



NORTH AMERICAN ENERGY STANDARDS BOARD

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October 2, 2017
Filed Electronically

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street N.E., Room 1A
Washington, D.C. 20426

RE: Parallel Flow Visualization Project Status (Docket No. EL14-82-000)

Dear Ms. Bose:

The North American Energy Standards Board ("NAESB") voluntarily submits this report to the Federal Energy Regulatory Commission ("FERC" or "Commission") to provide an update on the Parallel Flow Visualization ("PFV") effort. This report includes information on the PFV field trial being conducted by the Eastern Interconnection Data Sharing Network, Inc. ("EIDSN"), an updated project timeline, and the continued coordination efforts of NAESB, the North American Electric Reliability Corporation ("NERC") and EIDSN.

This report, drafted by NAESB with the support of NERC and EIDSN, is intended to supplement the previous status reports filed by NAESB on July 11, 2014, January 28, 2015, March 25, 2015, January 29, 2016, and October 17, 2016. As indicated in these reports, NAESB will continue to periodically update the Commission on the progress of the PFV field trial as well as any PFV-related standards modifications. Following the completion of the field trial and ratification of the PFV-related standards by NAESB membership, NAESB will file a report with the Commission containing the final version of the relevant NAESB WEQ Business Practice Standards.

Respectfully submitted,

Ms. Rae McQuade
President & COO, North American Energy Standards Board

cc: Chairman, Neil Chatterjee, Federal Energy Regulatory Commission
Commissioner, Cheryl A. LaFleur, Federal Energy Regulatory Commission
Commissioner, Robert F. Powelson, Federal Energy Regulatory Commission
Mr. Michael Bardee, Office of Electric Reliability, Federal Energy Regulatory Commission
Mr. James Danly, General Counsel of the Commission, Federal Energy Regulatory Commission
Mr. Michael Goldenberg, Senior Attorney, Office of General Counsel, Federal Energy Regulatory Commission
Ms. Anna Cochrane, Director, Office of Energy Market Regulation, Federal Energy Regulatory Commission
Mr. J. Arnold Quinn, Director, Office of Energy Policy and Innovation, Federal Energy Regulatory Commission

Mr. Michael Desselle, Chairman and Chief Executive Officer, North American Energy Standards Board

Mr. Jonathan Booe, Vice President and CAO, North American Energy Standards Board

Mr. William P. Boswell, General Counsel, North American Energy Standards Board

Mr. Gerry W. Cauley, President and Chief Executive Officer, North American Electric Reliability Corporation

Mr. Mark Lauby, Senior Vice President and Chief Reliability Officer, North American Electric Reliability Corporation

Mr. Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary, North American Electric Reliability Corporation

Mr. Rich Mandes, Executive Director, Eastern Interconnect Data Sharing Network

Mr. Don Reichenbach, Chair of the IDC Steering Committee, Eastern Interconnect Data Sharing Network

Enclosures (all documents and links are available publically on the NAESB website – www.naesb.org)

Appendix A Updated Parallel Flow Visualization Project Timeline

Appendix B NAESB Full Staffing Process

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

REPORT OF THE NORTH AMERICAN ENERGY STANDARDS BOARD

The North American Energy Standards Board ("NAESB") voluntarily submits this report to provide the Federal Energy Regulatory Commission ("FERC" or "Commission") with an update on the Parallel Flow Visualization ("PFV") effort. The report supplements the information provided in the previous status reports, drafted with the support of the North American Electric Reliability Corporation ("NERC") and the Eastern Interconnection Data Sharing Network, Inc. ("EIDSN") and filed by NAESB on October 17, 2016, January 29, 2016, March 25, 2015, January 28, 2015, and July 11, 2014.

PFV is an effort initiated by the wholesale electric industry with the goal of enhancing the Eastern Interconnection congestion management processes by improving the availability of real-time data used by the Interchange Distribution Calculator ("IDC"), an industry tool utilized by the Eastern Interconnection in congestion management procedures. This use of real-time data should in turn improve the visibility of the source and magnitude of parallel interchange flows on the bulk electric grid. The PFV effort is supported by the coordination of EIDSN, which through its IDC Steering Committee and IDC Working Group oversees the management of the IDC tool, NAESB, and NERC. This status report provides the Commission with information on the EIDSN-conducted PFV field trial, which began on September 28, 2017, the updated PFV timeline, and the continued coordination efforts of NAESB, NERC, and EIDSN.

As indicated in the last update to the Commission, EIDSN was making preparations for the PFV field trial by modifying the IDC tool to support the proposed PFV-related changes to the NAESB Wholesale Electric Quadrant ("WEQ") Business Practice Standards. Since that time, the EIDSN IDC Working Group worked diligently with the IDC tool software vendor, OATI, to finish preparations. While minor delays were encountered, the PFV field trial began on September 28, 2017, within one month of the originally indicated start date and should not significantly delay the project. An updated project timeline is included in Appendix A of this report.

