NERC
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

Align Release 1

ERO Process Improvements Report

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RELIABILITY | ACCOUNTABILITY

Overview

- Process harmonization efforts for the following business process areas
  - Cycle 1-Self Reports, Self Logging
  - Cycle 2-Enforcement
  - Cycle 3-Mitigation

Cycle 1 Self-Report Process – Process Improvements

Process Area	Current State	Future State
Submittal forms	• Self-Report and Self-Log forms are similar, but some inconsistencies exist in number/type of fields and language	• Single, standardized form and embedded guidance for both Self-Reports and Self-Logs to drive a consistent registered entity experience
RFIs	• RFIs are sent manually, outside of current systems • Burdensome and creates inconsistency in user experience	• RFIs can be triggered ad-hoc within the tool; all information is tied to the correct record • Records can be passed back and forth via workflow to engage entities consistently when requesting additional information
Self-Logging	• Eligible entities submit spreadsheets on a quarterly basis; regions manually enter into current systems • Some entities are choosing to submit entries as self-reports to avoid using a manual spreadsheet • Inconsistency in how Self-Logging program is implemented – all standards eligible vs. select standards	• Eliminate use of spreadsheets; Self-Log items submitted on-demand by entities • Will not restrict Self-logging eligibility to specific standards
Preliminary Screen	• Primarily a manual process to address the RoP questions (e.g., Is standard effective? Is it a duplicate entry?)	• Reduction in effort required based on system-driven validations (e.g., Self-Reports can only be submitted for effective standards; duplicate entries will be rejected and/or flagged) • Reduces number of times regions need to follow-up with entities
Record management	• System limitations result in multiple record IDs (region and NERC) and creates confusion • Inconsistencies in how related PNC/violation records are linked/managed • Limited-to-no data visibility across regions	• Single, consistent record IDs across ERO Enterprise • Improved record linkage (e.g., related PNCs/violations) and visibility across regions (e.g., MRREs)

Cycle 2-Enforcement Process Improvements

Topic	Current State	Future State
Tracking	• Tracking of non-monetary sanctions and other activities agreed to during settlement (e.g., above and beyond activities) is limited	• Introduction of an "obligations" section of the record to capture and track settlement activities similar to mitigating activities
Oversight	• NERC often requests supporting evidence as part of oversight which creates significant manual burden on the regions to gather and submit	• Incorporating evidence into enforcement records and improving transparency within the system will largely eliminate the burden of this activity
Forms	• Inconsistencies in the risk assessment and violation forms among regions	• Standardized forms to enable consistent output and reporting
Dismissals	• Inconsistent classification of dismissals (i.e., why something was dismissed)	• Standardized set of dismissal categories, enabling improved analytics, trending and metrics monitoring
Violation Processing	• Locating and tracking case notes from prior violations in support of processing a violation is time-consuming due to disparate storage locations	• Ability to link/reference relevant violation records as part of processing a current violation will result in meaningful efficiency gains for the regions
Record Management	• CE and FFT records are closed manually when the appropriate conditions are met (i.e., 60-day review period and mitigation are both complete)	• Opportunity to automate this process; to be explored further in design

Cycle 3-Mitigation Process Improvements

Topic	Current State	Future State
Use of Mitigation Plans vs. mitigating activities	• Mitigating activities have limited-to-no tracking capabilities in current tools • Results in Mitigation Plans being used more often than necessary (e.g., for minimal risk compliance exceptions), creating unnecessary work and complexity	• Both Mitigation Plan and mitigating activities will have similar tracking capabilities • All mitigation will begin as mitigating activities by default, with the ability to escalate to a formal Mitigation Plan when necessary • Updated guidance to reflect the changes in approach
Reporting	• Reporting and oversight for mitigation is largely manual and burdensome	• Enhanced tracking and reporting capabilities will result in meaningful efficiency gains
Revisions	• Ability to iterate and revise Mitigation Plans and mitigating activities is challenging in current tools	• Improved capabilities for entities to request revisions and for Regions to manage them
Forms	• Inconsistencies in current mitigation forms among regions	• Standardized form to capture mitigating activities and Mitigation Plans
Verification of completion	• Several Regions are verifying completion of all mitigation plans, resulting in heavy workload	• Regions can verify completion of minimal risk CE and FFT mitigation on a sample basis • Future opportunity to apply a similar sample approach to moderate and severe instances

Questions and Answers