



Edison Electric
INSTITUTE

Power by Association

EEI Comments

2024 NERC Business Plan Strategic Focus Areas

June 23, 2023

The Edison Electric Institute appreciates the opportunity to provide the following input on the Draft of NERC's 2024 Business Plan and Budget (BPB).

Protecting our nation's energy grid and ensuring a reliable supply of energy are top priorities for EEI, our member companies, and the customers they serve. The risks that must be addressed with the evolving grid are broad. Stakeholder partnerships and collaboration, prioritization of the most urgent threats to reliability, and agile processes are more critical than ever to ensure a reliable and secure grid now and in the future.

General

- EEI appreciates NERC providing three-year strategic and business planning insights and supports a focus on prioritizing and addressing the highest risks.
- EEI recommends that NERC collaborate with the Security Advisory Working Group and industry early in the process regarding new and enhanced technology solutions, including the Customer Relationship Management (CRM) Platform modernization effort, to ensure effective and secure solutions that consider upfront and ongoing costs.
- NERC should provide additional details on the Registered Entity BES G&T inventory collection in the CRM platform. Clarity on the level of detail that is being collected is important to inform what security protections are necessary since all of the grid's G&T information will reside in a single location. This appears to be a significant effort, and NERC should collaborate with industry as early as possible to support a successful implementation.
- NERC and the Regions should actively engage industry technical experts to address the Congressional directive to perform a study of interregional minimum transfer capability. Industry experts from each Interconnection should be included in the study group. NERC should also partner with DOE, including seeking funding, if NERC is unable to address the directive within its current proposed 2024 budget.

Section A – 2024 Business Plan and Budget Program Area and Department Detail

Reliability Standards and Power Risk Issue Strategic Management

2023 Technology Requirements

- It is unclear if the ERO Risk Registry referenced in the BPB is the same registry from a prior NERC meeting agenda package that labeled the document as the NERC Risk Registry. If they are the same document, either the reference in the BPB should be corrected or the NERC Risk Registry title should be corrected to remove any ambiguity. Also, any risk registry that addresses risks to the grid should be publicly posted and updates to industry should be provided on a regular basis, including the status of mitigating actions and other activities that are underway or have been taken to address the risks identified.

Compliance Assurance and Organization Registration and Certification

Areas of Focus

- The 2024 focus areas include the successful roll-out of Align and the ERO Secure Evidence Locker. Since these tools have been implemented for US entities, NERC should clearly identify the additional activities contemplated with this particular focus area. Additionally, NERC should identify what enhancements are being developed.
- NERC should provide additional details on the ERO SEL Development Environment and how it differs from NERC's current development environment. The document implies that NERC is currently deploying patches and updates directly to the SEL production environment without testing them first.

Compliance Enforcement

Areas of Focus

- Compliance Enforcement also cites the successful roll-out of Align and the ERO Secure Evidence Locker as a 2024 focus area. See previous comment.
- Oversight of the Regions with a focus on identification of opportunities for process improvements to ensure timely and efficient non-compliance processing should be included. This effort holds promise to strengthen agility and reduce resource burdens. Non-compliance processing is delayed by Regional Entities' back-logs and process inefficiencies treating all levels of non-compliance with the same assessed risk and same evaluative requirements. Back-logs of non-compliance that are several years old become more challenging to assess in the present due to staff turnover, different interpretations, and limited registered entity resources. Often these same registered entity resources are performing support tasks for new CMEP

audits and RFIs (when potential non-compliance from the previous audit are still outstanding). Furthermore, many of these resources are the same technical experts the industry needs to support drafting the standards and participate in technical committees.

Thank you for the opportunity to provide input on NERC's 2024 BPB.