

Meeting Minutes Compliance Committee

May 9, 2018 | 9:45 a.m. – 10:45 a.m. Eastern

The Ritz-Carlton, Pentagon City
1250 South Hayes Street
Arlington, VA 22202

Janice B. Case, Chair, called to order the duly noticed meeting of the Board of Trustees Compliance Committee (BOTCC) of the North American Electric Reliability Corporation (NERC) on May 9, 2018, at approximately 9:45 a.m. Eastern, and a quorum was declared present.

Present at the meeting were:

Committee Members

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

Board of Trustees Members

Frederick W. Gorbet
David Goulding
Suzanne Keenan
Robin E. Manning
Jim Robb, President and Chief Executive Officer

NERC Staff

Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary
Tina Buzzard, Associate Director to Office of the President and Chief Executive Officer
Mark Lauby, Senior Vice President and Chief Reliability Officer
Ken McIntyre, Vice President and Director of Standards and Compliance
Sonia Mendonça, Vice President, Deputy General Counsel, and Director of Enforcement
Janet Sena, Senior Vice President and Director of Policy and External Affairs

Regional Entity Staff

David Godfrey, Vice President, Entity Oversight, Western Electricity Coordinating Council
Holly Hawkins, General Counsel, SERC Reliability Corporation
Deandra Williams-Lewis, Director of Human Resources and Enforcement, ReliabilityFirst Corporation

Introduction and Chair's Remarks

Ms. Case provided an overview of the May 8, 2018, Executive Session, noting the approval of four Full Notices of Penalty (NOPs) and the assessed penalties for each case. Ms. Case also noted that the BOTCC received an update on Compliance Monitoring and Enforcement Program (CMEP) activities for federal entities and the Southwest Power Pool Regional Entity (RE) transition.

NERC Antitrust Compliance Guidelines

Ms. Case directed the participants' attention to the NERC Antitrust Compliance Guidelines.

Minutes

Upon motion duly made and seconded, the BOTCC approved the February 7, 2018, Open meeting minutes as presented.

Follow-up Regarding Action Items from Prior Meeting

Ms. Case noted that the BOTCC has approved several Full NOPs with significant penalties assessed for Critical Infrastructure Protection (CIP) Reliability Standards violations. She discussed the CIP themes report presented to the BOTCC by RE representatives at the February Closed meeting. She explained that the BOTCC decided to bring the discussion of CIP themes and lessons learned to the Open meeting.

CIP Themes and Lessons Learned

Mr. McIntyre presented the background of the themes report and introduced the panel of RE representatives. Ms. Williams-Lewis provided an overview of the themes addressed in the report. Ms. Williams-Lewis emphasized that the themes represent a historical look and are intended to inform registered entities of potential pitfalls and solutions but is not necessarily representative of current conditions. Meses. Hawkins and Williams-Lewis and Mr. Godfrey discussed recurring causes and relationships among the various themes.

Mr. Robb noted the majority of the issues are not tied to tools but rather to organizational culture, communication, and attention to detail, which do not necessarily require significant capital investment.

Compliance Monitoring and Enforcement Program Quarterly Report

Mr. McIntyre and Ms. Mendonça discussed highlights regarding Q1 2018 CMEP activities. Ms. Mendonça reviewed enforcement metrics, noting the continued high percentage of self-identified noncompliance.

Mr. McIntyre updated the BOTCC on various NERC compliance activities. He reported on the continued outreach efforts, in collaboration with the Compliance and Certification Committee Alignment Working Group, at RE workshops on CMEP alignment items.

Adjournment

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

Submitted by,



Charles A. Berardesco
Corporate Secretary