

## Oversight Trends Update

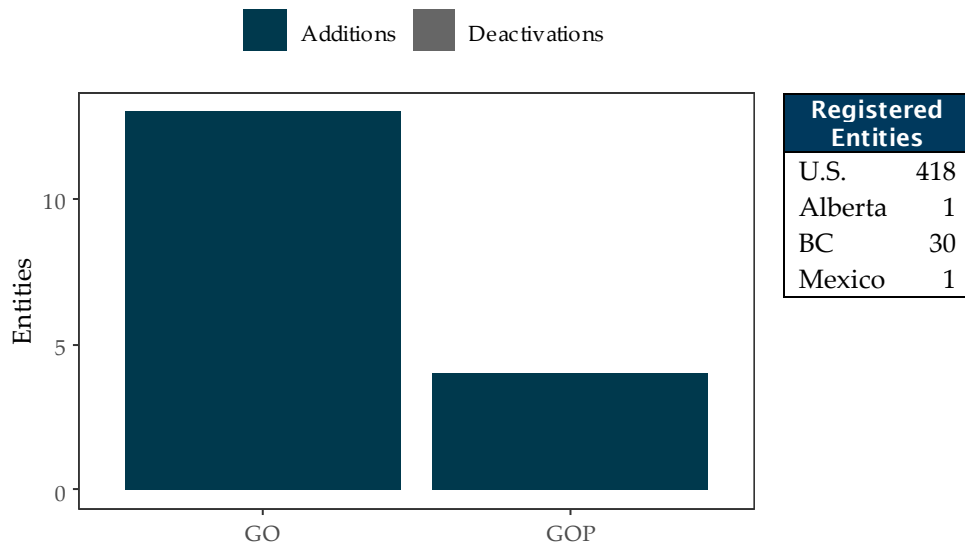
Data as of August 1, 2023

This report highlights recent Reliability and Security Oversight data and trends. WECC shares these updates to provide an interconnection-wide context for registered entity compliance programs. Data is preliminary and subject to change in future reports. Contact [oversight@wecc.org](mailto:oversight@wecc.org) with questions.

### Registration Changes

WECC analyzes requests to add or deactivate functional responsibility as well as footprint changes and other registration updates. Trends in registration requests reflect the Western Interconnection’s dynamic and evolving risk landscape. The ERO Enterprise is preparing to register owners and operators of additional inverter-based resources (IBR) in accordance with NERC’s work plan.

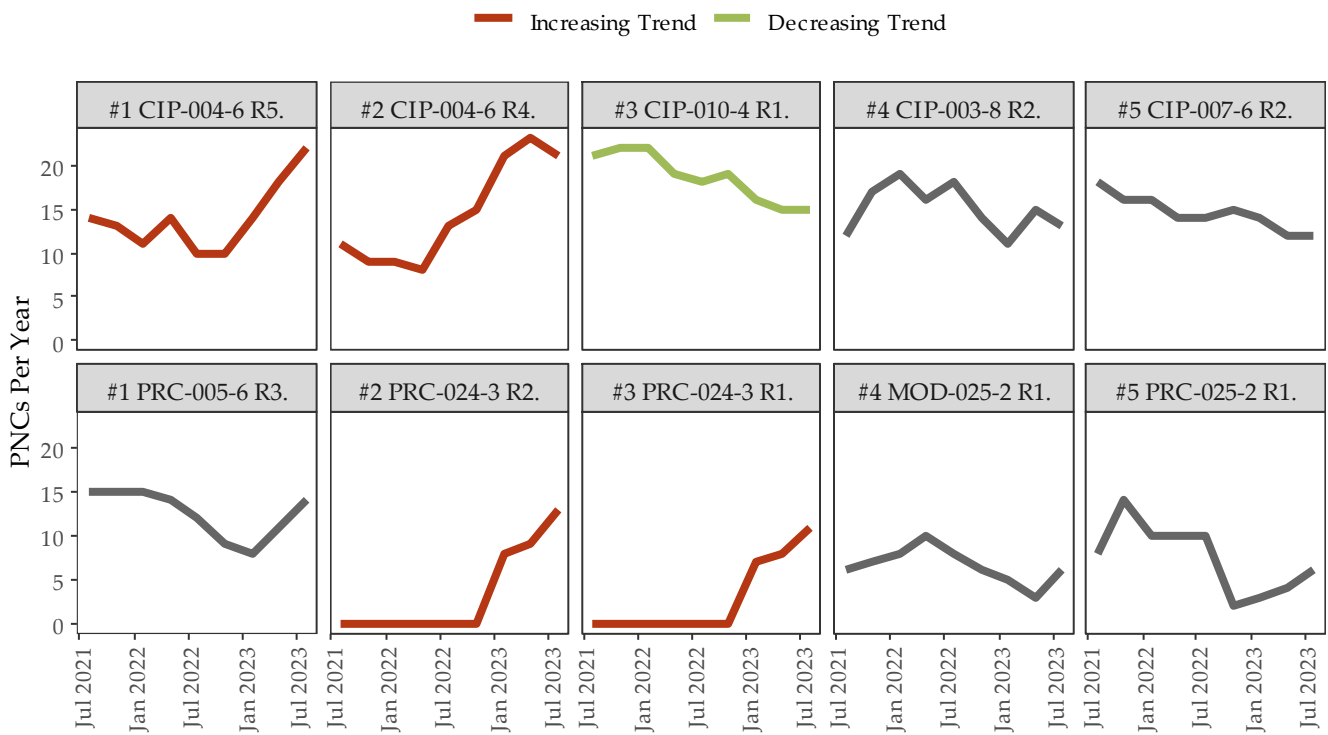
**Observation:** All functional responsibility changes in the last 12 months have been solar resource additions. This is consistent with trends observed across the U.S. Currently, Generator Owners (GO) and Generator Operators (GOP) make up two-thirds of WECC registered entities.



