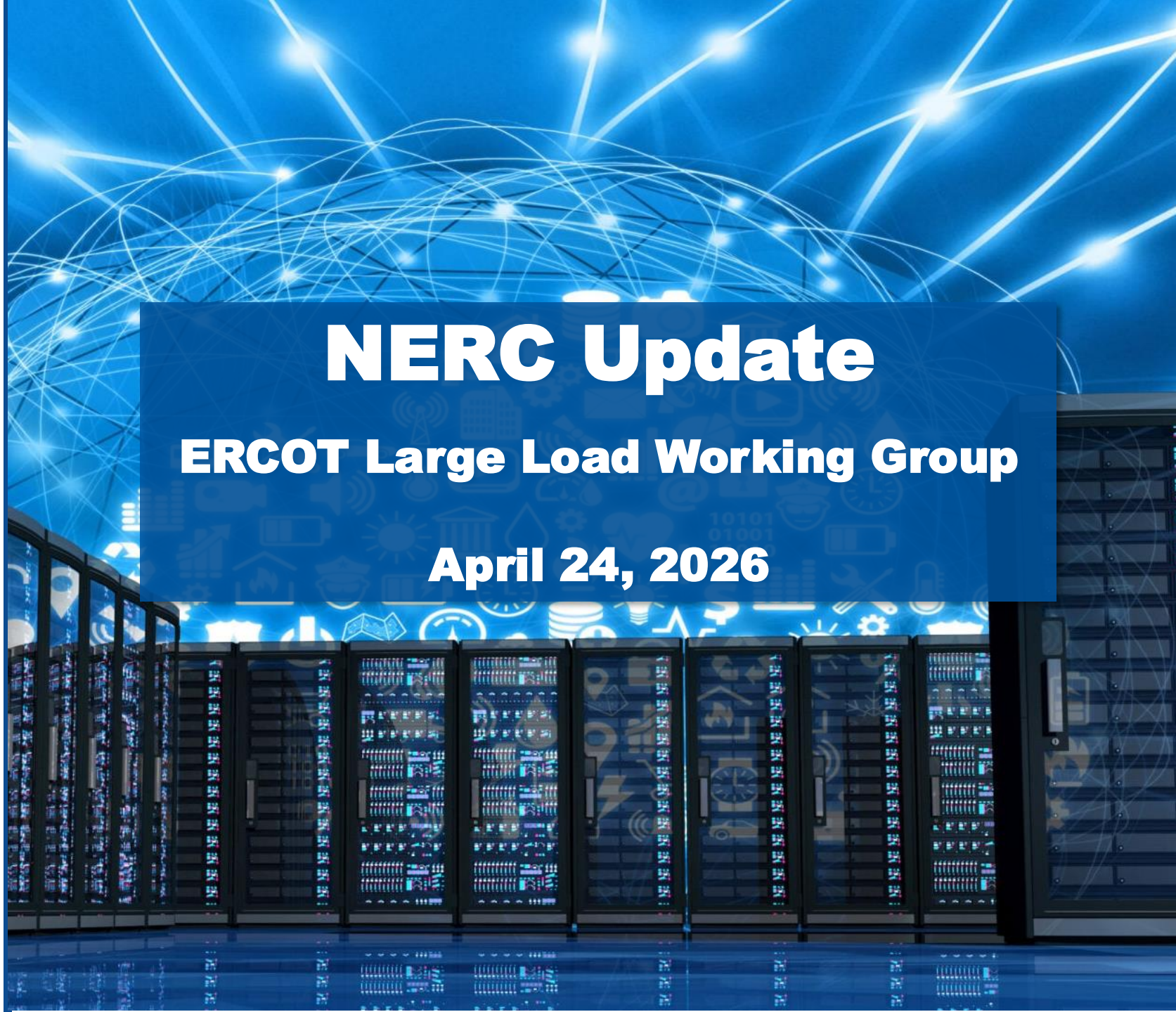
TEXAS RE

NERC Update

ERCOT Large Load Working Group

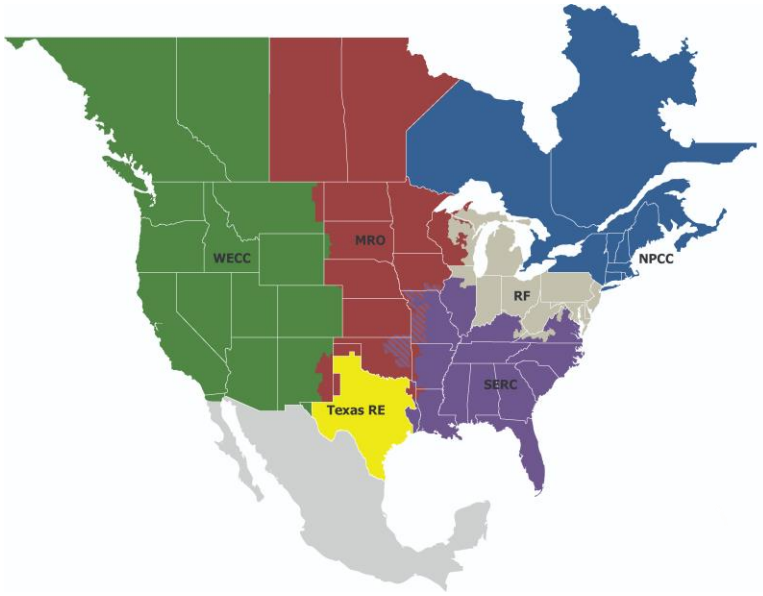
April 24, 2026



NERC, Texas RE, and Large Loads

On July 20, 2006, the Federal Energy Regulatory Commission (FERC) issued an order in Docket No. RR06-1-000 certifying the North American Electric Reliability Corporation (NERC) as the nation's Electric Reliability Organization (ERO) under Section 215 of the Federal Power Act.

Texas Reliability Entity, Inc. (Texas RE) is one of NERC's six delegated Regional Entities.

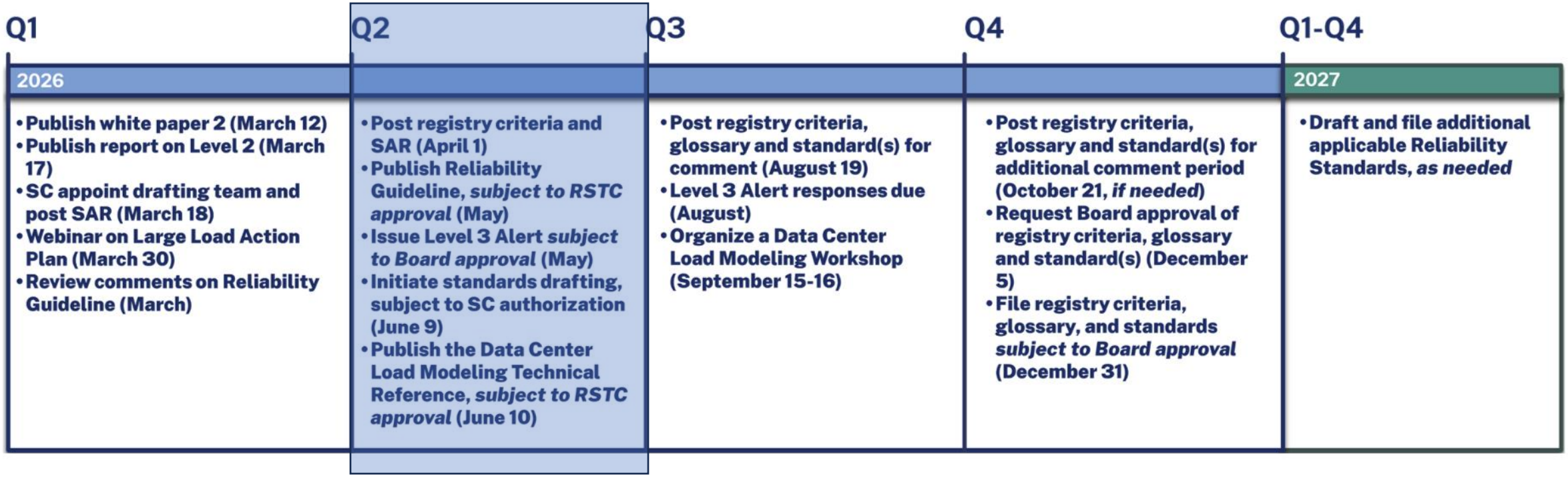


NERC monitors the grid, assesses reliability and security risks, develops reliability standards with stakeholders, and enforces them. Through the Code of Federal Regulations §39.2 (2008), NERC's delegated authority is applicable to each user, owner or operator of the Bulk Power System (BPS) in the United States (excluding Alaska and Hawaii).

In February 2026, NERC announced expansion of its programs to include large loads, given:

- Analysis of system disturbances involving Virginia data centers and Texas crypto facilities
- Phenomenal growth of data centers and their strategic importance
- Industry collaborative reports on characteristics and risks of emerging large loads
- Responses to NERC's January 26 Level 2 Alert suggesting widespread challenges to reliable integration of these facilities

NERC Large Loads Action Plan: 2026-2027 Timeline



Computational Load Entity (CLE) Registration

Proposed Registry Criteria under revised NERC Rules of Procedure – open for public comments from April 1 - May 15, 2026. Comments must be submitted electronically to ROPcomments@nerc.net.

