

## Minutes Board of Trustees

February 6, 2020 | 8:30 a.m.–12:00 p.m. Pacific

westdrift Manhattan Beach, Autograph Collection  
1400 Park View Avenue  
Manhattan Beach, California 90266

### Call to Order

Mr. Roy Thilly, 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”) in Manhattan Beach, California on February 6, 2020, 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

Roy Thilly, Chair  
Kenneth W. DeFontes, Chair-Elect and Vice Chair  
Robert G. Clarke  
George S. Hawkins  
Suzanne Keenan  
Robin E. Manning  
Jim Piro  
James B. Robb, President and Chief Executive Officer  
Jan Schori  
Colleen Sidford

### NERC Staff

Tina Buzzard, Associate Director  
Manny Cancel, Senior Vice President and Chief Executive Officer of the E-ISAC  
Howard Gugel, Vice President, Engineering and Standards  
Stan Hoptruff, Vice President, Business Technology  
Ed Kichline, Senior Counsel and Director of Enforcement Oversight  
Mark Lauby, Senior Vice President and Chief Engineer  
Bill Lawrence, Vice President, ERO Enterprise Security Initiatives  
Sônia Mendonça, Senior Vice President, General Counsel, and Corporate Secretary  
Janet Sena, Senior Vice President, External Affairs  
Andy Sharp, Vice President, and Interim Chief Financial Officer  
Mechelle Thomas, Vice President, Compliance

### NERC Antitrust Compliance Guidelines

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

### Welcoming Remarks

Mr. Thilly welcomed all of the attendees to the meeting, including new trustee, Jim Piro, and the guests in attendance, Mr. Pedro Pizzaro from Edison International, Chairman Neil Chatterjee from the Federal Energy Regulatory Commission (“FERC”), Mr. Chuck Kosak, from the Department of Energy, Mr. William Fehrman of the Member Executive Committee (“MEC”), and Mr. David Morton, Canada’s Energy and Utility Regulators (“CAMPUT”) Representative to NERC.

### Consent Agenda

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

### Minutes

The draft minutes for the December 12, 2019 conference call and November 5, 2019 meeting were approved as presented to the Board at this meeting.

### Committee Membership and Charter Amendments

#### *Reliability Issues Steering Committee*

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

| Name   | Company                          | Term Ending      |
|--|----------------------------------|------------------|
| <b>Brian Slocum</b> , Vice Chair   | ITC Holdings                     | January 31, 2022 |
| <b>Joe Sowell</b> , At-Large Member  | Georgia Transmission Corporation | January 31, 2022 |
| <b>Charles King</b> , At-Large Member  | Kansas City Power & Light Co.    | January 31, 2022 |
| <b>Priti Patel</b> , At-Large Member   | Great River Energy               | January 31, 2021 |
| <b>Woody Rickerson</b> , At-Large Member                                       | ERCOT                            | January 31, 2022 |
| <b>Chris Janick</b> , At-Large Member  | Salt River Project               | January 31, 2022 |
| <b>Charles Yeung</b> , At-Large Member   | Southwest Power Pool, Inc.       | January 31, 2022 |
| <b>Mark Ahlstrom</b> , At-Large Member   | NextEra Energy Resources, LLC    | January 31, 2022 |
| <b>Maury Galbraith</b> , At-Large Member                                       | WIRAB                            | January 31, 2022 |
| <b>Sylvain Clermont</b> , MRC Member   | Hydro-Quebec TransEnergie        | January 31, 2022 |
| <b>Jennifer Sterling</b> , MRC Member  | Exelon                           | January 31, 2022 |
| <b>David Zwergel</b> , Reliability and Security Technical Committee Vice Chair | Midcontinent ISO                 | January 31, 2021 |

|  |   |                  |
|--|---|------------------|
| <b>Amy Casuscelli</b> , Standards Committee Chair                | Xcel Energy                                     | January 31, 2021 |
| <b>Patti Metro</b> , Compliance & Certification Committee Member | National Rural Electric Cooperative Association | January 31, 2021 |

***Critical Infrastructure Protection Committee***

**RESOLVED**, that the Board hereby appoints the following individuals to the Critical Infrastructure Protection Committee (“CIPC”):

- Carter Manucy (Florida Municipal Power Agency), as the APPA at-large representative to CIPC, with Jack Cashin continuing as the APPA representative on the CIPC Executive Committee.
- John Breckenridge (Kansas City Power & Light Co.), as the MRO Physical Security representative.

