

Minutes

Member Representatives Committee

May 11, 2022 | 1:00 p.m. – 4:00 p.m. Eastern

Chair Roy Jones, with Vice Chair Jennifer Flandermeyer present, called to order a duly noticed meeting of the Member Representatives Committee (MRC) of the North American Electric Reliability Corporation (NERC) via teleconference on May 11, 2022, at 1:00 p.m., Eastern, and a quorum was declared present. The agenda and MRC members and their proxies in attendance are attached as **Exhibits A and B**, respectively.

Introduction and Chair's Remarks

Mr. Jones welcomed MRC members and attendees, acknowledging the NERC Board of Trustees (Board), David Ortiz and others from the Federal Energy Regulatory Commission (FERC), State Commissioner CJ Manthe, and CAMPUT representative David Morton.

NERC Antitrust Compliance Guidelines and Public Announcement

Ms. Iwanek 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 Sonia Mendonca, senior vice president, general counsel, and corporate secretary at NERC.

Minutes

Upon motion duly made and seconded, the MRC approved the minutes of the February 10, 2022, and April 12, 2022, meetings as presented at the meeting.

Future Meetings

The schedule of future meeting dates, including the pre-meeting and informational webinars for 2022, was included in the agenda package. Mr. DeFontes noted that the Board plans to hold the August meetings in-person in Vancouver, BC, Canada and is considering various format options.

Board of Trustees Nominating Committee Update

Bob Clarke, chair of the Board of Trustees Nominating Committee (BOTNC), noted that three trustees have terms expiring in February 2023. Two trustees are eligible for re-election and one trustee is term limited. The BOTNC, with support from the MRC, endorsed the re-nomination of Jim Piro and Suzanne Keenan and will conduct a search to replace Roy Thilly. Nominations for the upcoming vacancy are due to the search firm by July 1, 2022, and the BOTNC will conduct interviews in November 2022 for final selection and recommendation to MRC.

Business Plan and Budget Input Group Update

Jennifer Flandermeyer, chair of the Business Plan and Budget (BP&B) Input Group, provided an update on the group's activities since the last MRC meeting. The group met twice with NERC leadership to discuss NERC's proposed technology and people strategies, and the associated 2023, budget, 2024 and 2025 projections, and funding/assessment requirements. She expressed appreciation to the NERC team for their responsiveness to questions raised by the BP&B Input Group.

Regulatory Update

Ms. Mendonca invited questions or comments regarding the regulatory report, which highlights Canadian affairs, as well as past and future significant FERC filings.

Responses to the Board's Request for Policy Input

Mr. Jones acknowledged the MRC's responses to Mr. DeFontes' April 5, 2022, letter requesting policy input on strengthening industry action to address emerging risks, in addition to the preliminary agenda topics for the May meetings. Responses to the letter are [posted](#) on the NERC website.

Strengthening Industry Action to Address Emerging Risks

John Moura, director of reliability assessment and performance analysis at NERC, noted that the industry is facing risks to reliability that are quickly emerging, such as the integration of large amounts of inverter-based resources, and requiring accelerated response. Mr. Moura discussed actions taken by the ERO related to inverter-based resources to disseminate information to industry, outline recommendations for improvement to the performance of inverter-based resources, and provide clear guidance for addressing root causes to many of the issues. The policy input letter requested MRC input on how the ERO Enterprise and industry can work together to address fast emerging risks and what other actions the ERO Enterprise should take related to the inverter-based resource challenges. Mr. Moura discussed the input received in response to the policy input letter. He stated that NERC would formulate an action plan to address inverter performance risk, elevate industry outreach, and engage the Reliability Issues Steering Committee (RISC) and Reliability and Security Technical Committee (RSTC) to support the efforts.

Additional Policy Discussion of Key Items from Board Committee Meetings

Mr. Jones reminded attendees that full presentations were conducted at the Board committee meetings and would not be repeated during the MRC meeting. Attendees did not have any additional comments related to the Board's Finance and Audit, Technology and Security, and Corporate Governance and Human Resources Committee meetings.

MRC Input and Advice on Board Agenda Items and Accompanying Materials

An MRC member expressed appreciation for the upcoming collaboration with NERC to develop recommendations around standards process improvement opportunities. Attendees did not have any other comments on the topics included on the Board's agenda for its meeting the next day.

Update on FERC Reliability Matters

David Ortiz, acting director of the Office of Electric Reliability at FERC, provided an update on the following FERC reliability activities: joint federal-state task force on electric transmission; April 27-28, 2022, FERC, NERC, and Regional Entities Technical Conference on improving winter-readiness of

generating units; Notice of Proposed Rulemaking (NOPR) on internal network security monitoring for high and medium impact Bulk Electric System cyber systems; NOPR on transmission planning; Order directing ISO/RTO reports on potential reforms to meet changing system needs; and recent reliability orders.

