

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Operating Committee and Planning Committee Member Selection Process

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to ensure
the reliability of the
bulk power system

116-390 Village Blvd., Princeton, NJ 08540
609.452.8060 | 609.452.9550 fax
www.nerc.com

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Overall Process

This document explains how NERC will conduct the sector elections for the Operating Committee (OC) and Planning Committee (PC). The process is identical to that used to elect the members to the Member Representatives Committee with four exceptions:

1. Anyone (not just NERC members) may nominate candidates for the OC and PC, but only NERC members may participate in the balloting.
2. If there are more than two candidates for a member position, we will use the Preferential Voting Method¹ to avoid additional runoff elections.
3. Sector 4 (U.S. Federal/Canadian Provincial) has been divided into two separate sub-sectors with one U.S. and one Canadian member each.
4. The regional reliability organization (RRO) sector members are appointed by their respective regions and are not elected. In addition, the eight members divide the two RRO sector votes among the members present. If all eight members are present, each member has $\frac{1}{4}$ of a vote.

The members who are elected are first seated at the September committee meeting and serve for two years, with their terms concluding with the June meeting two years later.² The election schedule has a minimum three-week nomination period that concludes in mid June (after the committees' June meetings), followed by a 10-day ballot period, with elections completed in July, followed by the approval of elected members by NERC's Board of Trustees. This schedule allows sufficient election administration time by NERC staff prior to submitting elected member names to the Board of Trustees for approval.

¹ Defined in *Roberts Rules of Order, Newly Revised*. This method is also known as the "Instant Runoff," and avoids additional reballoting when candidates do not receive a majority of the votes.

² If a sector has two member positions and which are vacant, one elected member will receive a one-year term and another elected member will receive a two-year term based upon a coin flip by a NERC staff employee.

How Ballots are Tallied

The method of tallying ballots depends upon the number of nominees for each open position.

1. **One nominee.** If there is one nominee for one open member position in a sector, no voting is necessary and that nominee will be elected to the committee for a two-year term without a vote. Un-nominated positions will remain vacant until the next annual election or NERC receives a nomination for that position, whichever occurs first.
2. **Two nominees.** If the sector has two open member positions and two nominees, a NERC staff employee will flip a coin to determine the one- and two-year terms.
3. **Three or more nominees.** If a sector contains three or more nominees for either one or two open member positions, we will ask the sector ballot body to mark **preference ballots** for all candidates in the sector, indicating their first preference, second preference, and so forth.
 - a. The results will be first tallied on the basis of the first preference votes. If any nominee receives a simple majority of the votes cast, that nominee will be elected. If there is only one member position, the process stops and that member is elected.
 - b. If no nominee receives a simple majority of the ballots cast for that sector, or if one does and a second member must be elected, the preference ballots will be used to continue the process. The nominee receiving the least number of votes will be eliminated, and his/her first preference votes will be applied to each voter's second preference nominee. If no nominee has a simple majority after second preference voting is applied, this process will be repeated until one nominee has a simple majority of the remaining votes and is therefore elected. The process will be repeated until the second person is elected by majority vote.

Multiple nominations by the same organization running in different sectors

The process described above assumes that no organization has more than one nominee who is elected. The OC and PC charters do not permit an organization, including its affiliates, to have more than one member on the committee, but since it does address the possibility of multiple nominees from the same organization running for different sectors, our rules can accommodate this situation. However, in the event that two members from the same organization are initially "elected" (as described above) from different sectors, the committee secretary will make a decision on who will be selected by using the rules below:

- If both candidates are their only sector nominees, the secretary will flip a coin to determine which candidate is selected. The other candidate will be disqualified from the election.
- If one candidate is elected from a sector with multiple nominees while the other candidate is the only sector nominee, the candidate that is the only sector nominee will be selected and the candidate from the sector with multiple nominees will be disqualified from the election.

- If both candidates are from sectors with multiple nominees, the secretary will flip a coin to determine which candidate is selected and which candidate will be disqualified from the election.

Another possibility exists for having two persons from the same organization being selected for the committee. In the event that a region appoints a person for the RRO sector from the an organization, and another person from that same organization won another sector by election, the region making the appointment will be asked to select another RRO member who is from a different organization.

Canadian Representation

The OC and PC charters both have requirements that the number of Canadian voting members is equal to the percentage of the Net Energy for Load (NEL) of Canada to the total NEL of the United States and Canada, times the total number of voting members on the committee, rounded up to the next whole number. For 2008, this results in four Canadian voting members. To accommodate the Canadian representation, the charter allows the expansion of a sector's membership (as described below) to accommodate *additional* Canadian voting members.

For purposes of this document, "Canadian" means one of the following:³

- A company or association incorporated or organized under the laws of Canada or of a province of Canada that is a member of the Corporation [NERC], or its designated representative irrespective of nationality;
- An agency of a federal, provincial, or local government in Canada that is a member of the Corporation, or its designated representative irrespective of nationality; or
- A person who is a Canadian citizen residing in Canada and is a member of the Corporation.

To ensure adequate Canadian representation, the OC and PC will use the following method:

- 1. Candidate receiving highest vote total.** The Canadian candidate who receives the highest vote total among Canadian candidates who were not elected to the committee shall be elected to the committee.
- 2. Additional members.** Additional Canadian voting members shall be elected to the committee through this selection process until the committee includes a number of Canadian voting members equal to the percentage of the NEL of Canada to the total NEL of the United States and Canada, times the total number of voting members on the committee, rounded up to the next whole number, subject to the requirements in 3 below.
- 3. Additional Canadian members in a sector.** No more than one additional Canadian voting member shall be elected to a sector unless this limitation precludes the addition of the number of additional Canadian voting representatives required by NEL computation. In this case, no more than *two additional* Canadian voting members may be selected from the same sector.

³ From the *NERC Member Representatives Committee Reference Document*, Section 4.d, dated January 9, 2007.