Appendix 2 – Definitions:

- **Computational load** means load comprised of electric power demand from information technology equipment, such as servers, storage, and networking hardware.
- **Computational load entity** means the end-user or the entity that hosts end-users that receives electric power for computational load.

Appendix 5A & 5C registration is proposed for computational load entities that meet these three requirements:

1. Contributes to an aggregate connected load capability greater than or equal to 20 MW
2. Connect at a single point of interconnection to the BPS at a voltage greater than or equal to 60 kV
3. Host 1 MW or greater of computational load

NERC's technical reasoning focuses on aggregate impacts of these loads' size and electrical behavior and aims to differentiate them from other loads with a "de minimus" amount of computational equipment.

Large Computational Load Phase 1 Standard

Project 2026-02 will create specific reliability requirements for computational load entities. NERC's Standards Committee approved Standards Authorization Request (SAR) posting on March 18, and appointed a Standards Drafting Team, which is meeting regularly since April 1.

The intent is to create a single "bridge" Reliability Standard for the most critical reliability concerns – modeling, operational coordination, and protection/control systems, and file with FERC by the end of 2026.

Industry input is sought on general considerations to help direct the drafting team by April 30:

- Submit comments on the April 1 SAR posting using NERC's Standards Balloting and Commenting System (SBS).
- Volunteer Opportunity: The Computational Load Short-Term Advisory Group is open through April 30 for subject matter experts with relevant expertise who want to support the initial Standard project by contributing at least three hours per week (see sign up and additional information).
- Drafting Team meetings are open to observers (scheduled meetings).

Computational Load Short-Term Advisory Group

The Advisory Group will help the seated **Project 2026-02** drafting team by reviewing Standard drafts, participating in sub-teams as assigned, and providing additional support as requested by the drafting team. The objective is to bring additional subject matter expertise to bear early in the process and expedite and enhance consensus building. NERC will also solicit feedback on communications approaches or other matters on proposed Rules of Procedure registry criteria revisions.

Advisory Group members' time commitment will be at least three hours per week (particularly during critical drafting periods throughout the entirety of this initial computational load Standard project.

Prospective members:

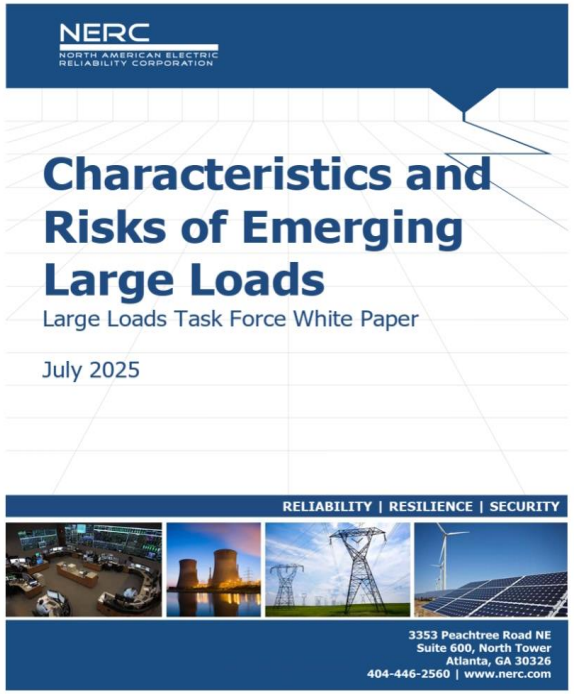
- Utility members involved with interconnection efforts with large loads, along with planning and stability experience
- Technical experts in data center modeling
- Computational load entity representatives who have experience in grid interconnection processes and/or energy systems architecture
- Stakeholders who own or operate generation associated with computational load entities
- State or regulatory officials with expertise in the interconnection process
- Original equipment manufacturers of equipment used in computational loads
- Developers of computational load facility campuses
- Individuals involved in NERC's Organization Registration and Certification Subcommittee

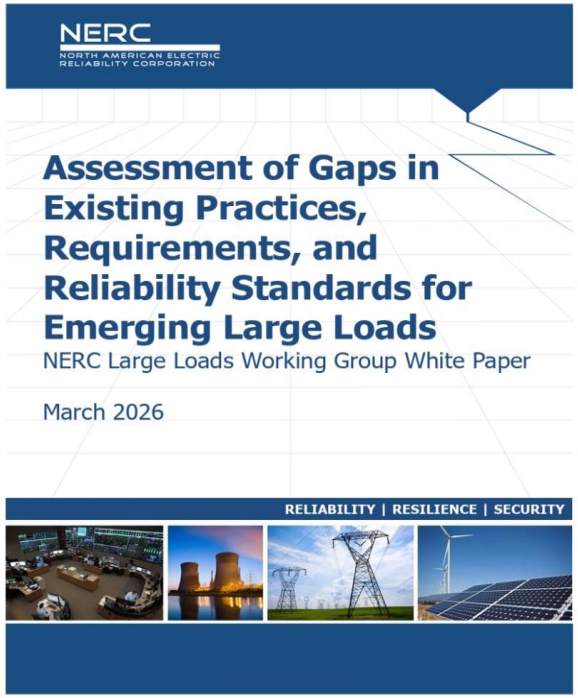
To volunteer, please email an expression of interest and biography/CV to Laura Anderson and cc: Sandhya Madan and Zachary Greene by 11:59 p.m. Eastern, April 30, 2026.

