

Minutes Board of Trustees

November 7, 2018 | 8:30 a.m.–12:00 p.m. Mountain

Grand Hyatt Atlanta in Buckhead
3300 Peachtree Road NE
Atlanta, GA 30305

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 Atlanta, Georgia on November 7, 2018, at 8:30 a.m. Eastern, 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

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 Treasurer
Mark G. Lauby, Senior Vice President and Chief Reliability Officer
Ken McIntyre, Vice President and Director of Regulatory Programs
Lauren Perotti, Counsel
Tim Roxey, Vice President and Chief E-ISAC Operations Officer
Janet Sena, Senior Vice President and Director of Policy and External Affairs
Michael Walker, Senior Vice President and E-ISAC Chief of Staff

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 and thanked all for their participation. He remarked upon the vibrant discussion the previous day at the Member Representatives Committee ("MRC") and noted its role to provide policy input.

Consent Agenda

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

Minutes

The draft minutes for the August 16, 2018 meeting 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 amended Compliance and Certification Committee Charter ("CCC") charter, substantially in the form presented to the Board at this meeting, to replace the CCC charter approved by the Board on February 8, 2018.

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.

Personnel Certification Governance Committee

RESOLVED, that the Board hereby approves the appointments of the following individuals to the Personnel Certification Governance Committee ("PCGC"), each for a two-year term ending December 31, 2020:

- Martin Sas, Sr. Manager, South Reliability Coordination and Engineering, MISO.
- Margaret Adams, Lead Functional Coordinator, Southwest Power Pool.
- Cory Danson, Operations Compliance & Technical Writer, Western Area Power Administration.
- Mark Thomas, Manager, NERC Compliance – Standards & Implementation, Entergy.
- Don Urban, Principal Analyst, ReliabilityFirst.

FURTHER RESOLVED, that the Board hereby approves the appointment of the following officers to the PCGC:

- Michael Anderson to serve as Chair.
- Margaret Adams to serve as Vice Chair.

Critical Infrastructure Protection Committee

RESOLVED, that the Board hereby approves the amended Critical Infrastructure Protection Committee (“CIPC”) charter, substantially in the form presented to the Board at this meeting, to replace the CIPC charter approved by the Board on February 8, 2018.

FURTHER RESOLVED, that the Board hereby approves the appointments of the following individuals to the CIPC, as follows:

- Dawn Hamdorf (Seminole) to replace Joe Garmon (Seminole), representing the Florida Reliability Coordinating Council region.
- Brian Irish (Salt River Project) to replace Mike Mertz (PNM Resources), representing the Western Electricity Coordinating Council (“WECC”) region.
- Jodi Jensen (WAPA) to replace Lisa Carrington (APS), representing the WECC region.
- Pierre Janse van Rensburg (ENMAX) to replace David Dunn (IESO), representing the Canadian Electricity Association.

Regular Agenda

Remarks by Cheryl LaFleur, Commissioner, Federal Energy Regulatory Commission (“FERC”)

Mr. Thilly introduced Commissioner LaFleur of NERC. Commissioner LaFleur congratulated John Hughes of ELCON on his retirement and reported that Andy Dodge has been appointed director of the FERC Office of Electric Reliability.

Commissioner LaFleur reported that FERC has been following the SPP RE transition and acknowledged the work of NERC and the Regional Entities to make the transition a smooth one. She remarked on several ongoing NERC initiatives, including efforts to enhance ERO effectiveness and efficiency, the Standards Efficiency Review, and NERC’s analysis on accelerated generator retirements. Commissioner LaFleur commented on the western Reliability Coordinator issues and the need for coherent boundaries. She also noted the need for NERC and the industry to address inverter based resource issues.

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 several DOE initiatives, including: (i) a Notice of Proposed Rulemaking for designation of Critical Electric Infrastructure Information; (ii) the “Liberty Eclipse” grid exercise; (iii) the electric transmission issues workshop scheduled for November 15, 2018; and (iv) a new program for sensor technology & data analytics. Ms.

Jereza also noted DOE's efforts to provide advice to state officials on how to integrate inverter based resources under its technical assistance program and the importance of NERC's work in this area.

