Antitrust Admonition

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Notice of this meeting was posted on the Texas RE website and the open portion of this meeting is being held in public. Participants should keep in mind that the listening audience may include members of the press, representatives from various governmental authorities, and industry stakeholders.

Reliability 201: CMEP Feedback Loop

Upcoming Sessions

June 3 – History and Introduction to Texas RE

June 4 – Registration & Certification

June 5 – Intro to Align

June 6 – Risk-Based Approach to Reliability

June 10 – Foundations of CIP Programs

June 11 – Foundations of O&P Programs

June 12 – Navigating Noncompliance Resolutions

June 13 – NERC Data Collection, Events Analysis, and Guidelines

June 17 – Reliability 201: CIP

June 18 – Reliability 201: O&P

June 24 – Reliability 201: CMEP Feedback Loop

June 25 – Reliability 201: Compliance in Align Walkthrough

June 25 – Reliability 201: Reliability Services

JUNE 2024

SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26 talk with TEXAS RE	27 talk with TEXAS RE	28	29
30						

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TEXAS RE
Ensuring electric reliability for Texans

Cyber and Physical Security Workshop
August 28, 2024

Upcoming ERO Enterprise Events

NERC NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION		**SERC**	**WECC**
May - July, 2024	**June 27, 2024**	**July 16-18, 2024**	**August 13-15, 2024**
GADS Wind & Solar Template and Application Training	Regional Summer Assessment Webinar	Physical Security Workshop	Power Systems Security Conference

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Reliability 201: CMEP Feedback Loop

Compliance
Monitoring
Enforcement
Program

The program is focused on identifying, prioritizing, and addressing risks to the Bulk Power System (BPS)

CMEP Feedback Loop

Refers to the life cycle of Compliance Monitoring and Enforcement of entities

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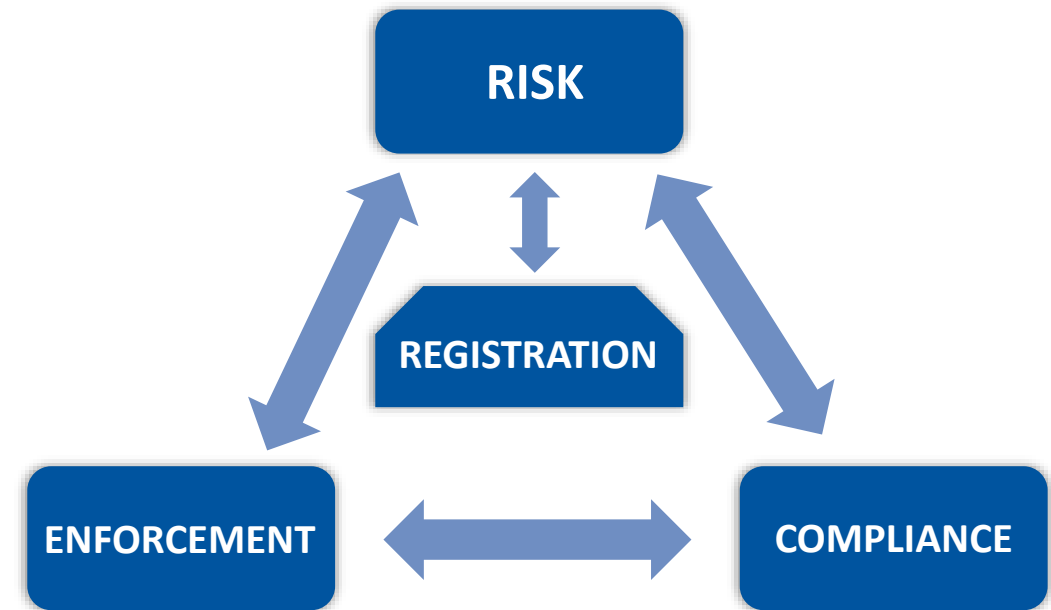
Registration & Certification

The onboarding ramp for the CMEP Feedback Loop

Works to clearly identify and register BPS users, owners, and operators who are responsible for performing specified reliability functions

Ensures that all entities have the tools, processes, training, and procedures to meet the applicable requirements of NERC Reliability Standards

Key Deliverables:

- Information about entity's profile, Facilities, capabilities, internal controls, compliance culture
- Information about any changes to the registered entity

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Risk Assessment

Risk-based Compliance Monitoring acknowledges that the reliability risk is not the same for all registered entities

Key Deliverables:

- Inherent Risk Assessment (IRA)
- Internal Control Evaluation
- Compliance Oversight Plan (COP)

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Compliance Monitoring

Compliance Monitoring refers to the process used to investigate, evaluate, and audit to measure compliance

Methods used to carry out compliance functions:

- Compliance Audits
- Spot Checks
- Self-Certifications

- Data Submittals
- Self-Identification
- Compliance Investigations

Key Deliverables:

- Recommendations, Areas of Concern, Potential Noncompliance (PNC)

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Enforcement

The process used to issue sanctions and ensure mitigation of violations of NERC Reliability Standards

Entities found in violation of a Standard must submit a mitigation plan or mitigation activities

Key Deliverables: Disposition of a Violation

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CMEP Feedback Loop

Registration to Risk

Gives registered entity profile, Facility information, capabilities, internal controls, ICP and compliance culture, etc.

