NERC

The Brave New World of Resilience

Renewables, Reliability, and Resilience

Howard Gugel, Vice President, Engineering and Standards, NERC MRO Board of Directors Meeting June 23, 2022





- Assure the reliability, resilience, and security of the North American Bulk Power System (BPS)
 - Develops and Enforces Reliability Standards
 - Annually assesses seasonal and long-term reliability
 - Monitors the BPS through system awareness
 - Educates, trains, and certifies industry personnel

Critical Infrastructure

Interdependencies

Security Risks

Extreme Events

Grid Transformation









- System with an Adequate Level of Reliability (ALR) is resilient
 - Industry has designed a reliable Bulk Power System that is robust, resourcefully operated, and rapidly recovers
 - Lessons learned are actively considered during and after an event



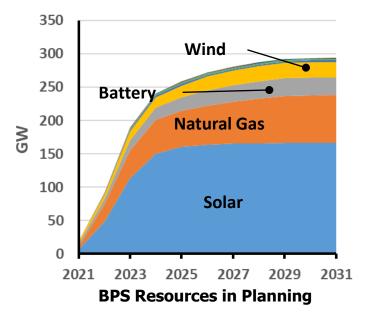


Grid Transformation → Risk Transformation

- Decarbonization
 - Inverter-based resources, accelerated synchronous retirements; variability, uncertainty, and the need for flexibility
- Decentralization
 - Distributed Energy Resources (DER), DER aggregators, microgrids
 - Grid Edge Technologies
 - Internet of Things and Industrial Internet of Things
- Transportation electrification and multi-sector electrification
 - Growth of EVs; electricity usage across industries; load composition
- Critical Infrastructure Interdependence
 - Energy, telecoms, natural gas/oil
- Digitalization



Future resource mix will be more variable and less fuel-diverse

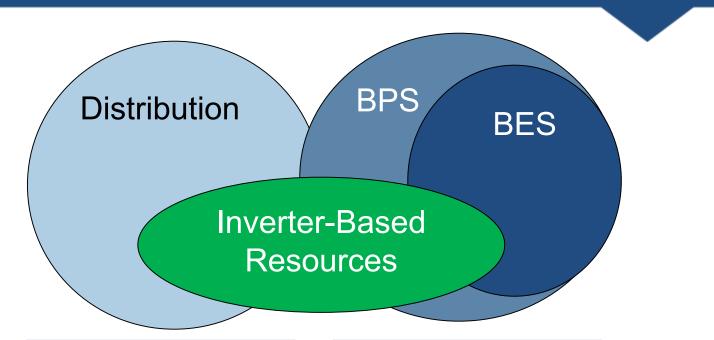


2021 Capacity at Peak Demand		
Туре	Capacity (GW)	Contribution %
Natural Gas	467	47%
Coal	220	22%
Nuclear	108	11%
Solar and Wind	60	6%
All others	136	14%
Contributions at hour of peak demand. Variable energy resource (solar, wind, and some hydro) typically count less than installed nameplate capacity.		

- NERC priorities for reducing risks during grid transformation
 - Improve Bulk Electric System (BES) resilience for wide area long-duration extreme temperatures
 - Focus on energy sufficiency
 - Enhance suite of reliability standards

