##### February 14, 2023

**TO:** All Interested Parties

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

**RE: NERC Coordination Activities Update**

NAESB and NERC staffs continue to engage in coordination efforts regarding a number of topics that that touch upon both commercial and reliability aspects for the wholesale electric market. Reflecting current activities underway at both NAESB and NERC, current discussion topics between staffs have covered areas such as natural gas-electric market coordination, distributed energy resources, the WEQ Modeling Business Practice Standards, and cybersecurity.

As part of this coordination, the WEQ Cybersecurity Subcommittee has a standing item to perform a yearly review an annual review of the NERC Critical Infrastructure Protection (CIP) Reliability Standards and the existing NERC CIP-related standards development efforts to evaluate if complementary or corresponding modifications to the business practices are needed. As part of this year’s review, the subcommittee discussed a number of ongoing NERC efforts, including projects addressing supply chain security as well as the NERC CIP Reliability Standards applicable to low impact BES cyber systems that was filed by NERC with FERC in December. While past reviews have resulted in modifications to the business practices or the NAESB documentation supporting its certification program for certificate authorities, WEQ Cybersecurity Subcommittee participants determined not to make any further standards changes at this time but did identify several efforts to continue to monitor.

To further assist in coordination, the WEQ Standards Review Subcommittee (SRS) reviews NERC’s active reliability standard development projects to identify any efforts that may represent future coordination opportunities between the organizations or areas of overlap between business practices and reliability standards development. Additionally, the subcommittee also monitors NERC projects that touch upon reliability standards for which there are complementary business practices, such as congestion management, electronic tagging, and cybersecurity. Current efforts that the WEQ SRS is monitoring include several ongoing projects by NERC regarding inverter-based resources, which may tie-in to WEQ BPS efforts to address distributed energy resources, as well as NERC’s consideration of changes to the definitions for area control error calculations.