

Comments from NRECA (submitted via email by Patti Metro)

The Cooperative Sector appreciates the opportunity to review and provide comments on the First Draft of NERC's 2023 Business Plan and Budget. The thoroughness of the posted documents and presentations and the outreach opportunities provided are evidence of the importance of a transparent ERO budget process. Cooperatives welcome NERC's new approach to extend the business planning cycle to a 3-YR planning horizon. There are many reliability risks and challenges facing the industry over the next few years and a longer time to develop and adjust business plans is warranted to address these risks. The longer time allows industry stakeholders more opportunities to provide input into the business plan to assist NERC with addressing these reliability challenges while simultaneously providing more timely information to stakeholders for their own business planning needs.

- Cooperatives continue to be concerned with the three-year proposed 33 % budget increase as well as with the proposed overall increase of 38.5 FTEs across the ERO in 2023. Many stakeholder organizations are maintaining or lowering headcount through 2023. Although there has been outreach from ERO Leadership to Cooperative representatives to discuss the concept of the ERO independently assessing the studies of other organizations, the proposed Business Plan and Budget appears to reflect that the ERO will be conducting analysis which implies significant increase in FTE and Budget and should be updated to reflect the actual intention of the ERO. We support independent reviews of Regional and Reliability Coordinator (RC) analysis of conditions but do not think adding another layer of analysis is beneficial to the execution of the ERO Strategic Initiatives. Clarification in this area, could facilitate a reevaluation of the need for some of the proposed FTEs.
  - Cooperatives suggest that the ERO provide an explanation in how metrics like those described in the State of Reliability report are used in determining initiatives that warrant additional FTEs. In addition, transparency in the process used to determine the need for and how metrics are approved. Stakeholders need to understand the impacts of reliability metrics to provide suggestions for more relatable titles to the FTE categories as well as improvements to metrics to enhance reliable and resilient grid operations.
- Cooperatives continue to believe there is a need for improved collaboration and participation with technical partners such as the NATF, NAGF, EPRI, CEATI, and the national labs to ensure that there is not a duplication or significant overlap in the activities and analysis being conducted by these groups. It is important that any efforts related to collaboration should include approaches to facilitate increased participation by smaller entities which could provide overall benefits to the execution of ERO Enterprise programs.
  - Some areas of possible inefficiencies are
    - NATF/NERC/RE Operations/Misoperations metrics analysis and annual reports
    - NERC and the Regional Entities may be completing duplicative work with respect to RAPA, Event Analysis, and Situation Awareness
    - Regional assistance visits are very similar to peer reviews and targeted peer reviews that are offered and completed by the NATF and NAGF