NPCC, Inc.
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NPCC 2017 Corporate Goals

Approved by the NPCC BOD at its February 1, 2017 Meeting

In late August, 2016, the ERO Executive Management Group, the President of NERC and the Regional Entity Presidents, developed an initial draft of an ERO-wide Strategic Plan for 2017–2020. NPCC's input summarizing the NPCC Board's discussions during its early September strategy session significantly influenced the ultimate direction of that plan that was considered and approved by the NERC Board of Trustees at its November meeting.

Within the Strategic Plan's Vision statement, there is a conscious and specific reference to striving for a "highly reliable" and secure North American bulk power system. That objective is supportive of the industry's own commitment to reliability and to the significant analytics that are conducted following any disturbance in order to derive lessons learned from each other's events. Within NERC's statutory authorities this shared Vision is underpinned by a mandatory standards and compliance regime that seeks to assure an adequate level of reliability. Additionally, within the Strategic Plan's Mission statement there is a recognition that the ERO Enterprise roles in supporting the industry's "high reliability" efforts are to: identify, prioritize and effectively and efficiently assure the mitigation of risks. The five Enterprise-wide goals identified to help successfully carry out this mission include: 1) risk-responsive reliability standards; 2) objective and risk-informed compliance; 3) mitigation of current reliability risks; 4) assessment of emerging risks; and 5) effective and efficient ERO Enterprise operations.

Each of the NPCC 2017 Corporate Goals is presented in terms of its support of specific ERO goals identified in the strategy document to demonstrate complementary alignment, and are supportive of the ERO Enterprise Effectiveness Survey action plan of October 2016. The 2017 goals are an expansion of the multitude of objectives outlined in the 2017 NPCC Business Plan and Budget, which was approved by the NPCC Board on June 28, 2016 and the NERC Board on August 10, 2016. Threshold, Target and Stretch performance levels are identified as appropriate. Attainment of a previous level is a pre-requisite for credit of attainment at a higher level. In addition, each aspect of a goal has been classified as either qualitative or Qualitative and Quantitative, and a third-party reviewer has been identified to enhance auditability.

A summary of the 2017 Corporate Goals, as they were endorsed by the Management Development and Compensation Committee during their January 12, 2017 meeting and approved by the NPCC Board of Directors during their February 1, 2017 meeting, appears on the next several pages, with the full set of 2017 Corporate Goals included on the subsequent pages.

APPROVED 2017 NPCC CORPORATE GOALS

Goal	*Goal Objective and Aspects*	*Qualitative*	*Qualitative and Quantitative*	*Oversight Reviewer*
I	***Risk- Responsive Reliability Standards (Goal 1 – ERO Enterprise Strategic Plan) - (10%) Total***			
I.1 - (5%)	**Goal Objective**: Enhanced Periodic Reviews **Aspect 1 –** Represent NPCC and the Regions on the NERC Enhanced Periodic Review (EPR) Standing Team and lead NPCC Reliability Standards Committee reviews during the Enhanced Periodic Review.	***X***		***NPCC Reliability Standards Committee***
I.2 - (5%)	**Goal Objective:** Risk-Responsive Reliability Standards **Aspect 1 -** Promote and assist in the development or revision of standards which establish, results - based, cost-effective reliability requirements that are clear and practical to implement, for ensuring the Bulk Electric System is planned, operated, and maintained in a manner that achieves an adequate level of reliability for the bulk power supply. **Aspect 2:** Further the development of NERC's Cost of Risk Reduction Analysis (CRRA) and support all ERO cost-effectiveness assessment activities (e.g. pilots) for standards.	 ***X***	***X***	***NPCC Reliability Standards Committee*** ***NPCC Reliability Standards Committee***
II	***Objective and Risk-Informed Compliance Monitoring, Enforcement, and Organization Certification and Registration (Goal 2 – ERO Enterprise Strategic Plan) – (25%) Total***			
II.1 - (5%)	**Goal Objective:** Enhance Registration Data Base by Integrating ERA Results **Aspect 1:** Enhance NPCC Registration database by including NPCC Entity Risk Assessment (ERA) activities to increase efficiencies, avoid duplication, and create more usable records for use during other CMEP and certification activities. **Aspect 2:** Validate each registered entities assets (generation and transmission) and develop and maintain a searchable, confidential listing using current listings in CDAA and BESnet as the initial sources of data.	***X***	 ***X***	***NPCC Compliance Committee*** ***NPCC Compliance Committee***

