192 FERC ¶ 61,229 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: David Rosner, Chairman; Lindsay S. See and Judy W. Chang.

North American Electric Reliability Corporation

Docket No. RD25-7-000

ORDER APPROVING EXTREME COLD WEATHER RELIABILITY STANDARD EOP-012-3 AND DIRECTING DATA COLLECTION

(Issued September 18, 2025)

- 1. On April 10, 2025, the North American Electric Reliability Corporation (NERC), the Commission-certified Electric Reliability Organization (ERO), submitted a petition seeking approval of proposed Reliability Standard EOP-012-3 (Extreme Cold Weather Preparedness and Operations). As discussed in this order, we approve proposed Reliability Standard EOP-012-3, its associated violation risk factors and violation severity levels, the revised defined term Generator Cold Weather Constraint declaration, and the proposed retirement of Reliability Standard EOP-012-2 immediately prior to the effective date of proposed Reliability Standard EOP-012-3.
- 2. As the Commission has previously stated, "It is essential to the reliable operation of the Bulk-Power System to 'ensure enough generating units will be available during the next cold weather event." When extreme cold weather events such as Winter Storms Uri or Elliott occur, the Bulk-Power System cannot operate reliably without adequate generation availability. Proposed Reliability Standard EOP-012-3 improves upon the mandatory and effective Standard EOP-012-2 by enhancing the requirements for generator cold weather preparedness and Generator Cold Weather Constraint declarations and by making other improvements consistent with the Commission's directives in its June 2024 Order to help ensure that adequate generation is available during extreme cold

¹ 16 U.S.C. § 824o(d)(2).

² N. Am. Elec. Reliability Corp., 187 FERC ¶ 61,204, at P 2 (2024) (June 2024 Order) (citing FERC, NERC, and Regional Entity Staff, *The February 2021 Cold Weather Outages in Texas and the South Central United States* 189 (Nov. 16, 2021), https://www.ferc.gov/media/february-2021-cold-weather-outages-texas-and-south-central-united-states-ferc-nerc-and (November 2021 Report)).

weather.³ Accordingly, we find that proposed Reliability Standard EOP-012-3 is just, reasonable, not unduly discriminatory or preferential, and in the public interest.

- 3. We also modify Reliability Standard EOP-012-3's implementation effective date so that the proposed Reliability Standard goes into effect on October 1, 2025. Other than the implementation effective date of the proposed Reliability Standard, we approve the remainder of NERC's proposed implementation plan.
- 4. We also find it necessary that NERC confirm that Reliability Standard EOP-012-3 adequately addresses reliability concerns related to the generator owner constraint declarations, generator owner constraint declaration timetable notifications, and the Extreme Cold Weather Temperature definition, as discussed in more detail below. The Commission previously directed NERC to collect data associated with an earlier version of this Reliability Standard.⁴ However, additional data is needed to determine whether the proposed Reliability Standard addresses the reliability concerns noted above. As such, we direct NERC, pursuant to section 39.2(d) of the Commission's regulations,⁵ to submit comprehensive biennial informational filings for a limited period of time as explained in more detail below.

I. Background

A. Section 215 and Mandatory Reliability Standards

5. Section 215 of the FPA provides that the Commission may certify an ERO, the purpose of which is to develop mandatory and enforceable Reliability Standards, subject to Commission review and approval. Reliability Standards may be enforced by the ERO, subject to Commission oversight, or by the Commission independently. Pursuant

³ See, e.g., N. Am. Elec. Reliability Corp., 182 FERC ¶ 61,094, at PP 3-11 (February 2023 Order), reh'g denied, 183 FERC ¶ 62,034, order on reh'g, 183 FERC ¶ 61,222 (2023).

⁴ See id. P 11.

⁵ 18 C.F.R. § 39.2(d) (2025) ("The [ERO] . . . shall provide the Commission such information as is necessary to implement section 215 of the [FPA].").

⁶ 16 U.S.C. § 824o(c).

⁷ *Id.* § 824o(e).

to section 215 of the FPA, the Commission established a process to select and certify an ERO,⁸ and subsequently certified NERC.⁹

B. Cold Weather Reliability Standards

- 6. In November 2021, Commission staff issued a report regarding a February 2021 cold weather reliability event that affected Texas and the South-Central United States, which found that the event was the largest controlled firm load shed event in U.S. history; over 4.5 million people lost power and at least 210 people lost their lives. The November 2021 Report made 28 recommendations including, *inter alia*, enhancements to the Reliability Standards to improve extreme cold weather operations, preparedness, and coordination. In
- 7. Based on those recommendations, NERC filed Reliability Standards EOP-011-2 (Emergency Preparedness and Operations), IRO-10-4 (Reliability Coordinator Data Specification and Collection), and TOP-003-5 (Operational Reliability Data) in June 2021, which the Commission approved in August 2021. Later, in October of 2022, NERC sought approval of Reliability Standards EOP-011-3 (Emergency Operations) and EOP-012-1 (Extreme Cold Weather Preparedness and Operations), and three newly defined terms (Extreme Cold Weather Temperature, Generator Cold Weather Critical Component, and Generator Cold Weather Reliability Event). On February 16, 2023, the Commission approved Reliability Standards EOP-011-3 and EOP-012-1. In addition, the Commission directed NERC to develop and submit modifications to Reliability Standard EOP-012-1 and to submit a plan on how NERC will collect and assess data surrounding the implementation of Standard EOP-012-1.

