NERC Compliance and Certification Committee 2022 Work Plan

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RELIABILITY | RESILIENCE | SECURITY

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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.

<div align="center">

Reliability | Resilience | Security
Because nearly 400 million North Americans are counting on us

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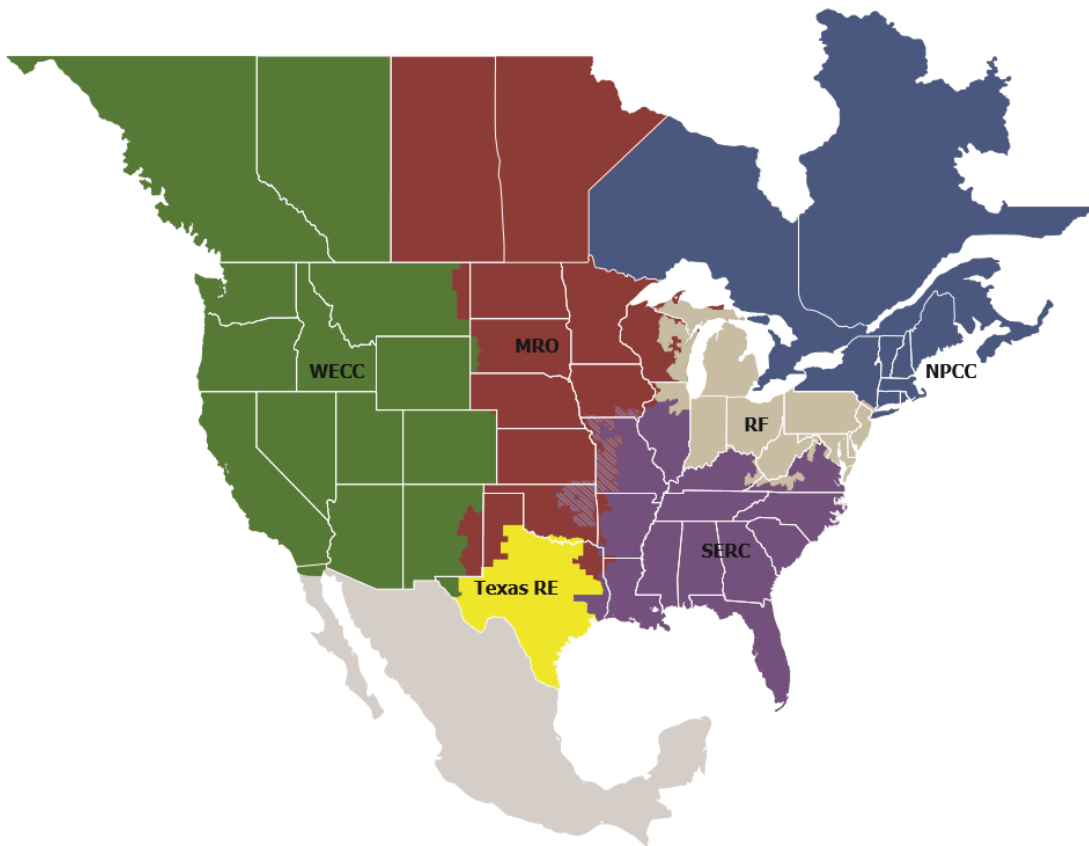
MRO	Midwest Reliability Organization
NPCC	Northeast Power Coordinating Council
RF	ReliabilityFirst
SERC	SERC Reliability Corporation
Texas RE	Texas Reliability Entity
WECC	Western Electricity Coordinating Council

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 2022. 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.

The Committee, as prescribed by FERC order and enumerated in the NERC Rules of Procedure, regularly assesses NERC's adherence to the Rules of Procedure (ROP) for several of its programs as part of the Committee's ongoing work. As an industry committee independent of these programs, members are able to provide support and guidance relative to NERC's Compliance Monitoring and Enforcement Program (CMEP), Organization Registration and Certification Programs (ORCP), and Reliability Standards development. In 2022, the CCC will continue to work with all policymakers and stakeholders to further refine the maturing and ongoing role for the CCC with respect to the ERO's adherence to its processes, procedures, and statutory obligations.

