

**Attachment 1**  
**Compliance and Certification Committee Charter**  
**Proposed Amendments**  
**Clean**

**NERC**

NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

# Compliance and Certification Committee Charter

Filed with FERC on November 30, 2018, in Docket No. RR19-XX-000.

November 7, 2018

**RELIABILITY | ACCOUNTABILITY**



**3353 Peachtree Road NE  
Suite 600, North Tower  
Atlanta, GA 30326  
404-446-2560 | [www.nerc.com](http://www.nerc.com)**

# Table of Contents

---

- Mission .....1
- Compliance and Certification Committee Functions .....2
- Membership .....4
  - Goals .....4
  - Appointment and Terms of Service .....4
  - Qualifications .....4
  - Expectations.....4
  - Representation .....4
    - Regional Entities.....5
    - Canadian Representation.....5
    - NERC Membership .....5
- Selection .....5
  - Nominating Subcommittee .....5
  - Interim Approval .....5
  - Expertise.....5
  - Regional Entity Members.....5
  - Canadian Members .....5
- Industry Sector Members .....6
- General Nominations and Appointment Process .....6
  - Requesting Nominations .....6
  - Board Approval .....6
  - Vacancies and Non-participation .....6
    - Addressed on an Ongoing Basis .....6
  - Role of the Nominating Subcommittee .....6
- Resignations.....6
  - By the Member .....6
  - Requested by the Chair .....7
  - Referral to the Nominating Subcommittee.....7
  - By the Board.....7
  - Interim Approval .....7
  - Proxies .....7
  - Notification.....7
  - Serving as Proxy .....7

---

**Table of Contents**

---

Exclusions.....	7
Regional Entity Staff.....	7
Organizations .....	7
NERC Staff .....	8
Changes in Member Affiliation .....	8
Conflict of Interest .....	8
Meetings.....	9
Quorum.....	9
Two-thirds Requirement .....	9
Interim Basis.....	9
Lack of Quorum.....	9
Voting.....	9
Antitrust Guidelines.....	9
Open Meetings .....	9
Confidential Sessions .....	9
Types of Meetings.....	9
Majority and Minority Views .....	9
Action Without a Meeting .....	10
Two-thirds Majority .....	10
Procedure.....	10
Officers and Staff.....	11
General.....	11
Number of Positions.....	11
Officers .....	11
Executive .....	11
Secretary .....	11
Voting of Officers .....	11
Officers Nominated by the Nominating Subcommittee .....	11
Officers as Sector Representatives .....	11
Chair .....	11
Vice Chair .....	11
Staff Coordinator.....	12
Nominating Subcommittee .....	13
Appointment.....	13
Five Members.....	13

---

**Table of Contents**

---

Appointed Annually..... 13

Length of term..... 13

Duties ..... 13

Subordinate Groups ..... 14

Committee Organization..... 14

Subgroups ..... 14

    Subcommittees ..... 14

    Working Groups ..... 14

    Task Forces ..... 14

Membership and Representation..... 14

Procedures ..... 15

Hearings..... 16

    General..... 16

    Hearing Procedure ..... 16

    Hearing Panel..... 16

Attachment A ..... 17

    CCC Membership Structure ..... 17

## Mission

---

In the capacity of a North American Electric Reliability Corporation (NERC) Board of Trustees (Board)-appointed stakeholder committee serving and reporting directly to the NERC Board, the Compliance and Certification Committee (CCC) will engage with, support, and advise the NERC Board and NERC regarding all facets of the NERC Compliance Monitoring and Enforcement Program (Compliance and Enforcement program), Organization Registration program (Registration program), and Organization Certification program (Certification program). As a committee providing support and advice but otherwise independent of the execution of these programs, the CCC will monitor NERC's adherence to the Rules of Procedure (ROP) for these programs. Also and in a similar manner, as a committee independent of the Reliability Standards development process, the CCC will be the body responsible for monitoring NERC's adherence to the (ROP) regarding the Reliability Standards development process with the exception of appeals of substantive or procedural action or inaction associated with a Reliability Standard or the Standards process as defined in the appeals section of the Standard Processes Manual. The CCC is also responsible for establishing and implementing a program to monitor NERC's compliance with the Reliability Standards that apply to NERC.

# Compliance and Certification Committee Functions

---

To fulfill its mission, the CCC performs the following functions:

1. Organizes and conducts committee meetings directly with NERC staff regarding all facets of the Compliance and Enforcement, Registration, and Certification programs;<sup>1</sup>
2. Provides comments and recommendations to the NERC Board and NERC staff;
3. Provides comments to NERC with respect to stakeholders' perception of the policies, practices, and effectiveness of the Compliance and Enforcement program, Registration program, and Certification program;
4. Recommends revisions of the electric reliability organization (ERO) ROP related to the Compliance and Enforcement program, Registration program, and Certification program to the NERC Board;
5. Establishes and implements programs to monitor:<sup>2</sup>
  - a. NERC's adherence to Section 405 for Compliance Monitoring and Enforcement, including but not limited to the uniform CMEP (Appendix 4C) and the Sanction Guidelines (Appendix 4B).
  - b. NERC's adherence to Section 506 for Organization Registration and Certification, including but not limited to the Organization Registration and Certification Manual (Appendix 5A).
  - c. NERC's adherence to Section 300 of the ROP regarding the Reliability Standards development process with the exception of appeals of substantive or procedural action or inaction associated with a Reliability Standard or the Reliability Standards process as defined in the appeals section of the Reliability Standards Development Procedure. Committee members who have participated in the development process for a particular Reliability Standard shall not participate in the committee's monitoring of that process.
  - d. NERC's compliance with the Reliability Standards that apply to NERC.
6. Serves as the hearing body for any contest regarding findings of or penalties or sanctions for violation(s) of Reliability Standard(s) where NERC is directly monitoring the entity for compliance with those standards (registered entity by agreement with a Regional Entity or absent a delegation agreement; the Region itself where approved standards are applicable to the Region) as described in Section 408 of the NERC ROP;
7. As directed by the NERC Board, serves as the mediator for any disagreements between NERC and the Regional Entities concerning NERC performance audits of Regional Entities' compliance programs. When directed by the Board to serve as mediator, the committee chair will appoint three disinterested members of the committee to meet with representatives of NERC and the Regional Entity to attempt to resolve the matter.
8. At the discretion of the CCC, participates as an observer in Regional Entity Compliance Program audits executed by NERC's Internal Audit and Corporate Risk Management function, consistent with Appendix 4A of the ROP.
9. Actively supports the Standards Committee in the development of new and revised standards by providing a pool of qualified compliance oriented personnel for participation in the compliance administration element phase of the standards development process;

---

<sup>1</sup> Meetings are conducted under Section 4 of this Charter.

<sup>2</sup> Monitoring by the CCC is ongoing and does not preclude, interfere with or replace, in whole or in part, the NERC Board's responsibility to conduct and provide such reviews of these programs as required by Federal Energy Regulatory Commission (the Commission) regulations, 18 C.F.R. § 39.3.c: "The Electric Reliability Organization shall submit an assessment of its performance three years from the date of certification by the Commission, and every five years thereafter."

10. Provides assistance to NERC and the Regional Entities to implement the Compliance and Enforcement, Registration, and Certification programs; and
11. Undertakes assignments from the Board or the Board's Compliance Committee related to compliance and enforcement, organization registration, organization certification, and standards development.