⁸ Rules Concerning Certification of the Elec. Reliability Org.; & Procs. for the Establishment, Approval, & Enf't of Elec. Reliability Standards, Order No. 672, 114 FERC \P 61,104, order on reh'g, Order No. 672-A, 114 FERC \P 61,328 (2006); see also 18 C.F.R. \S 39.4(b) (2025).

 $^{^9}$ N. Am. Elec. Reliability Corp., 116 FERC \P 61,062, order on reh'g & compliance, 117 FERC \P 61,126 (2006), aff'd sub nom. Alcoa, Inc. v. FERC, 564 F.3d 1342 (D.C. Cir. 2009).

¹⁰ See November 2021 Report at 9.

¹¹ *Id.* at 184-212 (sub-recommendations 1a through 1j).

 $^{^{12}}$ See N. Am. Elec. Reliability Corp., 176 FERC \P 61,119 (2021).

¹³ See February 2023 Order, 182 FERC ¶ 61,094 at PP 3-11.

response, NERC filed a petition in February 2024 seeking approval of its responsive modifications, which the Commission approved in June 2024.¹⁴

8. While approving Reliability Standard EOP-012-2, the Commission directed NERC to make modifications to the Standard within nine months to: (1) address concerns related to the ambiguity of the defined term Generator Cold Weather Constraint; (2) ensure NERC receives, reviews, evaluates, and confirms the validity of each Generator Cold Weather Constraint; (3) shorten and clarify the corrective action plan implementation timelines and deadlines in Requirement R7; (4) ensure that extensions of corrective plan implementation deadlines beyond the maximum timeframe are preapproved by NERC; and (5) implement more frequent reviews of the Generator Cold Weather Constraint declarations to verify they remain valid.¹⁵

C. <u>NERC's Petition and Proposed Reliability Standard EOP-012-3</u>

9. On April 10, 2025, in response to the Commission's June 2024 Order, NERC filed a petition seeking approval of proposed Reliability Standard EOP-012-3, ¹⁶ its associated violation risk factors and violation severity levels, the revised defined term Generator Cold Weather Constraint declaration, and the proposed retirement of Standard EOP-012-2 immediately prior to the effective date of proposed EOP-012-3. ¹⁷ NERC explains that proposed Reliability Standard EOP-012-3 further improves on the approved generator cold weather preparedness in EOP-012-2 through enhanced and expanded requirements that would ensure that entities are implementing corrective actions to address known issues affecting their ability to operate reliably in cold weather in a timely manner. ¹⁸ NERC states that proposed Reliability Standard EOP-012-3 is consistent with the Commission's June 2024 Order and provides an improved framework for the identification, validation, and periodic review of Generator Cold Weather Constraint declarations. ¹⁹

 $^{^{14}}$ See June 2024 Order, 187 FERC \P 61,204.

¹⁵ *Id.* P 3.

¹⁶ The proposed Reliability Standard is not attached to this order. The proposed Reliability Standard is available on the Commission's eLibrary document retrieval system in Docket No. RD25-7-000 and on the NERC website, www.nerc.com.

¹⁷ NERC Petition at 1-4.

¹⁸ *Id.* at 2.

¹⁹ *Id*.

- 10. The proposed Reliability Standard contains nine requirements and one attachment; proposed Requirements R1 through R8 are carried over and modified from the prior version of the Standard, and Requirement R9 and Attachment 1 are new. NERC explains that the modifications and additions clarify and improve the Reliability Standard for generator cold weather preparedness that would advance the reliability of the Bulk-Power System during future winter seasons. 21
- 11. NERC proposes a revised definition of the term Generator Cold Weather Constraint for inclusion in the NERC Glossary. Under prior versions of the Reliability Standard, generator owners were able to decline implementing one or more actions in a corrective action plan to address freeze protection issues or measures on existing or new equipment. While generator owners are still able to do so in proposed Reliability Standard EOP-012-3, NERC explains its proposed modifications add clarity and remove references to "cost," "reasonable cost," "unreasonable cost," and "good business practices." "22
- 12. NERC asserts that proposed Reliability Standard EOP-012-3, Requirement R1 clarifies the calculation of the Extreme Cold Weather Temperature for an applicable generating unit.²³ Proposed Requirement R1, Part 1.1 clarifies that generator owners have the flexibility to exercise judgement in how they address missing or invalid values in their data sets when calculating the Extreme Cold Weather Temperature.²⁴ NERC notes that generator owners would be expected to document how they accounted for any gaps in weather data, and this documentation would be reviewed during compliance monitoring activities.²⁵ NERC proposes a compliance abeyance period for Requirement R1 during which NERC would monitor the implementation of this requirement and identify, as appropriate, any revisions to the Extreme Cold Weather Temperature formula.²⁶

²⁰ *Id.* at 23-24.

²¹ *Id.* at 24.

²² *Id.* at 26-27.

²³ *Id.* at 27.

²⁴ *Id.* at 30 (noting that weather data sets spanning multiple years will likely contain gaps in hourly values).

²⁵ Id

²⁶ *Id.* at 30-31.

