

Minutes Board of Trustees

February 7, 2019 | 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 7, 2019, 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, Jr., Vice Chair
Janice B. Case
Robert G. Clarke
Frederick W. Gorbet
David Goulding
George S. Hawkins
Suzanne Keenan
Robin E. Manning
James B. Robb, President and Chief Executive Officer
Jan Schori
Colleen Sidford

NERC Staff

Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary
Tina Buzzard, Associate Director
Howard Gugel, Senior Director of Engineering and Standards
Scott Jones, Senior Vice President, Chief Financial and Administrative Officer, and Corporate Treasurer
Mark G. Lauby, Senior Vice President and Chief Reliability Officer
Ken McIntyre, Vice President and Director of Regulatory Programs
Janet Sena, Senior Vice President and Director of Policy and External Affairs

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 Mr. Berardesco.

Welcoming Remarks

Mr. Thilly welcomed all of the attendees to the meeting, including the guests in attendance, new trustee Colleen Sidford, and Catherine Jereza from the Department of Energy. He thanked David Ortiz of the Federal Energy Regulatory Commission (“FERC”) for his service as acting Director of the Office of Electric Reliability and welcomed new Director Andy Dodge. Mr. Thilly also thanked Jason Marshall for his service as Chair of the Member Representatives Committee (“MRC”). He recognized two past Chairs of the MRC, Billy Ball and Steve Naumann, on their retirements. Mr. Thilly also noted staff was working on the development of a NERC history.

Consent Agenda

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

Minutes

The draft minutes for the December 13, 2018 and November 7, 2018 meetings were approved as presented to the Board at this meeting.

Committee Membership and Charter Amendments

Compliance and Certification Committee

RESOLVED, that the Board hereby approves the re-appointments of the following individuals to the Compliance and Certification Committee (“CCC”), each for a three-year term ending February 11, 2022:

- Martha Henson – Oncor, representing Regional Entity – Texas RE
- Thomas McDonald – Bonneville Power Administration, representing Federal/Provincial Utility/Power Authority

Reliability Issues Steering Committee

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

Name	Title and Company	Term Ending
Nelson Peeler , Chair	Chief Transmission Officer, Duke Energy	January 31, 2021
Brian Slocum , Vice Chair	Vice President of Operations and NERC Compliance Officer, ITC Holdings	January 31, 2020
Peter Brandien , At-Large Member	Vice President of System Operations, ISO New England	January 31, 2021
Teresa Mogensen , At-Large Member	SVP Energy Supply (Generation), Xcel Energy	January 31, 2021
JoAnn M Thompson , At-Large Member	Vice President, Asset Management, Otter Tail Power Company	January 31, 2021
Tom Galloway , At-Large Member	CEO, North American Transmission Forum	January 31, 2021

David Robitaille , At-Large Member	Director of Market Operations, IESO	January 31, 2021
Erik Takayesu , At-Large Member	Vice President of Transmission, Substations and Operations, Southern California Edison	January 31, 2021
John Stephens , At-Large Member	Director of Power System Control, City Utilities of Springfield	January 31, 2021
Jason Marshall , MRC	Executive Vice President, Transmission and Regulatory Affairs, Wabash Valley Power Association	January 31, 2021
Carol Chinn , MRC Member	Regulatory Compliance Officer, Florida Municipal Power Agency	January 31, 2021
Brian Evans-Mongeon , Planning Committee Chair	President and Chief Executive Officer, Utility Services	January 31, 2020
Andrew Gallo , Standards Committee Chair	Director, Reliability Compliance, Austin Energy	January 31, 2020
Patti Metro , Compliance & Certification Committee Member	Manager, Transmission & Reliability Standards, National Rural Electric Cooperative Association	January 31, 2020
David Zwergel , Operating Committee Vice Chair	Senior Director, Regional Operations, Midcontinent ISO	January 31, 2020
Chuck Abell , Critical Infrastructure Protection Committee Member	Supervising Engineer, Transmission Technical Support, Ameren	January 31, 2020

Operating Committee

RESOLVED, that the Board hereby approves the amended Operating Committee (“OC”) charter, substantially in the form presented to the Board at this meeting, to replace the OC charter approved by the Board on November 9, 2017.

