Project 2020-06 Verifications of Models and Data for Generators

Action

- Approve the following waiver of provisions of the Standard Processes Manual (SPM) for Project 2020-06 Verifications of Models and Data for Generators:
 - Initial formal comment and ballot period reduced from 45 calendar days to as few as 25 calendar days, with ballot pools formed in the first 10 calendar days and initial ballot and non-binding poll of Violation Risk Factors (VRFs) and Violation Severity Levels (VSLs) conducted during the last 10 calendar days of the comment period. (Sections 4.7, 4.9)
 - Additional formal comment and ballot period(s) reduced from 45 calendar days to as few as 15 calendar days, with ballot(s) conducted during the last 10 calendar days of the comment period. (Sections 4.9 and 4.12)
 - Final ballot period reduced from 10 calendar days to 5 calendar days. (Section 4.9)
- Authorize posting Project 2020-06 Verifications Model and Data for Generators
 Modeling definitions for an initial 25-calendar day formal comment and ballot period,
 with ballot pools formed in the first 10 calendar days, and initial ballots conducted
 during the last 10 calendar days of the comment period.

Background

The Federal Energy Regulatory Commission (FERC) issued Order No. 901 on October 19, 2023, which included directives on new or modified NERC Reliability Standard projects. FERC Order No. 901 addresses a wide spectrum of reliability risks to the grid from the application of Inverter Based Resources (IBR), including both utility scale and behind-the-meter or distributed energy resources. Within Order No. 901, there are four milestones that include sets of directives to NERC. NERC Standards Development has identified three active projects (2020-06, 2021-01, and 2022-02) that are directly impacted by the associated FERC directives in Order No. 901.

In addition, to assist readers, please see the following additional documents drafted to help keep the NERC Milestone 3 projects organized.

- FERC Order No. 901 Summary Information of Milestone 3
- FERC Order No. 901 Summary Graphic of Milestone 3
- <u>Standards Development Mapping of FERC Order 901 Directives and Other Guidance to Standards Development Projects</u>

NERC staff hosted a joint workshop January 15-17, 2025, in Phoenix, AZ. During the workshop NERC staff and drafting team (DT) members reviewed the FERC directives associated with Milestone 3 and talked through concerns of industry prior to the development or modification of each standard(s) with its associated project.

As a Milestone 3 project, Project 2020-06 addresses the FERC directives in Order No. 901 to develop new or modified Reliability Standards for modeling verification and modeling validation

for registered IBRs, unregistered and aggregated IBR, and aggregated distributed energy resources. Additionally, Project 2020-06 proposes definitions for Model Verification and Model Validation to address the need for a uniform understanding of these terms. The proposed revisions would further incorporate the uniform model framework verifications into FAC-002 to ensure a consistent holistic approach for model data sharing is established since commissioning of the IBR. These standards must be filed with FERC by November 4, 2025, in accordance with Order No. 901.

This initial formal comment period and ballot would include two definitions, Model Verification and Model Validation. The DT worked with industry at the engagement workshop to develop these two definitions that will aid in drafting revisions to MOD-026-2 and Project 2021-01 Reliability Standard MOD-033-2 Requirements. The ballot for these definitions will be conducted separately from the Reliability Standard due to the limited timing of the initial draft postings. A quality review of the definitions was performed from January 17 to February 1, 2025, by NERC legal (Alain Rigaud), members of the Milestone 3 DTs, and industry members (Andy Hoke, NREL). Feedback was also received at the Industry Engagement Workshop where industry helped draft these two definitions.

NERC Standard Processes Manual Section 16.0 Waiver provides as follows:

- The Standards Committee (SC) may waive any of the provisions contained in this manual for good cause shown, but limited to the following circumstances:
 - In response to a national emergency declared by the United States or Canadian governments that involves the reliability of the Bulk Electric System (BES) or cyberattack on the BES;
 - Where necessary to meet regulatory deadlines;
 - Where necessary to meet deadlines imposed by the NERC Board of Trustees; or
 - Where the SC determines that a modification to a proposed Reliability Standard or its requirement(s), a modification to a defined term, a modification to an interpretation, or a modification to a variance has already been vetted by the industry through the standards development process or is so insubstantial that developing the modification through the processes contained in this manual will add significant time delay.

Summary

NERC Standards Development has identified three active projects (2020-06, 2021-01, and 2022-02) that are directly impacted by the associated FERC directives in Order No. 901. Project 2020-06 DT leadership and NERC staff request that the SC approve a waiver for certain provisions of the SPM regarding the length of comment periods and ballots in order to meet the November 2025 regulatory deadline for Project 2020-06 as established by FERC.

Project 2020-06 DT leadership and NERC staff recommend that the SC grant the requested waiver under SPM section 16.0 and shorten the initial formal comment and ballot period for all standards and definitions developed under Project 2020-06 from 45 calendar days to as few as 25 calendar days and any additional formal comment and ballot period(s) from 45 calendar days to as few as 15 calendar days. In addition, Project 2020-06 DT leadership and NERC staff recommend shortening the final ballot of all standards and definitions from 10 calendar days to as few as five (5) calendar days.

NERC staff recommends the SC authorize an initial formal comment and ballot period for Project 2020-06 Verifications Model and Data for Generators definitions for a 25-calendar day formal initial ballot, with ballot pools formed in the first 10 calendar days, and initial ballots conducted during the last 10 calendar days of the comment period.