

## History of NERC

July 2022

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| Date             | Description  |
| 1962–1963        | The electricity industry created 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 connected to three more systems, forming the largest electricity grid in the world. In January 1963, the North American Power Systems Interconnection Committee (NAPSIC) was formed. |
| November 9, 1965 | North America experienced its worst blackout to date as 30 million lost power in the northeastern United States and southeastern Ontario, Canada. New York City and Toronto were among the affected cities. Some customers were without power for as long as 13 hours.   |
| 1967             | Members of Congress proposed the Electric Power Reliability Act to establish a council on power reliability coordination. The electricity industry responded by forming its first electric reliability council.  |
| 1967–1968        | The Federal Power Commission, predecessor of the Federal Energy Regulatory Commission (FERC), recommended the formation of a council on power coordination made up of representatives from each regional coordinating organization in the United States to exchange and share information; and to review, discuss, and assist in resolving interregional coordination matters.                                 |
| June 1968        | The electricity industry established the National Electric Reliability Council (NERC) in response to the 1965 blackout and on the recommendation of the Federal Power Commission. Twelve Regional Entities were subsequently formalized under NERC.  |
| 1968             | NERC produced its first comprehensive reliability report, which later became the basis for the annual Long-Term Reliability Assessment—a 10-year outlook on potential reliability impacts facing the bulk power system.  |
| 1969             | NERC issued planning coordination guides, the first regional guidelines developed by the organization.   |
| July 13, 1977    | The New York City blackout led to the first limited reliability provision in federal legislation. The legislation enabled the federal government to propose voluntary standards, an authority never exercised.   |
| 1980             | NAPSIC became part of NERC, forming the NERC Operating Committee and bringing the reliability roles of operations and planning together in one organization. NERC adopted NAPSIC operations criteria and guides.   |

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| <b>1981</b> | NERC changed 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.  |
| <b>1987</b> | NERC formed a committee to address terrorism and sabotage of the electricity supply system at the urging of the National Security Council and Department of Energy.   |
| <b>1992</b> | The NERC Board of Trustees stated in one of six Agreements in Principle that conformance to NERC and regional reliability policies, criteria and guides should be mandatory to ensure reliability. At that time, NERC had no authority to enforce compliance with the policies, criteria, and guides.   |
| <b>1993</b> | Building on the Agreements in Principle, NERC published “NERC 2000,” a four- part action plan that recommended mandatory compliance with NERC policies, criteria, guides, and a process for addressing violations. The plan encompassed policies for interconnected systems operation, planning reliable bulk power systems, membership, and dispute resolution.  |
| <b>1996</b> | Two major blackouts in the western United States prompted the Western Systems Coordinating Council (WSCC) to develop the Reliability Management System in which members entered voluntarily into agreements with WSCC to pay fines if they violated certain Reliability Standards. WSCC, a regional reliability organization, later became the Western Electricity Coordinating Council.  |
| <b>1997</b> | NERC formed the Electric Reliability Panel, also known as the Blue Ribbon Panel, in August 1997. The panel was formed as an independent body to recommend the best ways to set, oversee, and implement policies and standards that ensured the continued reliability of North America’s interconnected Bulk Electric Systems in a competitive and restructured industry. The issuance of the panel’s report in December 1997 provided the specific recommendations that formed the basis of the Electric Reliability Organization and launched a complete reorganization of NERC as well as the proposal and ultimate passage of reliability legislation. |
| <b>1999</b> | NERC added nine independent directors to its Board of Trustees, joining the company president and 37 industry stakeholder members in anticipation of NERC becoming a self-regulatory organization. A broad coalition of industry, state, and consumer organizations proposed U.S. legislation that would create an Electric Reliability Organization to develop and enforce mandatory Reliability Standards, with oversight in the United States by FERC.   |
| <b>1999</b> | NERC launched the Electricity Sector Information Sharing and Analysis Center (ES-ISAC) in accordance with a request by the Department of Energy and agreed in 2000 to serve as the electricity industry’s primary point of contact for the U.S. government on national security and critical infrastructure protection issues. NERC changed the center’s name to the Electricity Information Sharing and Analysis Center (E-ISAC) in 2015.  |