The expected length of the PFV field trial is eighteen months and will be conducted in parallel operations with the current IDC tool functionality. After the PFV field trial concludes, the EIDSN IDC Working Group will evaluate the field trial data and will develop a report on the commercial metrics of the project. The NAESB WEQ Business Practices Subcommittee will use this report to determine if any revisions to the standards are necessary. Similarly, the NERC Operating Reliability Subcommittee ("ORS") will evaluate a report on the reliability metrics. No adverse reliability impacts are anticipated from the PFV effort, but should any be identified, NAESB will coordinate with both NERC and EIDSN to resolve them. Per the NAESB full-staffing process (see Appendix B), the PFV-related NAESB WEQ Business Practice Standards will be re-presented to the NAESB WEQ Executive Committee following the conclusion of the PFV field trial, regardless of any additional revisions that may or may not be made to the standards. Should the NAESB WEQ Executive Committee adopt the standards, they will be

submitted to the NAESB WEQ membership for ratification. If ratified, NAESB will file the standards with the Commission.

NAESB, NERC, and the EIDSN are committed to continued coordination to support this multi-year PFV effort. NAESB staff and EIDSN leadership will continue to communicate regarding the progress of the PFV field trial, and NAESB and NERC staffs will continue to discuss PFV project updates during monthly coordination calls.. Additionally, as indicated in the previous report, the NAESB WEQ Business Practices Subcommittee will continue to have a a standing agenda item to discuss any PFV-related coordination issues from the EIDSN IDC Working Group, and a NAESB WEQ Business Practices Subcommittee co-chair will continue to serve as a liaison between the NAESB subcommittee and the EIDSN IDC Working Group.

As always, NAESB will continue to make status reports to update the Commission on the progress of the PFV effort, including any delays in the communicated timeline or modifications to the NAESB WEQ Business Practice Standards.

Appendices:

- A. Updated Parallel Flow Visualization Project Timeline
- B. NAESB Full Staffing Process

Appendix A – Updated Parallel Flow Visualization Project Timeline

Updated Timeline for the Future of the Parallel Flow Visualization Project

- February 24, 2015 – The NAESB WEQ Executive Committee voted to adopt the recommendation of the NAESB WEQ BPS for the PFV-related modifications to the NAESB WEQ Business Practice Standards and initiate the full-staffing process. The standards will be held in abeyance for the entirety of the full-staffing period to allow for the IDC Association (now EIDSN) to conduct the PFV field trial.
- March 2015 to December 2015 – The IDCWG performed its assessment on the PFV-related modifications to the NAESB WEQ Business Practice Standards and communicated its evaluation of the necessary changes to the IDC tool to OATI through a draft change order.
- December 2015 to February 2016 – OATI reviewed the IDCWG’s assessment and evaluated the change order for the necessary modifications to the IDC tool.
- February 9, 2016 – OATI presented the change order to the IDC Association Steering Committee for consideration.
- April 1, 2016 – The IDC Association transitioned management structure to EIDSN.
- April 29, 2016 – EIDSN executed the PFV-related change order for modifications to the IDC tool with OATI.
- May 2016 to February 2017 – OATI, working with the IDCWG, developed the PFV-related modifications to the IDC tool. During this time period, the IDCWG also created the test plan for the PFV field trial.
- February 2017 to September 2017 – OATI and the IDCWG conducted acceptance testing on the implemented modifications to the IDC tool in preparation for the PFV field trial, making any necessary adjustments.
- September 28, 2017 – The eighteen month PFV field trial began
- September 2017 to March 2019 – The eighteen month PFV field trial is conducted in a parallel testing environment.
- As indicated in the July 2014 filing, the NAESB WEQ BPS, the NERC ORS, and EIDSN will all work together to address any adverse reliability impacts. Following the conclusion of the PFV field trial, the NAESB WEQ BPS will evaluate the report on the commercial metrics provided by EIDSN to determine if any revisions to the standards are necessary. The recommendation either as originally presented to the NAESB WEQ Executive Committee in February 2015 or with any additional modifications deemed necessary by the NAESB WEQ BPS will be submitted to the NAESB WEQ Executive Committee for approval. If the NAESB WEQ Executive Committee takes action to end the full-staffing period and to adopt the recommendation, the standards will be submitted for NAESB WEQ membership ratification. Once ratified, NAESB will file the standards with the Commission.

Excerpt from the NAESB Operating Practices as approved via Board Resolution September 11, 2015 (Section C3)

Section C. Standards Development and Maintenance

3. Full Staffing

The NAESB practice of full staffing is to be employed when there are interdependencies in the development of standards that would require an iterative approach.

This process is applied when the technical standards developed to support business practices may require changes to the business practices, or it is impractical to implement the business practices without the supporting technical standards completed. The business practices are adopted by the applicable quadrant EC(s), but they are not ratified until the technical standards are complete. In this manner, there is an opportunity to change the business practices if needed, and an indication of industry support is attained through the EC vote on the business practices prior to undertaking the technical development.

Similarly, implementation of business practices that may be dependent on other organization's or other quadrant's work products can use the process of full staffing to approve the business practices yet begin the ratification process after the dependent activity is complete, thus providing an opportunity for the business practices to be modified to take into account the other organization's or quadrant's work products. By doing such, the standards development in NAESB may be more effectively coordinated and timed for release with other organization's or quadrant's work products.

For the applicable EC(s) to use the full staffing process, first there will be a simple majority vote to determine if full staffing is required, which would imply a delay of ratification until the interdependent development is completed. Following the full staffing vote, the business practice standard(s) would be adopted pursuant to a super majority vote. Prior to ratification, should it be determined that additional change(s) are required to the EC adopted standard(s), the change(s) would follow the existing process for standards development. At any time, the applicable EC(s) can determine to stop the full staffing process and begin the ratification process through a simple majority vote.