## Most-Reported Requirements

Many factors drive self-report frequency: the strength of industry preventive and detective internal controls, implementation of new standard versions, and compliance program issues shared by multiple related entities. An increase in frequency does not always indicate a reliability concern but can identify areas of interest for further investigation.

**Observation:** Recent increases in CIP personnel and training (CIP-004) were driven in part by multiple self-reports from a small number of entities. Entities affected by frequency and voltage protection (PRC-024) issues often share a program, so one instance of potential noncompliance (PNC) can result in a self-report for each associated registration.



### Legend

- CIP-004-6 R5. Access revocation
- CIP-004-6 R4. Access management programs
- CIP-010-4 R1. Configuration monitoring
- CIP-003-8 R2. Cybersecurity plans for low-impact cyber systems
- CIP-007-6 R2. Security patch management
- PRC-005-6 R3. Protection system maintenance intervals
- PRC-024-3 R2. Generator voltage protection settings
- PRC-024-3 R1. Generator frequency protection settings
- MOD-025-2 R1. Real power capability verification
- PRC-025-2 R1. Generator relay loadability



## Most-Monitored Requirements

Engagement scopes are based on the CMEP Implementation Plan, Regional Risk Assessment, Inherent Risk Assessment, and Compliance Oversight Plan. Monitoring depth and approach can vary between entities for the same requirement depending on the circumstances, including compliance programs and internal controls.

**Observation:** The most-monitored requirements reflect regional risks and CMEP Implementation Plan areas of focus. Assessment of resiliency—detective and corrective controls—remains a key interest. Cybersecurity and supply chain risks are a critical threat to bulk electric system (BES) reliability and a top audit concern. Self-certification scopes emphasize planning model quality, protection system coordination, and addressing gaps in program execution.

Requirement	% of Engagements
<b>Audits of BAs, TOPs, and RCs</b>	
1. CIP-013-2 R1.	59%
2. CIP-013-2 R2.	55%
3. CIP-008-6 R1.	50%
4. CIP-009-6 R1.	45%
5. CIP-008-6 R2.	41%
<b>Self-Certifications of BAs, TOPs, and RCs</b>	
1. FAC-003-4 R7.	23%
2. EOP-008-2 R7.	21%
3. FAC-003-4 R6.	21%
4. CIP-011-2 R2.	19%
5. COM-002-4 R4.	19%
<b>Self-Certifications of GOs and TOs</b>	
1. PRC-005-6 R3.	47%
2. FAC-008-5 R6.	41%
3. MOD-026-1 R2.	26%
4. MOD-032-1 R2.	25%
5. PRC-024-2 R1.	25%

