



NORTH AMERICAN ENERGY STANDARDS BOARD

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FEDERAL ENERGY REGULATORY COMMISSION ACTION ON WEQ VERSION 003.3 STANDARDS AND REVISIONS TO THE FILING PROCESS FOR COMMISSION FORMS

On July 16, 2020, the Federal Energy Regulatory Commission (FERC or Commission) took action on two items pertaining to NAESB activities. First, in Docket Nos. RM05-5-029 and RM05-5-030, the Commission issued a Notice of Proposed Rulemaking (NOPR) proposing to incorporate by reference into its regulations as part of 18 CFR 38.1, with certain exceptions, Version 003.3 of the WEQ Business Practice Standards.¹ NAESB published this version on March 30, 2020 and made an informational filing regarding the publication with the Commission on the same day. The informational filing provided details regarding the development efforts to the standards resulting in the Version 003.3. These included revisions to address cybersecurity, the Parallel Flow Visualization (PFV) enhanced congestion management process, the final directives from FERC Order No. 890, coordination with North American Electric Reliability Corporation (NERC), and increased transparency, consistency, and efficiency. The Commission addressed standards relating to all of these efforts in the NOPR as discussed below.

First, the Commission proposed to incorporate by reference the standards NAESB developed at the request of the U.S. Department of Energy in response to the recommendations included in Sandia National Laboratories' 2019 Surety Assessment Report. These standard modifications, which appear in the WEQ-001 OASIS Business Practice Standards and WEQ-002 OASIS Standards and Communication Protocols Business Practice Standards strengthen cybersecurity protections, incorporate more secure communication and encryption protocols, and mitigate potential vulnerabilities. Specifically, these standards are WEQ-001-13.1.3.3, WEQ-002-2.3, WEQ-002-2.4, WEQ-002-4.2.1.1, WEQ-002-4.2.1.2, WEQ-002-4.2.1.3, WEQ-002-4.2.2, WEQ-002-5, WEQ-002-5.1.1, WEQ-002-5.1.2, WEQ-002-5.1.3, WEQ-002-5.6, WEQ-002-101.2.3.1, WEQ-002-101.3.3.2, and WEQ-002-101.3.3. Consistency modifications were also made to WEQ-000-1 to delete seven abbreviations/acronyms and add one new abbreviation/acronym. In the NOPR, the Commission proposed that "industry filers submit compliance filings for these revised standards nine months after the publication of a final rule in this proceeding, with implementation required no sooner than three months after compliance filings are submitted to the Commission, for a total implementation period of at least 12 months."²

Second, the Commission proposed to incorporate by reference the WEQ-008 Transmission Loading Relief (TLR) – Eastern Interconnection Business Practice Standards, which as part of WEQ Version 003.3 include revisions to support the Parallel Flow Visualization congestion management process. These standards are the result of a multi-year coordination effort between NAESB, NERC, and EIDSN, Inc. to improve upon the congestion management procedure for the Eastern Interconnection. Under the PFV congestion management process, balancing authorities are required to elect one of two different methodologies that incorporate the use of real-time data for assigning curtailment priorities: the Tag Secondary Network Transmission Service Method or the Generator Prioritization Method. EIDSN, Inc. is currently making final preparations to support the use of the PFV congestion management process by the Interchange Distribution Calculator tool utilized by the Eastern Interconnection to implement the commercial and reliability TLR requirements established by NAESB and NERC, respectively. Data collected during a field trial conducted by EIDSN, Inc. on the PFV congestion management process indicated that this method provides a more accurate model, a better analysis of the impacts on flowgates, assigns relief obligations more accurately, and is a considerable improvement over the current IDC tool methodologies.

Third, the Commission proposed to incorporate by reference the modifications NAESB made to the WEQ-001 OASIS Business Practice Standards, WEQ-002 OASIS Standards and Communication Protocols Business Practice Standards, WEQ-003 OASIS Data Dictionary Business Practice Standards, and WEQ-013 OASIS Implementation Guide Business Practice Standards to address the final two directives in FERC Order No. 890. As part of these standards, additional information on firm transmission service curtailments is required to be posted to OASIS nodes, and new functionality is introduced to allow for the posting of third party offers of planning redispatch services on OASIS nodes. In WEQ Version 003.3, NAESB also revised WEQ-001-9 and WEQ-001-10 in response to Commission action in FERC Order No. 676-I. The Commission proposed to incorporate by reference these two standards as part of the NOPR.