Remarks by David Morton, CAMPUT Representative to NERC

Mr. Thilly introduced Mr. Morton. Mr. Morton remarked on the discussions that took place at the previous day's MRC meeting, highlighting NERC's work to engage Canadian participation in E-ISAC. He underlined the importance of the reliability of energy infrastructure, particularly natural gas. Mr. Morton also noted the importance of working together to ensure infrastructure remains resilient and reliable.

President's Report

Mr. Robb delivered the president's report. He began by noting that committee work is an important part of what NERC does and that NERC reaches many stakeholders in the course of its day-to-day operations. Mr. Robb referenced his time visiting with stakeholders and the importance of outreach. He then provided an update on his four areas of focus: (1) security, including the E-ISAC; (2) Reliability Coordinator issues in the West; (3) integration of new technologies; and (4) the changing resource mix.

With respect to security, Mr. Robb referred to Mr. Lawrence's update at the November 6, 2018 MRC meeting describing the progress made by the E-ISAC in executing its strategic plan. He noted the success of the recent Grid Security Conference and reported on NERC's continuing efforts to better support Canada, including enhancing Canadian participation in the E-ISAC.

With respect to the western Reliability Coordinator issues, Mr. Robb reported that NERC and WECC will be working together prior to the scheduled close of Peak Reliability at the end of 2019 to help ensure a seamless transition, including working together to register and certify the new Reliability Coordinators and study the new Reliability Coordinator maps for any issues.

With respect to the integration of new technology, Mr. Robb noted that NERC continues to collaborate with manufacturers and utilities. He reported that the NERC Inverter-Based Resource Performance Task Force is studying Reliability Standard PRC-024-2 and is preparing a white paper and Standard Authorization Request to address any changes needed for inverter-based resource performance. Mr. Robb mentioned his disappointment that a prior Standard Authorization Request to address inverter based resources failed. He noted the need to look at Reliability Standards as providing certainty in such cases, rather than peril.

With respect to the changing resource mix, Mr. Robb referred to the challenges that are posed by the pace of the change and the need to manage the transition properly. He explained that NERC's forthcoming analysis of accelerated generator retirements is intended to provide a stress test of an unmanaged transition, not to make a prediction of future outcomes. Mr. Robb noted that many tools are available to manage the pace of the resource mix transition, and that policy makers and market operators need to feel empowered to use them. He also noted the need to stay aware of the changing risks.

Additionally, Mr. Robb reported that NERC and FERC initiated a joint inquiry into the January 2018 Cold Weather Event and that a letter was sent out on this issue.

Ed Schwerdt, chief executive officer of NPCC and vice chair of the ERO Executive Management Group, congratulated Gary Taylor on his retirement and welcomed Jason Blake in his new role as chief executive officer of SERC. He referred to discussions at the previous days' meetings regarding: (i) efforts to achieve alignment in Compliance Monitoring and Enforcement Program ("CMEP") processes; (ii) metrics; and (iii) the increasing complexity of reliability assessments.

Mr. Robb thanked Mr. Taylor for his service and welcomed Mr. Blake in his new role.

Resolution Honoring Tim Roxey, upon His Retirement

Messrs. Thilly and Robb noted the pending retirement of Mr. Roxey, and reported that the Board had adopted the following resolution in connection with Mr. Roxey's retirement:

WHEREAS, Tim Roxey joined the North American Electric Reliability Corporation ("NERC") in 2009, after a 30 year career in the nuclear utility industry; and

WHEREAS, Mr. Roxey was integral in the formation and development of NERC's Electricity Information Sharing and Analysis Center, providing a critical link between governmental authorities and the power industry; and

WHEREAS, Mr. Roxey is a recognized leader in the fields of security and infrastructure protection, having served in numerous leadership roles across the power industry and helping to build strong ties between governmental authorities and the power industry; and

WHEREAS, Mr. Roxey served as NERC's interim Chief Security Officer; and

WHEREAS, Mr. Roxey has been a valued colleague and friend to NERC's Board of Trustees and management;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of the North American Electric Reliability Corporation does hereby convey its deepest gratitude to Tim Roxey for his years of commitment and exemplary service and honors him on the occasion of his retirement as Vice President.

