

# Announcement

## 2023 Accomplishments, IBR Registration, Cold Weather Standards were Key Topics at First 2024 Board Meeting

February 15, 2024

**HOUSTON** – NERC’s Board of Trustees kicked off its first meeting of 2024 with a look back at key 2023 accomplishments, noting the work done in support of NERC’s key focus areas — **Energy, Security, Agility and Sustainability** — and a look ahead at the work yet to be done. During the meeting, a key cold weather standard was adopted, a retiring colleague was honored and a discussion on unregistered inverter-based resources (IBR) took place.

“The NERC team took on a significant number of challenges to the reliability and security of the grid over the past year and rose to the occasion — facing an increase in physical security incidents; directives on IBRs, internal network security monitoring and extreme weather planning; a congressionally mandated transfer capacity study; and yet another winter storm,” said Ken DeFontes, chair of the Board of Trustees. “And industry was right there with us to get these priorities across the finish line. I want to thank you all for a stellar 2023.”

Following on the theme of 2023 accomplishments, President and Chief Executive Officer (CEO) Jim Robb noted that NERC produced two products highlighting the accomplishments of the Electric Reliability Organization over the past year: the [2023 Year-in-Review](#) video and the Electricity Information Sharing and Analysis Center’s (E-ISAC) [2023 End-of-Year Report](#).

“These two products provide an overview of progress on our work plan priorities in a very engaging, accessible way — something stakeholders have told us they are looking for. In particular, the E-ISAC report is classified TLP:CLEAR so that we can share this information more broadly,” Robb said. “These two year-end reviews provide you with an overview of NERC and E-ISAC activities and a jumping-off point for further drilldown should you want more information. I encourage you all to look at these fantastic products.”

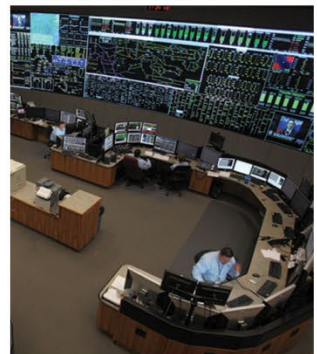
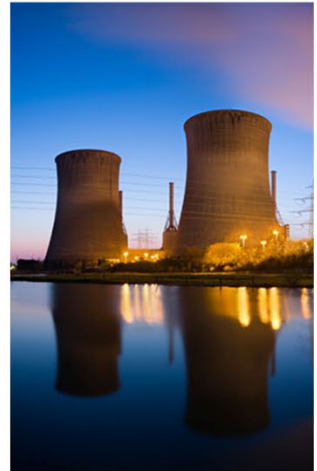
At the start of the meeting, the Board bid farewell to Janet Sena, NERC’s senior vice president of External Affairs, in advance of her retirement at the end of the month. Sena, who oversaw NERC’s Legislative and Communications functions during her 14 years with the company, was honored with a Board resolution commending her service to NERC and her long-time efforts of working to ensure the reliability and security of the grid.

Three new vice presidents (VP) were named to the NERC Executive team: **Matt Duncan**, VP,

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E-ISAC Security Operations and Intelligence; **Fritz Hirst**, VP, Government Affairs; and **Bluma Sussman**, VP, E-ISAC Stakeholder Engagement.

“With the extraordinary threat environment we face, the E-ISAC has never been more important to our sector. Couple that with the growing importance of our work with state and provincial partners, we need to ensure we are positioned to meet these growing areas of need with an eye on our future impact as a company,” Robb said. “Matt, Fritz and Bluma have a track record of leadership, strategic vision and passion for the role NERC plays in assuring the reliability and security of the grid. I am pleased that they will bring this same commitment, insight and creativity to the Executive team.”

Remarks were also provided by Thad Hill, president and CEO, Calpine Corporation; Pat Wood III, CEO, Hunt Energy; Patricia Hoffman, principal deputy assistant secretary, Office of Electricity, Department of Energy; and Derek Olmstead, president and CEO, Alberta MSA and CAMPUT representative.

