

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

NERC Compliance and Certification Committee 2020 Work Plan

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RELIABILITY | RESILIENCE | SECURITY



3353 Peachtree Road NE
Suite 600, North Tower
Atlanta, GA 30326
404-446-2560 | www.nerc.com

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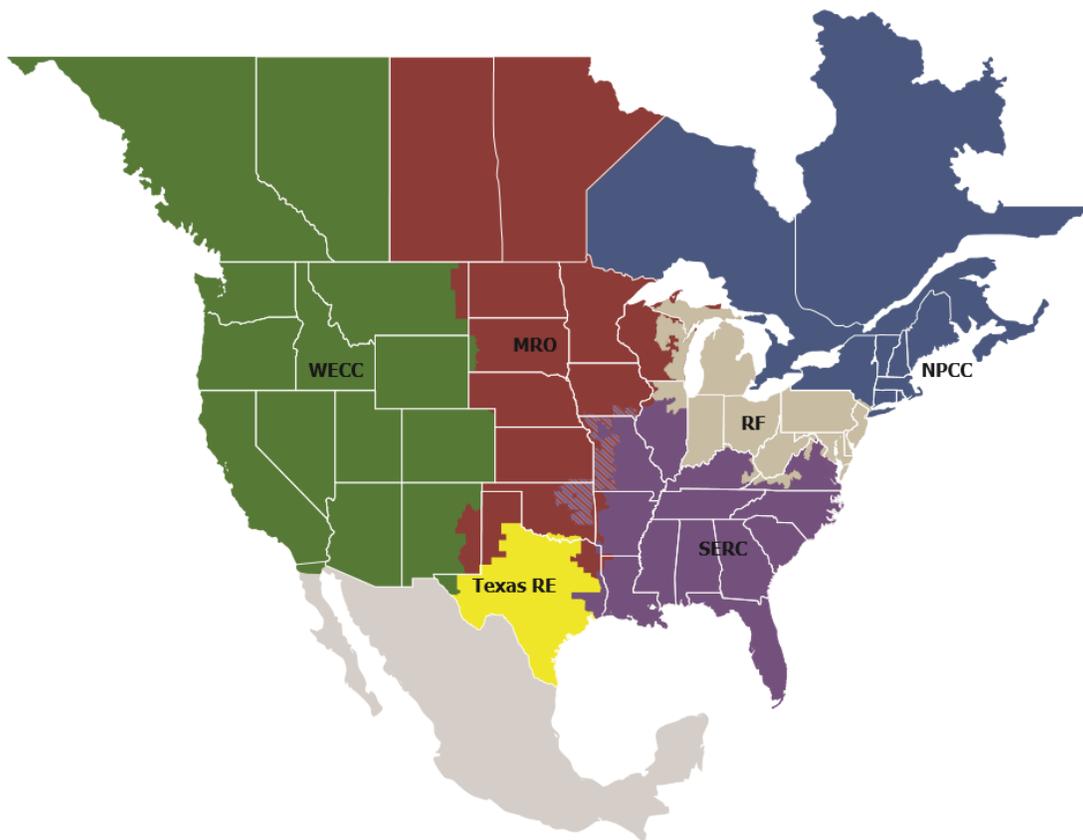
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Preface

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 purpose of this Work Plan is to identify the anticipated activities and deliverables of the NERC Compliance and Certification Committee (CCC) for 2020. The plan is based on the responsibilities assigned to the CCC by the NERC Board of Trustees (Board) for programs across the ERO Enterprise and tasks identified by the CCC that are required to fulfill these responsibilities. Additionally, the CCC identified projects and deliverables that will further support the goals of the ERO Enterprise Operating Plan and the ERO Enterprise Long-term Strategy.

There are several ERO focus areas where CCC activities will support:

