

## Minutes Board of Trustees

February 16, 2023 | 9:30 a.m.–12:00 p.m. Mountain

JW Marriott Tucson  
3800 W Starr Pass Blvd  
Tucson, AZ 85745

### Call to Order

Mr. Kenneth W. DeFontes, Jr., Chair, called to order the duly noticed open meeting of the Board of Trustees (the Board) of the North American Electric Reliability Corporation (NERC or the Corporation) on February 16, 2023, at 9:30 a.m. Mountain, and a quorum was declared present.

Present at the meeting were:

### Board Members

Kenneth W. DeFontes, Jr., Chair  
George S. Hawkins, Vice Chair  
Jane Allen  
Robert G. Clarke  
Larry Irving  
Suzanne Keenan  
Susan Kelly  
Robin E. Manning  
Jim Piro  
James B. Robb, President and Chief Executive Officer  
Kristine Schmidt  
Colleen Sidford

### NERC Staff

Tina Buzzard, Assistant Corporate Secretary  
Manny Cancel, Senior Vice President and Chief Executive Officer of the E-ISAC  
Howard Gugel, Vice President, Engineering and Standards  
Kelly Hanson, Senior Vice President and Chief Administrative Officer  
Stan Hoptroff, Vice President, Business Technology  
Mark G. Lauby, Senior Vice President and Chief Engineer  
Sônia Mendonça, Senior Vice President, General Counsel, and Corporate Secretary  
Kimberly Mielcarek, Vice President, Communications  
Lauren Perotti, Senior Counsel  
Bryan Preston, Vice President, People and Culture  
Andy Sharp, Vice President and Chief Financial Officer

## NERC Antitrust Compliance Guidelines

Mr. DeFontes noted the public nature of the meeting and directed the participants’ attention to the NERC Antitrust Compliance Guidelines included in the advance meeting materials. He stated that any additional questions regarding these guidelines should be directed to Ms. Mendonça.

## Introduction and Chair’s Remarks

Mr. DeFontes welcomed all of the attendees to the meeting and remarked on the engaged discussion at the Board Committee and Member Representatives Committee (MRC) meetings, as well as the first quarterly technical session. Mr. DeFontes welcomed new Trustee Kristine Schmidt to the Board. He also welcomed Ms. Patricia Hoffman, Principal Deputy Assistant Secretary for the Office of Electricity, U.S. Department of Energy, and Mr. David Morton, Chair, CAMPUT.

## Consent Agenda

Upon motion duly made and seconded, with Ms. Schmidt abstaining, the Board approved the consent agenda as follows:

## Minutes

The draft minutes for the December 14, 2022 and November 16, 2022 meetings were approved as presented to the Board at this meeting.

## Committee Membership

### Reliability and Security Technical Committee Membership

**RESOLVED**, that the Board hereby appoints the following individuals to the Reliability and Security Technical Committee (“RSTC”) as follows:

Sector Elected Members	
1. Investor-owned utility	Greg Stone (Duke Energy) – 2023-2025
2. State/municipal utility	Saul Rojas (NYPA) – 2023-2025
3. Cooperative utility	Marc Child (Great River Energy) – 2023-2025
4. Federal or provincial utility/Federal Power Marketing Administration	Edison Elizeh (Bonneville Power) – 2023-2025
5. Transmission dependent utility	John Stephens (City Utilities of Springfield) – 2023-2025
6. Merchant generator	Mark Spencer (LS Power) 2023-2025
7. Electricity Marketer	Seat converted to At-large – 2023-2025
8. Large end-use electricity customer	Seat converted to At-large – 2023-2025
9. Small end-use electricity customer	Darryl Lawrence (PA Office of Consumer Advocate) – 2023-2025
10. Independent system operator/regional transmission organization	Eric Miller (MISO) – 2023-2025
12. State Government	Christine Ericson (Illinois Commerce Commission) – 2023-2025
At-Large Members	
Ian Grant	Tennessee Valley Authority – 2023-2025 (converted sector 7 seat)
Marc-Antoine Roy	Hydro Quebec – 2023-2025 (converted Sector 8 seat)

William Allen	Exelon – 2023-2025
Thomas Burns	PacifiCorp – 2023-2025
David Jacobson	Manitoba Hydro – 2023-2025
Srinivas Kappagantula	Arevon Energy – 2023-2025
Todd Lucas	Southern Company -2023-2025
Brett Kruse	Calpine – 2023-2024