Many of the CCC projects and deliverables included in this Work Plan are intended to support the goals of the ERO Enterprise Operating Plan and the ERO Enterprise Long-term Strategy. There are numerous focus areas in the 2022 ERO Enterprise Work Plan Priorities and key objectives where CCC activities provide substantive support:

1. **Expand Risk-Based Focus in Standards, Compliance Monitoring, and Enforcement (ERO Enterprise Long-term Strategy Focus Area 1):** The CCC will participate in discussions and outreach to continue to facilitate opportunities to promote internal control activities and mature registered entities' compliance efforts through industry relationships and participation in support of key objective #2. Working with ERO Enterprise colleagues and the other NERC Committee colleagues, the expertise of the CCC will support this effort balancing strengthening of controls with prioritization of control implementation based on risk rationalization. Partnership with industry organizations to facilitate additional industry maturity in these areas will support the overall ERO Enterprise priority.

2. **Assess and Catalyze Steps to Mitigate Known and Emerging Risks to Reliability and Security (ERO Enterprise Long-term Strategy Focus Area 2):** The CCC will participate in discussions with the Reliability Issues Steering Committee and other groups within the ERO Enterprise on the continued development of risk metrics to further evaluate potential emerging issues or threats and trends to promote reliability of the bulk power system. The CCC will also identify necessary actions based on stakeholder feedback as inputs to the NERC Board and management. In 2022, the CCC will continue its work with stakeholders and NERC staff 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.

3. **Build a Strong E-ISAC-Based Security Capability (ERO Enterprise Long-term Strategy Focus Area 3):** While the CCC support in this focus area and set of key objectives may be limited, the CCC can encourage, through stakeholder outreach and feedback programs, industry participation and information sharing which ultimately support the objectives to contribute to the overall success of the E-ISAC.

4. **Strengthen Engagement across the Reliability and Security Ecosystem in North America (ERO Enterprise Long-term Strategy Focus Area 4):** The CCC will serve as a partner to the ERO Enterprise community to facilitate gathering and providing stakeholder feedback. In addition, the CCC will collaborate with ERO Management to deliver outreach to all industry communities to ensure successful implementation of the ERO Enterprise programs (CMEP, ORCP and the SPM).

5. **Capturing Effectiveness, Efficiency, and Continuous Improvement Opportunities (ERO Enterprise Long-term Strategy Focus Area 5)**: The CCC will provide 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. In 2022, the CCC will

continue to evaluate compliance monitoring and enforcement processes through the strategic use of CCC task forces and working groups, as appropriate. The CCC serves as a critical partner to evaluate industry feedback on alignment efforts across the ERO Enterprise, and support of the Align project through active participation in the Align User Committee. Furthermore, as the Framework to Address Known and Emerging Reliability and Security Risks continues to mature, the CCC is uniquely situated to provide feedback about the back-office processes related to the risk response identified by the RSTC or technical experts, the response designed by standards development and the risk assessment or implementation evaluated by the CMEP execution.

In addition to these focus areas, the CCC will support the ERO vision to address and prioritize emerging risks to reliability and security through active participation in the NERC Standing Committee Coordination Group and as a feedback loop in the ERO Enterprise Framework to Address Known and Emerging Reliability and Security Risks.

The CCC subcommittees and any subgroups established perform certain assigned tasks on behalf of and under the supervision of the CCC. In collaboration with ERO Enterprise Management, the CCC delegates responsibilities to the following subcommittees for projects and activities:

- Organization Registration and Certification Subcommittee (ORCS)

- ERO Monitoring Subcommittee (EROMS)

- CCC Nominating Subcommittee (NS)

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

Introduction

The CCC is a Board-appointed stakeholder committee serving and reporting directly to the Board. In that capacity under a FERC-approved charter, and as approved by the NERC Board, 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 and ORCP.

