

NERC News: May

ERO Executive Spotlight

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Working Collectively to Assure Resource Adequacy

The increased electrification of the economy coupled with the transition to a decarbonized grid presents significant reliability, resilience and security risks that need to be considered and addressed collectively by industry, federal, state and provincial energy regulators and policymakers. The challenge we face is how to assure resource adequacy in an era of extreme weather and environmental conditions, growing electricity demand from electrification policies and cyber security concerns.

Against this dynamic backdrop, NERC's Reliability Assessment and Performance Analysis team works to provide independent data intended to inform industry leaders, planners, operators and regulatory bodies so they are better prepared to take the necessary actions to ensure bulk power system (BPS) reliability. Each year, NERC produces two seasonal assessments (summer and winter), which evaluate resource and transmission system adequacy for the upcoming season, and a Long-Term Reliability Assessment, which takes a 10-year forward-looking view of the BPS. These assessments are complemented by the State of Reliability, which analyzes how the system performed over the past year, identifying progress and areas that should be addressed.

These four annual assessments provide a high-level appraisal of resource adequacy and an overview of projected electricity demand growth, generation and transmission additions, and assess the preparations industry is making to be ready for these changes. The assessments also identify long-term emerging issues and trends that do not necessarily pose an immediate threat to reliability, but will influence future BPS planning, development and system analysis.

In May, we released the [2023 Summer Reliability Assessment](#) (SRA), which is receiving tremendous interest from stakeholders from across the United States, Canada and beyond; and for good reason. While this year's SRA is more optimistic than last years, with no assessment areas deemed as being at extreme

risk, a greater portion of the United States, approximately two-thirds, is at risk of energy shortages during periods of extreme demand this summer. If summer temperatures spike and become more widespread, the U.S. West; Midwest; Texas and Southeast U.S.; New England and Ontario, Canada may experience resource shortfalls. In addition to weather-related risks, the assessment identifies a number of reliability issues that should be taken into consideration prior to summer. Owners and operators of grid-connected wind and solar photovoltaic resources are encouraged to take steps to ensure these resources can operate reliably during grid disturbances. Additionally, supply chain issues continue to present maintenance and summer preparedness challenges and are delaying some new resource additions.

To address these challenges, policymakers, regulators and industry across multiple jurisdictions need to work together toward the common goal of BPS reliability. For example, states and provincial authorities working in collaboration with industry need to develop plans that manage the transformation of resources. This includes plant retirements only when replacement for their energy and essential reliability services are on-line. At NERC, we are engaging industry in the development of Reliability Standards that require energy reliability assessments across the three time horizons. These standards will provide a mechanism for developing corrective action plans that can be supported by the states, provinces and market areas to ensure energy availability and essential reliability services.

On a positive note, the investments necessary to prepare for future risks, while simultaneously addressing climate change, create a massive opportunity to innovate and secure our grid. Not only can we implement new technologies that will produce cleaner and more affordable power, we can build physical and cyber security into the design from the beginning. The bridge may be long, but without dispatchable resources, the grid transformation could be derailed and the cost to build to an acceptably reliable, resilient and secure system very high.





Headlines

[Save the Date for Joint NERC, FERC Physical Security Technical Conference](#)

[Robb Testifies at Senate Energy and Natural Resources Committee Hearing](#)

[Statement on FERC May Open Meeting](#)

[Two-thirds of North America Faces Reliability Challenges in the Event of Widespread Heatwaves](#)

[NERC Releases Essential Action Alert Focused on Cold Weather Preparations](#)

[Board Approves First Essential Action Alert, Honors Former Colleague](#)

[ERO Enterprise Publishes Cyber-Informed Transmission Planning White Paper](#)



Other NERC Activities

[Standards](#)

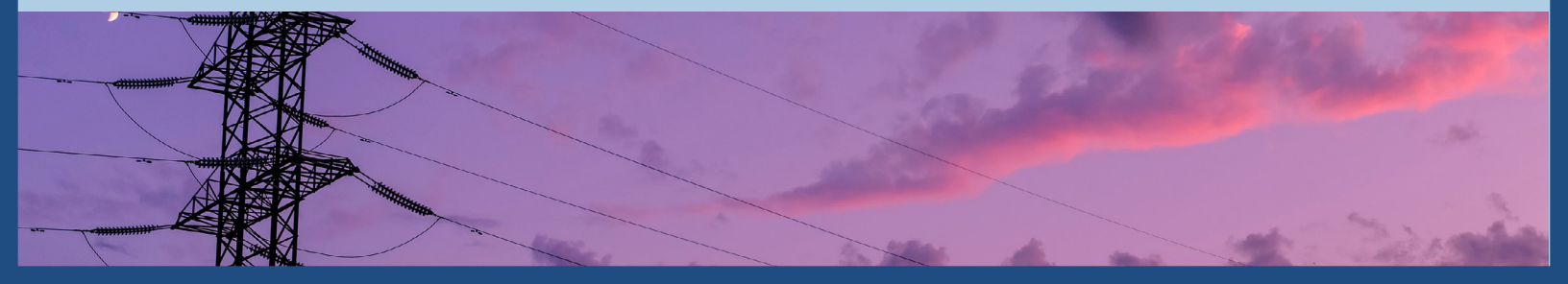
[Compliance and Enforcement](#)

[Event Analysis, Reliability Assessment and Performance Analysis Highlights](#)

[E-ISAC](#)

Filings

[NERC Filings](#)
[Canadian Filings](#)





Events Across the ERO Enterprise

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION



MRO

SERC SERC



NPCC



TEXAS RE



ReliabilityFirst



WECC



Work at NERC

Current Opportunities:

Senior Situation Awareness Coordinator
Location: Remote/Virtual

Enterprise Risk Management and
Insurance Principal Advisor
Location: Remote/Virtual

Compliance Assurance Manager
Location: Remote/Virtual

Manager, State Government and
Regulatory Affairs
Location: Remote/Virtual

Manager of Standards Development
Location: Remote/Virtual

Compliance Assurance Advisor (CIP)
Location: Remote/Virtual



Reliability | Resilience | Security