

<i>ERO Enterprise Metric 1: Reliability Results</i>		
Measure of success	Threshold	Target
Determine the frequency and severity of BPS events, excluding weather, flood, or earthquake. The target is fewer, less severe events during 2015–2018; no Category 4 and 5 events, and Category 1–3 events are trending down.		<ul style="list-style-type: none"> No Category 4 or 5 events (10%) The cumulative trend line in the composite daily “event Severity Risk Index” (eSRI) for Category 1–3 events remains flat or negative* (10%) <p>*Measured for the period beginning 1/1/2011 to-date, includes days with zero events and excludes Category 4 and 5 events, events caused by natural phenomenon, and AESO islanding.</p>
<i>ERO Enterprise Metric 2: Assurance Effectiveness</i>		
Measure of success	Threshold	Target
Assess all Category 3 and above events. The target is to reach zero gaps in Reliability Standards and compliance monitoring by 2017.	Gap analysis of standards and ERO compliance monitoring implementation complete and recommendations identified within 90 days of receipt of Registered Entities’ event analysis and Compliance self-assessments if expected.	Zero gaps, or closure of any existing standards or compliance gaps identified within one year of the gap analysis report’s conclusion being released, unless a technical study is needed.
<i>ERO Enterprise Metric 3: Risk Mitigation Effectiveness</i>		
Measure of success	Threshold	Target
Review the BES risk profile each year to determine actual and potential risks. The target is to identify, select, and mitigate the high priority risks (and issue specific metrics for each established project).	Stated threshold deliverables achieved for each risk project	Stated target deliverables achieved for each risk project
1. Changing Resource Mix		<ul style="list-style-type: none"> Complete ERS phase 2—conduct the assessments for key reliability areas by the end 2015. Complete initial Clean Power Plan impact reliability assessment (prior to issuance of final EPA rule). Initiate phase 2 of Clean Power Plan impact reliability assessment (based on availability of draft state implementation plans).
2. Extreme Physical Events	<ul style="list-style-type: none"> Provide ERO and industry implementation support for GMD Stage 1 Standard (Project 2013-3, EOP-010 standard). Develop training for ERO staff and industry on standard and RSAW. 	<ul style="list-style-type: none"> Complete threshold and initiate industry implementation support for GMD Stage 2 Standard (Project 2013-3, TPL standard). Initiate training for ERO and industry.

		<ul style="list-style-type: none"> • Develop and implement CIP-014 compliance plan by the end of 2015.
<p>3. Cybersecurity Preparedness</p>		<p>Complete CIP V5 transition plan activities by the end of 2015 to facilitate a smooth transition to CIP V5 standards:</p> <ul style="list-style-type: none"> • Finalize lessons-learned and FAQ documents from the CIP V5 implementation study report and ongoing work with the CIP V5 transition advisory group. • Provide focused outreach events to identify continued challenges and promote understanding of the technical requirements. • Complete and deliver guidance and reference materials addressing transition challenge topics identified in 2014 (or communicate how topics are addressed by alternate means).
<p>4. Protection System Misoperations</p>		<ul style="list-style-type: none"> • Report on findings and track trends to determine causes and recommend possible remediation solutions. • Trend Misoperations related to industry actions recommended in 2014 to determine the effectiveness of the actions. • Working with NATF, identify at least two mitigation actions to reduce the risk of relay Misoperations. • Develop metrics and benchmarks for relay Misoperation performance.
<p>5. Extreme Weather Preparedness and Resiliency Efforts</p>	<ul style="list-style-type: none"> • Perform analysis, including the use of GADS data, to evaluate BPS industry performance during 2012–2014 extreme weather events and identify further recommendations for cold weather response, if applicable. • Continue to monitor for actual system events that impact the BPS and use appropriate intervention strategies: lessons learned, event analysis report recommendations, webinars, and training packages. 	<ul style="list-style-type: none"> • Further develop analytics capability and analysis of extreme weather events in relation to historical trends. • Develop and deploy metrics to measure effectiveness of intervention strategies after extreme events with impact on the BPS. • Continue mitigation activities: annual extreme weather preparedness webinar and formal feedback to support seasonal and special reliability assessments.

