

## Minutes Board of Trustees

February 12, 2015 | 8:30 a.m. – 12:00 p.m. Pacific

The Westin San Diego  
400 W Broadway  
San Diego, CA 92101

### Call to Order and Chair's Remarks

Mr. Frederick W. Gorbet, Chair, called to order the duly noticed open meeting of the Board of Trustees ("Board") of the North American Electric Reliability Corporation ("NERC" or the "Corporation") in San Diego, California, on February 12, 2015, at 8:30 a.m. Pacific, and a quorum was declared present. The agenda is attached as **Exhibit A**.

Present at the meeting were:

#### Board Members:

Frederick W. Gorbet, Chair  
Paul F. Barber  
Janice B. Case  
Gerald W. Cauley, President and Chief Executive Officer  
Robert G. Clarke  
David Goulding  
George Hawkins  
Douglas Jaeger  
Kenneth G. Peterson  
Jan Schori  
Roy Thilly

#### NERC Staff

Valerie Agnew, Director of Standards  
Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary  
Thomas Burgess, Vice President and Director of Reliability Assessment and Performance Analysis  
Holly A. Hawkins, Associate General Counsel  
Stan Hoptroff, Vice President and Chief Technology Officer  
Mark G. Lauby, Senior Vice President and Chief Reliability Officer  
Sonia Mendonca, Associate General Counsel  
Steven Noess, Director of Compliance Assurance  
Janet Sena, Senior Vice President and Director of Policy and External Affairs  
Brady Walker, Associate Counsel  
Michael Walker, Senior Vice President, Chief Financial and Administrative Officer, and Corporate Treasurer  
Andrew Wills, Associate Counsel

### **NERC Antitrust Compliance Guidelines**

Mr. Berardesco noted the public nature of the meeting and directed the participants' attention to the NERC Antitrust Compliance Guidelines, which had been included with the advance meeting materials. He offered to answer any questions at any time regarding antitrust compliance or other matters.

### **Executive Session**

Mr. Gorbet reported that before the open meeting, as is its custom, the Board met in closed session with NERC management, and subsequently in executive session without NERC management, to review NERC management activities.

### **Consent Agenda**

Upon motion duly made and seconded, the Board approved the consent agenda as follows:

### **Minutes**

The draft minutes for the November 13, 2014 Board meeting, the November 20, 2014 conference call, and the December 17, 2014 conference call were approved substantially in the form presented to the Board at the meeting.

### **Committee Membership Appointments and Charter Revisions**

#### ***Compliance and Certification Committee Membership***

**RESOLVED**, that the Board hereby reappoints the following individuals to the Compliance and Certification Committee ("CCC"), each for a term of three years:

- Keith Comreaux of NRG Energy, Inc., representing Electricity Marketers
- Helen Nalley of Southern Company, representing Investor Owned Utilities
- Matt Goldberg of ISO New England, Inc., representing ISOs/RTOs
- Patti Metro of NRECA, representing Transmission-Dependent Utilities

**FURTHER RESOLVED**, that the Board hereby appoints the following individuals to the CCC, each for a term of three years:

- Patricia Robertson of British Columbia Hydro, representing Federal/Provincial Utilities
- Leland McMillan of PPL Montana, LLC, representing Merchant Electricity Generators

#### ***Critical Infrastructure Protection Committee Membership***

**RESOLVED**, that the Board hereby approves the appointment of the following individuals to the Critical Infrastructure Protection Committee ("CIPC"), each for a term of two years:

- Cynthia Hill-Watson of Tennessee Valley Authority, representing the Southeastern

Reliability Corporation

- Bruce Martin of Duke Energy, representing the Southeastern Reliability Corporation

#### ***Personnel Certification Governance Committee Membership***

**RESOLVED**, that the Board hereby approves the appointment of the following individual to the Personnel Certification Governance Committee (“PCGC”), for a term ending December 31, 2015:

- Mr. Keith Carman of Tri-State G&T

**FURTHER RESOLVED**, that the Board hereby approves the appointment of the following individuals to the PCGC, each for a term ending December 31, 2016:

- Mr. Don Urban of Reliability First
- Mr. Mark Thomas of Entergy
- Mr. William Ellard of Power System Operations
- Mr. John Kerr of South West Power Pool, Inc.
- Mr. Don Oatman, Jr. of Electric Reliability Council of Texas, Inc.