1. **Objective and Risk-informed Compliance Monitoring, Enforcement, and Organization Registration and Certification:** As a committee providing support and guidance but otherwise independent of the execution of NERC's Compliance Monitoring and Enforcement Program (CMEP) and the Organization Registration and Certification Programs (ORCP), the CCC will develop criteria to assess NERC's adherence to the Rules of Procedure (ROP) for these programs on an ongoing basis. As a committee independent of Reliability Standards development, the CCC is responsible for establishing and implementing a program as specified in Section 405 of NERC's ROP to monitor NERC's adherence to its Standard Processes Manual (Appendix 3A), with the exception of appeals of substantive or procedural action or inaction associated with a Reliability Standard or the standards process as defined in the Appeals section of the Standard Processes Manual. In 2020, the CCC will continue to work with NERC staff and stakeholders to continue to refine the maturing and ongoing role for the CCC with respect to the ERO's adherence to its processes, procedures, and statutory obligations.
2. **Effective and Efficient ERO Enterprise Operations:** Provide continued and ongoing input and support into the design of ERO Program development and revision efforts. The CCC will assist in identifying modifications for improvements and associated changes to the NERC ROP and associated documents or processes.
3. **Identification and Mitigation of Significant Risks to Reliability:** In 2020, the CCC will continue its work with NERC staff and stakeholders to identify areas where collaboration with stakeholder committees will assist with the further development and maturation of successful risk mitigation and program administration to support the success of the ERO Enterprise.
4. **Identification of Emerging Risks to Reliability:** The CCC will participate in discussions on the continued development of risk metrics to further evaluate potential emerging issues or threats and trends to facilitate reliability of the bulk power system. The CCC will also identify necessary actions as inputs to NERC management.

The CCC has subcommittees and working groups performing certain assigned tasks on behalf of and under the supervision of the CCC. In collaboration with NERC and Regional Entity staff, the CCC delegated responsibilities to the following subcommittees and working groups for projects and activities:

- Organization Registration and Certification Subcommittee (ORCS)
- ERO Monitoring Subcommittee (EROMS)
- CCC Nominating Subcommittee
- CCC ERO Alignment Working Group

The following pages represent an outline of the work plan deliverables and detailed project information.

Introduction

The CCC is a Board-appointed stakeholder committee serving and reporting directly to the Board. In that capacity under a NERC Board-approved charter,¹ and as approved by FERC² and set forth in NERC's ROP, the CCC will engage with, support, and advise the Board, the NERC Board of Trustees Compliance Committee (BOTCC), and the NERC Board of Trustees Enterprise-wide Risk Committee (EWRC) regarding all facets of the NERC CMEP, Organization Registration program, and Organization Certification program.

The CCC partners with NERC leadership on a variety of key NERC initiatives and criteria for evaluation and assessment of the effectiveness of NERC programs. To support this endeavor, the CCC has developed this work plan to identify the activities that the CCC intends to perform in 2020 to fulfill the responsibilities the Board has established for the CCC.

The CCC provides for balanced discussion, commentary, and recommendations on compliance issues by bringing together a diversity of opinions and perspectives from NERC member sectors. Members are appointed to the CCC by the Board and serve on the committee at the pleasure of the Board.

Individuals deemed qualified to serve on the committee will generally include senior-level industry experts who have familiarity, knowledge, and experience in the areas of compliance, compliance enforcement, compliance administration and management, organization responsibilities and registration, organization certification, and NERC and Regional standards. These individuals are normally involved with internal compliance programs within their respective organizations. Committee members are expected to support the interests of the sector they represent, to the best of their ability and judgment.

Revision History

Date	Version Number	Comments
10/30/2019	1	CCC Executive Committee Review
11/4/2019	2	CCC Review
11/25/2019	3	CCC Approved

Chapter 1: 2020 CCC Work Plan – Strategic Planning Efforts

This projects included in this category are intended to address succession planning within the CCC as well as clarify the CCC’s role in the broader scope of the maturation of the risk-based approach. Further details on these projects are shown in the following table below.

Project #	Project Name	Activities	Resource(s)
1	Succession Planning	<ul style="list-style-type: none"> Ensure the CCC is strategically positioned to be able to fulfill the responsibilities and long-term expectations of the NERC Board of Trustees. 	CCC, CCC Subcommittees, NERC Management
2	Industry Collaboration	<ul style="list-style-type: none"> Participate in Standards Efficiency Review process Continue in leadership role on Standards Efficiency Review Advisory Group Maintain direct involvement in the Standing Committees Coordination Group Enhance communications and participation with industry groups with a focused plan for coordination 	CCC, CCC Subcommittees
3	Enhancing CCC Program Efficiencies	<ul style="list-style-type: none"> Continue evaluation of various activities and functions of subcommittees/working groups to determine ways to improve the effectiveness and efficiency of the CCC Explore opportunities to “cross train” across various CCC subcommittees Collaborate with NERC Internal Audit team for risk and control maturity opportunities Hold half-day of CCC hearing training for CCC members 	CCC, CCC Subcommittees, NERC Management
4	Communications	<ul style="list-style-type: none"> Develop materials for onboarding individuals as members join the CCC and to provide to industry stakeholders looking for background information about the CCC Finalize CCC membership procedures including charter revisions to the NERC Board 	CCC, NERC Management

Chapter 2: 2020 CCC Work Plan – Ongoing Responsibilities

The tables below summarize the list of ongoing responsibilities assigned to the CCC. In general, responsibilities are divided into two primary categories: 1) activities that respond to the CCC Charter and the NERC Rules of Procedure, and 2) activities that support the NERC mission. Further details on the deliverables and projects are discussed in the next section by project number identified below.

