##### November 27, 2017

**TO:** All Interested Parties

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

**RE: Update to the Board of Directors – WEQ Coordination**

In the latter half of 2017, NERC and NAESB strengthened their coordination ties due to several industry efforts. As you may know, NAESB staff, WEQ leadership, and NERC staff hold regular conference calls to ensure that the organizations remain in lock-step regarding commercial and reliability industry issues. Recent topics of discussion have included Parallel Flow Visualization, Standards Request R16008, and cybersecurity.

NAESB, NERC, and the Eastern Interconnection Data Sharing Network (EIDSN) continue to coordinate on the Parallel Flow Visualization effort. On October 2, 2017, NAESB submitted a report to FERC in Docket No. EL14-82-000.[[1]](#footnote-1) The report, drafted in coordination with NERC and EIDSN, provides the FERC with an update on the PFV field trial, which began on September 28, 2017. The report also states the goals between NAESB, NERC, and EIDSN as they move forward with the projected timeline. Upon conclusion of the eighteen-month PFV field trial, the Interchange Distribution Calculator Working Group will provide a report on the results of the commercial metrics of the project, and the NAESB WEQ Business Practice Subcommittee (BPS) will utilize that report to conclude whether the NAESB standards should be modified. Next, the WEQ BPS will present the recommendation to the WEQ Executive Committee for its consideration. Now held in abeyance until the conclusion of the field trial, the recommendation for the PFV Business Practice Standards was voted out of the WEQ Executive Committee in February 2015.

Back in May, NAESB coordinated with NERC to attain a letter indicating that the NERC requirements referenced in Standards Request R16008 were effectively retired when NERC removed the Purchasing-Selling Entity functional entity registration category.[[2]](#footnote-2) This effort was taken in response to the joint standards development effort between the WEQ BPS and the WEQ Coordinate Interchange Scheduling Subcommittee (CISS) to address Standards Request R16008/2017 WEQ Annual Plan Item 1.d.i – Modifications to WEQ-004 Coordinate Interchange Business Practice Standards for dynamic tags and pseudo-tie type e-Tags. On July 10, 2017, the recommendation was voted out of the subcommittees and the WEQ Executive Committee adopted the recommendation on August 15, 2017. Ratified on September 10, 2017, the recommendation proposes the incorporation of two NERC Reliability Standard requirements related to dynamic tagging and pseudo-ties applicable to the Purchasing-Selling Entity.

Further NERC and NAESB staff coordination was necessary during the WEQ Cybersecurity Subcommittee standards development effort to address 2017 WEQ Annual Plan Item 4.b, requiring the WEQ CSS to evaluate and modify the standards as needed to support and/or complement the current version of the NERC Critical Infrastructure Protection (CIP) Reliability Standardsand any other activities of NERC and the FERC related to cybersecurity. As part of these discussions, NERC staff conferred on whether the NERC Reliability Standards being developed as part of the effort in Project 2016-03 would impact tools referenced by NAESB standards, such as OASIS and the Electric Industry Registry, or if the NAESB ACAs that issue digital certificates would be considered vendors under the new NERC standards. NERC provided a statement to the WEQ CSS that indicated that the CIP Reliability Standards would only be applicable to systems and tools entities that have been previously designated as having a high or medium impact on bulk electric reliability. Subsequently, the WEQ CSS approved a no action recommendation during its September meeting.

1. The October 2, 2017 NAESB Status Report to FERC is available at the following link: <https://www.naesb.org/pdf4/ferc100217_naesb_pfv_status_report.pdf>. [↑](#footnote-ref-1)
2. Communication from NERC: <https://naesb.org//pdf4/weq_bps_ciss061617w1.pdf>. [↑](#footnote-ref-2)