***Personnel Certification Governance Committee***

**RESOLVED**, that the Board hereby appoints the following individuals to the Personnel Certification Governance Committee (“PCGC”), each for a two-year term ending December 31, 2021:

- Mark Ellis, American Electric Power
- Dave Carlson, Exelon Utilities
- Keith Carman, Tri-State G & T
- Brett Hallborg, BC Hydro
- Michael Hoke, PJM

**Regular Agenda**

***Remarks by Pedro Pizarro, President and CEO, Edison International***

Mr. Robb introduced Mr. Pizarro of Edison International. Mr. Pizarro remarked on collaboration with governmental agencies and NERC, emphasizing that partnerships among utilities and governmental entities are an important tool for success. He discussed the increased engagement between NERC and industry under Mr. Robb’s leadership, highlighting industry’s interest in cybersecurity matters.

Mr. Pizarro spoke on the importance of using a risk-based approach to compliance to focus on the greatest risks to reliability of the bulk power system. He discussed how to evaluate wildfire threats, and the evolution of wildfire mitigation plans.

***Remarks by Neil Chatterjee, Chairman, FERC***

Mr. Thilly introduced Chairman Chatterjee of FERC. Chairman Chatterjee remarked that reliability and security are top priorities for FERC, highlighting the importance of continued cooperation between FERC,

NERC, and the Regional Entities. He discussed assessing and mitigating risks associated with moving real-time operations to the cloud, and risks associated with supply chain management.

***Remarks by Chuck Kosak, Deputy Assistant Secretary, U.S. Department of Energy (“DOE”)***

Mr. Thilly introduced Mr. Kosak of DOE, noting Mr. Kosak’s experience at the Department of Defense, and as a planner and risk manager. Mr. Kosak remarked on the North American energy resiliency model of: 1) hiring expert scenario developers to evaluate naturally occurring and man-made threats; 2) officers’ use of intelligence data to evaluate plans of adversaries; and 3) executing qualitative analysis to focus on probabilistic threats, allowing for realistic training and exercises.

***NIAC Update and Recommendations to the President, William Fehrman, Vice Chair, MEC***

Mr. Fehrman provided an update on the National Infrastructure Advisory Council (NIAC), detailing how best to approach responding to a cybersecurity event. He discussed three fundamental recommendations: 1) creating a location where industry and the intelligence agencies can quickly share information and allow for timely decision-making; 2) enabling operators to post issues with vendors, allowing vendors to respond to the issues; and 3) having a single point of entry into the government.

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

Mr. Thilly introduced Mr. Morton. Mr. Morton recognized retiring Board members Ms. Janice Case, Mr. David Goulding, and Mr. Fred Gorbet; and welcomed Mr. Jim Piro to the Board. Mr. Morton reported that CAMPUT’s annual conference will take place in New Brunswick from May 3-5, 2020 and that Mr. Robb will attend and meet with CAMPUT leadership.

***President’s Report***

Mr. Robb remarked that 2019 was a transformational year for NERC. He discussed NERC’s Annual Report; security initiatives; and personnel updates, including the appointments of Ms. Mendonça as General Counsel; Mr. Lawrence as Vice President, ERO Enterprise Security Initiatives; and Mr. Cancel as Senior Vice President and Chief Executive Officer of the E-ISAC.

Mr. Robb provided an update on five areas of focus for 2020: 1) expanding risk-based focus in standards, compliance monitoring, and enforcement; 2) accessing and catalyze steps to mitigate known and emerging risks to reliability and security; 3) building a strong E-ISAC-based security capability; 4) strengthening engagement across the reliability and security ecosystem in North America; and 5) capturing effectiveness, efficiency, and continuous improvement opportunities.

Mr. Robb noted that Tim Gallagher stepped down as the ERO Executive Committee (“EC”) co-chair, and that Ms. Sara Patrick is the current EC Co-Chair. Ms. Patrick addressed the increased collaboration among stakeholders and the ongoing transformation for the ERO Enterprise.

Mr. Robb described NERC’s ongoing work with the North American Transmission Forum (NATF) regarding Facility Ratings issues and mitigating supply chain risks.

***Report on January 13-14 and February 4, 2020 Closed Sessions and January 14-15 ISO New England Joint Board Meeting***

Mr. Thilly reported that on January 13-14 and on February 4 2020, before the open meeting, as is its custom, the Board met in closed session with NERC management to review NERC management activities. In these sessions, the Board discussed confidential matters, including performance management, compensation, and successive planning. The Board also discussed legal issues.

