

Project 2021-07 Extreme Cold Weather Grid Operations, Preparedness, and Coordination

Action

- Approve the following waiver of provisions of the Standard Processes Manual (SPM) for Project 2021-07:
 - Additional formal comment and ballot period(s) reduced from 45 days to as little as 10 days, with ballot conducted concurrently during the last 5 days of the comment period. (Sections 4.9 and 4.12)

Background

As stated in the SAR, the primary purpose of this project is intended to address reliability related findings from FERC, NERC, and Regional Entity Joint Staff Inquiry into the February 2021 Cold Weather Grid Operations (joint inquiry). From February 8 - 20, 2021, extreme cold weather and precipitation caused large numbers of generating units to experience outages, derates, or failures to start, resulting in energy and transmission emergencies (referred to as “the Event”). The total Event firm load shed was the largest controlled firm load shed event in U.S. history and was the third largest in quantity of outaged megawatts (MW) of load after the August 2003 northeast blackout and the August 1996 west coast blackout. The Event was most severe from February 15 - February 18, 2021, and it contributed to power outages affecting millions of electricity customers throughout the regions of ERCOT, SPP, and MISO South. Additionally, the February 2021 event is the fourth cold weather event in the past 10 years that jeopardized bulk-power system reliability.

Standards development under Project 2021-07 proceeded in two phases in accordance with a directive by the NERC Board of Trustees issued at its November 2021 meeting. Work under the first phase completed in September 2022 with the development of Reliability Standards EOP-012-1 and EOP-011-3 in 2022. Work under the second phase completed in September 2023 with the development of Reliability Standards EOP-011-4 and TOP-002-5.

On February 16, 2023, shortly before the first ballot on the phase two standards, FERC issued an order approving Reliability Standards EOP-011-3 and EOP-012-2 while directing five areas for additional revisions. FERC directed NERC to submit a revised EOP-012 standard by February 2024.¹

NERC Standard Processes Manual Section 16.0 Waiver provides as follows:

The Standards Committee may waive any of the provisions contained in this manual for good cause shown, but limited to the following circumstances:

- In response to a national emergency declared by the United States or Canadian government that involves the reliability of the Bulk Electric System or cyber attack on the Bulk Electric System;
- Where necessary to meet regulatory deadlines;

¹ Order Approving Extreme Cold Weather Reliability Standards EOP-011-3 and EOP-012-2 and Directing Modification of Reliability Standard EOP-012-1, 182 FERC ¶ 61,094 (2023) (February 16, 2023 Order), available [here](#).

- Where necessary to meet deadlines imposed by the NERC Board of Trustees; or
- Where the Standards Committee determines that a modification to a proposed Reliability Standard or its Requirement(s), a modification to a defined term, a modification to an Interpretation, or a modification to a Variance has already been vetted by the industry through the standards development process or is so insubstantial that developing the modification through the processes contained in this manual will add significant time delay.

Due to the issuance of FERC's February 16, 2023 Order directing further revisions to EOP-012 by February 2024, the Project 2021-07 drafting team was delayed in the planned development timeline for the standards addressing the phase 2 recommendations of the February 2021 joint inquiry report.

In August 2023, the Standards Committee approved a Waiver under Section 16.0 of the Standard Processes Manual to shorten comment periods from 45 to as few as 25 days, with a ballot and non-binding poll during the last 10 days, and to shorten the final ballot from 10 days to 5 days.

Due to the recent failed additional ballot for draft standard EOP-012-2, and the Commission's February 2024 deadline, the Project 2021-07 SDT leadership and NERC staff request that the SC consider a waiver of these provisions for EOP-012-2 to shorten the comment period further. This is necessary for the drafting team to have a second additional comment and ballot period to develop a consensus standard by the February 2024 FERC deadline.

Summary

SDT leadership and NERC staff recommend shortening the additional formal comment and ballot period(s) for Project 2021-07 from 45 days to as few as 10 days, with a ballot and non-binding poll concurrent during the last 5 days of the comment period.