APPROVED 2017 NPCC CORPORATE GOALS

Goal	*Goal Objective and Aspects*	*Qualitative*	*Qualitative and Quantitative*	*Oversight Reviewer*
II.2 -(10%)	**Goal Objective**: Expand Cyber and Physical Security Outreach; Complete Internal Control Evaluations (ICE) for all NPCC BAs, RCs, and TOPs; and Develop ICE for CIP			
	Aspect 1 – NPCC will go beyond the CIP V5 Cyber Standards and the CIP-014 Physical Security Standard by formulating an outreach program for non-nuclear generating facilities.		***X***	***NPCC Compliance Committee***
	Aspect 2 - Complete ICE for all NPCC entities registered as BA, RC and/or TOP.		***X***	***NPCC Compliance Committee***
	Aspect 3 - Develop an ICE process applicable to all of the existing CIP Standards.		***X***	***NPCC Compliance Committee***
II.3 -(10%)	**Goal Objective**: Identification and Analysis of Repeat Violations in NPCC			
	Aspect 1: Identify and analyze the degree of repeat violations that exists in NPCC Region and industry.		***X***	***NPCC Compliance Committee***
III	***Identification and Mitigation of Significant Risks to Reliability (Goal 3) - 20% Total***			
III.1 - (5%)	**Goal Objective**: Analysis of Relay Mis-operations Data			
	Aspect 1: Reduce the rate of protection system failures and mis-operations by working directly with industry relay manufacturers and neighboring Region(s). .		***X***	***NPCC Reliability Coordinating Committee***
III.2 - (5%)	**Goal Objective: Develop and Maintain Accurate System Models**			
	Aspect 1: Develop power flow and dynamics simulation base case models to realistically simulate bulk electric system behavior through a thorough and proven process that quickly and effectively provides for the investigation of major system disturbances.		***X***	***NPCC Reliability Coordinating Committee***

APPROVED 2017 NPCC CORPORATE GOALS

Goal	*Goal Objective and Aspects*	*Qualitative*	*Qualitative and Quantitative*	*Oversight Reviewer*
III.3 – (5%)	**Goal Objective**: Evaluate NPCC Reserve Margin by Application of Advanced Probabilistic Methods **Aspect 1:** Perform sensitivity analysis using a Monto-Carlo-simulated approach to illustrate the impact of the uncertainty associated with the load forecast, demand response, unit availability (for example, wind and solar power) in the calculation of NPCC reserve margins.		***X***	***NPCC Reliability Coordinating Committee***
III.4 – (5%)	**Goal Objective**: Correlate NERC Event Severity Risk Index with the Event Analysis Process Categories, and leverage the "what if" methodology to Identify Appropriate Risk and Mitigation Strategies **Aspect 1:** Perform a correlation assessment between eSRI scores of the NPCC events submitted through the ERO Event Analysis Program (EAP) and the corresponding EAP categories. **Aspect 2:** Conduct a field trial of the "what if" methodology for analysis of "near miss" events, to demonstrate how an entity would be able to utilize this simplified examination to evaluate its actual events for proximity to a more significant/impactful event under different, credible system conditions, and consequently, to encourage an entity to perform a proportionate level of analysis.		***X*** ***X***	***NERC Event Analysis Subcommittee*** ***NERC Event Analysis Subcommittee***

