

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Standards Committee Charter

Approved by the Standards Committee

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RELIABILITY | ACCOUNTABILITY



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Table of Contents

Section 1: Purpose	1
Section 2. Reporting.....	2
Section 3. Overview and Functions.....	3
Section 4. Membership	4
Segment Representation.....	4
1. Membership Requirements	4
2. Resignation from the Committee.....	4
3. Committee Member Changing Employment	4
4. Membership Terms	4
5. Vacancies Caused by Election of Officers.....	5
6. NERC Director of Standards	5
Section 5. Officers	6
1. Selection.....	6
2. Terms.....	6
3. Voting	6
4. Duties of the Chair	6
5. Duties of the Vice Chair.....	6
6. Duties of the Secretary.....	6
Section 6. Voting Members’ Expectations and Responsibilities	8
1. Committee voting members:	8
Section 7. Executive Committee and Subcommittees	9
1. Executive Committee	9
2. Additional Subcommittees, Task Forces, and ad hoc Working Groups	9
Section 8. Meetings.....	10
1. Open Meetings.....	10
2. General Requirements	10
3. Notice	10
4. Agenda	10
5. Parliamentary Procedures.....	10
6. Quorum	10
7. Voting.....	10
8. Actions without a Meeting.....	10
9. Proxies.....	11

Section 1: Purpose

The Standards Committee (the Committee) of the North American Electric Reliability Corporation (NERC), working with NERC Standards Staff, manages and executes the Reliability Standards development process to timely develop and maintain a comprehensive set of results-based Reliability Standards.

Section 2. Reporting

The Committee reports and is accountable to the NERC Board of Trustees. The Committee members have the responsibility to keep the industry segments they represent informed regarding Reliability Standards matters. The NERC Board of Trustees shall approve amendments to this Charter pursuant to Section 1300 of the NERC Rules of Procedure.

Section 3. Overview and Functions

The Committee manages the NERC process to develop and maintain a comprehensive set of results-based Reliability Standards. Specifically, working together with NERC Standards Staff, the Committee has the following duties:

1. Develop a long-term (multi-year) strategic vision describing the goals and direction for Reliability Standards development consistent with NERC's strategic and business plans.
2. Coordinate with the Reliability Issues Steering Committee to develop a Reliability Standards Development Plan (RSDP) prioritizing and aggressively pursuing work related to the purpose of the Committee.
3. Assist with developing the RSDP, including preparing the initial posting for stakeholder comment.
4. Establish and facilitate informal and formal collaborative, consensus building processes with stakeholder groups and NERC committees.
5. Establish quality assurance and quality control processes for developing or modifying Reliability Standards and applicable associated documents to align with the criteria established in the Standards Process Manual.
6. Appoint, monitor and direct teams for work related to the Standards Process Manual (including, but not limited to, standard drafting teams) generally consisting of subject matter experts, a facilitator, a technical writer and compliance, legal and regulatory experts suitably equipped to address the desired reliability objectives.
7. Receive and respond to decisions of appeals panels in accordance with the Reliability Standards process.
8. Develop, maintain and implement a Standard Processes Manual ensuring the integrity of Reliability Standards development in a fair, balanced, open, and inclusive manner.
9. Facilitate communication about regular NERC Standards department and Standards Committee work, such as Reliability Standards under development and Standards Committee guiding documents.

Section 4. Membership

Segment Representation

The Committee membership consists of two members elected from each industry segment in accordance with Appendix 3B (*Procedures for Election of Members of the Standards Committee*) to the NERC Rules of Procedure. Each industry segment may establish its own rules for electing and replacing its SC representatives consistent with the following requirements

1. Membership Requirements

1. No two persons employed by the same corporation or organization or an affiliate may serve concurrently as Committee members.
 - I. Any Committee member with such a membership conflict shall notify the Committee secretary who will inform the Committee chair.
 - II. Members impacted by 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. If the impacted members do not resolve the conflict in a timely manner, the Committee chair shall notify all members of the affected industry segments of the need to resolve the conflict. If the membership conflict remains unresolved, the Committee chair shall take the conflict to the NERC Board of Trustees for resolution.
 - III. Any Committee member aware of an unresolved membership issue shall notify the Committee chair.

2. Resignation from the Committee

Any member of the Committee who resigns from the Committee shall submit a written resignation to the Committee secretary and Committee chair.

- a. The Committee secretary shall facilitate election of a replacement member from the applicable industry segment to serve the remainder of the resigned member's term.
- b. If any member of the Committee fails to attend or send a proxy for more than two consecutive regularly scheduled meetings or conference calls, or more than two e-mail ballots between regularly-scheduled meetings, the Committee chair shall send a written notice to that member requesting the member either: (i) resign; or (ii) provide an explanation of the member's absences. If the member does not provide a written response within 30 calendar days of the date of the written notice, lack of response shall be deemed a resignation.