- 13. Proposed Reliability Standard EOP-012-3, Requirement R2 revises the cold weather operational capability requirements for new bulk electric system generating units to remove the option to develop a corrective action plan to address operational capability issues. In response to the Commission's June 2024 Order, NERC revised Requirement R2 to state that new generating units entering commercial operation on or after October 1, 2027, would either need to meet more stringent freeze protection measures called for new generation or declare a Generator Cold Weather Constraint that prevents them from doing so in accordance with Requirement R8.²⁷ NERC states that this modification is consistent with the Commission's directive because new generating units entering commercial operation on or after October 1, 2027 would have to either complete any corrective measures that are needed prior to the commercial operation date or delay the commercial operation date until those corrective measures are completed.²⁸
- 14. Proposed Reliability Standard EOP-012-3, Requirement R3 contains several non-substantive, stylistic, and clarifying revisions, such as adding the word "generating" before the word "unit(s)" in each instance for clarity and consistency, consistent with revisions made throughout the proposed Standard.²⁹
- 15. Proposed Reliability Standard EOP-012-3, modifies Requirement R6 by adding Parts 6.1 and 6.3.5.1 to clarify the timeline in which generator owners must develop and implement a corrective action plan for a generating unit that experienced a Generator Cold Weather Reliability Event.³⁰ NERC notes that this revision is consistent with the Commission's suggestion that NERC require generator owners to implement corrective actions prior to the next winter season.³¹ Part 6.2 adds clarification as to the extent of review that is required when generator owners conduct a review of other generating units in their fleets to determine susceptibility to the same freezing issues.³² Part 6.3 specifies the required contents of a corrective action plan developed in connection with Requirement R6.³³ Part 6.3.5 is a new requirement part that establishes clear timelines

²⁷ *Id.* at 33 (clarifying that generator owners would not be required to develop or complete a corrective action plan ahead of entering commercial operation).

²⁸ *Id*.

²⁹ *Id.* at 34.

³⁰ *Id.* at 39 (citing June 2024 Order, 187 FERC ¶ 61,204 at P 68).

³¹ *Id.* at 40 (citing June 2024 Order, 187 FERC ¶ 61,204 at P 68).

³² *Id*.

³³ *Id.* at 40-41.

for the implementation of corrective action plans for Generator Cold Weather Reliability Events.³⁴ For corrective action plans addressing other generating units in a generator owner's fleet that may be susceptible to freezing issues, the generator owner would be required to implement corrective actions within 24 months of their review or no later than 36 calendar months following the Generator Cold Weather Reliability Event.³⁵ Part 6.4 is a new requirement that requires a generator owner to seek approval by the compliance enforcement authority (CEA) for any corrective action plan extensions.³⁶ Part 6.5 is a new requirement that allows generators to declare a Generator Cold Weather Constraint that prevents them from implementing freeze protection measures in accordance with Requirement R8.

- 16. Proposed Reliability Standard EOP-012-3, Requirement R7, Part 7.1 specifies the minimum contents of a corrective action plan and clarifies the implementation timeline that would apply for implementing new freeze protection measures (48 months) and remedying issues with existing freeze protection measures (24 months).³⁷ Parts 7.1.2 and 7.1.4 would require the generator owner to identify any operating limitations on the generating unit or impacts to the cold weather preparedness plan that would apply until implementation of the corrective actions identified in the corrective action plan is completed.³⁸ Part 7.2 specifies that if a generator owner determines that it is unable to complete one or more actions in its corrective action plan in the allotted timeframe, then it must submit a corrective action plan extension request to the CEA for approval; however, it does not require the generator owner to inform applicable reliability entities such as the reliability coordinator and the balancing authority of generation limitations during the corrective action plan extension period.³⁹
- 17. NERC explains that proposed Reliability Standard EOP-012-3, Requirement R8 addresses prior ambiguities regarding the defined term Generator Cold Weather Constraint and its associated criteria. NERC provides a framework for ERO oversight to

³⁴ *Id.* at 41 (citing June 2024 Order, 187 FERC ¶ 61,204 at P 68).

³⁵ *Id.* at 41-42.

 $^{^{36}}$ Id. at 42-43 (citing June 2024 Order, 187 FERC ¶ 61,204 at P 70). The CEA is typically, but not exclusively, a Regional Entity.

³⁷ *Id.* at 48 (citing June 2024 Order, 187 FERC ¶ 61,204 at P 76).

³⁸ *Id.* at 49 (stating that this requirement is currently included in Reliability Standard EOP-012-2, Requirement R6 but only for corrective action plans developed in response to Generator Cold Weather Reliability Events).

³⁹ *Id.* at 50.

receive, review, evaluate, and approve the declared Generator Cold Weather Constraints, and includes a new Attachment 1 to address and guide generator owners in the identification of Generator Cold Weather Constraints.⁴⁰ In addition, the framework for ERO oversight includes review of a generating unit's constraint declaration when experiencing a Generator Cold Weather Reliability Event with the same cause of a previous Generator Cold Weather Reliability Event.

