##### August 20, 2025

**TO:** All Interested Parties

**FROM:** Amrit Nagi, Staff Attorney

**RE: WEQ Coordination Activities with NERC**

NAESB and NERC remain committed to supporting coordination efforts regarding areas impacting commercial and reliability considerations for the wholesale electric market.  Current shared focus areas include distributed energy resources (DERs), inverter-based resources (IBRs), and congestion management in the Western Interconnection. For DERs, joint WEQ/RMQ efforts are drawing on NERC System Planning Impacts from DER Working Group (SPIDERWG) guidance to scope potential NAESB standards for DER registry integration. For congestion management, WEQ continues to develop business practices to complement the Western Interconnection’s Unscheduled Flow Mitigation Plan (UFMP), with WECC participation and regular status updates provided to NERC.

NAESB and NERC staff regularly inform each other about new and upcoming standards development efforts, including NAESB’s annual plan development process and NERC’s reliability standards development planning. To support this coordination, the WEQ Standards Review Subcommittee conducts an annual review of the draft NERC Reliability Standards Development Plan to identify potential areas for coordination between business practices and reliability standards. On August 22, 2025, the WEQ SRS met to review the Draft NERC 2026-2028 Reliability Standards Development Plan, identifying potential coordination opportunities and providing updates on currently tracked NERC projects. Feedback from the subcommittee was forwarded to the NAESB Managing Committee before provided to NERC Staff.

At the upcoming WEQ Executive Committee meeting, the committee will consider two no action recommendations developed by the WEQ Coordinate Interchange Scheduling Subcommittee (CISS) in support of NERC coordination-related efforts included as part of the 2025 Annual Plan. As part of Annual Plan item 1.a, the WEQ CISS reviewed the NAESB Electronic Tagging Functional Specification and determined that no action is needed at this time. The cybersecurity related requirements included within the specification are reflective of industry best practices, and the language is consistent with the WEQ Business Practice Standards and NERC Reliability Standards. The formal comment period ended on July 24, 2025. Additionally, as part of Annual Plan Item 2.b., the WEQ CISS held a series of meetings to consider new or revised standards that could help streamline industry processes in the management of bidirectional resources, such as the introduction of a new e-Tag transaction type. Through these discussions, the subcommittee reached consensus that while there could be a need for new or revised standards in the future, standards development at this time may be premature and developed a no action recommendation. The formal Comment Period ended on July 3, 2025.

The WEQ SRS continues to monitor NERC reliability standards development projects in key areas such as cybersecurity, risk assessment, modeling definitions, and extreme weather preparedness to identify potential alignment with WEQ Business Practice Standards. Current activities include reviewing new drafts in the CIP series, considering proposed definition changes that may affect DER-related standards, and tracking emerging projects on demand and energy data as well as Canadian-specific cold weather revisions. These efforts will remain under review until final versions are available for consideration.