##### August 25, 2020

**TO:** NAESB Board of Directors and All Interested Parties

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

**RE: WEQ Coordination Update**

NAESB engages in continuous coordination activities with entities such as NERC, EIDSN, Inc., and WECC regarding the development of the business practice standards and other wholesale electric industry efforts.

Included as part of WEQ Version 003.3 were several standard development efforts coordinated with other organizations. These include modifications made to the standards as a result of coordination between NAESB staff and NERC staff regarding the NERC Standards Efficiency Review. As part of this effort, NERC has proposed for retirement several requirements in the NERC Reliability Standards for which NAESB has complementary business practice standards. NERC submitted standards requests to NAESB proposing that evaluate certain requirements proposed for retirement and make any modifications as needed to ensure the business practice standards incorporate any requirements deemed commercially necessary. The resulting standards development led to modifications to the WEQ-004 Coordinate Interchange Business Practice Standards as well as the WEQ-023 Modeling Business Practice Standards. Additionally, included in WEQ Version 003.3, are the standards supporting the Parallel Flow Visualization congestion management process, developed as part of a multi-year coordination effort between NERC and EIDSN, Inc. All of these standards have been proposed for incorporation by reference by the FERC as part of its Notice of Proposed Rulemaking on WEQ Version 003.3, issued on July 16, 2020 in Docket Nos. RM05-5-029 and RM05-5-030.

Currently, the WEQ is engaged in two standard development efforts that could result in modifications to standards that complement areas addressed by the NERC Reliability Standards and other documentation maintained by NERC. In response to a directive contained in FERC Order No. 676-I, the WEQ Business Practices Subcommittee (BPS) is currently evaluating the WEQ-006 Manual Time Error Correction Business Practice Standards to determine if any standards are needed to support industry time error correction practices, including the NERC Time Monitoring Reference Document – Version 5. NAESB staff has reached out to NERC staff as well as WECC staff regarding the development of a draft recommendation by the subcommittee. As part of Standards Request R20008, the WEQ BPS is reviewing the WEQ-005 Area Control Error (ACE) Equation Special Cases Business Practice Standards to determine if revisions to the standards are needed to complement recent updates to the NERC Dynamic Transfer Reference Document – Version 4. NAESB staff has been in communication with NERC staff regarding this standards development effort to help ensure that the business practice standards continue to support and complement the NERC BAL-005 Balancing Authority Control Reliability Standards and other NERC documentation supporting ACE equation requirements.

NAESB staff is also coordinating with NERC staff regarding several other efforts as part of monthly coordination calls and additional staff level communications. These discussions have included topics such as cybersecurity, the development of the 2021 – 2023 NERC Reliability Standards Development Plan, the recent Executive Order on Security the United States Bulk-Power System, the implementation of the NAESB Electronic Tagging Specification Version 1.8.4, the re-organization of NERC committee structure, and the FERC Notice of Inquiry on Potential Enhancements to the Critical Infrastructure Protection (CIP) Reliability Standards. This year, as part of recurring annual play items, the WEQ Cybersecurity Subcommittee reviewed several ongoing NERC efforts that could potentially result in modifications to the NERC CIP Reliability Standards: NERC Project 2016-02 – Modifications to CIP Standards, NERC Project 2019-02 BES Cyber System Information Access Management, NERC Project 2019-03 Cyber Security Supply Chain Risks, NERC Project 2020-03 Supply Chain Low Impact Revisions, and NERC Project 2020-04 Modifications to CIP-012. While the subcommittee determined that no complementary modifications are needed to the standards as this time, they will continue to monitor these NERC standard development efforts. Regarding the 2021 – 2023 NERC Reliability Standards Development Plan, the WEQ Standards Review Subcommittee will be meeting to review the draft version of the plan on September 1, 2020. Any comments or feedback from the subcommittee will be forwarded to the NAESB Managing Committee for consideration to submit to NERC.