



## Approved NPCC 2020 Corporate Reliability Goals

NPCC is committed to the **vision of a highly reliable and secure North American bulk power system (BPS)**. NPCC's specific role in support of the overall ERO Enterprise mission is to assure the effective and efficient reduction of risks to the reliability, resilience, and security of the international BPS within Northeastern North America. The *ERO Enterprise Long Term Strategy* cites four Enterprise-wide value drivers, and identifies five key strategic focus areas and desired outcomes during a five to seven year horizon.

NPCC's historical and ongoing corporate culture fully supports the Enterprise-wide value drivers of: organizing and deploying top talent; developing and delivering innovative and risk-based programs and tools; collaborating effectively with industry and other stakeholders; while maintaining independence and objectivity. The attainment of NPCC's organizational excellence objectives of: diversity and inclusiveness; integrity and ethics; accountability, adaptability and innovation are foundational to NPCC's reliability efforts, and can act to increase or reduce the attainment level of corporate performance.

To facilitate implementational alignment with the *ERO Enterprise Long term Strategy's* key focus areas, the NPCC Board has established a *Working Draft Strategic Plan* that looks ahead three to five years to successfully position NPCC, as an international Regional Entity, to be able to proactively deliver its services in light of ongoing structural changes in the electricity industry, growing reliability interdependencies, and rapidly evolving challenges and opportunities that can alter how the NPCC corporation achieves its reliability objectives in the future. Included in the *Working Draft Strategic Plan* are a number of tactical initiatives intended to ensure that NPCC's planning, resources, budget, and reliability assurance efforts align with and add value to its stakeholders and the ERO Enterprise.

Each of the NPCC 2020 Corporate Reliability Goals is presented in terms of support of a Strategic Focus Area within the NPCC *Working Draft Strategic Plan*. The proposed NPCC 2020 Corporate Reliability Goals are an expansion of the multitude of objectives outlined in the Board, NERC and FERC approved *NPCC 2020 Business Plan and Budget*. For each NPCC Goal, Threshold and Target performance levels are identified. Attainment of a previous performance level is a prerequisite for credit of attainment at a higher performance 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 support objectivity and enhance auditability.

A summary of the proposed NPCC 2020 Corporate Reliability Goals appears on the next page, with the full set of supporting milestones for the NPCC 2020 Corporate Reliability Goals included on the subsequent pages.



## NPCC 2020 CORPORATE RELIABILITY GOALS

<i>Goal</i>	<i>Goal Objectives</i>	<i>Qualitative</i>	<i>Qualitative and Quantitative</i>	<i>Oversight Reviewer</i>
<b>IA - (15%)</b>	<b>Goal Objective: Enhance System Resilience</b> <i>Identify the contributions to reliable operations and resilience made by compliance with Reliability Standards, and implementation and assessment of NPCC's Regionally-specific Reliability Criteria.</i>	<i>X</i>	<i>X</i>	<i>Reliability Coordinating and Compliance Committees</i>
<b>IB - (30%)</b>	<b>Goal Objective: Assure Energy Sufficiency</b> <i>Assess critical infrastructure interdependencies, as well as other common mode failure and single points of failure scenarios.</i>	<i>X</i>	<i>X</i>	<i>Reliability Coordinating Committee</i>
<b>II - (30%)</b>	<b>Goal Objective: Reliably Integrate Distributed Energy Resources (DER)</b> <i>Coordinate and facilitate further development of NPCC's DER guideline document to identify how DER may be deployed to optimize reliability.</i>	<i>X</i>	<i>X</i>	<i>Regional Standards and Reliability Coordinating Committees</i>
<b>III - (25%)</b>	<b>Goal Objective: Address Cyber and Physical Security Threats</b> <i>Identify and collaboratively advance better proactive approaches to mitigating cyber and physical security threats.</i>	<i>X</i>	<i>X</i>	<i>Reliability Coordinating and Compliance Committees</i>



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IA.	<b>Enhance System Resilience</b>	<b>Weighting: 15% of Total</b>	
	Identify the contributions to reliable operations and resilience made by compliance with ERO Reliability Standards, and implementation and assessment of NPCC’s Regionally-specific Reliability Criteria.	<b>Threshold</b>	<b>Target</b>
IA-1.  (5%)	Analyze system performance and system robustness through trending of extreme contingency testing using alternative metrics for measuring system strength results.	<p>Trend NPCC extreme contingency test data from approved NPCC Area Transmission Reviews and prior NPCC Overall Transmission Assessments to assess system strength/robustness.</p> <p>Provide status report to RCC – by 9/20.</p>	<p>Quantify system strength/robustness margins as a potential system resilience metric, based on the results of 2020 NPCC Overall Transmission Assessment</p> <p>Present findings to RCC – by 12/20.</p>
IA-2.  (5%)	Provide entity outreach on recommended self-assessment actions that will assist in mitigating identified O&P noncompliance trends to prompt increases in early risk assessment, mitigation activities, and self-reporting.	<p>Develop a compliance bulletin and conduct targeted outreach on identified O&amp;P noncompliance trends.</p> <p>Present draft to CC - by 3/20. Perform outreach on non-compliance trends in 1<sup>st</sup> and 2<sup>nd</sup> quarter to all entities on 2020 audit schedule. Post compliance bulletin to</p>	<p>Present concept of the targeted registered entity outreach and the bulletin at May workshop and present status of efforts to CC - by 6/20. In 3<sup>rd</sup> quarter 2020, contact all GOs on 2021 audit schedule to review and enhance and their audit preparation by 11/20. Report on results of the</p>



