

## Minutes Compliance Committee

August 14, 2013 | 10:15 a.m. local time

Chair Bruce Scherr convened a duly noticed open meeting of the Compliance Committee (the Committee) of the North American Electric Reliability Corporation on August 14, 2013 at 10:15 a.m. local time, and a quorum was declared present. The agenda is attached as **Exhibit A**.

Present at the meeting were: All Committee members, being Bruce Scherr, Chair, Janice Case, Roy Thilly, Jan Schori, Dave Goulding, and Fred Gorbet; Board members Paul Barber, Doug Jaeger, Bob Clarke, Ken Peterson, and Gerry Cauley; NERC staff members Charlie Berardesco, Earl Shockley, Sonia Mendonca, Rebecca Michael, Matt Blizard, and Tina Buzzard; and Sara Patrick, Vice President Regulatory Affairs and Enforcement, MRO.

A listing of industry attendees is attached as **Exhibit B**.

### **NERC Antitrust Compliance Guidelines**

Mr. Scherr directed the participants' attention to the NERC Antitrust Compliance Guidelines.

### **Minutes**

The Committee approved the May 8, 2013 meeting minutes as presented at the meeting.

### **Update of CIP Transition Plan**

Mr. Blizard discussed the proposed guidance NERC intends to issue by the end of August regarding the transition from CIP Version 3 to Version 5. Additional clarifications will be included in the document based on the discussion at the meeting. Mr. Blizard reviewed the timeline for an implementation study to be conducted that will include a limited number of registered entities that have undergone successful CIP audits and which have strong CIP compliance programs. The study results will be shared continuously with industry throughout the study period to help inform the transition to CIP Version 5. Ms. Mendonca reviewed the compliance enforcement approach with respect to the transition.

### **Update of Key Reliability Assurance Initiative (RAI) Projects**

Mr. Shockley, Ms. Mendonca, and Ms. Patrick provided an update on the RAI projects. These projects continue to focus on four priority areas: 1) the development of an auditor handbook; 2) the development of pilots on internal controls; 3) the development of additional enhancements to the Find, Fix, Track and Report (FFT) process; and 4) improvements to the Self-Report process. At the conclusion of the reports and discussion, NERC Management committed to provide regular updates to the Committee on progress toward the milestones presented.

### **Quarterly Report on Performance Metrics**

Ms. Mendonca referenced the materials contained in the Agenda package noting that significant progress has been made towards meeting strategic goals.

There being no further business, and upon motion duly made and seconded, the meeting was adjourned at approximately 11:15 a.m. local time.

Submitted by,

A handwritten signature in black ink, appearing to read 'Charles A. Berardesco', written in a cursive style.

Charles A. Berardesco  
Secretary

## Agenda

# Compliance Committee – Open Session

August 14, 2013 | 10:15-11:15 a.m. Eastern

Fairmont The Queen Elizabeth  
900, Rene-Levesque Blvd West  
Montreal, QC Canada H3B 4A5  
(514) 861-3511

### Introductions and Chair's Remarks

### NERC Antitrust Compliance Guidelines

#### Agenda

1. **Minutes\* – Approve**
  - a. May 8, 2013 Meeting
2. **Update of CIP Transition Plan – Review**
  - a. Piloting of CIP Transition Guidance
  - b. Compliance Enforcement Approach During Transition
3. **Update of Key Reliability Assurance Initiative (RAI) Projects\* – Review**
  - a. RAI Workshop
  - b. Auditors Handbook
  - c. RAI Pilots
  - d. Find, Fix, Track (FFT) and Self-Reporting Enhancements
4. **Quarterly Report on Performance Metrics\* – Information**

\*Background materials included.

