NERC standards development has moved towards a more deliberate and measured pace after several years of activity to address outstanding Federal Energy Regulatory Commission directives, Paragraph 81 recommendations, Independent Expert Review Panel (IERP) recommendations, and emerging reliability risks. The primary focus of standards development activity has shifted to Periodic Reviews (PRs) to determine whether individual standards are necessary, clear, and efficient in addressing identified reliability risks. The 2021 Standards Grading material and questions posted for comment are an important part of this process to continuously improve the body of NERC standards and prioritize standards projects.

On March 9, 2016, the Standards Committee (SC) endorsed using an enhanced version of the IERP grading tool as the metric to grade all NERC Reliability Standards. 

Reliability Standards are eligible for grading if all requirements of that standard have been in effect for at least a year. In some instances, a standard may be eligible if:

- it has been a year since the effective date of the governmental order approving that standard if entities are “early adopting” the requirements as they implement their programs to prepare for the effective date; or
- if the standard is a revision to a standard that has been in effect greater than a year.

Standards grading uses the same decisions-tree and Standards Grading Tool (“tool”) of the IERP. The Standing Review Team (SRT) reviewed each of the standard requirements associated with this year’s grading project for content, quality, and one question on cost effectiveness.

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1 Paragraph 81 Technical White Paper.  
[https://www.nerc.com/pa/Stand/Project%20201302%20Paragraph%2081%20RF/P81_Phase_I_technical_white_paper_FINAL.pdf](https://www.nerc.com/pa/Stand/Project%20201302%20Paragraph%2081%20RF/P81_Phase_I_technical_white_paper_FINAL.pdf)  
2 The North American Electric Reliability Corporation (NERC) retained five industry experts to independently review the NERC Reliability Standards, setting the foundation for a plan that will result in a set of clear, concise, and sustainable body of Reliability Standards. The primary scope was an assessment of the content and quality of the Reliability Standards, including identification of potential bulk power system (BPS) risks that were not adequately mitigated.  
The five industry experts established an assessment process to develop recommendations for each requirement. The initial assessment determined whether a requirement should be retired. The remaining requirements were given a content and quality grade. A reliability risk level was assigned and the Team recommended prioritization of future work based on their risk and grades.  
[http://www.nerc.com/pa/Stand/Resources/Pages/default.aspx](http://www.nerc.com/pa/Stand/Resources/Pages/default.aspx)
The SRT is comprised of the chair (or their delegate) of the SC, representatives from the Reliability and Security Technical Committee (RSTC), a Regional representative, and NERC staff. The SRT members are not tasked to propose solutions to any requirements. Rather, the SRT uses the tool to assign numeric grades to each requirement to inform the future Periodic Review drafting teams. While the final standards grades are important data points for the PRs to consider, they are intended as one of many inputs to facilitate discussions and aid analysis during the reviews.

The SRT has completed the initial grading of eligible Reliability Standards, which is being posted for stakeholder comment. Following the closing of this stakeholder comment period, the SRT will consider inputs and will determine their final grades of each requirement. Final grade results will be appended to the 2022-2024 Reliability Standards Development Plan.

Please note that the posted PR data tool represents input from each SRT member as a starting point for ultimately reaching consensus on grades. Where scoring variances exceeded three points among SRT members, discussion will be held to achieve consensus grades. The SRT members seek comments here in part to assist them in reaching consensus on requirements whose consensus grades have not yet been achieved.

**Commenters:** Please note that this request for comments does not seek actual standards grades from commenters, but rather answers to the questions posed below to provide input to the SRT in reaching consensus on its final grading.

The initial SRT grades are contained in the tool (MS Excel spreadsheet file) found [here](#). The tool includes each SRT member's initial grades on the content and quality for each standard requirement. The three tabs of the SRT preliminary tool include the individual grading from each SRT member (RSTC, Regions, and NERC). The “2021 Summary Grades” tab provides an aggregation of the content and quality grade, score average, and score deltas. The “2021 Summary Comments” tab provides a compilation of the member's scores and comments by standard and requirement in the first few columns.
Questions
The Standards Grading Tool ("tool") provides a summary of the scoring for each standard and requirement. The SRT would like industry feedback on each of the questions below. Please note that the tool has “Content” (C1-C4) questions and “Quality” (Q1-Q13) questions. If providing comment, please note the question (e.g., C2, Q5, etc.) that best matches your concern. There is an opportunity to submit other or general comments at the end.

1. For BAL-002-3, do you agree with the scoring and findings of the SRT? If not, please comment on which tool question(s) the comment applies to and provide a supporting explanation.
   - Yes
   - No
   Comments:

2. For BAL-005-1, do you agree with the scoring and findings of the SRT? If not, please comment on which tool question(s) the comment applies to and provide a supporting explanation.
   - Yes
   - No
   Comments:

3. For EOP-004-4, do you agree with the scoring and findings of the SRT? If not, please comment on which tool question(s) the comment applies to and provide a supporting explanation.
   - Yes
   - No
   Comments:

4. For EOP-005-3, do you agree with the scoring and findings of the SRT? If not, please comment on which tool question(s) the comment applies to and provide a supporting explanation.
   - Yes
   - No
   Comments:

5. For EOP-006-3, do you agree with the scoring and findings of the SRT? If not, please comment on which tool question(s) the comment applies to and provide a supporting explanation.
   - Yes
   - No
   Comments:
6. For EOP-008-2, do you agree with the scoring and findings of the SRT? If not, please comment on which tool question(s) the comment applies to and provide a supporting explanation.

☐ Yes
☐ No

Comments:

7. Please provide any additional comments here, on improving the standards grading process, the SRT’s approach to standards grading, or any other input you believe would be helpful in instructing the SRT’s final grading.

Comments: