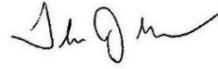


To: NERC Board of Trustees (BOT)
From: Thomas J. Galloway, NATF President and CEO
Date: April 12, 2021
Subject: NATF Periodic Report to the NERC BOT (May 2021)
Attachments: NATF External Newsletter (April 2021)



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 NATF external newsletter, which is also available on our public website: www.natf.net/news/newsletters.

NATF-NERC Leadership Meetings

NATF and NERC leadership meet periodically to discuss collaborative work and industry topics. The most-recent call, on March 29, included discussions on facility ratings, vegetation management practices, security, resource adequacy, and pandemic response.

COVID-19 Response

The NATF continues to work with members and industry partners, including NERC, regarding the COVID-19 pandemic. As noted in the newsletter, the NATF and NERC recently hosted a well-attended webinar on pandemic-response activities.

Facility Ratings

The NATF is working with its members to socialize and review member implementation of facility ratings practices developed by a team of subject-matter experts from NATF member companies. The NATF provided an initial summary report on member overall implementation status to NERC and regional entity leadership in early March and will provide updates approximately every six months, with the next report expected towards the end of the third quarter of 2021. See more about NATF work in the attached newsletter.

NATF Supply Chain Work

As noted in the attached newsletter, the NATF and the Industry Organizations Team are working through the annual review process of the NATF Criteria and Questionnaire.

NERC and E-ISAC Security Efforts

We appreciate NERC and E-ISAC leadership on recent security events, such as the SolarWinds and Microsoft Exchange compromises.

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North American Transmission Forum External Newsletter

April 2021

NATF and NERC Host Webinar on Pandemic Planning and Response Activities

On March 17, the NATF and the North American Electric Reliability Corporation (NERC) hosted a webinar on pandemic planning and response activities as well as resources available to industry. Opening remarks were provided by Commissioner Neil Chatterjee, Federal Energy Regulatory Commission; Tom Galloway, president and CEO of the NATF; and Manny Cancel, senior vice president of NERC and CEO of the Electricity Information Sharing and Analysis Center (E-ISAC). The webinar featured presentations on pandemic activities of the following organizations:

- NATF
- NERC
- E-ISAC
- Electricity Subsector Coordinating Council (ESCC)
- Electric Power Research Institute (EPRI)
- European Network of Transmission System Operators for Electricity (ENTSO-E)
- European Commission (Directorate-General for Energy)

Presentations are posted on the NATF website: <https://www.natf.net/industry-initiatives/covid-19>.

NATF Hosting Virtual Seminars for Members

The health and safety of our staff and members remains our top priority. We continue to work with members and monitor updates from the Centers for Disease Control and Prevention (CDC) and state and local authorities to help inform our decisions about when to return to in-person activities.

The NATF has conducted virtual activities since its inception, and our membership is adept at exchanging information and sharing lessons learned in this format. Since the start of the pandemic, we have continued our standard virtual activities and converted some in-person meetings to webinars. We have also been hosting special webinars on specific topics, including emerging industry issues and pandemic response. We are now adding virtual seminars, which will serve as alternatives for some of our annual in-person workshops. The seminars will allow us to continue adding value to the membership and enable some of the key information-sharing and networking aspects of our workshops.

Facility Ratings Practices Implementation

The NATF continues to work with its members to socialize and review member implementation of facility ratings practices developed by a team of subject-matter experts from NATF member companies. The “NATF Facility Ratings Practices Document”—published for members in mid-2020—provides guidance for establishing

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sustainable programs, processes, and internal controls to help ensure that facility ratings are accurate and that ratings for equipment and facilities are documented and communicated. The NATF facility ratings practices are consistent with and align with practices and controls suggested by the ERO Enterprise in its November 2019 facility ratings problem statement and in reports and webinars conducted by NERC and the regional entities.



The NATF provided an initial summary report on overall member implementation status to NERC and regional entity leadership in early March and will provide updates approximately every six months, with the next report expected towards the end of the third quarter of 2021.

In addition, NATF staff participates in the joint Compliance and Certification Committee and Reliability and Security Technical Committee Facility Ratings Task Force (FRTF) to help ensure the NATF and FRTF efforts are complementary and not duplicative as the FRTF works to assess the potential reliability risk of facility ratings discrepancies.

NATF Continues Work on Supply Chain Risk Management

The NATF continues work for the adoption of the “Supplier Cyber Security Assessment Model,” which provides a strong foundation to address supply chain risks through a five-step process. Current highlights are noted below.



Continued Refinement of the NATF Questionnaire and Criteria—Comments on Revisions. The NATF has conducted the annual revision [process](#) for the NATF “Energy Sector Supply Chain Risk Questionnaire”

(Questionnaire) and the “NATF Cyber Security Criteria for Suppliers” (Criteria) to enhance convergence on the information collected from suppliers. The revisions were posted for industry-wide comment through April 2. Final changes will be provided to the NATF board for approval in June; upon approval, the revised Questionnaire and Criteria will be posted on the NATF public website.

Industry Organization Team Goals for 2021. The NATF continues to work externally on supply chain risk management with the Industry Organizations Team consisting of entities, suppliers, third-party assessors, and solution providers. The team has established goals to guide 2021 activities, including the following:

- Adoption of the NATF “Supplier Cyber Security Assessment Model”
- Monitoring of threat and governmental/regulatory landscapes

Learn more about the Industry Organizations Team and projects supporting the 2021 goals at <https://www.natf.net/industry-initiatives/supply-chain-industry-coordination>.

Redacted Operating Experience Reports

Since our last newsletter, we have posted five reports to the “[Documents](#)” section of 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.