# Membership

---

## Goals

The CCC provides for balanced discussion, commentary, and recommendations on compliance issues by bringing together a wide diversity of opinions and perspectives from NERC member sector experts who have particular familiarity, knowledge, and experience in the area of compliance and NERC Standards and Regional Standards.

## Appointment and Terms of Service

Members are appointed to the committee by the NERC Board and serve on the committee at the pleasure of the Board. Member terms are the lesser of three years from appointment or interim approval (Section 5.b), replacement, or removal by the Board. Members may be reappointed at the conclusion of a term. There is no limitation on the number of times a member may be reappointed. A member may be recommended to the Board for reappointment by the Nominating Subcommittee by self-nomination. To the extent practicable, member terms will be staggered such that approximately one-third of the committee is subject to reappointment or replacement each year.

## Qualifications

Individuals deemed qualified to serve on the committee will generally include senior-level industry experts who have particular familiarity, knowledge, and experience in the area of compliance, compliance enforcement, compliance administration and management, organization responsibilities and registration, organization certification, and NERC Standards and Regional Standards. These individuals should be involved with internal compliance programs within their respective organizations.

## Expectations

Committee members are expected to represent the interests of the sector they represent to the best of their ability and judgment. In addition to the duties, rights, and privileges described elsewhere in this charter, committee members will:

1. Act consistently during meetings with the procedures in this manual and Robert's Rules of Order;
2. Demonstrate and provide knowledge and expertise in support of committee activities;
3. Adjudicate in a fair and unbiased manner that meets applicable legal and due process requirements when participating in hearing procedures conducted under the NERC ROP Section 408;
4. Solicit comments and opinions from constituents and groups of constituents or trade organizations represented by the member and convey them to the committee;
5. Respond promptly to all committee requests, including requests for reviews, comments, and votes on issues before the committee;
6. Arrange for a proxy to attend and vote at committee meetings in the member's absence; and
7. Respond promptly to all requests to register for committee meetings.

## Representation

The membership structure of the CCC will be modeled upon the membership structure of the NERC Member Representatives Committee (MRC) as described in NERC's Bylaws (the Bylaws) Article VIII Section 2 [see Attachment A]. This should produce a committee that has an appropriate balance of entities subject to compliance with the NERC Reliability Standards and NERC's Compliance and Enforcement program, and others affected by the Standards and the Compliance and Enforcement program.

## **Regional Entities**

Each Regional Entity, or the applicable regional organization if no Regional Entity exists for the geographic area, may nominate one member to the committee. In aggregate, the sector will have voting strength equivalent to two members. The voting weight of each Regional member's vote will be set such that the sum of the weight of all available Regional members' votes is two votes.

## **Canadian Representation**

The committee structure will include representation by Canadians as laid out in Article VIII Section 4 of the Bylaws.

## **NERC Membership**

Users, owners, and operators of the bulk power system are subject to the Compliance, Registration, and Certification programs regardless of whether they are NERC members. It is expected that committee members will generally be from organizations who are NERC members; however, committee members may be non-members of NERC who are subject to the qualifications identified herein and meeting requirements laid out in the Bylaws for non-NERC-member participation in the MRC.

## **Selection**

The CCC will conduct open nominations processes to receive nominations to fill any membership vacancies. Prospective members of the committee may be identified to the CCC via any means the committee finds acceptable, including solicited or unsolicited nomination by a recognized industry group or association, general open solicitation by the committee for nomination(s), individuals' self-nomination, directed solicitation by the committee to an individual or individuals, or referral by the Board or other NERC body or committee.

## **Nominating Subcommittee**

The CCC will annually appoint a Nominating Subcommittee to identify, qualify, and recommend individuals to fill sector representative vacancies on the committee or, when required, to serve as the chair or vice chair of the committee. The subcommittee will identify the individuals they are recommending to the full CCC for review. Individuals recommended by the subcommittee for appointment to the committee must be approved by the Board.

## **Interim Approval**

Upon approval of the committee, individuals identified and selected by the Nominating Subcommittee for membership on the committee may serve as members on an interim basis pending their appointment by the Board.

## **Expertise**

When selecting individuals to recommend for committee membership, the Nominating Subcommittee will seek to engage individuals who, in aggregate, provide the committee with a level and breadth of expertise sufficient to achieve its goals and fulfill its scope and responsibilities while respecting other important factors such as industry sector, Region, interconnection, and country.

## **Regional Entity Members**

Each Regional Entity, or the applicable regional organization if no Regional Entity exists for the geographic area, may nominate an individual to serve as a member representing their organization. The Nominating Subcommittee will defer to these nominations. The nomination is non-binding upon the Board. Vacancies on the committee will exist where the Regional Reliability Organization or Regional Entity has not provided a nomination.

## **Canadian Members**

The Nominating Subcommittee will endeavor to attract and engage Canadians with suitable qualifications and expertise in adequate numbers to satisfy Article VIII Section 4 of the Bylaws. Recognized Canadian organizations

such as the Canadian Electricity Association and Canada's Energy and Utility Regulators will be consulted and solicited for assistance in recruiting Canadians to serve on the committee. All members considered to be serving as Canadians on the committee will be expected to have an endorsement, as appropriate, of such an organization. Canadian representatives should be capable of representing Canadian viewpoints in committee activities, in addition to the sector that they otherwise represent. Consistent with practice regarding the MRC, the Board may appoint additional Canadian individuals to the committee towards satisfying Article VIII Section 4 of the Bylaws.

## **Industry Sector Members**

The Nominating Subcommittee will assess the qualifications of nominees and select individuals to recommend to the NERC Board for appointment to the committee. The subcommittee may give preference to candidates nominated by organizations generally considered by the industry as representative of a broad cross-section of the industry sector in question, such as an industry trade association. A NERC Member sector may elect to identify sector representatives for nomination to the Nominating Subcommittee through a process approved by the NERC Board.

## **General Nominations and Appointment Process**

The committee's secretary administers the general nominations process.

### **Requesting Nominations**

The NERC staff will request nominations and will forward all nominations received to the Nominating Subcommittee. The Nominating Subcommittee will then prepare its recommended slate of members. The recommended slate will be reviewed by the whole committee for information purposes before it is submitted to the Board. The committee may approve the slate to serve as members on an interim basis, pending appointment by the Board at the Board's earliest convenience, but will not otherwise act on the slate.

### **Board Approval**

The Nominating Subcommittee will present the recommended committee membership slate to the Board for approval. If the Board approves the recommended committee slate, each member on the slate is appointed. The Board may also appoint members individually as needed to meet membership balance and fill vacancies.

### **Vacancies and Non-participation**

The committee's secretary will administer the nominations process for vacancies on the committee.

### **Addressed on an Ongoing Basis**

Vacancies on the committee can be addressed on an ongoing basis through receipt and consideration of both solicited and unsolicited nominations for the vacant positions.

### **Role of the Nominating Subcommittee**

Nominations received for vacancies will be vetted by the Nominating Subcommittee in the same manner as general nominations. The subcommittee may subsequently and individually recommend nominees they deem qualified to the NERC Board for consideration for appointment to the committee. Existing committee members may also approve such individuals to serve as members on an interim basis pending full appointment by the Board.

## **Resignations**

### **By the Member**

In the event a member can no longer serve on the committee, that member will submit a written resignation to the committee chair or the secretary.

