



North American Energy Standards Board

1415 Louisiana, Suite 3460 Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

August 16, 2022

NAESB UPDATE CONFERENCE CALL

EVERLINE PRESENTATION ON CYBERSECURITY DEVELOPMENTS: Ms. McIntyre, Director of Security at EverLine, provided a presentation on cybersecurity developments. She reviewed the new impacts on utilities and distribution, the role of cybersecurity in audits and inspections, and the regulatory changes— including the TSA Informational Circular IC Pipeline-2022-02 and the TSA Security Directive 2021-02c. Ms. McIntyre explained technical threats, such as targeted campaigns, theft, network reconnaissance, ransomware, masquerading, and phishing, along with the current geopolitical effects of events in Ukraine and Taiwan. Lastly, the presentation considered technology drivers and considerations for the future. Ms. Mallett thanked Ms. McIntyre for providing the presentation and sharing her insight into the everchanging cybersecurity landscape.

WEQ/RMQ RENEWABLE ENERGY CERTIFICATE ACTIVITIES: Ms. Sieg provided the update on Renewable Energy Certificates. She stated that the subcommittees have scheduled a joint meeting on August 29th to review the comments received on the recommendation containing the technical implementation for the *NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates* (NAESB REC Base Contract). The recommendation was jointly developed by the RMQ BPS and the WEQ BPS and allows the NAESB REC Contract to be utilized on current and future electronic platforms, such as distributed ledger technology. On August 8, 2022, the thirty-day formal comment period for the recommendation concluded with comments submitted from Cheniere Corpus Christi Liquefaction and Tennessee Valley Authority. The subcommittee will determine if any modifications will need to be made to the recommendation in light of the comments received and will develop comments for the WEQ and RMQ Executive Committees, if needed.

WEQ COORDINATION ACTIVITIES WITH NERC: Ms. Trum, Director of the Wholesale Electric Quadrant, provided the coordination update. She stated that the WEQ Cybersecurity Subcommittee has reviewed the NERC Critical Infrastructure Protection (CIP) reliability standards and determined that no changes to the NAESB WEQ Standards are necessary, but the group will continue to monitor the CIP efforts. NERC released the 2023-2025 Reliability Standards Development Plan (RSDP) and the WEQ Standards Review Subcommittee will meet to review the document and submit any coordination notes, if necessary, to the Managing Committee, who may forward the notes to NERC. NERC and NAESB staff calls are ongoing to coordinate on several topics including, battery storage and distributed energy resources and cybersecurity. Ms. Mallett thanked Ms. Trum for providing the update and for keeping the group informed on the harmonization efforts between NERC and NAESB as the organizations work on industry priorities.

WEQ OASIS SUBCOMMITTEE UPDATE: Mr. Wood, Co-chair of the WEQ OASIS Subcommittee, delivered the update. He stated that two recommendations are currently posted for a thirty-day formal comment period that concludes on August 17th. The first recommendation enhances WEQ-001, WEQ-002, WEQ-003, and WEQ-013 and clarifies the identification of all modifications of service made to an original reservation in one location within OASIS. Also, under Standards Request R21005, enhancements to Table 25-3 provides clarification on the process for competition between a firm request and a previously queued non-firm request or reservation. Looking ahead, the subcommittee will hold a joint meeting with the WEQ CSS to determine which OASIS Standards should be included in the forthcoming book of WEQ Cybersecurity Business Practice Standards. Ms. Mallett thanked Mr. Wood for the presentation. She also thanked the WEQ OASIS Subcommittee co-chairs – JT Wood, Ken Quimby, Matt Schingle, Mike Steigerwald, and Rob Arbitelle for navigating the subcommittee through a long list of annual plan items throughout the year.

WEQ/RMQ DOE COMMON LIST OF GRID SERVICES STANDARDS REQUEST: Mr. Phillips, Chair of the WEQ Executive Committee and the WEQ Business Practices Subcommittee, provided the update. He stated that three WEQ Business Practices Subcommittee meetings have been held to discuss Standards Request R22001 and develop the first draft of standards. The request proposes technology neutral, standardized definitions of common



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grid service names, definitions, and performance characteristics. The development effort will first focus on the wholesale electric markets and, once that work is complete, move to the retail electric markets with the RMQ BPS picking up the standards development activities. Ms. Mallett thanked Mr. Phillips for the update and stated that NAESB staff always looks forward to supporting the industry in efforts to achieve common terminology across markets.

WEQ CYBERSECURITY ACTIVITIES: Mr. Buccigross, Chair of the Cybersecurity Subcommittee, provided the update. He stated that each of the NAESB quadrants conducts a review of the cybersecurity standards each year. He explained that an informal suggestion from Sandia National Laboratories during the 2019 surety assessment led to NAESB creating separate cybersecurity books for each quadrant. As part of this effort, standards will be moved over from their current books into a new book. There will be no new standards or modifications to the standards as part of this effort. Mr. Buccigross stated that the WEQ CSS is holding joint meetings with other WEQ subcommittees to determine which standards should be moved. The RMQ and WGQ are undertaking the same activities within their quadrants. This reorganization of the standards will allow NAESB to submit cybersecurity standards outside of the normal publishing schedule in order to expedite the process if vulnerabilities in the standards are found.