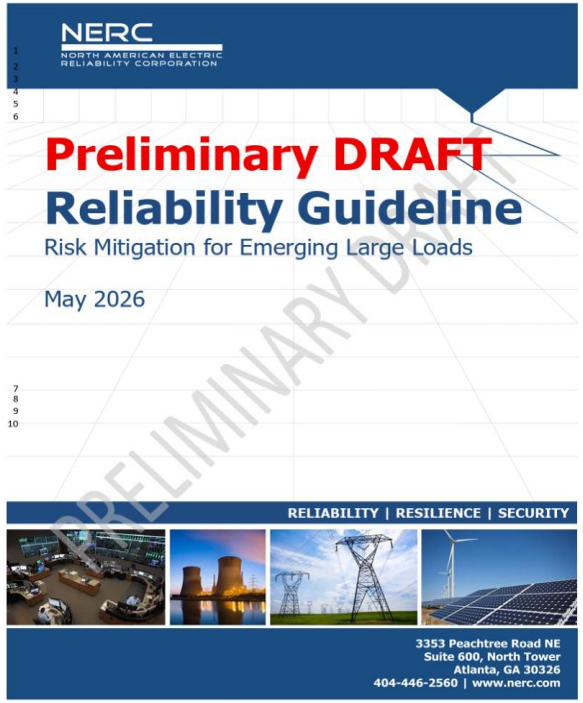
NERC Large Loads Working Group

NERC's Large Loads Working Group expects approval from the Reliability and Security Technical Committee (RSTC) to post its Reliability Guideline: Risk Mitigation for Emerging Large Loads by April 30.

This completes initial technical references developed by the group. Several items were added to the workplan for later in 2026.







Level 3 Essential Action Alert for Large Computational Loads

When NERC identifies reliability or security concerns that require prompt response, it disseminates critical information through e-mail alerts. Essential Action Alerts, the highest level, require NERC Board approval prior to issuance.

For large computational loads, NERC determined a set of immediate actions that registered entities should take to reduce the risk to the BPS that warrant issuance via a Level 3 Alert. These actions relate to the modeling, study, installed fault recording or instrumentation, commissioning, operation, protection, and control of computational load.

- **April 16** **NERC Board Approval**
- **May 4** **Expected initial distribution to Planning Coordinators, Balancing Authorities, Reliability Coordinators, Transmission Owners, Transmission Operators, and Transmission Providers**
- **May 11** **Acknowledgment of receipt due**
- **August 3** **Responses (30 questions) and approval due**

Recipients are required to respond as defined in the alert. *A Level 3 NERC Alert is not the same as a Reliability Standard, and it does not create a mandatory obligation to take the Essential Actions.*

NERC Alerts (Rules of Procedure Section 810 (5))

NERC discovers, identifies, and provides information critical to ensuring the reliability of the BPS in North America. NERC disseminates this information through e-mail alerts in one of three levels:

1. Industry Advisory – Purely informational, intended to alert registered entities to issues or potential problems. A response to NERC is not necessary.
2. Recommendation to Industry – Recommends specific action to be taken by registered entities. Requires a response from recipients as defined in the alert.
3. Essential Action – Identifies actions deemed to be essential to BPS reliability. Requires NERC Board of Trustees approval prior to issuance. Like recommendations, essential actions also require recipients to respond as defined in the alert. *A Level 3 NERC Alert is not the same as a Reliability Standard, and it does not create a mandatory obligation to take the Essential Actions.*

Texas RE forwards NERC Alerts as necessary and as permitted by handling requirements of the alert, assisting registered entities in using the system, and providing outreach. 

- If an entity registration date is after the date of the Notice of the Alert, acknowledgement, response, and approval is not required for the Alert. However, if the newly registered entity would like to participate and support the effort they may do so by contacting the NERC Alert Administrator.
- Related Links:
  - NERC Alerts System
  - NERC Alerts
  - NERC Alert Response Process and Guidance Supplement

TEXAS RE
Ensuring electric reliability for Texans