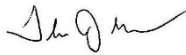


To: NERC Board of Trustees (BOT)
From: Thomas J. Galloway, NATF President and CEO 
Date: July 13, 2020
Subject: NATF Periodic Report to the NERC BOT (August 2020)
Attachments: NATF External Newsletter (July 2020)

The NATF interfaces with the industry as well as regulatory agencies on key reliability, resiliency, security, and safety topics to promote collaboration, alignment, and continuous improvement, while reducing duplication of effort. Some examples are highlighted below and in the attached July NATF external newsletter, which is also available on our public website: www.natf.net/news/newsletters.

Response to COVID-19 Challenges

Like NERC and other industry organizations, the NATF continues to work with members on responding to the epidemic by sharing information and conducting virtual activities. We appreciate the successful and ongoing collaboration with NERC, DOE, and FERC on the epidemic/pandemic response plan resource.

Update on Pilot Collaborations with NERC, RF, and SERC

As previously reported to the NERC BOT and detailed in the NATF's April 2020 external newsletter, the NATF has been working with two of the regions—ReliabilityFirst (RF) and SERC—to pilot a collaboration approach to advance NATF and ERO mutual objectives, leverage respective strengths, and minimize duplication of effort on two important topics: facility ratings accuracy and supply chain risk mitigation. Although the pilot is centered on RF and SERC, the effort overall and associated learnings are being communicated to all the other regions.

For the supply chain collaborations, plans were well underway to conduct two regional workshops focused on mitigation practices that entities can employ on their systems, equipment, and networks as an additional line of defense to augment the supply chain risk assessment and procurement practices that are focused on addressing risks at the source. Unfortunately, these face-to-face workshops had to be postponed indefinitely due to the pandemic. In the meantime, we are working together to plan and conduct a webinar later in 2020 on a related supply chain cyber security risk mitigation topic that will be suitable for a virtual audience.

In the facility ratings collaboration, the NATF has published for its members a facility ratings practices document, crafted by subject-matter experts from over 15 companies, providing a guide to members for establishing and maintaining accurate facility ratings. These practices address issues and controls described in the ERO problem statement provided to the NATF as part of the collaboration. The NATF board and member representatives have approved an action plan, beginning in the fall 2020, for members' facility ratings practices implementation, monitoring, and reporting, including periodic status updates to the ERO.

Grid Security Emergency Work

The NATF-NERC Grid Security Emergency (GSE) Communication Project Team has reached a milestone in its GSE communications work. The team was formed in late 2019 to implement shorter-term communications solutions

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for Bulk Electric System activities during GSE events. The NATF has led the team's work during the first half of 2020, culminating in the development of a "GSE Communications Implementation Outline" in mid-June.

The outline contains protocols, technical details, necessary security provisions, and cost estimates for both verbal and electronic GSE communications solutions. The outline, which will be used to guide the expansion of current processes and tools for use during GSE events, was provided to NERC, who will lead the implementation phase. As we engage and work closely with the U.S. Department of Energy (DOE) on implementation, the GSE Communications Project Team will remain in place for support and consultation. NERC will provide periodic updates to report implementation progress.

Supply Chain Executive Order

The NATF has been in contact with the DOE to offer support for aspects of the implementation of the Executive Order 13920 *Securing the United States Bulk-Power System*, outlining several potential roles and activities where the NATF would bring value to the DOE's efforts. In particular, the NATF highlighted the ongoing work and resources of the NATF-led Supply Chain Industry Organizations Team, bringing together industry, suppliers, assessment organizations, and solution providers for a congruent approach to supplier risk assessment with a common set of criteria and questions to help identify supplier security practices, including an indication of the source of supplier products. These resources can form a foundation for the DOE efforts.

Further, the NATF is working with members on potential ways to assist with member responses to the associated NERC Alert and DOE request for information.

Reliability and Security Technical Committee (RSTC)

The NATF has assigned senior leadership to routinely attend RSTC meetings to provide status on relevant work activities and offer added support as appropriate.

