##### February 16, 2015

**TO:** All Interested Parties

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

**RE: External Organization Coordination**

**Update on Coordination with External Organizations –**

NAESB is continuing its coordination efforts with both NERC and the IDC Association regarding the Parallel Flow Visualization (PFV) project. Once the project moves forward into the full-staffing phase, the IDC Association will begin a 12 – 18 month preparation period in advance of the PFV field trial. During the test preparation period, the IDC Association will seek the input of both NAESB and NERC in the development of commercial and reliability metrics to be used during the PFV field trial. In recognition of this, leadership of NAESB and the IDC Association held a meeting in early February to discuss the informal coordination relationship between the organizations. During the test preparation and PFV field trial, the IDC Association IDC Working Group (IDCWG) will coordinate with the NAESB Wholesale Electric Quadrant (WEQ) Business Practices Subcommittee (BPS). Any coordination issues requiring discussion with the NAESB WEQ BPS can be addressed through the subcommittee’s standing monthly agenda item for updates from the IDC Association. If more in-depth discussions are needed, a NAESB WEQ BPS meeting dedicated to coordination issues can be scheduled. NAESB non-member participation policies will apply to such meetings.

On January 28, 2015, NAESB filed a PFV Status Report with the Federal Energy Regulatory Commission (FERC or Commission). The report was filed in coordination with both NERC and the IDC Association and provided an update on the NAESB standards development effort. NAESB will file an additional update with the Commission following the February 24, 2015 meeting of the WEQ Executive Committee (EC).

NAESB and NERC continue to hold monthly coordination calls to discuss an array of ongoing projects within the organizations, including the MOD effort, the EIR, and cybersecurity. On December 18, 2014, NAESB filed a status report with the Commission regarding NAESB’s effort to date to develop MOD-related business practice standards in response to Standards Request R14002 submitted by NERC. The standards request coordinates with a petition filed by NERC with the Commission in February 2014 proposing the consolidation of the NERC MOD Reliability Standards. The status report submitted by NAESB detailed the efforts of the NAESB WEQ EC MOD Standard Scoping Task Force to define a scope and timeline for standards development and provided information on the work of the NAESB WEQ BPS to draft proposed standards. On March 5, 2015, FERC will be holding a workshop to discuss potential Commission action on Available Transfer Capability (ATC).

In the 2nd Quarter 2015, EIR Enhancement Request ER13001 will be implemented in the registry. This request was submitted by the NERC Coordinate Interchange Standards Drafting Team (CISDT) and corresponds to NERC Reliability Standard INT-004-3, Requirement 3, which requires all pseudo-ties to be registered in the EIR. The Commission approved implementation date for this NERC Reliability Standard requirement is the first calendar day two calendar quarters following the date the EIR can accept the registration of pseudo-ties. NAESB and NERC are working together to communicate with the industry the availability of the new functionality in the registry.

Earlier this month, the NERC Board of Trustees took action to approve revisions to the NERC CIP Version 5 Reliability Standards. A meeting of the NAESB WEQ Cybersecurity Subcommittee will be scheduled to review the revised NERC Reliability Standards and make a recommendation as to if any new and/or revised NAESB WEQ Business Practice Standards are needed to compliment and support the NERC standards.