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| <b>May 1999–<br/>January 2000</b> | NERC led industry preparation for Y2K.   |
| <b>October 2000</b>               | NERC developed the functional model, which defined the set of functions that owners and operators of the bulk power system must perform to assure its reliability.   |
| <b>2001</b>                       | NERC changed its governance structure by creating a 10-member independent Board of Trustees and a stakeholder committee, which later became the Member Representatives Committee.  |
| <b>May 2001</b>                   | NERC operating policies and planning standards became mandatory and enforceable in Ontario, the first province in Canada to adopt NERC’s Reliability Standards.  |
| <b>June 2003</b>                  | The Eastern Interconnection began its synchrophasor project, which provided the first broad industry deployment of technology that measured voltage and frequency on transmission lines at the high rate of 10 to 60 times per second.   |
| <b>August 14, 2003</b>            | North America experienced its worst blackout to date as 50 million people lost power in the northeastern and midwestern United States and Ontario, Canada. The U.S.–Canada Power System Outage Task Force was formed to investigate causes and make recommendations to prevent future blackouts.     |
| <b>February 2004</b>              | The NERC Board of Trustees approved the designation of the Critical Infrastructure Protection Committee as a permanent standing committee of the Board.  |
| <b>April 2004</b>                 | The final report of the U.S.–Canada Power System Outage Task Force on the 2003 blackout concluded the single-most important recommendation for preventing future blackouts and reducing the scope if they occur was for the U.S. government to make Reliability Standards mandatory and enforceable. |
| <b>September 2004</b>             | NERC translated its operating policies, planning standards and compliance requirements into an integrated and comprehensive set of 90 measurable standards called “Version 0 Reliability Standards.”   |
| <b>February 2005</b>              | NERC formed the Board of Trustees Compliance Committee.  |
| <b>April 1, 2005</b>              | Version 0 Reliability Standards became effective. Voluntary compliance was expected as a matter of good practice.  |
| <b>May 2005</b>                   | The NERC Board of Trustees approved the scope of the Compliance and Certification Committee to provide stakeholder oversight to Compliance and Certification programs.   |
| <b>August 8, 2005</b>             | The Energy Policy Act of 2005 authorized the creation of an audited, self-regulatory Electric Reliability Organization that would span North America with FERC oversight in the United States. The law stated that compliance with Reliability Standards would be mandatory and enforceable.         |

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| <b>2006–2009</b>         | The Canadian federal and provincial governments recognized NERC’s unique role as the Electric Reliability Organization for North America. The National Energy Board of Canada formalized its recognition of NERC as the international Electric Reliability Organization by signing a memorandum of understanding in September 2006. Formal recognitions followed from the provinces of British Columbia, Manitoba, Nova Scotia, Ontario, Quebec and all other interconnected provinces between 2006 and 2009. Ontario was the first province to formally adopt NERC’s mandatory Reliability Standards, which the province has referenced in its electricity market rules since 2002. |
| <b>April 4, 2006</b>     | NERC filed an application with FERC to become the Electric Reliability Organization in the United States. NERC filed 102 Reliability Standards with FERC—the 90 Version 0 standards plus 12 additional standards. NERC filed the same information with Canadian provincial authorities and the National Energy Board for recognition as the Electric Reliability Organization in Canada.   |
| <b>July 20, 2006</b>     | FERC certified NERC, which formed eight Regional Entities, as the Electric Reliability Organization for the United States.   |
| <b>January 1, 2007</b>   | The North American Electric Reliability Council became the North American Electric Reliability Corporation, a change that included a large membership base representing a cross-section of the industry across North America.  |
| <b>March 15, 2007</b>    | FERC approved 83 NERC Reliability Standards, the first set of legally enforceable standards for the U.S. bulk power system.  |
| <b>April 19, 2007</b>    | FERC approved agreements by which NERC delegated its authority to monitor and enforce compliance with NERC Reliability Standards in the United States to the eight Regional Entities with NERC continuing in an oversight role.  |
| <b>June 18, 2007</b>     | Compliance with approved NERC Reliability Standards became mandatory and enforceable in the United States.   |
| <b>August 2007</b>       | The NERC Board of Trustees endorsed the Energy-Sector Specific Plan issued by the Department of Homeland Security and Department of Energy in May 2007. Electricity Subsector Coordinating Council members, including NERC, approved the plan and agreed to undertake critical infrastructure protection activities in support of it.  |
| <b>October 2007</b>      | The NERC Board of Trustees approved Transmission Availability Data System data collection.   |
| <b>January 2008</b>      | FERC approved the first version of NERC’s Critical Infrastructure Protection (CIP) Reliability Standards.  |
| <b>February 26, 2008</b> | Portions of Florida experienced a blackout, which led to the loss of 22 high-voltage transmission lines, 4,300 MW of generation and 3,650 MW of load.  |
| <b>July 2009</b>         | NERC produced the Three-Year ERO Performance Assessment that highlighted ERO accomplishments since its inception, as directed by FERC.   |