Last Name	Name	Title	Company
Abell	Charles Abell	Supervising Engineer	Ameren
Abrams	Shawn T. Abrams	VP, Planning and Power Supply	SC Public Service Authority (Santee Cooper)
Acquard	Charles Acquard	NASUCA	
Anders	Caren Anders	SVP and Chief Transmission Officer	Duke Energy
Anderson	John Anderson	President & CEO	ELCON
Arlt	Timothy Arlt	General Manager of Retail	Nebraska Public Power District
Bardee	Michael Bardee	Director, Office of Electric Reliability	FERC
Bartlett	Jay Bartlett	President & CEO	Prairie Power, Inc.
Berent	Kevin Berent	Manager, RIA	NATF
Bilke	Terry Bilke	Consulting Advisor	MISO
Blake	Jason Blake	General Counsel	ReliabilityFirst Corporation
Borkowski	Maureen A Borkowski	Senior Vice President, Transmission	Ameren
Bowe	Tom Bowe	Executive Director Reliability & Compliance	PJM
Brenton	Jim Brenton	Regional Security Coordinator	ERCOT - Electric Reliability Council of Texas
Brown	Patrick Brown	Director, U.S. Affairs	Canadian Electricity Association
Brown	Nicholas A. Brown	President & CEO	Southwest Power Pool
Budd	Jennifer Budd	Vice President & COO	Northeast Power Coordinating Council, Inc.
Campbell	Linda Campbell	VP - Standards & Compliance	FRCC
Campbell	Bruce Campbell	Independent Electricity System Operator	
Case	James Case	Director, Weekly Operations	Entergy
Cashin	Jack Cashin	Director Regulatory Affairs	EPSA
Champagne	Roger Champagne	Economic Regulation specialist.	Regie de l'energie, Quebec
Chinn	Carol Chinn	MRC Chair	American Transmission Company, LLC
Chung	Lam Chung		Manitoba Hydro
Ciesiel	Ronald W. Ciesiel	General Manager	Southwest Power Pool Regional Entity
Clermont	Sylvain Clermont	Hydro-Quebec TransEnergie	
Cori	Cori Tackman	Business Manager	Power Advisors, LLC
Court	Susan Court	Principal	SJC Energy Consultants, LLC
Cramblit	Miggie Cramblit	Vice President General Counsel Corporate Secretary and Director External	Midwest Reliability Organization
D'Antuono	Michelle D'Antuono		Occidental Energy Ventures Corp
Desselle	Michael Desselle	VP & CAO	Southwest Power Pool
Detweiler	Katie Detweiler	Supervisor	FERC
Dintelman	Robert L. Dintelman	Vice President, Compliance Services	Utility System Efficiencies, Inc.
DiStasio	John DiStasio	General Manager & Chief Executive Officer	Sacramento Municipal Utility District
Dvorsky	Thomas Dvorsky	New York State Department of Public Service	
Edge	Carter B. Edge	Director of Coordinated Activities	Regional Entity Management Group
Fama	Jim Fama	VP, Energy Delivery	Edison Electric Institute
Fiegel	Jen Fiegel	Sr Director Risk Management	Oncor Electric Delivery Company LLC
Flynn	Peter Flynn	Senior Vice President and Deputy General Counsel	National Grid

Frye	Melanie Frye	VP Operations & Planning	WECC
Gallagher	Tim Gallagher	President and CEO	ReliabilityFirst Corporation
Gallagher	William J Gallagher	Special Porjects Chief	Vermont Public Power Supply Authority
Galloway	Tom Galloway	President and CEO	NATF
Gangopadhyay	Amitabha Gangopadhy	TECHNICAL SPECIALIST, POWER SYSTEM	NATIONAL ENERGY BOARD, CANADA
Gianneschi	Thomas Gianneschi		Alcoa, Inc.
Godbout	Michael Godbout	Economic Regulation Specialist	Regie de l'energie
Goodwill	Steve Goodwill	Vice President & General Counsel	WECC
Gorman	Raymond Gorman	Chair	CAMPUT
Gust	Jeff Gust	Vice President, Compliance & Standards	MidAmerican Energy Company
Harvie	Ivan Harvie	Senior Engineer	Natural Resources Canada
Hegerle	Mark Hegerle	Director, OER Div. of Compliance	FERC
Helyer	Scott Helyer	Vice President, Transmission	Tenaska, Inc.
Henry	Scott Henry	President/CEO	SERC Reliability Corporation
Herb	Herb Schrayshuen	Principal	Power Advisors, LLC
Hindin	Barbara Hindin	Associate General Counsel	Edison Electric Institute
Hitti	Nabil Hitti	Director, FERC Network Strategy	National Grid
Hoffman	Pat Hoffman	Department of Energy	
Holdsworth	Don Holdsworth	Director NERC Compliance	PSEG
Hoopes	Robert Hoopes	Sr. Director-FERC/NERC Compliance	PPL Corp.
Hunzinger	Robert Hunzinger	Gainesville Regional Utilities	
Ivey	Susan Ivey	Vice President, Transmission Strategy & Compliance	Exelon Corporation
Juj	Hardev Juj	VP Transmission Planning and Asset Management	Bonneville Power Administration
Keller	Jim Keller	Director - Federal Regulatory Affairs & Policy	We Energies
Kirkpatrick	Trey Kirkpatrick	VP, Compliance Services	AssurX, Inc.
Koza	Frank Koza	Executive Director	PJM
Kujala	Kent Kujala	Senior Manager	DTE Electric
Lanford	W. Lane Landord	Texas Reliability Entity, Inc.	
Lauby	Mark Lauby	Vice President and Director, Standards	NERC
Lawson	Barry Lawson	Associate Director, Power Delivery & Reliability	NRECA
Li	Ben Li	President	Ben Li Assocaites
Maher	Mark Maher	CEO	WECC
Marshall	Jason Marshall	Director, Reliability Compliance	ACES
Marshall	Jason Marshall	Director, Reliability Compliance	ACES
McClelland	Joseph McClelland	Director, OEIS	FERC
Mendonca	Sonia Mendonca	Assistant General Counsel/Director of Enforcement	NERC
Meyer	David Meyer	Senior Advisor	U.S. Department of Energy
Montoya	Anthony H. Montoya	Chief Operating Officer	Western Area Power Administration
Morais	Matthew Morais	Director, Federal Policy	ERCOT
Mosher	Allen Mosher	VP, Policy Analysis & Rel. Stds.	American PublicPower Association

