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FERC, NERC Staff Review 2021 Winter Freeze, Recommend Standards Improvements

The electric and natural gas industries need to strengthen their winterization and cold weather preparedness and coordination to prevent a recurrence of the unprecedented February 2021 power outages to millions of people during the February 2021 freeze in Texas and the Midwest.

That is the assessment of a preliminary report presented at today's Federal Energy Regulatory Commission (FERC) meeting by a joint inquiry team of staff from FERC and the North American Electric Reliability Corporation (NERC) and its regional entities. The report reviews what happened during the freeze and outlines a series of recommendations, including mandatory electric reliability standards, to prevent its recurrence.

"This is a wake-up call for all of us. There was a similar inquiry after Texas experienced extreme cold weather in 2011, but those recommendations were not acted on," FERC Chairman Rich Glick said. "We can't allow this to happen again. This time, we must take these recommendations seriously, and act decisively, to ensure the bulk power system doesn't fail the next time extreme weather hits. I cannot, and will not, allow this to become yet another report that serves no purpose other than to gather dust on the shelf."

"These preliminary findings provide clear and comprehensive insight into what happened on the grid during the February freeze and our joint recommendations provide a roadmap for what actions need to be taken next in order to prevent a repeat occurrence," said Jim Robb, president and CEO of NERC. "Our coordinated efforts – across both the electric and natural gas industries – will provide the way ahead. NERC and FERC are committed to working together to make this happen."

The February freeze triggered the loss of 61,800 megawatts of electric generation, as 1,045 individual generating units experienced 4,124 outages, derates or failures to start. It severely reduced natural gas production, with the largest effects felt in Texas, Oklahoma and Louisiana, where combined daily production declined to an estimated 20 billion cubic feet per day. That is a reduction of more than 50 percent compared to average production from February 1-5.

Today's assessment points to freezing of generator components and fuel issues as the top two major causes of generator outages, derates or failures to start. The identified causes in the preliminary report affected generating units across all fuel types. Of the 1,045 generating units affected, 57 percent were natural gas-fired units that primarily faced fuel-supply challenges.



The preliminary report makes nine key recommendations, including changes to mandatory reliability standards that build upon the recently approved standards developed in the wake of a 2019 joint inquiry into a prior cold weather event. Among those are:

- Revisions to require generator owners to identify and protect cold weather-critical components;
- Build new or retrofit existing units to operate to specific ambient temperatures and weather based on extreme temperature and weather data;
- Take into account effects of wind and precipitation in winterization plans;
- Corrective action plans for generator owners that experience freeze-related outages; and
- Ensure the system operator is aware of the operating limitations in the generating fleet so that they can plan mitigation actions.

The preliminary report also recommends that generator owners be provided the opportunity for compensation and recovery of the costs of building or retrofitting to operate to a specific temperature, and that Congress, state legislatures and jurisdictional regulators require gas facilities to prepare and follow cold weather preparedness plans.

The presentation of the preliminary findings and recommendations is available [here](#). The FERC, NERC and regional entity staffs will release their final report in November.

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NERC is the FERC-approved authority that develops and enforces reliability standards; annually assesses seasonal and long-term reliability; monitors the bulk power system through system awareness; and educates, trains, and certifies industry personnel.