WGQ: RENEWABLE NATURAL GAS AND CERTIFIED GAS ADDENDUM UPDATE: Mr. Sappenfield, Chair of the WGQ Contracts Subcommittee provided the update. The WGQ Contracts Subcommittee has held a series of meetings to develop a Renewable Natural Gas (RNG) Addendum to the *NAESB Base Contract for Sale and Purchase of Natural Gas*. The addendum, which will address both voluntary and regulated markets, contains the terms and conditions specific to RNG transactions and also the technical implementation to transact using distributed ledger technologies, such as blockchains. The next meeting to address RNG will be held on June 30, 2022. Additionally, the board took action during its April 14th meeting to add certified gas to the active 2022 WGQ Annual Plan. A planning meeting for the development of the addendum was held on June 2nd and several comments were submitted after the meeting regarding whether the name of the product. The next meeting to discuss the sustainably produced gas/responsibly sourced gas/certified gas addendum is scheduled for June 16, 2022. Mr. Agen thanked Mr. Sappenfield and NAESB for their work on the effort. He stated that the American Gas Association supports moving forward with the certified gas addendum and would appreciate revisiting the terminology for the product. Mr. Booe thanked Mr. Agen for his comments and thanked Mr. Sappenfield for his guidance through the development of the addendums to the NAESB Base Contract.

WGQ CONTRACTS SUBCOMMITTEE UPDATE: Mr. Sappenfield, Chair of the WGQ Contracts Subcommittee, provided the WGQ Contracts Subcommittee update. He stated that, to date, the subcommittee has held twenty-six meetings to develop the NAESB Renewable Natural Gas (RNG) Addendum to the *NAESB Base Contract for Sale and Purchase of Natural Gas*. He stated that the addendum is intended to cover both regulated and voluntary markets. In a separate effort, the subcommittee is also developing an addendum to *NAESB Base Contract for Sale and Purchase of Natural Gas* to facilitate certified gas transactions. The term, "Certified Gas" is a placeholder until the subcommittee determines a consensus on the name of the product. Ms. Mallett thanked Mr. Sappenfield for providing his years of experience in shepherding the subcommittee through the annual plans.

REGULATORY AND BOARD ACTIVITIES UPDATE: Mr. Booe, NAESB Executive Vice President and Chief Administrative Operator, provided the Regulatory and Board Activities update. He stated that NAESB received a letter from FERC Chairman Glick and Jim Robb, CEO of NERC, to address Recommendation 7 in the November 16, 2021 FERC, NERC, and Regional Entity Staff Report - *The February 2021 Cold Weather Outages in Texas and the South Central United States*. Michael Desselle and Valerie Crockett reconvened the NAESB Gas-Electric Harmonization Forum to undertake this effort and a virtual kick off meeting has been scheduled for August 30, 2022. Mr. Booe stated that NAESB is also working with NARUC to keep them in the loop.

NEXT CONFERENCE CALL: The next NAESB Update Conference Call is scheduled for October 26, 2022 from 1:00 PM - 2:00 PM Central. The agenda and any work papers will be posted on the NAESB Update Call page of the NAESB website, accessible at the following link: http://www.naesb.org/monthly_update.asp. We hope you



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can join us. If there are particular topics you would like to see covered or if you would like to receive additional information, please contact the NAESB Office by phone at (713) 356-0060 or email at naesb@naesb.org.



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August 16, 2022 1:00 PM Central	
Name	Organization
Matthew Agen	American Gas Association
Diane Antonelli	PJM Interconnection
Melanie Bersaas	Bonneville Power Administration
Jonathan Booe	North American Energy Standards Board
Michelle Brocklesby	ESG Global
Jim Buccigross	8760, Inc.
Christopher Burden	Enbridge (U.S.) Inc.
Zachary Buus	Bonneville Power Administration.
Sherri Collins	Tennessee Valley Authority
Brad Cox	Tenaska
David Crabtree	TECO Energy
Valerie Crockett	Tennessee Valley Authority
Tyler Culbertson	DCP Midstream
Jay Dibble	Calpine
Paul Etherington	ESG Global
Blair Fink	Georgia Public Service Commission
Karen Frank	MISO Energy
Alexandra Gajewski	Quorum Software
Bobby Goel	Tennessee Valley Authority
Mark Gracey	Kinder Morgan Inc.
Daniel Graham	Basin Electric Power Cooperative
Cory Herbolzheimer	NV Energy
Ronnie Hensley	Southern Star Central Gas Pipeline
Jo Johnson	Portland General Electric
Pete Koszalka	Pacific Gas and Electric Company
Tomasz Lange	Tenaska
Renee Lani	American Public Gas Association
Tara Liscombe	Castleton Commodities International



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Name	Organization
Nichole Lopez	Kinder Morgan Inc.
Elizabeth Mallett	North American Energy Standards Board
Leif Mattson	WBI Energy
Paulus Mau	BC Hydro
Steven McCord	TC Energy Corporation
Annie McIntyre	EverLine
Sheldan Perry	OATI
Joshua Phillips	Southwest Power Pool
Robin Pollara	FIS Global
Farrokh Rahimi	OATI
Ron Robinson	Tennessee Valley Authority
Keith Sappenfield	Cheniere Corpus Christi Liquefaction
Sarah Shaffer	Equitrans
Nancy Senger	WBI Energy
Lisa Sieg	LG&E and KU Services Company
Benjamin Smith	TECO Energy
Daniel Smith	Sacramento Municipal Utility District
Carolyn Stone	Cascade Natural Gas Corporation
Sarah Tomalty	BP
Caroline Trum	North American Energy Standards Board
Karen Utt	Tennessee Valley Authority
JT Wood	Southern Company