Next, the Commission proposed to incorporate by reference the modifications to the WEQ Business Practice Standards resulting from coordination with NERC. As part of WEQ Version 003.3, NAESB revised the WEQ-023 Modeling Business Practice Standards to incorporate all requirements previously included in NERC Reliability Standard MOD-001-2. The modifications

¹ FERC Notice of Proposed Rulemaking *Standards for Business Practices and Communication Protocols for Public Utilities* can be accessed through the following hyperlink: https://www.naesb.org/pdf4/ferc071620_nopr_naesb_weq_v003.3_rm05-5-029_rm05-5-030.pdf

² See Paragraph 17 of the FERC NOPR *Standards for Business Practices and Communication Protocols for Public Utilities*



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ensure that the standards incorporate all commercially relevant requirements needed by the industry to calculate Available Transfer Capability (ATC) and Available Flowgate Capability. NAESB also made consistency modifications to WEQ-001 OASIS Business Practice Standards as part of this effort. In the NOPR, the Commission proposed to incorporate by reference these standards as well as to revise its regulations governing the calculation of ATC and Total Transfer Capability in 18 CFR 37.6(b)(2)(i). Additionally, the Commission requested:

“...comments on whether the NAESB Business Practice Standards WEQ-023-1 (General Requirements), WEQ-023-2 (ATC Requirements), WEQ-023-3 (CBM Scheduling Requirements), and WEQ-023-4 (TRM Requirements) ... provide sufficient details to protect transmission customers. Further, we seek comment on whether the Commission should start its own process to adopt more specific regulations regarding ATC calculations or by modifying the *pro forma* OATT, or, alternatively, ask NAESB to consider providing additional details and more specific requirements in further revisions to these standards in a subsequent WEQ Version filing.”³

Also related to coordination with NERC, the Commission proposed to incorporate by reference the WEQ-004 Coordinate Interchange Business Practice Standards. NAESB modified these standards in WEQ Version 003.3 to incorporate requirements retired from the NERC Interchange Scheduling and Coordination Reliability Standards determined to be commercially relevant for market-supported processes facilitated via electronic tagging to continue to function as needed for commercial purposes. Further, the standards include revisions to provide clarity regarding the commercial timing requirements for conducting electronic tagging which should result in greater consistency regarding the implementation of the commercial and reliability timing requirements.

Finally, the Commission proposed to incorporate by reference the modifications to improve transparency, consistency, and efficiency made to WEQ-001 OASIS Business Practice Standards, WEQ-002 OASIS S&CP Business Practice Standards, WEQ-003 OASIS Data Dictionary Business Practice Standards, and WEQ-013 OASIS Implementation Guide Business Practice Standards. Together, these revisions improve efficiencies regarding OASIS query functionalities, provide clarity regarding the use of transmission product codes, establish new functionality to fully document on OASIS all encumbrances to unconditional firm transmission service, modify requirements related to Network Integration Transmission Service, and expand the OASIS notice functionality.

As part of the NOPR, the Commission proposed an 18-month implementation timeline for the WEQ Version 003.3 Business Practice Standards other than those related to cybersecurity and acknowledged “that based upon when the Commission issues a final rule, industry may be required to incorporate certain changes proposed under WEQ Version 003.3 Standards while also implementing changes required by Order No. 676-I.”⁴ The Commission requested:

“...comments on how best to proceed with the implementation of the remaining WEQ 003.3 Business Practice Standards, including the standards related to PFV and OASIS, but not those related to cybersecurity, to be incorporated by reference. Specifically, rather than being implemented on the separate timeline for the cybersecurity, as described herein: should the Commission require the industry to implement WEQ Version 003.2 prior to WEQ Version 003.3. Alternatively, should the Commission cancel the implementation obligation of WEQ Version 003.2 and instead require implementation of all accepted WEQ Version 003.3 standards, including WEQ Version 003.2 changes, within 18 months.”⁵

In addition to the Commission’s action on the NOPR, the Commission released an Order on Technical Conference as part of the proceeding *Revisions to the Filing Process for Commission Forms* in Docket No. RM19-12-000.⁶ In the Order, the Commission adopted the final versions of the eXtensible Business Reporting Language (XBRL) taxonomy and other documentation as well as established an implementation schedule for use of the XBRL filing format for FERC Form Nos. 1, 1-F, 2, 2-A, 3-Q (electric), 3-Q (natural gas), 6, 6-Q, 60, and 714. At the request of the Commission, NAESB established the WEQ/WGQ FERC Forms

³ See Paragraph 52 of the FERC NOPR *Standards for Business Practices and Communication Protocols for Public Utilities*

⁴ See Paragraph 86 of the FERC NOPR *Standards for Business Practices and Communication Protocols for Public Utilities*

⁵ See Paragraph 86 of the FERC NOPR *Standards for Business Practices and Communication Protocols for Public Utilities*

⁶ The Order on Technical Conference can be accessed through the following hyperlink:

https://www.naesb.org/pdf4/ferc071720_revisions_comm_forms_filing_process_rm19-12-000.pdf



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Subcommittee that served as an industry forum to gauge consensus on a number of foundational elements that formed the building blocks for Commission determinations regarding the XBRL filing format.

NAESB would like to express appreciation to everyone who contributed to the standards development efforts that culminated in the publication of Version 003.3 of the WEQ Business Practice Standards. Members can access the publication from the NAESB website at https://www.naesb.org/weq/weq_standards.asp, and non-members may purchase the publication by submitting a completed materials order form (<https://www.naesb.org/pdf/ordrform.pdf>) or may contact the NAESB office for information on how to obtain a copy of the standards for evaluation purposes. If you or your colleagues have any questions or would like to access these standards, please do not hesitate to ask our office (naesb@naesb.org or 713-356-0060).