

Minutes Board of Trustees

May 13, 2021 | 2:00 – 5:00 p.m. Eastern
WebEx

Call to Order

Mr. Kenneth W. DeFontes, Jr., Chair, called to order the duly noticed open meeting of the Board of Trustees (the “Board”) of the North American Electric Reliability Corporation (“NERC” or the “Corporation”) on May 13, 2021, at 2:00 p.m. Eastern, and a quorum was declared present. The agenda is attached as **Exhibit A**.

Present at the meeting were:

Board Members

Kenneth W. DeFontes, Jr., Chair
Robert G. Clarke, Vice Chair
Jane Allen
George S. Hawkins
Larry Irving
Suzanne Keenan
Susan Kelly
Robin E. Manning
Jim Piro
James B. Robb, NERC President and Chief Executive Officer
Colleen Sidford
Roy Thilly

NERC Staff

Tina Buzzard, Assistant Corporate Secretary
Manny Cancel, Senior Vice President and Chief Executive Officer of the E-ISAC
Shamai Elstein, Assistant General Counsel
Howard Gugel, Vice President, Engineering and Standards
Kelly Hanson, Senior Vice President, Chief Administrative Officer
Stan Hoptroff, Vice President, Business Technology
Nina Jenkins-Johnston, Assistant General Counsel
Soo Jin Kim, Director, Power Risk Issues Management
Mark Lauby, Senior Vice President and Chief Engineer
Sonia Mendonça, Senior Vice President, General Counsel, and Corporate Secretary
John Moura, Director, Reliability Assessment and Technical Committees
Steven Noess, Director, Regulatory Programs
Mark Olson, Manager, Reliability Assessments
Lauren Perotti, Senior Counsel
Donna Pratt, Performance Analysis Manager
Janet Sena, Senior Vice President, External Affairs
Andy Sharp, Vice President and Chief Financial Officer
Teresina Stasko, Assistant General Counsel and Director of Enforcement
Mechelle Thomas, Vice President, Compliance

NERC Antitrust Compliance Guidelines

Ms. Buzzard noted the public nature of the meeting and directed the participants' attention to the NERC Antitrust Compliance Guidelines included in the advance meeting materials. She stated that any additional questions regarding these guidelines should be directed to Ms. Mendonça.

Introduction and Chair's Remarks

Mr. DeFontes welcomed all of the attendees to the meeting, including Mr. Nick Akins, Chief Executive Officer, American Electric Power; Commissioner James Danly from the Federal Energy Regulatory Commission ("FERC"), Ms. Patricia Hoffman, Acting Assistant Secretary, Office of Electricity, Department of Energy, and Mr. David Morton, CAMPUT. Mr. DeFontes expressed the Board's appreciation to Carol Chinn for her service to NERC and congratulated her on her upcoming retirement. He also noted that the August Board meetings would be held virtually in light of the continuing COVID-19 pandemic.

Consent Agenda

Upon motion duly made and seconded, the Board approved the consent agenda as follows:

Minutes

The draft minutes for the February 4, 2021 meeting were approved as presented to the Board at this meeting.

Committee Membership and Charter Amendments

Personnel Certification Governance Committee Membership

RESOLVED, that the Board hereby appoints Michael Sandidge (PG&E) to the Personnel Certification Governance Committee, for a two year term ending May 2023.

Regular Agenda

Remarks by Nick Akins, Chief Executive Officer, American Electric Power

Mr. Robb introduced Mr. Akins of American Electric Power (AEP). Mr. Akins highlighted the importance of NERC's work to the reliability, resiliency, and security of the grid. He noted the impacts of recent events on energy infrastructure and the country at large. Mr. Akins emphasized the need for industry, NERC, and the governmental authorities to work together to understand the challenges of the transforming electric grid and to take action to address those risks that can impact resiliency and reliability. He also summarized some of the steps AEP has been taking to address these risks.

