

Draft

Reliability Standards Development Plan

2027-2029

August 5, 2026

Table of Contents

Introduction	1
Background and Purpose	2
Modernization of Standards Processes and Procedures	3
Progress Report	4
Project Prioritization	4
Active Project Ballot Fail Rate Indicator	4
FERC Directives.....	6
FERC Order 901 – Milestone 4	6
FERC Order – Others.....	6
Open Projects.....	6
Planned Completed Projects Prior to MSPP	7
Standards Grading	9
Periodic Review	10
Revision History	11

Introduction

Pursuant to Section 310 of the NERC Rules of Procedure (ROP), NERC is required to develop and provide to applicable governmental authorities an annual Reliability Standards Development Plan (RSDP) for Reliability Standards development.¹ 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 prior to taking to the NERC Board of Trustees (Board) for approval and filing with the Federal Energy Regulatory Commission (FERC).

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 2027-2029 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 risk identification 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, FERC Orders, as well as 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. NERC is deferring the conduct of periodic reviews of Reliability Standards that would be due for a 10-year periodic review under the ROP until after the standards development process transformation recommended by the 2025 Modernization of Process and Procedures (MSPP) Task Force is completed. Additional information is provided further in this report.

Most of the work in the next three years will focus on computational loads, the use of cloud technologies and Artificial Intelligence (AI) tools, as well as implementing the new Modernization of Standards Processes and Procedures (MSPP) framework for Standards Development. There may be new or emerging risks identified that could generate new Standards Development projects. NERC will continue to seek input and recommendations 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), Reliability Issues Steering Committee (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.

Due to the MSPP process described below, 2026-2027 will be considered transition years moving from the current standards development process described in the Standard Processes Manual (SPM) to the new process.⁵

² A full list of standard development processes are detailed in the Standard 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>

⁵ Recommendations for Transforming the Reliability Standard Development Framework, <https://www.nerc.com/globalassets/initiatives/modernization-of-standards-processes-and-procedures-task-force-mspp/mspp-task-force---final-recommendations---february-2026.pdf>

Modernization of Standards Processes and Procedures

At its February 2026 meeting, the Board accepted the Modernization of Standards Processes and Procedures Task Force's (MSPPTF) [*Recommendations for Transforming the Reliability Standard Development Framework*](#) to more effectively and efficiently develop Reliability Standards to meet the speed at which risks to the bulk power system emerge.

Under the new MSPP process, a semiannual review and prioritization process will create a streamlined, repeatable, and transparent approach for initiating new standards development projects. The process leverages the RSTC's technical expertise to evaluate proposed projects, the RISC's strategic oversight through a dedicated subcommittee, the Reliability Standards Body, and early stakeholder engagement to build consensus and improve project prioritization.

Project prioritization will become more formalized through the two-step process described above. The RSB will make the final determination on which projects move forward and their assigned priority levels. To ensure transparency, both committees will document and make their prioritization criteria available to industry. Once implemented, the RSB's prioritization decisions will serve as the final authority, with NERC providing the committees with the criteria it has used in recent years as a foundation for developing their frameworks. That criteria is included below in this report.

Progress Report

Pursuant to Section 310 of the NERC Rules of Procedure, NERC offers the following progress report on Reliability Standards Development. Projects completed to date in 2026 are listed under “Completed Projects” later in this report.

Project Prioritization

NERC Standards Development implemented a project prioritization process in Fall 2023 to address the growing number of Standards projects, increasing industry complexity, and the need to meet time-sensitive obligations such as FERC directives and NERC corporate goals. The process helps ensure that limited NERC and industry resources are focused on the highest-priority reliability issues while balancing active project workloads, firm deadlines, and the risks associated with delaying lower-priority initiatives.

The prioritization process was designed to create a consistent, sustainable framework that embeds prioritization into standard business practices. Since its implementation, NERC has continued to refine the process based on lessons learned and industry feedback.

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

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)

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 2024 through 2026 thus far, which is calculated annually. The red trendline uses historical data, pre-December 2022, to indicate past fail rates for initial, second, and third ballots compared to the current fail rates, calculated annually from 2024 to 2026. The initial ballot fail rate correlates with historical data but current third ballot fail rates are trending higher.