**Reliability Issues Steering Committee Membership**

**RESOLVED**, that the Board hereby appoints the following individuals to the Reliability Issues Steering Committee (“RISC”) as follows:

<b>Member Type/Term</b>	<b>Name/Organization</b>
Proposed Chair Term expiring January 31, 2025	Adrienne Collins, Vice Chair Southern Company
At-Large Member Term expiring January 31, 2025	Nelson Peeler Duke Energy
At-Large Member Term expiring January 31, 2025	Teresa Mogensen Xcel Energy
At-Large Member Term expiring January 31, 2025	Tom Galloway NATF
At-Large Member Term expiring January 31, 2025	Al Tamimi Sunflower Electric Power Corporation
At-Large Member Term expiring January 31, 2025	Lee Ragsdale NC Electric Membership Corporation
At-Large Member Term expiring January 31, 2025	Joe Sowell Georgia Transmission
At-Large Member Term expiring January 31, 2025	Daniel Mishra JEA
At-Large Member Term expiring January 31, 2025	Tim Kelley SMUD
At-Large Member Term expiring January 31, 2025	Roderick Robinson PG&E
At-Large Member Term expiring January 31, 2025	Chris Lincoln NB Power
At-Large Member Term expiring January 31, 2025	Ranjika Manamperi Ontario Power Generation
At-Large Member Term expiring January 31, 2025	Tim Swanson FortisBC
MRC Member Term expiring January 31, 2025	Sean Cavote PSEG

MRC Member Term expiring January 31, 2024 (fulfilling a retiring member's term)	Jennifer Flandermeyer Eergy
Compliance & Certification Committee Term expiring January 31, 2024	Silvia Parada-Mitchell NextEra Energy
Reliability and Security Technical Committee Term expiring January 31, 2024	Rich Hydzik Avista
Standards Committee Term expiring January 31, 2024	Amy Casuscelli Xcel Energy

### Governance Documents Amendments

**RESOLVED**, that the Board hereby approves the revised CCC procedure document CCCPP-013-3, Procedure for Selection of Members to the NERC Compliance and Certification Committee, substantially in the form presented to the Board at this meeting.

### Regular Agenda

#### Remarks by Mike Hummel, Salt River Project

Mr. DeFontes noted that Mr. Hummel of Salt River Project was unable to attend the meeting due to a last minute scheduling conflict.

#### Remarks by Patricia Hoffman, Principal Deputy Assistant Secretary for the Office of Electricity, DOE

Mr. DeFontes introduced Ms. Hoffman of DOE. Ms. Hoffman remarked on the DOE's focus on transmission issues, including efforts to optimize the existing system in addition to building new facilities. She also remarked on DOE's engagement with the states on resiliency matters, including extreme weather issues and associated impacts, and exploration of opportunities to leverage the work of the DOE national laboratories in climate modeling. Ms. Hoffman discussed DOE efforts to drive the deployment of new technologies to improve the system and streamline permitting processes. She concluded her remarks by noting the need for continued engagement to address new and emerging issues affecting the grid.

#### Remarks by David Morton, CAMPUT Representative to NERC

Mr. DeFontes introduced Mr. Morton of CAMPUT. Mr. Morton remarked on the ongoing collaboration between NERC and the Canadian regulators, including engagement between NERC and the Canadian regulators at the January 2023 Reliability Issues Steering Committee summit and briefings on NERC reliability assessments. He remarked on CAMPUT's efforts to address natural gas/electric interdependencies, including understanding the potential impacts of continuing electrification, and the need to continue engaging on these issues.

#### President's Report

Mr. Robb provided the president's report. He remarked on the engagement at the previous day's meetings and stakeholder dinner, congratulated Roy Thilly on his retirement, and noted the recent publication of NERC's 2022 annual report.

Mr. Robb remarked on feedback NERC has received from its stakeholders on its four focus areas of energy, security, agility, and sustainability. In the area of energy, he stressed the need to address the issues around inverter-based resources, noting that these issues were first identified in 2016, and to consider the impacts smaller resources can

have on reliability. Mr. Robb noted the continuing challenges of preparing the grid to operate reliably during extreme weather events. He also stressed the need to shift how industry plans for energy sufficiency and essential reliability services, recognizing that one no longer brings the other in light of the changing resource mix.