Regular Agenda

Remarks by Kevin Payne, CEO, Southern California Edison

Mr. Thilly introduced Mr. Payne of Southern California Edison. Mr. Payne remarked that California is moving towards an energy future that he believes will spread from California across the country. He described Southern California Edison’s service territory and infrastructure and noted the importance of understanding how the public views the utility’s work.

Mr. Payne noted that 2018 had the most wildfire damage in history. He remarked that California utilities face liability for fire damages caused by their equipment under the legal doctrine of inverse condemnation and noted the regulatory uncertainty regarding cost recovery. Mr. Payne discussed efforts that are underway to reduce the risk of wildfires, including better weather forecasting, more aggressive tree trimming, and shutting off power for safety reasons. Mr. Payne also discussed California’s clean energy goals and Southern California Edison’s efforts and goals. He discussed the integration of renewable resources and the need for continued collaboration to ensure reliability. Mr. Payne then discussed the challenge of cybersecurity and the need for continued collaboration on comprehensive approaches to grid security.

Remarks by Catherine Jereza, Deputy Assistant Secretary, U.S. Department of Energy (“DOE”)

Mr. Thilly introduced Ms. Jereza of DOE. Ms. Jereza remarked upon the long-term partnership between NERC, FERC and DOE in ensuring resilience and reliability. She also highlighted recent DOE projects and funding opportunities and referenced an upcoming DOE/FERC technical conference on security issues.

Remarks by David Morton, CAMPUT Representative to NERC

Mr. Thilly introduced Mr. Morton. Mr. Morton complimented NERC on its outreach program to Canadian regulators and expressed appreciation for the proposed regional Variance to the GMD planning standard, Reliability Standard TPL-007-3. He discussed the challenges of applying a one-size-fits-all approach to Canadian-specific matters due to the provincial regulatory structure in place in Canada. Mr. Morton also reported that BC Hydro has applied to become a Reliability Coordinator and that WECC will assist in the certification process.

President’s Report

Mr. Robb acknowledged the passing of former FERC Chairman Kevin McIntyre and asked for a moment of silence. He also acknowledged that Commissioner Cheryl LaFleur reported that she will not seek a third term, and he stated that NERC will miss her focus on reliability and leadership.

Mr. Robb then provided an update on his four areas of focus: (1) Reliability Coordinator issues in the West; (2) integration of new technologies; (3) the changing resource mix; and (4) cyber and physical security, including the E-ISAC. Mr. Robb stated that he was pleased at the level of support for the E-ISAC and its strategic plan, and he highlighted the expanded interaction with Canadian entities, the importance of CRISP and new technologies, and the emphasis NERC places on the confidentiality of cyber information. He acknowledged that there have been growing pains, such as with some aspects of the December 2018 critical broadcast call, but he noted that NERC and DOE continue to recognize the importance of their relationship.

Mr. Robb remarked that, with changes and leadership and structure, the ERO Enterprise has a real opportunity to improve operations and increase collaboration. He reported that the 2018 annual report would be posted after the meeting.

Tim Gallagher, Vice Chair of the ERO Executive Management Group, discussed the work of this group to move towards an integrated vision. He highlighted the new CMEP technology tool, now known as “Align”, as an example of how the ERO Enterprise can work together. Mr. Gallagher also remarked upon the outstanding performance of industry during the recent polar vortex.

Mr. Thilly noted the Board’s support of Mr. Robb’s leadership and his focus on a collaborative culture. He also noted the Board’s gratitude for NERC staff during the transition and thanked industry for their support.

Report on Board of Trustees February 5, 2019 Closed Session

Mr. Thilly 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. In these sessions, the Board discussed confidential matters, including contract, personnel and security issues. The Board also discussed legal issues.

Board of Trustees Self-Assessment Results

Mr. Thilly reported on the results of the recent Board of Trustees Self-Assessment. No additional comments were provided from the Board.