Mr. Roxey thanked the Board and reflected upon his career. He noted the continued need to be proactive to address risks to reliability. Mr. Thilly wished Mr. Roxey all the best in his future endeavors.

Report on Semiannual Meeting of NERC Trustees and Regional Entity Boards

Mr. Thilly reported that the NERC Board of Trustees met with Regional Entity board officers and executives on November 5, 2018. He noted that the participants discussed a proposal, also discussed at the November 6, 2018 MRC meeting, to enhance ERO effectiveness and efficiency. Mr. Thilly reported that the participants also discussed independence issues; in particular, how Regional Entity boards maintain independence in CMEP functions and the functions and responsibilities of independent directors on hybrid boards.

Report on Board of Trustees November 5, 2018/November 7, 2018 Closed Sessions

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 Committee Reports

Corporate Governance and Human Resources Committee

Mr. Clarke, Committee Chair, reported on the Committee's open meeting on November 1, 2018 to discuss actions taken by the Board to respond to the 2017 effectiveness survey. He reported that the Committee approved a revised draft of the effectiveness survey to use in 2019. Mr. Clarke reported that, based on feedback, the Committee will develop a work plan to increase transparency in how the Committee will address action areas from the 2019 survey.

He also reported that the Committee met on October 11, 2018 in closed session to review draft metrics, which were since put out for policy input. Mr. Clarke noted his appreciation for the feedback received on the draft metrics.

Compliance Committee

Ms. Case, Committee Chair, reported on executive and open meetings of the Committee held on November 5, 2018 and November 6, 2018, respectively.

She reported that the Committee approved two full Notices of Penalty at the executive session. At the open meeting, the Committee discussed progress on alignment efforts over the previous two years, including the support for the program and the assistance provided by the CCC alignment working group. Ms. Case also highlighted matters to be addressed by the Committee at its February 2019 meeting, including: (1) a review of violation trends; and (2) whether there are ways to improve processes for the lower risk noncompliance that makes up the majority of the caseload.

Finance and Audit Committee

Ms. Schori, Committee Chair, reported on the closed and open meetings of the Committee held on November 6, 2018. She reported that in the closed session, the Committee met with representatives from Grant Thornton to discuss the audit plan. Ms. Schori also reported that the Committee reviewed and approved the internal audit plan for upcoming year.

She presented the third quarter financial results 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 Third Quarter Unaudited Financial Statements, as presented to the Board at this meeting.

Ms. Schori reported that, during its open session, the Committee received a presentation on NERC's internal controls and requested an annual report on controls going forward.

Enterprise-wide Risk Committee

Mr. Goulding, Committee Chair, reported the Committee met in closed session on November 5, 2018. At its meeting, the Committee reviewed: (i) the 2018 audit plan, which is proceeding according to schedule; (ii) the risk register and heat map, which focuses on risks to NERC and the ERO Enterprise; (iii) how NERC maintains Bulk Power System situation awareness; and (iv) CCC activities. He also reported that Ernst & Young issued a favorable report on the Cybersecurity Risk Information Sharing Program (“CRISP”) data handling audit and provided suggestions for enhancements.

Technology and Security Committee

Mr. Hawkins, Committee Chair, reported that the Committee met in open session on November 6, 2018 to discuss items including: (i) the success of the 2018 Grid Security Conference; (ii) an update on ERO technology efforts, including the CMEP technology project, the entity registration tool, and the situational awareness tool (“SAFNR”); and (iii) the Committee’s work with the E-ISAC Member Executive Committee on the E-ISAC strategic plan.

Nominating Committee

Mr. Gorbet, Committee Chair, discussed the Committee’s work selecting a Canadian trustee. He reported that the Committee interviewed five candidates on October 30, 2018, and that the Committee will meet on December 10, 2018 to discuss recommendations. Mr. Gorbet explained that the Committee intends to recommend a candidate to the MRC in December 2018 for a vote in February 2019.

