##### October 18, 2019

**TO:** All Interested Parties

**FROM:** Caroline Trum, NAESB Deputy Director

**RE: Coordination with External Organizations Update**

NAESB continues to coordinate with NERC on a number of topics. As part of this coordination, every month, NAESB and NERC staffs participate in scheduled conference calls to discuss various efforts that impact both reliability and commercial aspects of the wholesale electric market. Major topics of discussion lately have been the NERC Standards Efficiency Review, cybersecurity, and the development of the 2020 – 2022 NERC Reliability Standards Development Plan.

As a result of staff discussions regarding Phase One of the NERC Standards Efficiency Review effort, NERC submitted Standards Requests R19007 and R19008 on May 3, 2019. The requests propose that in the interest of continued coordination, NAESB review the retirements approved by the NERC Board of Trustees within the NERC MOD and INT Reliability Standards and consider revisions to the WEQ Business Practice Standards. Standards Request R19007 was assigned to the WEQ BPS which voted out a recommendation proposing modifications to WEQ-001 and WEQ-023 on September 6, 2019. Standards Request R19008 was assigned to the WEQ Coordinate Interchange Scheduling Subcommittee (CISS) which voted out a recommendation proposing modifications to WEQ-004 on August 16, 2019. Both recommendations were approved by the WEQ Executive Committee on October 15, 2019 and have been submitted for membership ratification.

As these requests potentially impacted standards which are the subject of the Commission’s Notice of Proposed Rulemaking (NOPR) regarding WEQ Version 003.2, NAESB filed comments in response to the NOPR on June 5, 2019. The comments inform the Commission of the two requests as well as Minor Correction MC19011 submitted by NERC on May 23, 2019. The minor correction, approved by the WEQ Executive Committee on June 3, 2019, proposed NAESB remove references in WEQ-003-0 to retired NERC Reliability Standard IRO-006-TRE-1. NAESB made an errata filing to the Commission regarding the minor correction on July 23, 2019 and will file updates with the Commission regarding R19007 and R19008 following the conclusion of the standards development process.

The WEQ Cybersecurity Subcommittee has met several times this year to address a recurring annual plan item to evaluate the current version of the NERC CIP Reliability Standards and other activities of NERC related to cybersecurity. As part of this effort, the subcommittee is reviewing the NERC CIP Reliability Standards adopted by the FERC as part of FERC Order No. 850 Supply Chain Risk Management Reliability Standards, FERC Letter Order Approving CIP-008-6, and FERC Letter Order Approving CIP-003-8. Additionally, the subcommittee is following NERC standards development related to NERC Project 2016-02 Modifications to CIP Standards, NERC Project 2019-02 BES Cyber System Information Access Management, and NERC Project 2019-03 Cyber Security Supply Chain Risks. The next meeting of the subcommittee is scheduled for October 31, 2019.

In August, the WEQ Standards Review Subcommittee met to review the draft 2020 – 2022 NERC Reliability Standards Development Plan. As part of the review, the subcommittee identified several NERC projects for which NAESB should monitor for potential complimentary business practice standards development, including the above noted projects being followed by the WEQ Cybersecurity Subcommittee. The comments of the subcommittee were reviewed by NAESB leadership and provided to NERC as part of the informal comment period that closed on September 5, 2019.