

Re: Management Response to Comments on the Draft NERC 2026 Business Plan and Budget

Date: July 31, 2025

The deadline for comments on the draft NERC 2026 Business Plan and Budget (BP&B) ended on June 23, 2025. The BP&B proposed a budget of \$128.3M, which is a 4.3% increase from the 2025 budget, and an assessment of \$113.7M, which is a 4.9% increase from the 2025 assessment. One comment submission was received from Electricity Canada, which is posted on [NERC's website](#), and summarized as follows:

- Appreciation for NERC's rationale in approaching 2026 as a bridge year between three-year plans
- Continued support for the three-year planning model
- Concern with the trajectory of consecutive, above-inflation increases, encouraging NERC to continue its engagement with policymakers and regulators so that there is clarity around rising costs

NERC appreciates the comments received and engagement with the BP&B preparation process. While we don't see the comments driving any material changes to the final 2026 BP&B, we value the input of our stakeholders and will continue to provide ongoing, transparent information on the progress and benefits of our investments. The proposed final 2026 BP&B will be posted on the NERC website in advance of the NERC Board of Trustees' meetings on August 13 and 14, 2025, as part of the material for the August 13 Finance and Audit Committee open meeting.

We are all facing a moving target on priorities as the grid grows ever-more complex. Our role as the ERO is to shine the light on any challenges on the grid—now and for the future—and our focus remains on the strategic thematic areas as part of the *ERO Enterprise Long-Term Strategy: **Energy, Security, Engagement, and Agility and Sustainability***. We understand that cost increases are never welcomed, regardless of the benefits they may provide, and we vow to continue being good stewards for the effective and efficient use of our resources.

Sincerely,



Andy Sharp  
Vice President and Chief Financial Officer