

# Minutes

## Compliance Committee

November 3, 2021 | 2:30 p.m. - 3:30 p.m. Eastern

### Conference Call

Mr. Robin E. Manning, Chair, called to order the duly noticed meeting of the Board of Trustees Compliance Committee (CC or Committee) of the North American Electric Reliability Corporation (NERC) on November 3, 2021, at approximately 2:30 p.m. Eastern Time, and a quorum was declared present.

Present at the meeting were:

#### Committee Members

Robin E. Manning, Chair  
Jane Allen  
Kenneth W. DeFontes, Jr., ex officio  
George S. Hawkins  
Susan Kelly  
Roy Thilly

#### Board of Trustees Members

Robert G. Clarke  
Larry Irving  
Suzanne Keenan  
Jim Piro  
James B. Robb, President and Chief Executive Officer  
Colleen Sidford

#### NERC Staff

Tina Buzzard, Assistant Corporate Secretary  
Manny Cancel, Senior Vice President and CEO of the E-ISAC  
Kelly Hanson, Senior Vice President, Chief Administrative Officer  
Mark Lauby, Senior Vice President and Chief Engineer  
Kiel Lyons, Senior Manager, Compliance Assurance  
James McGrane, Senior Counsel  
Sônia Mendonça, Senior Vice President, General Counsel, and Corporate Secretary  
Steven Noess, Director, Regulatory Programs  
Lonnie Ratliff, Senior Manager, Cyber and Physical Security Assurance  
Janet Sena, Senior Vice President, External Affairs  
Teri Stasko, Assistant General Counsel and Director of Enforcement  
Mechelle Thomas, Vice President, Compliance

#### Introduction and Chair's Remarks

Mr. Manning welcomed the members of the Committee to the meeting.

#### NERC Antitrust Compliance Guidelines

Ms. Buzzard directed the participants' attention to the NERC Antitrust Compliance Guidelines included in the advance agenda package 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 Committee approved the February 3, 2021 Closed Meeting minutes.

### **COVID-19 Related Activities**

Ms. Stasko and Mr. Noess provided an update on recent COVID-19 related activities. Ms. Stasko noted that the ERO Enterprise took prompt action to protect the health and safety of personnel during the COVID-19 pandemic. In particular, the ERO Enterprise deferred onsite activities and temporarily expanded the self-logging program. Ms. Stasko provided a reminder that both the deferment of onsite activities and the temporary expansion of the self-logging program are set to expire at the end of this year. Regarding the temporary expansion of self-logging, which allowed registered entities to log minimal or moderate risk noncompliance related to their COVID-19 response, Ms. Stasko noted a decline in logged items and stated the ERO Enterprise has not received any logged noncompliance during the last three months. Regarding the expiration of the deferment of onsite activities, Mr. Noess described the ERO Enterprise's approach for resuming onsite Compliance Monitoring and Enforcement Program (CMEP) and Certification activities. Mr. Noess explained that the ERO Enterprise will resume onsite activities on a case-by-case basis, prioritizing health and safety in a risk-informed manner.

### **Facility Ratings**

Ms. Stasko introduced the update on Facility Ratings activities, noting that she and Steven Noess would primarily present on this agenda item and that Tim Ponseti from SERC and Steve Goodwill from WECC may respond to questions or provide additional comments. Ms. Stasko stated that strong and sustainable Facility Ratings programs are essential for reliable planning and operation of the Bulk Power System (BPS). Mr. Noess explicitly stated that this presentation was an ERO Enterprise call to action to registered entities that have not yet reviewed the accuracy of their facility ratings. He explained the ERO Enterprise call to action involves prevention, assessment, and recovery. Mr. Noess noted helpful coordination with the North American Transmission Forum and the Compliance and Certification Committee to address this issue. Recognizing the messaging the ERO Enterprise has done regarding the importance of accurate Facility Ratings, Mr. Noess and Ms. Stasko encouraged entities to proactively assess their Facility Ratings programs for accuracy and sustainability, particularly around change management, and to promptly self-report any identified noncompliance.

The Committee discussed the complexity of the issue, and that inaccurate Facility Ratings could have resultant adverse impacts on the BPS as these ratings factor into real-time decision making and planning. The Committee highlighted that not all issues are the same, some may be minimal risk while others are serious, and that the ERO Enterprise has processes in place to address risk accordingly. Given the ERO Enterprise's call to action, the Committee expressed a desire to hear a response from industry participants in the future.

### **2022 CMEP Implementation Plan**

Mr. Lyons explained that the CMEP Implementation Plan (CMEP IP) is the annual operating plan used by the ERO Enterprise in performing CMEP responsibilities and duties. He further explained that the 2022 risk elements identified in the 2022 CMEP IP reflect the continued maturation of the risk-based approach to compliance monitoring. Mr. Lyons stated that the COVID-19 pandemic has caused some risks to BPS

operations and the risk element descriptions have been updated slightly from 2021 to reflect some of these concerns.

**Adjournment**

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

Submitted by,



Sônia Mendonça  
Corporate Secretary