

Minutes

Finance and Audit Committee Open Meeting

September 28, 2021 | 12:15–12:30 p.m. Eastern

Virtual Meeting

Mr. Robert G. Clarke, Chair, called to order a duly noticed open meeting of the Finance and Audit Committee (“FAC” or the “Committee”) of the Board of Trustees (“Board”) of the North American Electric Reliability Corporation (“NERC” or the “Company”) on September 28, 2021, at 12:15 p.m. Eastern, and a quorum was declared present.

Present at the meeting were:

Committee Members

Robert G. Clarke, Chair
Larry Irving
Suzanne Keenan
Susan N. Kelly
Jim Piro
Colleen Sidford
Kenneth W. DeFontes, Jr., *ex officio*

Board of Trustees Members

Jane Allen
George S. Hawkins
Robin E. Manning
James B. Robb, President and Chief Executive Officer
Roy Thilly

NERC Staff

Tina Buzzard, Assistant Corporate Secretary
Erika Chanzas, Manager of Business Planning
Kelly Hanson, Senior Vice President and Chief Administrative Officer
Nina Johnston, Assistant General Counsel
Andy Sharp, Vice President and Chief Financial Officer
Michael Walker, Senior Advisor, Strategic Initiatives

Introduction and Chair’s Remarks

Mr. Clarke invited Mr. Sharp to provide an overview of his presentation.

NERC Antitrust Compliance Guidelines

Mr. Clarke directed the participants’ attention to the NERC Antitrust Compliance Guidelines included in the agenda package, and indicated that all questions regarding antitrust compliance or related matters should be directed to Ms. Mendonça.

New Atlanta Office Lease and Amendment to the 2022 NERC Business Plan and Budget

Mr. Sharp provided a high level overview of the current lease and the option to exercise a one-time early termination and pursue another opportunity pursuant to terms provided to the Board. He described the proposed opportunity and noted that it presents financial savings along with a reduced footprint that fits

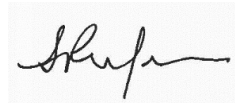
with NERC's new workforce model. In addition, Mr. Sharp described the budget impacts which are reflected in the proposed amended budget. He also explained that the the early termination fee is proposed to be funded from the Operating Contingency Reserve (OCR). Mr. Sharp also noted that the proposed opportunity would result in an \$800,000 increase in out of pocket costs for fixed asset expenditures to be funded out of the Future Obligations Reserve and the OCR, as reflected in the 2022 budget amendment. Mr. Sharp confirmed that due to the proposed means of funding the increase, there would be no impact on total 2022 assessments.

Upon motion duly made and seconded, the FAC approved and recommended Board approval to execute the final lease, and to approve the amendment to the 2022 NERC budget as presented. The Committee also confirmed that the exigency of the circumstances necessitated use of a shortend comment period for the amended budget.

Adjournment

There being no further business before the Committee, the meeting was adjourned.

Submitted by,



Sônia Mendonça
Corporate Secretary