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		website by 4/20. Provide compliance outreach to all NPCC entities via Webinar - by 5/20.	2020 outreach at Fall workshop and to CC - by 12/20.
IA-3. (5%)	Strengthen the self-logging and self-reporting programs to enhance registered entities' internal compliance processes and to streamline enforcement actions for minimal risk issues.	Enhance the self-logging and self-reporting programs and identify additional self-logging aspects to entice entities to remain and/or request such program privileges.  Present concept to CC - by 3/20. Present suggestions for potential program revisions at May workshop and to CC - by 6/20.	Review the internal compliance programs of all self-reporting and self-logging entities. Present status report of program reviews to CC - by 9/20.  Present best practice examples at Fall Workshop. Present results via webinar - by 11/20 and to CC - by 12/20.
<b>I-B.</b>	<b>Assure Energy Sufficiency</b>	<b>Weighting: 30% of total</b>	
	Assess critical infrastructure interdependencies, as well as other common mode failure and single points of failure scenarios.	<b>Threshold</b>	<b>Target</b>
IB-1. (20%)	Evaluate the applicability of alternative resource adequacy metrics, with significant DER/renewable penetration and load variability.	Present approach, scenarios, and assumptions to the RCC – by 5/20.	Report comparison of the alternative resource adequacy metrics to the RCC - by 12/20.



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<p>IB-2.  (10%)</p>	<p>Enhance the reference document on restoration plans to evaluate the impacts of critical infrastructure interdependencies on a consistent basis.</p>	<p>Identify the critical infrastructure interdependencies' to be considered during restoration activities to include in a reference document.</p> <p>Present the developed reference document to the RCC – by 9/20.</p>	<p>Using the developed reference document, pilot a high-level review of selected NPCC entities' restoration plans.</p> <p>Report findings to the RCC - by 11/20.</p>
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<b>II.</b>	<b>Reliably Integrate Distributed Energy Resources (DER)</b>	<b>Weighting: 30% of Total</b>	
	Coordinate and facilitate further development of NPCC's DER guideline document to identify how DER may be deployed to optimize reliability.	<b>Threshold</b>	<b>Target</b>
<p>II-1.  (20%)</p>	<p>Coordinate the development of Version 2 of NPCC's Regional approach to DER guidance document to focus on optimizing reliability and system resilience using DER resources and also promulgate information and promote discussions regarding technological capabilities which can contribute to enhanced BES performance and operability through the NPCC DER Forum.</p>	<p>Develop Version 2 of NPCC's Regional approach to reliability guideline for DER to focus on optimizing the reliability of the BES with DER, coordinating with NERC and IEEE, and post for industry comment – by 9/20.</p> <p>Participate in State and Provincial regulatory</p>	<p>Conduct three DER Forums under the RSC and expand coordination activities on DERs with NERC, NAGF, EEI, FERC and NARUC - by 12/20.</p> <p>Obtain RSC approval of Version 2 of NPCC's coordinated Regional approach to DER guidance</p>



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		activities pertaining to DER throughout 2020.	document - by the end of 12/20.
II-2. (5%)	Improve the process for the timely updating of generator models in dynamic cases, emphasizing the accurate modeling of distributed energy resources.	Develop a modeling workshop involving NPCC planning coordinators and generator owners to identify potential improvements in dynamic models.  Present the developed workshop to the RCC – by 5/20.	Conduct the modeling workshop – by 9/20.  Report “lessons learned” to RCC – by 12/20.
II-3. (5%)	Enhance the consistency of the short-circuit modeling practices used within the NPCC Areas.	Compare short-circuit fault calculations of NPCC Areas to determine the consistency at a given common bus location.  Present the results to the RCC – by 9/20.	Identify opportunities for enhancing consistency.  Recommend modeling improvements to RCC – by 11/20.
<b>III.</b>	<b>Address Cyber and Physical Security Threats</b>	<b>Weighting; 25% of Total</b>	
	Identify and collaboratively advance better practice approaches to mitigating cyber and physical security threats.	<b>Threshold</b>	<b>Target</b>
III-1. (10%)	Organize and facilitate cyber-security training for system operators in order to improve NPCC members’ security posture and response capabilities.	Coordinate and organize system operator training to enhance operator	Conduct training during Fall of 2020 at an NPCC operating entity



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		<p>preparedness against a cyber event.</p> <p>Present an overview of the developed training to the RCC - by 9/20.</p>	<p>with operating and cyber response personnel.</p> <p>Report observations and feedback, along with recommendations from the pilot to the RCC – by 11/20.</p>
<p>III-2. (10%)</p>	<p>Facilitate risk mitigation associated with cyber supply chain and cyber vendor management issues prior to July 1 effective date of CIP-013 Reliability Standard.</p>	<p>Identify and evaluate management approaches associated with cyber supply chain management and cyber vendor management. Provide status report to CC - by 3/20. Provide webinar to industry - by 5/20.</p>	<p>Assess initial supply chain and vendor management implementation practices through 3<sup>rd</sup> quarter 2020. Provide CC status report - by 9/20</p> <p>Present at Fall workshop - by 11/20.</p>
<p>III-3. (5%)</p>	<p>Expand NPCC physical security programs and activities, including increase coordination and collaboration with the critical cross-sectors to mitigate interdependencies’ risk in the areas of physical security.</p>	<p>Identify threat trends and recommended mitigations in Physical security area, leveraging smart practices guidance document.</p> <p>Present to the RCC - by 9/20.</p>	<p>Report recommendations to improve identified critical cross-sector physical security risk to the RCC - by 11/20</p>

Approved by NPCC Board of Directors  
January 29, 2020