### **Requested by the Chair**

The chair may request any committee member who ceases to participate in the committee, as indicated by not attending or sending a proxy for two consecutive meetings, to submit a resignation or to request continuation of membership with an explanation of extenuating circumstances. If a written response is not received within 30 days of the chair's request, the lack of response will be considered a resignation.

### **Referral to the Nominating Subcommittee**

The committee chair will refer the vacancy resulting from a resignation to the Nominating Subcommittee of the committee. If a recent list of nominations is available to the Nominating Subcommittee that it deems to be valid, the subcommittee will recommend a replacement nominee; otherwise, the subcommittee will request NERC staff prepare a new solicitation for nominations to fill that position. The Nominating Subcommittee will follow the previously stated criteria in recommending a replacement.

### **By the Board**

Committee members serve at the pleasure of the Board who may request resignation from, remove, or replace a member from the committee, as the Board deems appropriate.

### **Interim Approval**

The committee chair may seek a vote of the committee to allow the proposed replacement member to be seated, pending appointment of the replacement at the Board's next scheduled meeting.

### **Proxies**

A substitute representative, or proxy, may attend and vote during all or a portion of a committee meeting in lieu of a voting member provided the absent member notifies the committee chair, vice chair, or secretary of the proxy.

### **Notification**

Such notification will be in writing (electronic medium is acceptable). The proxy representatives and their affiliation will be named in the correspondence.

### **Serving as Proxy**

A voting member of a committee may not serve as a proxy for another voting member on the same committee (i.e. a member may not cast more than their own vote).

## **Exclusions**

### **Regional Entity Staff**

Regional Entity staff members who administer any portion of the Compliance and Enforcement program, Registration program, or Certification program for that Regional Entity, or for any other Regional Entity, may not serve as a member of the CCC.

### **Organizations**

No two individuals from the same organization, or affiliated organizations, may serve concurrently on the committee. Any committee member who has a membership conflict of this nature is obligated to notify the committee secretary, who shall inform the committee chair. Members impacted by such a conflict, such as through a merger of organizations, may confer between themselves to determine which member should resign from the committee and notify the committee secretary and chair; however, if both members are within the same industry sector and cannot reach an amicable solution by determining the member to remain, the Nominating Subcommittee will review the qualifications of each member and propose the member to remain to the full committee who will determine which member shall continue to serve, subject to Board approval. If the conflict is not resolved in a timely manner by the impacted members, the committee chair shall notify all members of the

affected industry sectors recommending actions to resolve the conflict. If the membership conflict is still unresolved, the committee chair shall take the conflict to the NERC Board for resolution.

### **NERC Staff**

The Director of Compliance Assurance shall not be a member of the committee or vote on committee business. The Director of Compliance Assurance and the secretary shall be recused from participating in any committee activity that involves monitoring of NERC's adherence to ROP or activity that the Director of Compliance Assurance oversees. If the NERC staff coordinator has been recused from participating in a Committee activity, the chair shall appoint another member of the committee as acting secretary for any meetings or other activities from which the NERC staff coordinator is recused.

### **Changes in Member Affiliation**

A committee member whose affiliation has changed may retain the membership position under these circumstances:

1. The new organization is in the same industry sector, and
2. The member meets all other membership requirements.

### **Conflict of Interest**

No committee member may have a conflict of interest that would impair his or her ability to fulfill obligations under this charter. Any committee member who knows of any form of membership conflict, such as working for an entity affiliated with that of another committee member, will notify the committee chair within 10 business days of obtaining that knowledge.

# Meetings

---

In the absence of specific provisions in this manual, all committee meetings will follow Roberts Rules of Order.

## Quorum

### Two-thirds Requirement

The quorum necessary for transacting business at meetings of the committee is two-thirds of the voting members currently on the committee's roster.

### Interim Basis

Voting members approved by the committee on an interim basis, pending appointment by the Board, will be counted in the determination of a quorum.

### Lack of Quorum

If a quorum is not present at the beginning of the meeting, the committee may not take any actions requiring a vote by the committee; however, the chair may, with the consent of the members present, elect to allow discussion of the agenda items.

## Voting

Actions by members of the committee will be approved upon receipt of the affirmative vote of two-thirds of the votes present (including proportional votes by Regional Representatives) at any meeting at which a quorum is present.

## Antitrust Guidelines

All persons attending or otherwise participating in a NERC committee meeting will act in accordance with NERC's Antitrust Compliance Guidelines at all times during the meeting.

## Open Meetings

NERC committee meetings will be open to the public, except as noted below under Confidential Information.

## Confidential Sessions

At the discretion of the CCC chair, a meeting or portion of a meeting may have attendance limited based on confidentiality of the information to be disclosed at the meeting. Such limitations should be applied sparingly and on a non-discriminatory basis as needed to protect information that is sensitive information or confidential information to one or more parties. All hearings of compliance matters will be confidential sessions. Confidential information will only be disclosed as provided by NERC ROP 1500. Confidentiality agreements may also be applied, as necessary, to protect sensitive information or confidential information.

## Types of Meetings

Meetings may be conducted in person, by conference call, or by other means. The procedures contained in this manual will apply to all meetings regardless of how they are conducted.

## Majority and Minority Views

All members of a committee will be given the opportunity to provide alternative views on an issue. The results of committee actions, including recorded minutes, will reflect the majority as well as any minority views of the committee members. The chair will communicate both the majority and any minority views in presenting results to the Board.

## **Action Without a Meeting**

### **Two-thirds Majority**

Any action required or permitted at a meeting of the committee may be taken without a meeting if two-thirds of the total votes available to the members of the CCC (including the proportional votes available to Regional Representatives) approve taking the action outside of a meeting.

### **Procedure**

Such action without a meeting will be performed by mail or electronic ballot (e.g., telephone, fax, email, or Internet) and will be recorded in the minutes as a roll call ballot. The secretary will announce the action required at least 10 days before the date on which the action is to be voted. As time permits, members should be allowed a window of 10 business days to vote. The secretary will provide the results of such an action within 10 business days of the close of the voting period.

# Officers and Staff

---

## General

### Number of Positions

The committee will have two officers and one secretary.

### Officers

The committee officers will be one chair and one vice chair.

### Executive

The committee shall retain an Executive Committee consisting of the committee officers, subcommittee chairs, secretary, and the Director of Compliance Assurance.

### Secretary

The NERC staff coordinator will serve as the committee's secretary.

### Voting of Officers

The committee chair and vice chair are voting members of the committee.

### Officers Nominated by the Nominating Subcommittee

The CCC Nominating Subcommittee will recommend a chair and a vice chair who are then appointed by the NERC Board for a two-year term. The term of the chair and the vice chair, except for the first year, will begin on July 1 and end on June 30.

### Officers as Sector Representatives

The chair and vice chair are selected from the membership of the committee and, in addition to their chair or vice chair responsibilities, will continue to serve as a member for the sector for which they were appointed to the committee.

### Chair

The chair will direct and provide general supervision of committee activities, including the following:

1. Coordinate the schedule of all committee meetings, including approval of meeting duration and location;
2. Develop committee agendas and rule on any deviation, addition, or deletion from a published agenda;
3. Preside at and manage committee meetings, including the nature and length of discussion, recognition of speakers and proxies, motions, and voting;
4. Will lead or direct the conduct of any hearings and the preparation of any adjudicatory documents by the committee under Section 408 of the NERC ROP;
5. Will ensure actions and undertakings by the committee under the NERC ROP Section 408 meet all applicable legal and due process requirements;
6. Will act as spokesperson for the committee at forums inside and outside of NERC; and
7. May attend meetings of the NERC Board when necessary to report to the Board on committee activities.