- Proposed Attachment 1 expressly defines, in a list, the types of circumstances that 18. would qualify as a Generator Cold Weather Constraint.⁴¹ One specific known limitation is the low temperature operability of wind turbine towers manufactured prior to October 1, 2029, and entered commercial operation prior to October 1, 2031.⁴² Attachment 1 also lists possible case-by-case Generator Cold Weather Constraint declarations; NERC states that providing this list provides additional guidance and clarification to entities on the type of circumstances that may preclude the implementation of freeze protection measures on their generating unit. One example is instances in which the cost of retrofitting a generating unit would be unduly burdensome such that it would retire prematurely or cancel plans to finish the development of a new generating unit.⁴³ NERC clarifies that in all instances, the CEA would be responsible for reviewing the Generator Cold Weather Constraint to confirm its validity.⁴⁴ If the CEA determines that a Generator Cold Weather Constraint is not valid, the generator owner would be provided with a timely response so that it may take the appropriate measures to provide the necessary operational capability for its generating unit. 45
- 19. Proposed Reliability Standard EOP-012-3, Requirement R9 addresses the periodic review of Generator Cold Weather Constraint declarations.⁴⁶ The provision requires

⁴⁰ *Id.* at 51.

⁴¹ *Id.* at 52 (stating that the Standard also provides for circumstances which could constitute a Generator Cold Weather Constraint, depending on specific facts and circumstances).

⁴² *Id.* at 54 (noting that this limitation should not serve as the basis for a Generator Cold Weather Constraint indefinitely).

⁴³ *Id.* at 58.

⁴⁴ *Id.* at 53.

⁴⁵ *Id.* at 59.

⁴⁶ *Id.* at 62.

generator owners to review all validated Generator Cold Weather Constraints at least once every 36 calendar months to ensure the constraint remains valid.⁴⁷

20. NERC proposes an effective date for Reliability Standard EOP-012-3 of October 1, 2025, the first day of the first calendar quarter that is three months following regulatory approval, or as otherwise determined by the applicable government authority, whichever is later.⁴⁸

II. Notice of Filing and Responsive Pleadings

- 21. Notice of NERC's April 10, 2025, Petition was published in the *Federal Register*, 90 Fed. Reg. 17063 (Apr. 23, 2025), with comments, protests, and motions to intervene due on or before May 12, 2025.
- 22. Public Citizen, Inc., Calpine Corporation, American Clean Power Association, the Electric Power Supply Association, the ISO/RTO Council (IRC), and the Union of Concerned Scientists (UCS) filed timely motions to intervene. The IRC and UCS filed timely comments. NERC filed reply comments.
- 23. Commenters raise concerns and requests for clarifications for proposed Reliability Standard EOP-012-3, specifically the Generator Cold Weather Constraint declaration criteria. The IRC and UCS generally support the proposed Reliability Standard as filed but express concerns regarding the constraint criteria in Attachment 1 of the Standard. UCS suggests modifying Attachment 1 to remove subjectivity, reduce the burden of review on the CEAs, ensure future generators are capable of complying with the Reliability Standard, confirm the ongoing legitimacy of constraint declarations, and prevent conflicts of interests.
- 24. Specifically, UCS recommends removing criteria 5.a and 5.b in Attachment 1 of the Reliability Standard,⁵⁰ as UCS asserts neither criterion is objective, unambiguous, or

⁴⁷ *Id.* at 62-63 (citing June 2024 Order, 187 FERC ¶ 61,204 at P 94).

⁴⁸ *Id.* at 64-65, Ex. B.

⁴⁹ See IRC Comments at 2-5; see also UCS Comments at 4.

⁵⁰ Criteria 5.a allows an entity to declare a constraint where the implementation of feasible freeze protection measures would result in an accelerated premature retirement without an acceptable replacement and Criteria 5.b allows an entity to declare a constraint where implementation of freeze protection measures would cause the generator owner to cancel plans to finish the development of a new generating unit. NERC Petition, Ex. A at 25.

auditable.⁵¹ UCS claims that to assess either criteria, CEAs would need to assess extensive quantitative and qualitative data to confirm whether freeze protection measures would cause a generator to become uneconomic or cancelled prior to completion—which would be both time-intensive and lead to subjective decisions. According to UCS, generator owners have received enough notice to "not be caught off guard" by the requirements and should not receive a constraint for generators unable to meet the Standard and operate reliably.⁵² IRC also asserts that criteria 5.a and 5.b are subjective and could lead to inconsistency as generator owners and CEAs may not have necessary information to either attest to or determine whether either of these constraints are valid.⁵³ IRC asks the Commission to clarify that the criteria for reviewing constraint declarations "must be objectively documented, with clear guidance from NERC as to the type of documentation that would be needed to support constraint declarations."⁵⁴

25. UCS asks the Commission to confirm that criteria 1 and 2 in Attachment 1 of the Reliability Standard⁵⁵ do not add loopholes for generators to avoid implementing freeze protection measures. UCS asserts that the Commission and NERC should ensure these constraints are limited to generators reaching commercial operation before the compliance deadline and thus ensure that future equipment and designs have the technical capability of meeting the Standard's requirements.⁵⁶ UCS recommends that the Commission require generator owners declaring constraints pursuant to criteria 6⁵⁷ to submit annual progress reports. UCS explains that such generators may be retained even if slated to retire if they are necessary to maintain reliable operation. Requiring annual updates, UCS asserts, would inform NERC whether generators are actually retiring or, if

⁵¹ UCS Comments at 4-5; 7-8.

