

Reliability Standards Development Plan

2026-2028

August 5, 2025

RELIABILITY | RESILIENCE | SECURITY









3353 Peachtree Road NE Suite 600, North Tower Atlanta, GA 30326 404-446-2560 | www.nerc.com

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Introduction

Pursuant to Section 310 of the NERC Rules of Procedure, NERC is required to develop and provide to applicable governmental authorities an annual Reliability Standards Development Plan (RSDP) for Reliability Standards development. Each annual RSDP must include a progress report, comparing results achieved, to the prior year's RSDP. NERC is required to consider the comments and priorities of the applicable governmental authorities in developing and updating the annual RSDP. NERC also provides the RSDP to the NERC Standards Committee (SC) for review and posts the RSDP for industry comment.

As described herein, this RSDP for 2026-2028 builds upon the goals of the previous RSDPs.

¹ NERC Rules of Procedure, Section 310, effective November 28, 2023, https://www.nerc.com/AboutNERC/Pages/Rules-of-Procedure.aspx

Background and Purpose

The 2026-2028 RSDP provides insight into Standards Development activities anticipated at the time of publication so that stakeholders may adjust resources, as needed, to ensure the completion of Standards Development objectives. Other Standards Development processes such as Developing an Interpretation and Developing a Variance may be impactful to the RSDP and are included herein.² In order to help industry effectively allocate resources, the RSDP includes approximated time frames and anticipated resource expectations for each project under development.

This RSDP contemplates that the work of the Reliability and Security Technical Committee (RSTC) and working groups thereunder may result in new Standard Authorization Requests (SARs) and subsequent standards projects.³ It is also important to note that projects may be generated through the use of the Electric Reliability Organization (ERO) risk framework, Federal Energy Regulatory Commission (FERC) Orders, as well as the SARs generated from any stakeholder.

Periodic Reviews and initiatives also enable NERC to identify requirements that do not sufficiently improve reliability and should, therefore, be retired. Periodic Reviews will be initiated as needed to ensure minimum requirements and expectations for periodic reviews are met.

While most of the work in the next three years will focus on multiple projects to address Inverter–Based Resources, there may be new or emerging risks identified that could generate new Standards Development projects. NERC will continue to seek input and recommendations from the Reliability Issues Steering Committee (RISC) with regard to emerging or potential risks to Bulk Power System (BPS) reliability that may require revisions to existing standards or new Standards Development.⁴

To help determine the impact of potential risk to BPS reliability, NERC will use a variety of feedback mechanisms, including, but not limited to, the ERO Enterprise Compliance Monitoring and Enforcement Program (CMEP), RISC reports, Events Analysis (EA), as well as any published EA Lessons Learned. The Regional Entities also have feedback mechanisms in place to solicit comments from industry. All feedback help is leveraged to inform approaches to address industry concerns as well as specific NERC Reliability Standards. Input into Standards Development will also continue to be coordinated with the North American Energy Standards Board as appropriate. In assessing feedback with standards as well as the Standards Development process, NERC focuses on available resiliency, reliability, and security information. Data from the CMEP is leveraged to determine whether a new or modified Reliability Standard is needed to effectively address an identified risk.

² A full list of standard development processes are detailed in the Standards Processes Manual, NERC Rules of Procedure – Appendix 3A, https://www.nerc.com/AboutNERC/RulesOfProcedure/Appendix 3A SPM Clean Mar2019.pdf

³ Reliability and Security Technical Committee, https://www.nerc.com/comm/RSTC/Pages/default.aspx

⁴ Reliability Issues Steering Committee, https://www.nerc.com/comm/RISC/Pages/default.aspx

Progress Report

Pursuant to Section 310 of the NERC Rules of Procedure, NERC offers the following progress report on Reliability Standards Development.

Prior Projects Anticipated to be Completed in 2024/2025

NERC Standards Development continues to move forward technically diverse drafts for both new and modified Reliability Standards. All of the four projects listed within the previous RSDP that were anticipated to be completed by the end of 2024, were filed with the NERC Board of Trustees (Board) in December 2024. Projects completed to date in 2025 are listed under "Completed Projects" later in this report but also include Project 2024-03 Revisions to EOP-012-2, which was Board adopted in April 2025. Additionally, the 2025-2027 RSDP listed 19 projects as continuing into the current year. There are currently 16 anticipated projects continuing into 2026, the difference of three include 2024-03, which has been Board adopted, as well as 2024-01 and 2023-06 which are listed under "Anticipated to be Completed Projects" later in this report.