#### ***Reliability Issues Steering Committee Membership***

**RESOLVED**, that the Board hereby approves the appointment of the following individuals to the Reliability Issues Steering Committee (“RISC”), each for a term ending in May 2016:

- Mr. Peter Brandien of ISO New England
- Mr. Michael Desselle of Southwest Power Pool, Inc.

#### ***Standards Committee Membership***

**RESOLVED**, that the Board hereby approves the appointment of the following individual as vice chair of the Standards Committee (“SC”), for a term expiring December 31, 2015:

- Mr. Fred Plett of the Massachusetts Attorney General’s Office

#### ***Standards Committee Charter***

**RESOLVED**, that the Board hereby approves the amended SC charter, substantially in the form presented to the Board at this meeting, to replace the SC charter approved by the Board on February 6, 2014.

## Election and Appointment of NERC Officers

**RESOLVED**, that the Board, upon recommendation of the Corporate Governance and Human Resources Committee, hereby appoints the following officers for 2015:

Frederick W. Gorbet, Chair  
Douglas Jaeger, Vice Chair  
Gerald W. Cauley, President and Chief Executive Officer

**RESOLVED**, that the Board, upon recommendation of the President and the Corporate Governance and Human Resources Committees, hereby appoints the following individuals as officers of the Corporation:

Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary  
Mark G. Lauby, Senior Vice President and Chief Reliability Officer  
Janet Sena, Senior Vice President  
Michael Walker, Senior Vice President, Chief Financial and Administrative Officer, and  
Corporate Treasurer  
Thomas Burgess, Vice President  
Stanley Hoptroff, Vice President and Chief Technology Officer  
Sonia Mendonca, Vice President

## Welcoming Remarks

Mr. Gorbet thanked the MRC members and stakeholders for their participation in productive discussions in each of the Board Committee meetings held on February 11, 2015. He noted the value of the interactions between the MRC and the Board and the responses to the Policy Input letter as important tools in advancing the work of the ERO Enterprise.

## Remarks by Ken Quesnelle

Mr. Gorbet welcomed Mr. Quesnelle. Mr. Quesnelle thanked the Board and NERC Staff for ongoing efforts to ensure that outreach activities with Canadian entities are aligned with international responsibilities and functions. He recognized the importance that NERC places on fostering Canadian relations by highlighting the many initiatives to engage with Canadian stakeholders along with the recent appointment of Laura Hussey to the position of Director of Canadian Affairs.

Mr. Quesnelle discussed the notion of “regulator trust” and the metrics used to quantify this concept in both the United States in Canada. Because the Canadian regulatory framework is a different paradigm from that in the United States, Mr. Quesnelle stated that he intends to work with NERC to develop goals for Canadian regulators and the metrics that should be used to measure success of those goals. Mr. Quesnelle also stated his support for NERC’s ongoing effort to use plain language value propositions in future petitions for standards to increase accessibility of the information to the public. Finally, Mr. Quesnelle discussed the development of public policy around the issues of cyber threats

and cybersecurity and the need to create and maintain institutionalized lines of communication among all stakeholders.

### **Remarks by Steve Berberich**

Mr. Cauley introduced Mr. Berberich, Chief Executive Officer of the California Independent System Operator (“CAISO”).

Mr. Berberich welcomed attendees to San Diego. He suggested that California’s energy framework may provide insight into the future of the energy industry as a whole, pointing to greater customer control, rising costs, regulatory uncertainty, growing climate change paradigms, and the state’s growing use of distributed generation sources. Specifically related to renewable generation sources, Mr. Berberich noted the significant growth in utility grade renewable energy infrastructure in California prompted by a series of legislative and executive renewable portfolio requirements. As an example of this growth, he highlighted the fact that 13,500 of the 60,000-megawatt capacity currently produced within the CAISO system is produced by renewable sources, including both wind and solar generation sources.