Report by Vice Chair on Standards Quarterly Activities

Mr. DeFontes reported on the recent Standards Committee conference calls and meetings, including actions on Standard Authorization Requests, standard drafting team appointments, and the 2019-2021 Reliability Standards Development Plan. He reported that the Committee rejected two Standard Authorization Requests related to the performance of inverter-based resources. Mr. DeFontes noted that this issue was referred to the Planning Committee Inverter Based Resources Task Force for additional work.

Standards

Mr. Gugel provided an update on activities related to supply chain management and the August 2017 Board resolutions. He noted that NERC will present the final supply chain report to the Board at its February 2019 meeting, pulling together all the work completed by stakeholders. Mr. Gugel reported that FERC issued Order No. 850 on October 18, 2018. In this Order, FERC approved the supply chain risk management standards, directed future modifications, and directed NERC to file the final supply chain report with FERC.

Mr. Gugel also 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. He reported that the second phase of the project 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. Mr. DeFontes asked Mr. Gugel why proposed Reliability Standard TPL-001-5 would not require an entity to develop a corrective action

plan where studies indicate that a protection system single point of failure with a three-phase fault would result in system performance issues, but such a plan would be required where studies indicate issues stemming from a single point of failure with a single line-to-ground fault. Mr. Gugel clarified that the approach in proposed TPL-001-5 is consistent with how “relay failure” is treated in currently effective TPL-001-4. He also clarified that the standard would require entities to be aware of the impacts on their system and to identify ways to mitigate the risk. Mr. Gugel stated that this approach is cost-effective; it does not require entities to eliminate all protection system single points of failure in their system, but it does require entities to understand the risks and how they can be mitigated. Mr. Thilly expressed appreciation for consideration of costs and benefits in this context.

Mr. Gugel also stated that the TPL-001-5 approach is appropriate in light of the risk and impact of such events, based on an analysis of NERC’s protection system misoperation and Events Analysis data. He reported that only a very small number of the total misoperations reported since 2011 involved a three-phase fault and breaker failure to operate, and none of those instances reached the Event Analysis reporting threshold.

After discussion, and upon motions duly made and seconded, the Board approved the following resolutions:

Reliability Standard TPL-001-5 – Transmission System Planning Performance Requirements

RESOLVED, that the Board hereby adopts the proposed Reliability Standard TPL-001-5, 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-001-4, 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 IRO-006-TRE-1 – IROL and SOL Mitigation in the ERCOT Region

RESOLVED, that the Board hereby approves the proposed retirement of regional Reliability Standard IRO-006-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 resolution.

2019-2021 Reliability Standards Development Plan

RESOLVED, that the Board hereby approves the proposed 2019-2021 Reliability Standards Development Plan, 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.

Other Matters and Reports

Policy Input and Member Representatives Committee Meeting

Mr. Thilly noted the discussion of policy input items discussed at the MRC meeting the prior day. Mr. Gorbet stated his appreciation for the MRC's thoughtful policy input on ERO metrics and advised management to consider this input. Mr. Thilly reported that stakeholders will have another opportunity to comment on the revised metrics before they are presented to the Board in February.

Revisions to the NERC Rules of Procedure (Sections 600, 900, and Appendix 3A)

Mr. Gugel and Ms. Perotti presented on proposed revisions to the NERC Rules of Procedure in Section 600 (Personnel Certification Program), Section 900 (Training and Education), and Appendix 3A (Standard Processes Manual). Upon motion duly made and second, the Board approved the following resolutions:

WHEREAS, the proposed revisions to Sections 600 and 900 address certain directives from the Federal Energy Regulatory Commission ("FERC") contained in its July 19, 2018 *Order Approving in Part and Denying in Part Revisions to North American Electric Reliability Corporation Rules of Procedure and Requiring Compliance Filing*, 164 FERC ¶ 61,023 (2018).

WHEREAS, the proposed revisions to Appendix 3A clarify and improve upon the processes for the development of Reliability Standards.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the proposed amendments to Sections 600, 900, and Appendix 3A (Standard Processes Manual) to the NERC Rules of Procedure, as presented to the Board at this meeting.

