

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Align Project Governance Model

V1.7 – March 2022

NERC Project Management Office

RELIABILITY | RESILIENCE | SECURITY



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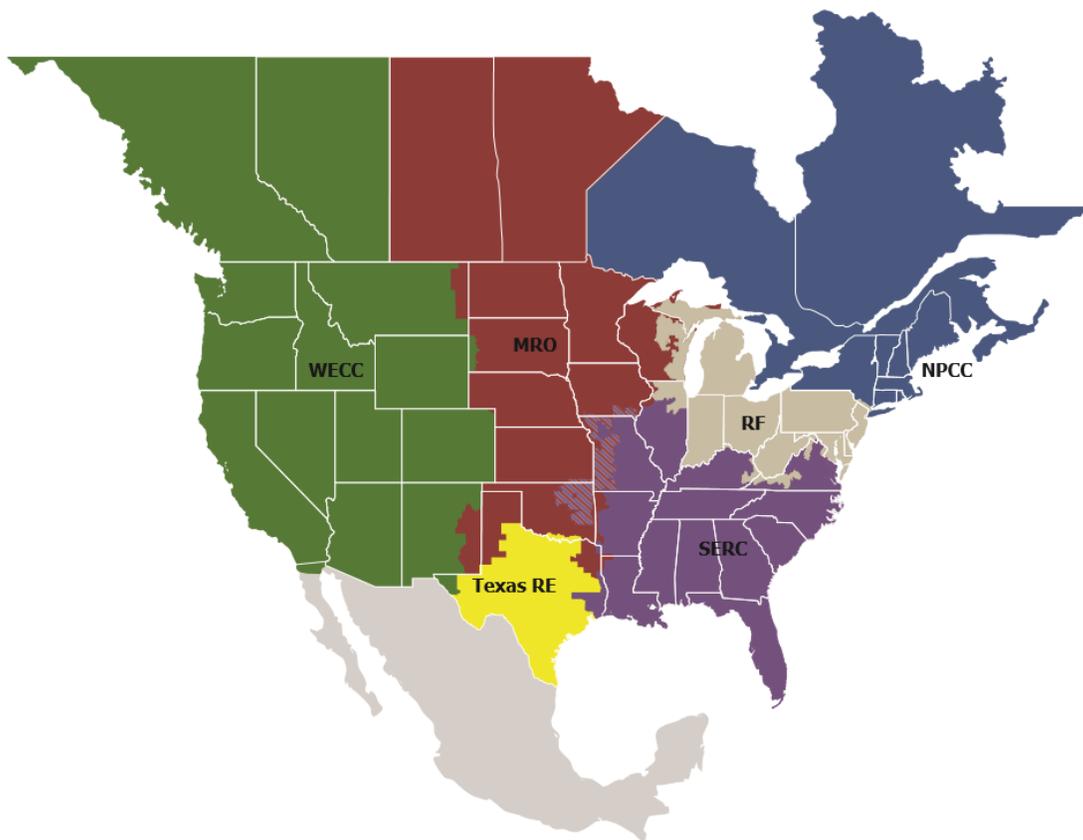
Version	Date	Revisions
1.0	July 14, 2020	Final Version
1.1	July 29, 2020	Update to change User Community to User Group
1.2	July 31, 2020	Update to rotation of members of User Group
1.3	September 10, 2020	Update to include Cyber Security Advisory Group and updates to Align User Group
1.4	November 3, 2020	Updates to AUC from CCC-AWG charter
1.5	February 2, 2021	Updated references to Align User Group
1.6	April 5, 2021	Updated IT Investment Review Policy
1.7	March 31, 2022	Updated IT Investment Review Policy

Preface

Electricity is a key component of the fabric of modern society and the Electric Reliability Organization (ERO) Enterprise serves to strengthen that fabric. The vision for the ERO Enterprise, which is comprised of the North American Electric Reliability Corporation (NERC) and the six Regional Entities (REs), is a highly reliable and secure North American bulk power system (BPS). Our mission is to assure the effective and efficient reduction of risks to the reliability and security of the grid.

Reliability | Resilience | Security
Because nearly 400 million citizens in North America are counting on us

The North American BPS is divided into six RE boundaries as shown in the map and corresponding table below. The multicolored area denotes overlap as some load-serving entities participate in one Region while associated Transmission Owners/Operators participate in another.