Continuation of Prioritization

Since the prior RSDP, Standards Development continues to utilize the prioritization process (see later chapter), which was first implemented in Fall 2023. This process was identified in prior progress reports, and industry feedback, as an essential tool to balance the number of active projects, projects with firm deadlines to complete, residual risk for slowing some projects down, and availability of resources (both NERC staff and industry). This effort has been consistently implemented, since initiation, and Staff will continue to promote this tool as one means of managing a high quantity of active projects.

Active Project Ballot Fail Rate Indicator

Standards Development has been tracking ballot pass/fail results as an indicator for general project progress. Data were reviewed from 2017 through current day. Completed project data reviewed show that previously completed projects took, on average, two ballots to pass. Projects that are in active development are demonstrating a trend upwards to a minimum of three ballots to pass. The figure below shows the fail rate trend for 2025 thus far, which is calculated every quarter.

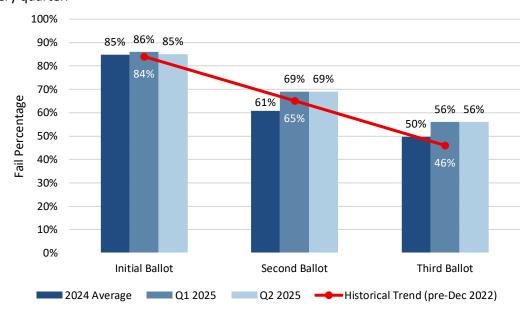


Figure 1: 2025 Active Project Ballot Fail Rate Trend

Standards staff believe this increasing trend is due to a variety of factors, such as the increased volume of high priority projects that each contribute to an increase in the number of ballots being posted for industry vote and formal comment periods. The figure below shows the number of project ballots over the past 12 months.

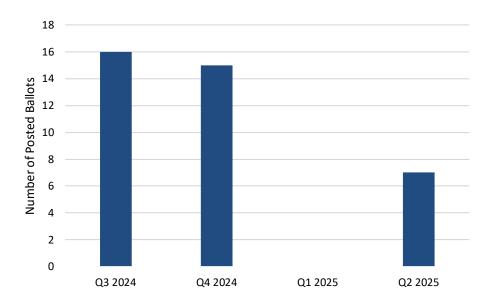


Figure 2: Number of Ballots Considered by Industry Over the Past 12 Months, by Quarter

Industry continues to provide valuable feedback regarding communication from NERC staff, as well as signaling ongoing resource constraints within industry. In 2024, medium and low priority projects were placed on a posting restriction to focus resources on high priority, FERC directive projects. Staff are focused on addressing this trend. Over the next years, Staff will provide a consistent 3-month outlook of anticipated project postings, and greatly increase targeted outreach before the initial ballot and between additional ballots. This may come in the form of more technical workshops, where appropriate. There are other influencing factors, beyond the roles and responsibilities of drafting teams, that may continue to impact drafts failing to pass ballot. As such, Staff will simultaneously pursue implementing additional ways to collect and focus feedback on certain aspects of the development process or communication on projects overall. These qualitative data will be leveraged when comparing the Active Project Ballot Fail Rate Trend in future RSDPs.

FERC Directives

As of June 25, 2025, there are 52 outstanding FERC directives being resolved through the Standards Development process. Status of Standards Development progress in addressing FERC directives is reported quarterly to the Board. The following projects are modifying Reliability Standards to address directives from FERC Orders:

FERC Order 901 – Milestone 3

- Project 2020-06 <u>Verifications of Models and Data for Generators (14 directives)</u>⁵;
- Project 2021-01 System Model Validation with IBRs (3 directives)⁶;
- Project 2022-02 Uniform Modeling Framework for IBR (24 directives)⁷;

⁵ <u>Standards Development Mapping of FERC Order 901 Directives and Other Guidance to Standards Development Projects, Draft SARs, and Pending SARs.</u>

⁶ Ibid.

⁷ Ibid.

