

# Meeting Minutes

## Compliance Committee

February 7, 2018 | 9:00 a.m. – 10:00 a.m. Eastern

Hilton Fort Lauderdale Marina  
1881 SE 17<sup>th</sup> Street  
Fort Lauderdale, FL 33316

Chair Janice B. Case called to order the duly noticed meeting of the Board of Trustees Compliance Committee (BOTCC) of the North American Electric Reliability Corporation (NERC) on February 7, 2018, at 9:00 a.m. Eastern, and a quorum was declared present. The agenda is attached as **Exhibit A**.

Present at the meeting were:

### Committee Members

Janice B. Case, Chair  
Robert G. Clarke  
Kenneth W. DeFontes, Jr.  
Jan Schori  
Roy Thilly

### Board Members

Charles A. Berardesco, Interim President and Chief Executive Officer  
Frederick W. Gorbet  
David Goulding  
George S. Hawkins

### NERC Staff

Tina Buzzard, Associate Director to the Office of the President and Chief Executive Officer  
Ed Kichline, Senior Counsel and Director of Enforcement Oversight  
Andrea Koch, Senior Director of Reliability Assurance  
Ken McIntyre, Vice President of Standards and Compliance  
Sonia C. Mendonça, Vice President, Acting General Counsel and Corporate Secretary, and Director of Enforcement

### Introduction and Chair's Remarks

Ms. Case welcomed attendees and introduced the BOTCC members. She discussed the alignment program, noting the BOTCC will allow for a full year before requesting staff to report on developments. Ms. Case reported on the Annual Closed and Executive Session, as well as the second annual meetings of the BOTCC with Electric Reliability Organization (ERO) Enterprise Compliance and Enforcement leadership. She discussed trends in Critical Infrastructure Protection (CIP) violations, emphasizing that since the ERO Enterprise has streamlined treatment of minor risk violations, there is increased focus on high-risk issues. Ms. Case noted that CIP violations may pose a significant risk, and therefore, the ERO Enterprise continues to focus on understanding root causes and identifying trends. She reported that the BOTCC would provide additional information at the May Open meeting. Ms. Case noted that during the Annual Closed meeting, there was a presentation on the Multi-Region Registered Entity (MRRE) Coordinated Oversight Program, followed by a discussion of what is working and what needs improvement. Ms. Case reported on the Executive Session, noting one Full Notice of Penalty was approved.

### **NERC Antitrust Compliance Guidelines**

Ms. Case directed the participants' attention to the NERC Antitrust Compliance Guidelines included in the agenda, and indicated that all questions regarding antitrust compliance or related matters should be directed to Ms. Mendonça.

### **Minutes**

Upon motion duly made and seconded, the BOTCC approved the minutes of the November 8, 2017, meeting as presented.

### **Annual Review of Committee Mandate**

Ms. Mendonça noted that the BOTCC is required to review its mandate on an annual basis. She referenced the recent changes to the BOTCC mandate and noted that no further changes were recommended.

### **MRRE Coordinated Oversight Program**

Mr. McIntyre provided an update on the MRRE Coordinated Oversight Program, referencing the materials included in the agenda package. He noted that MRREs are uniquely situated to observe areas of ERO Enterprise misalignment and thereby contribute to program alignment efforts. Ms. Case noted the BOTCC's commitment to the success of the program and the positive impact expected from the Compliance Monitoring and Enforcement Program (CMEP) tool.

### **CMEP Annual Report**

Mses. Koch and Mendonça presented the CMEP Annual Report, referencing the materials included in the agenda package. The BOTCC discussed the importance of efforts to evaluate Reliability Standards but reiterated the expectation that registered entities would continue to comply with Reliability Standards in effect.

### **Adjournment**

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

Submitted by,



Sonia C. Mendonça  
Acting Corporate Secretary

## Agenda

# Compliance Committee

February 7, 2018 | 9:00 a.m. – 10:00 a.m. Eastern

Hilton Fort Lauderdale Marina  
1881 SE 17th Street  
Fort Lauderdale, FL 33316

Room name: Grand Ballroom (1st floor)

### Introduction and Chair's Remarks

### NERC Antitrust Compliance Guidelines

### Agenda Items

1. **Minutes\* – Approve**
  - a. November 8, 2017, Meeting
2. **Follow-up Regarding Action Items from Prior Meeting – Discussion**
3. **Annual Review of Committee Mandate\* – Review**
4. **Multi-Region Registered Entity Coordinated Oversight Program\* – Update**
5. **Compliance Monitoring and Enforcement Program Annual Report\* – Update**
6. **Adjournment**

\*Background materials included.