⁵² *Id.* at 8.

⁵³ IRC Comments at 3-4.

⁵⁴ *Id.* at 4.

⁵⁵ Criteria 1 and 2 provide constraint scenarios where freeze protection measures would void an equipment warranty or exceed a manufacturer's design limitation to the point it would impair or degrade effective operation of the component or system. *See* NERC Petition, Ex. A at 24.

⁵⁶ UCS Comments at 9.

⁵⁷ Criteria 6 provides a constraint for existing generating units that are retiring within three calendar years of a constraint declaration. *See* NERC Petition, Ex. A at 26.

kept online, require the generator owners to implement freeze protection measures.⁵⁸ Finally, UCS recommends the Commission remove references to balancing authorities and transmission planners in criteria 5.c and 5.d⁵⁹ and require reliability coordinators supporting these two constraints to be unaffiliated with the requesting generator owner.⁶⁰ UCS reasons that it is possible for the generator owner declaring the constraint to also either be registered as or affiliated with the entity asked to support the constraints validity—which would be a conflict of interest.⁶¹

In its reply comments, NERC states that criteria 5.a and 5.b are consistent with 26. prior Commission acknowledgments on the possibility that costs of retrofitting may be unduly burdensome in certain instances⁶² and that NERC should provide a limited set of such instances. NERC explains that just because facts and circumstances may differ between generator owners declaring these constraints does not make those declaration determinations un-auditable or subjective. Similarly, NERC asserts that the appropriateness of constraints for new generating units is "a long-settled matter," was based on stakeholder input throughout the standard development process, and has been in each version of the Reliability Standard approved by the Commission.⁶³ Regarding UCS's concerns on criteria 6, NERC explains that there is already a 36 calendar month requirement for generator owners to review their constraints. NERC adds that the proposed Standard protects against "attempted gamesmanship" by requiring the generator owner to demonstrate how the constraint applies to its circumstances and requiring CEA approval of the constraints.⁶⁴ NERC also states that it is unclear how corporate affiliation alone would introduce a conflict of interest; nevertheless, should an actual conflict arise,

⁵⁸ UCS Comments at 10.

⁵⁹ Criteria 5.c and 5.d permit constraints if the implementation of freeze protection measures would reduce the ability to provide Real Power or Reactive Power capability, summer net dependable capacity, or net dependable capacity at peak demand by more than three percent or a value supported by the appropriate entity. The constraints provide examples of the appropriate entity as transmission planners, reliability coordinators, and balancing authorities. *See* NERC Petition, Ex. A at 25.

⁶⁰ UCS Comments at 11-12.

⁶¹ *Id.* at 12-13.

 $^{^{62}}$ NERC Reply Comments at 4 (quoting June 2024 Order, 187 FERC ¶ 61,204 at P 46).

⁶³ *Id.* at 10.

⁶⁴ *Id.* at 12.

NERC confirms that it will take prompt action. Finally, NERC explains that there is a process document explaining how CEAs will review constraints and how NERC will oversee such reviews and that NERC would provide additional guidance as necessary. ⁶⁵

III. Determination

A. Procedural Matters

- 27. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2025), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.
- 28. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2025), prohibits an answer to a protest unless otherwise ordered by the decisional authority. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d), we accept NERC's reply comments given its interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

B. Substantive Matters

- 29. Pursuant to section 215(d)(2) of the FPA, we approve proposed Reliability Standard EOP-012-3 as just, reasonable, not unduly discriminatory or preferential, and in the public interest. We find that the revised Standard improves upon the existing Standard by providing needed clarity on and improvements upon the Standard's requirements, which will help to advance the reliability of the Bulk-Power System during extreme cold weather conditions.
- 30. Specifically, the proposed Standard will improve reliability of the Bulk-Power System by adding requirements to ensure that: (1) generator owners declaring a Generator Cold Weather Constraint submit the declaration to its CEA for validation in a timely manner; (2) corrective action plans developed due to Generator Cold Weather Reliability Events are completed prior to the first day of the first December following the event and that entities have a shorter timeframe (12 months) to review similar equipment with potential risk to identified freezing issues; (3) an approval process is in place for any corrective action plan extension; (4) a discrete list of Generator Cold Weather Constraints (known and case-by-case) is identified for generator owners along with a preapproval process for all declared constraints; and (5) a relatively shorter timeframe (36 months) is required to review the validity of declared constraints and a process to implement freeze protection measures for declared constraints that are no longer valid. Furthermore, taking into consideration the urgency for generators to be able to operate reliably at the Extreme

⁶⁵ *Id.* at 5.

Cold Weather Temperature, generating units that begin commercial operation⁶⁶ on or after October 1, 2027, must be capable of operating at the Extreme Cold Weather Temperature without the provision to develop any corrective action plan.