Remarks by James Danly, Commissioner, FERC

Mr. Robb introduced Commissioner Danly of FERC. Commissioner Danly encouraged NERC to continue to be as aggressive and proactive as possible in developing and enforcing the Reliability Standards that are needed to ensure the functioning of the bulk-power system. He stated that NERC's primary role as the Electric Reliability Organization is to develop and enforce Reliability Standards, and he emphasized the importance of that role as the grid undergoes rapid transformation. Mr. Danly noted that FERC, with its market authority, and NERC, with its Reliability Standards authority, both play important roles in advancing an adequate and reliable grid.

Remarks by Patricia Hoffman, Acting Assistant Secretary, Office of Electricity, DOE

Mr. DeFontes introduced Ms. Hoffman of the Department of Energy. Ms. Hoffman remarked on several focus areas, including: (i) the Biden Administration's clean energy goals, and the need for significant infrastructure investments to accomplish these goals; (ii) continued examination of resiliency and natural gas/electric interdependency issues; and (iii) continued attention to cyber security considerations, including examination of data and communication networks and other areas.

Remarks by David Morton, CAMPUT Representative to NERC

Mr. Robb introduced Mr. Morton, CAMPUT Representative to NERC. Mr. Morton commended NERC on the rollout of the Align system and thanked NERC for its engagement with the Canadian authorities on this project. He encouraged NERC to continue developing mandatory Reliability Standards when needed to address reliability risks. Mr. Morton offered CAMPUT's assistance in preparing for cold weather, expressed his interest in the results of the FERC/NERC staff joint inquiry on the February 2021 cold weather event, and noted his support for NERC's efforts to examine the issues surrounding the interdependence of the electric and natural gas systems.

Report on the March 15, April 22, May 10 and May 12, 2021 Closed Meetings

Mr. DeFontes reported that on March 15, April 22, May 10, and on May 12 (as is its custom), the Board met in closed session with NERC management to review NERC management activities. In these sessions, the Board discussed the Board's oversight role of Reliability Standards, the role of the Compliance and Certification Committee, and the 2021 Work Plan Priorities. On May 12, the Board discussed the Board's resolutions for this meeting, policy input, Reliability Standards proposed for adoption, the recent pipeline cyber attack. The Board also discussed human resource matters and legal issues.

President's Report

Mr. Robb provided the president's report, highlighting the increased challenges posed by the transforming electric grid in the areas of planning, operations, and cyber security. He noted several extraordinary events in recent months, including weather events affecting California and Texas and middle south United States and several notable supply chain compromises. Mr. Robb emphasized the need to be sensitive to the challenges of the transforming grid and highlighted that NERC's 2021 Summer Reliability Assessment shows elevated reliability risk in several areas of the United States. He concluded his report by noting the need to reconsider the regulatory framework for natural gas, so that system is as reliable and secure as the electric grid that increasingly relies on it.

Mr. Robb also congratulated former NERC vice president Tim Roxey upon his receipt of lifetime achievement award from the SANS Institute.

Mr. Robb then introduced Ms. Sara Patrick, President and CEO of the Midwest Reliability Organization (MRO) and co-chair of the ERO Enterprise Executive Committee, to provide additional comments. Ms. Patrick congratulated Ed Schwerdt, former President and CEO of Northeast Power Coordinating Council (NPCC), on his recent retirement, and she welcomed the new NPCC CEO Charles Dickerson to the ERO Enterprise. Ms. Patrick remarked on the recent implementation of the Align program and Secure Evidence Locker and noted how the ERO Enterprise's focus on enhanced collaboration across the organization played a significant role in the successful development and deployment of these programs.

2021 Summer Reliability Assessment Preview

Mr. DeFontes introduced the 2021 Summer Reliability Assessment preview, noting that, due to the importance of its findings, the topic would be addressed earlier in the agenda than originally noted.

Mr. Moura provided an overview of the history of the NERC Summer Reliability Assessment and a summary of recent improvements.

