Announcement

Board Approves Regional Delegation Agreements, Bids Farewell to Manny Cancel

May 8, 2025

WASHINGTON, D.C. – The NERC Board of Trustees bid farewell to an outgoing NERC senior leader, received updates on three key initiatives, and approved Regional Delegation Agreement revisions and an Essential Actions Alert at their quarterly meeting.

Suzanne Keenan, Board chair, welcomed participants to the hybrid meeting, noting that this format with the Member Representatives Committee (MRC), the NERC Board, NERC leadership team and the Regional Entity CEOs meeting in person with other attendees taking part virtually was launched three years ago. She also commented on the amount of change that has occurred across the Electric Reliability Organization (ERO) and the energy industry since she joined the Board seven years ago.

"When I joined the Board, I never imagined that NERC's mission would become center stage at a national level. The amount of change across the energy industry, on the NERC Board and in the ERO and how we're working with the MRC and federal, state and provincial regulators has been nothing short of astounding," Keenan said. "We've gone from discussing topics such as tree trimming and approving penalties to tackling complex topics like integrating inverter-based resources (IBR), energy adequacy, large loads, winterization and gas-electric integration. Clearly, there is no shortage of challenges and an overwhelming amount of work, yet we have never been more ready."

Jim Robb, NERC president and chief executive officer (CEO), introduced two new members of the NERC leadership team. **Michael Ball**, who assumed duties as NERC senior vice president and CEO of the Electricity Information Sharing and Analysis Center (E-ISAC) on April 14; and **Todd Carter**, vice president of Business Technology, who joined NERC on March

"After conducting a comprehensive search, I'm pleased to welcome Michael and Todd to the NERC. Their wealth of experience will build on the strong foundation we already have in place and will set us up for future success," Robb said. "Please join me in welcoming them both to the ERO."

In one of its first orders of business, the Board issued a resolution for Manny Cancel recognizing his outstanding service as NERC's senior vice president and CEO of the E-ISAC.

CONTACT: Communications@nerc.net

















Cancel is retiring after five years of leading the E-ISAC.

"Just as we welcomed Michael and Todd, we must say farewell to Manny, who is retiring at the end of this month. Manny's short-lived first retirement (from ConEd) has benefited NERC in more ways than I can mention in these short remarks," Robb said. "To say I'm sad about his second retirement is an understatement. Manny has been invaluable to NERC during his five years leading the E-ISAC, building strong relationships with industry leaders and policymakers, and, at the same time, building a team that has brought the E-ISAC to the forefront of the cyber security conversation."

Opening remarks were made by Mark Christie, chairman, Federal Energy Regulatory Commission; and Derek Olmstead, president and CEO, Alberta Market Surveillance Administrator and CAMPUT representative to NERC.

Board Action

The Board approved revisions to the Regional Delegation Agreements (RDAs) and an Essential Actions to Industry Alert on IBR performance modeling.

The RDAs set the terms and conditions for how NERC, as the ERO, delegates certain responsibilities, under Section 215 of the Federal Power Act, to each of the Regional Entities. The agreements give the Regions authority to conduct activities, such as proposing regional Reliability Standards, engaging in compliance monitoring and enforcement activities and performing reliability assessments.

"The RDAs expire at the end of the year, so we took this opportunity to revise them to better advance the goals laid out in our [ERO Enterprise Long-Term] strategy in a more efficient and effective manner with enhanced collaboration and coordination across ERO Enterprise activities," Robb said.

In particular, he called attention to the revisions addressing NERC's reliability assessments, performance and event analyses, saying the reports have never been more valuable to industry and policymakers in identifying and evaluating new and emerging risks.

"It is critical that NERC and the Regional Entities establish the appropriate framework to work efficiently and collaboratively to issue these reports. These revised RDAs will help ensure that we have the proper framework in place," Robb noted.

After approval from the Regional Entity boards, the RDAs will be filed with FERC with an expected effective date of January 1, 2026.

The Board also approved a Level 3 Essential Actions to Industry Alert on IBR performance and modeling. The alert seeks to enhance technical minimum requirements, study processes and modeling accuracy to predict and mitigate risks posed by IBR performance during system disturbances.

Updates

The Board also received updates on several key reliability initiatives, including lessons learned from 321 standards actions and Order No. 901 Milestone activity; progress of the newly formed Modernization of Standards Processes and Procedures Task Force; and review of the Large Load Task Force action plan.



Following the need for the Board to invoke Section 321 of NERC's Rules of Procedure to meet FERC's Order No. 901 filing deadline, NERC conducted a review of the process to produce a lessons learned report to help inform future standards activities. Soo Jin Kim, vice president of Engineering and Standards, noted that three contributing factors increased the likelihood of 321 action being invoked in the development process for EOP-012-3:

- Comments that directly contradicted FERC's directives
- Inefficiencies inherent in the process
- Miscommunication

Kim also provided an update on <u>Milestone 3</u> for the FERC Order No. 901 filing. Milestone 3 addresses the validation of models and data for generators and includes three active standards projects (Project 2022-02 – Uniform Framework Model for IBRs; Project 2020-06 – Verifications of Models and Data for Generators; and Project 2021-01 – System Model Validations with IBRs. Projects 2022-02 and 2021-01 are <u>currently posted for comment</u> with Project 2020-06 due to be posted for comment later this month. These projects must be filed with FERC by November 4, with full implementation by January 1, 2030.

The Board also received an overview of the work being done by the newly established <u>Modernization of Standards Processes and Procedures</u> (MSPPTF), which was formed by Board resolution in February. Chair Greg Ford, president and CEO, Georgia System Operations Corporation, and Vice Chair Todd Lucas, vice president of Transmission Operations and Policy, Southern Company, noted that stakeholder-based involvement is fundamental to the success of the MSPPTF. To date, the task force has:

- Developed and published its scope document
- Aligned its goals and objectives
- Identified initial areas of opportunity
- Begun developing a comprehensive communications and outreach plan

The MSPPTF will provide regular updates to the Board throughout this process with recommendations presented at the February 2026 Board meeting.

Another key initiative focuses on the pace at which large loads are connecting to the grid, exacerbating existing resources and creating energy adequacy challenges. Mark Lauby, NERC's senior vice president and chief engineer, presented NERC's action plan to address large load grid integration, calling for the <u>Large Load Task Force</u> (LLTF) to implement collaborative industry sessions between industry, large load and load-serving entities and to conduct large load registration analysis to determine how to register large loads into the NERC ecosystem.

These efforts are in addition to other complementary activities, including the Load Modeling Working Group coordination with other efforts, such as those from the Energy Systems Integration Group, ERCOT, and EPRI among others; expanded outreach; lessons learned; and a review of Reliability Standard PRC-006-05 — Automatic Underfrequency Load Shedding.

Resources

Board presentations are located on the <u>Board of Trustees</u> agenda page on the <u>NERC website</u>. The next Board of Trustees meeting will take place on August 14 in Calgary, Canada.

###