Project #	Project Name	Activities	Resource(s)
1	Review and Update of CMEP and CCC Programs and Procedures	<ul style="list-style-type: none"> Review and monitor changes to the CMEP and other NERC initiatives that could require updates or changes to CCC programs and procedures Evaluate and review of CCC Charter, including functions and responsibilities Evaluate and review of potential ROP changes associated with CCC activities Explore opportunities to “cross-train” among subcommittees 	CCC, CCC Subcommittees, NERC Management
2	Program Support Efforts (CMEP, Standards Development)	<ul style="list-style-type: none"> Identify and participate in risk-based compliance assurance outreach and feedback discussions Support outreach on internal controls Identify outreach needs and conduct activities focused on registered entities that are small or pose lower risk to the bulk power system. Support rollout of key activities or program revisions as requested Partner with ERO Enterprise to provide feedback on RSAW development Review stakeholder requests to become a qualified entity to submit compliance implementation guidance Evaluate programs and associated ROP sections for necessary revisions as program maturation occurs Actively participate in Phase 2 of NERC’s Standards Efficiency Review 	CCC, EROMS, NERC Management
3	Assistance with Review of Information Production, Capture and	<ul style="list-style-type: none"> Evaluate programs and associated ROP sections for necessary revisions as program maturation occurs 	CCC, ORCS

Project #	Project Name	Activities	Resource(s)
	Response for ORCP		
4	NERC Self-Certifications	<ul style="list-style-type: none"> Support self-certification of CMEP, ORCP, and Standards Development and associated reporting Coordinate with NERC Internal Audit on criteria development, process, and assessment of adherence to NERC ROP as a maturity project for effective ways to conduct the reviews 	CCC, EROMS, NERC Internal Audit
5	NERC Audits	<ul style="list-style-type: none"> In accordance with NERC Internal Audit, Sections 405/406/506 of the NERC ROP, oversee audits of NERC in the areas of CMEP, ORCP, and reliability standards development 	CCC, EROMS, NERC Internal Audit
6	ERO Regional Entity CMEP Audits	<ul style="list-style-type: none"> In accordance with CCCPP-012, support Regional Entity CMEP audits executed by NERC’s Internal Audit and Corporate Risk Management function, consistent with Appendix 4A of the ROP. Note that no specific audits are scheduled for 2020 	CCC, NERC Internal Audit
7	Enterprise-wide Risk Committee (EWRC) Collaboration	<ul style="list-style-type: none"> Provide input to EWRC as requested Fulfill advisory role to NERC Internal Audits as requested Participate and support in EWRC activities and discussions Participate in the annual ERO risk discussions with NERC Management as requested 	CCC Leadership, EWRC and ERO Enterprise Management, NERC Director of Internal Audits
8	NERC Reliability Issues Steering Committee Collaboration	<ul style="list-style-type: none"> Provide input to existing risks, mitigation strategies, and emerging risk identification Participate and support in RISC activities and discussions 	CCC Leadership, NERC Management

Project #	Project Name	Activities	Resource(s)
9	ERO Enterprise Program Alignment	<ul style="list-style-type: none"> Address potential ERO program alignment issues to support success of CMEP and ORCP Assist NERC with screening of information, support further review of reported items, and provide suggested resolutions if warranted 	CCC, Alignment Working Group, NERC Management
10	ERO Effectiveness Survey	<ul style="list-style-type: none"> Participate on the ERO Effectiveness Survey Advisory Group Support development efforts for current and future surveys Develop survey questions that are more focused in driving substantive content from industry versus historical statistical reporting on ERO Survey questions as requested by the BOT. Develop survey questions specific to the ERO Enterprise Coordinated Oversight Program for Multi-Regional Registered Entities Evaluate results to provide reporting and recommend improvements 	CCC, EROMS, TalentQuest, NERC Management
11	Stakeholder Collaboration	<ul style="list-style-type: none"> Identify industry stakeholder groups where CCC collaboration will strengthen ERO process and approach Participate in industry outreach as requested with ERO personnel on designated ERO topics 	CCC, Stakeholder Committees