3. Committee Member Changing Employment

- a. Any Committee member who leaves one organization and is subsequently employed by another organization in the same industry segment may retain the membership position.
- b. If a Committee member changes employment to an organization in a different industry segment, that Committee member shall resign from the Committee no later than the date of the employment change. The resignation letter shall be addressed to the Committee chair who will provide the letter to the Committee secretary and request an election to fill the vacant position.

4. Membership Terms

Committee members shall serve a term of two years without limitation to the number of terms the members may serve, with members' terms staggered so half of the members (one per segment) is elected each year by industry segment election. Membership terms start on January 1 of each year.

5. Vacancies Caused by Election of Officers

The vacancies in the industry segments and/or Canada representation created by selection of the chair and vice chair shall be filled at the next annual election of Committee representatives. When a representative is elected to serve as the chair or vice chair during the second year of a two year term, the representative elected to fill the vacancy shall serve a one year term.

6. NERC Director of Standards

Acts as a non-voting Committee member to represent NERC's position on agenda items with the assistance of NERC Standards Staff.

Section 5. Officers

1. Selection

Prior to the annual election of Committee representatives in odd numbered years, the Committee members shall select a chair and vice chair from among their membership by majority vote. The chair and vice chair cannot represent the same industry segment. Approximately 150 calendar days prior to the end of each term, a nominating committee shall solicit nominations for chair and vice chair. The nominating committee shall consult with the NERC Board of Trustees' SC liaison on the nominations received.

No less than ten calendar days before the election date, the nominating committee shall provide to the Committee members the qualifications of the chair and vice chair nominees. At the time of the election, the Committee can accept nominations from the floor. Following the election, the successful candidates shall be presented to the NERC Board of Trustees for approval. The chair and vice chair, upon assuming such positions, shall cease to act as representatives of the industry segments that elected them and thereafter be responsible for acting in the best interests of the Committee as a whole.

2. Terms

The term of office for the Committee chair and vice chair is two years without limit on the number of terms an officer may serve. A member of NERC staff serves as the Committee's non-voting secretary.

3. Voting

The Committee chair and vice chair are non-voting Committee members.

4. Duties of the Chair

In addition to the duties, rights and privileges discussed elsewhere in this document, the Committee chair:

- a. Presides over and provides general supervision of Committee and Executive Committee activities and meetings.
- b. Presides over all Committee meetings, including the nature and length of discussion, recognition of speakers, motions and voting.
- c. In concert with NERC Staff, schedules Committee meetings.
- d. Reviews all substitute or proxy representatives.
- e. Acts as Committee spokesperson at forums within and outside of NERC.
- f. Reports Committee activities to the NERC Board of Trustees and attends Board of Trustees meetings.
- g. Reports all views and objections when reporting on items brought to the Committee.
- h. Performs other duties as directed by the NERC Board of Trustees.

5. Duties of the Vice Chair

The Committee vice chair acts as the Committee chair if requested by the chair (for brief periods of time) or if the chair is absent or unable to perform the chair's duties. If the chair resigns prior to the next scheduled election, the vice chair shall act as the chair until the Committee selects a new chair. The vice chair:

- a. Assists the Committee chair in managing Committee meetings, including the nature and length of discussion, recognition of speakers, motions, and voting.
- b. Attends meetings of the NERC Board of Trustees in the chair's absence.

6. Duties of the Secretary

A member of NERC staff shall serve under the direction of the Committee officers as a non-voting secretary and has the responsibility to:

- a. Conduct the day-to-day operation and business of the Committee.
- b. Prepare, distribute and post notices of Committee meetings, record meeting proceedings, and prepare, distribute and post meeting minutes.
- c. Maintain a record of all Committee proceedings, including attendance, responses, voting records, and correspondence.
- d. Maintain Committee membership records.

Section 6. Voting Members' Expectations and Responsibilities

1. Committee voting members:

- a. Contribute to the Committee's work and success by, among other things, executing the Committee Strategic Work Plan.
- b. Serve as subject matter expert representatives of their industry segments and represent their industry segments.
- c. Be knowledgeable about NERC Reliability Standards development activities.
- d. Express opinions on behalf of their segments.
- e. Respond promptly to all Committee requests for attendance, reviews, comments and voting.
- f. Assist in educating the industry on the Reliability Standards development process.
- g. When unable to attend a Committee meeting, notify the secretary and identify a proxy as described under Section 8. Meetings, sub section 9. Proxies, *infra*. The member shall instruct the proxy on the role and responsibilities.
- h. *Duty of Care*: Use due care and are diligent with respect to managing and administering the affairs of NERC and the Committee. This duty of care is generally thought to have two components: (i) the time and attention devoted to NERC's mission, and (ii) the skill and judgment reflected in the Committee's decisions.
- i. *Duty of Loyalty*: The duty of loyalty requires the members to faithfully promote the mission of NERC and the Committee, rather than their own or their entities' interests. This duty includes compliance with NERC's policies on conflicts of interest.
- j. *Duty to Adhere to High Ethical Standards*: The duty to adhere to applicable law and high ethical standards requires Committee members to devote themselves to ensuring they further NERC's stated objectives in compliance with legal requirements and high ethical standard