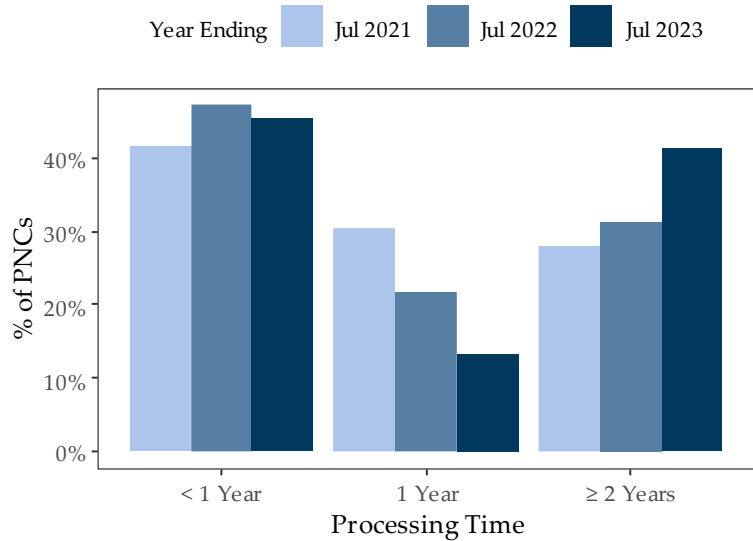
### Reliability Function Abbreviations

Balancing Authority	BA
Generator Owner	GO
Reliability Coordinator	RC
Transmission Operator	TOP
Transmission Owner	TO



### Violation Processing Time

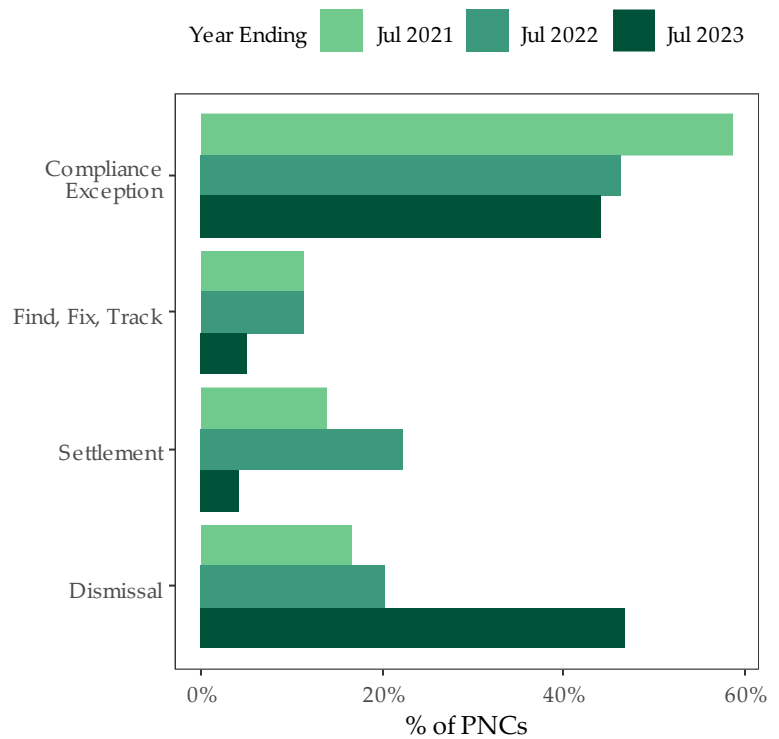
WECC strives to process enforcement cases in a timely manner. Processing time varies based on factors including complexity of the noncompliance, mitigation timeline, entity response, inventory size, and case prioritization.



### Disposition Methods

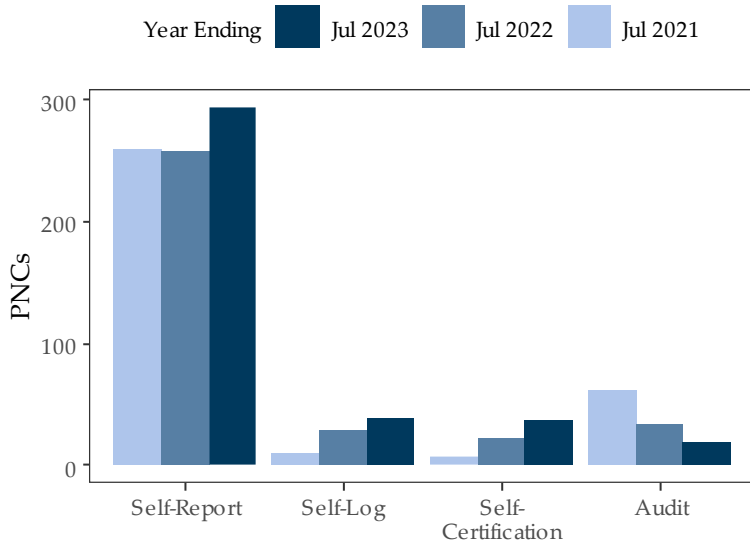
The appropriate disposition method for a case is based on risk and complexity of the issue, mitigation, entity compliance history, and regulatory guidance.

