

# Minutes Compliance Committee

February 5, 2014 | 10:45 a.m. local time

Chair Bruce A. Scherr convened a duly noticed open meeting of the Compliance Committee (the Committee) of the North American Electric Reliability Corporation on February 5, 2014 at 10:45 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 A. Scherr, Chair, Janice B. Case, Frederick W. Gorbet, David Goulding, Jan Schori, and Roy Thilly; Board members Paul F. Barber, Gerry W. Cauley, Robert G. Clarke, Douglas Jaeger, and Kenneth G. Peterson; NERC staff members Charles A. Berardesco, Jerry Hedrick, Sonia Mendonça, and Earl Shockley.

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 November 6, 2013 meeting minutes as presented at the meeting.

## **Compliance Committee Self-Assessment Results**

Mr. Scherr provided an overview of the results of the Committee's self-assessment. He highlighted the issues raised in connection with the frequency of meetings of the Committee and noted that staff is preparing a proposal for discussion in May 2014 to restructure the meeting schedule. The proposal will include any necessary revisions to the Committee's mandate.

## **Reliability Assurance Initiative (RAI) Progress Report**

Mr. Hedrick, associate director of compliance operations and regional entity oversight, provided an overview of the 2013 accomplishments related to RAI as well as the activities scheduled for 2014. He focused on the timeframes associated with the auditor handbook, the process of evaluating the various compliance-monitoring pilots, and developing a common methodology for entity risk assessment and evaluation of management controls.

Ms. Mendonça, assistant general counsel and director of enforcement, provided an overview of the enforcement activities associated with RAI and discussed the status of various activities and next steps. She highlighted the connection between these activities and the strategic goals of promoting self-identification, accountability, and efficient processing of lesser-risk issues. She encouraged stakeholders to provide comments on the draft Self-Report User Guide and Mitigation Plan Guide and reviewed the timeframe for analyzing results of the enforcement pilots. Finally, she discussed how the RAI activities undertaken on the compliance side and the enforcement side interrelate.

**Key Compliance and Enforcement Trends**

Ms. Mendonça highlighted the efficiency gains by the ERO enterprise in 2013 associated with the processing of instances of noncompliance.

There being no further business, and upon motion duly made and seconded, the meeting was adjourned at approximately 12:00 p.m. local time.

Submitted by,



Charles A. Berardesco  
Secretary