Howard Gugel, vice president of Compliance Assurance and Registration, led a discussion on the proposed revisions to NERC’s Rules of Procedure addressing unregistered IBR that fall below the thresholds of the current Bulk Electric System definition. This project, which was directed by the Federal Energy Regulatory Commission, has a strong degree of stakeholder consensus on the proposed registration thresholds, Gugel noted, which would result in nearly 98% of impactful IBRs being subject to standards.

Gugel also shared the different implementation approaches considered and the benefits and drawbacks of each, along with standards-related impacts as NERC undertakes the next phases of work. He emphasized that this proposal addresses *only* the registration process, and further work would need to occur through NERC’s standard development process to subject the new entrants to mandatory compliance with NERC Reliability Standards. The Board will consider both staff and stakeholder policy input. In conclusion, Gugel noted the importance of ensuring new entities are integrated and educated on the NERC model and committed to overseeing an effective, informed transition.

Kelly Hanson, NERC’s senior vice president and chief administrative officer, also provided a brief look back at the 2023 accomplishments, noting NERC delivered on 28 of the original 32 work plan priorities. Four priorities were not completed, Hanson said, due to several unanticipated directives from FERC and the congressionally mandated [Interregional Transfer Capability Study \(ITCS\)](#), which required the reprioritization of resources and projects.

At the start of the meeting, the Board approved Ken DeFontes as chair and Suzanne Keenan as vice chair and chair elect, as well as approving new committee appointments, which will be posted on the [Board page](#). Previously at the Member Representatives Committee (MRC), Board members Larry Irving, Susan Kelly, George Hawkins and Robin E. Manning were re-elected to new three-year terms.

### **Other Action**

The Board adopted EOP-012-2 – Extreme Cold Weather Preparedness and Operations, which addresses one remaining key recommendation from the [FERC–NERC Joint Inquiry Report](#) into Winter Storm Uri and five directives arising from the [February 16, 2023 FERC Order](#). The standard requires Generator Operators to develop cold weather preparedness plans and ensure that training is completed annually. Also adopted was Project 2022-01 – Reporting Area Control Error (ACE) Definition and Associated Terms, which includes changes to the Glossary of Terms definition of reporting ACE and related terms to allow all interconnections implement an automated time-error correction process. Both standards will be finalized and filed with FERC for final approval.

“I would like to commend the NERC staff, the Standards Committee and all those who worked to get this critical standard over the finish line,” DeFontes said, referring to the EOP standard. “This standard — and all our cold weather standards — are particularly important given what we have seen during cold weather events.”

The Board also approved amendments to the governance documents for the *System Operator Certification Program Manual* and *System Operator Certification Program Manual Mapping Document*, and Compliance and Certification Committee’s *Participation in NERC’s Audits of CMEP Programs* procedure.

### Technical Session

The technical session, which took place on Wednesday, focused on three topics:

- **Gas-Electric Coordination:** A panel of industry experts discussed the emergence of gas-electric coordination as a key risk during the energy transition, exploring several issues, including cold weather events, collaborative approaches to mitigate risks from an interconnected gas-electric system perspective and the alternatives that exist to a gas reliability organization construct.
- **Cloud Technology:** Discussion centered on cloud technology and associated risks and its benefits also took place, along with regulatory issues that may impact the industry.
- **ITCS:** The project team provided an update on progress, which included the formation of an industry Advisory Group and a memo that was recently sent seeking active industry input. The ITCS report, which is being undertaken in three phases, will be filed with FERC on December 2, 2024, as directed in the Fiscal Responsibility Act. More information can be found on the [ITCS web page](#).

Board presentations are located on the [Board of Trustees agenda page](#) on [NERC’s website](#). The next Board of Trustees meeting will be on May 9 in Washington, D.C. The meeting will be hybrid, with only the Board and MRC in-person. All other stakeholders and observers will be virtual.

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*Electricity is a key component of the fabric of modern society and NERC, as the Electric Reliability Organization, serves to strengthen that fabric. The vision for the ERO Enterprise, which is comprised of NERC and the six Regional Entities, is a highly reliable and secure North American bulk power system. Our mission is to assure the effective and efficient reduction of risks to the reliability and security of the grid.*