

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

ERO 2019 Work Plan Priorities

RELIABILITY | ACCOUNTABILITY



1. Risk-responsive Reliability Standards
2. Objective, risk-informed entity registration, compliance monitoring, mitigation, and enforcement
3. Reduction of known reliability risks
4. Identification and assessment of emerging reliability risks
5. Identification and reduction of cyber and physical security risks
6. Improving ERO Enterprise efficiency and effectiveness

	2019 Key Objectives
1.	Complete phase I of the Operating & Planning (O&P) Standards Efficiency Review and seek FERC approval for sought-after retirements. Launch phase II of the O&P Standards Efficiency Review
2.	Initiate CIP Standards Efficiency Review, and establish a process and timeline
3.	Complete Supply Chain efforts <ul style="list-style-type: none">• Complete the final report and gain Board acceptance• Develop a plan to realize the recommendations in the report• Begin plan implementation• Develop a plan to evaluate the effectiveness of the supply chain standard

2019 Key Objectives	
1.	Complete registration and certification of the new Western Reliability Coordinators on-time, consistent with dissolution of Peak Reliability
2.	Review effectiveness of the Compliance Guidance program and develop plan to enhance; evaluate opportunities to expand industry-lead development of guidance to other program areas
3.	Provide training and education on control evaluations to industry with supporting guidance to the Regional Entities for consistent implementation in audits
4.	Improve alignment in processes across Regional Entities and, when appropriate, memorialize the aligned processes into CMEP Tool design

2019 Key Objectives

1. For five priority risk areas 1) Protection system misoperations, 2) Performance of inverters and associated control systems during frequency and voltage perturbations (PRC-024), 3) Planning and operating a bulk power system with increased dependency on natural gas, 4) Compromised situational awareness from the loss of Energy Management Systems, and 5) Distributed energy resources
 - Identify the extent of bulk power system reliability risks from loss of situation awareness and distributed energy resources
 - Develop and begin to execute a strategy that mitigates the risks from protection system misoperations, performance of inverters, and planning and operating a bulk power system with increased dependency on natural gas:
 - Identification and syndication of best practices
 - New Reliability Guidelines and other tools
 - Enhancements to existing Reliability Standards
2. Finalize business case and begin implementation of new SAFNR Tool

	2019 Key Objectives
1.	Develop and implement a plan to expand the consistent use of probabilistic-based assessment processes for reliability assessments with common tools and practices
2.	Expand the 2020 Long-Term Reliability Assessment to include considerations of energy assurance risks
3.	Scope out options and determine if work should be undertaken on the use of reserve margin targets given a) changing levels of resource “firmness,” b) uncertainty around actual loads due to DER expansion, and c) recent experiences at managing tight reserve margins without incident (e.g., summer 2018 in ERCOT)

2019 Key Objectives	
1.	<p>Information sharing:</p> <ul style="list-style-type: none"> Enhance data collection capabilities (membership, technology improvements, range of collected data) Establish two-way sharing of machine readable cyber indicators through the Cyber Automated Information Sharing System Implement E-ISAC Watch 24 hours/5 days per week by executing hiring plan (4 watch officers, 4 cyber analysts, 1 threat and countermeasures analyst), recognizing the need for some flexibility to address changing needs
2.	<p>Analysis:</p> <ul style="list-style-type: none"> Increase the identification of indicators of compromise
3.	<p>Engagement:</p> <ul style="list-style-type: none"> Expand the Industry Engagement Program (IEP) and host minimum of 6 IEP sessions covering each Regional Entity footprint Execute Canadian Engagement Strategy, including meetings with each interconnected province and gain Canadian support for 2020 Business Plan and Budget Develop plans to address key findings for E-ISAC identified in the 2018 biennial Effectiveness Survey Design and execute GridEx V with expanded participation including a special focus on cross – sector interdependencies and international collaboration

	2019 Key Objectives
1.	<p>NERC-based initiatives:</p> <ul style="list-style-type: none"> • Develop and implement a meeting and travel policy to support NERC stakeholder groups • Finish the 2019 year at or below budget, and maintain at least \$3.0M in operating reserves • Develop plans to address key findings from the 2018 biennial Effectiveness Survey • Work with the Members Executive Committee to develop metrics measuring the effectiveness of the E-ISAC
2.	<p>ERO-Enterprise “coordination” initiatives</p> <ul style="list-style-type: none"> • Meet all milestones associated with CMEP tool development • Evaluate opportunities to “centralize” and/or “standardize” processes (e.g., Consolidated Hearing Body) • Develop and implement a meeting and travel policy for ERO Enterprise working groups
3.	<p>Stakeholder Engagement:</p> <ul style="list-style-type: none"> • In concert with Stakeholder Committees (MRC, Technical Committees), develop and implement a plan to reconceive and transform Technical Committees to a lower cost model that preserves/improves effectiveness of stakeholder engagement