Mr. Berberich pointed to several issues that must be considered as renewable resources begin to come online, such as production variability and overgeneration, and the significant changes that will be necessary as a result of the changing portfolio of generation. As an example, he recognized that new resources must be improved to produce many of the same services provided by traditional generation, and that much of the existing infrastructure may need to be retooled to account for these changes. He focused on the need for collaboration among all industry participants in the planning process to integrate new resource types into the previously existing electricity framework.

### **President’s Report**

Mr. Cauley offered his condolences at the recent passing of John Marschewski, former CEO of Southwest Power Pool, who passed away on February 5, 2015.

Mr. Cauley noted NERC’s ongoing efforts in identifying risks through event analysis and in streamlining the standards development and compliance and enforcement processes. He outlined initiatives and projects that have been the focus of recent NERC efforts, and he highlighted three areas of recent focus: the evolving technical nature of the grid due to recent advancements in technology and the changing role of NERC, the gradual development of the resiliency of the grid, and the growing expectations for physical and cyber security and related development and importance of information sharing programs such as the Information Sharing and Analysis Centers.

Mr. Cauley then reviewed issues that were discussed at the February Board committee meetings. With respect to Version 5 of the Critical Infrastructure Protection Reliability Standards, he committed to ensuring that NERC provides timely guidance and related lessons learned. Mr. Cauley also addressed the issue of Reliability Standard Audit Worksheets (“RSAW”) by stating that NERC would reevaluate the current requirement that these documents be completed by the time proposed standards are balloted.

## Report on Strategic Planning Session

Mr. Gorbet summarized the annual strategic planning session with NERC senior management, held in January 2015, noting productive discussions regarding expanding the scope of the strategic plan to assess the risks and needs that will guide NERC operations over the next several years. He stated that the Board was supportive of the initiatives, assessments, and other work completed by NERC in 2014 and of NERC management's plans for the future. Mr. Gorbet reiterated Mr. Cauley's three areas of focus for NERC over the coming year, and he added that the NERC Board also faces the effort required to maintain the independence and accountability for reliability of NERC as an organization. He noted that the Board recognized that the challenge for NERC will be to develop the best level of analytical capability possible while maintaining timeliness, relevance, and independence.

Mr. Gorbet summarized several additional issues discussed at the planning session, including areas ripe for improvement and development. He highlighted the need to better articulate the value proposition of the international ERO as a basis for strengthening relationships with stakeholders, to improve quality and robustness of assessments to better predict activities on the system, and to ensure that NERC is working closely with the government to maintain effective approaches to grid security.

## Board of Trustees Self-Assessment Results

Mr. Gorbet provided an overview of the Board self-assessment results and the MRC Board effectiveness survey results. He stated the Board takes seriously comments on its performance and indicated the Trustees will work with the MRC to address areas identified for improvement.

Mr. Gorbet noted that there would be an opportunity to provide input for next year's self-assessment questions in August, and advised that the questions would be reviewed in the November meeting for next year's assessment. He invited participants to provide further input to Mr. Berardesco as to how the self-assessment questions might be more effectively written to solicit the desired information.

## Standards

Ms. Agnew presented three projects for approval, including nine Reliability Standards and various definitions. After discussion, and upon motions duly made and seconded, the Board approved the following resolutions:

### Cyber Security Standards—CIP-003-6, CIP-004-6, CIP-007-6, CIP-010-2, CIP-011-2

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standards CIP-003-6, CIP-004-6, CIP-007-6, CIP-010-2, CIP-011-2, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the associated implementation plan, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the NERC Glossary definitions, 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 withdraws (i) its adoption of the proposed Reliability Standards CIP-003-6, CIP-004-6, CIP-007-6, CIP-010-2, and CIP-011-2, (ii) its approval of the associated implementation plans for the versions of the aforementioned proposed Reliability Standards, and (iii) its approval of the Violation Risk Factors and Violation Severity Levels for the versions of the aforementioned proposed Reliability Standards, as presented to the Board at its November 13, 2014 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.