Mr. Thilly reported that the NERC Board of Trustees met with ISO New England leadership on January 14-15, 2020.

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

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

**RESOLVED**, that the Board, upon recommendation of the Corporate Governance and Human Resources Committee (“CGHRC”), hereby elects the following officers of the Corporation for 2019:

- Roy Thilly, Chair
- Kenneth W. DeFontes, Chair-Elect/Vice Chair
- James B. Robb, President and Chief Executive Officer

**FURTHER RESOLVED**, that the Board, upon recommendation of the President and the CGHRC, hereby appoints the following individuals as officers of the Corporation for 2020:

- Sonia Mendonça, Senior Vice President, General Counsel, and Corporate Secretary
- Manny Cancel, Senior Vice President and Chief Executive Officer of the E-ISAC
- Mark G. Lauby, Senior Vice President and Chief Engineer
- Janet Sena, Senior Vice President and Director of Policy and External Affairs
- Howard Gugel, Vice President and Director of Engineering and Standards
- Stanley Hoptroff, Vice President, Chief Technology Officer, and Director of Information Technology
- Bill Lawrence, Vice President, ERO Enterprise Security Initiatives
- Andy Sharp, Vice President, Controller, and Interim Chief Financial Officer
- Mechelle Thomas, Vice President and Chief Compliance Officer

**FURTHER RESOLVED**, that the Board, upon recommendation of the CGHRC, hereby approves the 2019 Board Committee Assignments, as presented to the Board at this meeting.

**Corporate Governance and Human Resources**

George S. Hawkins, Chair  
Robert G. Clarke  
Kenneth W. DeFontes  
Colleen Sidford  
Roy Thilly, *ex officio*

**Compliance Committee**

Jan Schori, Chair  
George S. Hawkins  
Robin E. Manning  
Jim Piro  
Roy Thilly, *ex officio*

**Enterprise-wide Risk**

Colleen Sidford, Chair  
Robert G. Clarke  
Suzanne Keenan  
Robin E. Manning  
Jim Piro  
Roy Thilly, *ex officio*

**ESCC Observer**

Roy Thilly

**MEC Liaison**

Suzanne Keenan

**Standards Liaison**

Robin E. Manning

**International Liaison**

Colleen Sidford

**New Member Mentor**

Jan Schori

**Finance and Audit**

Robert G. Clarke, Chair  
Suzanne Keenan  
Robin E. Manning  
Jim Piro  
Roy Thilly, *ex officio*

**Technology and Security**

Suzanne Keenan, Chair  
Kenneth W. DeFontes  
Robin E. Manning  
Jan Schori  
Roy Thilly, *ex officio*

**Nominating**

Kenneth W. DeFontes, Chair  
Robert G. Clarke  
Suzanne Keenan  
Jim Piro  
Jan Schori  
Colleen Sidford  
Roy Thilly, *ex officio*

## **Board Self-Assessment and MRC Assessment of Board of Trustees Effectiveness Survey and Board Committee Self-Assessments**

Mr. Thilly reported on the results of the recent Board of Trustees Self-Assessment, Member Representatives Committee (“MRC”) Assessment of the Board of Trustees Effectiveness Survey, and the Board Committee Self-Assessments. No additional comments were provided from the Board.

## **Board Committee Reports**

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

Mr. DeFontes, Committee Chair, reported on the Committee’s open meeting on February 5, 2020. He then presented the 2020 Work Plan Priorities. Mr. Lauby addressed a revision to the Supply Chain language. After discussion, and upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board, upon recommendation of the CGHRC, hereby approves the 2020 Work Plan Priorities, as presented to the Board at this meeting.

### ***Compliance Committee***

Ms. Shori, Committee Chair, reported on the executive meetings of the Committee on December 12, 2019 and February 4, 2020; and open meeting of the Committee held on February 5, 2020. She discussed the Committee’s request to include Facility Ratings as a focus area in the 2019-2020 Compliance Committee Work Plan.

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

Mr. Clarke, Committee Chair, reported on the open meeting held on February 5, 2020.

Mr. Clarke presented the 2019 Year-End Unaudited Results of Operations for the Board’s acceptance. 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 2019 NERC, Combined ERO Enterprise, and Regional Entity Unaudited Results of Operations, as presented to the Board at this meeting.