### Vice Chair

The vice chair will assume the responsibilities of the chair under the following conditions:

1. At the discretion of the chair (for brief periods of time);

2. When the chair is absent or temporarily unable to perform the chair's duties; or
3. When the chair is permanently unavailable or unable to perform the chair's duties. In the case of a permanent change, the vice chair will continue to serve until a new chair is nominated and selected by the Board.

### **Staff Coordinator**

A member of the NERC staff will be selected by NERC's Director of Compliance Assurance to serve as the staff coordinator and secretary of the committee. The staff coordinator is not a committee member and does not have a vote. Under the direction of the committee executive and applicable NERC bylaws, guidelines, and ROP, the staff coordinator will do the following:

1. Manage the day-to-day operation and business of the committee;
2. Prepare and distribute the notices of the committee meetings, prepare the meeting agenda, and prepare and distribute the minutes of the committee meetings; and
3. Act as the committee's parliamentarian.

# Nominating Subcommittee

---

## Appointment

The CCC will annually appoint a Nominating Subcommittee.

## Five Members

The subcommittee will consist of five members nominated by the committee chair and approved by the committee. The chair of the subcommittee will be selected by the CCC chair from among the five subcommittee members.

## Appointed Annually

The chair will appoint the subcommittee members at the first regular meeting of the committee of the calendar year.

## Length of term

The subcommittee members will serve for up to 14 months or until a new Nominating Subcommittee is authorized, whichever is earlier.

## Duties

In addition to the duties, rights, and privileges described elsewhere in this manual, members of the Nominating Subcommittee will:

1. Prepare a slate of committee officer candidates for submission to the NERC Board for approval, and
2. Prepare a slate of recommended individuals to fill designated committee vacancies as required.

## Subordinate Groups

---

### Committee Organization

The CCC organizational structure will be arranged as allowed in the NERC Bylaws to support a superior-subordinate hierarchy that is ordered as follows: a committee, a subcommittee, a working group, and a task force, with a committee being primary and a task force being quaternary.

### Subgroups

The committee may establish subcommittees, working groups, and task forces as necessary. The committee chair may also form any of these subordinate groups on behalf of the committee. The committee will be the responsible sponsor of all subordinate subcommittees, working groups, or task forces it may create, or that its subordinate subcommittees and working groups may create. The committee will keep the Board informed of all groups subordinate to the committee.

### Subcommittees

The committee may establish subcommittees to which the committee may delegate some of the committee's broadly defined continuing functions. The committee will approve the scope of each subcommittee it forms. The committee chair will appoint the subcommittee officers (typically a chair and a vice chair) for a specific term (generally two years). The subcommittee officers may be reappointed for up to two additional terms. The subcommittee will work within its assigned scope and be accountable for the responsibilities assigned to it by the committee. The formation of a subcommittee, due to the permanency of the subcommittee, will be approved by the Board.

### Working Groups

The committee or any of its subcommittees may delegate specific continuing functions to a working group. The sponsoring committee or subcommittee will approve the scope of each working group it forms. The chair of the sponsoring committee or subcommittee will appoint the working group officers (typically a chair and a vice chair) for a specific term (generally two years). The working group officers may be reappointed for up to two additional terms. The sponsoring committee or subcommittee will conduct a "sunset" review of each working group every two years. The working group will be accountable for the responsibilities assigned to it by the committee or subcommittee and will, at all times, work within its assigned scope.

### Task Forces

The committee, subcommittee, or working group may assign specific work of a finite duration to a task force. The sponsoring committee, subcommittee, or working group will approve the scope of each task force it forms. The chair of the sponsoring committee, subcommittee, or working group will appoint the task force officers (typically a chair and a vice chair). Each task force will have a finite duration, normally less than one year. The sponsoring group will review the task force scope at the end of the expected duration and at each subsequent meeting of the sponsoring group after that until the task force is retired. Action of the task force sponsoring group is required to continue the task force past its defined duration. The sponsoring group should consider promoting to a working group any task force that is required to work longer than one year.

### Membership and Representation

The membership of each subcommittee, working group, and task force should be established to address the need for expertise and balance of interests. Each group's membership requirements will be defined within the group's approved scope.

As a general guide, the broader the group's scope, the more emphasis there should be on balancing of interests. Therefore, subcommittees would be expected to have the broadest representation of appropriate industry

sectors, while a task force may be more focused on simply having the necessary expertise, and a working group may be somewhere between.

Each member of a subordinate group, and its officers, will be appointed by the chair of the sponsoring committee or group.

To the extent subgroup membership is of a representative nature, recommendations for staffing of the group should be provided in a manner consistent with the principles outlined in the staffing of a committee, including the use of an open nominations process. Regional Entity representatives should be recommended by the Regional Entity and Canadian representatives by the Canadian Electricity Association.

Preference may also be given to representatives recommended by broadly-based industry associations.

To the extent that subgroup membership is based on providing requisite expertise, the chair of the sponsoring committee or group may appoint members based on the relevant technical qualifications.

## **Procedures**

Subcommittees, working groups, and taskforces will conduct business in a manner consistent with all applicable sections of this manual and Robert's Rules of Order.

# Hearings

---

## General

The CCC will conduct hearings, as necessary, to fulfill its function of serving as the hearing body for any contest between NERC and a Regional Entity regarding NERC findings, penalties, or sanctions for violation(s) of Reliability Standard(s) by the Regional Entity as described in Section 408 of the NERC ROP.

## Hearing Procedure

Unless specifically identified otherwise elsewhere in this charter, the CCC's hearing procedure shall follow the hearing procedure mandated and approved by jurisdictional authorities for use by NERC and the Regional Entities in the Compliance and Enforcement program.

## Hearing Panel

The committee shall not have a standing hearing panel. When a hearing is to be conducted, the CCC shall select five members to serve as the adjudicatory panel for that hearing. Members to serve on the panel shall be selected by vote of a valid quorum of the committee. Voting members of the committee at arm's length from parties to the hearing may be nominated or volunteer to stand for selection to the hearing panel. One or more alternates may also be selected, as the committee deems appropriate for the circumstances. A member may serve on more than one panel concurrently. A panel is disbanded upon conclusion of the hearing proceedings for which it was formed.

## Attachment A

### CCC Membership Structure

Primary Sector	Sub-Sector	Number of Members	Full Voting	Proportional Voting	Non-Voting
Investor-Owned Utility		2	X		
State/Municipal Utility		2	X		
Cooperative Utility		2	X		
Federal or Provincial Utility/Federal Power Marketing Administration		2	X		
Transmission Dependent Utility		2	X		
Merchant Electricity Generator		2	X		
Electricity Marketer		2	X		
Large End-use Electricity Customer		2	X		
Small End-use Electricity Customer		2	X		
Independent System Operator/Regional Transmission Organization		2	X		
Regional Entity	FRCC	1		X	
	RFC	1		X	
	ERCOT	1		X	
	MRO	1		X	
	NPCC	1		X	
	SERC	1		X	
	WECC	1		X	
Government	U.S. State	2	X		
	U.S. Federal	2			X
	Canadian Provincial	1			X
	Canadian Federal	1			X
<b>Total</b>		<b>33</b>			

**Attachment 2**  
**Compliance and Certification Committee Charter**  
**Proposed Amendments**  
**Redline**

**NERC**

NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

# Compliance and Certification Committee Charter

~~Approved by~~ Filed with FERC on ~~June 28~~ November 30, 2018, in Docket No. RR198-4XX-000.

