

## Minutes Corporate Governance and Human Resources Committee

August 10, 2016 | 8:30–9:30 a.m. Atlantic

Halifax Marriott Harbourfront  
1919 Upper Water Street  
Halifax, NS B3J 3J5, Canada

Chair Robert Clarke called to order a duly noticed open meeting of the Corporate Governance and Human Resources Committee (the “Committee”) of the Board of Trustees (“Board”) of the North American Electric Reliability Corporation (“NERC” or the “Company”) on August 10, 2016, at 8:30 a.m. Atlantic, and a quorum was declared present. The agenda is attached as **Exhibit A**.

Present at the meeting were:

**Committee Members:**

Robert G. Clarke, Chair  
Kenneth W. DeFontes, Jr.  
Frederick W. Gorbet  
Kenneth G. Peterson  
Roy Thilly

**Board Members:**

Paul F. Barber  
Gerald W. Cauley, President and Chief Executive Officer  
Janice B. Case  
David Goulding  
George Hawkins  
Jan Schori

**NERC Staff:**

Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary  
Tina Buzzard, Associate Director  
Kristin Iwanekchko, Associate Director, Member Relations  
Mark Lauby, Senior Vice President and Chief Reliability Officer  
Marcus Sachs, Senior Vice President and Chief Security Officer  
Janet Sena, Senior Vice President and Director of Policy and External Affairs  
Michael Walker, Senior Vice President and Chief Financial and Administrative Officer

**NERC Antitrust Compliance Guidelines and Chair’s Remarks**

Mr. Clarke directed the participants’ attention to the NERC Antitrust Compliance Guidelines included with the advance agenda materials. He also noted that the presentation and discussion of the draft 2017 corporate metrics would occur during the afternoon’s MRC meeting.

**Minutes**

Upon motion duly made and seconded, the Committee approved the minutes of the April 27, 2016 open meeting as corrected.

**ERO Enterprise and Corporate Metrics Update**

Mr. Lauby reviewed the status of the ERO Enterprise and Corporate Metrics, referencing the materials included in the advance agenda package, particularly noting those areas that require additional focus.

**Annual Board Effectiveness Assessments**

Mr. Berardesco presented the draft Board and Committee self-assessments and MRC assessment, which had been included in the advance agenda package. He noted that the Board assessment questions had been revised for last year's survey by a Board/MRC working group, and were thus not proposed to be further modified for this year. The draft Committee self-assessments have been updated to reflect the revised Committee mandates approved earlier this year. Mr. Berardesco requested comments on the drafts prior to the November Committee meeting so that the assessments could be approved for distribution at that time.

**ERO Enterprise Effectiveness Survey Results and Action Plans**

Ms. Iwanechko summarized the ERO Enterprise Effectiveness Survey results, referencing the report included in the advanced agenda package. She reviewed the approach taken for the 2016 survey, and noted the overall positive results. Ms. Iwanechko also reviewed (i) the highest and lowest rated items, (ii) the favorability analysis, (iii) the year over year analysis, which was only able to be done for a subset of the questions due to changes from the prior year survey, noting the statistically significant positive change for registration and negative change for the conduct of spot checks, and (iv) action plans that had been developed for the CMEP program, registration and standards, and how each action plan related to corporate goals and metrics. She reviewed follow-up activities, including presenting final reports to the Committee at its November meeting. Ms. Iwanechko noted that a sub-group of the Compliance and Certification Committee (CCC) is conducting further analysis on questions relating to the CCC's scope. She stated that the next survey is scheduled for 2018, as part of moving to an every other year survey schedule.

During the subsequent Committee discussion, questions were raised as to how the survey results would relate to 2017 corporate metrics and how the response rate could be improved.

**Staffing and Recruiting Update**

Mr. Walker referenced the revised quarterly update in the advance agenda package, noting the Company had experienced success in hiring, reducing attrition rates, and improved employee morale. Management intends to conduct an employee climate survey in the fall.

**Adjournment**

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

Submitted by,



Charles A. Berardesco  
Corporate Secretary

## Agenda

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August 10, 2016 | 8:30–9:30 a.m. Atlantic

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Conference Room: Nova Scotia Ballroom – 2<sup>nd</sup> Floor

### Call to Order

### Introductions and Chair's Remarks

### NERC Antitrust Compliance Guidelines

### Agenda Items

1. **Minutes\* – Approve**
  - a. April 27, 2016
2. **2016 ERO Enterprise and Corporate Performance Metrics\* – Review**
3. **Annual Board Effectiveness Assessments\* – Review**
4. **ERO Enterprise Effectiveness Survey Results and Action Plans\* – Review**
5. **Human Resources and Staffing Update\* – Review**
6. **Adjournment**

\*Background materials included.