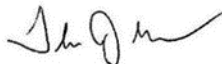


To: NERC Board of Trustees (BOT)
From: Thomas J. Galloway, NATF President and CEO 
Date: January 13, 2025
Subject: NATF Periodic Report to the NERC BOT (February 2025)
Attachments: NATF External Newsletter (January 2025)

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 group convened several times in 2024 (April, August, and October) to identify top-priority areas for coordination between the two organizations. Those topics are discussed in this report.

Leadership from both organizations will meet face-to-face in April to continue these important discussions.

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. The first product of this program, a practice document focused on managing IBR interconnection requests and studies, will be available to NATF members in the next few weeks. We anticipate that the second product, a practice document on interconnection agreements, will be released in the second quarter of 2025.

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. To date, our 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).

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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 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. For example, the NATF has prepared guidance for performing supplier risk assessments and documenting the results. This *NATF Supply Chain Risk Assessment Guidance* document supports implementation of the “Conduct the Risk Assessment” step of the *NATF Supply Chain Security Assessment Model*.

GridEx Recommendations

During the April 2024 coordination meeting, NATF and NERC leadership discussed recommendations from GridEx VII, held in November 2023. The group concluded that E-ISAC will primarily manage activities needed to address the recommendations, with NATF support on selected initiatives. In response, the NATF has launched a project to expand existing supplemental operating strategy guidance with additional practices for operating through significant impairment or loss of ICCP connections to neighboring Control Centers, in addition to impairment or loss of normal voice communication channels.

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 created *its Substation Physical Security Tiering Practice* document. This document contains practices for assigning each substation to a security tier; the tier classification and station-specific security risk assessments can be used to specify physical security protections for each station. The document emphasizes the need for tier designations and risk assessments to be reviewed periodically and in response to system changes. The process can be applied to all substations.

North American Transmission Forum External Newsletter

January 2025

NATF Welcomes New Member

We are pleased to announce Pedernales Electric Cooperative (PEC) has joined the NATF. Click [here](#) to learn more about NATF membership.

NERC-NATF-EPRI Annual Transmission Planning and Modeling Seminar

The NATF, North American Electric Reliability Corporation (NERC), and Electric Power Research Institute (EPRI) conducted an annual transmission planning and modeling seminar on November 19–20, 2024. This virtual event focused on transmission planning and resilience, planning with power electronics, regulatory updates, inverter-based resource modeling, and large loads. The event was well attended, with 585 participants on day 1 and 544 participants on day 2. Materials (for [day 1](#) and [day 2](#)) are posted on NERC's website.

NATF Criteria and Questionnaire Revision Process Underway

As a reminder, the annual revision process for the *NATF Supply Chain Security Criteria* and the *Energy Sector Supply Chain Risk Questionnaire* is underway. The revision process, the criteria, and the questionnaire are posted on the NATF's public [Supply Chain Industry Coordination](#) site. The process is open to industry, suppliers, regulators, and other stakeholders to provide the opportunity for input.

These tools are useful for risk management and compliance efforts. Both the criteria and the questionnaire are incorporated into the ERO Enterprise-endorsed implementation guidance documents for CIP-013 (available on the NERC website and the NATF public website). These implementation guidance documents support using the criteria and questionnaire in a risk-based manner, where the entity determines which criteria or questions apply for a procurement.

- [NATF CIP-013 Implementation Guidance: Using Independent Assessments of Vendors](#)
- [NATF CIP-013 Implementation Guidance: Supply Chain Risk Management Plans](#)

Input on the criteria and questionnaire can be submitted to supplychain@natf.net **until close of business on January 31** for consideration in the 2025 review cycle. Revisions will be posted in redline format on March 7 for a 30-day comment period.

Tom Galloway Participates on UTC Podcast

Tom Galloway (NATF CEO) and was a recent guest on the Utilities Technology Council (UTC) podcast, *The Intersection*. Tom and Rusty Williams (UTC CEO) discussed the critical role of collaboration in addressing challenges faced by the electric transmission sector and the growing need for resilient communication systems. The episode highlights the value of joint initiatives, cross-industry partnerships, and proactive learning. You can listen to the episode [here](#).

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

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