FERC Order 901 - Milestone 4

- Pending Planning Studies SAR (Anticipated Q3 2025) (4 directives)⁸; and
- Pending Operational Studies SAR (Anticipated Q3 2025) (4 directives)⁹.

FERC Order - Others

- Project 2025-02 Internal Network Security Monitoring Standard Revision (FERC Order 907¹⁰, directives still under review)
- Supply Chain Risk Management Reliability Standards Revisions (Potential standards development project based on FERC Notice of Proposed Rulemaking Docket No. RM24-7-000 from September 19, 2024, FERC open meeting)

Continuing Projects

The following projects (new and existing), will continue into 2026:

- 1. Project 2017-01 Modifications to BAL-003 (Phase 2)
- 2. Project 2019-04 Modifications to PRC-005-6
- 3. Project 2020-06 Verifications of Models and Data for Generators (Phase 2)
- 4. Project 2021-01 System Model Validation with IBRs (Phase 2)
- 5. Project 2021-02 Modifications to VAR-002
- 6. Project 2021-03 CIP-002 Transmission Owner Control Centers (Phase 2)
- 7. Project 2021-08 Modifications to FAC-008
- 8. Project 2022-02 Uniform Modeling Framework for IBR (Phase 2)
- 9. Project 2022-04 EMT Modeling
- 10. Project 2022-05 Modifications to CIP-008 Reporting Threshold
- 11. Project 2023-01 EOP-004 IBR Event Reporting
- 12. Project 2023-05 Modifications to FAC-001 and FAC-002
- 13. Project 2023-07 Transmission System Planning Performance Requirements for Extreme Weather (Phase 2)
- 14. Project 2023-08 Modifications of MOD-031 Demand and Energy Data
- 15. Project 2023-09 Risk Management for Third-party Cloud Services
- 16. Project 2024-02 Planning Energy Assurance
- 17. Project 2025-01 Canadian Specific Revisions to EOP-012-3
- 18. Project 2025-02 Internal Network Security Monitoring Standard Revision

Additional project information is available on the NERC website on the Standards web page. 11

⁸ Ibid.

⁹ Ibid.

¹¹ As of the date of publication, the subject web page resides at http://www.nerc.com/pa/Stand/Pages/default.aspx.

Completed Projects

The following projects have been completed in 2025 (actual Board adoption dates are noted):

1. Project 2024-03 Revisions to EOP-012-2 (April 2025)

Anticipated to be Completed Projects

The following projects have been, or are planned to be, completed in 2025 (anticipated Board adoption dates are noted):

- 1. Project 2020-06 <u>Verifications of Models and Data for Generators</u> (FERC Order 901 Milestone 3 Project) (*anticipated* Board adoption October 2025)
- 2. Project 2021-01 System Model Validation with IBRs (FERC Order 901 Milestone 3 Project) (anticipated Board adoption October 2025)
- 3. Project 2022-02 <u>Uniform Modeling Framework for IBR</u> (FERC Order 901 Milestone 3 Project) (*anticipated* Board adoption October 2025)
- 4. Project 2024-01 Rules of Procedure Definitions Alignment (Generator Owner and Generator Operator) (anticipated Board adoption August 2025)
- 5. Project 2023-06 <u>CIP-014 Risk Assessment Refinement</u> (anticipated Board adoption October 2025)

Project Prioritization

NERC Standards projects have been increasing in quantity; coinciding with an increasing pace of technological change in our industry. Additionally, many of these projects are identified as higher priority with strict timelines as they may be associated with FERC Order directives or NERC corporate goals. NERC and industry have been driving prioritization efforts to assure available resources are focused on the most critical issues. The prioritization effort within the Standards Development process, identifies those Reliability Standards Projects that must be allocated resources (time, drafting team members, etc.), as well as how NERC may acceptably lower the resource demands on projects that have not been designated as "high priority". Staff have implemented a triggering metric for putting a hold on posting medium and low priority projects. When more than 50% of active projects are designated as high priority postings, medium and low priority projects will be restricted to informal postings or paused altogether to mitigate strain on NERC and industry resources.

Purpose of Prioritization

The purpose of the prioritization process is to formalize a consistent approach. While the standards prioritization effort continues to mature, as it was first implemented in 2023, NERC Standards Development has designed and implemented a process to assure prioritization continues beyond the initial effort and becomes embedded as common practice. Conceptually, this prioritization effort includes internal resource management to meet ambitious goals in a dynamic environment. At implementation, the process applied an initial baseline strategy and approach and was revised, as needed, to reflect lessons learned as this process matures.