#### **Standards Applicability for Dispersed Generation Resources—PRC-001-1.1(i), PRC-019-2, PRC-024-1(i)**

**RESOLVED**, that the Board hereby adopts proposed Reliability Standards PRC-001-1.1(i), PRC-019-2, and PRC-024-1(i), as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the associated implementation plans, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the proposed retirement of Reliability Standards PRC-001-1.1, PRC-019-1, and PRC-024-1, 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.

#### **Revisions to Proposed Transmission Operations and Interconnection Reliability Operations Standard TOP-001-3—Transmission Operations**

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard TOP-001-3, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the associated implementation plan, as presented to the Board at this meeting.

**FURTHER RESOLVED**, the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard TOP-001-3, as presented to the Board at this Meeting.

**FURTHER RESOLVED**, the Board hereby rescinds (i) its adoption, (ii) its approval of the associated implementation plans, and (iii) its approval of the Violation Risk Factors and Violation Severity Levels of the following Reliability Standards:

- TOP-001-2 Transmission Operations
- TOP-002-3 Operations Planning
- TOP-003-2 Operational Reliability Data
- IRO-001-3 Reliability Coordination – Responsibilities and Authorities
- IRO-002-3 Reliability Coordination – Analysis Tools
- IRO-005-4 Reliability Coordination – Current Day Operations
- IRO-014-2 Coordination Among Reliability Coordinators
- PRC-001-2 System Protection Coordination
- Definition of “Reliability Directive”

**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.

### **Texas Reliability Entity Bylaws**

Mr. Berardesco summarized the proposed revisions to the Texas Reliability Entity (“Texas RE”) Bylaws. He stated that NERC staff reviewed the proposed revisions to the Bylaws to ensure that they met the criteria set forth in the Regional Delegation Agreement between NERC and Texas RE and any other applicable regulations. He recommended the proposed revisions for approval.

Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves the amended and restated Texas Reliability Entity, Inc. Bylaws, as presented to the Board at this meeting.

### **Essential Reliability Services Task Force Framework Report (1:26)**

Mr. Burgess summarized the Essential Reliability Services Task Force Framework Report (“ERSTF Report”). Mr. Burgess thanked the Task Force for all of the work that has been done on the Essential Reliability Services Framework. He discussed three major aspects of the ERSTF Report: (i) the measures used to create the ERSTF Report; (ii) the analytical aspects used to gather insight on reliability and; (iii) the recommendations that entities and others begin to use the concepts from the ERSTF Report to provide feedback to NERC related to its effectiveness.

Mr. Burgess presented the recommendations contained in the ERSTF Report with respect to policy makers. He stated that the industry must begin to consider how to integrate the concepts from the ERSTF Report in policy decisions regarding markets, tariffs, and interconnection aspects of the Bulk Power System. He also noted NERC’s objective to enhance outreach, education, and communication with decision-makers about the progress of the Task Force and the concepts considered in the ERSTF Report.

After further discussion, and upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby accepts the Essential Reliability Services Taskforce Measures Framework Report (“Report”), as presented to the Board at this meeting.

**RESOLVED**, that the Board hereby endorses the recommendations outlined in the Report, as presented to the Board at this meeting.

### **Canadian Affairs**

On behalf of Mr. Sergio Marchi, incoming CEO of the Canadian Electricity Association (“CEA”), Mr. Patrick Brown, Director of United States Affairs at CEA, presented an update on current Canadian reliability-related initiatives.

### **Standing Committee Reports**

Representatives of the Standing Committees provided reports to the Board highlighting items from their written reports, which had been included with the advance meeting materials.

#### **Operating Committee**

Mr. Jim Case, vice chair, on behalf of committee chair James Castle, highlighted some of the Operating Committee’s (“OC”) activities since the last Board meeting. He noted the recent completion of the 2014 Year in Review, and he recognized the work of the OC in improving the Reliability Guidelines and the OC organization. He also noted that the OC hosted a strategic priority session hosted by Mr. Cauley and reviewed the results of that event. Mr. Case reviewed several of the OC’s recent efforts, including the transition NERCNet to industry control, the OC support of the Essential Reliability Services Task Force and other NERC projects, and the OC’s collaborative work on NERC Lessons Learned.