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

Mr. Thilly, speaking on behalf of Mr. Goulding, Committee Chair, reported that the Committee met in closed session on February 4, 2020. At its meeting, the Committee reviewed: (i) the status of the 2019 audit plan; (ii) the status of the 2020 audit plan; (iii) the NERC Corporate Risk Register and Heat Map; and (iv) Compliance and Certification Committee (“CCC”) activities.

### ***Technology and Security Committee***

Ms. Keenan, Committee Chair, reported that the Committee met in open session on February 5, 2020 to discuss items including: (i) ERO Enterprise Information Technology Strategy and IT Projects; and (ii) ERO Enterprise Security.

### ***Nominating Committee***

Mr. Hawkins, Committee Chair, expressed his thanks to the Committee and welcomed Mr. Piro as the new Trustee.

### ***Report by Rob Manning on Standards Quarterly Activities***

Mr. Manning reported on the recent Standards Committee meetings, including supply chain, cold weather, and cloud storage activities.

## **Standards Quarterly Report and Actions**

### ***Project 2017-07 Standards Alignment with Registration***

Mr. Gugel presented the Project 2017-07 Standards Alignment with Registration, noting that the Reliability Standards were updated to reflect applicability adjustments resulting from the risk-based registration initiative. Upon motion duly made and seconded, the Board approved the following resolutions:

## **Proposed Reliability Standards**

### ***FAC-002-3 – Facility Interconnection Studies***

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard FAC-002-3, 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 proposed retirement of Reliability Standard FAC-002-2, as presented to the Board at this meeting.

### ***IRO-010-3 – Reliability Coordinator Data Specification and Collection***

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard IRO-010-3, 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 proposed retirement of Reliability Standard IRO-010-2, as presented to the Board at this meeting.

***MOD-031-3 – Demand and Energy Data***

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard MOD-031-3, 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 proposed retirement of Reliability Standard MOD-031-2, as presented to the Board at this meeting.

***MOD-033-2 – Steady-State and Dynamic System Model Validation***

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard MOD-033-2, 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 proposed retirement of Reliability Standard MOD-033-1, as presented to the Board at this meeting.

***NUC-001-4 – Nuclear Plant Interface Coordination***

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard NUC-001-4, 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 proposed retirement of Reliability Standard NUC-001-3, as presented to the Board at this meeting.

***PRC-006-4 – Automatic Underfrequency Load Shedding***

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard PRC-006-4, 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 proposed retirement of Reliability Standard PRC-006-3, as presented to the Board at this meeting.

#### ***TOP-003-4 – Operational Reliability Data***

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard TOP-003-4, 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 proposed retirement of Reliability Standard TOP-003-3, as presented to the Board at this meeting.

#### **Implementation Plan for Project 2017-07 Standards Alignment with Registration**

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

#### **Authorization**

**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.

#### ***PRC-024-3 – Frequency and Voltage Protection Settings for Generating***

Mr. Gugel presented the proposed Reliability Standard, noting that the revisions address technical issues for inverter-based resources. Upon motion duly made and seconded, the Board approved the following resolutions:

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard PRC-024-3, 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**, 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 proposed retirement of Reliability Standard PRC-024-2, 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.

***Reliability Standard TPL-007-4 – Transmission System Planned Performance for Geomagnetic Disturbance Events***

Mr. Gugel presented the proposed Reliability Standard. Upon motion duly made and seconded, the Board approved the following resolutions:

**RESOLVED**, that the Board hereby adopts the proposed Reliability Standard TPL-007-4, 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 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 proposed retirement of Reliability Standard TPL-007-3, 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.

***Regional Reliability Standard BAL-001-TRE-2 – Primary Frequency Response in the ERCOT Region***

Mr. Gugel presented the proposed Regional Reliability Standard. Upon motion duly made and seconded, the Board approved the following resolutions:

**RESOLVED**, that the Board hereby adopts the proposed Regional Reliability Standard BAL-001-TRE-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 Violation Risk Factors and Violation Severity Levels for the proposed Regional Reliability Standard, as presented to the Board at this meeting.

**FURTHER RESOLVED**, that the Board hereby approves the proposed retirement of Regional Reliability Standard BAL-001-TRE-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.

## Other Matters and Reports

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

Mr. Thilly noted the discussion of policy input items and technical updates discussed at the MRC meeting.