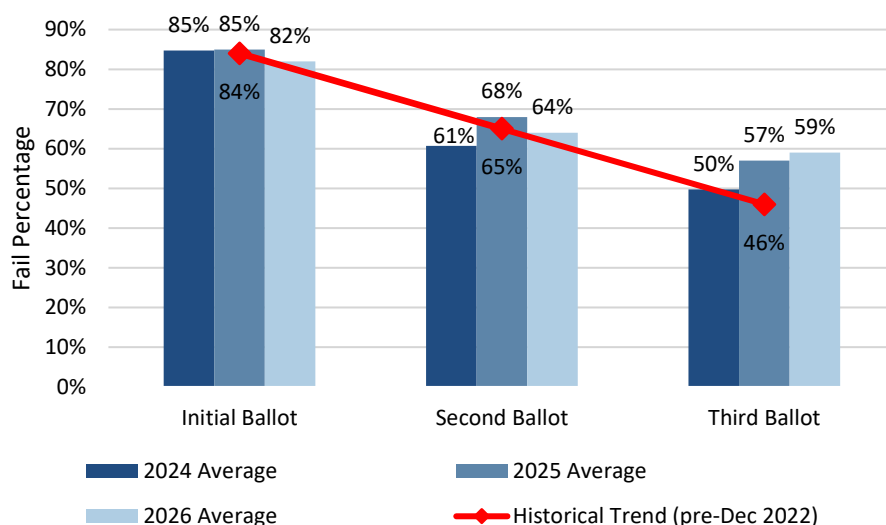


Figure 1: Active Project Ballot Fail Rate Trend

Standards staff believe this increasing fail rate trend for third ballots versus the historical 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 voting and formal comment periods. The figure below shows the number of project ballots for standards, definitions, and implementation plans over the past 12 months.

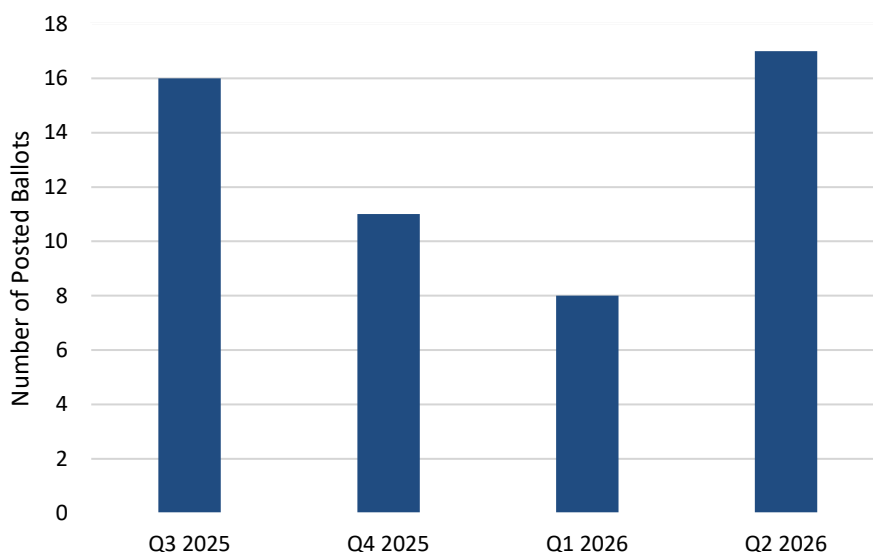


Figure 2: Number of Ballots Considered by Industry Over the Past 12 Months, by Quarter

Industry continues to provide valuable feedback regarding communication from NERC staff, as well as signaling ongoing resource constraints within industry. Over the next year prior to MSPP implementation, Staff will provide a consistent three-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 July 1 2026, there are 13 out of 14 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 4

- Project 2025-03 [Order No. 901 Operational Studies](#) (Anticipated Q3 2026) (4 directives)⁶; and
- Project 2025-04 [Order No. 901 Planning Studies](#) (Anticipated Q3 2026) (4 directives)⁷.

