##### November 25, 2014

**TO:** All Interested Parties

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

**RE: Update to the Board of Directors –NAESB/NERC/IDC Association Coordination and Parallel Flow Visualization**

On October 21, 2014, the WEQ Executive Committee (EC) reviewed and the recommendation containing proposed modifications to the business practice standards to accommodate PFV and the accompanying eight sets of formal comments. Work on the recommendation was finalized by the WEQ Business Practices Subcommittee (BPS) during its September 3 – 4, 2014 meeting. The majority of the WEQ EC meeting was spent discussing the recommendation and formal comments, and through the course of those discussions, it became apparent that the recommendation would not obtain the necessary support to pass the super majority threshold. However, there appeared to be broad support to develop proposed modifications to the recommendation to attempt to resolve the issues raised by the formal comments. As a result, the chair of the WEQ EC formed the NAESB WEQ EC PFV Task Force.

The task force held its first meetings on November 3, 2014 and November 10, 2014. The goal of the task force is to develop proposed revisions to the recommendation, as revised by the late comments of the WEQ BPS, to address issues and concerns raised during the formal comment period. The proposed revisions of the task force to the recommendation will be submitted for a formal, thirty-day formal comment period. The WEQ EC will consider the task force’s revised recommendation and any formal comments during its February 24, 2015 meeting. The NAESB WEQ PFV Task Force has additional meetings scheduled for December 1, 2014, December 5, 2014, December 16, 2014, January 9, 2015, and January 12, 2015.

NAESB is continuing its coordination activities with NERC and the IDC Association in regards to the Parallel Flow Visualization (PFV) project and as outlined in the July 11, 2014 status report NAESB filed with the Commission. The report was drafted in coordination with NERC and the IDC Association to provide the Commission an overview of the project, identify the coordination efforts of the organizations, and outline the anticipated coordination activities during the PFV field test, to be conducted following WEQ EC approval of a recommendation on the standards. In the July 11, 2014 filing, NAESB indicated it would provide the Commission with additional, periodic updates throughout the remainder of the project. NAESB is discussing the timing of the next status report to be filed with the Commission and has been in communication with FERC staff regarding the future of the PFV project, including scenarios where a recommendation on the standards does not garner super majority support by the WEQ EC.

The PFV project is an industry initiated effort to improve the congestion management process of the Eastern Interconnection by increasing the real-time visibility of the source and magnitude of parallel flows in the bulk electric system. The modifications to the business practice standards seek to support the submittal of near real-time data to the Interchange Distribution Calculator (IDC), furthering the goal of ensuring that non-firm intra-balancing authority transmission service is curtailed before firm service.