APPROVED 2017 NPCC CORPORATE GOALS

Goal	*Goal Objective and Aspects*	*Qualitative*	*Qualitative and Quantitative*	*Oversight Reviewer*
IV	***Identification and Assessment of Emerging Risks to Reliability (Goal 4)- 25% Total***			
IV.1 - (5%)	**Goal Objective**: Enhance Reliability Assessments to Reflect Changing Resource Mix and Effects of Distributed Energy Resources **Aspect 1:** Enhance NPCC UFLS Program to Incorporate Impacts of Changing Resource Mix and Distributed Energy Resources.		***X***	***NPCC Reliability Coordinating Committee***
IV.2 - (5%)	**Goal Objective**: Assess Risks Associated with Cross Sector Dependencies and Single Points of Disruptions **Aspect 1**: To help inform and guide NERC's proposed Special Reliability Assessment associated with cross sector dependencies, estimate the loss of load expectation (LOLE) and expected use of Emergency Operating Procedures EOPs) for NPCC (and neighboring Regions) due to unavailable gas-fired generation following reduced natural gas pipeline transportation capability to the northeast Region for a sustained, consecutive period using a multi-area probabilistic reliability approach .		***X***	***NPCC Reliability Coordinating Committee***
IV.3 - (5%)	**Goal Objective**: Evaluate the Impacts of Increasing Amounts of Distributed Energy Resources on Restoration Plans **Aspect 1:** Lead in the review/revision of NPCC Directory No. 8 – "System Restoration" to specifically addresses the reliability impacts of distributed energy resources.		***X***	***NPCC Reliability Coordinating Committee***

APPROVED 2017 NPCC CORPORATE GOALS

Goal	*Goal Objective and Aspects*	*Qualitative*	*Qualitative and Quantitative*	*Oversight Reviewer*
IV.4 - *(10%)*	**Goal Objective**: Reliability Assessments---NPCC Document A-10 *Classification of Bulk Power System Elements* **Aspect 1:** Lead a review of the A-10 methodology by the CP-11 Working Group on Review of NPCC Basic Criteria to consider any NPCC Member concerns with the existing methodology. The CP-11 Working Group review will include consideration of: 1) existing and alternative methodologies that result in a set of risk based critical facilities within NPCC; 2) improving consistency across Areas in the application and outcomes of the methodology; and 3) efficiently applying the outcome of the methodology to the applicable NPCC reliability criteria		***X***	***NPCC Reliability Coordinating Committee***

V	***Effective and Efficient ERO Enterprise Operations (Goal 5)- 20% Total***			
V.1 - (10%)	**Goal Objective:** Incorporation of NPCC Policy Input **Aspect 1:** Develop and provide, from an international Regional Entity perspective, policy direction to NERC Board of Trustees, NERC senior management, stakeholders, other Regional Entities and industry executives. Support common ERO Enterprise processes and IT solutions across NERC/Regional Entities to defray costs and promote consistency.		***X***	***NPCC Board***
V.2 - (10%)	**Goal Objective:** Financial **Aspect 1:** Develop annual business plan and budget that enables NPCC to fulfill its statutory responsibilities as outlined in the Amended Regional Delegation Agreement within resource constraints. Develop a distinct criteria services division business plan and budget and allocate costs appropriately for regionally-specific functions and services among the ISO/BAAs. Smooth annual assessments to extent possible.		***X***	***NPCC Finance and Audit Committee and Board***

APPROVED 2017 NPCC CORPORATE GOALS

I	**Risk- Responsive Reliability Standards** ***In support of ERO Enterprise Strategic Plan: Goal 1***	**Weighting:** **10% of Total**		
I-1.	**Enhanced Periodic Reviews – 5%**	**Threshold**	**Target**	**Stretch**
	Aspect 1: Represent NPCC and the Regions on the NERC Enhanced Periodic Review (EPR) Standing Team and lead NPCC Reliability Standards Committee reviews during the Enhanced Periodic Review of existing Standards to ascertain the following: • whether existing Standards are appropriately structured and adequately address existing and emerging risks to the BES and have no "gaps", reduce reliability risk and result in fewer events or less severe events • reduce reliability risk due to non-compliance • identify reviewing resource deficiencies • identify implementation issues • whether opportunities exist to incorporate Regional Standards as Variances into Continent-wide standards • whether opportunities to improve the Continent-wide standard exist to allow retirement of Criteria or Regional Standards • to ensure NPCC Criteria are necessary to implement, augment, or to comply with NERC Standards as outlined in the NERC Rules of Procedure Section 313.	Develop template and questions for 2017 EPR of Standards, present to Regional Standards Committee for endorsement - by 6/17 Coordinate input from other Regions and review all standards with Enhanced Periodic Review Team to produce Standards Grade for all Requirements chosen to be graded for 2017, present summary report to NERC Reliability Standards Subcommittee for endorsement - by 10/17	Submit proposed enhanced revisions, regarding format and content, for the NERC 2018-2020 Reliability Standards Development Plan- to NERC Staff - by 8/17 Refine and revise the 2017 EPR Standing Review Team template for 2018 to coordinate and leverage Regional input for quality and content - by 11/17	Coordinate with the other Regions to provide collective input to proposed revisions to Section 7 (Request for Interpretation), and Section 11 (Process for Developing Supporting Documents), of the NERC Standards Process Manual by 6/17 Obtain industry approval of revised Sections 6 (Field Test), Section 7 and Section 11 from industry stakeholders - by 12/17