- 31. We accept the proposed Reliability Standard effective October 1, 2025. As noted above, NERC proposed that the Standard be effective October 1, 2025 or three months after regulatory approval, whichever is later.⁶⁷ However, we find that, in this case, it is reasonable to modify NERC's implementation plan, and adopt the earlier effective date, such that the proposed Standard is in effect prior to this upcoming winter season.⁶⁸ Over the past four years, the Commission has repeatedly expressed an urgency in completing the cold weather Reliability Standards and having them implemented in a timely fashion to address the reliability risks presented by extreme cold weather.⁶⁹ The earlier effective date is reasonable in this instance given that industry was involved in NERC's standard development process and was made aware of pending changes even if they did not participate. Further, NERC made many of the proposed changes in response to the Commission's June 2024 Order directives, which industry has been aware of for over a year.
- 32. We decline to direct additional modifications to the Reliability Standard at this time, as requested by IRC and UCS. First, we note that IRC and UCS generally support the proposed Standard. Next, while IRC and UCS express concerns with the Generator Cold Weather Constraint criteria in Attachment 1, we do not believe these concerns warrant modification of the Standard. We find that criteria 5.a and 5.b of Attachment 1 of the proposed Reliability Standard are consistent with Commission guidance to provide

⁶⁶ NERC Petition, Ex. A at 6 n.1 (defining commercial operation in the proposed Standard as the "indicati[on] that the facility has received all approvals necessary for operation after completion of initial start-up testing").

⁶⁷ NERC Petition, Ex. B at 3.

⁶⁸ The Commission has previously modified a Reliability Standard's implementation period where it found it was reasonable given the nature of the requirements of the proposed Reliability Standard and it would provide enhanced security for the bulk electric system in a timelier manner. *See Supply Chain Risk Mgmt*. *Reliability Standards*, Notice of Proposed Rulemaking, 162 FERC ¶ 61,044, at P 44 (2018) (proposing to modify NERC's proposed implementation plan).

⁶⁹ See e.g., February 2023 Order, 182 FERC ¶ 61,094 at P 10 (emphasizing that industry has been aware of and alerted to the need to prepare generating units for cold weather since at least 2011 and that in considering an appropriate implementation period for Reliability Standard EOP-012-1, NERC should consider how much time industry has already had to implement freeze protection measures).

a limited set of defined circumstances. While UCS is concerned with criteria 6 of the case-by-case list in Attachment 1 of the proposed Standard to verify continued validity as it pertains to generator retirements, we agree with NERC that proposed Requirement R9 is sufficient to verify the validity of any constraint declaration submitted based on retirement.⁷⁰ We also agree with NERC that having the CEA approve constraint declarations will help ensure validity. Regarding the IRC's request for generator clarity as to the type of documentation an entity would need for a constraint, we note that NERC has posted a Generator Cold Weather Constraint declaration process document to guide generator owners through this procedure.⁷² Further, as to UCS's concern of the possibility for a conflict of interest pertaining to constraint declarations, ⁷³ we note that NERC asserts that it would take prompt action should a conflict arise.⁷⁴ We also find nothing in the record that confirms that a bias from an entity would skew the results such that constraint declarations would become invalid. Additionally, NERC and industry have been working on various iterations of this Standard since February 2021. We believe it is important for industry to begin implementing the Reliability Standard fully and that the value in the certainty of allowing entities to fully implement the Standard without anticipation of additional modification outweighs the incremental benefit of any modifications.

- 33. Nevertheless, pursuant to section 39.2(d) of the Commission's regulations,⁷⁵ we direct NERC, for a limited time, to collect and submit to the Commission certain information described further below. This approach would allow the proposed Reliability Standard to become effective while also ensuring that NERC and the Commission have the relevant information necessary to evaluate the effectiveness of the Standard, whether it is being consistently applied across CEAs, and whether future modifications are necessary.
- 34. First, we direct NERC to submit, for each Regional Entity, anonymized data on: (1) the number of submitted Generator Cold Weather Constraint declarations, (2) the number of approved declarations, (3) the aggregate MVA of approved declarations, and

⁷⁰ NERC Reply Comments at 10.

⁷¹ NERC Petition at 12.

⁷² See generally id., Ex. C.

⁷³ UCS Comments at 12-13.

⁷⁴ NERC Reply Comments at 11-12.

⁷⁵ 18 C.F.R. § 39.2(d) ("The [ERO] . . . shall provide the Commission such information as is necessary to implement section 215 of the [FPA].").

- (4) a summary of the rationale(s) provided for approved declarations. This data will help the Commission quantify and understand the reliability risk to the bulk electric system, determine the effectiveness of the Generator Cold Weather Constraint criteria in Attachment 1, assess technological gaps (regionally as well as nationwide), understand the driving factors for declared constraints, and confirm that the Generator Cold Weather Constraint criteria and the pre-approval process is objective, unambiguous, and auditable.
- 35. Next, we direct NERC to submit a narrative analysis addressing the following issues. First, the narrative analysis must review whether reliability coordinators, transmission operators, and balancing authorities (or other relevant entities) are timely notified of Generator Cold Weather Constraint declarations and corrective action plan extensions. In its June 2024 order, the Commission expressed concern that without appropriate oversight, relevant registered entities would not be informed of a generator owner's proposed updates to their corrective action plan implementation deadlines or their operating limitations.⁷⁶ Although NERC notes that relevant reliability entities have other mechanisms to obtain such information (e.g., Reliability Standards TOP-003 and IRO-010), it is unclear how they would know to do so. Thus, we seek information on this element of the proposed Reliability Standard. Second, the narrative analysis shall analyze the reliability impact, if any, of allowing generators 36 months, rather than a shorter time period, such as 24 months, to correct known freeze related issues.⁷⁷ In the June 2024 Order, the Commission stated that it was "concerned that the length of NERC's proposed 24- and 48-month deadlines for implementing corrective actions after a generating unit's failure [was] too long."78 Appreciating NERC's response that staggering implementation of corrective actions across a fleet would present logistical challenges and may not promote an orderly and efficient implementation of corrective actions, we believe it is essential to understand the potential reliability impacts of allowing generators three years to correct known freeze issues.
- 36. Lastly, the narrative analysis must also assess whether the Generator Cold Weather Constraint declarations approval process is consistently interpreted and applied by the CEAs in a timely manner to address the reliability risks presented by extreme cold weather; whether the Generator Cold Weather Constraint declaration criteria in Attachment 1 is adequately defined and clear so that applicable entities understand what is required of them; and the reliability impact on the Bulk-Power System due to

