

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 23, 2023

#### NAESB UPDATE CONFERENCE CALL

**PRESENTATION BY ANNIE MCINTYRE EVERLINE:** Ms. McIntyre, Director of Security at EverLine and former CEO of Ardua Strategies, provided an overview of current Cybersecurity activities, including threat trends, incidents, the regulatory and compliance landscape, insurance considerations, technology, and the path forward to 2024. She reviewed the technical threats, such as evolving ransomware, social engineering, phishing, network reconnaissance, and targeted campaigns, as well as questions and considerations during audits and the increasing utilization of artificial intelligence.

**WEQ COORDINATION ACTIVITIES WITH NERC:** Ms. Trum, NAESB Director of the Wholesale Electric Quadrant (WEQ), provided the presentation on recent NAESB and NERC coordination efforts. Recently, the WEQ Standards Review Subcommittee (SRS) completed its review of the draft NERC RSDP with the identification of nine NERC projects that are or maybe coordinated with NAESB efforts. These projects address topics such as revisions to the NERC Critical Infrastructure Protection Reliability Standards, cold weather protections, and requirements related to inverter-based resources. The feedback from the WEQ SRS was forwarded to the NAESB Managing Committee for consideration and subsequently provided to NERC staff. On July 31, 2023, Version 004 of the WEQ Business Practice Standards was released and contained several modifications to ensure the business practices and NERC Reliability Standards continue to be complementary. Those revisions provide consistency in the use of defined terms between the standard requirements as well as ensure the business practices included in WEQ-005 Area Control Error Equation Special Cases and WEQ-006 Manual Time Error Correction are consistent with NERC reliability guidance in these areas. Also, WEQ-008 Transmission Loading Relief – Eastern Interconnection business practice standards were revised to reflect changes in how the industry makes curtailment information available. Also, the WEQ Coordinate Interchange Scheduling Subcommittee is continuing its work to review the

**WEQ BUSINESS PRACTICES SUBCOMMITTEE:** Mr. Phillips, Chair of the WEQ Business Practices Subcommittee (BPS), provided an overview of recent WEQ BPS activities. The new WEQ-025 Grid Services Supporting Wholesale Electric Interactions was completed by the subcommittee in response to a request from the DoE, Berkeley National Labs, and Pacific Northwest National Laboratory to support elements of the DoE's Grid Modernization Laboratory Consortium related to distributed energy resources. Now, the subcommittee is focused on three annual plan items related to FERC Order Nos. 841 and 2222, addressing the participation of energy storage resources and DER aggregations within organized wholesale markets. For the past couple of meetings, the subcommittee has been reviewing the previous efforts of the subcommittee in this area and the work papers that were developed; however, there does not appear to be industry support at this time to move forward with the annual plan items. The WEQ BPS has scheduled an additional meeting for September 11 to consider a no action recommendation for the three annual plan items.

**CYBERSECURITY UPDATE:** Mr. Spangler, Co-Chair of the WGQ Electronic Delivery Mechanisms Subcommittee, provided an overview of recent cybersecurity efforts within NAESB. He stated that, in response to an informal recommendation made by Sandia National Laboratories to NAESB, each quadrant has moved its cybersecurity standards into a new Cybersecurity book. This effort will, in case of a security vulnerability in the standards, allow for a quicker response time by the filing of the single book of standards. 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.



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**RMQ ESPI AND GREEN BUTTON UPDATE:** Ms. Mallett, NAESB Director of the Wholesale Gas and Retail Markets Quadrants provided an overview of the ESPI activities. She stated that, in 2021, an Ontario regulation required jurisdictional electric and gas utilities within the province to implement Version 3.3 of the NAESB Energy Services Provider Interface (ESPI) Standards by November 1, 2023. The NAESB ESPI Standard is updated by the industry from time-to-time to ensure the standards continue to meet market needs and the latest revisions were voted out of the subcommittee this month. The ESPI Task Force held a total of four meetings to revise the standards, updating the cybersecurity aspects of the standard, and approve the recommendation. The revisions include the deletion of references to the TLS 1.2 cryptographic protocol, effectively moving up to TLS 1.3 and above, a new list of cipher suites for TLS 1.3, updated hyperlinks, and new and updated references to outside standards. On September 8th, a formal industry comment period on that recommendation will conclude.