Mr. Olson provided an overview of the preliminary findings. He noted that higher temperatures are predicted for summer 2021 which may contribute to higher peak demand conditions. Mr. Olson highlighted elevated reliability risks in the WECC Southwest Reserve Sharing Group, Texas Regional Entity/ERCOT, Midwest Independent System Operator, and NPCC New England regions under extreme load conditions and high reliability risks in the WECC California/Mexico region. He summarized the shortfalls that may occur during extreme demand scenarios. Mr.

Olson also reported that wildfire risks are projected to above normal for 2021 in many areas and noted that such events could affect reliability.

The Board discussed the preliminary findings. Mr. Moura noted steps the states could take to help address potential resource constraint issues in the short term, such as increasing demand response, deploying solar resources, bringing mothballed plants back into operation, and delaying the retirement of other plants. Mr. Robb remarked on the role demand response can play in addressing short-term emergencies and the merits of placing non-operating plants in “cold standby” so they can be restarted on short notice.

Board Committee Reports

Corporate Governance and Human Resources

Mr. Hawkins, Committee Chair, reported on the closed meetings on March 15, 2021, April 22, 2021 and May 4, 2021. At the closed meetings, the Committee issued a request for proposals to conduct a trustee compensation study, selected Meridian Compensation Partners to conduct the study, met in closed session with Meridian, and addressed human resources issues. At the Committee's open meeting on May 12, 2021, the Committee reviewed and approved revisions to the Governance Guidelines, reviewed the Committee self-assessment survey results, and received an update on staffing and recruitment. Mr. Hawkins presented the proposed amendments to the Governance Guidelines to the Board. Upon motion duly made and seconded, the Board approved the following resolution:

RESOLVED, that the Board, upon recommendation of the Corporate Governance and Human Resources Committee, hereby approves the proposed amendments to the NERC Governance Guidelines, as presented to the Board at this meeting.

Compliance

Mr. Manning, Committee Chair, reported on the Committee's closed meetings on May 11, 2021 and March 15, 2021. At the March 15, 2021 closed meeting, the Committee discussed a restructuring of the Committee's oversight of the ERO Enterprise Compliance Monitoring and Enforcement Program (CMEP), approved a revised delegation of authority to staff for resolving Full Notices of Penalty (subject to briefing the Committee on certain cases), and received updates on cases. At the May 11, 2021 meeting, Committee received updates on the Align and Secure Evidence Locker implementation, discussed significant CMEP activities, discussed the CMEP lifecycle from the Compliance Oversight Plan to resolution of potential noncompliance, received updates on proposed revisions to the NERC Rules of Procedure regarding the CMEP and agreed to recommend approval of the proposed revisions to the full Board of Trustees, and reviewed the Committee self-assessment results.

Finance and Audit

Mr. Clarke, Committee Chair, reported on the April 22, 2021 closed, May 11, 2021 closed, and May 12, 2021 open meetings of the Committee. At the May 12 open meeting, the Committee reviewed and recommended several items for Board approval. First, Mr. Clarke reported that the Committee reviewed and recommended the 2020 Financial Statement Audit Results. Upon motion duly made and seconded, the Board approved the following resolution:

RESOLVED, that the Board, upon recommendation of the Finance and Audit Committee, hereby accepts the 2020 Audited Financial Statements, as presented to the Board at this meeting.

Second, Mr. Clarke reported that the Committee reviewed and recommended the First Quarter Statement of Activities. Upon motion duly made and seconded, the Board approved the following resolution:

RESOLVED, that the Board, upon recommendation of the Finance and Audit Committee, hereby accepts the First Quarter 2021 NERC, Combined ERO Enterprise, and Regional Entity Unaudited Statement of Activities, as presented to the Board at this meeting.

Third, and lastly, Mr. Clarke reported that the Committee reviewed and recommended the renewal of the line of credit. Upon motion duly made and seconded, the Board approved the following resolutions:

RESOLVED, that the Board, upon recommendation of the Finance and Audit Committee, hereby approves the renewal of the line of credit.