In 2024, NERC staff prioritized projects based on new directives. Due to the high volume of work from high priority projects in 2024, the medium and low priority projects that were originally anticipated to complete in 2024 will be continuing into 2025 and beyond. Medium priority projects were not allowed to post for formal or informal comment in 2024. Starting in Q1 of 2025, all posting restrictions were released on these projects. It is anticipated that once these projects are allowed to resume normal posting, they will be completed in 12-18 months.

Low priority projects were not allowed to post for formal or informal comment in 2024. Q1 through Q2 of 2025, low priority projects were allowed to post for informal posting and in June of 2025, all posting restrictions were released. Due to this rationale, no anticipated completion times have been included in the low priority projects listed below at this time. NERC staff anticipate there will be no posting restrictions on medium or low priority projects through the end of 2025, based on the 50% trigger point discussed above. The anticipated balance of high priority projects through the end of the year is shown below.

Anticipated Percentage of High Priority Projects							
	Jul	Aug	Sep	Oct	Nov	Dec	
High	8 ¹²	7 ¹³	7	5 ¹⁴	5	5	
Medium	5	5	5	8 ¹⁵	8	8	
Low	8	8	8	8	8	8	
Total	21	20	20	21	21	21	
High Percentage	38%	35%	35%	24%	24%	24%	

Project Prioritization

In determining high, medium, or low priority designations for projects listed in this RSDP, the following factors were taken into consideration:

¹² Includes two potential standards development projects based on FERC Notice of Proposed Rulemaking Docket No. RM24-4-000

¹³ Anticipated 2024-01 BOT adoption in August

¹⁴ Includes two projects for Milestone 4

¹⁵ Milestone 3 projects will complete high priority phase and transition to medium priority to complete remaining assigned SARs

- 1. Outstanding regulatory, Board directives with filing deadlines, and NERC annual work plan priorities (High Priority)
- 2. RISC category rankings of high impact with consideration of probability of occurrence (High or Medium Priority)
- 3. Potential reliability risks from stakeholders and technical committees provided through feedback mechanisms (High, Medium, or Low Priority, based on the risk)
- 4. Outstanding regulatory directives without regulatory deadlines or "soft directives" such as considerations (High or Medium Priority)
- 5. Compliance feedback or study to address a specific risk (High or Medium Priority)
- 6. Outstanding requirements that are known candidates for retirement (Low Priority)
- 7. Any known adverse content and quality assessments (likely Low Priority, as any reliability gaps identified have already been addressed)

NERC staff takes these factors into account and prioritizes projects on a quarterly basis. The most current prioritization slide deck can be found on the NERC website under Reliability Standards Under Development. The prioritization categories below include estimated work hours each industry drafting team member will be required to give to the project. These estimates include time spent for drafting team meetings (in-person and conference calls) for the SAR phase and development phases as needed, time to conduct industry webinars and work hours outside of meetings to complete assigned tasks or outreach. Additionally, NERC recognizes the time required by each ballot member to respond to the comment form, which is estimated to be 10 hours per entity per ballot iteration.

Anticipated 2026 High Priority Projects

NERC staff anticipate high priority projects will take industry drafting team members a total of 2,160 hours to complete, which is the sum of all the work hours listed below for each drafting team.

- Project 2024-02 <u>Planning Energy Assurance</u> (drafting estimated to be completed by March 2026 requiring approximately 12 subject matter experts for approximately 180 work hours each for this project).
- Project 2025-02 <u>Internal Network Security Monitoring Standard Revision</u> (drafting estimated to be completed in Q3 2026. This project is currently seeking drafting team members. Data on work hours expected to complete this project will be provided in a future revision of the RSDP).
- Additional pending high priority projects are included below. Data on work hours expected to complete these projects will be provided in a future revision of the RSDP.
 - Operational Studies SAR (Anticipated Q3 2025) (FERC Order 901 Milestone 4)
 - Planning Studies SAR (Anticipated Q3 2025) (FERC Order 901 Milestone 4)
 - Supply Chain Risk Management Reliability Standards Revisions (Potential standards development project based on FERC Notice of Proposed Rulemaking Docket No. RM24-7-000 from September 19, 2024, FERC open meeting)

Anticipated 2026 Medium Priority Projects

NERC staff anticipate medium priority projects will take industry drafting team members a total of 10,275 hours to complete, which is the sum of all the work hours listed below for each drafting team.