MRO	Midwest Reliability Organization
NPCC	Northeast Power Coordinating Council
RF	ReliabilityFirst
SERC	SERC Reliability Corporation
Texas RE	Texas Reliability Entity
WECC	Western Electricity Coordinating Council

Executive Summary

The Align Project launched in 2017 with the purpose of providing a single, common platform for the ERO Enterprise Compliance Monitoring and Enforcement Program (CMEP). Formerly known as the CMEP Technology Project, the Align project requires a robust governance model to ensure any continued investment provides business value across the ERO Enterprise, and adherence to the benefits as described in the [approved business case](#).

The purpose of this document is to outline the governance model as approved by the Align Steering Committee on July 14, 2020. The members of the Steering Committee that approved this model are:

Name	Title	Organization
Jim Albright , Chairman	Vice President, COO	TexasRE
Sara Patrick, Align Executive Sponsor	President and CEO	MRO
Richard Burt	Sr. Vice President and COO	MRO
Scott Nied	Assistant Vice President – Compliance	NPCC
Phil Fedora	Assistant Vice President of Reliability Services	NPCC
Melinda Montgomery	Sr. Director, Engineering and Advanced Analytics	SERC
Tim Ponseti	Vice President, Operations	SERC
Andrew Williamson	Director, Reliability Assurance	SERC
Jeff Craig	Vice President, Reliability Assurance and Monitoring	RF
Steve Goodwill	Sr. Vice President of Reliability and Security Oversight, General Counsel and Secretary	WECC
Sonia Mendonca	Sr. Vice President, General Counsel and Corporate Secretary	NERC
Mechelle Thomas	Vice President and Chief Compliance Officer	NERC
Stan Hoptroff	Vice President, Business Technology	NERC

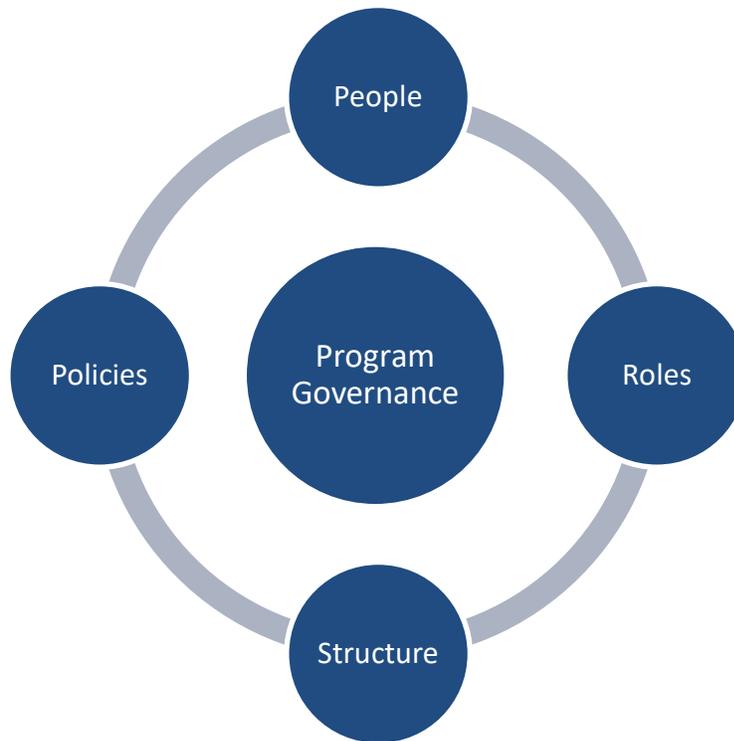
Governance Model Purpose and Principles

The Align Governance Model comprises both the Align (B Wise) tool and its companion repository, the ERO Enterprise Secure Evidence Locker (ERO SEL). Both technologies work in unison to support the work of the ERO Enterprise Compliance Monitoring and Enforcement Program (CMEP), and to support NERC’s reporting requirements to FERC.

The purpose of the governance model is to recognize the impact of the Align and ERO SEL tools on the entirety of the CMEP program. The model will do this by fostering collaboration across the ERO Enterprise about Align tool functionality, expenditures and business value, and provide close integration with existing CMEP committees. The model will be the mechanism to determine Align tool functionality once operational. The model also addresses interaction and input with registered entities.