FURTHER RESOLVED, that NERC management is hereby authorized to take such actions as are necessary to finalize and execute the line of credit renewal documentation, consistent with the foregoing resolution.

FURTHER RESOLVED, that the Board authorizes NERC management to proceed to take such actions as are necessary to execute the line of credit renewal documentation on an annual basis, so long as the material terms of the renewal remain substantially the same.

Mr. Clarke reported that, at the closed meetings, the Committee met with NERC's external and internal auditors as well as general counsel, received an update from internal audit, and reviewed NERC's retirement plans documents and the cash investment performance and investment policy statement.

Enterprise-wide Risk

Ms. Sidford, Committee Chair, reported on the Committee's closed meeting on May 4, 2021. At its meeting, the Committee welcomed the incoming NERC Director of Corporate Risk Management and Corporate Compliance. The Committee also received updates on the activities of the Compliance and Certification Committee, Regional Entity activities, 2021 audit plan status, and the results of an Enterprise Risk Management diagnostic study performed by a third party consultant. The Committee also reviewed the results of the Committee self-assessment survey.

Technology and Security

Ms. Keenan, Committee Chair, reported on the Committee's closed meeting on May 10, 2021, noting that the Committee received updates on the E-ISAC and the ERO Enterprise cyber security posture. Ms. Keenan also reported that the Committee met in open session on May 12, 2021, where it received updates on E-ISAC operations, the Align project, and other ERO Enterprise technology projects. She highlighted the upcoming virtual GridSecCon event, to take place from October 18-20, 2021, and the upcoming virtual GridEx event, to take place from November 16-18, 2021. Ms. Keenan commended the efforts of E-ISAC staff to assist industry during the multiple supply chain events that occurred over the past year. She encouraged stakeholders to respond to the upcoming E-ISAC stakeholder feedback survey.

Nominating

Mr. Thilly, Committee Chair, reported that the Committee met in closed session on March 16, 2021. He reported that the Committee confirmed that all four incumbent Trustees whose terms are ending are eligible and interested in serving another term, and that, upon consultation with the Member Representatives Committee (MRC), the Nominating Committee will not conduct an outside search for additional Trustee nominations. Mr. Thilly reported that the Committee would meet again in November to make its formal recommendation to the MRC to re-nominate the four Trustees.

Report by Jim Piro on Standards and RSTC Quarterly Activities

Mr. Piro, Liaison to the Standards Committee and Reliability and Security Technical Committee (RSTC), reported on recent Standards Committee activities, including actions taken at its meetings to authorize postings and accept several Standard Authorization Requests submitted by the RSTC.

He also reported that the participation and engagement on the RSTC continues to remain high and highlighted its work to address grid transformation, extreme events, and natural gas interdependence.

Standards Quarterly Report and Actions

Project 2015-09 Establish and Communicate System Operating Limits

Mr. Gugel presented the proposed Reliability Standards and definitions developed through Project 2015-09 Establish and Communicate System Operating Limits, referencing the material included in the advance agenda package. Mr. Gugel reported that NERC staff is continuing to examine whether conforming changes to other standards not included in this project are needed, in light of the changes to the broader framework for determining System Operating Limits developed thorough this project. Mr. Thilly highlighted the need to examine the CIP-002 and CIP-014 standards in particular for conforming changes, and noted the Board's decision to direct staff to study the issue in the interest of prudence and report back to the Board. Upon motion duly made and seconded, the Board approved the following resolutions:

Proposed Reliability Standard FAC-011-4

RESOLVED, that the Board hereby adopts the proposed Reliability Standard FAC-011-4, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed retirement of Reliability Standard FAC-011-3, as presented to the Board at this meeting.

Proposed Reliability Standard FAC-014-3

RESOLVED, that the Board hereby adopts the proposed Reliability Standard FAC-014-3, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed retirement of Reliability Standard FAC-014-2, as presented to the Board at this meeting.