 $^{^{76}}$ See June 2024 Order, 187 FERC ¶ 61,204 at PP 52-54.

⁷⁷ As part of this analysis, NERC should also assess whether generator owners are waiting the full 36 months to correct known freeze related issues or are being more proactive.

⁷⁸ June 2024 Order, 187 FERC ¶ 61,204 at P 67.

Generator Cold Weather Constraint declarations from each criterion in Attachment 1, in addition to the reliability impact from approved corrective action plan extensions. These requirements build upon the Commission's directive in the February 2023 Order for NERC to collect data on the constraint declaration provisions within Reliability Standard EOP-012-1 as well as information on the actual performance of freeze protection measures during extreme cold weather events. This data, supplemented by the narrative analysis, will ensure that NERC and the Commission have sufficient oversight into the use of the Generator Cold Weather Constraint declaration process and that it is applied consistently throughout the regions.

37. Accordingly, we direct NERC to submit comprehensive biennial informational filings starting no later than October 2026 and ending in October 2034. Furthermore, we direct NERC to collaborate with Commission staff during the data collection process to ensure the data collection and corresponding analysis is comprehensive and addresses the Commission's concerns.

IV. Information Collection Statement

- 38. The information collection requirements contained in this Order are subject to review by the Office of Management and Budget (OMB) under section 3507(d) of the Paperwork Reduction Act of 1995. OMB's regulations require approval of certain information collection requirements imposed by agency rules. Upon approval of a collection of information, OMB will assign an OMB control number and expiration date. Comments on the collection of information are due within 60 days of the date this order is published in the *Federal Register*. Respondents subject to the filing requirements of this rule will not be penalized for failing to respond to these collections of information unless the collections of information display a valid OMB control number.
- 39. The Commission solicits comments on the Commission's need for this information, whether the information will have practical utility, the accuracy of the burden estimates, ways to enhance the quality, utility, and clarity of the information to be collected or retained, and any suggested methods for minimizing respondents' burden, including the use of automated information techniques.

⁷⁹ 44 U.S.C. § 3507(d).

^{80 5} C.F.R. § 1320 (2025).

Docket No. RD25-7-000

- 40. The EOP Reliability Standards are currently located in the FERC-725S (OMB Control No. 1902-0270) collection. In Docket No. RD25-7-000, the Commission proposes to replace the current OMB approved Reliability Standard EOP-012-2 with proposed Standard EOP-012-3 (Table 1). Proposed Requirements R1 through R8 are carried over and modified from the prior version of the Standard, and Requirement R9 and Attachment 1 are new. The proposed Reliability Standard creates a mechanism for NERC to receive, review, evaluate, and confirm validity of each Generator Cold Weather Constraint as well as corrective action extension requests from generator owners beyond the maximum timeframe. In addition, the proposed Standard implements more frequent reviews of the Generator Cold Weather Constraint declarations to verify they remain valid. The proposed Standard also adds Attachment 1 and modifies the Generator Cold Weather Constraint definition to address concerns related to ambiguity of the defined terms.
- 41. The number of respondents below are based on an estimate of the NERC compliance registry for generator owners and generator operators. Proposed Reliability Standard EOP-012-3 applies to generator owners and generator operators. The Commission based its paperwork burden estimates on the NERC compliance registry as of July 11, 2025. According to the registry for U.S. unique entities, there are 1,314 generator owners. The revisions to proposed Reliability Standard EOP-012-3 should not present any additional burden to the generator operators compared to the previously approved EOP-012-2 but will present additional burden to generator owners. Thus, the estimates in the tables below are based on the change in generator owner burden borne from the Reliability Standard approved in this order. The Commission based the burden estimates in the tables below on staff experience, knowledge, and expertise.

Public Reporting Burden: The estimated costs and burden for the revisions in Docket No. RD25-7-000 are shown in the table below.

Table 1: Proposed Changes Due to Final Rule in Docket No. RD25-7-000 for EOP- 012-3							
Reliability	Type and	Number	Total	Average	Total Burden		

⁸¹ The FERC-725S collection includes the EOP family of Reliability Standards: EOP-004-4, EOP 005-3, EOP-006-3, EOP-008-2, EOP-010-1, EOP-011-4, and EOP-012-3.

⁸² The overall burden associated with Reliability Standard EOP-012 will be the sum of the burden (responses) from Reliability Standard EOP-012-1 (under Docket No. RD23-1-000), Reliability Standard EOP-012-2 (under Docket No. RD24-5-000), and proposed Reliability Standard EOP-012-3 (under Docket No. RD25-7-000).

Standard & Requirement	Number of Entity (1)	of Annual Responses Per Entity (2)	of Res	nber ponses (2)=(3)	Number of Burden Hours per Response ⁸³ (4)	Hours (3)*(4)=(5)		
FERC-725S								
Annual Collection EOP-012-3								
EOP-012-3	1,314(GO)	1	1,314		4 hrs.	5,256 hrs.		
					\$63.52/hr	\$333,861.12		
Total for			1,31	4	4 hrs.	5,256 hrs.		
EOP-012-3					\$63.52/hr	\$333,861.12		
Changes to FERC 725S by RD25-7-000								
FERC-725S Modification	Current Inventory (hours)	Invento	Current Inventory (responses)		l Change Due	to RD25-7-000		
Addition of EOP-012-3		-	-			+ 5,256 hrs. +1,314 responses		

<u>Titles</u>: FERC -725S, Mandatory Reliability Standards for the Bulk-Power System; EOP Reliability Standards.

Action: Revisions to Existing Collections of Information in FERC-725S.

OMB Control Nos: 1902-0270 (FERC-725S).

Respondents: Business or other for profit, and not for profit institutions.

 $^{^{83}}$ The estimated hourly cost (salary plus benefits) is a combination of the following categories from the Bureau of Labor Statistics (BLS) website, http://www.bls.gov/oes/current/naics2_22.htm: 75% of the average of an Electrical Engineer (17-2071) \$71.19/hr., x .75 = 53.3925 (\$53.39-rounded) (\$53.39/hour); and 25% of an Information and Record Clerk (43-4199) \$40.51/hr., \$40.51 x .25 = 10.1275 (\$10.13 rounded) (\$10.13/hour), for a total (\$53.39+\$10.13 = \$63.52/hour).

Docket No. RD25-7-000

Frequency of Responses: Annually.

Necessity of the Information: Reliability Standard EOP-012-3 (Extreme Cold Weather Preparedness and Operations) is part of the implementation of the Congressional mandate of the Energy Policy Act of 2005 to develop mandatory and enforceable Reliability Standards to better ensure the reliability of the nation's Bulk-Power System. Specifically, the revised Reliability Standard ensures that generating resources are prepared for local cold weather events and that entities will effectively communicate the information needed for operating the Bulk-Power System.

<u>Internal review</u>: The Commission has reviewed the revised Reliability Standard and made a determination that its action is necessary to implement section 215 of the FPA. The Commission has assured itself, by means of its internal review, that there is specific, objective support for the burden estimates associated with the information requirements.

<u>Description of the Revision to FERC-725S</u>: The FERC-725S (OMB Control No. 1902-0270) is an existing information collection that contains the requirements for the EOP-012-2 Reliability Standard. As described in Docket No. RD25-7-000 above, the Reliability Standard (EOP-012-2) is proposed to be retired and replaced by EOP-012-3.

- 42. Interested persons may obtain information on the reporting requirements by contacting the Federal Energy Regulatory Commission, Office of the Executive Director, 888 First Street, NE, Washington, DC 20426 [Attention: Kayla Williams, email: DataClearance@ferc.gov, phone: (202) 502-6468].
- 43. Comments concerning the information collections and requirements approved for retirement in this order and the associated burden estimates, should be sent to the Commission (identified by Docket No. RD25-7-000), using the following methods. Electronic filing through https://www.ferc.gov is preferred. Electronic Filing should be filed in acceptable native applications and print-to-PDF, but not in scanned or picture format. For those unable to file electronically, comments may be filed by U.S. Postal Service mail or by hand (including courier) delivery: Mail via U.S. Postal Service Only: Addressed to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, N.E., Washington, DC 20426. Hand (including courier) delivery: Deliver to: Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

V. <u>Document Availability</u>

44. In addition to publishing the full text of this document in the Federal Register, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page (http://www.ferc.gov).

- 45. From the Commission's Home Page on the Internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.
- 46. User assistance is available for eLibrary and the Commission's website during normal business hours from the Commission's Online Support at (202) 502-6652 (toll free at 1-866-208-3676) or email at ferconlinesupport@ferc.gov, or the Public Reference Room at (202) 502-8371, TTY (202) 502-8659. E-mail the Public Reference Room at public.referenceroom@ferc.gov.

The Commission orders:

- (A) Proposed Reliability Standard EOP-012-3, its associated violation risk factors and violation severity levels, the revised defined term Generator Cold Weather Constraint declaration, and the proposed retirement of Reliability Standard EOP-012-2 immediately prior to the effective date of proposed Reliability Standard EOP-012-3 are hereby approved, as discussed in the body of this order.
 - (B) Reliability Standard EOP-012-3 shall be effective on October 1, 2025.
- (C) NERC is hereby directed to submit comprehensive biennial informational filings and assess data submittals to address matters associated with Reliability Standard EOP-012-3, as discussed in the body of this order.

By the Commission.

(SEAL)

Debbie-Anne A. Reese, Secretary.

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