Components

The following components are required for the governance model to be effective:



- **People:** Individuals considered leaders in the ERO Enterprise in the areas of Compliance Monitoring, Enforcement Program and Technology, to identify business needs for the product and program.
- **Roles:** Executive and management roles filled; end-user representation to include industry stakeholders. Oversight functions clarify responsibilities.
- **Structure:** Keeping participants aligned about desired outcomes and setting appropriate expectations with regard to resources and budget.
- **Policies:** Defines management principles, decision making and oversight procedures.

Guiding Principles

The Align Governance Model will consist of the following guiding principles to affect fairness in representation and voice, efficiency and consistencies of practice.

- The NERC IT PMO methodologies and best practices for project management of releases will be followed. The PMO will assign/approve project managers to deliver the projects. This may follow either Agile, Waterfall or a hybrid, depending on complexity and other factors
- Any production release of Align or the ERO SEL will adhere to the NERC IT Production Change Control process, which exists to ensure all releases are tested and approved for production release to mitigate application outage risk.
- Any expenditures for Align and the ERO SEL must follow the requirements associated with the NERC Business Plan and Budget process. This would include funds for enhancements and major releases.
- Enhancements and major releases will be vetted under this governance structure for ERO Enterprise business value and need. Any enhancement or release that exceeds \$500,000 in costs will require a business case, as per the NERC IT Project Value Policy. The Align Product Management Team would be responsible for submitting the business case.

Click on the icon below to read the NERC IT Project Value Policy.



IT Project Value
Policy and Procedure-

Roles and Responsibilities

The Align Governance Model will have three layers of membership consisting of existing executive leadership, business and technology expertise. All the layers will work on a rolling three-year roadmap of functionality and business process improvements to drive consistent use of the Align tool and enterprise-wide business processes.

Membership

Operations Leadership Team (OLT): The Operations Leadership Team currently exists as part of the ERO Enterprise governance model. That groups' charter governs the membership. This group will provide governance and oversight of the CMEP, Align and ERO SEL projects and subsequent releases. Duties are:

- Provide executive direction and oversight for Align, SEL, and CMEP activities
- Review annual goals and objectives of other organizational initiatives and identify opportunities to integrate / optimize Align/ERO SEL
- Approve policies and procedures to ensure appropriate data security and access control
- Define Align and CMEP vision; identify new mandates
- Establish and monitor progress toward objectives; measure key results
- Maintain three-year roadmap of desired business capabilities
- Provide strategic alignment and strategic context to product teams and project teams
- Serve as the escalation point for key decisions
- Work with NERC IT Project Governance to evaluate requests with significant budget impacts, including business cases for major enhancements and releases

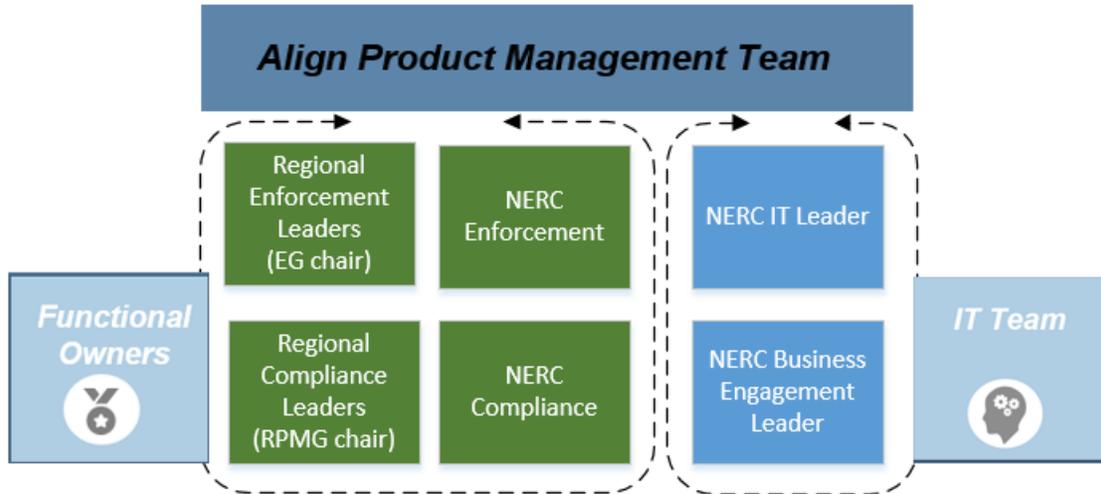


Align Product Management Team: This group is comprised of NERC and ERO Enterprise business functional owners and NERC IT to enable the Align tool and ERO SEL to support the CMEP. The representation comes from the Enforcement Group (EG), the Risk Performance and Monitoring Group (RPMG), and NERC.

