Align and Locker Update
Stakeholder Meeting
March 23, 2020
Welcome Address

Sara Patrick, MRO CEO and Executive Sponsor
Meeting Agenda and Etiquette

Mechelle Thomas
• Welcome to the Align and Locker WebEx Meeting
• Please note that you were muted upon entry to this meeting
  ▪ You will not be able to unmute yourself during this call
• Please use the raised hand feature to alert the host that you have a question and/or comment
  ▪ The host will unmute you and you will then be able to proceed
- Using the Participant Interface
  - Select the hand or the speakerphone drop down
- Hand options
  - Raise or lower hand
- Speakerphone drop down
• Welcome Address—Sara Patrick
• Overview – Recap and Current Events – Mechelle Thomas, Steve Noess and Ed Kichline
• Timelines – Dee Humphries
  ▪ Align Release 1 – Go Live*
  ▪ Implementing Entity Locker
• Process Overview-Enforcement – Ed Kichline
• Release 1 Walkthrough – Align and the Locker – Andy Rodriquez
• Locker Functional Criteria – Andy Rodriquez
• Align Webinar FAQs* – ERO Enterprise Team
  ▪ Clarification to Published Responses
• Additional Questions
• Align Webinar FAQs* – ERO Enterprise Team
  ▪ Clarification to Published Responses
  ▪ Additional Questions
• Next Steps
• Wrap Up
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WebEx Events - Using the Participant Interface to Raise Hand

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Project Recap and Current Events

Mechelle Thomas
Steve Noess
Ed Kichline
• Formal and informal stakeholder interactions and outreach.
• Pre-locker Release 1 harmonization activities (does not include future Releases).
• Selection of vendor for locker implementation.
• Discussions with FERC on Align and lockers.
• ERO Enterprise evidence locker is in design and will soon be under construction.
• Planning for stakeholder engagement for user acceptance testing.
• Planning for go live in Q4 2020/Q1 2021 with two pilot Regions (i.e., MRO and Texas RE) with select registered entities.
• Regional subject matter experts (SMEs) are validating Release 1 and data elements.
• Training materials (i.e., videos, user guide, and quick reference cards) are under construction.
• Release 1 business processes require re-harmonization activities to incorporate lockers.
• Release 2 and Release 3 harmonization activities (late 2020 or early 2021).
• Locker functional criteria to registered entities (early April 2020).
• Finalize evidence locker design and build (Q3-Q4 2020).
• ERO Enterprise CMEP documentation enhancement training (on-going webinar and Q4 face-to-face training).
• Announce a training schedule
• Finalize go-live and rollout schedule
Reminder - Guiding Principles

• All registered entity-provided evidence, unless prohibited by a standard, will go into the registered entity or ERO Enterprise locker
  • All registered entity lockers must meet ERO Enterprise-developed criteria for functionality, access, etc.
• ERO Enterprise workflow and work products will be in the ERO Enterprise Align tool.
• The ERO Enterprise will enhance work products (e.g., working papers) to support conclusions without the need to store data for extended periods, minimizing data protection risk.

NOTE: The Align team will achieve this through training, guidance, oversight activities, and other outreach.
Operationalizing Guiding Principles

• The ERO Enterprise or registered entity locker will serve as the primary means to obtain compliance monitoring and enforcement evidence, both sensitive and non-sensitive.

• The ERO Enterprise locker will include a policy that will destroy evidence: 1) after the compliance monitoring engagement is complete, or 2) after FERC’s review of the enforcement action is complete.
### Reminder - Align Content - Compliance Monitoring

<table>
<thead>
<tr>
<th>ITEMS AND WORK PAPERS IN ALIGN</th>
<th>NOTES</th>
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</thead>
<tbody>
<tr>
<td>IRA Questionnaires</td>
<td>Sensitive information from registered entity should be uploaded in locker</td>
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<tr>
<td>IRA and COP work papers</td>
<td></td>
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<tr>
<td>IRA and COP Summary</td>
<td></td>
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<tr>
<td>RFIs</td>
<td>Sensitive information from registered entity should be uploaded in locker</td>
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<tr>
<td>RSAWs (with Auditor Notes, including Internal Controls notes)</td>
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<td>Preliminary Finding and Risk Harm Assessment</td>
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<td>Audit Report</td>
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<td>Self-Certification</td>
<td>Associated evidence in locker</td>
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<tr>
<td>Periodic Data Submittal</td>
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Note: ERO Enterprise information will not reproduce sensitive content from the evidence lockers.
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<tr>
<td>Self-Reports</td>
<td>Associated evidence in locker</td>
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<tr>
<td>Mitigation Plans</td>
<td>Sensitive details in locker</td>
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<tr>
<td>Mitigation review work papers, including verification</td>
<td></td>
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<tr>
<td>Settlement Agreement, Notice of Confirmed Violation, Notice of Alleged Violation and Proposed Penalty or Sanction</td>
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<tr>
<td>Noncompliance Review work papers</td>
<td></td>
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<tr>
<td>Compliance Exception or FFT Notification Letter</td>
<td></td>
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<tr>
<td>Filings with FERC, including Notices of Penalty, Compliance Exceptions, and FFTs</td>
<td>Filings may be prepared in Align, but filed through existing mechanisms outside of Align</td>
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Note: ERO Enterprise information will not reproduce sensitive content from the evidence lockers.
Align Release 1 Timelines

Dee Humphries
Align and Evidence Locker(s)

Release 1
Q4 2020 → Q1 2021

Release 2
Est. Q2 2021

Release 3
Est. Q4 2021
Align Release 1:
What to expect as a registered entity?