BE IT 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 Issues Steering Committee Report on Resilience

Peter Brandien, Reliability Issues Steering Committee ("RISC") Chair, presented the RISC Report on Resilience. Mr. Thilly noted the importance of this work. Ms. Schori thanked the RISC and the

stakeholders that submitted comments on the report. She also asked whether the word “resilience” should be added to NERC’s mission; Mr. Robb suggested that the issue be explored. After discussion, and upon motion duly made and seconded, the Board approved the following resolution:

RESOLVED, that the Board hereby accepts the Reliability Issues Steering Committee Report on Resilience, as presented to the Board at this meeting, and thanks the RISC for its work on the issue.

Manitoba Memorandum of Understanding

Ms. Patrick presented on a memorandum of understanding between NERC, MRO, and Manitoba Hydro. This document is intended to address compliance monitoring and enforcement of standards developed under the Manitoba Hydro Act. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

RESOLVED, that the Board hereby authorizes the execution of the Memorandum of Understanding (“MOU”) between Manitoba Hydro, NERC, and MRO, on substantially the terms and conditions presented to the Board at this meeting.

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 MOU.

Reliability Coordinator Function in the Western Interconnection

Melanie Frye, president and chief executive officer of WECC, provided an update on recent developments regarding the Reliability Coordinator function in the Western Interconnection. She presented the non-binding Reliability Coordinator footprints as of October 2018 and provided an update on WECC’s efforts to develop a regional variance to Reliability Standard IRO-002-5 before the new Reliability Coordinator providers begin operations. Ms. Frye reported on NERC and WECC efforts to address certification issues and analyze potential seams issues between Reliability Coordinator footprints. She also provided an update on Reliability Coordinator initiatives.

Ms. Frye stated that WECC is working with the British Columbia Utilities Commission to perform a “readiness review” before BC Hydro begins Reliability Coordinator operations.

Addressing Recommendations from Recent Reliability Assessments

Brian Evans-Mongeon, Planning Committee Chair, provided an update on the Planning Committee’s efforts to address the recommendations of the 2017 Long Term Reliability Assessment and the 2017 Special Reliability Assessment on natural gas system disruptions.

Mr. Thilly noted the need to look at all tools available to address potential risks, including Reliability Standards. Mr. Robb advised that the Planning Committee consider “fuel assurance” versus “energy assurance” concepts during its work.

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: (i) the Committee's approval of Reliability Guidelines for establishing Interconnection Reliability Operating Limits ("IROLs") and BPS-connected inverter-based performance reliability; (ii) the disbandment of the Establishing IROLs Task Force; and (iii) the work of the Inverter-Based Resources Task Force to recommend Reliability Standard changes to address inverter-based resource performance issues. He also reported that the Committee is following western Reliability Coordinator issues closely.

Planning Committee

Mr. Evans-Mongeon, Committee Chair, referenced the written report and his previous presentation.

Critical Infrastructure Protection Committee

Marc Child, Committee Chair, referenced the written report. He highlighted the Committee's work on supply chain security issues (including developing vendor security guidance), cloud technology issues, finishing ongoing security guidance, and looking at emerging technologies for guidance.

Member Representatives Committee

Jason Marshall, Committee Chair, reported that the Committee elected Gregory Ford as chair and Jennifer Sterling as vice chair of the Committee for 2019. He summarized the topics that had been discussed at the November 6, 2018 MRC meeting, including the ERO effectiveness and efficiency initiative and the special reliability assessment on accelerated generation retirements. Mr. Marshall reported that the Committee and NERC staff will form a team to review stakeholder engagement proposals, and that the Committee looks forward to providing input on the special reliability assessment.

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 highlighted that: (i) the Committee is exploring publishing a white paper on certification requirements; and (ii) fees for new and renewed credentials will increase effective January 1, 2019.

Standards Committee

Amy Casuscelli, Committee Vice Chair, referenced the written report and summarized recent Committee activities, including action on Standard Authorization Requests, creation of standard drafting teams, waiver authorizations for Project 2018-02 Modifications to CIP-008 Cyber Security Incident Reporting, and revisions to the Standard Processes Manual. She remarked that having Mr. DeFontes as liaison has provided positive benefits to the Committee.