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 2022 to fulfill its responsibilities and any additional 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 serving 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 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.

Chapter 1: 2022 CCC Work Plan – Strategic Planning Efforts

The 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 to reliability and security. Further details on these projects are shown in the following table.

Project #	Project Name	Activities	Resource(s)
1	**Industry Collaboration and Communication**	• Maintain direct involvement in the Standing Committees Coordination Group (SCCG) • Enhance communications and participation with industry groups with a focused plan for coordination • Participate as members of the Align Users Group • Ensure that materials developed for onboarding as members join the CCC and to provide to industry stakeholders looking for background information about the CCC are updated • Create feedback loops with the Member Representatives Committee (MRC) • Build upon the successful deployment of the reformed ERO Stakeholder Perceptions Program • Seek opportunities to create additional feedback loops with industry organizations as it relates to CMEP activities	CCC, CCC Subcommittees

| 2 | **Enhancing CCC Program Efficiencies** | • Continue evaluation of various activities and functions of subcommittees/working groups to determine ways to improve the effectiveness and efficiency of the CCC

• Periodically review EROMS, ORCS, and Nominating Subcommittee Scopes

• Explore opportunities to "cross train" across various CCC subcommittees

• Work with NERC's Internal Audit team to review and revise the Oversight programs for more effective approach to address risk and control maturity opportunities

• Hold half-day of CCC hearing training for CCC members

• Identify collaboration opportunities for CCC members with NERC Standing Committees | CCC, CCC Subcommittees, N E R C Standing Committees, NERC Management |

Chapter 2: 2022 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**	- 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 CCC Charter, including functions and responsibilities - Evaluate and review 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)**	- Identify and participate in risk-based compliance assurance outreach and feedback discussions - Support outreach on internal controls - Support rollout of key activities or program revisions as requested - Partner with ERO Enterprise to provide feedback on RSAW development - Provide feedback to NERC on CMEP Practice Guides - Review stakeholder requests to become a qualified entity to submit compliance implementation guidance - Design and provide input on success criteria for Regional Entity adherence to ROP, Program adherence and Regional Delegated Agreement responsibilities (within Committee purview) - Evaluate programs and associated ROP sections for necessary revisions as programs mature - Evaluate alignment submissions and work with NERC management on proposed resolutions	CCC, CCCEC, EROMS, NERC Management

Project #	Project Name	Activities	Resource(s)
3	**Assistance with Review of ERO documentation for ORCP**	• Support review of ERO documentation for ORCP to identify revisions and make recommendations as programs mature	CCC, ORCS
4	**NERC Self-Certifications**	• 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 risk-based reviews	CCC, EROMS, NERC Internal Audit
5	**NERC Audits**	• In coordination with NERC Internal Audit under Sections 405/406/506/Various NERC Appendices of the NERC ROP, observe and participate in audits of NERC in the areas of CMEP, ORCP, and reliability standards development	CCC, EROMS, NERC Internal Audit
6	**ERO Regional Entity CMEP Audits**	• As defined in 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	CCC, NERC Internal Audit
7	**Enterprise-wide Risk Committee (EWRC) Collaboration**	• Provide input to EWRC as requested • Fulfill role with NERC Internal Audit • Participate and support 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, Internal Audits, Board Finance and Audit Committee

Project #	Project Name	Activities	Resource(s)
8	**NERC Reliability Issues Steering Committee Collaboration**	• Provide input to existing risks, mitigation strategies, and emerging risk identification • Participate and support RISC activities and discussions	CCC Leadership, NERC Management
9	**ERO Enterprise Program Alignment**	• 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, CCCEC, NERC Management
10	**Support of ERO Effectiveness**	• Manage ERO Enterprise stakeholder perception program • Support development efforts for assessments of ERO effectiveness • Periodically solicit input from the industry, including the Member Representatives Committee • Ensure that information gathered from industry provides insights useful to improve the efficiency and effectiveness of the ERO Enterprise programs • Evaluate results of assessments and provide recommendations for the ERO Enterprise and the BOT	CCC, EROMS, NERC Management
11	**Stakeholder Collaboration**	• 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 • Lead CCC task forces that are intended to provide guidance to ensure that CMEP impacts are fully considered in technical analyses being undertaken by other technical committees and the ERO Enterprise more generally	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.

