NERC
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

History of NERC

December 2012

Timeline	
Date	**Description**
1962-1963	Industry creates an informal, voluntary organization of operating personnel to facilitate coordination of the bulk power system in the United States and Canada. Four interconnected transmission systems are connected to three more systems, which form the largest electricity grid in the world. In January 1963, the North American Power Systems Interconnection Committee (NAPSIC) is formed.
November 9, 1965	Largest blackout to date occurs -- 30 million customers lose power in the northeastern United States and southeastern Ontario, Canada. New York City and Toronto among the affected cities. Some customers without power for 13 hours.
1967	Legislation (U.S. Electric Power Reliability Act of 1967) proposes creation of a council on power coordination. Although not enacted, the proposed legislation stimulates development of an industry-based electric reliability council.
1967-1968	Federal Power Commission (predecessor of the Federal Energy Regulatory Commission) recommends the formation of a council on power coordination with representatives from each of the nation's regional coordinating organizations, to exchange and disseminate information and to review, discuss and assist in resolving interregional coordination matters.
June 1, 1968	National Electric Reliability Council (NERC) established by industry in response to the 1965 blackout and recommendation of the Federal Power Commission. Nine regional reliability organizations formalized under NERC. Also formalized are regional planning coordination guides maintained by NERC. Utilities maintain and practice voluntary operating coordination in accordance with NAPSIC operating criteria and guides.
July 13-14, 1977	New York City blackout occurs, leading to first limited reliability provision in federal legislation. Legislation enables federal government to propose voluntary standards, an authority never exercised.
1979	Report to NERC by Joseph Swidler, former chair of the Federal Power Commission, recommends on role of NERC in light of the Public Utility Regulatory Policy Act of 1978 (PURPA).
1980	NAPSIC becomes part of NERC, forming the NERC Operating Committee, and bringing reliability roles of operations and planning together in one organization. NERC adopts NAPSIC operating criteria and guides.

1981	NERC changes its name to the *North American* Electric Reliability Council in recognition of Canada's participation and to more accurately reflect the broader scope of NERC's membership.
1987	NERC forms committee to address terrorism and sabotage of the electricity supply system at the urging of the National Security Council and Department of Energy.
1992	NERC Board of Trustees states conformance to NERC and regional reliability policies, criteria and guides should be mandatory to ensure reliability in one of six Agreements in Principle. (At the time, NERC has no authority to enforce compliance with the policies, criteria and guides.)
1993	NERC publishes "NERC 2000," a four-part action plan that recommends mandatory compliance with NERC policies, criteria and guides; and a process for addressing violations, built upon earlier Agreements in Principle.
1995	Federal Energy Regulatory Commission (FERC) issues Notice of Proposed Rulemaking on open access that encourages a more fully competitive wholesale electricity markets. NERC files six-point action plan to address the planning and operating reliability aspects of the NOPR.
1996	Two major blackouts in the western United States prompt Western Systems Coordinating Council (WSCC) to develop the Reliability Management System in which members enter voluntarily into agreements with WSCC to pay fines if certain reliability standards are violated. (WSCC, a regional reliability organization, is now Western Electricity Coordinating Council.)
1997	Electric System Reliability Task Force established by the Department of Energy, and an independent Electric Reliability Panel ("Blue Ribbon" panel) formed by NERC determine grid reliability rules must be mandatory and enforceable in an increasingly competitive marketplace. Both groups recommended the creation of an independent, audited self-regulatory electric reliability organization. NERC begins converting its planning policies, criteria, and guides into standards.
1999	Nine independent directors added to the NERC Board join the president and 37 industry stakeholder members in anticipation of NERC becoming an audited self-regulatory organization. Broad coalition of industry, state and consumer organizations propose legislation in the United States to create an electric reliability organization to develop and enforce mandatory reliability rules, with oversight in the United States by FERC.
2000	NERC appointed as the electric utility industry's primary point of contact with the U.S. government for national security and critical infrastructure protection issues. NERC establishes the Electricity Sector-Information Sharing and Analysis Center. Proposed reliability legislation first introduced in Congress by Senator Slade Gorton of Washington.