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

Mr. Clarke 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
- Janice Case, 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 2019:

- Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary
- Scott Jones, Senior Vice President, Chief Financial and Administrative Officer, and Corporate Treasurer
- Mark G. Lauby, Senior Vice President and Chief Reliability Officer
- Janet Sena, Senior Vice President and Director of Policy and External Affairs
- Stanley Hoptroff, Vice President, Chief Technology Officer, and Director of Information Technology
- Bill Lawrence, Vice President, Chief Security Officer, and Director of the E-ISAC
- Kenneth McIntyre, Vice President and Director of Regulatory Programs
- Sonia Mendonca, Vice President, Deputy General Counsel, and Director of Enforcement
- James Merlo, Vice President and Director of Reliability Risk Management

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

Kenneth W. DeFontes, Jr., Chair
Robert G. Clarke
Robin E. Manning
Jan Schori
Roy Thilly, *ex officio*

Compliance Committee

Jan Schori, Chair
Frederick W. Gorbet
George S. Hawkins
Robin E. Manning
Roy Thilly, *ex officio*

Enterprise-wide Risk

David Goulding, Chair
Robert G. Clarke
Frederick W. Gorbet
Suzanne Keenan
Colleen Sidford
Roy Thilly, *ex officio*

MEC Liaison

George S. Hawkins

ESCC Observer

Roy Thilly (if feasible)

Board Standards Liaison

Robin E. Manning

International Liaison and New Member Mentor

Frederick W. Gorbet

Finance and Audit

Robert G. Clarke, Chair
Janice B. Case
David Goulding
Colleen Sidford
Roy Thilly, *ex officio*

Technology and Security

George S. Hawkins, Chair
Janice B. Case
Kenneth W. DeFontes, Jr.
Suzanne Keenan
Roy Thilly, *ex officio*

Nominating

Suzanne Keenan, Chair
Robert G. Clarke
Kenneth W. DeFontes, Jr.
David Goulding
George S. Hawkins
Robin E. Manning
Jan Schori
Colleen Sidford

Board Committee Reports

Corporate Governance and Human Resources Committee

Mr. Clarke, Committee Chair, reported on the Committee's open meeting held on February 6, 2019. He then presented the 2019 ERO Enterprise Dashboard and Work Plan Priorities. Mr. Thilly noted that the Dashboard is a work in progress, with Mr. Lauby leading the effort. Mr. Clarke noted the importance of the policy input provided by the MRC and that it was reflected in revisions. 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 2019 ERO Enterprise Dashboard and ERO Work Plan Priorities, as presented to the Board at this meeting.

Mr. Clarke reported that the CGHRC reviewed Mr. Robb's performance review. He also reported that the CGHRC was recommending an amendment to its mandate to reflect its duties with respect to Board committee membership. Upon motion duly made and seconded, the Board approved the recommended amendment in the form presented.

Compliance Committee

Ms. Case, Committee Chair, reported that the Committee met in closed session on February 5, 2019 with Compliance Monitoring and Enforcement Program teams from all of the Regional Entities. She also reported that the Committee met in open session on February 6, 2019 and noted the annual report. Ms. Case reflected on the significant accomplishments achieved by the ERO Enterprise during her tenure as Chair of the Committee.

Finance and Audit Committee

Ms. Schori, Committee Chair, reported on the closed and open meetings of the Committee held on February 5, 2019 and February 6, 2019, respectively.

She presented the 2018 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 2018 NERC, Combined ERO Enterprise, and Regional Entity Unaudited Results, as presented to the Board at this meeting.

Enterprise-wide Risk Committee

Mr. Goulding, Committee Chair, reported the Committee met in closed session on February 5, 2019. At its meeting, the Committee reviewed: (i) CCC activities; (ii) the status of the 2018 audit plan, which is mostly completed, and status of management responses; (iii) the status of the 2019 audit plan; and (iv) E-ISAC internal controls.

Technology and Security Committee

Mr. Hawkins, Committee Chair, reported that the Committee met in open session on February 6, 2019 to discuss items including: (i) the Committee's work with the E-ISAC Member Executive Committee on the E-ISAC strategic plan, particularly Canadian engagement efforts; and (ii) an update on ERO technology

efforts, including the Align CMEP technology project, the entity registration tool, and the situational awareness tool (“SAFNR”).

Nominating Committee

Mr. Gorbet, Committee Chair, expressed his thanks to the Committee and welcomed Ms. Sidford as the new trustee.

