperability of DERs. As part of the WEQ SRS meeting held on February 1, 2024, participants reviewed definitions for new defined terms NERC is developing for DER and inverter-based resource as part of NERC Project 2022-02 Modifications to TPL-001-5.1 and MOD-032-1 and NERC Project 2020-06 Verification of Models and Data for Generators. The participants agreed that the defined terms and proposed definitions should also be considered by the WEQ and RMQ BPS to help ensure consistency between any defined terms that may be used in both the NERC Reliability Standards and NAESB Business Practice Standards.

During the February meeting, the WEQ SRS also reviewed the definition modifications proposed by NERC to a number of defined terms as part of NERC Project 2022-01 Reporting ACE Definition and Associated Terms. The participants noted that a number of the defined terms with revised definitions are also used in WEQ-001, WEQ-002, WEQ-003, WEQ-004, WEQ-005, WEQ-006, WEQ-007, WEQ-008, WEQ-013, WEQ-023, and WEQ-025. The WEQ SRS will coordinate with the co-chairs of the WEQ BPS, WEQ Coordinate Interchange Scheduling Subcommittee, and the WEQ OASIS Subcommittee to determine if the revisions should also be incorporated into the NAESB Business Practice Standards.