2001	NERC governance changes. Board replaced with a 10-member independent board. Stakeholders Committee created. (The Stakeholders Committee name was later changed to the Member Representatives Committee.)
May 1, 2002	NERC operating policies and planning standards become mandatory and enforceable in Ontario.
August 14, 2003	North America experiences worst blackout to date, as 50 million people lose power in the northeastern and midwestern United States and Ontario, Canada. United States–Canada Power System Outage Task Force formed to investigate cause and make recommendations to prevent future blackouts.
February 2004	NERC Board approves Critical Infrastructure Protection Advisory Committee as permanent standing committee.
April 5, 2004	Final report of the United States-Canada Power System Outage Task Force on the 2003 blackout concludes most important recommendation for preventing future blackouts is for U.S. government to make reliability standards mandatory and enforceable.
Summer 2004	Bilateral Electric Reliability Oversight Group (BEROG) established as a forum for identifying and resolving reliability issues in an international, government-to-government context. BEROG grew out of the U.S.-Canada Power System Outage Task Force.
November 12, 2004	NERC translates operating policies, planning standards and compliance requirements into integrated and comprehensive set of 90 measurable standards called "Version 0 Reliability Standards."
February 2005	NERC Board approves dissolution of the NERC Market Interface Committee and endorses continued cooperation and coordination with North American Energy Standards Board (NAESB).
April 1, 2005	Version 0 Reliability Standards become effective. Voluntary compliance expected as a matter of good utility practice.
May 2005	NERC Board approves scope of the Compliance and Certification Committee to provide stakeholder oversight to the NERC Compliance and Certification programs.
August 8, 2005	Energy Policy Act of 2005 authorizes creation of an audited self-regulatory electric reliability organization spanning North America, with FERC oversight in the United States. Legislation states that compliance with reliability standards will be mandatory and enforceable.

April 4, 2006	NERC files application with FERC to become the "electric reliability organization" in the United States. NERC files 102 reliability standards with FERC – the 90 Version 0 standards plus 12 additional standards developed in the interim. NERC files the same information with the Canadian provincial authorities in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario, Quebec and Saskatchewan, and with the National Energy Board of Canada, for recognition as the "electric reliability organization" in Canada.
July 20, 2006	FERC certifies NERC as the "electric reliability organization" for the United States.
September-December 2006	NERC signs Memorandums of Understanding with Ontario, Quebec, Nova Scotia and the National Energy Board of Canada.
January 1, 2007	North American Electric Reliability Council becomes the North American Electric Reliability *Corporation*. The new entity's membership base represents cross-section of the industry.
March 15, 2007	FERC approves 83 NERC Reliability Standards, the first set of legally enforceable standards for the U.S. bulk power system
April 19, 2007	FERC approves eight delegation agreements that give authority to monitor and enforce compliance with NERC Reliability Standards in the United States to eight Regional Entities, with NERC continuing in an oversight role.
June 18, 2007	Compliance with approved NERC Reliability Standards becomes mandatory and enforceable in the United States.
October 2007	NERC Board approves Transmission Availability Data System data collection.
July 2009	NERC files Three-Year ERO Performance Assessment with FERC.
May 2010	NERC Board approves charter of Electricity Sub-Sector Coordinating Council (ESCC) to foster and facilitate coordination of sector-wide, policy-related activities and initiatives to improve the reliability and resilience of the electricity sector, including physical and cyber security infrastructure.
August 2010	Board approves Results-based Reliability Standards Transition Plan and assigns responsibility for its implementation to the Standards Committee.
September 2010	FERC accepts performance assessment of NERC as the ERO, and finds the ERO continues to satisfy the statutory and regulatory criteria for certification.
November 2010	Board approves ESCC's Critical Infrastructure Strategic Roadmap and associated Coordinated Action Plan.
August 2011	Board approves 2011 Risk Assessment of Reliability Performance Report, which provides a view of risks to reliability based on historic performance.

September 2011	System disturbance occurs in Pacific Southwest, leading to cascading outages and leading approximately 2.7 million customers without power. FERC and NERC announce joint inquiry of the event.
January 2012	Board adopts revised definition of Bulk Electric System; directs filing with governmental authorities.
May 2012	FERC and NERC release report the Arizona-Southern California Outages of September 8, 2011. Board accepts recommendations of the Standards Process Input Group (SPIG) and requests SPIG to develop scope for new Reliability Issues Steering Committee. Board also directs the Standards Committee and management to implement the remaining SPIG recommendations. Board accepts 2012 State of Reliability Report, Severe Impact Resilience Report, and Cyber Attack Task Force Report and approves their release.
August 2012	Board approves charter of Reliability Issues Steering Committee and appoints membership.