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Resource Developed to Help Organizations Update Pandemic Response Plans

The COVID-19 pandemic has resulted in unprecedented challenges for utility planning, operations, and response, prompting organizations to review existing or create epidemic/pandemic-response plans. To assist in these efforts, the North American Transmission Forum, North American Electric Reliability Corporation, U.S. Department of Energy, and Federal Energy Regulatory Commission jointly developed a resource to help utilities create, update, or formalize their plans.

The [Epidemic/Pandemic Response Plan Resource](#)—which focuses on planning/preparedness, response, and recovery activities for a severe epidemic/pandemic—was issued in May and recently updated with additional information on testing and an overview of contact tracing. Due to current circumstances, the document contains COVID-19-specific information; however, the intent is to evolve and maintain the document over time so it can be used as an effective resource for any epidemic or pandemic.

For more information, please visit: <https://www.natf.net/industry-initiatives/covid-19>.

NATF Continues Monitoring COVID-19 and Implementing Virtual Activities

The NATF's primary focus during this pandemic has been the health and safety of our staff and members. From the start, we have been working closely with our members and tracking updates from the Centers for Disease Control and Prevention (CDC) and state and local authorities to help inform our decisions.

The NATF's physical office remains closed, as staff works from home, with travel cancelled until further notice. We have postponed near-term in-person events and are working with members and our industry partners to reschedule as appropriate. The NATF has also been working with industry partners to coordinate on response activities and reduce duplication of effort wherever possible.



Member Support and Engagement

We have continued existing and implemented new information-exchange mechanisms for ongoing and pandemic-specific activities to assist our members. As always, our members have actively engaged to help one another by sharing insights, approaches, and experiences. Our system operations webinars for COVID-19 have been a particularly successful endeavor, with member-wide attendance and support.

To ensure we continue to deliver our full range of services, we have recently been working with members to plan web-based peer reviews and to conduct more assistance activities virtually. While we have been unable to hold face-to-face workshop events as planned, we are drawing on workshop topics to conduct timely special webinars.

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Energy Sector Supply Chain Risk Questionnaire

The NATF posted the "Energy Sector Supply Chain Risk Questionnaire" for industry use.

This questionnaire, developed by a group of more than 20 U.S. energy companies, is designed to provide utilities with a set of supplier- and equipment-focused questions to obtain better information on a supplier's security posture. The questionnaire works in conjunction with the NATF Criteria, and together these complementary tools can help the industry drive convergence on information that is needed from suppliers.

The questionnaire gathers information to determine a supplier's level of adherence to the NATF Criteria and additional insight into a supplier's cyber security actions. Further, these tools had identified the need to understand a supplier's dependencies and sourcing from other countries and include questions to gather information that is pertinent to and will support the May 1 executive order. Specific information is obtained regarding a supplier's sourcing, activities, and staffing in other countries.

Consistent use of the tools will support the growing acceptance from suppliers. Currently, suppliers are recognizing the tools and beginning to have responses for the questionnaire and NATF Criteria prepared so the information can be readily available upon entities' requests.

The questionnaire and NATF Criteria are living documents that will be revised as industry continues to converge on what information is needed from suppliers. An Industry Organizations Team is developing a revision process, and you can submit your thoughts and comments on the questionnaire and NATF Criteria to supplychain@natf.net.

Learn more at <https://www.natf.net/industry-initiatives/supply-chain-industry-coordination>.

Transmission Resilience Maturity Model (TRMM)

The NATF has been working with the Electric Power Research Institute, the Department of Energy, and Pacific Northwest National Lab to develop a transmission resilience maturity model as a tool that a transmission organization can use to objectively evaluate and benchmark its currently established transmission resilience policies, programs, and investments, in order to target and prioritize enhancements where needed. A draft of the model has been created and was piloted by NATF member companies in early 2020.

Improvements to the model based upon lessons learned from the pilots are being incorporated into a TRMM version 1.0, along with a suite of supporting documentation, planned for public release in the third quarter.

The NATF envisions incorporating the TRMM as an additional service offering for its members, including facilitated self-assessments, metrics, and targeted assistance (in areas where members seek improvements).

Redacted Operating Experience Reports

Since our last newsletter, we have posted four 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.