Summary of Proposed Reliability Standard PRC-029-2

Proposed Reliability Standard PRC-029-2 — Frequency and Voltage Ride-through Requirements for Inverter-Based Resources

Details of Standard(s) Development

Reliability Standards Authority:	NERC
Standard(s)	PRC-029-2 — Frequency and Voltage Ride-through Requirements for Inverter-Based Resources
Purpose	To ensure that Inverter-Based Resources Ride-through to support the Bulk Power System during and after defined frequency and voltage excursions.
Change Type:	FERC DIRECTIVE
Affected Functional Entities:	• Generator Owner (GO)
Ballot Results:	PRC-029-2: 90% Quorum / 90.75% Approval
Ontario Participant Support:	There were 189 votes cast by NERC registered entities. 1 OEB rate-regulated entity voted (1/189) Affirmative.
Impact Within Ontario	The impact in Ontario is expected to be focused on existing and future inverter-based resources subject to PRC-029-2, including solar photovoltaic, battery energy storage, and wind generation facilities registered with NERC. Although the revisions are not expected to materially alter reliability requirements, their importance will increase as inverter-based resources represent a larger share of Ontario's generation mix, while providing implementation flexibility that supports continued ride-through performance.

Standards Development Milestones[1]

Date	Action
August 18, 2026	• Adopted by NERC Board of Trustees
September 22, 2026	• NERC Petition for Approval
September 23, 2026	• IESO Posting Date
January 21, 2027	• End of OEB Review Period

Summary

On July 24, 2025, FERC issued Order No.909 which led to the approval of Reliability Standard PRC-029-1 and the frequency and voltage ride-through requirements for Inverter-Based Resources. Ride-through is the capability of an inverter-based resource to remain connected and support the grid during specified voltage and frequency disturbances, reducing the risk of widespread generation loss during system events.

As part of Order No. 909, FERC directed NERC to evaluate whether the standard appropriately accounted for certain equipment limitations of High-Voltage Direct Current (HVDC)-connected Inverter-Based Resources and for projects facing long lead times between equipment procurement and commercial operation.

In response, NERC developed proposed Reliability Standard PRC-029-2. NERC concluded that targeted revisions were needed because the exemption criteria in PRC-029-1 could be overly restrictive for certain long-lead-time Inverter-Based Resources projects and HVDC-connected Inverter-Based resources with documented hardware limitations. The proposed revisions are intended to preserve the reliability benefits of ride-through requirements while providing limited implementation flexibility to avoid unnecessary project delays, retrofits, or resource retirement.

Proposed Reliability Standard PRC-029-2 includes administrative revisions to Requirements R1 through R3 and updates Requirement R4 to establish limited exemption eligibility for certain Inverter-Based Resource projects under development that have existing interconnection agreements, equipment procurement commitments, or documented design constraints that would make compliance impractical without significant redesign or delays. Requirement R4 also establishes eligibility criteria and cut-off dates for long-lead-time projects. These changes are applicable to US entities only. In Ontario the exceptions are assessed by the IESO as per Market Rules as defined in the footnote 13 of the standard "13 The exemption process requests for a non-US Registered Entity should shall be implemented in a manner that is consistent

[1] The next steps will be the issuance of the FERC Order followed by determination of the Ontario Enforcement Date.

with, or under the direction of, the applicable governmental authority or its agency in the non-US jurisdiction." In addition, Measure M4 clarifies the documentation and technical evidence required to support exemption requests associated with long-lead-time projects and documented hardware limitations.

Other Salient Information

Stakeholder Consultation

NERC Reliability Standards Development Procedure

- NERC develops Reliability Standards in accordance with Section 300 (Reliability Standards Development) of its Rules of Procedure and the NERC Standard Processes Manual;
- NERC's rules provide for reasonable notice and opportunity for public comment, due process, openness, and a balance of interests in developing Reliability Standards;
- The development process is open to any person or entity with a legitimate interest in the reliability of the Bulk Power System. NERC considers the comments of all stakeholders;
- Stakeholders must approve, and the NERC Board of Trustees must adopt, a new or revised Reliability Standard before NERC submits the Reliability Standard to FERC for approval;
- NERC provided public notices for comments and balloting as follows:
    - Standard Authorization Request Comment: November 4 – December 18, 2025
    - First Posting: April 16 – May 18, 2026
    - Initial Ballots and Non-binding Poll May 8 – May 18, 2026
    - Second Posting: June 23 – July 13, 2026
    - Additional Ballots and Non-Binding Poll: July 2 – July 13, 2026
    - Final Ballot: August 3 – August 7, 2026

IESO Reliability Standards Standing Committee

- The purpose of the Reliability Standards Standing Committee (RSSC) is to assist market participants to develop a more comprehensive understanding of their reliability obligations by:
    - Notifying participants of reliability-related information on new and developing reliability standards;
    - Providing a forum to discuss and develop consensus comments on new and developing reliability standards; and
    - Engaging participants in the standard development process of NERC and NPCC.
- The majority of stakeholder engagement takes place by email communications and is open to any stakeholder wishing to join
- The IESO presented the proposed changes at the following RSSC meetings:
    - September 12, 2024
    - December 11, 2024
    - November 12, 2025
    - March 12, 2026