FERC Order – Others

Project 2025-02 [Internal Network Security Monitoring Standard Revision](#) (FERC Order 907⁸, 1 directive, Board Adopted June 2026)

Project 2025-05 [Ride-Through Revisions](#) (FERC Order 909⁹, 2 directives for possible standards revisions)

Project 2025-06 [Supply Chain Risk Management](#) (FERC Order 912¹⁰, 3 directives)

Completed Projects

The following projects have been completed in 2026 (actual Board adoption dates are noted):

1. Project 2023-01 [EOP-004 IBR Event Reporting](#) (June 2026)
2. Project 2023-06 [CIP-014 Risk Assessment Refinement](#) (June 2026)
3. Project 2025-02 [Internal Network Security Monitoring Standard Revision](#) (June 2026, FERC Order 907¹¹, 1 directive)

Open Projects

To prepare for implementation of the new MSPP process in 2027, NERC evaluated 25 active projects to determine whether they could be completed prior to the transition or would be better positioned to restart under the new process. The following sections provide details on these projects. Projects were assessed

⁶ [Standards Development Mapping of FERC Order 901 Directives and Other Guidance to Standards Development Projects, Draft SARs, and Pending SARs](#)

⁷ Ibid.

⁸ Order No. 907", Critical Infrastructure Protection Reliability Standard CIP-015-1 – Cyber Security – Internal Network Security Monitoring, FERC Docket No. RM24-7-000, June 26 2025, [eLibrary | File List](#)

⁹ Order No. 909: Final Rule; Reliability Standards for Frequency and Voltage Protection Settings and Ride-Through for Inverter-Based Resources, FERC Docket No. RM25-3-000, July 24-2025 [eLibrary | File List](#)

¹⁰ Order No. 912: Final Rule; Notice Terminating Proceeding re Supply Chain Risk Management Reliability Standards Revisions; Equipment and Services Produced or Provided by Certain Entities Identified as Risks to National Security, FERC Docket No. RM24-4-000, September 025 [eLibrary | File List](#)

¹¹ Order No. 907", Critical Infrastructure Protection Reliability Standard CIP-015-1 – Cyber Security – Internal Network Security Monitoring, FERC Docket No. RM24-7-000, June 26 2025, [eLibrary | File List](#)

based on risk, applicable FERC deadlines, and the availability of industry and NERC resources required to support completion before the process cutover.

Planned Completed Projects Prior to MSPP

NERC staff anticipate the following projects will take industry drafting team members a total of 20,630 hours to complete, which is the sum of all the work hours listed below for each drafting team. 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.

1. Project 2022-05 [Modifications to CIP-008 Reporting Threshold](#) (drafting estimated to be completed by December 2026 requiring approximately 10 subject matter experts for approximately 150 work hours for this project).
2. Project 2023-09 [Risk Management for Third-party Cloud Services](#) (drafting estimated to be completed by December 2026 requiring approximately 10 subject matter experts for approximately 7,080 work hours each for this project).
3. Project 2024-02 [Planning Energy Assurance](#) (drafting estimated to be completed by October 2026 requiring approximately 12 subject matter experts for approximately 2,496 hours for this project).
4. Project 2025-01 [Canadian Specific Revisions to EOP-012-3](#) (drafting estimated to be completed by October 2026 requiring approximately 7 subject matter experts for approximately 1,065 hours for this project).
5. Project 2025-03 [Order No. 901 Operational Studies](#) (drafting estimated to be completed by October 2026 requiring approximately 10 subject matter experts for approximately 325 hours for this project).
6. Project 2025-04 [Order No. 901 Planning Studies](#) (drafting estimated to be completed by October 2026 requiring approximately 12 subject matter experts for approximately 1170 hours for this project).
7. Project 2025-05 [Ride-Through Revisions](#) (drafting estimated to be completed by August 2026 requiring approximately 11 subject matter experts for approximately 2,112 hours for this project).
8. Project 2025-06 [Supply Chain Risk Management](#) (drafting estimated to be completed by December 2026 requiring approximately 10 subject matter experts for approximately 520 hours for this project).
9. Project 2026-02 [Computational Load Impacts](#) (drafting estimated to be completed by December 2026 requiring approximately 14 subject matter experts for approximately 5712 hours for this project).

Anticipated Projects to Transition to MSPP

NERC anticipates that the MSPP process will be fully implemented in Q3/Q4 2027. A key component of the new process is the Standards Initiation Workshop, during which submitted Standard Initiation Requests (SIR) will be discussed, prioritized, and assigned an appropriate path forward. To support the transition, NERC evaluated its current portfolio of 25 projects and identified the following projects as better suited for consideration under the new process. These projects would be submitted as SIRs and evaluated through the MSPP framework to determine whether standards development activities should be initiated.