NPCC, Inc.

APPROVED 2017 NPCC CORPORATE GOALS

I-2.	Risk-Responsive Reliability Standards – 5%	Threshold	Target	Stretch
	Aspect 1: Promote and assist in the development or revision of standards which establish results based, cost-effective reliability requirements that are clear and practical to implement, for ensuring the Bulk Electric System is planned, operated, and maintained in a manner that achieves an adequate level of reliability for the bulk power supply.	Develop NPCC regional entity ballot recommendations and comments for 100% of NERC Reliability Standards under development or revision - by 12/17	Develop a draft of the CRRA process for approval by the NERC SC to review incorporating lessons learned from all pilots conducted to date - by 12/17	Participate in Project 2013-3 Geomagnetic Magnetic Disturbance. Attain NERC's standard drafting team acceptance of all NPCC's Regional Standards Committee significant adverse reliability related issues, consistent with addressing FERC Directives - by 12/17
	Aspect 2: Further the development of NERC's Cost of Risk Reduction Analysis (CRRA) and support all ERO cost-effectiveness assessment activities (e.g. pilots) for standards.	Participate in NERC industry group(s) to further develop the processes for cost effectiveness analysis and participate on all future pilots of the processes. Present regular status reports to RSC – by 12/17	In conjunction with NERC Staff, conduct the remaining Phase of CRRA on the pilot for the Single Points of Failure project - by 12/17	Develop and draft a cost-effective revision to the PRC-006-NPCC-01 "Automatic Underfrequency Load Shedding" regional standard and post for comment - by 12/17

APPROVED 2017 NPCC CORPORATE GOALS

II	**Objective and Risk-Informed Compliance Monitoring, Enforcement, and Organization Certification and Registration** ***In support of ERO Enterprise Strategic Plan: Goal 2***	**Weighting: 25% of total**		
II-1.	**Enhance Registration Data Base by Integrating ERA Results – 5%**	**Threshold**	**Target**	**Stretch**
	Aspect 1: Enhance NPCC Registration database by including NPCC Entity Risk Assessment (ERA) activities to increase efficiencies, avoid duplication, and create more usable records for use during other CMEP and certification activities.	Develop and document a procedure to maintain verified registration records. Identify and document two potential CMEP efficiencies that result from the verifications - by 6/17	Verify the corporate ownership, affiliated registered entities, and shared compliance programs among affiliated registered entities for each NPCC entity. Recommend consolidated registration where appropriate. Present report to NPCC Compliance Committee- by 9/17	Verify the functional mapping of each NPCC registered entity. Functional mapping identifies the RC, BA, TOP, GOP and PC for each NPCC registered entity. Develop and present report to the NPCC Compliance Committee and NERC -by 12/17
	Aspect 2: Validate each registered entities assets (generation and transmission) and develop and maintain a searchable, confidential listing using current listings in CDAA and BESnet as the initial sources of data.	Develop a Compliance Procedure for the NPCC validation of each registered entities assets, both generation and	Review and validate all registered entities assets and compile listing as per approved	Review and validate all registered entities assets and compile listing as per approved Compliance Procedure. Present