In the area of security, Mr. Robb stressed the need to address the increasing threats to the physical and cyber security of the grid, including finding cost-effective ways to mitigate exposures to assets not subject to the CIP Reliability Standards. In the area of agility, he remarked on the standards process changes out for comment and how these changes are intended to advance NERC's ability to address key reliability issues in a timely fashion. In the area of sustainability, Mr. Robb remarked on NERC's focus on organization and development plan efforts, and how these efforts will ensure that NERC can continue to play an important role in grid reliability now and in the future.

Mr. Robb then introduced Mr. Jason Blake, CEO of SERC, and co-chair of the ERO Executive Group. Mr. Blake remarked on Regional Entity efforts to address the continuing challenges from extreme weather and the growing penetration of inverter-based issues. He also discussed continuing progress in leveraging ERO Enterprise knowledge and expertise to optimize its reliability efforts.

### **Report on the February 14 and February 16, 2023 Closed Meetings**

Mr. DeFontes reported that on February 14, 2023 and February 16, 2023 (as is its custom), the Board met in closed session with NERC management to review NERC management activities. On February 14, the Board discussed the 2024 business plan and budget process, received updates on the cold weather Reliability Standards and CRISP program, and discussed oversight matters. On February 16, the Board discussed the Reliability Standards items presented at this meeting, the Board's resolutions for this meeting, feedback on policy input and the MRC meeting, and additional discussion from the Committee meetings. The Board adjourned into executive sessions with the General Counsel and the CEO, and with the General Counsel separately, to discuss confidential matters. The Board also adjourned into executive session to welcome Ms. Schmidt to the Board.

### **Election and Appointment of Board Chair and Vice Chair, Board of Trustees Committee Assignments, and NERC Officers**

Mr. DeFontes presented the recommendations for Board officers and committee assignments. Mr. Robb presented the proposed slate of NERC officers. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

**RESOLVED**, that the Board hereby elects the following officers of the Corporation for 2023:

- Kenneth W. DeFontes, Jr., Chair
- George S. Hawkins, Vice Chair
- James B. Robb, President and Chief Executive Officer

**FURTHER RESOLVED**, that the Board, upon recommendation of the President, hereby appoints the following individuals as officers of the Corporation for 2023:

- Sonia Mendonca, Senior Vice President, General Counsel, and Corporate Secretary
- Manny Cancel, Senior Vice President and Chief Executive Officer of the E-ISAC
- Kelly Hanson, Senior Vice President and Chief Administrative Officer
- Mark G. Lauby, Senior Vice President and Chief Engineer
- Janet Sena, Senior Vice President, External Affairs

- Howard Gugel, Vice President, Engineering and Standards
- Stanley Hoptroff, Vice President, Business Technology
- Kimberly Mielcarek, Vice President, Communications
- Bryan Preston, Vice President, People and Culture
- Andy Sharp, Vice President and Chief Financial Officer
- Mechelle Thomas, Vice President, Compliance

**FURTHER RESOLVED**, that the Board, upon recommendation of the Chair in consultation with the CGHRC, hereby approves the following 2023 Board Committee Assignments, as presented to the Board at this meeting.

**Chair:** Kenneth W. DeFontes, Jr.

**Vice Chair:** George S. Hawkins

**Immediate Past Chair:** N/A

**Corporate Governance and Human Resources**

**Chair:** Suzanne Keenan

Robert G. Clarke  
George S. Hawkins  
Larry Irving  
Jane Allen  
Susan Kelly

**Compliance Committee**

**Chair:** Robin E. Manning

Larry Irving  
George S. Hawkins  
Susan Kelly  
Suzanne Keenan

**Finance and Audit**

**Chair:** Colleen Sidford

Robert G. Clarke  
George S. Hawkins  
Susan Kelly  
Kristine Schmidt  
Jim Piro

**Enterprise-wide Risk**

**Chair:** Jim Piro

Robert G. Clarke  
Rob Manning  
Colleen Sidford  
Kristine Schmidt  
Jane Allen

**Technology and Security**

**Chair:** Jane Allen

Larry Irving  
Suzanne Keenan  
Robin E. Manning  
Jim Piro  
Colleen Sidford

**Nominating Committee**

**Chair:** Robert G. Clarke

Jane Allen  
Suzanne Keenan  
Colleen Sidford  
Jim Piro  
Kristine Schmidt

**MRC Members**

Jennifer Flandermeyer, MRC Chair  
John Haarlow, MRC Vice Chair  
Additional MRC Members to be determined