Report by Vice Chair on Standards Quarterly Activities

Mr. DeFontes reported on the recent Standards Committee conference calls and meetings, including the Committee’s action to accept the Standard Authorization Request to address inverter-based resource performance in Reliability Standard PRC-024.

Standards

Mr. Gugel provided an update regarding the Standards Efficiency Review, noting that work is formally underway on the first phase of the project to retire standard requirements and that the ballot process is expected to begin in the first quarter of 2019. He reported that the second phase of the project is also underway; this second phase will consider the CIP standards, alternatives to retirement, and recommendations for other changes to avoid the need for future reviews.

Mr. Gugel then presented on several Reliability Standards-related projects. After discussion, and upon motions duly made and seconded, the Board approved the following resolutions:

Reliability Standard TPL-007-3 – Transmission System Planned Performance for Geomagnetic Disturbance Events

RESOLVED, that the Board hereby adopts the proposed Reliability Standard TPL-007-3, 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 TPL-007-2, 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 CIP-008-6 – Cyber Security – Incident Reporting and Response Planning

RESOLVED, that the Board hereby adopts the proposed Reliability Standard CIP-008-6, 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 CIP-008-5, 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.

Regional Reliability Standard IRO-006-WECC-3 – Qualified Path Unscheduled Flow (USF) Relief

RESOLVED, that the Board hereby adopts the proposed Regional Reliability Standard IRO-006-WECC-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 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 IRO-006-WECC-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.

Revised Effective Date for Retirement of Regional Reliability Standard PRC-004-WECC-2 – Protection System and Remedial Action Scheme Misoperation

RESOLVED, that the Board hereby approves the revised effective date of January 1, 2021 for the retirement of Regional Reliability Standard PRC-004-WECC-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 resolution.

Mr. Thilly noted that NERC will be seeking policy input on the cybersecurity supply chain risks report.

Other Matters and Reports

Approvals in Connection with the Termination of the Regional Delegation Agreement with Florida Reliability Coordinating Council, Inc.

Mr. McIntyre presented the proposal to terminate the Regional Delegation Agreement with Florida Reliability Coordinating Council, Inc. and transition its Registered Entities to SERC, referencing the detailed material included in the advance agenda package. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

Termination Agreement between FRCC and NERC

WHEREAS, on October 30, 2018, the Florida Reliability Coordinating Council, Inc. (“FRCC”) Board of Trustees voted to wind down the FRCC Regional Entity (“FRCC RE”) effective July 1, 2019;

RESOLVED, that the Board hereby authorizes NERC management to enter into a termination agreement for the Amended and Restated Delegation Agreement (“RDA”) between NERC and FRCC in terms substantially similar to those presented to the Board at this meeting, together with such changes as are approved by NERC’s Chief Executive Officer.

FURTHER RESOLVED, that each of NERC’s Chief Executive Officer and General Counsel, are hereby authorized to execute and deliver, on behalf of NERC, the termination agreement.

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.

Transfer of FRCC Registered Entities to SERC, Amendments to SERC RDA, and Amendments to SERC Bylaws

WHEREAS, FRCC RE has geographic and electrical boundaries with only one existing Regional Entity, SERC Reliability Corporation (“SERC”), and that the transfer of FRCC RE Registered Entities to SERC will have no impact on the operation of those Registered Entities;

WHEREAS, SERC expects an increase in current and future staffing and resources to accommodate the addition of former FRCC RE Registered Entities, and there will be no gaps in oversight of compliance monitoring and enforcement activities of the transferring Registered Entities;

RESOLVED, that the Board hereby approves the proposed transfer of all Registered Entities in the FRCC RE footprint to the SERC footprint, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed amendments to NERC’s RDA with SERC to reflect new geographic boundaries, in terms substantially similar as those presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed amendments to SERC’s Bylaws to support integration of former FRCC RE members, as presented to the Board at this meeting.