- 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 regarding: (a) monitoring practices (as embodied in CCCPP-010 and also including assisting EROMS 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 Board Compliance Guidance Policy with the MRC, provide stakeholder feedback on the programs and take associated actions to support improvements working in collaboration with NERC Management.

- Continue to improve the CCC Webpage and communication with industry with additional outreach.

Project 2 — Program Support Efforts

- Support 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.

- Partner with ERO Enterprise in review of CMEP Practice Guides.

  - CCC Executive Committee comments on CMEP Practice Guides, 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 continued rollout of Align tool related to program monitoring responsibilities.

- Participate on Align Users Group (CCC Chair, CCC Vice Chair, CCC Executive Committee Representative)

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 ERO System (CORES).

- Review and provide suggestions for improvement to the 2022 Organization Certification Program activities.

Project 4 — NERC Self-Certifications

- Periodically, 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 and Sections 405/406/506/Various Appendices 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 reports.
- Report to the EWRC on industry observations and submit reporting where necessary.

Project 6 — Regional Entity CMEP Audits

- Work with NERC management (Internal Audit) to develop criteria for future audits of Regional Entity CMEPs.
- At the discretion of the CCC, participate as an observer in Regional Entity CMEP audits executed by NERC's Internal Audit, 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 Audit Plan where oversight is shared by the Board's EWRC and FAC.
- Provide an update of CCC activities at each quarterly EWRC meeting.
- Provide summary findings related to ERO Stakeholder Perceptions conducted by CCC.

Project 8 — NERC Reliability Issues Steering Committee Collaboration

- Perform outreach 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 Risk Leadership Summit as opportunity occurs.

Project 9 – ERO Program Alignment

- Under the guidance of the CCC Executive Committee, execute the CCC role within the process to address 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 and maturation of Align, Secure Evidence Locker and CORES.

Project 10 — Support of ERO Enterprise Effectiveness

- Work with NERC Management and the SCCG to continue to develop the processes between the NERC standing committees to ensure that all NERC committees represent a continuous improvement loop in support of reliability and security – further supporting the Framework to Address Known and Emerging Reliability and Security Risks.

- Consistent with responsibilities outlined in CCCPP-008 (Program for Monitoring Stakeholders Perceptions), lead efforts to soliciting input from industry and the ERO Enterprise on objectives, content, and delivery of assessments of ERO effectiveness related to CMEP and ORCP.

- Ensure that information gathered from industry provides insights that can be used to improve the efficiency and effectiveness of the CMEP, ORCP and Reliability Standards development.

- Evaluate results of assessments and provide recommendations for the ERO Enterprise to the Board.

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.

- Strengthen partnerships with industry forums to work collaboratively toward consistent understanding of ERO Enterprise Programs and improvements to processes to strengthen reliability and security (NATF, NAGF, Regional Compliance Forums, Councils, Committees, etc.).

- Lead CCC task forces that are intended to provide guidance to ensure that CMEP impacts are fully considered in technical analyses being undertaken by other technical committees and the ERO Enterprise more generally.

Chapter 4: 2022 CCC Work Plan - Deliverables

The tables below summarize the list of CCC work plan deliverables for projects in 2022.