**Related Assignments**

- **ESCC Observer:** Kenneth W. DeFontes, Jr.
- **MEC Liaison:** Jane Allen
- **Standards Committee Observer:** Susan Kelly
- **Reliability and Security Technical Committee Observer:** Rob Manning
- **International Liaison:** Colleen Sidford
- **Ex Officio all committees:** Kenneth W. DeFontes

## Board Committee Reports

### Corporate Governance and Human Resources

Ms. Keenan, Committee Chair, reported on recent Committee meetings. At the February 14, 2023 closed meeting, the Committee reviewed NERC's employee total rewards package, including NERC's significant benefit and retirement plans, and discussed revisions to the Board Committee and Board of Trustees annual evaluation questionnaires. The Committee also met in executive session with the CEO and the Vice President, People and Culture to discuss HR matters, and without staff to discuss other confidential matters. At the February 15, 2023 open meeting, the Committee reviewed its mandate, approved the revised Board Committee and Board annual evaluation questionnaires, reviewed the NERC Governance Guidelines, received the annual conflict of interest report, and received an update on NERC's people and culture initiatives.

### Compliance

Mr. Manning, Committee Chair, reported on recent Committee meetings. At the February 14, 2023 closed meeting, the Committee received a presentation from a registered entity on their compliance posture and received updates on NERC's inverter-based resources strategy and CMEP/Organization Registration and Certification Program (ORCP) oversight. The Committee also adjourned into executive session to discuss confidential matters. At the February 15, 2023 open meeting, the Committee received an update on the 2023 CMEP and ORCP Annual Report and reviewed its mandate.

### Finance and Audit

Mr. Piro, Committee Chair, reported on recent meetings of the Committee. At the February 14, 2023 closed meeting, the Committee received updates on the 2022 year-end audit plan and activities and 2023 audit plan and received an update on investment fund performance. The Committee also reviewed and recommended for Board adoption certain portions of the NERC Travel and Expense Reimbursement Policy and Matrix, with such adoption to take place by written consent. The Committee then adjourned into executive session.

Mr. Piro reported that, at its February 15, 2023 open meeting, the Committee reviewed the current Investment Policy and reviewed its mandate, with certain revisions to be considered through written consent. The Committee also reviewed and recommended for Board acceptance the 2022 year-end unaudited summary of results. Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board, upon recommendation of the FAC, hereby accepts the 2022 NERC, Combined ERO Enterprise, and Regional Entity Unaudited Statement of Activities, as presented to the Board at this meeting.

### Enterprise-wide Risk

Ms. Sidford, Committee Chair, reported on the Committee's closed meeting on February 14, 2023. At its meeting, the Committee received updates from Mr. Scott Tomaszefsky, Chair of the Compliance and Certification Committee (CCC), on CCC activities, and from Mr. Jason Blake, President and CEO of SERC, regarding Regional Entity activities. The Committee also reviewed Internal Audit activity, received an update on the 2023 enterprise risk management



framework, and reviewed the Committee mandate. The Committee concluded in executive session with Mr. Sharp to discuss insurance matters.

### **Technology and Security**

Ms. Allen, Committee Chair, reported on the February 15, 2023 open meeting of the Committee. At this meeting, the Committee received updates on E-ISAC operations and ERO Enterprise Business Technology, including Align and the Secure Evidence Locker, and reviewed its mandate.

### **Nominating**

Mr. Clarke, Committee Chair, reported that the Committee's 2022 work completed at the MRC meeting the day prior with the election of Suzanne Keenan, Jim Piro, and Kristine Schmidt to the Board. He noted that 2023 work is underway.

### **Report by Susan Kelly on Standards and RSTC Quarterly Activities**

Ms. Kelly, Liaison to the Standards Committee, reported on standards activities and actions taken at recent meetings, including the Standards Committee providing authorization to post the proposed standards process changes for comment and ballot, examine project prioritization, and receive updates provided by drafting team leadership regarding project status. She also reported on efforts to improve alignment between activities at the RSTC and the Standards Committee.

## **Semi-Annual Reports to the Board**

### **Personnel Certification Governance Committee**

Mr. Cory Danson, Committee Chair, provided an update on the activities of the Committee. Mr. Danson then presented the proposed 2023 Committee work plan for the Board's approval. Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves the Personnel Certification Governance Committee 2023 Work Plan, substantially in the form presented to the Board at this meeting.

