##### April 6, 2020

**TO:** All Interested Parties

**FROM:** Elizabeth Mallett, NAESB Deputy Director

**RE: NAESB and NERC Coordination Update**

As previously announced, Version 003.3 of the WEQ Business Practice Standards was published and filed with the Commission on March 30. The new publication includes numerous standards developed as a result of the ongoing coordination between NAESB and NERC.

On March 20, the NAESB membership ratified a recommendation in support of the Parallel Flow Visualization (PFV) enhanced congestion management process. The recommendation, included in the Version 003.3 publication, proposed 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, resulting in the ratified recommendation.

In response to two standards requests submitted by NERC, the NAESB membership ratified two recommendations in mid-November that were subsequently incorporated into Version 003.3. The requests address retirements to the NERC Reliability Standards approved by NERC as part of the NERC Standards Efficiency Review project. The modifications, which impact WEQ-004 Coordinate Interchange and WEQ-023 Modeling, were adopted by the WEQ Executive Committee in October. The revisions incorporate requirements retired from the NERC Interchange Scheduling and Coordination Reliability Standards and the NERC Modeling, Data, and Analysis Reliability Standards. In a January 23, 2020 FERC Notice of Proposed Rulemaking (NOPR) concerning the NERC Standards Efficiency Review, the Commission noted that the NERC MOD-A Reliability Standards are expected to be replaced by equivalent business practice standards developed by NAESB and indicated its intention to coordinate the effective dates of the retirement of the reliability standards with the successor business practices. The comment period for the NOPR concluded on April 6, 2020. NAESB staff continues to remain engaged with NERC staff regarding the next phase of the NERC Standards Efficiency Review.

Also included in the new publication, are clarifications on the timing requirements for conducting electronic tagging (e-Tagging) transactions. As part of the WEQ-004 Coordinate Interchange Business Practice Standards, NAESB maintains commercial timing tables that serve as complementary to the timing tables established by NERC as part of INT-006-4 Evaluation of Interchange Transactions Reliability Standards. The revised standards will help ensure industry implementation aligns with the reliability and commercial requirements established by NERC and NAESB, respectively.

Later this year, the WEQ Cybersecurity Subcommittee (WEQ CSS) will review the NERC Critical Infrastructure Protection (CIP) reliability standards and any other activities of NERC and FERC related to cybersecurity. Per this annual plan item, the subcommittee will evaluate whether modifications to the NAESB WEQ Business Practice Standards are needed to support or complement the cybersecurity efforts within NERC or FERC. As part of these efforts, the WEQ CSS is monitoring NERC Projects 2016-02 Modifications to CIP Standards, 2019-03 Cyber Security Supply Chain Risks, and 2019-02 BES Cyber System Information Access Management, among other NERC projects.

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.