Chapter 3: Ongoing Responsibilities - Details

Project 1 – Review and Update of CMEP, CCC Programs and Procedures

- Review CCC programs and procedures in collaboration with NERC management to identify necessary changes and procedural review or approval requirements.
- Development of new procedure that will memorialize CCC Nominating Subcommittee procedures.
- Update criteria for assessing effectiveness of Regional Entity CMEP activities, considering ERO input, to appropriately reflect program modification, improvements, and prior years' evaluations.
- Continue to assess how CMEP practices change related to risk-based CMEP implementation in regard to: (a) monitoring practices (as embodied in CCCPP-010 and also including assisting CPPS in the annual RE evaluation criteria work); (b) enforcement; and (c) Reliability Standards development. Assist NERC with annual evaluation of goals, tools, and procedures of each Regional Entity CMEP to determine effectiveness of each Regional Entity CMEP, using criteria developed by the CCC.
- Per the terms of CCCPP-011, conduct annual review of the criteria for approval to become an organization seeking to be pre-qualified to provide Implementation Guidance to the ERO Enterprise.
- Review the Compliance Guidance Policy and take associated actions to support.
- Consider ROP changes to Section 500 and associated appendices due to changes with the Functional Model.

Project 2 – Program Support Efforts

- Support program efforts related to CMEP and Standards Development areas in support of ERO Enterprise goals.
- Partner with ERO Enterprise related to review of Reliability Standard Audit Worksheets (RSAWs).
 - CCC comments on RSAWs, as requested.
- Monitor and respond to any requests from stakeholders to become pre-qualified organizations that can submit proposed Implementation Guidance.
- Hold “focus group” discussions that are intended to identify opportunities for the ERO Enterprise to drive specific improvements and information sharing across the ERO Enterprise.
- Participate with ERO Enterprise Staff in evaluation of ROP changes and recommend changes as program maturation continues.
- Monitor rollout of CORES and Align tools related to program monitoring responsibilities.

Project 3 – Assist with Review of ORCP Information Cycle

- Provide additional guidance, as needed, to NERC Staff regarding the entity registration tool: Centralized Organization Registration Entity System (CORES).
- Review and provide suggestions for improvement to the 2020 Organization Certification Program activities.

Project 4 – NERC Self-Certifications

- In years where audits are not conducted, develop and update self-certification forms and request NERC self-certify adherence to the ROP for the following items:
 - Compliance Monitoring and Enforcement Program (CMEP),

- Organization Registration and Certification Program (ORCP), and
- Standards Development Program.
- Coordinate with NERC to prepare a summary report of the results of NERC’s assessment to the EWRC.

Project 5 — NERC Audits

- In accordance with applicable CCC monitoring program documents, Sections 405/406/506 of the NERC ROP, work with NERC Internal Audit to execute audits of the following items:
 - Compliance Monitoring and Enforcement Program (CMEP),
 - Organization Registration and Certification Program (ORCP), and
 - Standards Development Program.
- Coordinate with NERC Internal Audit for CCC participation as audit observers.
- Review the final audit report and provide it to the EWRC.

Project 6 — Regional Entity Compliance Program Audits

- Work with NERC management (Internal Audit and Compliance Assurance) to develop criteria for future audits of Regional Entity Compliance Programs.
- At the discretion of the CCC, participate as an observer in Regional Entity Compliance Program audits executed by NERC’s Internal Audit and Corporate Risk Management function, consistent with Appendix 4A of the ROP.

Project 7 — Enterprise-Wide Risk Committee Collaboration

- Provide input into NERC’s annual risk assessment, as requested.
- Work with NERC to provide input on the annual EWRC Audit Plan.
- Provide an update of CCC activities at each quarterly EWRC meeting.

Project 8 — NERC Reliability Issues Steering Committee Collaboration

- Perform outreach efforts with stakeholders to gather input for emerging risks.
- Participate in and support Reliability Issues Steering Committee (RISC) updates.
- Participate in evaluation and revisions to the ERO Risk Elements supporting development of the ERO Enterprise Operating Plan and the ERO Enterprise Long-term Strategy.
- Participate and support Reliability Leadership Summit as opportunity occurs.

Project 9 — ERO Program Alignment

- CCC Alignment Working Group (AWG) will execute the CCC role within the process to address potential reported concerns related to CMEP and ORCP activities.
 - Gather information regarding potential alignment issues.
 - Evaluate nature and extent of the alignment issue.
 - Develop suggested resolution of the issue.