Takes in changes to registered entity (such as additions to joint registrations or addition of new function(s) for registered entity).
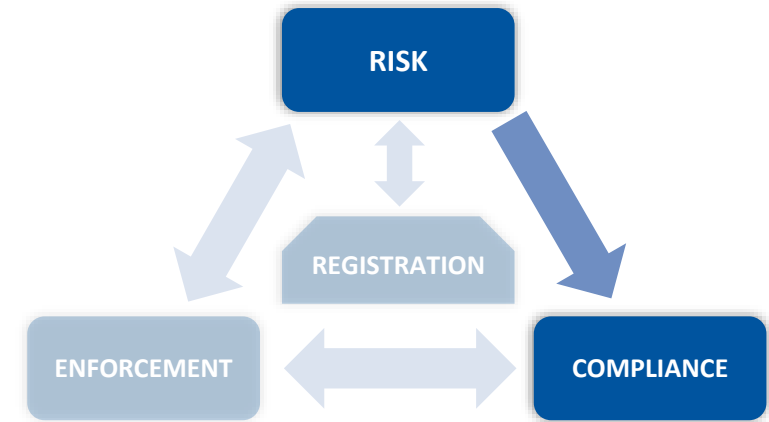
Risk uses this information to develop COPs, IRAs, and internal controls evaluations

RISK

REGISTRATION

ENFORCEMENT

COMPLIANCE

Risk to Compliance

COPs, IRAs, internal controls evaluations, and entity questionnaire responses are used to:

RISK

REGISTRATION

ENFORCEMENT

COMPLIANCE

| Determine type of engagement	Schedule engagements	Decide timeframes between engagement monitoring tools	Determine the engagement scope
	Determine Standards and Requirements evaluated in engagement	Determine sampling, strategies, and focus of engagement	

CMEP Feedback Loop
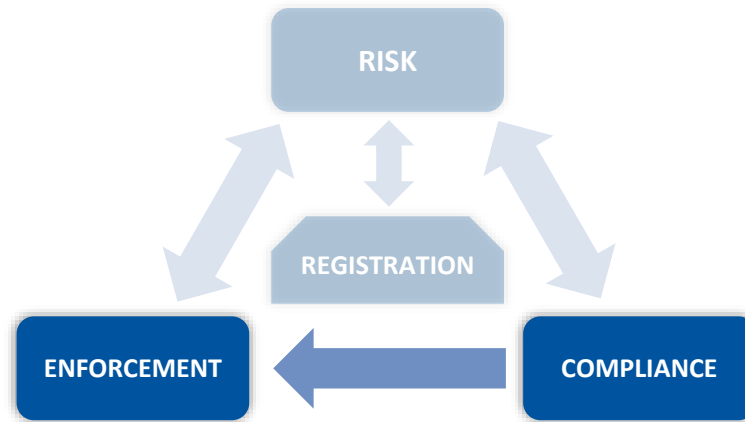
Compliance to Enforcement

Enforcement takes in Potential Noncompliance (PNC) from engagement findings and all information gathered from engagement findings

Uses this information to ensure mitigation and appropriate disposition processing with NERC and FERC
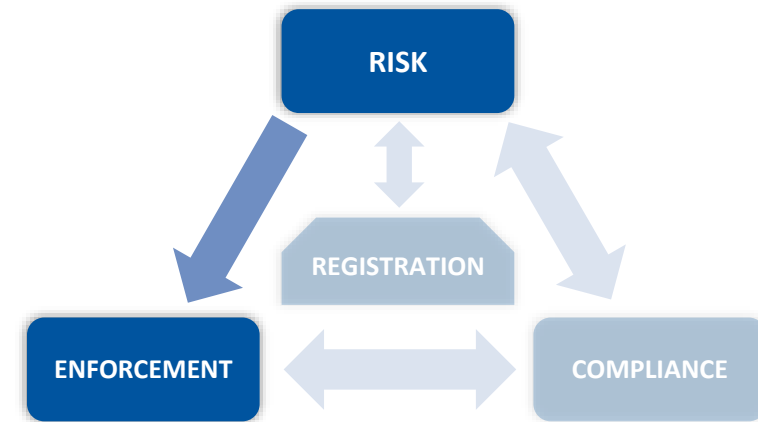
Risk to Enforcement

Enforcement takes in COP, IRA, internal controls evaluation, and questionnaire responses

Uses this information to evaluate PNCs and use as factors in enforcement outcomes
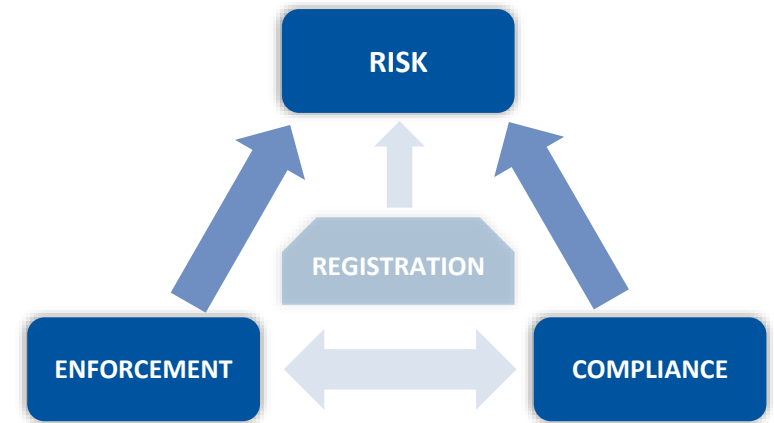
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CMEP Feedback Loop

The Feedback Loop

Risk Assessment actively evaluates data collected during compliance engagements and enforcement actions to inform future iterations of IRAs and COPs

Closes the loop; you get a new COP after new information is gained from engagement and enforcement processes

New COP will be created on a periodic basis, or a Risk Assessment can be triggered by a specific occurrence to reevaluate existing COP and prepare a new one

RISK

REGISTRATION

ENFORCEMENT

COMPLIANCE

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Questions?

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