~~February 8~~ November 7, 2018

**RELIABILITY | ACCOUNTABILITY**



3353 Peachtree Road NE  
Suite 600, North Tower  
Atlanta, GA 30326  
404-446-2560 | [www.nerc.com](http://www.nerc.com)

# Table of Contents

---

- Mission .....1
- Compliance and Certification Committee Functions .....2
- Membership .....4
  - Goals .....4
  - Appointment and Terms of Service .....4
  - Qualifications .....4
  - Expectations.....4
  - Representation .....4
    - Regional Entities.....5
    - Canadian Representation.....5
    - NERC Membership .....5
- Selection .....5
  - Nominating Subcommittee .....5
  - Interim Approval .....5
  - Expertise.....5
  - Regional Entity Members.....5
  - Canadian Members .....5
- Industry Sector Members .....6
- General Nominations and Appointment Process .....6
  - Requesting Nominations .....6
  - Board Approval .....6
  - Vacancies and Non-participation .....6
    - Addressed on an Ongoing Basis .....6
  - Role of the Nominating Subcommittee .....6
- Resignations.....6
  - By the Member .....6
  - Requested by the Chair .....7
  - Referral to the Nominating Subcommittee.....7
  - By the Board.....7
  - Interim Approval .....7
  - Proxies .....7
  - Notification.....7
  - Serving as Proxy .....7

---

**Table of Contents**

---

Exclusions.....7

    Regional Entity Staff .....7

    Organizations .....7

    NERC Staff .....8

Changes in Member Affiliation .....8

Conflict of Interest .....8

Meetings.....9

    Quorum.....9

        Two-thirds Requirement .....9

        Interim Basis.....9

        Lack of Quorum .....9

    Voting.....9

    Antitrust Guidelines.....9

    Open Meetings .....9

    Confidential Sessions .....9

    Types of Meetings.....9

    Majority and Minority Views .....9

    Action Without a Meeting ..... 10

        Two-thirds Majority ..... 10

        Procedure ..... 10

Officers and Staff ..... 11

    General..... 11

        Number of Positions..... 11

        Officers ..... 11

        Executive ..... 11

        Secretary ..... 11

        Voting of Officers ..... 11

        Officers Nominated by the Nominating Subcommittee ..... 11

        Officers as Sector Representatives ..... 11

        Chair ..... 11

        Vice Chair ..... 11

        Staff Coordinator..... 12

Nominating Subcommittee ..... 13

    Appointment..... 13

        Five Members..... 13

---

**Table of Contents**

---

Appointed Annually..... 13

Length of term..... 13

Duties ..... 13

Subordinate Groups ..... 14

Committee Organization..... 14

Subgroups ..... 14

Subcommittees ..... 14

Working Groups ..... 14

Task Forces ..... 14

Membership and Representation..... 14

Procedures ..... 15

Hearings..... 16

General..... 16

Hearing Procedure ..... 16

Hearing Panel..... 16

Attachment A ..... 17

CCC Membership Structure ..... 17

## Mission

---

In the capacity of a North American Electric Reliability Corporation (NERC) Board of Trustees (Board)-appointed stakeholder committee serving and reporting directly to the NERC Board, the Compliance and Certification Committee (CCC) will engage with, support, and advise the NERC Board and NERC regarding all facets of the NERC Compliance Monitoring and Enforcement Program (Compliance and Enforcement program), Organization Registration program (Registration program), and Organization Certification program (Certification program). As a committee providing support and advice but otherwise independent of the execution of these programs, the CCC will monitor NERC's adherence to the Rules of Procedure (ROP) for these programs. Also and in a similar manner, as a committee independent of the Reliability Standards development process, the CCC will be the body responsible for monitoring NERC's adherence to the (ROP) regarding the Reliability Standards development process with the exception of appeals of substantive or procedural action or inaction associated with a Reliability Standard or the Standards process as defined in the appeals section of the Standard Processes Manual. The CCC is also responsible for establishing and implementing a program to monitor NERC's compliance with the Reliability Standards that apply to NERC.

# Compliance and Certification Committee Functions

---

To fulfill its mission, the CCC performs the following functions:

1. Organizes and conducts committee meetings directly with NERC staff regarding all facets of the Compliance and Enforcement, Registration, and Certification programs;<sup>1</sup>
2. Provides comments and recommendations to the NERC Board and NERC staff;
3. Provides comments to NERC with respect to stakeholders' perception of the policies, practices, and effectiveness of the Compliance and Enforcement program, Registration program, and Certification program;
4. Recommends revisions of the electric reliability organization (ERO) ROP related to the Compliance and Enforcement program, Registration program, and Certification program to the NERC Board;
5. Establishes and implements programs to monitor:<sup>2</sup>
  - a. NERC's adherence to Section 405 for Compliance Monitoring and Enforcement, including but not limited to the uniform CMEP (Appendix 4C) and the Sanction Guidelines (Appendix 4B).
  - b. NERC's adherence to Section 506 for Organization Registration and Certification, including but not limited to the Organization Registration and Certification Manual (Appendix 5A).
  - c. NERC's adherence to Section 300 of the ROP regarding the Reliability Standards development process with the exception of appeals of substantive or procedural action or inaction associated with a Reliability Standard or the Reliability Standards process as defined in the appeals section of the Reliability Standards Development Procedure. Committee members who have participated in the development process for a particular Reliability Standard shall not participate in the committee's monitoring of that process.
  - d. NERC's compliance with the Reliability Standards that apply to NERC.
6. Serves as the hearing body for any contest regarding findings of or penalties or sanctions for violation(s) of Reliability Standard(s) where NERC is directly monitoring the entity for compliance with those standards (registered entity by agreement with a Regional Entity or absent a delegation agreement; the Region itself where approved standards are applicable to the Region) as described in Section 408 of the NERC ROP;
7. As directed by the NERC Board, serves as the mediator for any disagreements between NERC and the Regional Entities concerning NERC performance audits of Regional Entities' compliance programs. When directed by the Board to serve as mediator, the committee chair will appoint three disinterested members of the committee to meet with representatives of NERC and the Regional Entity to attempt to resolve the matter.
8. At the discretion of the CCC, participates as an observer in Regional Entity Compliance Program audits executed by NERC's Internal Audit and Corporate Risk Management function, consistent with Appendix 4A of the ROP.
9. Actively supports the Standards Committee in the development of new and revised standards by providing a pool of qualified compliance oriented personnel for participation in the compliance administration element phase of the standards development process;

---

<sup>1</sup> Meetings are conducted under Section 4 of this Charter.

<sup>2</sup> Monitoring by the CCC is ongoing and does not preclude, interfere with or replace, in whole or in part, the NERC Board's responsibility to conduct and provide such reviews of these programs as required by Federal Energy Regulatory Commission (the Commission) regulations, 18 C.F.R. § 39.3.c: "The Electric Reliability Organization shall submit an assessment of its performance three years from the date of certification by the Commission, and every five years thereafter."

10. Provides assistance to NERC and the Regional Entities to implement the Compliance and Enforcement, Registration, and Certification programs; and
11. Undertakes assignments from the Board or the Board's Compliance Committee related to compliance and enforcement, organization registration, organization certification, and standards development.