**WGQ CONTRACTS SUBCOMMITTEE ACTIVITIES:** Mr. Buccigross, Chair of the WGQ Executive Committee, delivered the update on WGQ Contracts Subcommittee activities. On September 14th, the WGQ Contracts Subcommittee will hold its second meeting to address a request for standards development concerning the force majeure provisions in the NAESB Base Contract. The request asks NAESB to provide additional clarity concerning notices, responsibilities, and the ability to invoke Force Majeure during weather events. At the request of the Chair of the WGQ Contracts Subcommittee, an informal industry comment period was held on both the request and the written comments proposing the motion for no action submitted by Cheniere. That comment period closes on September 5, 2023. In a separate effort, on September 11<sup>th</sup>, the WGQ membership is set to ratify two recommendations containing technical standards that facilitate the use of the NAESB RNG Addendum and the NAESB Certified Gas Addendum to the *NAESB Base Contract for Sale and Purchase of Natural Gas* on digital technologies, such as blockchain. If ratified in September, both sets of technical standards will become final actions available for industry use and will be included in Version 4 of the NAESB WGQ Business Practice Standards publication.

**REGULATORY AND BOARD ACTIVITIES UPDATE:** Mr. Booe provided the Regulatory and Board activities update. On September 7, 2023, NAESB will hold a Board of Directors meeting in Houston, Texas. In preparation for that meeting, the Board Revenue Committee has scheduled a call on August 29, 2023 to discuss membership reports, vacancies, communication efforts, and publication schedules. In October, the Executive Committees will hold hybrid meetings in Richmond, VA at the Eastern Gas Transmission and Storage, Inc. Mr. Booe thanked Rachel Hogge from Eastern Gas Transmission and Storage, Inc. for allowing NAESB to hold its Executive Committee meetings at its facilities.

**NEXT CONFERENCE CALL:** The next NAESB Update Conference Call is scheduled for October 18, 2023 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: <u>http://www.naesb.org/monthly\_update.asp</u>. We hope you 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 <u>naesb@naesb.org</u>.



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	NAESB Update Conference Call, Participant List	
August 23, 2023 1:00 PM Central		
Name	Organization	
Karl Almquist	Tallgrass	
Diane Antonelli	PJM Interconnection	
Teresa Baumann	Chesapeake Energy	
Jonathan Booe	North American Energy Standards Board	
Jim Buccigross	8760, Inc.	
Christopher Burden	Enbridge (U.S.) Inc.	
Donald Coffin	Green Button Alliance	
Michelle Coon	OATI	
Valerie Crockett	Tennessee Valley Authority	
Jay Dibble	Calpine	
Brett Fisher	Western Area Power Administration	
Karen Frank	Midcontinent Independent System Operator	
Jan Franklin	Chevron	
Rosa Goss	Duke Energy	
Ben Hammer	Western Area Power Administration	
Anna Hartung	ONE OK	
Cameron Heck	Tennessee Valley Authority	
Cory Herbolsheimer	NV Energy	
Tom Kraft	ONEOK	
Renee Lani	American Public Gas Association	
Scott Lewter	Duke Energy	
Tara Liscombe	Castleton Commodities International	
Nichole Lopez	Kinder Morgan	
Bethany Loveless	ONEOK	
Elizabeth Mallett	North American Energy Standards Board	
Kathryn McCoy	Williams	
Annie McIntyre	EverLine	
Ryan Moyle	Tallgrass	



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Name	Organization	
Wes Pebsworth	ONE OK	
Joshua Phillips	Southwest Power Pool	
Suman Pokharel	ONE OK	
Kass Portra	Western Area Power Administration	
Jeremy Roberts	Green Button Alliance	
Ronald Robinson	Tennessee Valley Authority	
Peter Samoray	PCI Energy Solutions	
Stuart Saulters	American Public Gas Association	
Lindsey Saunders	Quorum Software	
Lisa Sieg	LG&E and KU	
Lisa Simpkins	Constellation	
Danielle Smith	Sacramento Municipal Utility District	
Paul Smith	Tennessee Valley Authority	
Leigh Spangler	Latitude Technologies	
Karen Stampfli	Tennessee Valley Authority	
Greg Staton	Spire Energy	
Scott Stewart	Bonneville Power Administration	
Carolyn Stone	Cascade Natural Gas Corporation	
Bill Sullivan	ACES Power	
Baskaran Susaimanickam	ONEOK	
Sarah Tomalty	BP	
Caroline Trum	North American Energy Standards Board	
Kelsie Vaughan	Tallgrass	
Sandy Walker	Tennessee Valley Authority	
Jason Williams	Southern Company	
JT Wood	Southern Company	
David Yonce	Spire Energy	