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

Special Assessment

WHEREAS, NERC proposes to transfer FRCC RE third and fourth quarter assessment funds to SERC to accommodate the transfer of FRCC RE registered entities to SERC;

WHEREAS, FRCC owes certain payments to approximately 24 FRCC RE and shared FRCC corporate staff (“Retained Employees”) in connection with retention agreements executed as part of the deliberations to wind down FRCC RE;

WHEREAS, the vote of the FRCC Board of Trustees to wind down FRCC RE effective July 1, 2019 accelerated the maturation of FRCC’s obligation to make payments to the Retained Employees to August 31, 2019;

WHEREAS, the acceleration of FRCC’s obligation to make payments to Retained Employees constitutes an “unforeseen and extraordinary circumstance,” which combined with the transfer of FRCC RE third and fourth quarter funds to SERC, will require additional funds prior to the next funding cycle;

RESOLVED, that the Board hereby authorizes NERC to issue a Special Assessment on behalf of FRCC RE to FRCC RE Load-Serving Entities to fully fund payments to the Retained Employees, as presented to the Board at this meeting.

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

Texas Reliability Entity Bylaws Amendments

Mr. Berardesco presented proposed revisions to the bylaws of the Texas Reliability Entity, referencing the detailed materials included in the advance agenda package, and noting the Legal Department’s conclusions. Upon motion duly made and seconded, the Board approved the following resolutions:

RESOLVED, that the Board hereby approves the proposed amendments to the Bylaws of the Texas Reliability Entity (“Texas RE”), 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 resolution.

Reliability Coordinator Function in the Western Interconnection

Brandon Sudduth, WECC Vice President - Reliability Planning and Performance Analysis, provided an update on the western Reliability Coordinator issues. He reviewed the current proposed Reliability Coordinator map and transition timelines, reported that a third entity has applied to be a Reliability Coordinator, and reviewed standards-related activities related to the transition. Mr. Sudduth also reported on NERC and WECC's engagement efforts, including participation in Reliability Coordinator focus groups.

Marie Jordan, President and CEO of Peak Reliability, reviewed Peak's wind-down activities and efforts to help ensure a seamless transition to the new Western Interconnection Reliability Coordinators. She reviewed key success factors, as well as key risks, key wind-down dates, and shadow transition activities. In response to a question from Mr. Robb, Ms. Jordan noted that work is continuing on addressing seams issues between California and Arizona, and she emphasized the importance of remedial action schemes in addressing these issues.

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

Lloyd Linke, Committee Chair, referenced the written report and highlighted certain items, including the Committee's work on inverter-based resources, its approval of reference documents and guidelines, and its work on the western Reliability Coordinator Reliability Plans.

Planning Committee

Mr. Evans-Mongeon, Committee Chair, referenced the written report and highlighted the Committee's ongoing work on reliability issues related to distributed energy resources, micro-grids, and storage.

Critical Infrastructure Protection Committee

No report was provided at the meeting.

Member Representatives Committee

Gregory Ford, Committee Chair, summarized the topics that had been discussed at the February 6, 2019 MRC meeting, including the election of Colleen Sidford as trustee, policy input, the development of special reliability assessments, the draft cybersecurity supply chain risks report, and ERO Enterprise effectiveness and efficiency efforts. He expressed his appreciation to the Board for its focus on policy input and to Jason Marshall for his prior leadership of the Committee.

Personnel Certification Governance Committee

Michael Anderson, Committee Chair, provided an update on the activities of the Committee, referencing the materials provided in the advance agenda package. He discussed revisions to operator exams.

Standards Committee

Andrew Gallo, Committee Chair, referenced the quarterly report included in the advance agenda package and summarized recent Committee activities, including action to accept a Standard Authorization Request to address inverter based resources.

He presented the Committee's 2019 Work Plan to the Board. Upon motion duly made and seconded, the Board approved the following resolution:

RESOLVED, that the Board hereby approves the 2019-2021 Standards Committee Strategic Work Plan, substantially in the form presented to the Board at this meeting.

Reliability Issues Steering Committee

Mr. Brandien, former Committee Chair, provided an update on the activities of the Committee on behalf of current Chair Nelson Peeler. Mr. Brandien noted the Committee's focus on the upcoming leadership summit. Mr. Thilly thanked Mr. Brandien for his past leadership of the Committee.