		transmission and the maintenance of a current, validated listing. Procedure would also include maintenance and destruction processes. Present Compliance Procedure to NPCC Compliance Committee for review and comment - by 3/17	Compliance Procedure. Present summary report to NPCC Compliance Committee for information - by 12/17	summary report to NPCC Compliance Committee for information - by 10/17
II-2.	**Expand Cyber and Physical Security Outreach; Complete Internal Control Evaluations (ICE) for all NPCC BAs, RCs, and TOPs and Develop ICE for CIP – 10%**	**Threshold**	**Target**	**Stretch**
	Aspect 1: NPCC will go beyond the CIP V5 Cyber Standards and the Physical Security Standard by formulating an outreach program to registered entities, targeting significant non-nuclear generating sites.	Develop a physical and cyber security outreach program for generating sites and present to CC - by 4/17	Complete physical and cyber outreach to 2 sites and provide feedback reports - by 7/17	Complete 4 additional outreach assessments, provide feedback to entities, and non-confidential results and recommendations to CC - by 12/17
	Aspect 2: Complete ICE for all NPCC entities registered as a BA, RC and/or TOP.	Complete ICE for two NPCC entities registered as BA, RC, and/or TOP -	Complete 1 additional ICE for NPCC entity registered as BA,	Complete 1 additional ICE for NPCC entity registered as BA,

	Aspect 3: Develop an ICE process applicable to all of the existing CIP Standards.	by 7/17 Develop an ICE process specific to CIP standards - by 5/17	RC, or TOP - by 10/17 Present the NPCC process/approach for CIP ICE at the 2017 NPCC Spring Workshop	RC, and TOP - by 12/17 Perform CIP ICE on two volunteer entities who have undergone a CIP onsite audit - by 12/17
II-3.	**Identification and Analysis of Repeat Violations in NPCC – 10%**	**Threshold**	**Target**	**Stretch**
	Aspect 1: Identify and analyze of the degree of repeat violations that exists in NPCC Region and the industry.	Establish an ERO-wide criteria for defining a repeat violation. Identify the number of entities that have had repeat violations. Review with each their mitigation plans to ascertain why their mitigation did not prevent reoccurrence. Present a report on identified root causes to the NPCC CC -by 6/17	Identify any trends in the occurrence of Repeat violations. Present results of the above analysis to the NERC Enforcement Group. Along with a scope of work to propose that all Regions perform this analysis and that the results are analyzed and an ERO wide report generated – by 9/17	Compare mitigation plans to those other entities who have not had repeat violations for same standard and develop set of best practices which could be shared. Present a report to the NPCC Compliance Committee for their comments by 3rd quarter and present during the Fall workshop

APPROVED 2017 NPCC CORPORATE GOALS

III	**Identification and Mitigation of Significant Risks to Reliability**	**Weighting; 20% of Total**		
III-1.	**Analysis of Relay Mis-operations Data – 5%** ***In support of ERO Enterprise Strategic Plan: Goal 3***	**Threshold**	**Target**	**Stretch**
	Engage industry, forums, and technical committees in identifying and mitigating risks of protection system mis-operations. **Aspect 1:** Reduce the rate of protection system failures and mis-operations by working directly with industry relay manufacturers and neighboring Region(s).	Share NPCC practice and experience identifying leading causes of protection system failures and mis-operations with neighboring Regions and relay manufacturers through participation in industry forums and Regional workshops – by 12/17	Conduct a comparative assessment of neighboring Regions' protection system mis-operations using the data submitted via MIDAS. Share the assessment with the neighboring Region and the RCC - by 9/17	Propose protection system mis-operations corrective action plans with relay vendors and registered entities to mitigate the type and number of identified protection system mis-operations. Present to the RCC - by 12/17
III-2.	**Develop and Maintain Accurate System Models – 5%**	**Threshold**	**Target**	**Stretch**
	Develop guidelines to maintain accurate system models that include the resources (synchronous and inverter based), load, and controllable devices providing essential reliability services. **Aspect 1:** Develop power flow and dynamics simulation base case models to realistically simulate bulk electric system	Conduct the basic steps of the data gathering, data verification, data conversion and transmittal steps in	Conduct a field trial of the process by building a power flow case replicating system conditions at a	Conduct field trial of the procedure and process by utilizing the power flow case to assemble a dynamics case.

