

**NERC**

NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

# Role of the Electric Reliability Organization

Reliability Assessments to Inform Resource Planning and Policies

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## States and Provinces

Establishing  
Criteria

Resource  
Planning

Infrastructure  
Decisions

*NERC's authorities as the Electric Reliability Organization are specified in the Energy Policy Act of 2005 (U.S.) and agreements with Provinces (Canada)*



## ERO – NERC & Regions

Measuring  
Uniformly

Assessing Risk  
Commonly

Integrating with  
Wide-Area

## Drivers of the worsening outlook:

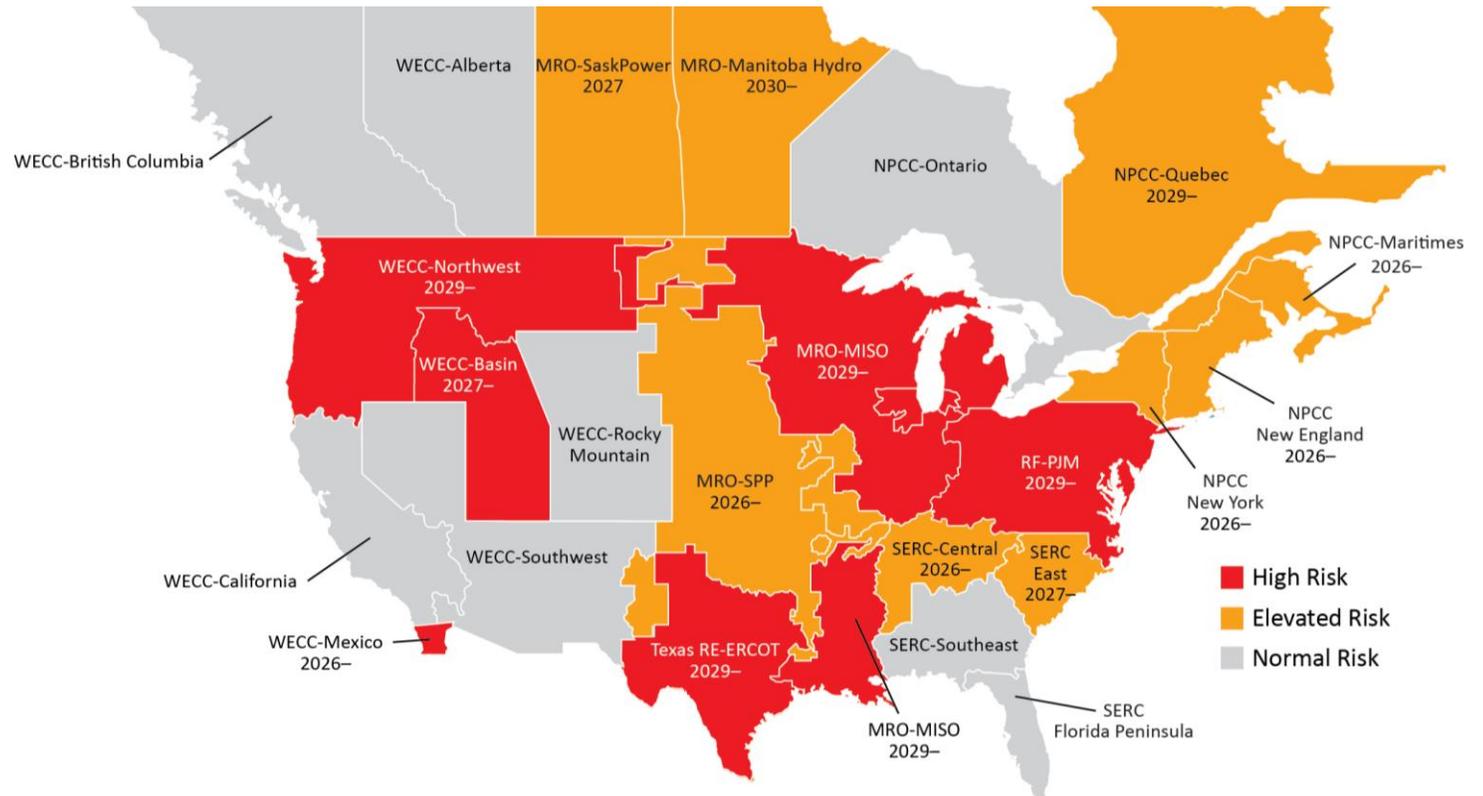
- Electricity demand is rising at the fastest rate in decades
- Pace of resource additions is uncertain
- Generation projects are mostly battery and solar over the next three years
- Fossil-fired generators are deactivating

## Bright spots:

- Regulators and industry are delaying planned generator retirements
- Regional planners/operators are implementing programs to expedite generators for reliability needs
- Demand-side resources and curtailable load programs are growing

## Preliminary Resource Adequacy Risk Summary in the forthcoming Long-Term Reliability Assessment

Shows highest risk category in the 5-year period and the year it occurs



*Risk assessment based on probabilistic studies and planned reserve margins. High Risk areas fall short of 1-day-in-10-year load-loss or similar criteria. Elevated Risk areas meet criteria but planned resources are likely to fall short of reserve requirements in stressful scenarios*

Resource planners, market operators, and regulators | **Expedite new resources and carefully manage generator deactivations**

NERC, Industry, and Regulators | **Manage risks and opportunities from new data centers and large loads**

NERC, Regional Entities, and Industry | **Improve assessments with energy metrics, consistent methods, and wide-area energy analysis**

Regulators and Policymakers | **streamline siting and permitting to remove barriers to resource and transmission development**

Regulators, industry, and gas industry | **Continue with solutions to address interconnected natural gas-electric energy system reliability**

ISOs/RTOs, regulators | **continue steps to ensure the resource mix provides sufficient essential reliability services**





# Questions and Answers