	Project Name	Deliverable	Schedule
1	**Enhancing Program Efficiencies**	• Hold hearing training for CCC members. This training should be offered at least once every three years to ensure the turnover in membership is considered for member to be trained in this responsibility.	Q1 2022
		• Consider potential efficiencies regarding registration and certification.	Q4 2022
2	**Review and Update of CMEP and CCC Programs and Procedures**	• Update the following seven procedures identified for review: • CCCPP-003-2: Monitoring Program for NERC's Standards Development Procedure (Q2-2022) • CCCPP-004-2: NERC CCC Hearing Procedures (Q2-2022) • CCCPP-006-2: NERC CCC Mediation Procedures (Q1-2022) • CCCPP-008-1: Program for Monitoring Stakeholder Perceptions (Q4-2022) • CCCPP-010-5: NERC CCC Criteria for Annual Regional Entity Program Evaluation (Q4-2022) • CCCPP-011-1: Procedure to Become a Prequalified Organization Eligible to Submit Implementation Guidance to the ERO (Q3-2022) • CCCPP-013-2: Procedure for the Selection of Members to NERC Compliance and Certification Committee (Q2-2022)	Complete by end of 2022. Schedules included in the deliverable list.

	Project Name	Deliverable	Schedule
3	**ERO Regional Entity CMEP Audits**	• Support NERC Internal Audit's review of the six regional entities, in accordance with CCCPP-012. This will include finalizing the scope and audit procedures, and the use of seven CCC members as audit observers. Final outcome of this audit will be shared with the EWRC during 2022.	Q2 2022 Final outcome of the audit will be shared with EWRC during the second half of 2022.
4	**Enterprise-wide Risk Collaboration**	• Provide quarterly updates regarding CCC activities, consistent with the EWRC mandate that calls for the EWRC to coordinate with the CCC with respect to the CCC's execution of its responsibilities under applicable FERC orders and the Rules of Procedure. • Provide summary findings related to ERO Stakeholder Perceptions conducted by CCC.	Q1-Q4 2022
5	**ERO Program Alignment**	• Periodic reports regarding the effectiveness of the ERO Program Alignment Initiative and Reporting Tool (with NERC management).	Q2 and Q4 2022 (CCC Executive Committee)
6	**Support of ERO Program Effectiveness**	• Consistent with responsibilities outlined in CCCPP-008 (Program for Monitoring Stakeholders Perceptions), solicit input from industry and the ERO Enterprise on objectives, content, and delivery of assessments of ERO effectiveness related to CMEP and ORCP. • Provide summary findings related to ERO Stakeholder Perceptions conducted by CCC.	Q1 – Q4 2022

	Project Name	Deliverable	Schedule
7	**Stakeholder Collaboration**	• With assistance from the CCC Task Forces, develop recommendations to address potential known or emerging risks considering industry concerns to promote solutions that strengthen reliability and security in a practical manner. • Collaborate with NERC Standing Committees and ERO Enterprise leadership to facilitate solutions. • Support activities of Joint Task Force of the Standards Committee focusing on Standards Grading Activities	Q1-Q4 2022

Chapter 5: Logistics and NERC Budget Requirements for CCC Activities

The ongoing COVID-19 pandemic dramatically changed how the entire industry performed work in 2020m and 2021. Uncertainty will continue in 2022 with respect to the types of meetings and the potential venues for CCC-related meetings. While we expect pandemic conditions to improve in 2022, travel restrictions will likely continue for at least a portion of 2022. It is the intent of the CCC to ensure that all CCC members are able to fully participate remotely until health and safety conditions allow for a return to in-person meetings. To that end, CCC meetings and related activities will rely heavily on Webex and conference calls for some portion of 2022.

CCC Quarterly Meetings (Cost to be determined by NERC and industry)
Assumptions: Four CCC meetings per year, via Webex or in-person.

- 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: Conference calls, including CCC/Subcommittees NERC Webex or conference calls quarterly.

Training (Cost to be determined by NERC)
Assumptions: Half-day of hearing training appended to regular CCC meeting at least every three years.

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. Learning programs are provided, to those new member participants, ahead of the audit activities and will be conducted as needed.

Chapter 6: Revision History

Revision History

Date	Version Number	Comments
October 29, 2021	1	CCC Executive Committee Review
November 17, 2021	2	CCC Review and Approval