	behavior through a thorough and proven process that quickly and effectively provides for the investigation of major system disturbances. This involves coordination of: 1) event real-time data collection; 2) data conversion and data transmittal to the designated study software (PSS/e power flow); 3) study case assembly and successful solution; and, 4) study case validation.	the event replication case building process. Report progress to the RCC - by 6/17	selected time. Verify the accuracy of the results to the actual system conditions. Report to RCC - by 9/17	Report to RCC - by 12/17
III-3.	**Evaluate NPCC Reserve Margin by Application of Advanced Probabilistic Methods – 5%**	**Threshold**	**Target**	**Stretch**
	Develop advanced and probabilistic methods to evaluate resource adequacy. **Aspect 1:** Perform sensitivity analysis using a Monto-Carlo-simulated approach to illustrate the impact of the uncertainty associated with the load forecast, demand response, unit availability (for example, wind and solar power) in the calculation of NPCC reserve margin.	Report the results of the sensitivity analysis for the year 2017 to the RCC - by 6/17	In addition, report results of the sensitivity analysis for the year 2019 to the RCC - by 9/17	In addition, report the results of the sensitivity analysis results for the year 2021 to the RCC - by 12/17
III-4.	**Correlate NERC Event Severity Risk Index with the Event Analysis Process Categories, and leverage the "what if" methodology to Identify Appropriate Risk and Mitigation Strategies – 5%**	**Threshold**	**Target**	**Stretch**
	Analyze system performance, events, and relationships among data sources to identify risks and mitigation strategies, and provide recommendations and lessons learned. **Aspect 1:** Perform a correlation assessment between eSRI scores of the NPCC events submitted through the ERO Event Analysis Program (EAP) and the corresponding EAP defined categories.	Perform an assessment of all NPCC 2015 events. Present to the RCC – by 6/17	Perform an assessment of all NPCC 2015, 2016 and 2017 events, received by the end of 1st quarter of 2017. Present to the RCC – by 9/17	Present the findings of the analysis to the Event Analysis Subcommittee (EAS) for their consideration of possible EAP

	Aspect 2: Conduct a field trial of the "what if" methodology for analysis of "near miss" events, to demonstrate how an entity would be able to utilize this simplified examination to evaluate its actual events for proximity to a more significant/impactful event under different, credible system conditions, and consequently, to encourage an entity to perform a proportionate level of analysis.	Analyze two NPCC events and evaluate the results of the analysis. Present to the RCC – by 6/17	Analyze three NPCC/NERC events and evaluate the results of the analysis. Present to the RCC – by 9/17	Category modifications – by 12/17 Demonstrate the results of the analysis to NERC Staff on EAS for possible incorporation into the ERO EA program – by 12/17
IV.	**Identification and Assessment of Emerging Risks to Reliability** ***In support of ERO Enterprise Strategic Plan: Goal 4***	**Weighting; 25% of Total**		
IV-1.	**Enhance Reliability Assessments to Reflect Changing Resource Mix and Effects of Distributed Energy Resources - 5%**	**Threshold**	**Target**	**Stretch**
	Enhance reliability assessments to reflect changing resource mix behavior, including distributed energy resources and essential reliability services. **Aspect 1:** Enhance NPCC UFLS Program to Incorporate Impacts of Changing Resource Mix and Distributed Energy Resources.	Develop the Terms of Reference for the NPCC UFLS assessment taking into account of changing resource mix for RCC – by 3/17	Preliminary Base Case NPCC UFLS program assessment results presented to the RCC – 9/17	Complete the NPCC UFLS program assessment; report results and recommendations to the RCC – 12/17

APPROVED 2017 NPCC CORPORATE GOALS

IV-2.	Assess Risks Associated with Cross Sector Dependencies and Single Points of Disruptions – 5%	Threshold	Target	Stretch
	Assess risks associated with cross sector dependencies and single points of disruptions. **Aspect 1:** To help inform and guide NERC's proposed Special Reliability Assessment associated with cross sector dependencies, estimate the loss of load expectation (LOLE) and expected use of Emergency Operating Procedures EOPs) for NPCC (and neighboring Regions) due to unavailable gas-fired generation following reduced natural gas pipeline transportation capability to the northeast Region for a sustained, consecutive period using a multi-area probabilistic reliability approach.	Report findings for the year 2017 to the RCC - by 6/17	In addition, report findings for the year 2019 to the RCC - by 9/17	In addition, report findings for the year 2021 to the RCC - by 12/17