Section 7. Executive Committee and Subcommittees

1. Executive Committee

The Committee shall have an Executive Committee (SCEC) consisting of five members, including the Committee officers plus three segment members, elected by the Committee. The three segment members cannot represent the same industry segments the Committee officers previously represented, nor can any two of the segment members be from the same segment. The Executive Committee will be elected annually at the January Committee meeting. The Executive Committee shall meet when necessary between regularly-scheduled Committee meetings to conduct Committee business. However, the SCEC shall not reverse the Committee's decisions. Additionally, the Executive Committee shall have the authority to:

- a. Work with NERC Standards Staff to set agendas for Committee meetings.
- b. Act on the Committee's behalf to authorize postings of SARs, Reliability Standards, and other Standards-related documents.
- c. Provide advice and guidance to subcommittee chairs, as needed.
- d. Take any actions delegated by the full Committee.

2. Additional Subcommittees, Task Forces, and ad hoc Working Groups

The Committee may form subcommittees, task forces and ad hoc working groups, as it deems appropriate.

Section 8. Meetings

1. Open Meetings

Committee meetings shall be open to all interested parties, subject to any preregistration meeting requirements included in the meeting announcement. Meeting notices shall describe the meeting's purpose and identify a readily available source for further information about the meeting. Only voting members may act on items before the Committee. The Committee secretary shall post meeting notices and agendas on the NERC website contemporaneously with distribution to Committee members. The Committee secretary shall publicly post final minutes of Committee meetings on the NERC website within five business days of Committee approval.

2. General Requirements

The Committee shall hold meetings as needed and may use conference calls or e-mail to conduct its business.

3. Notice

The Committee secretary shall announce regularly scheduled meetings with a written notice (letter, facsimile, or e-mail) to all Committee members not less than ten nor more than sixty calendar days prior to the meeting date.

4. Agenda

The secretary shall provide an agenda with a written notice (letter, facsimile, or e-mail) for Committee meetings no less than five business days before a proposed meeting.

- a. The agenda shall include, as necessary, background material for agenda items requiring a decision or vote. The secretary shall post the agenda on the NERC website the same day it is distributed to Committee members.
- b. Items not in the agenda that require a vote cannot be added at a meeting without the unanimous consent of the members present. If such a matter arises, it may also be deferred to the next meeting to allow Committee members to consult with their industry segments.

5. Parliamentary Procedures

In the absence of specific provisions in this Charter, the Committee shall conduct its meetings guided by the most recent edition of *Robert's Rules of Order, Newly Revised*.

6. Quorum

A quorum requires two-thirds of the Committee voting members.

7. Voting

Voting may take place during regularly scheduled meetings or through electronic means.

- c. All Committee actions shall be approved upon receipt of the affirmative vote of a majority of the members present and voting at a meeting with a quorum present, with the exception of revisions to the Standard Processes Manual and the Committee Charter which can be approved only upon receipt of the affirmative vote of two-thirds of the members present and voting at a meeting with a quorum present.
- d. Each individual member's vote for each action taken shall be included in the minutes of each meeting, unless the vote is unanimous with no abstentions.

8. Actions without a Meeting

The Committee may act by mail or e-mail ballot without a regularly-scheduled meeting. A majority of the members participating in the voting is required to approve any action. A quorum for actions without a meeting is two-thirds of Committee members. The Committee chair or four members (each from a different industry segment) may initiate the request for an action without a meeting. The secretary shall post a notice

on the NERC website and provide Committee members a written notice (letter, facsimile, or e-mail) of the subject matter for action not less than three business days prior to the date on which the vote is to be counted. The secretary shall both distribute a written notice to the Committee (letter, facsimile, or e-mail) of the results of such action within five business days following the vote and post the results on the NERC website. The secretary shall keep a record of all responses (e-mails, facsimiles, etc.) from the Committee members with the Committee minutes.

9. Proxies

A Committee member may designate a proxy. Proxies may attend and vote at Committee meetings provided the absent Committee member notifies in writing (letter, facsimile, or e-mail) the Committee chair, vice chair or secretary along with the reason(s) for the proxy. The member shall name the proxy representative and affiliation in the correspondence. No Committee member can serve as a proxy for another Committee member. The proxy must adhere to the Voting Members' Expectations and Responsibilities as described in Section 6, above.