##### February 26, 2019

**TO:** All Interested Parties

**FROM:** Elizabeth Mallett, NAESB Deputy Director

**RE: WEQ Coordination Update**

In order to coordinate efforts on certain wholesale electric market priorities, NAESB and NERC hold monthly calls to discuss ongoing projects. Under one such project, the NERC Standards Efficiency Review, NERC is reviewing its standards to identify requirements that are not related to reliability. While continuing to monitor this project, the NAESB WEQ Standards Review Subcommittee (WEQ SRS) determined that the potential retirement of some of the NERC standards may impact corresponding NAESB WEQ Business Practice Standards.  NAESB and NERC have discussed the potential need for coordination should NERC move forward with these proposed revisions and/or retirements and have agreed to follow the coordination process used for past standard development efforts, such as MOD and Time Error Correction retirement efforts.

Last year, as part of a recurring annual plan item to modify the WEQ Business Practice Standards as needed to support and/or complement the NERC Critical Infrastructure Protection (CIP) Reliability Standards, the WEQ Cybersecurity Subcommittee identified a need to review any finalized reliability standards that may result from activities related to FERC Order No. 848 – Cyber Security Incident Reporting.  As part of the order, the FERC directed NERC to make additional revisions to its standards to address certain aspects of reporting cybersecurity incidents. On February 7, the NERC Board of Trustees adopted the proposed revisions and anticipates filing with FERC in the coming weeks. During its next meeting, the WEQ Cybersecurity Subcommittee will be reviewing the standards as well as standard development activities related to NERC Project 2016-02, which includes revising the NERC CIP Reliability Standards in response to directives from FERC Order No. 822 – Revised Critical Infrastructure Protection Reliability Standards.

NAESB continues to coordinate with both NERC and EIDSN, Inc. regarding the Parallel Flow Visualization (PFV) Effort.  The PFV field trial began in September of 2017 and is expected to conclude in March of 2019.  PFV is an enhanced congestion management process being tested within the Eastern Interconnection that seeks to improve upon the current congestion management procedures through the use of real-time data to provide increased granularity regarding factors contributing to congestion on the bulk electric grid. Following the conclusion of the field trial, a report will be provided to NERC and NAESB on reliability and commercial metrics.  These reports will be reviewed by the NERC Operating Reliability Subcommittee and the NAESB WEQ Business Practices Subcommittees.