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| <b>2010</b>              | WECC, the Comisión Federal de Electricidad (CFE), the Centro Nacional de Control de Energía (CENACE), and Area de Control Baja California (ACBC) signed a Membership and Operating Agreement for compliance with Reliability Standards in the Mexican state of Baja California.  |
| <b>June 2011</b>         | NERC moved its headquarters from Princeton, N.J., to Atlanta.  |
| <b>September 8, 2011</b> | An 11-minute system disturbance occurred in the Pacific Southwest, which led to cascading outages that left approximately 2.7 million customers without power in parts of Arizona, Southern California, the Mexican state of Baja California.  |
| <b>November 2011</b>     | NERC hosted its first grid security exercise, which focused on strengthening emergency response capabilities and collaboration between industry and government. NERC held subsequent exercises every two years, building upon previous lessons learned.  |
| <b>May 2012</b>          | NERC’s Member Representatives Committee and its Standards Process Input Group issued a final report on improving the Reliability Standards development process with recommendations to NERC that included developing results-based standards,  |
| <b>May 2012</b>          | NERC released its first annual State of Reliability report, which reviews bulk power system performance trends.  |
| <b>November 2013</b>     | FERC approved Version 5 of NERC’s CIP Reliability Standards, which represented a comprehensive, risk-based approach to further enhance the security of the North American bulk power system. FERC approved the first version of NERC’s CIP Reliability Standards in January 2008.  |
| <b>January 6–7, 2014</b> | The Midwest, South Central, and East Coast regions of North America experienced extreme cold weather conditions, resulting in temperatures that were between 20 and 30 degrees below average. During this event, called the polar vortex, the demand for natural gas increased resulting gas-fired generation curtailments and grid operators contained load shedding to less than 300 MW. |
| <b>February 2014</b>     | NERC formed the Board of Trustees’ Enterprise-Wide Risk Committee to focus on common risks to the reliability of the bulk power system across NERC Regions.  |
| <b>March 2014</b>        | FERC approved NERC’s definition of the Bulk Electric System, which allows for the identification of grid elements and facilities that are necessary for the reliable operations of the interconnected bulk power system.   |
| <b>April 2014</b>        | NERC released its Five-Year Assessment as directed by FERC, which highlighted Electric Reliability Organization accomplishments over the prior five years.   |
| <b>November 2014</b>     | NERC launched the Cybersecurity Risk Information Sharing Program, which focused on delivering real-time relevant, actionable intelligence to the industry on potential threats to security and reliability.  |
| <b>January 2015</b>      | NERC launched implementation of its Risk-Based Compliance Monitoring and Enforcement Program to promote consistency across NERC’s Regions.   |

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| <b>March 2015</b>     | FERC approved NERC’s Risk-Based Registration Initiative, which ensured that the right entities are subject to the right set of Reliability Standards and allows entities to focus on issues with a greater potential to impact the bulk power system.   |
| <b>July 20, 2016</b>  | NERC marked the 10-year anniversary as the Electric Reliability Organization.   |
| <b>March 2017</b>     | NERC, Comisión Reguladora de Energía (CRE), and CENACE signed an MOU for further U.S.–Mexican cooperation on reliability.   |
| <b>June 2017</b>      | NERC and FERC issued a report on industry plans to restore power in the absence of systems for supervisory control and data acquisition, energy management, and/or intercontrol center communications.  |
| <b>May 4, 2018</b>    | FERC approved the termination of the Regional Delegation Agreement between NERC and Southwest Power Pool Regional Entity (SPP RE), as well as the transfer of registered entities within SPP RE to Midwest Reliability Organization (MRO) and SERC Reliability Corporation (SERC) under amended Regional Delegation Agreements with MRO and SERC.   |
| <b>July 1, 2018</b>   | SPP RE’s 122 registered entities transferred to MRO and SERC as part of the dissolution of the SPP RE.  |
| <b>April 30, 2019</b> | FERC approved the termination of the Regional Delegation Agreement between NERC and Florida Reliability Coordinating Council (FRCC), as well as the transfer of registered entities within FRCC to SERC.  |
| <b>July 1, 2019</b>   | FRCC’s 36 registered entities transferred to SERC as part of the dissolution of FRCC.   |
| <b>November 2019</b>  | At its quarterly meeting, the Board approved the charter to create a new Reliability and Security Technical Committee (RSTC) in an effort to improve the effectiveness and efficiency of ERO Enterprise operations. The single RSTC, which reports to the Board, replaced three existing technical committees—the Critical Infrastructure Protection Committee, the Operating Committee, and the Planning Committee. The RSTC focuses on managing the work of the subcommittees, working groups, and task forces organized to address specific risks to reliability and security. |
| <b>February 2021</b>  | Extreme winter weather conditions experienced by the Midwest and South-Central states contributed to power outages affecting millions of electricity customers throughout the region. The Federal Energy Regulatory Commission (FERC) and NERC subsequently opened a joint inquiry into the operations of the bulk power system during the event.   |