##### June 2, 2025

**TO:** All Interested Parties

**FROM:** Caroline Trum, Director of Wholesale Electric Activities

**RE: WEQ Coordination Activities with NERC**

Over the past two decades, coordination efforts between NAESB and NERC have helped to ensure the complementary nature of the WEQ Business Practice Standards and NERC Reliability Standards. Currently, there are several activities and standards development efforts underway that are being coordinated to support consistency for the wholesale electric industry in areas with overlapping commercial and reliability considerations, including distributed energy resources (DERs) and inverter-based resources (IBRs) and congestion management practices.

In April, the WEQ, jointly with the RMQ, initiated an effort to consider and develop business practices to support the integration of DER/DER aggregation registries by industry. As part of the initial and subsequent meeting, participants identified as a potential resource for standards development documentation developed by the NERC System Planning Impacts from Distributed Energy Resources Working Group. Specifically, participants noted the Reducing DER Variability and Uncertainty Impacts on the Bulk Power System White Paper which identifies key principles to support information gathering and methods to improve DER data collection, storage, and sharing practices among relevant parties. NERC staff participated in the kick-off meeting, and NAESB will continue to keep NERC informed as the subcommittees work to define a scope for standards development.

Related to DERs and IBRs, NERC has initiated several reliability standard development projects to address Commission directives in FERC Order No. 901 *Reliability Standards to Address Inverter-Based Resources*. The WEQ Standards Review Subcommittee (SRS) is monitoring these efforts as part of its broader work to review NERC reliability standard projects and identify possible areas of coordination. The subcommittee held its most recent meeting on May 13. As part of the meeting, participants discussed the status of DER and IBR related efforts as well as other NERC projects previously identified by participants for evaluation, including those that related to cybersecurity and cold weather preparedness.

Regarding congestion management, the WEQ continues with efforts to develop new business practice standards to support an interconnection-wide congestion management process for the Western Interconnection. The Western Electricity Coordinating Council (WECC) has representatives participating in the standards development activities, and NAESB is keeping NERC staff informed on the effort’s progress, including a planned informal comment period once an initial draft is completed. As discussed by the participants, there is no anticipated impact from the new standards to the existing NERC Reliability Standards, including those that establish the Western Interconnection’s Unscheduled Flow Mitigation Plan (UFMP) for congestion management, and the intent is for any developed business practices to be used in addition to these and other existing industry procedures.