- Present suggested resolution to the CCC for review and endorsement.
- Communicate suggested resolutions of alignment issue to the CCC to communicate to NERC.
- Provide stakeholder expertise to support the development of Align and CORES.

Project 10 – ERO Enterprise Stakeholder Survey

- Participate on the ERO’s Effectiveness Survey Advisory Group.
- Support development efforts of the ERO Effectiveness Survey by contributing input on survey objectives, content, and delivery in preparation for current and future surveys.

Project 11 – Stakeholder Collaboration

- Identify opportunities where the CCC can provide compliance expertise in collaboration with other industry stakeholder committees.
- Participate in industry outreach as requested by NERC management on designated topics with ERO personnel.

Strengthen committee collaboration and create joint work products, a

Chapter 4: 2020 CCC Work Plan - Deliverables

The tables below summarize the list of CCC work plan deliverables for projects in 2020. Further details on the deliverables and projects are discussed in the next section by project number identified below.

	Project Name	Deliverable	Schedule
1	ERO Program Alignment	<ul style="list-style-type: none"> Periodic reports regarding the effectiveness of the ERO Program Alignment Initiative and Reporting Tool (with NERC management) 	Q2 and Q4 2020 (AWG)
2	ERO Effectiveness Survey	<ul style="list-style-type: none"> Develop and refine package of CCC-related questions to be included in the 2020 ERO Effectiveness Survey 	Q4 2020 (EROMS)
3	NERC Self-Certifications	<ul style="list-style-type: none"> 2020 CMEP and ORCP Self-Certification Form to NERC, via direct communication from CCC Chair 	Q2 2020 (EROMS)
4a	Review and Update of CMEP and CCC Programs and Procedures	<ul style="list-style-type: none"> Update CCC Charter, reflecting: 1) any changes to the ERO Enterprise and/or adjustment to the CCC scope of work, 2) update vision statement 	Complete by Q1 2020 BOT approval by Q3 2020
4b	Review and Update of CMEP and CCC Programs and Procedures	<ul style="list-style-type: none"> Revise remaining CCCPP documents that were not reviewed and/or updated in 2019 	Complete by end of 2020. Subcommittees will develop review schedule.
4c	Review and Update of CMEP and CCC Programs and Procedures	<ul style="list-style-type: none"> Complete new procedure (CCCPP-013) which will outline CCC Nominating Subcommittee procedures 	Q3 2020 (ORCS)
4d	Review and Update of CMEP and CCC Programs and Procedures	<ul style="list-style-type: none"> Develop ROP changes associated with Section 500 and associated appendices due to changes to the Functional Model 	Q2 2020 (ORCS)

	Project Name	Deliverable	Schedule
5	Standards Efficiency Review Project	<ul style="list-style-type: none"> Continue to identify projects from Phase II work to be assigned to CCC for further consideration 	Schedule based on timing of feedback from Phase II SER Team
6	NERC SPM Independent Audit	<ul style="list-style-type: none"> Work with NERC Internal Audit to support an independent audit to determine whether NERC adheres to the portions of the rules applicable to the standards development process 	Q4 2020

Chapter 5: Logistics and NERC Budget Requirements for CCC Activities

CCC Quarterly Meetings (Cost to be determined by NERC and industry)

Assumptions: Four CCC meetings per year

- NERC staff attendance
- NERC travel expenses
- Hotel (Conference rooms if applicable – normally hosted at stakeholder locations or NERC offices)
- Food

CCC Program Audits/Review

Assumptions: Audit/Review using an Independent Contractor.

- Audit frequency changes dependent on NERC internal monitoring capability as it continues to mature based upon recommendations of independent reviewer.

WebEx/Conference Calls (Cost to be determined by NERC)

Assumptions: Three CCC/Subcommittees NERC WebEx or conference calls quarterly.

Stakeholder Perception Survey (Cost to be determined by NERC)

Assumptions: At the request of the NERC Board, the CCC stakeholder survey is combined with the ERO effectiveness survey.

Training (Cost to be determined by NERC)

Assumptions: Half-day of hearing training appended to regular CCC meeting every even year. CCC members should have the capability to assist with observation and creation of audit criteria to fulfill responsibilities under the CCC charter to conduct audits of NERC's adherence to the ROP. Training is provided, to those new member participants, ahead of the audit activities. This training will be conducted as needed.