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

Mr. David Zwergel presented the recommendations for Sector representatives and At-Large representatives to the Reliability and Security Technical Committee (“RSTC”). After discussion, and upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby appoints the following Sector representatives and At-Large representatives to the Reliability and Security Technical Committee (“RSTC”) for the terms listed:

| <b>Sector Representatives</b>   | <b>Sector Elected Members</b>  |
|---|--|
| 1. Investor-owned utility   | Greg Stone (Duke Energy) – 2020-2023<br>Kayla Messamore (Evergy) – 2020-2022   |
| 2. State/municipal utility  | Saul Rojas (NYPA) – 2020-2023<br>Chris Shepherd (Gannett Fleming) – 2020-2022  |
| 3. Cooperative utility  | Marc Child (Great River Energy) – 2020-2023<br>Ben Engelby (Arizona G&T Cooperatives) – 2020-2022                                |
| 4. Federal or provincial utility/Federal Power Marketing Administration | Edison Elizeh (Bonneville Power) – 2020-2023<br>Robert Reinmuller (Hydro One) – 2020-2022  |
| 5. Transmission dependent utility                                       | John Stephens (City Utilities of Springfield) – 2020-2023<br>Carl Turner (Florida Municipal Power) – 2020-2022                   |
| 6. Merchant electricity generator                                       | Allen Schriver (NextEra Energy) – 2020-2023<br>Sheranee Nedd (Public Service Enterprise Group) – 2020-2022                       |
| 7. Electricity Marketer   | Kyle Vander Helm (Tenaska, Inc.) – 2020-2023<br>Jodirah Green (ACES Power) – 2020-2022   |
| 8. Large end-use electricity customer                                   | John Hughes (Electricity Consumers Resource Council) – 2020-2023<br>Venona Greaff (Occidental Chemical) – 2020-2022              |
| 9. Small end-use electricity customer                                   | Darryl Lawrence (PA Office of Consumer Advocate) – 2020-2023<br>David Mulcahy (Modern Energy) – 2020-2022                        |
| 10. Independent system operator/ regional transmission organization     | Wesley Yeomans (NY Independent System Operator) – 2020-2023<br>Christine Hasha (ERCOT) – 2020-2022                               |
| 12. State Government  | Christine Ericson (Illinois Commerce Commission) – 2020-2023<br>Cezar Panait (Minnesota Public Utilities Commission) – 2020-2022 |

| <b>At-Large Nominees</b> | <b>Company and Terms</b>                    |
|--------------------------|---|
| Patrick Doyle            | Hydro Quebec – 2020-2023                    |
| David Jacobson           | Manitoba Hydro – 2020-2023                  |
| Sandra Ellis             | Pacific Gas & Electric Company – 2020-2023  |
| Rich Hydzik              | Avista – 2020-2023                          |
| Todd Lucas               | Southern Company -2020-2023                 |
| Wayne Guttormson         | Sask Power – 2020-2022                      |
| Lloyd Linke              | WAPA, Upper Great Plains Region – 2020-2022 |
| Brian Evans-Mongeon      | Utility Service – 2020-2022                 |
| Jeff Harrison            | Associated Electric Cooperative – 2020-2022 |
| Peter Brandien           | ISO NE – 2020-2022                          |

***EMP Report Recommendations***

Mr. Gugel presented the Electromagnetic Pulse (“EMP”) report recommendations, referencing the materials provided in the advance agenda package. After discussion, and upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves the proposed EMP Task Force recommendations as proposed and prioritized by NERC staff.

***Supply Chain Recommendations***

Mr. Gugel presented the NERC staff recommendation to initiate a project to modify the Supply Chain Standards to include low impact BES Cyber Systems with remote electronic access connectivity. After discussion, and upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves NERC staff’s proposed recommendation to initiate a project to modify Reliability Standard CIP-003-8 to include policies for low impact BES Cyber Systems to: (1) detect known or suspected malicious communications for both inbound and outbound communications; (2) determine when active vendor remote access sessions are initiated; and (3) disable active vendor remote access when necessary.

**FURTHER RESOLVED**, that staff, working with stakeholders, will carefully evaluate the effectiveness and sufficiency of the supply chain standards and related actions and report to the Board every six months on this assignment, including identification of further actions, if any, needed to better address the risks identified on a cost-effective basis in light of the complexity and seriousness to the supply chain cyber threat environment as it evolves.