Proposed Reliability Standard IRO-008-3

RESOLVED, that the Board hereby adopts the proposed Reliability Standard IRO-008-3, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed retirement of Reliability Standard IRO-008-2, as presented to the Board at this meeting.

Proposed Reliability Standard TOP-001-6

RESOLVED, that the Board hereby adopts the proposed Reliability Standard TOP-001-6, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed retirement of Reliability Standard TOP-001-5, as presented to the Board at this meeting.

Proposed Reliability Standard FAC-003-5

RESOLVED, that the Board hereby adopts the proposed Reliability Standard FAC-003-5, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed retirement of Reliability Standard FAC-003-4, as presented to the Board at this meeting.

Proposed Reliability Standard PRC-002-3

RESOLVED, that the Board hereby adopts the proposed Reliability Standard PRC-002-3, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed retirement of Reliability Standard PRC-002-2, as presented to the Board at this meeting.

Proposed Reliability Standard PRC-023-5

RESOLVED, that the Board hereby adopts the proposed Reliability Standard PRC-023-5, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed retirement of Reliability Standard PRC-023-4, as presented to the Board at this meeting.

Proposed Reliability Standard PRC-026-2

RESOLVED, that the Board hereby adopts the proposed Reliability Standard PRC-026-2, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the Violation Risk Factors and Violation Severity Levels for the proposed Reliability Standard, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby approves the proposed retirement of Reliability Standard PRC-026-1, as presented to the Board at this meeting.

Retirement of FAC-010-3

RESOLVED, that the Board hereby approves the proposed retirement of Reliability Standard FAC-010-3, as presented to the Board at this meeting.

Definitions for Inclusion in the Glossary of Terms used in NERC Reliability Standards

RESOLVED, that the Board hereby adopts the definition of System Operating Limit, as presented to the Board at this meeting.

FURTHER RESOLVED, that the Board hereby adopts the definition of System Voltage Limit, as presented to the Board at this meeting.

Implementation Plan for Project 2015-09

RESOLVED, that the Board hereby approves the associated implementation plan for the above-listed standards and definitions, as presented to the Board at this meeting.

Authorization and Further Action

RESOLVED, that NERC management is hereby authorized to make the appropriate filings with ERO governmental authorities and take such further actions and make such further filings as are necessary and appropriate to effectuate the intent of the foregoing resolutions.

FURTHER RESOLVED, that the Board directs NERC staff, working with stakeholders, to examine whether conforming changes are needed to the CIP-002 and CIP-014 Reliability Standards in light of the foregoing resolutions and to report its findings to the Board.

WECC Regional Reliability Standards Development Procedures

Mr. Gugel presented the WECC regional Reliability Standards Development Procedures, referencing the material included in the advance agenda package. Upon motion duly made and seconded, the Board approved the following resolutions:

RESOLVED, that the Board hereby approves the Western Electricity Coordinating Council Reliability Standards Development Procedures, substantially in the form presented to the Board at this meeting.

FURTHER RESOLVED, that NERC management is hereby authorized to make the appropriate filings with ERO governmental authorities and take such further actions and make such further filings as are necessary and appropriate to effectuate the intent of the foregoing resolution.

Critical Infrastructure Protection Board Resolution Updates

Mr. Gugel provided an update on activities in support of resolutions approved by the Board regarding the Critical Infrastructure Protection (CIP) reliability Standards, referencing the material provided in the advance agenda package. He highlighted activities underway to address low impact BES Cyber Assets, including: (1) a standards project that is underway to address the categorization for Transmission Only Control Centers following the Board's withdrawal of the CIP-002-6 standard in February 2021; and (2) a broader review and analysis of the low impact criteria that will be conducted in the coming months.

