##### February 15, 2017

**TO:** All Interested Parties

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

**RE: Coordination with External Organizations Update**

NAESB and NERC maintain a robust coordination relationship to ensure the two organizations remain in lock-step on standards development impacting the industry. As part of this coordination relationship, NAESB leadership and NERC partake in monthly coordination conference calls to discuss standards development issues as well as other relevant issues pertaining to the organizations. Additionally, NAESB and NERC staffs frequently communicate regarding current and forthcoming standards development activities. Recurring topics of discussion include Time Error Correction, Standards Request R16008, EIR Enhancement Request ER16001, Parallel Flow Visualization (PFV), the NAESB Electric Industry Registry (EIR), cybersecurity, NOPRS and Final Orders on NERC or NAESB Standards, specific NERC Standards Development Projects and NAESB standards development efforts that may directly or indirectly impact the NAESB WEQ Business Practice Standards or NERC, respectively, NERC or NAESB activities outside of standards development that may impact coordination, NERC reliability standards development planning, and NAESB annual plan development.

Coordination regarding Time Error Correction began in 2015, resulting in NERC’s submittal of a standards request ([R16002](https://naesb.org/pdf4/r16002.doc)) to NAESB on the subject. This topic was addressed on each monthly coordination call in 2016 and there was staff to staff communication on the issue outside of these calls. Additionally, NAESB staff and NERC staff coordinated with FERC staff regarding how each organization should file its respective standards with the Commission. The recommendation, developed by the WEQ BPS, will be presented to the WEQ Executive Committee for consideration during its meeting on February 21, 2016. The recommendation proposes the reservation of WEQ-006 Manual Time Error Correction as well as corresponding changes to WEQ-000 Abbreviations, Acronyms, and Definition of Terms.

[Standards Request R16008](https://naesb.org/pdf4/r16008.doc) has also been a frequent topic of discussion on the monthly coordination calls since the request’s submittal last year. The request relates to the elimination of the Purchase Selling Entity (PSE) from the NERC Compliance Registry and proposes that NAESB consideration the incorporation of some of the NERC Reliability Standards related to PSE requirements for dynamic tagging and pseudo-ties. Subsequent to receiving the standards request, NERC staff informed NAESB that there was a potential NERC Standards Authorization Request (SAR) related to NERC Reliability Standard INT-004-3.1 being pursued by an industry participant that would impact the same issues raised in Standards Request R16008 as well as the issue raised in [EIR Enhancement Request ER16001](https://naesb.org/pdf4/er16001.doc). NERC and NAESB staffs have been in frequent contact regarding this issue and are discussing potential paths forward regarding standards development should the requestor determine not to pursue the potential NERC SAR related to NERC Reliability Standard INT-004-3.1.

NAESB and NERC have been coordinating on PFV efforts multiple years now. During every monthly coordination call, NERC is provided with an update on the activities of the Eastern Interconnect Data Sharing Network (EIDSN) regarding the PFV field trial. Outside of the monthly coordination calls, NAESB staff works with NERC staff in the drafting of every status report filed with the Commission. Additionally, NAESB staff coordinated with the lead of the NERC Operating Reliability Subcommittee (ORS) PFV Reliability Metrics Task Group regarding the development of the reliability metrics for the PFV field trial.

NAESB and NERC have been coordinating on issues regarding the industry registry tool since before the transition of the NERC Transmission System Information Networks (TSIN) to the NAESB EIR in 2012. Following this transition, NERC remained in the registry and shared certain approval functionalities with NAESB. In late 2015, NERC approached NAESB requesting the full transition of the tool. Throughout 2016, NAESB, NERC, and OATI worked together to facilitate the removal of NERC from the EIR, which took place on October 18, 2016. During the monthly coordination calls in the months following this transition, NERC has been informed of the related actions of the WEQ CISS to remove the now outdated NERC references in WEQ-022 EIR Business Practice Standards. This recommendation will be presented to the WEQ Executive Committee for consideration during its meeting on February 21, 2016.

The cybersecurity activities of each organization are a frequent topic of discussion during the monthly coordination calls, and NAESB staff monitors NERC standards development efforts and other activities related to cybersecurity. This past year, during monthly coordination calls, there have been discussions regarding NERC’s standards development efforts related to address supply chain management security controls in response to directives contained in FERC Order No. 829. The WEQ Cybersecurity Subcommittee will review the finalized version of these NERC Reliability Standards as part of its efforts to address 2017 WEQ Annual Plan Item 4.b – Evaluate and modify standards as needed to support and/or complement the current version of the NERC Critical Infrastructure Protection Standards and any other activities of NERC and the FERC related to cybersecurity.

Each year, NERC and NAESB also coordinate regarding the development of the NERC Reliability Standards Development Plan and the NAESB Annual Plans. The WEQ SRS reviews each draft NERC Reliability Standards Development Plan, and any comments are communicated to NERC staff. Additionally, NAESB staff informs NERC regarding the development of the upcoming year’s annual plans, including any NAESB standards development efforts tied to ongoing or upcoming NERC standards or activities.

In addition to the major ongoing standards development activities mentioned above, the monthly NERC/NAESB coordination calls also focus on other NERC standards development efforts and other activities that could impact the NAESB or the WEQ Business Practice Standards. Projects discussed this past year include Project 2015-04 Alignment of Terms, NERC activities to revise NERC Reliability Standard BAL-006 including the NERC Reliability Guideline for Inadvertent Interchange, the NERC/NAESB Template Procedure for Joint Standards Development and Coordination, FERC issuances related to NERC and NAESB MOD activities, and NERC activities related to the removal of the PSE, Load Serving Entity, and Interchange Authority from the NERC Compliance Registry. The list of projects discussed is always changing based on new standards development efforts and current activities.