Reliability Issues Steering Committee

Mr. Brandien, Committee Chair, provided an update on the activities of the Committee, highlighting the upcoming election and the Committee's work on the RISC Resilience Report and the 2019 Reliability Leadership Summit.

Compliance and Certification Committee

Jennifer Flandermeyer, Committee Chair, referred to the written report included in the advance agenda package. She reported that the EWRC approved revisions to the annual Regional Entity Program Evaluation procedure at its November 5, 2018 closed meeting. Ms. Flandermeyer also reported that Committee members have participated as observers in NERC internal audits.

Electricity Subsector Coordinating Council

Mr. Robb reported that the ESCC met in October 2018 to discuss topics including the White House cyber security strategy and preparedness and resilience, including space weather. He stated that the ESCC's preparation for and restoration following Hurricanes Florence and Michael was extraordinarily well-orchestrated.

Mr. Robb also reported on matters related to Canadian engagement, including ongoing work to secure access for Canadian partners in classified briefings and a recent amendment to the E-ISAC Members Executive Committee charter to provide for an additional Canadian voting member.

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, including the parallel flow visualization field test, standards efficiency review, and manual time error correction requirements.

North American Transmission Forum

Tom Galloway, Forum chief executive officer, referenced the written report and highlighted certain items, including recent events hosted with NERC and the Electric Power Research Institute and the Forum's work with the DOE on developing recommendations for grid security emergencies.

North American Generator Forum

Allen Shriver, Forum chief operating officer, referenced the written report and highlighted that the Forum will co-host, with the NERC Resources Subcommittee, two webinars on primary frequency response on November 13, 2018.

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

November 7, 2018 | 8:30 a.m.–12:00 p.m. Eastern

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

Grand Hyatt Atlanta in Buckhead
3300 Peachtree Rd NE
Atlanta, GA 30305

Conference Room: Grand Ballroom – Lower Lobby Level

Call to Order and NERC Antitrust Compliance Guidelines

Introductions and Chair's Remarks

Consent Agenda - Approve

1. Minutes*

- a. August 16, 2018

2. Committee Membership and Charter Amendments*

- a. Compliance and Certification Committee Charter Amendments
- b. Personnel Certification Governance Committee Membership
- c. Critical Infrastructure Protection Committee Membership and Charter Amendments

Regular Agenda

3. Remarks and Reports

- a. Remarks by Cheryl LaFleur, Commissioner, FERC
- b. Remarks by Katie Jereza, Deputy Assistant Secretary, DOE
- c. Remarks by David Morton, CAMPUT Representative to NERC
- d. President's Report

4. Report on Semiannual Meeting of NERC Trustees and Regional Entity Boards – Information

5. Report on Board of Trustees November 5, 2018 Closed Session – Information

6. Board Committee Reports

- a. Corporate Governance and Human Resources
- b. Compliance
- c. Finance and Audit
 - i. Third Quarter Unaudited Financial Statements – **Accept**
- d. Enterprise-wide Risk

- e. Technology and Security
- f. Nominating Committee
- g. Report by Vice Chair on Standards Quarterly Activities

7. Standards Quarterly Report and Actions*

- a. Supply Chain Activities – **Update**
- b. Standards Efficiency Review – **Update**
- c. TPL-001-5 – Transmission System Planning Performance Requirements – **Adopt**
- d. IRO-006-TRE - IROL and SOL Mitigation in the ERCOT Region – **Retire**
- e. 2019-2021 Reliability Standards Development Plan – **Approve**

8. Other Matters and Reports

- a. Policy Input and Member Representatives Committee Meeting – **Discussion**
- b. Revisions to the NERC Rules of Procedure (Sections 600, 900, and Appendix 3A)* – **Approve**
- c. RISC Report on Resilience* – **Accept**
- d. Manitoba Memorandum of Understanding* – **Approve**
- e. Reliability Coordinator Function in the Western Interconnection* – **Update**
- f. Addressing Recommendations from Recent Reliability Assessments* – **Update**

9. 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
- g. Reliability Issues Steering Committee
- h. Compliance and Certification Committee
- i. 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

*Background materials included.