### **Standards Committee**

Ms. Amy Casuscelli, Committee Chair, provided an update on the activities of the Committee, referencing the materials provided in the advance agenda package. She highlighted Committee action to address the last of the Standards Efficiency Review recommendations, reconsider how the standards grading process is conducted, and implement the recommendations from the Standards Process Stakeholder Engagement Group. Ms. Casuscelli then presented the proposed 2023-2025 Committee strategic work plan for the Board's approval. Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves the Standards Committee 2023-2025 Strategic Work Plan, substantially in the form presented to the Board at this meeting.

### **Compliance and Certification Committee**

Mr. Scott Tomashefsky, Committee Chair, provided an update on the activities of the Committee, referencing the materials provided in the advance agenda package. He highlighted the role of collaboration in the proposed 2023 work plan, discussed efforts to support the implementation of the Standards Process Stakeholder Engagement Group recommendations, and reported that work on the 2022 stakeholder perceptions report is underway. Mr.

Tomashefsky then presented the proposed 2023 Committee work plan for the Board’s approval. Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves the CCC 2023 Work Plan, substantially in the form presented to the Board at this meeting.

#### **Reliability and Security Technical Committee**

Mr. Greg Ford, Committee Chair, highlighted the Committee’s work to address stakeholder feedback, including improving stakeholder perceptions of the Committee’s transparency, determining the appropriate balance of in-person and remote participation going forward, and refining its organizational strategy so it can best manage the high volume of work requiring its attention. Mr. Ford then presented the proposed 2023-2025 Committee strategic work plan for the Board’s approval. Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves the RSTC 2023-2025 Strategic Plan, substantially in the form presented to the Board at this meeting.

#### **North American Energy Standards Board**

Mr. Michael Desselle, Chair of the NAESB Board of Directors, provided an update on NAESB activities in areas of mutual interest, particularly natural gas-electric coordination.

#### **North American Transmission Forum**

Mr. Tom Galloway, Forum Chair, provided an update on NATF activities. He highlighted NATF work on inverter-based resources and efforts to advance resiliency, including creating a resiliency-risk construct. He noted an upcoming NERC-NATF-EPRI summit on climate impacts. He also remarked on NATF efforts to address supply chain risk mitigation and advance initiatives regarding facility ratings.

#### **North American Generation Forum**

Mr. DeFontes referred to the materials included in the advance agenda package.

### **Standards Quarterly Report and Actions**

#### **Project 2021-04 Modifications to PRC-002 (Glencoe SAR)**

Mr. Gugel presented proposed Reliability Standard PRC-002-4, highlighting the clarifying nature of the changes and that a second phase of work to address inverter-based resource issues remains ongoing. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard PRC-002-4, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the associated implementation plan for the above-listed standard, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the proposed retirement of Reliability Standard PRC-002-3, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that NERC management is hereby authorized to make the appropriate filings with ERO governmental authorities and take such further actions and make such further filings as are necessary and appropriate to effectuate the intent of the foregoing resolutions.

#### **Project 2021-04 Modifications to PRC-023**

Mr. Gugel presented proposed Reliability Standard PRC-023-6, highlighting that the proposed changes are intended to eliminate confusion surrounding the applicability of the standard to out-of-step, or power swing blocking, elements. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard PRC-023-6, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the associated implementation plan for the above-listed standard, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the proposed retirement of Reliability Standard PRC-023-5, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that NERC management is hereby authorized to make the appropriate filings with ERO governmental authorities and take such further actions and make such further filings as are necessary and appropriate to effectuate the intent of the foregoing resolutions.

#### **Cold Weather Standards Status**

Mr. Gugel provided an update on the status of standards development to address the second phase recommendations for Reliability Standards improvements from the FERC and ERO Enterprise Joint Inquiry Report into the causes of the February 2021 cold weather event. He reported that FERC issued an order at its February 16, 2022 open meeting approving the standards with directives for further modifications.

#### **Standard Process Improvement Opportunities**

Mr. Gugel provided an update on activities to implement the recommendations of the Standards Process Stakeholder Engagement Group, as directed by the Board at its November 2022 meeting. He reported that the proposed revisions to the NERC Rules of Procedure and Standard Processes Manual are posted for comment through March 6, 2023, and the standing committees are discussing how to best implement the recommendations directed at their activities.

