

NERC News: July

ERO Executive Spotlight

Tim Gallagher, ReliabilityFirst President and CEO



Looking Back on 20 Years Since the 2003 Northeast Blackout

It's informative to look back at history. Recently I rewatched the congressional hearings after the 2003 Northeast Blackout, one of the largest blackouts in the history of the world, with approximately 50 million people in the United States and Canada losing power. It significantly impacted commerce. If it had happened in the wintertime, there's a chance that it would have caused severe loss of life. As I listened to the testimony of former NERC CEO Michehl Gent and others and the interactions with the congressional panels, I was struck by how much has changed since then. I recently reflected on this progress in a video jointly produced with NERC and NPCC, <u>The Grid – 20</u> Years of Progress Since the 2003 Northeast Blackout. Notably, we now have mandatory, enforceable standards, supported by Congress, and the ability to fine companies for nonconformance to the standards. Every utility in North America is audited by teams of experts who ensure these standards are being followed. Thousands of violations have been uncovered and corrected over the last 20 years.

As we look to the future, there are three challenges I see us facing as an industry at the highest level:

1. The pace of change to get to a decarbonized grid. Transitioning to a cleaner grid is a massive engineering problem, with a whole host of things that must be figured out—from the way the system restores itself after an outage, the way

cooking, and everything else in Americans' homes may be electric. The data centers powering our commerce and connectivity continue to be built around the country. These are massive consumers of electricity, and they sometimes crop up faster than infrastructure can be built to support them. The demand for reliable electricity is only going to get larger and more critical.

3. The electric industry is a constant target for our adversaries. As one of the critical infrastructures for this country, the electric grid is an attractive target to those wishing to inflict significant harm and or disruption on the United States and Canada. We must constantly be vigilant to guard against these attacks, which are growing in number and sophistication.

In our industry, we do a tremendous job of learning. We're really good at learning from events when they've occurred, like the 2003 blackout, after which so many corrections were made. As we transform into a greener grid and move into greater electrification of the nation, the burden on our system and the ramifications of it not working properly grow higher and higher.

It's our job to stay ahead of these challenges as best as we can, by being as forward-looking as possible, so we can arrest threats to the grid before their risk is

it's managed minute-to-minute, and the way it protects itself to how it supports critical industries like steel making. Because the power system is so tightly integrated, we do not have the luxury of making the necessary modifications piecemeal. All of these questions have to be solved at the same time by everyone (and perhaps in the same way).

2. Increasing expectations of the grid. In the future, transportation may be totally electric. Heating,

realized. To do this, we must first redouble efforts to address and mitigate today's well-known, established risks, by reducing protection misoperations, ensuring we have correct facility ratings, properly preparing for extreme weather, and practicing good physical and cyber hygiene. This will allow us all the freedom to focus on continually seeking to identify and understand emerging or unknown risks so we can reduce or eliminate them before we experience them.



Headlines

NERC, ReliabilityFirst and NPCC Release Video Highlighting ERO Enterprise Progress since the August 2003 Blackout

Cancel to Testify on Emerging Threats at House Energy and Commerce Subcommittee Hearing

NERC Files Request with FERC to Use Reserves in 2023 to Fund Portion of Transfer Capability Study

NERC Staff to Participate in 2023 IEEE Power & Energy Society General Meeting

Learn the Basics about Inverter-Based Resources with New, Easy-to-Follow Introductory Guide

Other NERC Activities

Standards

Compliance and Enforcement

Event Analysis, Reliablity Assessment and Performance Analysis Highlights

E-ISAC

Filings U.S. Filings

Canadian Filings





Events Across the ERO Enterprise





Work at NERC

Current Opportunities:

Financial Reporting and Internal Controls Manager, Remote/Virtual Senior Compliance Assurance Engineer/ Advisor, Remote/Virtual

Technical Lead (E-ISAC), Remote/Virtual

