##### December 4, 2024

**TO:** All Interested Parties

**FROM:** Caroline Trum, Director of Wholesale Electric Activities

**RE: WEQ Coordination Activities with NERC**

On November 25, 2024, the WEQ ratified new and revised standards that will better align terminology used in the WEQ Business Practice Standards and NERC Reliability Standards, helping to improve consistency and reduce potential confusion for industry participants. The ratified changes add one new defined term, delete two defined terms, and make non-substantive changes to six existing defined terms to coordinate with revisions made to the NERC Glossary of Terms, subsequently approved by FERC. As part of the adopted recommendation, consistency changes were also made to WEQ-004 Coordinate Interchange Business Practice Standards, WEQ-005 Area Control Error (ACE) Equation Special Cases, and WEQ-023 Modeling Business Practice Standards. These revisions will be incorporated into the next version of the WEQ Business Practice Standards.

Coordination regarding wholesale electric activities remains an important priority for NAESB and NERC to ensure consistency for industry between the WEQ Business Practice Standards and NERC Reliability Standards. To help promote this coordination, NAESB and NERC staffs frequently communicate about ongoing efforts within each organization, including through monthly standing calls. Additionally, the WEQ Standards Review Subcommittee, which meets on a regular basis, reviews and monitors NERC projects for standards development to determine any potential areas of coordination. Recent coordination areas include topics such as: (1) NAESB distributed energy resources (DERs) efforts and NERC’s activities to address directives related to inverter-based resources in FERC Order No. 901; (2) gas-electric market coordination, including NAESB’s standards effort in response to Recommendation 5 of the FERC, NERC, and Regional Entity Staff Report: *Inquiry into Bulk-Power System Operations During December 2022 Winter Storm Elliott* and review of reliability requirement developed by NERC in response to recommendations included in the FERC-NERC-Regional Entity Staff Report: *February 2021 Cold Weather Outages in Texas and the South Central United States*; (3) cybersecurity; and (4) standards development planning.

As part of the proposed 2025 WEQ Annual Plan, the WEQ has three assignments that support coordination with NERC. These include the WEQ Cybersecurity Subcommittee’s annual evaluation of the NERC Critical Infrastructure Protection Reliability Standards and other cybersecurity related activities to determine if there is a need to modify or revise the WEQ Business Practice Standard and the WEQ Coordinate Interchange Scheduling Subcommittee’s annual review of the NAESB Electronic Tagging Functional Specification to ensure consistency with the applicable WEQ Business Practice Standards and NERC Reliability Standards. Additionally, as recommended by the WEQ Executive Committee, the proposed plan includes the WEQ Business Practices Subcommittee’s assignment to address Standards Request R24005. This request, submitted jointly by Southwest Power Pool and RC West/CAISO, proposes the development or modification of existing standards to support congestion management processes within the Western Interconnection.