#### **Other Matters and Reports**

##### **Input Letter and Member Representatives Committee Meeting**

Mr. DeFontes referred to the discussion of Board-requested input items at the February 15, 2023 Member Representatives Committee meeting. He invited Ms. Jennifer Flandermeyer, Committee chair, to provide remarks. Ms. Flandermeyer indicated the Committee's support for ensuring the success of NERC and the standing committees in achieving NERC's reliability mission and remarked on the improvements already underway.

### **Year-End Review of the Achievements of the 2022 ERO Enterprise Work Plan Priorities**

Ms. Hanson provided an update on key accomplishments under the 2022 ERO Enterprise Work Plan Priorities, as well as a summary of year-end status. She highlighted advances in addressing critical reliability and security risks, being a trusted, independent source for reliability information, expanding outreach and partnerships, strengthening the E-ISAC, executing a strong ERO Enterprise CMEP, collaborating on critical efforts across the ERO Enterprise, and investments in NERC's people, culture, and processes. The Board engaged in discussion of the material presented.

### **Joint RISC/RSTC Presentation: Evaluation and Prioritization of Emerging Risks**

Ms. Adrienne Collins, RISC Vice Chair, provided a summary of the 2023 Reliability Leadership Summit, highlighting the need for increased collaboration across industry, vendors, and regulators to address the challenges facing the grid. She reviewed the timeline for the development of the 2023 Risk Report and encouraged attendees to provide feedback when the draft is posted for comment.

Mr. Ford discussed the current organization and technical focus of the RSTC, including subcommittees set up to help the RSTC achieve its objectives. He then provided an overview of the new strategic plan for 2023-2024, discussing how all future projects will be linked to a RISC priority, and noting that the RSTC will be working on efforts to improve the form Standard Authorization Requests that are submitted to the Standards Committee. Mr. Ford also provided an overview of how RSTC will implement NERC's framework to identify, prioritize, and addressing known and emerging reliability and security risks, focusing on the first three steps of the framework: (1) risk identification and validation; (2) risk prioritization; and (3) determination of risk remediation/mitigation. He concluded by noting the Committee's focus on strengthening the process. Mr. DeFontes remarked on the thoughtfulness of this work and encouraged attendees to review this information with others in their companies.

### **Request to Use Expedited Procedures for Requesting Time-Sensitive Data or Information under Section 1606 of the NERC Rules of Procedure – Internal Network Security Monitoring Study Directive**

Ms. Perotti presented NERC staff's request to use the expedited comment and review procedures available in Section 1606 of the NERC Rules of Procedure for a planned request for data or information to address a FERC directive issued in Order No. 887. She provided background information regarding the order and explained that NERC must use expedited comment and review procedures in order to collect the necessary information and submit a report to FERC by the January 2024 deadline. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

**WHEREAS**, on January 19, 2023, the U.S. Federal Energy Regulatory Commission ("FERC") issued Order No. 887 directing NERC to develop Reliability Standards requirements to require internal network security monitoring for all high impact Bulk Electric System (BES) Cyber Systems and medium impact BES Cyber Systems with External Routable Connectivity;

**WHEREAS**, FERC also directed NERC in Order No. 887 to conduct a study of the risks stemming from a lack of internal network security monitoring and the feasibility of requiring it for other BES Cyber Systems not subject to the directed standards that includes certain categories of entity data, and to submit this study by January 18, 2024;

**WHEREAS**, NERC intends to use its authority under Section 1600 of the NERC Rules of Procedure to collect the data needed to perform the directed study;

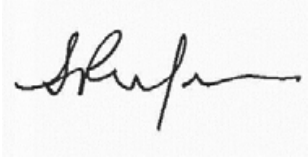
**WHEREAS**, in order to comply with this directive and submit the directed study by January 18, 2024, NERC must obtain the necessary data within a time period that does not permit adherence to the usual time periods for review and comment provided in Section 1602 of the Rules of Procedure for draft requests for data or information;

**NOW, THEREFORE, BE IT RESOLVED**, that NERC management is hereby authorized to use the expedited procedures for requesting time-sensitive data or information as provided in Section 1606 of the Rules of Procedure.

**Other Matters and Adjournment**

There being no further business, and upon motion duly made and seconded, the meeting was adjourned.

Submitted by,



Sônia Mendonça  
Corporate Secretary