Stakeholder Group

Registered Entities

Release 1 Functionality

• Create and submit Self-Reports and Self-Logs
• Create and manage mitigating activities (informal) and Mitigation Plans (formal)
• View and track open Enforcement Actions (EAs) resulting from all monitoring methods
• Receive and respond to Requests for Information (RFIs)
• Receive notifications and view dashboards on new/open action items
• Generate report of standards and requirements applicable to your entity
• Manage user access for your specific entity
• Manage evidence supporting R1 functionality securely via separate Evidence Locker(s)
What to expect as a Regional Entity?

**Release 1 Functionality**

- Receive Self-Reports and Self-Logs from entities
- Manually create findings that result from any monitoring method (i.e., audits, spot checks, investigations, periodic data submittals, self-certifications, complaints)
- Perform preliminary screens, PNC reviews, and disposition determinations for each PNC/EA
- Send and received responses to RFIs
- Trigger notifications such as NAVAPS, NOCV, CE Letter, FFT Letter, and Settlement Agreements
- Receive, review, and approve mitigating activities (informal) and Mitigation Plans (formal)
- Receive notifications and view dashboards on new/open action items
- Generate report of standards and requirements applicable to a registered entity
- View/analyze evidence supporting R1 functionality securely via separate Evidence Locker(s)
Align Future Releases: What to expect?

**Release 2 Functionality**
*Est. Q2 2021*

- Technical Feasibility Exceptions (TFEs)
- Periodic Data Submittals
- Self-Certifications
- Additional enhancements identified from R1 as needed
- Expand use of Evidence Lockers to include evidence submitted for these activities

Note: The monitoring methods above will be managed in existing systems during the gap between R1 and R2

**Release 3 Functionality**
*Est. Q4 2021*

- Compliance Planning (i.e., Risk, CMEP Implementation Plan, Inherent Risk Assessment, Internal Controls Evaluation, Compliance Oversight Plan)
- Compliance Audit
- Spot Check
- Compliance Investigations
- Complaints
- Expand use of evidence lockers to include evidence submitted for these activities
Release 1 Process Overview for Registered Entities

Ed Kichline
Release 1 Walkthrough
Self-Report Process with Align and the Locker

Andy Rodriguez
1. Go to the “Compliance Monitoring” section of Align and write and save your draft Self-Report
2. When you open your Self-Report to prepare for submission, Align will give you a Locker Number to use with that Self-Report
3. If you need to provide a file, log in to the Locker
4. Provide the Locker Number
5. Upload your file(s) to the Locker
6. Submit your Self-Report
Self-Report Submission
What does this look like?

Evidence and Attachments

Secure Evidence Locker Instructions

Provide Evidence or Attachments related to this Self Report via Secure Evidence Locker with the following number:

**2020-00185**

If you are hosting your own Secure Evidence Locker, please provide a hyperlink to your locker in the comment section above.
• User will log into the Evidence Locker through a URL (e.g. https://EROLocker.nerc.com) and be authenticated using your ERO Portal account with MFA:
1. RFIs appear in your “My Align” dashboard
2. Read the RFI in Align
3. The RFI will include a Locker Number for you to use
4. If you need to provide a file, log in to the Locker
5. Provide the Locker Number
6. Upload your file(s) to the Locker
7. Submit your response to the RFI in Align. This will remove the RFI from your “My Align” dashboard. You will still be able to see the RFI from the Finding or Mitigation to which it is related.
Provide Evidence or Attachments related to this Request via Secure Evidence Locker with the following number:

**2019-00408_20-000237-R**

If you are hosting your own Secure Evidence Locker, please provide a hyperlink to your locker in the comment section above.
Mitigation Plan Submission

1. Go to the “Mitigation Management” section of Align, then “My Draft Mitigations,” and edit your draft Mitigating Activities (or Mitigation Plan)
2. The Mitigation (and each Milestone) will have a Locker Number than can be used to upload a file
3. If you need to provide a file, log in to the Locker
4. Provide the Locker Number
5. Upload your file(s) to the Locker
6. When ready, submit your Mitigation for Regional Entity review
Provide Evidence or Attachments related to this Mitigation via Secure Evidence Locker with the following number:

**2020-00185-M**

If you are hosting your own Secure Evidence Locker, please provide a hyperlink to your Locker in the comment section above.
1. Go to the “Mitigation Management” section of Align, then “My Active Mitigations,” and edit your draft Mitigating Activities (or Mitigation Plan)
2. The Mitigation and each Milestone will have a Locker Number than can be used to upload a file
3. If you need to provide a file, log in to the Locker
4. Provide the Locker Number
5. Upload your file(s) to the Locker
6. When ready, submit your Mitigation for Regional Entity verification
Evidence of Mitigation

Milestone 2020-000286

Milestone Information

Type of Milestone Task: Corrective Control

Evidence and Attachments

Secure Evidence Locker Instructions: Provide Evidence or Attachments related to this Milestone via Secure Evidence Locker with the following number: 2020-0267-M_2020-000293-MS

If you are hosting your own Secure Evidence Locker, please provide a hyperlink to your locker in the comment section above.

Data Locker Instructions: Provide Evidence or Attachments related to this Milestone via Secure Evidence Locker with the following number: 2020-0267-M_2020-000293-MS

If you are hosting your own Secure Evidence Locker, please provide a hyperlink to your locker in the comment section above.

Save and Action  Save  Close
Entity Locker Functional Criteria

Andy Rodriquez
Align Webinar FAQs

ERO Enterprise Team
Questions and Answers