Project 2020-06 <u>Verifications of Models and Data for Generators</u> (Remaining Assigned SARs outside of M3 work) (drafting requiring approximately 11 subject matter experts for approximately 150 work hours each for this project).

- Project 2021-01 <u>System Model Validation with IBRs</u> (Remaining Assigned SARs outside of M3 work) (drafting requiring approximately 11 subject matter experts for approximately 135 work hours each for this project).
- Project 2021-03 <u>CIP-002 Transmission Owner Control Centers</u> (Phase 2) (drafting estimated to be completed by December 2026 requiring approximately 8 subject matter experts for approximately 140 work hours each for this project). This project may also have a phase 3 that is anticipated to be completed in 2026. Additional subject matter experts will be solicited to address these phases as needed.
- Project 2022-02 <u>Uniform Modeling Framework for IBR</u> (Remaining Assigned SARs outside of M3 work) (drafting requiring approximately 13 subject matter experts for approximately 128 work hours each for this project).
- Project 2022-04 <u>EMT Modeling</u> (drafting estimated to be completed by March 2026 requiring approximately
 11 subject matter experts for approximately 52 work hours each for this project).
- Project 2023-01 <u>EOP-004 IBR Event Reporting</u> (drafting estimated to be completed by March 2026 requiring approximately 11 subject matter experts for approximately 123 work hours each for this project).
- Project 2023-09 <u>Risk Management for Third-party Cloud Services</u> (drafting estimated to be completed by December 2026 requiring approximately 13 subject matter experts for approximately 187 work hours each for this project).
- Project 2025-01 <u>Canadian-Specific Revisions to EOP-012-3</u> (This project is currently seeking drafting team members. Data on work hours expected to complete this project will be provided in a future revision of the RSDP).

Anticipated 2026 Low Priority Projects

NERC staff anticipate low priority projects will take industry drafting team members a total of 3,713 hours to complete, which is the sum of all the work hours listed below for each drafting team.

- Project 2017-01 Modifications to BAL-003 (phase 2) (drafting requiring approximately 7 subject matter experts for approximately 75 work hours each for this project).
- Project 2019-04 Modifications to PRC-005-6 (drafting requiring approximately 10 subject matter experts for approximately 50 work hours each for this project).
- Project 2021-02 Modifications to VAR-002 (drafting requiring approximately 11 subject matter experts for approximately 66 work hours each for this project).
- Project 2021-08 <u>Modifications to FAC-008</u> (drafting requiring approximately 10 subject matter experts for approximately 90 work hours each for this project).
- Project 2022-05 Modifications to CIP-008 Reporting threshold (drafting requiring approximately 7 subject matter experts for approximately 56 work hours each for this project).
- Project 2023-05 Modifications to FAC-001 and FAC-002 (drafting requiring approximately 10 subject matter experts for approximately 81 work hours each for this project).
- Project 2023-07 <u>Transmission System Planning Performance Requirements for Extreme Weather</u> (Phase 2)
 (This project is currently seeking additional drafting team members. Data on work hours expected to complete this project will be provided in a future revision of the RSDP)
- Project 2023-08 <u>Modifications of MOD-031 Demand and Energy Data</u> (This project is currently seeking drafting team members. Data on work hours expected to complete this project will be provided in a future revision of the RSDP).

Standards Grading

At the joint SC and Compliance and Certification Committee (CCC) meeting on July 20, 2022, the committees discussed the efficacy of the annual Standards Grading process and potential opportunities for improvement. The two committees agreed there was a need for a joint task force to review the Standards Grading process including the need, the methodology, and the outputs. Volunteers from both committees were solicited, and a task force formed, which will conclude its work in 2026. Steady progress has been made towards resolution; however this initiative has been paused pending the results of the Modernization of Standards Processes and Procedures Task Force.¹⁶

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¹⁶ Background and status available at the Modernization of Standards Processes and Procedures Task Force (MSPPTF) website, https://www.nerc.com/gov/bot/Pages/MSPP.aspx