##### April 24, 2023

**TO:** All Interested Parties

**FROM:** Caroline Trum, Director, Wholesale Electric Quadrant

**RE: Cybersecurity Update**

NAESB is pleased to announce that the WEQ, WGQ, and RMQ have all completed work to establish a new suite of NAESB Business Practice Standards, one for each quadrant, for cybersecurity-related standards. As part of this effort, each quadrant also took action to move all existing cybersecurity-related standards into the new books. This standards development effort was undertaken by the WEQ, WGQ, and RMQ at the request of the NAESB Board of Directors and is supportive of an informal recommendation made as part of the 2019 Surety Assessment by the U.S. Department of Energy and Sandia National Laboratories. As part of that recommendation, it was suggested that NAESB, working with FERC, consider potential methods by which the timeline for industry implementation of cybersecurity-related business practices could be expediated. NAESB staff has kept FERC staff informed throughout this process, with FERC staff indicating support for NAESB to move forward in this manner. NAESB has also informed the FERC Commissioners of the forthcoming changes to the WEQ and WGQ Business Practice Standards as part of the next version of the publications.

During the recent NAESB Executive Committee meetings, held March 28 – 30, 2023, the WGQ, WEQ, and RMQ all considered recommendations intended to address the need for including baseline multi-factor (MFA) requirements for into cybersecurity-related standards. The WGQ approved revisions to its standards to clarify the ability to utilize MFA as part of user authentication for accessing pipeline customer activities websites. Once ratified, the standards will be considered final actions and incorporated as part of the next WGQ publication, scheduled for release later this year. Both the WEQ and RMQ determined to pursue no action recommendations for this effort. In reviewing its standards, the WEQ identified that, through the use of the NAESB Public Key Infrastructure (PKI) framework, the WEQ Business Standards already incorporate MFA requirements for electronic tagging as well as accessing a transmission provider’s OASIS node and the NAESB Electric Industry Registry (EIR). The RMQ pursued a no action recommendation after determining that changes are not necessary at this time as MFA requirements are specifically applicable to human-facing interfaces, which the current standards do not address.

Remaining to be addressed this year are efforts by the WEQ and RMQ supporting cybersecurity for distributed energy resources. As recommended by the NAESB Board Strategy Committee and included on the 2023 WEQ and RMQ Annual Plans, the WEQ Cybersecurity Subcommittee, WEQ Business Practices Subcommittee, and RMQ Business Practices Subcommittee will be reviewing cybersecurity protections, including the use of PKI, that may be needed to secure electronic communications for distributed energy resources and developing any necessary standards. Due to the similar nature of the annual plan assignments, the WEQ and RMQ subcommittees intend to address these standards development effort jointly and are in the process of scheduling an initial kick-off meeting.