# Membership

---

## Goals

The CCC provides for balanced discussion, commentary, and recommendations on compliance issues by bringing together a wide diversity of opinions and perspectives from NERC member sector experts who have particular familiarity, knowledge, and experience in the area of compliance and NERC Standards and Regional Standards.

## Appointment and Terms of Service

Members are appointed to the committee by the NERC Board and serve on the committee at the pleasure of the Board. Member terms are the lesser of three years from appointment or interim approval (Section 5.b), replacement, or removal by the Board. Members may be reappointed at the conclusion of a term. There is no limitation on the number of times a member may be reappointed. A member may be recommended to the Board for reappointment by the Nominating Subcommittee by self-nomination. To the extent practicable, member terms will be staggered such that approximately one-third of the committee is subject to reappointment or replacement each year.

## Qualifications

Individuals deemed qualified to serve on the committee will generally include senior-level industry experts who have particular familiarity, knowledge, and experience in the area of compliance, compliance enforcement, compliance administration and management, organization responsibilities and registration, organization certification, and NERC Standards and Regional Standards. These individuals should be involved with internal compliance programs within their respective organizations.

## Expectations

Committee members are expected to represent the interests of the sector they represent to the best of their ability and judgment. In addition to the duties, rights, and privileges described elsewhere in this charter, committee members will:

1. Act consistently during meetings with the procedures in this manual and Robert's Rules of Order;
2. Demonstrate and provide knowledge and expertise in support of committee activities;
3. Adjudicate in a fair and unbiased manner that meets applicable legal and due process requirements when participating in hearing procedures conducted under the NERC ROP Section 408;
4. Solicit comments and opinions from constituents and groups of constituents or trade organizations represented by the member and convey them to the committee;
5. Respond promptly to all committee requests, including requests for reviews, comments, and votes on issues before the committee;
6. Arrange for a proxy to attend and vote at committee meetings in the member's absence; and
7. Respond promptly to all requests to register for committee meetings.

## Representation

The membership structure of the CCC will be modeled upon the membership structure of the NERC Member Representatives Committee (MRC) as described in NERC's Bylaws (the Bylaws) Article VIII Section 2 [see Attachment A]. This should produce a committee that has an appropriate balance of entities subject to compliance with the NERC Reliability Standards and NERC's Compliance and Enforcement program, and others affected by the Standards and the Compliance and Enforcement program.

## Regional Entities

Each Regional Entity, or the applicable regional organization if no Regional Entity exists for the geographic area, may nominate one member to the committee. In aggregate, the sector will have voting strength equivalent to two members. The voting weight of each Regional member's vote will be set such that the sum of the weight of all available Regional members' votes is two votes.

## Canadian Representation

The committee structure will include representation by Canadians as laid out in Article VIII Section 4 of the Bylaws.

## NERC Membership

Users, owners, and operators of the bulk power system are subject to the Compliance, Registration, and Certification programs regardless of whether they are NERC members. It is expected that committee members will generally be from organizations who are NERC members; however, committee members may be non-members of NERC who are subject to the qualifications identified herein and meeting requirements laid out in the Bylaws for non-NERC-member participation in the MRC.

## Selection

The CCC will conduct open nominations processes to receive nominations to fill any membership vacancies. Prospective members of the committee may be identified to the CCC via any means the committee finds acceptable, including solicited or unsolicited nomination by a recognized industry group or association, general open solicitation by the committee for nomination(s), individuals' self-nomination, directed solicitation by the committee to an individual or individuals, or referral by the Board or other NERC body or committee.

## Nominating Subcommittee

The CCC will annually appoint a Nominating Subcommittee to identify, qualify, and recommend individuals to fill sector representative vacancies on the committee or, when required, to serve as the chair or vice chair of the committee. The subcommittee will identify the individuals they are recommending to the full CCC for review. Individuals recommended by the subcommittee for appointment to the committee must be approved by the Board.

## Interim Approval

Upon approval of the committee, individuals identified and selected by the Nominating Subcommittee for membership on the committee may serve as members on an interim basis pending their appointment by the Board.

## Expertise

When selecting individuals to recommend for committee membership, the Nominating Subcommittee will seek to engage individuals who, in aggregate, provide the committee with a level and breadth of expertise sufficient to achieve its goals and fulfill its scope and responsibilities while respecting other important factors such as industry sector, Region, interconnection, and country.

## Regional Entity Members

Each Regional Entity, or the applicable regional organization if no Regional Entity exists for the geographic area, may nominate an individual to serve as a member representing their organization. The Nominating Subcommittee will defer to these nominations. The nomination is non-binding upon the Board. Vacancies on the committee will exist where the Regional Reliability Organization or Regional Entity has not provided a nomination.

## Canadian Members

The Nominating Subcommittee will endeavor to attract and engage Canadians with suitable qualifications and expertise in adequate numbers to satisfy Article VIII Section 4 of the Bylaws. Recognized Canadian organizations

such as the Canadian Electricity Association and Canada's Energy and Utility Regulators will be consulted and solicited for assistance in recruiting Canadians to serve on the committee. All members considered to be serving as Canadians on the committee will be expected to have an endorsement, as appropriate, of such an organization. Canadian representatives should be capable of representing Canadian viewpoints in committee activities, in addition to the sector that they otherwise represent. Consistent with practice regarding the MRC, the Board may appoint additional Canadian individuals to the committee towards satisfying Article VIII Section 4 of the Bylaws.

## **Industry Sector Members**

The Nominating Subcommittee will assess the qualifications of nominees and select individuals to recommend to the NERC Board for appointment to the committee. The subcommittee may give preference to candidates nominated by organizations generally considered by the industry as representative of a broad cross-section of the industry sector in question, such as an industry trade association. A NERC Member sector may elect to identify sector representatives for nomination to the Nominating Subcommittee through a process approved by the NERC Board.

## **General Nominations and Appointment Process**

The committee's secretary administers the general nominations process.

### **Requesting Nominations**

The NERC staff will request nominations and will forward all nominations received to the Nominating Subcommittee. The Nominating Subcommittee will then prepare its recommended slate of members. The recommended slate will be reviewed by the whole committee for information purposes before it is submitted to the Board. The committee may approve the slate to serve as members on an interim basis, pending appointment by the Board at the Board's earliest convenience, but will not otherwise act on the slate.

### **Board Approval**

The Nominating Subcommittee will present the recommended committee membership slate to the Board for approval. If the Board approves the recommended committee slate, each member on the slate is appointed. The Board may also appoint members individually as needed to meet membership balance and fill vacancies.

### **Vacancies and Non-participation**

The committee's secretary will administer the nominations process for vacancies on the committee.

### **Addressed on an Ongoing Basis**

Vacancies on the committee can be addressed on an ongoing basis through receipt and consideration of both solicited and unsolicited nominations for the vacant positions.

### **Role of the Nominating Subcommittee**

Nominations received for vacancies will be vetted by the Nominating Subcommittee in the same manner as general nominations. The subcommittee may subsequently and individually recommend nominees they deem qualified to the NERC Board for consideration for appointment to the committee. Existing committee members may also approve such individuals to serve as members on an interim basis pending full appointment by the Board.

## **Resignations**

### **By the Member**

In the event a member can no longer serve on the committee, that member will submit a written resignation to the committee chair or the secretary.