<p>6. Right-of-Way Clearances</p>	<ul style="list-style-type: none"> Develop an approach that improves NERC’s ability to be reasonably assured that facility ratings have been appropriately calculated. Develop assurance plan and conduct spot validation of completed high priority line discrepancies. 	<ul style="list-style-type: none"> Complete spot validation assessments for entities with significant high priority line discrepancies. Work with NATF to produce a report that details best practices by entities that completed mitigation of high priority line discrepancies and developed sustainable programs to preclude recurrence of this reliability risk.
<p><i>ERO Enterprise Metric 4: Program Execution Effectiveness</i></p>		
<p>Measure of success</p>	<p>Threshold</p>	<p>Target</p>
<p>Sum of the weighted sub-metrics.</p>		
<p><i>Sub-metrics</i></p>		
<p>Measure of success</p>	<p>Threshold</p>	<p>Target</p>
<p><i>Sub-metric A</i> <i>(Primary NERC)</i> – Percent of all board-approved standards¹ meet quality criteria and results-based construct</p>		<ul style="list-style-type: none"> Finish 100% of standard upgrades and improvements as detailed in the RSDP by the end of 2015. All new standards that go to the Board of Trustees meet quality criteria as outlined in the RSDP.
<p>Measure of success</p>	<p>Threshold</p>	<p>Target</p>
<p><i>Sub-metric B</i> <i>(Primary NERC)</i> – Quality, up-to-date guidance developed for board-approved Reliability Standards related to risk elements to support risk-based compliance monitoring</p>	<ul style="list-style-type: none"> Every standard that goes to ballot will have guidance alongside. Every standard that is reviewed as part of the 10-year review cycle will have a current up-to-date guidance. Conduct guidance outreach for 50% of standards that are associated with the risk elements identified in the annual compliance and enforcement monitoring program. 	<ul style="list-style-type: none"> NERC Compliance Assurance, in concert with the Regions and support from Standards as needed, conducts in-depth training for every standard approved by FERC in 2015 for compliance and enforcement staff. Conduct guidance outreach for 75% of standards that are associated with the risk elements identified in the annual compliance and enforcement monitoring program.
<p>Measure of success</p>	<p>Threshold</p>	<p>Target</p>
<p><i>Sub-metric C</i> <i>(Joint ERO Enterprise)</i> – Improve registration practices commensurate with risk and RAI in light of the new BES definition implementation and the</p>	<p>For phase 1:</p> <ul style="list-style-type: none"> Non-ROP design changes (common registration form and one-time attestations) fully implemented by the end of 2015 	<p>For phase 1:</p> <ul style="list-style-type: none"> Non-ROP design changes (common registration form and one-time attestations) fully implemented by the end of Q3 2015

¹ Regional standards are not included, this applies to NERC only.

<p>obligations of registered entities to operate reliably.</p>	<ul style="list-style-type: none"> • ROP criteria regarding elimination of functional registration categories fully implemented six months from FERC approval • ROP criteria regarding modifications to DP registrations criteria fully implemented nine months from FERC approval • Non-IT business processes and tools (i.e., internal policies and procedures) identified by the end of Q2 2015 <p>For phase 2:</p> <ul style="list-style-type: none"> • Conduct a technical analysis that considers material impacts to reliability and material impacts among different functional categories of registered entities as a result of subsets of standards for TO, TOP, GO, and GOP registered functions. • Deliver draft report outlining the technical analysis of TO, TOP, GO, and GOP registered functions to ERO Enterprise leadership. 	<ul style="list-style-type: none"> • ROP criteria regarding elimination of functional registration categories fully implemented three months from FERC approval • ROP criteria regarding modifications to DP registrations criteria fully implemented six months from FERC approval • Non-IT business processes and tools (i.e., internal policies and procedures) fully implemented by the end of 2015 <p>For phase 2:</p> <ul style="list-style-type: none"> • Deliver draft report outlining technical analysis of TO, TOP, GO, and GOP registered functions to both ERO Enterprise leadership and the Board of Trustees for information.
Measure of success	Threshold	Target
<p><i>Sub-metric G</i> <i>(Joint ERO Enterprise)</i> – Transformation of RAI concepts to implementation of risk-based compliance monitoring and enforcement</p>	<p>Level 1: Transformation of compliance:</p> <ul style="list-style-type: none"> • No Threshold <p>Level 2: Consistent operation of the Regional Entities to implement the Inherent Risk Assessment (IRA) and Internal Controls Evaluation (ICE) for ERO Enterprise staff</p> <p>Assess consistent use of tools and processes and quality of implementation:</p> <ul style="list-style-type: none"> • Develop and communicate quality attributes to evaluate IRA and ICE performance by end of Q1. • Collect data and information to determine differences and opportunities for achieving greater consistency. <p>Level 3: Measuring success:</p> <ul style="list-style-type: none"> • With input from the RAI advisory group, develop objective metrics for the risk-based compliance and 	<p>Level 1: Transformation of compliance:</p> <ul style="list-style-type: none"> • Develop and implement continuing education on implementation of Inherent Risk Assessment (IRA) and Internal Controls Evaluation (ICE) for ERO Enterprise staff. <p>Level 2: Consistent operation of the Regional Entities to implement the Inherent Risk Assessment (IRA) and Internal Controls Evaluation (ICE) for ERO Enterprise staff</p> <p>Assess consistent use of tools and processes and quality of implementation:</p> <ul style="list-style-type: none"> • Provide a report by the end of 2015 assessing consistency of Regional Entity compliance monitoring (inclusive of IRA and ICE performance) and identifying areas for improvement or promoting consistency through training, guidance, or adjustment in the following year.