Location of Renewables





Class I: Generators on Distribution System

- "Behind-the-Meter" generation
- Community or Residential

Class II: Non-BES Generation on Transmission System

- <75MVA, Non-BES
- Connected to Transmission System



CLASS I: DER Increase

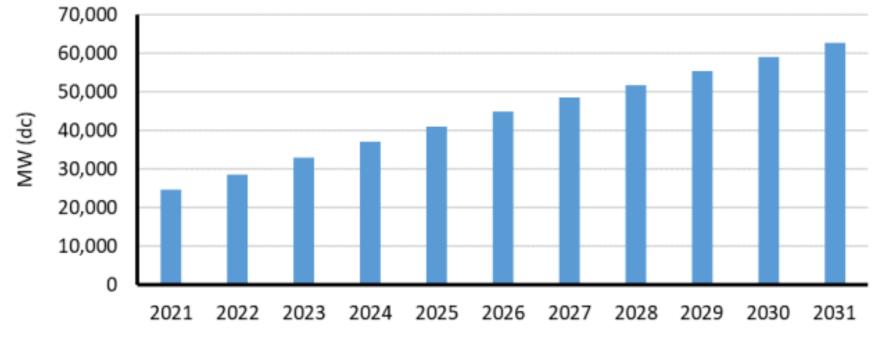
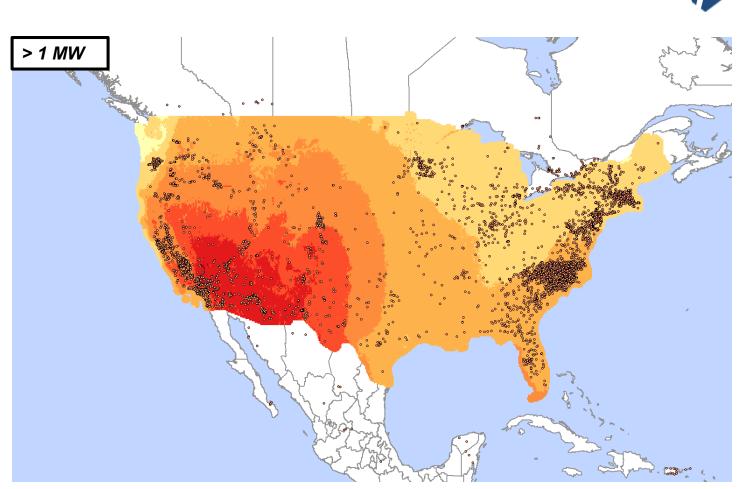


Figure 21: Cumulative Distributed Solar PV Capacity in Assessment Areas

CLASS II: BPS Solar Resources



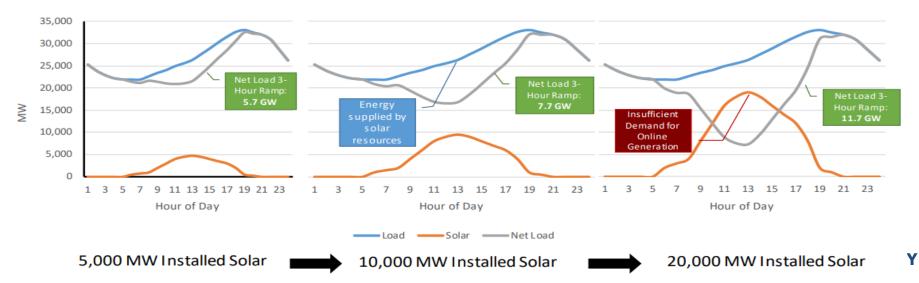


Unofficial - Illustration Purposes Only

~20 GW, over 1,000 facilities



- **Installed** capacity mix is not constant year-round
- Example:
 - System A has 60,000 MW of peak internal demand and builds 20,000 MW of DER.
 - As a percentage of peak internal demand, DER is 25%
 - However; the <u>instantaneous maximum</u>, which occurs during a period of high production coinciding with low demand (spring and fall, no clouds), can be as high as <u>60-80%</u>.
 - DER provides no Essential Reliability Services (ERS)
 - At high penetration hours, system operators will have less control and situational awareness
 - Gas generation is fastest ramping available resource





NERC Disturbance Reports and Alerts



https://www.nerc.com/pa/rrm/ea/Documents/Odessa_Disturbance_Report.pdf



- Magnitude of reduction highlights importance of ensuring all BPS-connected inverter-based resources are operating in a manner that ensures reliable operation of the BPS
- **Time of Event:** 7,200 MW solar PV resources in ERCOT
 - Additional 790 MW in commissioning process
- End of August: 8,900 MW solar PV resources in the ERCOT
 - Additional 1,000 MW in commissioning process
- Near Future: 25,000 MW solar PV resources with signed interconnection agreements in ERCOT generation interconnection queue between August 2021 and 2023



Planning challenges

- Traditional model out the window
 - Historically Generation \rightarrow Transmission \rightarrow Distribution
 - Emerging Generation \rightarrow Transmission \leftrightarrow Distribution \leftarrow Generation
- System protection with fault levels ≈ load levels
- Adequate reactive resources
- Under frequency load shedding settings



- Operator visibility into distributed energy resources
- Distribution impacts on transmission system
- Voltage regulation
- Under frequency load shedding
- Regulating reserves
- Cyber security of distributed energy resources



Standards considerations

- Ride through standard (PRC-024)
- Potential FAC-001 and FAC-002 modifications
- Model verification
- TPL-001 modification
- Definition of BES



Questions and Answers