### **Requested by the Chair**

The chair may request any committee member who ceases to participate in the committee, as indicated by not attending or sending a proxy for two consecutive meetings, to submit a resignation or to request continuation of membership with an explanation of extenuating circumstances. If a written response is not received within 30 days of the chair's request, the lack of response will be considered a resignation.

### **Referral to the Nominating Subcommittee**

The committee chair will refer the vacancy resulting from a resignation to the Nominating Subcommittee of the committee. If a recent list of nominations is available to the Nominating Subcommittee that it deems to be valid, the subcommittee will recommend a replacement nominee; otherwise, the subcommittee will request NERC staff prepare a new solicitation for nominations to fill that position. The Nominating Subcommittee will follow the previously stated criteria in recommending a replacement.

### **By the Board**

Committee members serve at the pleasure of the Board who may request resignation from, remove, or replace a member from the committee, as the Board deems appropriate.

### **Interim Approval**

The committee chair may seek a vote of the committee to allow the proposed replacement member to be seated, pending appointment of the replacement at the Board's next scheduled meeting.

### **Proxies**

A substitute representative, or proxy, may attend and vote during all or a portion of a committee meeting in lieu of a voting member provided the absent member notifies the committee chair, vice chair, or secretary of the proxy.

### **Notification**

Such notification will be in writing (electronic medium is acceptable). The proxy representatives and their affiliation will be named in the correspondence.

### **Serving as Proxy**

A voting member of a committee may not serve as a proxy for another voting member on the same committee (i.e. a member may not cast more than their own vote).

## **Exclusions**

### **Regional Entity Staff**

Regional Entity staff members who administer any portion of the Compliance and Enforcement program, Registration program, or Certification program for that Regional Entity, or for any other Regional Entity, may not serve as a member of the CCC.

### **Organizations**

No two individuals from the same organization, or affiliated organizations, may serve concurrently on the committee. Any committee member who has a membership conflict of this nature is obligated to notify the committee secretary, who shall inform the committee chair. Members impacted by such a conflict, such as through a merger of organizations, may confer between themselves to determine which member should resign from the committee and notify the committee secretary and chair; however, if both members are within the same industry sector and cannot reach an amicable solution by determining the member to remain, the Nominating Subcommittee will review the qualifications of each member and propose the member to remain to the full committee who will determine which member shall continue to serve, subject to Board approval. If the conflict is not resolved in a timely manner by the impacted members, the committee chair shall notify all members of the

affected industry sectors recommending actions to resolve the conflict. If the membership conflict is still unresolved, the committee chair shall take the conflict to the NERC Board for resolution.

### **NERC Staff**

The Director of Compliance Assurance shall not be a member of the committee or vote on committee business. The Director of Compliance Assurance and the secretary shall be recused from participating in any committee activity that involves monitoring of NERC's adherence to ROP or activity that the Director of Compliance Assurance oversees. If the NERC staff coordinator has been recused from participating in a Committee activity, the chair shall appoint another member of the committee as acting secretary for any meetings or other activities from which the NERC staff coordinator is recused.

### **Changes in Member Affiliation**

A committee member whose affiliation has changed may retain the membership position under these circumstances:

1. The new organization is in the same industry sector, and
2. The member meets all other membership requirements.

### **Conflict of Interest**

No committee member may have a conflict of interest that would impair his or her ability to fulfill obligations under this charter. Any committee member who knows of any form of membership conflict, such as working for an entity affiliated with that of another committee member, will notify the committee chair within 10 business days of obtaining that knowledge.

# Meetings

---

In the absence of specific provisions in this manual, all committee meetings will follow Roberts Rules of Order.

## Quorum

### Two-thirds Requirement

The quorum necessary for transacting business at meetings of the committee is two-thirds of the voting members currently on the committee's roster.

### Interim Basis

Voting members approved by the committee on an interim basis, pending appointment by the Board, will be counted in the determination of a quorum.

### Lack of Quorum

If a quorum is not present at the beginning of the meeting, the committee may not take any actions requiring a vote by the committee; however, the chair may, with the consent of the members present, elect to allow discussion of the agenda items.

## Voting

Actions by members of the committee will be approved upon receipt of the affirmative vote of two-thirds of the votes present (including proportional votes by Regional Representatives) at any meeting at which a quorum is present.

## Antitrust Guidelines

All persons attending or otherwise participating in a NERC committee meeting will act in accordance with NERC's Antitrust Compliance Guidelines at all times during the meeting.

## Open Meetings

NERC committee meetings will be open to the public, except as noted below under Confidential Information.

## Confidential Sessions

At the discretion of the CCC chair, a meeting or portion of a meeting may have attendance limited based on confidentiality of the information to be disclosed at the meeting. Such limitations should be applied sparingly and on a non-discriminatory basis as needed to protect information that is sensitive information or confidential information to one or more parties. All hearings of compliance matters will be confidential sessions. Confidential information will only be disclosed as provided by NERC ROP 1500. Confidentiality agreements may also be applied, as necessary, to protect sensitive information or confidential information.

## Types of Meetings

Meetings may be conducted in person, by conference call, or by other means. The procedures contained in this manual will apply to all meetings regardless of how they are conducted.

## Majority and Minority Views

All members of a committee will be given the opportunity to provide alternative views on an issue. The results of committee actions, including recorded minutes, will reflect the majority as well as any minority views of the committee members. The chair will communicate both the majority and any minority views in presenting results to the Board.

## Action Without a Meeting

### Two-thirds Majority

Any action required or permitted at a meeting of the committee may be taken without a meeting if two-thirds of the total votes available to the members of the CCC (including the proportional votes available to Regional Representatives) approve taking the action outside of a meeting.

### Procedure

Such action without a meeting will be performed by mail or electronic ballot (e.g., telephone, fax, email, or Internet) and will be recorded in the minutes as a roll call ballot. The secretary will announce the action required at least 10 days before the date on which the action is to be voted. As time permits, members should be allowed a window of 10 business days to vote. The secretary will provide the results of such an action within 10 business days of the close of the voting period.

# Officers and Staff

---

## General

### Number of Positions

The committee will have two officers and one secretary.

### Officers

The committee officers will be one chair and one vice chair.

### Executive

The committee shall retain an Executive Committee consisting of the committee officers, subcommittee chairs, secretary, and the Director of Compliance Assurance.

### Secretary

The NERC staff coordinator will serve as the committee's secretary.

### Voting of Officers

The committee chair and vice chair are voting members of the committee.

### Officers Nominated by the Nominating Subcommittee

The CCC Nominating Subcommittee will recommend a chair and a vice chair who are then appointed by the NERC Board for a two-year term. The term of the chair and the vice chair, except for the first year, will begin on July 1 and end on June 30.

### Officers as Sector Representatives

The chair and vice chair are selected from the membership of the committee and, in addition to their chair or vice chair responsibilities, will continue to serve as a member for the sector for which they were appointed to the committee.

### Chair

The chair will direct and provide general supervision of committee activities, including the following:

1. Coordinate the schedule of all committee meetings, including approval of meeting duration and location;
2. Develop committee agendas and rule on any deviation, addition, or deletion from a published agenda;
3. Preside at and manage committee meetings, including the nature and length of discussion, recognition of speakers and proxies, motions, and voting;
4. Will lead or direct the conduct of any hearings and the preparation of any adjudicatory documents by the committee under Section 408 of the NERC ROP;
5. Will ensure actions and undertakings by the committee under the NERC ROP Section 408 meet all applicable legal and due process requirements;
6. Will act as spokesperson for the committee at forums inside and outside of NERC; and
7. May attend meetings of the NERC Board when necessary to report to the Board on committee activities.