	enforcement measures of success identified at the November 2014 quarterly meetings by end of Q1.	Level 3: Measuring success: <ul style="list-style-type: none"> Develop benchmarks for the risk-based compliance and enforcement measures of success identified at the November 2014 quarterly meetings using data as available from experience in 2015. Report metric development and benchmarking results of the risk-based compliance and enforcement measures of success at 2015 quarterly meetings.
Measure of success	Threshold	Target
<p><i>Sub-metric H</i></p> <p>(Primary NERC) – Increase ES-ISAC membership and appropriately anonymized information sharing through the use of CRISP and the ES-ISAC secure portal.</p>	<ul style="list-style-type: none"> 92% of all RCs and TO/TOPs 10% increase in registered entity portal enrollment 10% increase in information sharing activities (based off of 2014 AOO posts and watch list entries) 10% increase in the number of participants on monthly ES-ISAC briefing Increase posting timeliness of indicators of compromise, AOO posts, and watch list entries (based off of documented timelines from 2014). 	<ul style="list-style-type: none"> 95% of all RCs and TO/TOPs 15% increase in registered entity portal enrollment 12% increase in information sharing activities (based off of AOO posts and watch list entries) 15% increase in the number of participants on monthly ES-ISAC briefing Provide report to the Board of Trustees by the end of Q3 on industry trends and identify areas for increased information sharing.
Measure of success	Threshold	Target
<p><i>Sub-metric I</i></p> <p>(Joint ERO Enterprise) – Report to Board on assessment of quality and availability of planning and engineering models and data with recommendations for model enhancements</p>	<ul style="list-style-type: none"> Acquire interconnection powerflow and dynamics cases and begin testing for case quality metric. Continue pilot dynamic model validation using NERC Model Validation Procedure to determine accuracy and fidelity of dynamic models to actual system performance. Propose and launch interconnection-wide system readings to benchmark powerflow cases by end of Q3. 	<ul style="list-style-type: none"> Provide report to the Board of Trustees on assessment of metric and next steps for improving models.
Measure of success	Threshold	Target
<p><i>Sub-metric J</i></p> <p>(Joint ERO Enterprise) – Achieving transition laid out in operating model regarding ERO Enterprise personnel and ERO Enterprise (NERC and</p>	<p>Report quarterly progress on achieving the following in 2015, which represents 20% of the total action items set forth in the operating model whitepaper:</p> <ul style="list-style-type: none"> In collaboration with the Regional Entities, complete by end of year a comprehensive ERO Enterprise Oversight 	<p>Report quarterly progress on achieving the following in 2015, which represents 25% of the total action items set forth in the operational model whitepaper; focus on status of deliverables and maturation of relationship tasks, providing draft and final documents to the ERO EMG:</p>

Regional Entity) infrastructure and applications	Program that addresses action items 1, 2, 3, 4, 5, and 8 and provides metrics for annual assessment.	<ul style="list-style-type: none"> The ERO Enterprise Oversight Program that addresses action items 1, 2, 3, 4, 5, and 8 is supplemented with program area oversight plans for 2016. In collaboration with the Regional Entities, complete by end of year a comprehensive ERO Enterprise strategic communications strategy that supports action items 6, 7, 10, and 11. Assessment of the effectiveness of ERO Enterprise IT application development is conducted and reported to the NERC Board by end of year.
Measure of success	Threshold	Target
<p><i>Sub-metric K</i> (Joint ERO Enterprise) – Stakeholder annual satisfaction/perception survey of the ERO’s effectiveness to manage risk, budget, and stewardship</p>	<ul style="list-style-type: none"> Initial benchmarking report provided to the Board of Trustees by the end of Q1 with specific areas for remediation or improvement identified. Each specific area for remediation has action plan by end of Q2. 	<ul style="list-style-type: none"> Each specific area for remediation has action plan by end of Q2 and is initiated. Performance trending favorably in areas previously surveyed (CCC).
<p><i>Sub-metric L</i> (Joint ERO Enterprise) – BES Security Metrics Framework provides method to assess threats, identify risk, and develop remediation strategies</p>	<ul style="list-style-type: none"> From 2014, BES Security Metrics work group of the NERC CIPC provide the security metrics framework to industry for input and comment by end of Q1. Execute GridEx III in 2015, providing a severe cybersecurity and physical security scenario to exercise crisis response and recovery plans within industry and the ERO to gather actionable lessons learned to deliver back to industry and the ERO. Increase industry participation in GridEx III. 	<ul style="list-style-type: none"> Provide a report to the Board of Trustees on the security metrics framework, data collection process, and analysis method by the end of 2015. Report to the Board of Trustees on GridEx III, to include improvements in industry performance since GridEx II, outline of value provided, impact of lessons learned, and recommendations.

Sub-metrics D, E, and F related to enforcement have been removed but will be tracked and reported quarterly to the Board of Trustee Compliance Committee at the quarterly meetings.