***CCCPP-002 Compliance Monitoring Program for Reliability Standards Applicable to NERC – Retirement; and CCCPP-010 Criteria for Annual Regional Entity Program Evaluation Revisions***

Ms. Jennifer Flandermeyer presented the retirement of CCCPP-002 and the revision of CCCPP-010 for the Board’s approval. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

**RESOLVED**, that the Board hereby approves the retirement of the Compliance and Certification Committee (“CCC”) procedure document CCCPP-002, Compliance Monitoring Program for Reliability Standards Applicable to NERC, as presented to the Board at this meeting.

**RESOLVED**, that the Board hereby approves the revised CCC procedure document CCCPP-010, Criteria for Annual Regional Entity Program Evaluation, as presented to the Board at this meeting.

### ***2019 and 2020 ERO Enterprise Dashboards***

Mr. Coleman provided the 2019 ERO Enterprise Dashboard update. He reported on the Reliability Indicators included in the ERO Enterprise Dashboard. Mr. Coleman highlighted the primer, which describes each reliability indicator and key input of data to derive the results, as well as potential mechanisms for improving those results.

### ***Reliability Coordinator Function in the Western Interconnection***

Mr. Branden Sudduth, WECC Vice President of Reliability Planning and Performance Analysis, provided an update on recent developments regarding the Reliability Coordinator function in the Western Interconnection. He provided an update on the status of the transition of Reliability Coordinator services, reporting that on December 3, 2019, SPP became the final new Reliability Coordinator (“RC”) of record and Peak Reliability ceased its RC services. Mr. Sudduth discussed WECC’s plans for assurance visits regarding enhanced coordination among the RCs.

### **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. David Zwergel, Committee Chair, referenced the written report and highlighted certain items, including the Operating Committee’s work to facilitate the transition to the proposed RSTC.

#### ***Planning Committee***

Mr. Brian Evans-Mongeon, Committee Chair, referenced the written report and highlighted the Committee’s ongoing work regarding Data Reporting Instructions and planning for the implementation of the RSTC.

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

Mr. Marc Child, Committee Chair, referenced the written report and highlighted the Committee’s activities regarding cloud computing.

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

Mr. Greg Ford, Committee Chair, referenced the written report provided at the February 5, 2020 MRC meeting.

#### ***Member Representatives Committee***

Ms. Jennifer Sterling, Committee Vice Chair, summarized the topics that had been discussed at the February 5, 2020 MRC meeting, highlighting the election of Trustees and cloud computing.

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

Mr. Cory Danson, Committee Chair, provided an update on the activities of the Committee, referencing the materials provided in the advance agenda package. He discussed the coordination with NERC staff on the modification to PER-003-2.

### ***Standards Committee***

Ms. Amy Casuscelli, Committee Chair, presented the Committee's 2020 Work Plan to the Board. Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves the Standards Committee 2020-2022 Strategic Work Plan, substantially in the form presented to the Board at this meeting.

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

Mr. Brian Slocum, Committee Vice Chair, provided an update on the activities of the Committee, referencing the materials provided in the advance agenda package. He highlighted the general qualifications required for nominees to the Committee.

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

Ms. Jennifer Flandermeyer, Committee Chair, referred to the written report included in the advance agenda package, highlighting the Alignment Working Group activities related to Align. She presented the Committee 2020 Work Plan. Upon motion duly made and seconded, the Board approved the following resolution:

**RESOLVED**, that the Board hereby approves the CCC 2020 Work Plan, substantially in the form presented to the Board at this meeting.

### ***Electricity Subsector Coordinating Council***

Mr. Robb reported on recent Electricity Subsector Coordinating Council activities.

## **Forum and Group Reports**

### ***North American Energy Standards Board (NAESB)***

Mr. Jonathan Booe referenced the written report, noting that NERC and NAESB continue to collaborate on items of mutual interest. He reported that NAESB is collaborating with the NATF, including vendor certification in the supply chain.

### ***North American Transmission Forum (NATF)***

Mr. Thomas Galloway, NATF President and CEO, referenced the written report and highlighted certain items, including the Forum's collaboration on Facility Ratings and supply chain cyber security assessment. He highlighted the evolution of the NATF Peer Review program, and achieving the milestone of 100 completed peer reviews of reliability and security.