Cold Weather Standards Update

Mr. Gugel provided an update on efforts to develop cold weather Reliability Standards under Project 2019-06 Cold Weather, referencing the material provided in the advance agenda package. He reported that development of the proposed standards is on track to be completed by the deadline set in the Board's March 22, 2021 resolution and, if approved by the ballot body, will be presented to the Board at its June 11, 2021 meeting. Mr. DeFontes thanked NERC's stakeholders for their attention and efforts in completing this important project in a timely manner.

Other Matters and Reports

Policy Input and Member Representatives Committee Meeting

Mr. DeFontes referred to the discussion of policy input items and technical updates at the May 13, 2021 Member Representatives Committee (MRC) meeting.

NERC Membership Roster

Ms. Perotti presented management's proposed plan for renewing the NERC membership roster, referencing the materials included in the advance agenda package. She highlighted that the renewal was made necessary by both FERC's approval of revisions to the NERC membership sectors in the NERC Bylaws on April 5, 2021 and the time that has elapsed since the last renewal in 2018. Ms. Perotti noted that NERC plans to conduct outreach in the coming weeks to help prepare members for the renewal process. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

RESOLVED, that the Board, pursuant to Article II, Section 2 of the NERC Bylaws, hereby establishes August 20, 2021 as the date by which all NERC members must submit their registration renewals.

FURTHER RESOLVED, that the Board authorizes the plan and membership renewal form submitted by NERC management for the renewal of NERC membership by all NERC members, substantially in the form presented to the Board at the meeting.

Proposed Revisions to Section 1003 of the Rules of Procedure

Mr. Elstein summarized the proposed revisions to Section 1003 of the NERC Rules of Procedure, referencing the material included in the advance agenda package. Upon motion duly made and seconded, the Board approved the following resolutions:

RESOLVED, that the Board hereby approves the revisions to Section 1003 of the NERC Rules of Procedure, substantially in the form presented to the Board at this meeting.

FURTHER RESOLVED, that NERC management is hereby authorized to make the appropriate filings with ERO governmental authorities and take such further actions and make such further filings as are necessary and appropriate to effectuate the intent of the foregoing resolution.

Proposed Rules of Procedure Revisions for Compliance Monitoring and Enforcement Program and Training and Education Program

Ms. Stasko and Mr. Noess presented the proposed revisions to Compliance Monitoring and Enforcement Program provisions of the NERC Rules of Procedure. Ms. Stasko highlighted the outreach NERC conducted with stakeholders in formulating the final proposed changes. Mr. Thilly noted the importance of the proposed changes in solidifying NERC's risk-based compliance monitoring and enforcement approach, and Mr. DeFontes commended NERC staff for its work. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

RESOLVED, that the Board, upon recommendation of the Compliance Committee, hereby approves the revisions to Sections 400, 1500, and Appendices 2 and 4C of the NERC Rules of Procedure, substantially in the form presented to the Board at this meeting.

FURTHER RESOLVED, that NERC management is hereby authorized to make the appropriate filings with ERO governmental authorities and take such further actions and make such further filings as are necessary and appropriate to effectuate the intent of the foregoing resolutions.

Ms. Stasko then presented the proposed revisions to the Training and Education provisions of the NERC Rules of Procedure, referencing the materials included in the advance agenda package. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

RESOLVED, that the Board hereby approves the revisions to Sections 600 and 900 of the NERC Rules of Procedure, substantially in the form presented to the Board at this meeting.

FURTHER RESOLVED, that NERC management is hereby authorized to make the appropriate filings with ERO governmental authorities and take such further actions and make such further filings as are necessary and appropriate to effectuate the intent of the foregoing resolutions.

SERC Reliability Corporation Bylaws Amendments

Ms. Jenkins-Johnston presented the proposed revisions to the Bylaws of SERC Reliability Corporation. Upon motion duly made and seconded, the Board approved the following resolutions:

RESOLVED, that the Board hereby approves the proposed amendments to the Bylaws of SERC Reliability Corporation, substantially in the form presented to the Board at this meeting.