IV-3.	Evaluate the Impacts of Increasing Amounts of Distributed Energy Resources on Restoration Plans – 5%	Threshold	Target	Stretch
	Evaluate the reliability impacts of distributed energy resources on planning, operations, and restoration and recovery, including the identification of data and information sharing needs. **Aspect 1:** Lead in the review/revision of NPCC Directory No. 8 – "*System Restoration*" to specifically address the reliability impacts of distributed energy resources.	Review comments received from posting, develop responses to those comments. Report to the TFCO - by 4/17	Re-post for industry review. Receive and incorporate comments. Report to the TFCO - by 10/17	Prepare a final revision of Directory No. 8. Submit the final revision to the TFCO. Present to the RCC for approval – by 12/17

APPROVED 2017 NPCC CORPORATE GOALS

IV-4.	**Reliability Assessments---NPCC Document A-10 *Classification of Bulk Power System Elements* – 10%**	**Threshold**	**Target**	**Stretch**
	Perform a comprehensive review and update of the NPCC Document A-10 "*Classification of Bulk Power System Elements*" in order to enhance the consistent application of a methodology that effectively identifies those critical facilities required to meet applicable NPCC reliability criteria. **Aspect 1:** NPCC staff leads a review of the A-10 methodology by the CP-11 Working Group on Review of NPCC Basic Criteria to consider NPCC Member concerns with the existing methodology. The CP-11 Working Group review will include consideration of: 1) existing and alternative methodologies that result in a set of risk based critical facilities within NPCC; 2) improving consistency across Areas in the application and outcomes of the methodology; and 3) efficiently applying the outcome of the methodology to the applicable NPCC reliability criteria.	CP-11 Working Group Scope of Work - finalized by 3/17	Action Plan consistent with the Scope of Work in order to conduct the review - developed by 6/17	Develop and recommend methodologies for effectively identifying those critical facilities that are required to meet the applicable NPCC reliability criteria - present recommendation to the RCC for subsequent consideration by Full Members - by 12/17

APPROVED 2017 NPCC CORPORATE GOALS

V.	**Effective and Efficient ERO Enterprise Operations** ***In support of ERO Enterprise Strategic Plan: Goal 5***	**Weighting; 20% of Total**		
V-1.	**Incorporation of NPCC Policy Input – 10%**	**Threshold**	**Target**	**Stretch**
	Aspect 1: Develop and provide, from an international Regional Entity perspective, policy direction to NERC Board of Trustees, NERC senior management, stakeholders, other Regional Entities and industry executives. Support common ERO Enterprise processes and IT solutions across NERC/Regional Entities to defray costs and promote consistency in relay mis-operation reporting and analysis, and document management.	Incorporation by NERC of at least 60% of NPCC Board approved policy input – by 12/17	Incorporation by NERC of at least 75% of NPCC Board approved policy input – by 12/17	Incorporation by NERC of at least 90% of NPCC Board approved policy input – by 12/17
V-2.	**Financial – 10%**	**Threshold**	**Target**	**Stretch**
	Aspect 1: Develop annual business plan and budget that enables NPCC to fulfill its statutory responsibilities as outlined in the Amended Regional Delegation Agreement within resource constraints. Develop a distinct criteria services division business plan and budget and allocate costs appropriately for regionally-specific functions and services among the ISO/BAAs. Smooth annual assessments to extent possible. Emphasize succession planning through employee development by providing opportunities for training in technical; management; communication; and team skills. Manage actual expenses within +/- budget amounts, excluding any significant unanticipated expenses to efficiently accomplish corporate goals and successfully achieve corporate objectives.	Reprioritize resources to achieve emerging requirements, operate within 103% of the initial 2017 Budget as well as any Board approved applications from operating cash reserves – by 12/17	Reprioritize resources to achieve emerging requirements and operate within the initial 2017 Budget as well as applications approved by the Board from operating cash reserves – by 12/17	Reprioritize resources to achieve emerging requirements, operate within 98% of the initial 2017 Budget as well as applications approved by the Board from operating cash reserves. - by 12/17