Mueller	Jeffrey Mueller	Manager-ERO/RE Policy & Standards Interface	PSE&G
Muntz	James A. Muntz	President - Transmission	Northeast Utilities
Murphy	Brian Murphy	Manager, NERC Rel. Stds	NextEra Energy
Naumann	Steven T Naumann	Vice President	Exelon
Neveu	Gilbert Neveu	General Director	Regie de l'energie
Nordell	Lawrence Nordell	Economist	Montana Consumer Counsel
Oberski	Lou Oberski	Managing Director NERC Compliance Policy	Dominion
O'Neil	Michael O'Neil	Director, Transmission Compliance	Florida Power & Light
Patrick	Sara Patrick	MRO VP, Enforcement & Reg Affairs	Midwest Reliability Organization
Penstone	Mike Penstone	VP, Network Development & Regional Planning	Hydro One Networks Inc.
Phillips	William Phillips	VP, Reliability and Security Relations	MISO
Phillips	Ray Phillips	Alabama Municipal Electric Authority	
Reed	Harvey J. Reed	Chairman of the Board	NPCC
Schaffeld	Robert A. Schaffeld	Vice President	Southern Company
Schnider	Katie Schnider	Senior Communications Specialist	Schweitzer Engineering Laboratories
Schriver	Allen D. Schriver	General Manager of Compliance, also NAGF Chair	NextEra Energy
Schwab	Christine M. Schwab	VP & Chief Compliance and Risk Officer	Dominion Resources Services Inc
Schwerdt	Ed Schwerdt	President & CEO	Northeast Power Coordinating Council, Inc.
Scott	Eric Scott	Director, Reliability Standards Compliance	Ameren Corp.
Seelke	John Seelke		Public Service Enterprise Group
Smith	Mike Smith	President & CEO	Georgia Transmission Corp.
Snitchler	Todd Snitchler	Chairman	Public Utilities Commission of Ohio
Soulier	Daniel Soulier	Director electric transmission	Regie de l'energie
Sweet	Edward Sweet	Manager, Energy Markets	Ministry of Energy, Ontario
Tomashefsky	Scott Tomashefsky	Regulatory Affairs Manager	Northern California Power Agency
Twitty	John Twitty	Executive Director	TAPS
Walker	DeAnn Walker	Associate General Counsel	CenterPoint Energy
Wargo	Bob Wargo	Director of Analytics & Enforcement	ReliabilityFirst Corp
White	Constance White	Regional Manager and VP of Compliance	WECC
White	Charles A White	Vice President	SCE&G
Whitley	Stephen Whitley	President & CEO	NYISO
Worthington	Barry Worthington	executive director	United States Energy Association
Xanthakos	Pandelis Xanthakos	General Manager	SCE&G
Zito	Guy V. Zito	Assistant Vice President - Standards	Northeast Power Coordinating Council (NPCC)