Rotation of NERC representatives will be managed by NERC as deemed appropriate. Rotation of the EG and RPMG chairs will coincide with the rotation of those chairs within the respective group.

Duties are:

- Enable cross-functional decision making for prioritizing Align development needs and program changes
- Maintain the policies that guide the use of the product
- Ensure transparency of decisions related to product design and program activities
- Ensure strategic alignment of decisions in support of the OLT
- Ensure that security is maintained and supported as provided by chosen standards and best practices
- Create project teams as required to deliver on said functionality and business processes; refine user stories for each release
- Maintain prioritized backlog of requests
- Work with NERC IT PMO to manage backlog/project management schedule and delivery



Align User Group: This group represents all ERO Enterprise and industry stakeholder end users of the Align tool and ERO Secure Evidence Locker (ERO SEL). It provides recommendations on functionality and related business processes for an efficient and effective CMEP. The Group provides strategic advisory input for consideration within the overarching structure of the Align tool and ERO SEL.

Industry stakeholder input is provided via representatives of the Compliance and Certification Committee. The CCC is charged by the NERC Board of Trustees to engage with, support, and advise the NERC Board regarding NERC’s implementation of the CMEP, and its structure and charter support its ability to develop and deliver strategic advisory input to the ERO Enterprise. The CCC membership includes all industry sectors.

Membership of the Align User Group will consist of:

- Two Regional Align/ERO SEL users from each region and two from NERC (14 total)
- One NERC Align Functional Administrator (FA) and one Align Business Engagement Analyst (BA) (2 total)
- Three Representatives from the CCC appointed by the CCC Chair. Other industry SMEs may be invited by the CCC as appropriate, either through coordination with the NERC Reliability and Security Technical Committee (RSTC) or through coordination directly with other high-level industry executives.

Rotation of Regional Entity representatives and NERC will be managed by each organization as needed. Rotation for the CCC will coincide with that leadership rotation.

To ensure the voices of all industry sectors and trade organizations are heard, the NERC and Regional representatives are expected to solicit stakeholder input via regional workshops and other normal outreach channels.

Duties are:

- Proactively work with their respective stakeholders to solicit and provide feedback to the ERO Enterprise on Align/ERO SEL functionality and business processes
- Support and promote consistent use of Align/ERO SEL among Regions and registered entities
- Serve as focal point to identify and collect additional business needs for consideration by the ERO Enterprise
- Assist the ERO Enterprise with managing communication and outreach regarding solution features and training requirements
- Participate in testing on releases

Meetings

The Operations Leadership Team will follow its current meeting protocols.

The Product Management Team and the Align User Community will assign a meeting facilitator from within each group to take meeting summaries and collect action items, which will be posted in on a central SharePoint/Extranet site or MS Teams space as appropriate.

The Align User Group will meet monthly or as needed during current and future release development of Align and the ERO SEL. NERC will assign one of the NERC staff members to chair the Group for purposes of setting the meeting schedules and coordinating group input with the NERC IT PMO.

