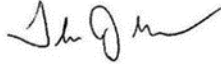


To: NERC Board of Trustees (BOT)
From: Thomas J. Galloway, NATF President and CEO 
Date: July 15, 2024
Subject: NATF Periodic Report to the NERC BOT (August 2024)
Attachments: NATF External Newsletter (July 2024)

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.

NATF-ERO Leadership Meetings

To promote effective coordination, NATF and ERO leadership meet periodically to discuss topics and activities and synchronize coordination efforts. The latest meeting took place in person on April 19, 2024, in Washington, DC. The topics in this report were identified as top-priority areas for coordination between the two organizations.

Further meetings are planned for August and October.

Inverter-Based Resources Integration / Interconnection Lifecycle

Transmission owners and providers are dealing with a high volume of inverter-based resource (IBR) interconnections as a product of local, state, and federal initiatives. The NATF and its members recognize the challenges of managing the volume of interconnection requests, developing performance requirements for each facility, establishing interconnection agreements, overseeing construction and commissioning of these facilities, monitoring facility performance, and managing ongoing change. In response, the NATF Planning and Modeling Practice Group has started the IBR Interconnection Life Cycle Program, a series of projects to develop practice documents for each of these stages of the life of an IBR facility. This is also discussed in our attached external newsletter.

Supply Chain Security

Following the NERC BOT resolution in 2017 requesting industry support for supply chain security, the NATF began extensive work in this area. The NATF maintains multiple practice groups (physical, cyber, and supply chain) to support members and advance knowledge. We share information internally and [externally](#), support a broad-reaching industry effort for [supply chain cyber security](#), coordinate with the E-ISAC, and participate in industry events, such as GridSecCon and technical conferences. More recently, work has primarily focused on developing a comprehensive criteria and questionnaire set mapped to NERC standards and existing security frameworks (see the attached newsletter and final documents posted on the [Supply Chain Industry Coordination](#) page of the NATF public website for more information).

The Supply Chain Criteria and Risk Questionnaire are tools for use in the Collect Information step of the five-step NATF Supply Chain Security Assessment Model. While continuing to maintain the criteria and questionnaire, the

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NATF is now shifting its focus to other steps in the model to help transmission organizations and suppliers conduct risk assessments and address identified risks. The NATF would like to ensure any future standards revisions are congruent with NATF approaches and offered to address ERO concerns, if any, potentially via a collaboration analogous to the facility ratings effort.

GridEx Recommendations

During the April coordination meeting, NATF and NERC leadership discussed recommendations from GridEx VII, held in November 2023. The group concurred E-ISAC will primarily manage activities needed to address the recommendations, with NATF support on selected initiatives, including identifying key organizations or individuals that need to communicate through a resilience event and identifying coping strategies for various communications losses.

Creating a Long-Range Planning “Roadmap”

Long-range planning will be a crucial endeavor considering the range of new challenges and requirements, including longer time horizons, resource uncertainty, transmission-permitting obstacles, demand growth, augmentation of one-day-in-10-year methodologies, and various FERC issuances.

The NATF is evaluating partnering with others to devise a more strategic and holistic planning approach, incorporating current and new requirements with emphasis on alignment and efficiency.

Tiering of Physical Assets

Discussions in the August 2023 Joint FERC/NERC Physical Security Technical Conference highlighted aspects of physical security implementation that required further consideration, including tiering of physical assets. In response to the conference discussions, the NATF initiated a project to develop methodologies to prioritize assets (beyond CIP-014 stations) into tiers and establish associated protections. The group involved is working diligently to publish a resource for our members by the end of the year.

North American Transmission Forum External Newsletter

July 2024

IBR Lifecycle Project

Transmission owners and providers are dealing with a high volume of inverter-based resource (IBR) interconnections as a product of local, state, and federal initiatives. NERC has recommended that transmission providers establish and improve clear and consistent interconnection requirements for bulk power system (BPS) connected IBR. The NATF and its members recognize the challenges of managing the volume of interconnection requests, developing performance requirements for each facility, establishing interconnection agreements, overseeing construction and commissioning of these facilities, monitoring facility performance, and managing ongoing change. In response, the NATF Planning and Modeling Practice Group has started the IBR Interconnection Life Cycle Program, a series of projects to develop practice documents for each of these stages of the life of an IBR facility. We anticipate the initial practice document derived from this project to be released by early next year.

Grid-Enhancing Technologies Workshop

NATF, EPRI, Energy Systems Integration Group (ESIG), The Global Power System Transformation Consortium (G-PST), and NERC sponsored the GET SET (Grid-Enhancing Technologies for a Smart Energy Transition) Spring Workshop on June 20–21 at Georgia Power in Atlanta, Georgia.

Industry deployment of GETs aims to increase grid capacity in the short term, while new transmission infrastructure is constructed, and includes solutions such as dynamic line ratings, advanced conductors, power flow controllers, and topology optimization. The workshop brought together experts from utilities, regulatory bodies, and research institutions to discuss deployment experiences to date and strategies for scaling these technologies. The key takeaway was that no single technology will suffice on its own; a combination of GETs is required.

NATF President and CEO Tom Galloway suggests that while the industry is aggressively pursuing capacity increases, related projects must be implemented in a thoughtful, deliberate manner that enables associated capacity increases while preserving reliability, enhancing reliability, and moderating consumer costs. The NATF supports our members implementing GETs in a thoughtful, timely manner.

FERC Order 896 Workshop

The NATF, EPRI, and NERC recently hosted a joint workshop to discuss the implications of FERC Order 896 and TPL-008 draft standard. We strategically held the workshop on May 29–30 to align with the open comment period of the TPL-008 draft standard. The event was well attended by industry professionals, consultants, national labs, and research institutes, and attendees engaged in thoughtful discussion about the draft standard and the proposed language.

Workshop topics and activities included trends in extreme temperature events; technical considerations for identifying benchmark extreme temperature events; breakout sessions focused on extreme heat, extreme cold,

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and data needs; implications of extreme temperature conditions on resources; development and creation of benchmark planning cases; capturing asset vulnerabilities; building and studying benchmark planning cases; and extreme temperature assessments.

[Day 1 presentations](#) focused on providing insight to the available data and work performed from the national labs. [Day 2 presentations](#) focused on application of the draft standard and use of existing data.

Supply Chain Criteria and Risk Questionnaire Version 5.0 Posted for Industry Use

The *NATF Supply Chain Security Criteria* and *Energy Sector Supply Chain Risk Questionnaire* version 5.0 documents have been posted for industry use on the [Supply Chain Industry Coordination](#) page of the NATF public website. The “Version History” link includes all prior versions and redlines of the NATF criteria and questionnaire.

The updates were 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: Using Independent Assessments of Vendors* and *NATF CIP-013 Implementation Guidance: Supply Chain Risk Management Plans*.

Revisions for the 2024 annual cycle include a comprehensive refresh of all framework mappings, as well as the addition of CIP-005-7 and CIP-010-4 mappings. An optional scoring mechanism was added to the NATF criteria to align with this existing feature of the questionnaire. Other changes include revised question wording for clarity, additional guidance text, and the merging of related questions to improve efficiency.

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