#### **Planning Committee**

Mr. David Weaver, chair, thanked Mr. Cauley for his attendance at the December Planning Committee (“PC”) meeting and for his input on upcoming PC efforts. He reviewed progress on some of the PC’s key initiatives and joint efforts, such as the PC’s annual series of assessments and its ongoing support on the Long Term Reliability Assessment, the EPA analysis, the ERSTF Report, and other NERC projects. He also noted the work of the PC to support implementation of the Physical Security Reliability Standard through the development of guidelines for Transmission Owners for performance of risk assessments.

#### **Critical Infrastructure Protection Committee**

Mr. Charles F. Abell, chair, presented the revised CIPC strategic work plan designed to better align with the NERC strategic plan and other committee strategic plans.

After discussion, and upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves the 2015-2018 Critical Infrastructure Protection Committee Strategic Plan, as presented to the Board at this meeting.

Mr. Abell also recognized the departure of Bob Canada as the Secretary of the CIPC and thanked him for his service in that role; he welcomed Laura Brown as the new Secretary. He also highlighted the CIPC participation in the ongoing efforts to improve security metrics through the Bulk Electric System Security Metrics Working Group.

#### **Member Representatives Committee**

Mr. Sylvain Clermont, chair, summarized the issues that had been discussed at the MRC meeting on the previous day.

#### **Personnel Certification Governance Committee**

Mr. Gorbet noted that there were no presenters for the PCGC, but directed the attention of the Board to the report, which was included with the advance meeting materials.

#### **Standards Committee**

Mr. Brian Murphy, chair, stated that he had no comments in addition to the written report included in the advance meeting materials.

#### **Reliability Issues Steering Committee**

Mr. Brian Murphy, on behalf of chair Robert Schafeld, stated that the RISC will continue its gap analysis using the profile developed last year. He noted that the RISC has determined that there is a need to reach out to industry leaders through an additional forum other than the annual Reliability Leadership Summit, and he mentioned that the next material report for the Board will be likely be released in the third quarter.

#### **Compliance and Certification Committee**

Ms. Patti Metro, chair, stated that the CCC completed all of its deliverables from its 2014 work plan. She highlighted some of the efforts currently being undertaken by the CCC, such as support for risk-based registration and risk-based compliance and enforcement programs.

#### **Electricity Sub-Sector Coordination Council**

Mr. Cauley, executive committee member of the Electricity Sub-Sector Coordination Council ("ESCC"), introduced Duane Highley, the CEO of Arkansas Electric Cooperative and one of the chairs of the ESCC, to provide an update on the work of the ESCC. Mr. Highley outlined the four objectives of the ESCC that include information sharing, tools and technology, response and recovery, and exercises and planning. He stated that the ESCC leadership is sensitive to risks that exist related to attacks on the grid and has requested development and implementation of new initiatives to account for these risks.

Specifically, he noted coordination with various industry information-sharing programs and state and local authorities in the event of an incident.

## **Forum and Group Reports**

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

Mr. Michael Desselle, chair, updated the Board on two matters of focus for the North American Energy Standards Board: (i) the finalization and adoption of new MOD Reliability Standards in the second quarter, including 35 business practice requirements, and (ii) the continuing work on the parallel flow vision related revisions to the Eastern Interconnection transmission loading relief business practices and the finalization of these revisions by the end of the month.

### **Regional Entity Management Group**

Mr. Lane Lanford, on behalf of chair Scott Henry, discussed the successful work of the Regional Entity Management Group (“REMG”) in 2014 and the upcoming initiatives of the REMG, such as training and the development of an orderly process for incubating innovative ideas. He also noted the active engagement of the regional executives and their ongoing commitment to all of the ERO initiatives.

