

To: NERC Board of Trustees (BOT)
From: Thomas J. Galloway, NATF President and CEO 
Date: January 14, 2019
Subject: NATF Periodic Report to the NERC BOT (February 2019)
Attachments: NATF External Newsletter (January 2019)

The attached January NATF external newsletter, which is also available on our public website at www.natf.net/news/newsletters, highlights NATF efforts to support our members and the industry. The NATF interfaces with both the industry and regulatory agencies on key reliability and resiliency topics to promote collaboration and continuous improvement. Some examples are highlighted below.

Documents and Resources

In recent years, the NATF has begun posting select publications for the entire industry. We currently have 22 documents on our public-facing website (<http://www.natf.net/documents>) in the form of guidelines, overviews, reference documents, and best practices. As part of this effort, we have also started posting public, redacted versions of member operating experiences that provide built-in lessons learned for review. To-date, we have posted approximately 20 operating experience reports to help improve safety, reliability, and resiliency.

Partnerships

A more-formal part of the open-sharing effort includes collaborating and partnering with NERC on select projects, such as MIDAS, annual human performance conferences and modeling workshops, and the upcoming April Resiliency Summit, all of which are geared toward enhancing grid reliability and resiliency. To help accelerate this collaboration, the NATF and NERC are revising their memorandum of understanding (MOU), which the NATF plans to present for approval at our March members meeting. Part of the NATF's role, as highlighted in the MOU, is to identify and validate risks and implement appropriate strategies with our members, which represent about 90 percent of North American electrical demand, to support mitigation of the identified BPS risks.

Projects

The NATF membership is presently working on several important topics:

Cyber security supply chain. We have two public documents on our website for industry use:

1. *CIP-013-1 Implementation Guidance*
2. *Cyber Security Supply Chain Risk Management Guidance*

NATF members are working on an enhancement to the CIP-013 guidance document to improve clarity with addressing R1.2. We received helpful and positive comments from the regions on how best to be prepared to demonstrate an entity's controls to address supply chain risk, and we are working to incorporate the changes for resubmittal for ERO endorsement. In addition, the NATF is working to develop additional guidance for our

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members, and industry as a whole, regarding cybersecurity supply chain compliance risk; we plan to make this document available to the public when completed.

Facility ratings. Our members are currently working on facility-ratings/change-management practices to address inaccurate equipment inventory, ratings that are not being updated, and inaccurate models.

Vegetation management. Our members are developing guidance on best practices related to inspection processes.

Both facility ratings and vegetation management are focus areas referenced in the “2019 ERO Enterprise Compliance Monitoring and Enforcement Program Implementation Plan.” We will have more information on these topics in the coming months.

cc: R. Carter, T. Aldred, L. Underwood, K. Keels

North American Transmission Forum External Newsletter

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TPL-001-4 Reference Document Posted for Industry

The NATF has posted version 3.0 of the “NATF TPL-001-4 Reference Document” to our [public website](#) for the benefit of the industry. The document provides guidance regarding the use of consistent, industry-wide approaches to certain topics in NERC standard TPL-001-4. The goal of sharing this information externally is to support responsible Transmission Planners and Planning Coordinators with the various transmission system planning analyses as called for under TPL-001-4, thus enhancing the reliable planning and operation of the entire Bulk Electric System.

NATF CEO Testifies on Blackstart at Senate Committee Hearing

NATF President and CEO Tom Galloway served on a panel of experts and provided testimony during the October 11 [Senate Energy and Natural Resources Committee hearing on blackstart](#). In his written testimony, Galloway noted the significant industry efforts to preserve high levels of grid reliability and resiliency and improve restoration from broad-scope outages, including educating the industry and regulators on resiliency threats, hardening the bulk power system, ensuring adequacy of key spares, augmenting mutual aid, enhancing restoration planning, conducting comprehensive drills and exercises, and increasing coordination with cross-sector (e.g., gas and water) and governmental entities.

2018 External Coordination Highlights

An important aspect of the NATF value proposition is to foster efficient use of industry resources. To that end, the NATF interfaces with industry partners and regulatory agencies through meetings and conferences; shares documents with the industry via its public website; conducts joint workshops with select organizations; and coordinates or supports industry initiatives on key reliability and resiliency topics.

Examples in 2018 included:

- [Inverter-Based Resource Webinar Series](#) (March–June)
 - Hosted with NERC¹, EPRI², and the UVIG³
- [Joint NERC/NATF Human Performance Conference and Workshops](#) (March)
- Joint NATF-EPRI resiliency summit
- [NERC-NATF-EPRI 2018 Power System Modeling Conference](#) (June)
- Continued work with EPRI on equipment performance
- New MOU with the Utilities Technology Council to coordinate on topics of mutual interest and benefit
- Report to the Department of Energy related to a Grid Security Emergency (GSE)
 - Communication between the DOE and the electricity subsector after the declaration of a GSE

¹ North American Electric Reliability Corporation

² Electric Power Research Institute

³ Utility Variable-Generation Integration Group

- Suggested criteria for declaring a GSE related to a geomagnetic disturbance⁴
- Emergency operations and waivers associated with issuance of a GSE order
- NATF CEO participation in government/industry meetings
 - [July 31 FERC technical conference](#) regarding the Bulk-Power System
 - [Senate Energy and Natural Resources Committee hearing on blackstart](#)
 - Electricity Subsector Coordinating Council (ESCC)
- Posting of reliability [documents](#) for the benefit of the industry on relevant topics
 - EMS external modeling
 - Supply chain cyber security
 - Distributed energy resources
 - Physical security plans
 - Software integrity
 - Vendor remote access
 - Transmission planning
 - Redacted operating experience (safety)

Joint Resiliency Summit (NATF, EPRI, and NERC)

The NATF will conduct a spring 2019 resiliency summit with EPRI and NERC. The summit, slated for April 2-4 in Charlotte, North Carolina, will focus on restoration, including blackstart. The joint offering will address the 2018 Reliability Issues Steering Committee (RISC) [report](#) recommendation to conduct a comprehensive workshop related to risk profile 7. More information will be distributed in early 2019.

Redacted Operating Experience Reports

Since our last newsletter, we have posted three reports to our [public site](#) for members and other utilities to use internally and share with their contractors to help improve safety, reliability, and resiliency.

For more information about the NATF, please visit www.natf.net.

⁴ Criteria for other GSEs to follow in subsequent phases