

## Minutes

### Finance and Audit Committee

July 19, 2018 | 11:00 a.m.-1:00 p.m. Eastern

#### Conference Call

Ms. Jan Schori, Chair, called to order a duly noticed open meeting of the Finance and Audit Committee (the “Committee”) of the Board of Trustees of the North American Electric Reliability Corporation (“NERC”) on July 19, 2018, at 11:00 a.m. Eastern, and a quorum was declared present. The agenda is attached as **Exhibit A**.

Present at the meeting were:

**Committee Members:**

Jan Schori, Chair  
Robert G. Clarke  
David Goulding  
Suzanne Keenan  
Roy Thilly

**Board of Trustee Members:**

Kenneth W. DeFontes, Jr.  
George S. Hawkins  
Robin Manning

**NERC Staff:**

Tina Buzzard, Associate Director  
Erika Chanzas, Manager of Business Planning  
Scott Jones, Senior Vice President, Chief Financial and Administrative Officer, and Treasurer  
Mark Lauby, Senior Vice President and Chief Reliability Officer  
Sonia Mendonca, Vice President, Deputy General Counsel, and Director of Enforcement  
Andy Sharp, Controller  
Michael Walker, Senior Vice President and Chief Enterprise Risk and Strategic Development Officer

Also present were representatives of each of the Regional Entities and WIRAB.

**Antitrust Compliance Guidelines**

Ms. Schori directed the participants’ attention to the NERC Antitrust Compliance Guidelines.

Ms. Schori noted that the purpose of the meeting was to publicly discuss the NERC 2019 draft Business Plan and Budget, each of the business plans and budgets for the Regional Entities and WIRAB, and the combined 2019 ERO Enterprise Business Plan and Budget, all of which had been included in the advance agenda package and posted for public review. She reviewed the remainder of the schedule for posting and comment, noting that no action would be taken at this meeting, but that the Committee would be acting at its August open meeting to recommend the NERC and ERO Enterprise plans for Board approval.

**Updated NERC 2019 Draft Business Plan and Budget**

Mr. Sharp provided comments relating to the draft Business Plan and Budget and its alignment with NERC's strategic and operational goals. Mr. Sharp reviewed the overall draft, referencing the detailed materials included in the advance agenda package, addressed changes and clarifications stemming from input received during the comment period, including the incorporation of the Registrations and Standards database efforts into the CMEP Technology Project, highlighted the investment in SAFNR, noting that it remains subject to the internal process for vetting similar projects, and the continued implementation of the E-ISAC long-term strategy. He also referenced the proposal to release funds from the assessment stabilization reserve and the corresponding impact on assessments, by jurisdiction. Finally, he outlined the remainder of the schedule.

The Committee also highlighted, among other things, the ongoing work to address concerns raised by Canadian stakeholders, and expressed support for the proposed release of stabilization funds.

**Final Regional Entity and WIRAB Draft 2019 Business Plans and Budgets**

Each of the Regional Entity and WIRAB representatives provided an overview of their draft 2019 business plans and budgets, referencing materials included in the advance agenda package, noting that each had been approved by the respective governing board.

**Combined 2019 Budgets and 2020-2021 Projections**

Mr. Sharp reviewed the combined ERO Enterprise information and 2020-2021 projections, referencing the detail information included in the advance agenda package, including the overall projected change in assessments and combined expenditures by program area and strategic goal.

**Adjournment**

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

Submitted by,



Charles A. Berardesco  
Secretary

## Agenda

# Finance and Audit Committee Open Conference Call and Webinar

July 19, 2018 | 11:00 a.m.–1:00 p.m. Eastern

**Participant Dial-in:** 1-800-667-5617 | **Conference ID Code:** 7508826

**Webinar:** [www.readytalk.com](http://www.readytalk.com); Enter 4469686; Click join

### Introductions and Chair's Remarks

### NERC Antitrust Compliance Guidelines and Public Announcement

### Agenda Items

1. **Updated NERC 2019 Draft Business Plan and Budget\* – Review**
  - a. [Comments on Initial Draft](#)
  - b. [Management Response to Comments](#)
  - c. [2019 NERC Overview of Business Plan and Budget](#)
  - d. [2019 NERC Business Plan and Budget](#)
2. **Final Regional Entities' 2019 Drafts Business Plans and Budgets\* – Review**
  - a. Florida Reliability Coordinating Council
    - i. [2019 FRCC Overview of Business Plan and Budget](#)
    - ii. [2019 FRCC Business Plan and Budget](#)
  - b. Midwest Reliability Organization
    - i. [2019 MRO Overview of Business Plan and Budget](#)
    - ii. [2019 MRO Business Plan and Budget](#)
  - c. Northeast Power Coordinating Council, Inc.
    - i. [2019 NPCC Overview of Business Plan and Budget](#)
    - ii. [2019 NPCC Business Plan and Budget](#)

- d. ReliabilityFirst Corporation
    - i. [2019 RF Overview of Business Plan and Budget](#)
    - ii. [2019 RF Business Plan and Budget](#)
  - e. SERC Reliability Corporation
    - i. [2019 SERC Overview of Business Plan and Budget](#)
    - ii. [2019 SERC Business Plan and Budget](#)
  - f. Texas Reliability Entity, Inc.
    - i. [2019 Texas RE Overview of Business Plan and Budget](#)
    - ii. [2019 Texas RE Business Plan and Budget](#)
  - g. Western Electricity Coordinating Council
    - i. [2019 WECC Overview of Business Plan and Budget](#)
    - ii. [2019 WECC Business Plan and Budget](#)
  - h. Western Interconnection Regional Advisory Body
    - i. [2019 WIRAB Overview of Business Plan and Budget](#)
    - ii. [2019 WIRAB of Business Plan and Budget](#)
- 3. [Combined 2019 ERO Enterprise Budgets\\*](#) – Review**
- 4. Adjournment**

\*Background materials are linked.