### **North American Transmission Forum**

Mr. Thomas Galloway, President and CEO, directed the attention of the Board to the written report of the North American Transmission Forum (“NATF”), which had been included with the advance meeting materials. He highlighted the coordination of the NATF and NERC to avoid redundant efforts and to advance reliability along with other relevant projects with which NATF is involved. Specifically, he updated the Board on the NATF efforts to produce a Critical Infrastructure Protection implementation guideline, to create workgroups to develop practices related to protection system misoperations, and to host various resiliency summits throughout the year.

### **North American Generator Forum**

Mr. Allen Schriver, chair, updated the Board on the efforts of the North American Generator Forum (“NAGF”). He highlighted the work of the NAGF, in collaboration with NERC and the Resource Subcommittee, to improve generator frequency response.

## **Board Committee Reports**

### **Corporate Governance and Human Resources Committee**

Ms. Schori, chair, stated that the Corporate Governance and Human Resources Committee (“CGHRC”): (i) completed the officer compensation and benefit reviews and performance assessments, and (ii) discussed the survey results from the Board and MRC assessments. Ms. Schori presented the Board Committee assignments as reviewed by the CGHRC.

Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board, upon recommendation of the Corporate Governance and Human Resources Committee, hereby approves the 2015 Board Committee Assignments, as presented to the Board at this meeting.

Ms. Schori then reviewed the 2014 contribution to the NERC Savings and Investment Plan as presented to the CGHRC.

Upon motion duly made and seconded, the Board approved the following resolution

**RESOLVED**, that the Board, upon recommendation of the Corporate Governance and Human Resources Committee, hereby approves a contribution into NERC's Savings and Investment Plan for the year ending December 31, 2014 for the accounts of each eligible employee participant in the Plan, equal to 8% of such employee participant's 2014 base salary, as presented to the Board at this meeting.

#### **Compliance Committee**

Ms. Case, chair, reported that the Compliance Committee met in closed and executive session on February 10, 2015 and open session on February 11, 2015. She recognized the work of the Compliance Committee since its inception, through the work of Fred Barber and Bruce Scherr, and noted that the Committee will begin revisions to the Compliance Committee charter to improve effectiveness of committee operations and protocols for the future.

#### **Finance and Audit Committee**

Mr. Thilly, chair, reported that the Finance and Audit Committee ("FAC") met in open session on February 11, 2015, and he highlighted the recent activities of the FAC. He then recommended the Board accept the NERC Fourth Quarter Unaudited Statements of Activities.

Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board, upon recommendation of the Finance and Audit Committee, hereby accepts the NERC Fourth Quarter 2014 Unaudited Statement of Activities, as presented to the Board at this meeting.

He also recommended the Board approved amendments to the NERC Working Capital and Operating Reserve Policy, which was reviewed at the FAC open meeting.

Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board, upon recommendation of the Finance and Audit Committee, hereby approves the revised Working Capital and Operating Reserve Policy, as presented to the Board at the 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 resolution.

#### **Enterprise-wide Risk Committee**

Mr. Gorbet, on behalf of chair Dave Goulding, reported that the Enterprise-wide Risk Committee (“EWRC”) met on February 10, 2015 in closed session to discuss the ERO Enterprise Risk Management Framework and 2015 work plans and audit plans. He stated that the work plans, audit plans, and the ERO Enterprise Risk Management Framework were presented and approved by the EWRC during that meeting.

#### **Standards Oversight and Technology Committee**

Mr. Peterson, chair, stated that the Standards Oversight and Technology Committee (“SOTC”) met in open session on February 11, 2015. He noted the existence of several large enterprise-wide projects that are being undertaken by NERC and commended NERC management on the progress of these initiatives. He also briefly summarized the future of results-based standards and the progression towards a “steady state.”

#### **Closing Remarks**

Mr. Gorbet expressed his appreciation on behalf of the Board to all of those individuals who had made the Board meeting successful.

#### **Adjournment**

There being no further business, and upon motion duly made and seconded, the meeting was adjourned at 11:55 a.m. Pacific.

Submitted by,



Charles A. Berardesco  
Corporate Secretary