***North American Generator Forum (NAGF)***

Ms. Heather Morgan referenced the written report provided in the advance agenda. She discussed the NAGF's participation and support of the NERC Inverter-Based Resource Performance Task Force, and discussed NAGF's engagement with modifications to PRC-005-6 and NAGF's submitted comments regarding the Extreme Cold Weather Preparedness Standard Authorization Request ("SAR").

**Adjournment**

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

Submitted by,



Sônia Mendonça  
Corporate Secretary

# Agenda

## Board of Trustees

February 6, 2020 | 8:30 a.m.–12:00 p.m. Pacific

(Please note the Schedule may be adjusted real-time should meetings conclude early and/or extend past their scheduled end time.)

### westdrift Manhattan Beach, Autograph Collection

1400 Park View Avenue  
Manhattan Beach, California 90266

Conference Room: Loftlight – Lobby Level

### Call to Order

### NERC Antitrust Compliance Guidelines

### Introductions and Chair's Remarks

### Consent Agenda – Approve

#### 1. Minutes\*

- a. December 12, 2019 Conference Call
- b. November 5, 2019 Meeting

#### 2. Committee Membership and Charter Amendments\*

- a. Reliability Issues Steering Committee Membership
- b. Critical Infrastructure Protection Committee Membership
- c. Personnel Certification Governance Committee Membership

### Regular Agenda

#### 3. Remarks and Reports

- a. Welcome Remarks – Pedro Pizarro, President and CEO, Edison International
- b. Remarks by Neil Chatterjee, Chairman, FERC
- c. Remarks by Chuck Kosak, Deputy Assistant Secretary, DOE
- d. NIAC Update and Recommendations to the President, William Fehrman, Vice Chair, MEC
- e. Remarks by David Morton, CAMPUT Representative to NERC
- f. President's Report
- g. Report on Board of Trustees January 13-14 and February 4, 2020 Closed Sessions and January 14-15 ISO New England Joint Board Meeting

#### 4. Election and Appointment of Board Chair and Chair-Elect/Vice Chair, Board of Trustees Committee Assignments and NERC Officers – Approve

5. **Board Self-Assessment and MRC Assessment of Board of Trustees Effectiveness Survey and Board Committee Self-Assessments – Discussion**
6. **Board Committee Reports**
  - a. Corporate Governance and Human Resources
    - i. 2020 Work Plan Priorities – **Approve**
  - b. Compliance
  - c. Finance and Audit
    - i. 2019 Year-End Unaudited Results of Operations – **Accept**
  - d. Enterprise-wide Risk
  - e. Technology and Security
  - f. Nominating
  - g. Report by Rob Manning on Standards Quarterly Activities
7. **Standards Quarterly Report and Actions\***
  - a. Project 2017-07 Standards Alignment with Registration – **Adopt**
  - b. Project 2018-04 Modifications to PRC-024-2 – **Adopt**
  - c. Project 2019-01 Modifications to TPL-007-4 – **Adopt**
  - d. BAL-001-TRE-2 Primary Frequency Response in the ERCOT Region – **Adopt**
8. **Other Matters and Reports\***
  - a. Policy Input and Member Representatives Committee Meeting – **Discussion**
  - b. Reliability and Security Technical Committee Membership\* – **Approve**
  - c. EMP Report Recommendations\* – **Approve**
  - d. Supply Chain Recommendations\* – **Approve**
  - e. CCCPP-002 Compliance Monitoring Program for Reliability Standards Applicable to NERC – Retirement\* – **Approve**
  - f. CCCPP-010 Criteria for Annual Regional Entity Program Evaluation Revisions\* – **Approve**
  - g. 2019 and 2020 ERO Enterprise Dashboards\* – **Update**
  - h. Reliability Coordinator Function in the Western Interconnection\* – **Update**
9. **Committee Reports\***
  - a. Operating Committee
  - b. Planning Committee
  - c. Critical Infrastructure Protection Committee
  - d. Reliability and Security Technical Committee
  - e. Member Representatives Committee

- f. Personnel Certification Governance Committee
- g. Standards Committee
  - i. Standards Committee 2020 Work Plan – **Approve**
- h. Reliability Issues Steering Committee
- i. Compliance and Certification Committee
  - i. Compliance and Certification Committee 2020 Work Plan – **Approve**
- j. Electricity Subsector Coordinating Council

**10. Forum and Group Reports\***

- a. North American Energy Standards Board
- b. North American Transmission Forum
- c. North American Generator Forum

**11. Adjournment**

\*Background materials included.