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](#) (Remaining assigned Standard Authorization Requests (SAR) outside of FERC Order No. 901 Milestone 3 work)
4. Project 2021-01 [System Model Validation with IBRs](#) (Remaining assigned SARs outside of FERC Order No. 901 Milestone 3 work)
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](#) (Remaining assigned SARs outside of FERC Order No. 901 Milestone 3 work)
9. Project 2022-04 [EMT Modeling](#)
10. Project 2023-05 [Modifications to FAC-001 and FAC-002](#)
11. Project 2023-07 [Transmission System Planning Performance Requirements for Extreme Weather](#) (Phase 2)
12. Project 2023-08 [Modifications of MOD-031 Demand and Energy Data](#)
13. Project 2026-01 [PRC-006 Standard Updates](#)

Standards Grading

At the joint SC and Compliance and Certification Committee 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 concluded its work in 2026. At its April 15, 2026 meeting, the SC approved the disbandment of the Standards Grading Task Force and to discontinue Standard Grading initiatives for several reasons, including struggling to find consensus for recommendations, industry workload and competing priorities, diverging thoughts on supporting resource criteria, SARs were not generated based on results, and no net benefit was identified from completing the process. In addition, it is expected that the implementation of the Modernization of Standards Processes and Procedures Task Force¹² recommendations is expected to address the grading tool's original intent.

¹² 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>

Periodic Review

Under section 317 of the NERC Rules of Procedure and section 13.0 of the Standard Processes Manual, Appendix 3A of the Rules of Procedure, NERC is required to conduct periodic reviews of each Reliability Standard on an established cycle. NERC is not required to conduct Periodic reviews under Section 215 of the Federal Power Act or FERC's implementing regulations.

NERC is deferring the periodic reviews currently coming due for the following reasons:

1. NERC's Standards Development process transformation (implementation of MSPP Task Force recommendations) is underway. NERC is in the process of significantly modifying its Standards Development processes. Most relevant to this discussion, NERC is proposing to change how NERC and its stakeholders consider and prioritize standards development projects to ensure that the projects have upfront support and engagement and can complete in a timely and efficient manner. NERC is also proposing to change how it staffs projects, calling on a "stakeholder subject matter expert" bench who are available and ready to serve on projects as needed. Initiating periodic review projects under the existing framework would likely result in the majority of those projects being placed on hold pending implementation of the new project intake process. This new intake process may defer, deprioritize, or summarily disposition those projects so NERC and industry can focus their resources on higher priority needs. Historically, deferring projects has presented team staffing challenges, as appointed members are often unavailable to serve years past their original appointment. Deferring the initiation of periodic reviews for 2026 avoids duplicating efforts and ensures that the reviews that will proceed under the new process are conducted under a single consistent methodology with a single review team on an established and supported prioritization schedule.
2. High priority projects require immediate resources. Standards Development is currently carrying a large portfolio of high priority, reliability-critical projects with near-term deadlines. Many of those projects are addressing regulatory directives. Deferring periodic review allows industry and NERC to focus on closing out high priority projects with known risks to reliability and prior to the implementation of the new process. Also, as noted above, the Rules of Procedure revisions underway would provide flexibility to defer periodic review projects in such circumstances. No issues have been identified in the standards due for review. The Reliability Standards currently up for periodic review have not been the subject of compliance concerns, event analysis findings, interpretation requests, industry feedback suggesting deficiencies, nor they are in an active project. Absent any new indications that these standards are unclear, outdated, or ineffective, the reliability value of initiating projects solely to conduct periodic reviews at this time is low relative to the cost.
 - a. BAL-001-2; effective 7/1/2016
 - b. COM-002-4; effective 7/1/2016
 - c. IRO-009-2; effective 1/1/2016
 - d. MOD-025-2; effective 7/1/2016
 - e. PER-005-2; effective 7/1/2016
 - f. PRC-005-6; effective 1/1/2016
 - g. PRC-019-2; effective 7/1/2016

Revision History

The table below includes all pertinent dates for this annual RSDP.

Revision History		
Version	Comments	Approval Date
1.0	Standards Committee informed of intent to post 2025 RSDP draft	06/12/2025
1.0	Initial draft publicly posted for informal comment	08/05/2025
1.1	Draft details updated for end of year submittal to the Board	11/14/2025
2.0	Standards Committee informed of intent to post the 2026 RSDP draft	06/09/2026
2.0	Initial draft publicly posted for informal comment	08/05/2026