**Observation:** Most dismissals in the last year reflect consolidation of multiple PNCs for the same entity and requirement to facilitate processing and mitigation.



### Discovery Methods

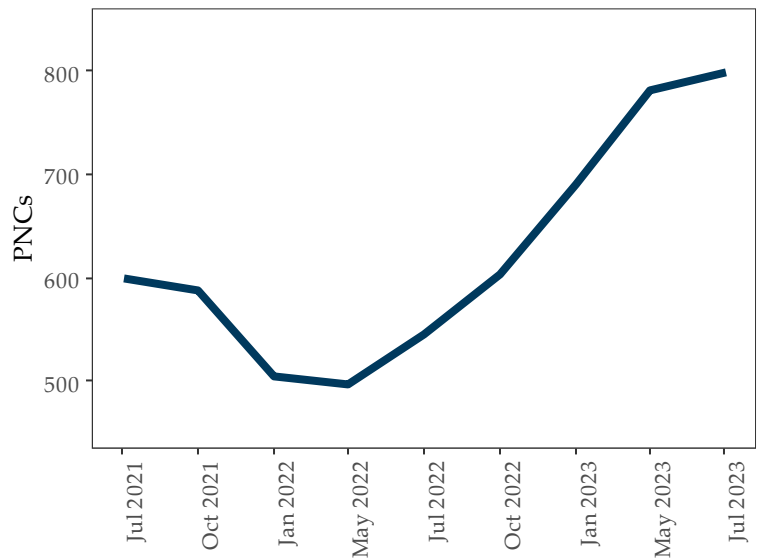
A majority of noncompliance comes through discovery methods within the entity – primarily self-reports, as well as self-logs and self-certification. WECC is working with entities to strengthen and expand the self-logging program, which reflects strong entity compliance programs and internal controls.



### Enforcement Inventory Size

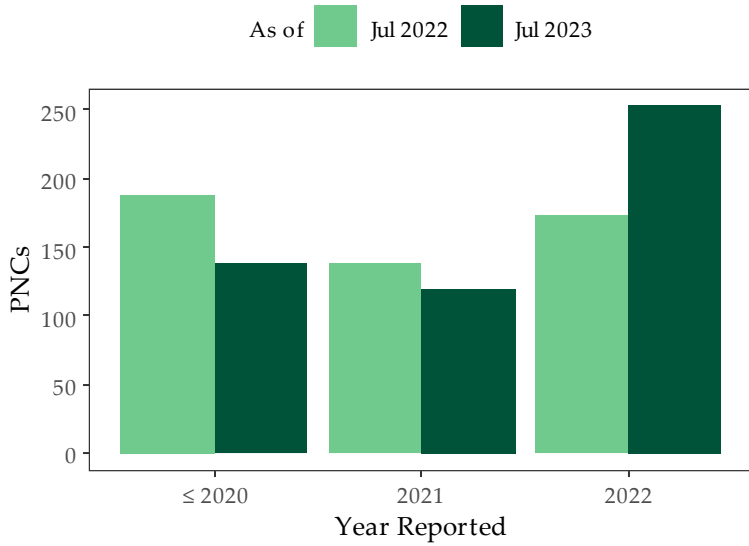
The enforcement inventory consists of PNCs received by WECC and not yet processed by providing the disposition to the entity. Inventory size affects processing times, risk responsiveness, outreach, and resource management.

**Observation:** Inventory increased 46% in the last 12 months. WECC has established program and process enhancements to manage the inventory and support its enforcement and mitigation efforts.



### Inventory Age

The ERO Enterprise continues to focus on reducing the volume of the oldest open inventory. WECC is prioritizing cases received before 2021 for enforcement and mitigation processing.



### Mitigation Status

Mitigation includes remediation and prevention of future recurrence. Entities must—

1. Prepare mitigation,
2. Submit for approval by WECC,
3. Implement mitigation, and
4. Notify WECC of completion.

WECC verifies mitigation completion depending on risk, disposition method, compliance history, and other factors.

As of Jul 2021 Jul 2022 Jul 2023

