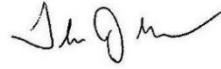


**To:** NERC Board of Trustees (BOT)  
**From:** Thomas J. Galloway, NATF President and CEO  
**Date:** July 18, 2022  
**Subject:** NATF Periodic Report to the NERC BOT (August 2022)  
**Attachments:** NATF External Newsletter (July 2022)



The NATF interfaces with the ERO as well as other external organizations on key reliability, resiliency, security, and safety topics to promote improvement, while reducing duplication of effort. Some examples are listed below and in the attached NATF external newsletter, which is also available on our public website: [www.natf.net/news/newsletters](http://www.natf.net/news/newsletters).

## NATF-ERO Leadership Meetings

To promote effective coordination, NATF and ERO leadership meet periodically to discuss topics and activities. The most recent call, on July 12, included discussions on supply chain, facility ratings, security, reliability assessments, and the May 17, 2023 NATF/ERO/EPRI resilience summit.

## Supply Chain Risk Management

As noted in the attached newsletter, the NATF recently posted revised supply chain security criteria and risk questionnaire documents and an associated revision process. Part of that work included a provision to avoid the need to resubmit the related two Implementation Guidance documents to the ERO Enterprise for re-endorsement after each revision cycle; the ERO can review the proposed changes and notify the NATF if any of the proposed revisions would cause the ERO to revoke its endorsement. We appreciate the coordination with NERC staff on the provision to create this efficiency.

## Efficiently Addressing Emerging and Complex Industry Topics

The NATF maintains an agile posture to help members navigate new and challenging topics and risks while working to avoid duplication with other organizations. FERC Order 881, facility ratings, and grid transformation are examples where we are employing this approach (see more in the attached newsletter).

# North American Transmission Forum External Newsletter

July 2022

## NATF Posts Updated Supply Chain Criteria and Risk Questionnaire

The “NATF Supply Chain Security Criteria” and “Energy Sector Supply Chain Risk Questionnaire” version 3.0 documents and associated revision process have been posted for industry use on the [Supply Chain Cyber Security Industry Coordination](#) page of the NATF public website. A new “Version History” link has been added, which includes all prior versions and redlines of the NATF criteria and risk questionnaire.

The updates have been reviewed and accepted by the ERO Enterprise to ensure its continued endorsement of the two NATF CIP-013 Implementation Guidance documents: “NATF CIP-013 Implementation Guidance: Independence Assessments of Vendors” and “NATF CIP-013 Implementation Guidance: Supply Chain Risk Management Plans.” This provision has been added to the revision process so the NATF does not need to resubmit the NATF Implementation Guidance documents to the ERO Enterprise for re-endorsement after each revision cycle. Specifically, the ERO can review the proposed changes and notify the NATF if any of the proposed revisions would cause the ERO to revoke its endorsement.

In addition to the updates to the revision process itself, revisions for the 2022 cycle include three new criteria, two new questions, and the removal of four questions that were determined to be duplicative. Other minor changes include additional notes and terminology updates to provide clarity.

\*\*\*

## FERC Order 881 (Ambient-Adjusted Ratings)

FERC Order 881 (“Managing Transmission Line Ratings”), issued late last year, requires that hourly ratings for most transmission lines be calculated using forecast temperature by July 11, 2025. This will have a significant impact on NATF members and other industry utilities.

In response, the NATF has initiated webinars and a formed a multidisciplinary group to discuss challenges and identify potential work on best practices. The NATF’s FERC Order 881 Working Group has begun work to define the problems that need to be solved, assess ongoing efforts in the industry, and, where appropriate, identify projects to allow members to share information and develop solutions. The working group scoped a set of questions to address and endorsed a plan to establish new project teams to work on solutions. Each team will meet at least monthly from now until early 2023.

\*\*\*

## Return to In-Person Activities

We are pleased to report a return to face-to-face NATF events. Our recent “hybrid” quarterly members meeting included an in-person opportunity that was welcomed by our member participants. In many ways, it seemed like we picked up right where we left off.

We also have multiple in-person workshops scheduled later this summer, most of which quickly reached maximum registration capacity, and look forward to continuing a measured return. As always, we will remain cognizant of conditions and recommendations, prioritizing health and safety, and be ready to adapt as needed.

\*\*\*

## Grid Transformation

Significant, rapid deployment of renewable resources—the bulk of which will be non-synchronous, inverter-based devices—presents a significant issue to be managed by the electricity industry. Accordingly, the NATF has developed a framework that allows us to create problem statements related to grid transformation, to identify whether each problem statement should be within NATF scope or would best be left to others, and to create scope statements for projects to address the problem statements.

The framework, divided into a set of domains, will allow us to take a big-picture approach and guide our response in relation to our existing efforts and programs. The approach will ensure proper focus and appropriate collaboration among NATF groups. In addition, we know other organizations are better suited to certain activities, and the framework allows us to track the activities of others and avoid duplication.

\*\*\*

*For more information about the NATF, please visit <https://www.natf.net/>.*