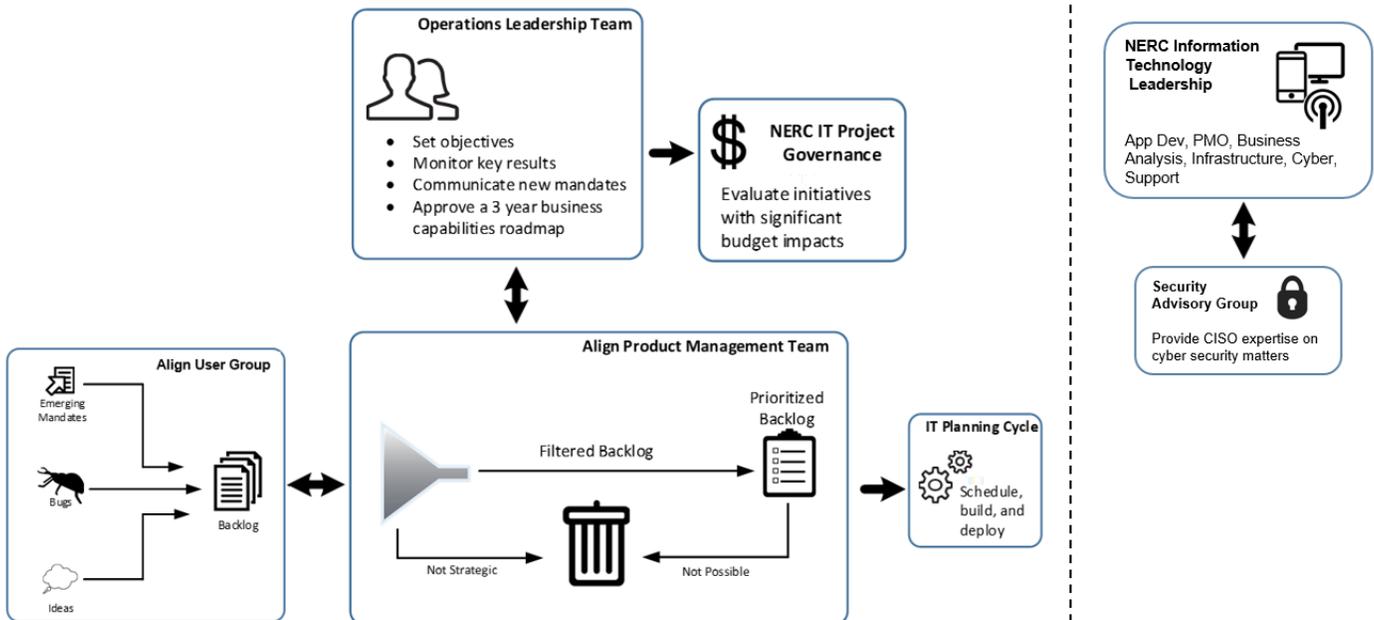
Summary Table

Group	Membership	Key Activities	Schedule
Operations Leadership Team	Existing OLT Membership; others as required for CMEP knowledge	<ul style="list-style-type: none"> Vision and Roadmap 	Quarterly
Align Product Management Team	NERC Enforcement Leader, NERC Compliance Leader, RPMG Regional Chair, EG Regional Chair, NERC IT Leader, Business Engagement Leader	<ul style="list-style-type: none"> Backlog prioritization Execute OLT vision Execute releases and projects with NERC IT PMO 	Monthly
Align User Group	<ul style="list-style-type: none"> Regional SMEs (2 from each region and NERC) NERC Functional Administrator NERC Business Analyst Three Representatives from CCC to include chair, vice chair, and AWG chair. Other SMEs invited by the CCC as appropriate, based on topic, either through coordination with the NERC Reliability and Security Technical Committee (RSTC) or through coordination directly with other high-level industry executives. 	<ul style="list-style-type: none"> Identify business needs and ideas Identify bugs Create backlog Perform testing 	Monthly

Interaction Model: How it Works

The interaction model among the groups is displayed below. There is a secondary interaction with NERC IT’s Project Governance that is assisted by NERC’s Project Management Office to review projects and initiatives that have significant budget impact, and to incorporate those initiatives (if approved) into the IT Planning cycle.

- The Align User Group will provide advice and user perspective as inputs to the Align Product Management Team, particularly related to product **backlog** of ideas, defects, and future enhancements.
- The Product Management Team will review the backlog and **prioritize** it against the **strategic vision**. That backlog will turn into a release project that is managed by the NERC IT PMO and put into the **NERC IT Planning Cycle**. This cycle will determine the timing, resources, and budget available for the release.
- The NERC IT PMO will serve as the liaison between the Product Management Team and the Operations Leadership team to facilitate NERC IT Project Governance and project communications, including updates, issues, risks, and required decisions. Releases with significant budget impact are evaluated in accordance with the project governance processes, which may include a business case to support significant investments. Note: The Align Steering Committee currently oversees the project, and will continue to do so in partnership with the OLT through Release 3 in 2021, at which time the Steering Committee will retire.
- The NERC IT PMO will work with the Operations Leadership Team, Compliance Assurance, and Enforcement to facilitate the creation and ongoing updates to the three-year capabilities roadmap.



In addition to the Align Governance Model, NERC’s Information Technology Leadership provides expertise in the areas of application development, business analysis, project management, infrastructure, cyber security and support. This team will receive input and expertise from industry on cyber security matters via the Security Advisory Group. This group is an advisory body established by NERC management to provide industry leadership, expertise, advice and support to NERC management in its efforts to maintain the confidentiality, integrity, and security of sensitive industry information stored or otherwise processed by NERC. The Cyber Security Advisory Group operating model is outlined in a separate document.