### Vice Chair

The vice chair will assume the responsibilities of the chair under the following conditions:

1. At the discretion of the chair (for brief periods of time);

2. When the chair is absent or temporarily unable to perform the chair's duties; or
3. When the chair is permanently unavailable or unable to perform the chair's duties. In the case of a permanent change, the vice chair will continue to serve until a new chair is nominated and selected by the Board.

### **Staff Coordinator**

A member of the NERC staff will be selected by NERC's Director of Compliance Assurance to serve as the staff coordinator and secretary of the committee. The staff coordinator is not a committee member and does not have a vote. Under the direction of the committee executive and applicable NERC bylaws, guidelines, and ROP, the staff coordinator will do the following:

1. Manage the day-to-day operation and business of the committee;
2. Prepare and distribute the notices of the committee meetings, prepare the meeting agenda, and prepare and distribute the minutes of the committee meetings; and
3. Act as the committee's parliamentarian.

# Nominating Subcommittee

---

## Appointment

The CCC will annually appoint a Nominating Subcommittee.

## Five Members

The subcommittee will consist of five members nominated by the committee chair and approved by the committee. The chair of the subcommittee will be selected by the CCC chair from among the five subcommittee members.

## Appointed Annually

The chair will appoint the subcommittee members at the first regular meeting of the committee of the calendar year.

## Length of term

The subcommittee members will serve for up to 14 months or until a new Nominating Subcommittee is authorized, whichever is earlier.

## Duties

In addition to the duties, rights, and privileges described elsewhere in this manual, members of the Nominating Subcommittee will:

1. Prepare a slate of committee officer candidates for submission to the NERC Board for approval, and
2. Prepare a slate of recommended individuals to fill designated committee vacancies as required.

# Subordinate Groups

---

## Committee Organization

The CCC organizational structure will be arranged as allowed in the NERC Bylaws to support a superior-subordinate hierarchy that is ordered as follows: a committee, a subcommittee, a working group, and a task force, with a committee being primary and a task force being quaternary.

## Subgroups

The committee may establish subcommittees, working groups, and task forces as necessary. The committee chair may also form any of these subordinate groups on behalf of the committee. The committee will be the responsible sponsor of all subordinate subcommittees, working groups, or task forces it may create, or that its subordinate subcommittees and working groups may create. The committee will keep the Board informed of all groups subordinate to the committee.

## Subcommittees

The committee may establish subcommittees to which the committee may delegate some of the committee's broadly defined continuing functions. The committee will approve the scope of each subcommittee it forms. The committee chair will appoint the subcommittee officers (typically a chair and a vice chair) for a specific term (generally two years). The subcommittee officers may be reappointed for up to two additional terms. The subcommittee will work within its assigned scope and be accountable for the responsibilities assigned to it by the committee. The formation of a subcommittee, due to the permanency of the subcommittee, will be approved by the Board.

## Working Groups

The committee or any of its subcommittees may delegate specific continuing functions to a working group. The sponsoring committee or subcommittee will approve the scope of each working group it forms. The chair of the sponsoring committee or subcommittee will appoint the working group officers (typically a chair and a vice chair) for a specific term (generally two years). The working group officers may be reappointed for up to two additional terms. The sponsoring committee or subcommittee will conduct a "sunset" review of each working group every two years. The working group will be accountable for the responsibilities assigned to it by the committee or subcommittee and will, at all times, work within its assigned scope.

## Task Forces

The committee, subcommittee, or working group may assign specific work of a finite duration to a task force. The sponsoring committee, subcommittee, or working group will approve the scope of each task force it forms. The chair of the sponsoring committee, subcommittee, or working group will appoint the task force officers (typically a chair and a vice chair). Each task force will have a finite duration, normally less than one year. The sponsoring group will review the task force scope at the end of the expected duration and at each subsequent meeting of the sponsoring group after that until the task force is retired. Action of the task force sponsoring group is required to continue the task force past its defined duration. The sponsoring group should consider promoting to a working group any task force that is required to work longer than one year.

## Membership and Representation

The membership of each subcommittee, working group, and task force should be established to address the need for expertise and balance of interests. Each group's membership requirements will be defined within the group's approved scope.

As a general guide, the broader the group's scope, the more emphasis there should be on balancing of interests. Therefore, subcommittees would be expected to have the broadest representation of appropriate industry

sectors, while a task force may be more focused on simply having the necessary expertise, and a working group may be somewhere between.

Each member of a subordinate group, and its officers, will be appointed by the chair of the sponsoring committee or group.

To the extent subgroup membership is of a representative nature, recommendations for staffing of the group should be provided in a manner consistent with the principles outlined in the staffing of a committee, including the use of an open nominations process. Regional Entity representatives should be recommended by the Regional Entity and Canadian representatives by the Canadian Electricity Association.

Preference may also be given to representatives recommended by broadly-based industry associations.

To the extent that subgroup membership is based on providing requisite expertise, the chair of the sponsoring committee or group may appoint members based on the relevant technical qualifications.

## **Procedures**

Subcommittees, working groups, and taskforces will conduct business in a manner consistent with all applicable sections of this manual and Robert's Rules of Order.

# Hearings

---

## General

The CCC will conduct hearings, as necessary, to fulfill its function of serving as the hearing body for any contest between NERC and a Regional Entity regarding NERC findings, penalties, or sanctions for violation(s) of Reliability Standard(s) by the Regional Entity as described in Section 408 of the NERC ROP.

## Hearing Procedure

Unless specifically identified otherwise elsewhere in this charter, the CCC's hearing procedure shall follow the hearing procedure mandated and approved by jurisdictional authorities for use by NERC and the Regional Entities in the Compliance and Enforcement program.

## Hearing Panel

The committee shall not have a standing hearing panel. When a hearing is to be conducted, the CCC shall select five members to serve as the adjudicatory panel for that hearing. Members to serve on the panel shall be selected by vote of a valid quorum of the committee. Voting members of the committee at arm's length from parties to the hearing may be nominated or volunteer to stand for selection to the hearing panel. One or more alternates may also be selected, as the committee deems appropriate for the circumstances. A member may serve on more than one panel concurrently. A panel is disbanded upon conclusion of the hearing proceedings for which it was formed.

## Attachment A

### CCC Membership Structure

Primary Sector	Sub-Sector	Number of Members	Full Voting	Proportional Voting	Non-Voting
Investor-Owned Utility		2	X		
State/Municipal Utility		2	X		
Cooperative Utility		2	X		
Federal or Provincial Utility/Federal Power Marketing Administration		2	X		
Transmission Dependent Utility		2	X		
Merchant Electricity Generator		2	X		
Electricity Marketer		2	X		
Large End-use Electricity Customer		2	X		
Small End-use Electricity Customer		2	X		
Independent System Operator/Regional Transmission Organization		2	X		
Regional Entity	FRCC	1		X	
	RFC	1		X	
	ERCOT	1		X	
	MRO	1		X	
	NPCC	1		X	
	SERC	1		X	
	<del>SPP</del>	<del>1</del>		<del>X</del>	
	WECC	1		X	
Government	U.S. State	2	X		
	U.S. Federal	2			X
	Canadian Provincial	1			X
	Canadian Federal	1			X
<b>Total</b>		<b>334</b>			