

**ISO RTO Council  
Standards Review Committee  
Comments on  
Draft NERC 2024 Business Plan and Budget  
June 23, 2023**

The ISO RTO Council (IRC) Standards Review Committee (SRC)<sup>1</sup> appreciates the opportunity to comment on the North American Electric Reliability Corporation's (NERC) Draft 2024 Business Plan & Budget (BP&B).

The SRC supports NERC's proposed 2024 budget and the four focus areas carried forward from the 2023 BP&B: energy, security, agility, and sustainability. As we noted last year, the changing resource mix, energy availability concerns, extreme weather events, and cybersecurity threats require changes to NERC's processes. The SRC is encouraged that progress is being made to enhance the Reliability Standard Development process, such as the recently approved changes to the Reliability Standards Process Manual (RSPM) that will allow NERC staff and the industry to make more effective use of time and resources in developing new and revised standards. The ability to reduce standards development time can have the positive effect of reducing the workload on NERC stakeholders. However, this highlights the importance of prioritizing the most important issues, as a faster standards development process could easily result in an increase in the already large number of open standards projects. To better harness the efficiencies the RSPM changes can provide, NERC must ensure that available expertise and resources are directed to the most important projects as identified in its 2023–2025 plan's value proposition:

- Provides the framework and plans for NERC and the industry to get ahead of key grid transformation risks by defining key performance outcomes.
- Continues a strong focus on driving efficiency while assuring effectiveness of ERO programs and embedding risk-informed thinking into programs and processes.

Because of the already numerous standards projects and Reliability and Security Technical Committee (RSTC) initiatives underway, implementing the bullets excerpted above will require greater consideration than in the past to properly prioritize work and make the hard decisions to defer less-important projects so that the industry can get ahead of these transformation risks. Recruiting and hiring decisions should also be guided by the need to build the right expertise to implement these priorities.

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<sup>1</sup> The IRC comprises the Alberta Electric System Operator ("AESO"), the California Independent System Operator Corporation ("CAISO"), the Electric Reliability Council of Texas, Inc. ("ERCOT"), the Independent Electricity System Operator ("IESO"), ISO New England Inc. ("ISO-NE"), the Midcontinent Independent System Operator, Inc. ("MISO"), the New York Independent System Operator, Inc. ("NYISO"), PJM Interconnection, L.L.C. ("PJM"), and the Southwest Power Pool, Inc. ("SPP"). Individual IRC members may also file separate comments.

Improving communication with stakeholders was identified as a priority at NERC's 1<sup>st</sup> quarter Board of Trustees meeting. NERC's Meeting and Travel component of the 2024 BP&B could impact this effort. Even though the budget indicates a return to pre-COVID-19 spending levels, it retains the use of hybrid meeting formats for efficiency gains. Many stakeholders have expressed the importance of returning to in-person meetings for key policy and decision-making groups (e.g., the Board of Trustees and the RSTC). The SRC asks that NERC weigh the value of these in-person collaborative opportunities against that of budget efficiencies as it works to improve communication with stakeholders.

In-person collaboration has been the pinnacle of NERC's successful partnership with industry over the years and given all of the challenges facing the industry today the SRC believes that this will continue to be necessary going forward. NERC has been utilizing members' facilities to host committee and drafting team meetings to help offset meeting costs. These meetings have been for small to mid-size groups, and we suggest NERC continue finding more member hosting opportunities to help save on meeting costs.

We have not heard any reports of the results of the recent NERC user survey about the Atlanta office. We believe a space where meetings can be scheduled on short notice for face-to-face collaboration is important to have. We hope that NERC will find the most cost-effective solution to retain this capability.

## **Conclusion**

The IRC SRC believes our recommendations offered on the 2024-2026 BP&B can, if adopted, increase member interaction and better align budget resources with the most important issues facing the industry. The increased costs anticipated in the next three years are challenges facing not just NERC but the entire industry. The IRC SRC continues to be an active supporter of NERC's mission and wants to do so in a manner that will provide the most value possible to the industry.