Compliance and Certification Committee

Jennifer Flandermeyer, Committee Chair, referred to the written report included in the advance agenda package. She presented the Committee 2019 Work Plan. Upon motion duly made and seconded, the Board approved the following resolution:

RESOLVED, that the Board hereby approves the CCC 2019 Work Plan, substantially in the form presented to the Board at this meeting.

Electricity Subsector Coordinating Council

Mr. Robb reported that the ESCC had not met since the November Board meeting. He noted that Bill Fehrman will present in May on the U.S. Department of Homeland Security National Infrastructure Advisory Council resilience report. Mr. Robb also noted collaboration with the other sectors, including the financial sector.

Forum and Group Reports

North American Energy Standards Board (NAESB)

Michael Desselle, NAESB Chair, referenced the written report and noted that NERC and NAESB continue to collaborate on items of mutual interest. He reported that the NAESB board has focused on vendor certification in the supply chain, and offered to work with NERC staff on the issue.

North American Transmission Forum

Roman Carter referenced the written report and highlighted certain items, including the sharing of reference documents on the Forum's public website, the Forum's work with NERC on issues of mutual interest, the Forum's work on supply chain issues, and efforts to revise the Forum's Memorandum of Understanding with NERC. Mr. Robb provided additional background information on the MOU.

North American Generator Forum

No report was provided at the meeting.

Adjournment

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

Submitted by,



Charles A. Berardesco
Corporate Secretary

Agenda Board of Trustees

February 7, 2019 | 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

Call to Order

NERC Antitrust Compliance Guidelines

Introductions and Chair's Remarks

Consent Agenda – Approve

1. Minutes*

- a. December 13, 2018 Conference Call
- b. November 7, 2018 Meeting

2. Committee Membership and Charter Amendments*

- a. Compliance and Certification Committee Membership
- b. Reliability Issues Steering Committee Membership
- c. Operating Committee Charter Amendments

Regular Agenda

3. Remarks and Reports

- a. Welcome Remarks – Kevin Payne, CEO, Southern California Edison
- b. Remarks by Katie Jereza, Deputy Assistant Secretary, DOE
- c. Remarks by David Morton, CAMPUT Representative to NERC
- d. President's Report
- e. Report on Board of Trustees February 5, 2019 Closed Session
- f. Board of Trustees Self-Assessment Results

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

5. Board Committee Reports

- a. Corporate Governance and Human Resources
 - i. 2019 ERO Enterprise Dashboard and ERO Performance Objectives – **Approve**
- b. Compliance
- c. Finance and Audit
 - i. 2018 Year-End Unaudited Results of Operations – **Accept**
- d. Enterprise-wide Risk
- e. Technology and Security
- f. Nominating
- g. Report by Vice Chair on Standards Quarterly Activities

6. Standards Quarterly Report and Actions*

- a. Standards Efficiency Review – **Update**
- b. TPL-007-3 Canadian-specific Revisions to TPL-007-2 – **Adopt**
- c. CIP-008-6 Modifications to CIP-008 Cyber Security Incident Reporting – **Adopt**
- d. IRO-006-WECC-3 Qualified Path Unscheduled Flow (USF) Relief – **Adopt**
- e. Revised Retirement Date for PRC-004-WECC-2 – **Approve**

7. Other Matters and Reports*

- a. Policy Input and Member Representatives Committee Meeting – **Discussion**
- b. Approvals in Connection with the Termination of the Regional Delegation Agreement with Florida Reliability Coordinating Council, Inc.* – **Approve**
- c. Texas Reliability Entity Bylaws Amendments* – **Approve**
- d. Reliability Coordinator Function in the Western Interconnection* – **Update**

8. Committee Reports*

- a. Operating Committee
- b. Planning Committee
- c. Critical Infrastructure Protection Committee
- d. Member Representatives Committee
- e. Personnel Certification Governance Committee
- f. Standards Committee
 - i. Standards Committee Work Plan – **Approve**
- g. Reliability Issues Steering Committee
- h. Compliance and Certification Committee

i. Compliance and Certification Committee Work Plan – **Approve**

i. Electricity Subsector Coordinating Council

9. Forum and Group Reports*

a. North American Energy Standards Board

b. North American Transmission Forum

c. North American Generator Forum

10. Adjournment

*Background materials included.