FURTHER RESOLVED, that NERC management is hereby authorized to make the appropriate filings with ERO governmental authorities and take such further actions and make such further filings as are necessary and appropriate to effectuate the intent of the foregoing resolution.

2021 State of Reliability Report Preview

Mr. Moura provided a preview of the 2021 State of Reliability Report, noting that the report is intended to be an objective, credible, and concise source of guidance to the Board and policy makers on reliability trends and emerging reliability risks. Ms. Pratt provided an overview of the report's findings, highlighting the challenges that faced the grid in 2020 including weather events, the COVID-19 pandemic, and a supply chain compromise. She noted the favorable and unfavorable trends seen in certain reliability indicators in 2020.

2021 ERO Enterprise Reliability Indicators

Mr. DeFontes deferred this item to the August meeting and referred to the materials included in the advance agenda package.

Committee Reports

Representatives of the Standing Committees provided reports to the Board highlighting items from their written reports, which had been included with the advance meeting materials.

Member Representatives Committee

Mr. Paul Choudhury, Committee Chair, summarized the topics that had been discussed at the May 13, 2021 MRC meeting, referring to the materials provided in the advance agenda package and the posted presentations.

Personnel Certification Governance Committee

Mr. Cory Danson, Committee Chair, provided an update on the activities of the Committee, referencing the materials provided in the advance agenda package and summarizing upcoming work.

Standards Committee

Ms. Amy Casuscelli, Committee Chair, provided an update on the activities of the Committee, referencing the materials provided in the advance agenda package. She highlighted the Committee's approval of a waiver to allow the Project 2019-06 Cold Weather team to complete development of their standards by the Board's June deadline.

Compliance and Certification Committee

Ms. Jennifer Flandermeyer, Committee Chair, referred to the written report included in the advance agenda package, highlighting recent Committee activities. She highlighted the Committee's collaboration with NERC's Director of Internal Audit and the stakeholder perceptions work plan associated with the Committee's stakeholder perceptions feedback program.

Reliability and Security Technical Committee

Mr. Greg Ford, Committee Chair, provided an update on the activities of the Committee, referencing the materials provided in the advance agenda package. He thanked Mr. Piro for his contributions as Committee liaison and highlighted the Committee's coordination with the Reliability Issues Steering Committee. Mr. Ford thanked Mr. David Zwergel, Committee Vice Chair, for his service to the Committee and congratulated him on his upcoming retirement.

Reliability Issues Steering Committee

Mr. Brian Slocum, Committee Vice Chair, provided an update on the activities of the Committee, referencing the materials provided in the advance agenda package. He highlighted the upcoming posting of the 2021 ERO Risk Priorities Report.

Electricity Subsector Coordinating Council

Mr. Robb reported on recent Electricity Subsector Coordinating Council activities, including discussion of the February 2021 event affecting Texas and the middle south United States and the upcoming GridEx event. He also noted that the E-ISAC gave a presentation on cyber threats.

Forum and Group Reports

North American Energy Standards Board

Mr. Michael Desselle, Chair of the NAESB Board of Directors, discussed NAESB's coordination with NERC on reference documents and expressed NAESB's support of efforts to develop standards to support cyber security.

North American Transmission Forum

Mr. Tom Galloway, Forum President and Chief Executive Officer, referenced the written report and highlighted certain items, including the Forum’s work with NERC and government partners on response to COVID-19 challenges, work pertaining to Facility Ratings, and supply chain efforts.

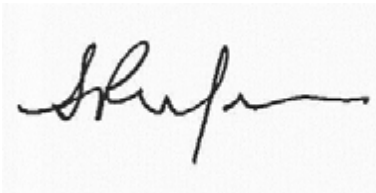
North American Generator Forum

Mr. Allen D. Schriver, Forum Chief Operating Officer, referenced the written report included in the advance agenda package and highlighted the Forum’s recent work.

Adjournment

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

Submitted by,



Sônia Mendonça
Corporate Secretary