Bulk Power System Situation Awareness

Darrell Moore, director of bulk power system awareness (BPSA) and personnel certifications at NERC, provided an update on BPSA activities for the first quarter of 2022. He highlighted operating procedures implemented by Reliability Coordinators to help mitigate challenges from cooler temperatures. Mr. Moore provided an overview of mandatory OE-417 and EOP-004 reports for Q1, physical security reports for Q1, Energy Emergency Alert Level 3 (EEA3) reports from the past twelve months, and NERC Alerts published in Q1.

Mr. Moore also discussed an emerging issue regarding Mitsubishi electric transformers, where it was discovered that transformers rated 22kV, 2MVA, or above manufactured at Mitsubishi's Aki, Hyogo Prefecture plant did not fully comply with customer-requested testing standards. Mitsubishi is reaching out to impacted customers by May 13, 2022, and NERC, the North American Transmission Forum (NATF), and the Electric Power Research Institute (EPRI) are working together with Mitsubishi to understand more around extent of condition and the way forward.

Update and Next Steps on Energy Availability Standard Authorization Request

Mike Knowland, manager of forecast and scheduling at ISO New England, and Mark Lauby, senior vice president and chief engineer at NERC, provided an update on the energy availability Standard Authorization Request (SAR) which was discussed in the January 5, 2022, policy input letter and at the February 2022 MRC meeting. Based on feedback received from the MRC, the RSTC, and a February 16, 2022, industry workshop, the Energy Reliability Assessment Task Force (ERATF) split the original SAR into two SARs—one for the planning time horizon and one for the operations/operational planning time horizon. A consideration of comments document is posted on the NERC website, outlining how comments from the MRC and RSTC were considered.

Mr. Knowland discussed next steps, including a May 19, 2022, industry webinar on the revised SARs and request for RSTC endorsement and Standards Committee (SC) acceptance of the SARs in June. Upon SC acceptance, the SARs will proceed through the standards development process.

Mr. Knowland and Mr. Lauby expressed appreciation for MRC input and support, and acknowledged that continued support will be important. Mr. Lauby also acknowledged the various industry partners that have been, and will continue to be, involved in this effort.

Coordination and Engagement with Organizations Across the Reliability Ecosystem

Mr. Lauby discussed how the ERO Enterprise regularly leverages various organizations and industry expertise to address problems and avoid duplication of work. He discussed ERO Enterprise engagement with forums and industry associations, research and development organizations, policy makers, government, and regulators and provided examples of leveraged activities supporting the ERO's mission. He also discussed organizations that NERC engages for increased awareness of activities. Lastly, he noted

that one of the ways NERC and the Regional Entities work together is through collaboration groups. These collaboration groups meet regularly to ensure coordination and alignment where necessary, recognizing that each Regional Entity addresses reliability in unique ways based on its own challenges and stakeholder needs.

Adjournment

There being no further business, the meeting was adjourned.

Submitted by,



Kristin Iwanechko
Secretary

Agenda

Member Representatives Committee

May 11, 2022 | 1:00 p.m. – 4:00 p.m. Eastern

Ritz-Carlton Pentagon City
1250 Hayes St.
Arlington, VA 22202

Introduction and Chair's Remarks

NERC Antitrust Compliance Guidelines and Public Announcement*

Consent Agenda

1. **Minutes - (Approve)**
 - a. February 10, 2022 Meeting*
 - b. April 12, 2022 Conference Call*

Regular Agenda

2. **Future Meetings***
3. **General Updates and Reports**
 - a. Board of Trustees Nominating Committee Update*
 - b. Business Plan and Budget Input Group Update*
 - c. Regulatory Update*
4. **Policy and Discussion Items**
 - a. Responses to the Board's Request for Policy Input*
 - i. Strengthening Industry Action to Address Emerging Risks*
 - b. Additional Policy Discussion of Key Items from Board Committee Meetings*
 - i. Finance and Audit Committee Meeting
 - ii. Technology and Security Committee
 - iii. Corporate Governance and Human Resources Committee Meeting
 - c. MRC Input and Advice on Board Agenda Items and Accompanying Materials*

Technical Updates

5. **Update on FERC Reliability Matters***

- 6. Bulk Power System Situation Awareness***
- 7. Update and Next Steps on Energy Availability Standard Authorization Request***
- 8. Coordination and Engagement with Organizations Across the Reliability Ecosystem***

*Background materials included.

Member Representatives Committee - Attendance (May 11, 2022)

Voting Members

First Name	Last Name	Sector
Roy	Jones	Chair
Jennifer	Flandermeyer	1. Investor-Owned Utility
Joel	Dembowski	1. Investor-Owned Utility
Rachel	Snead	1. Investor-Owned Utility
John	Haarlow	2. State/Municipal Utility
John	Twitty	2. State/Municipal Utility
Greg	Ford	3. Cooperative Utility
Jason	Marshall	3. Cooperative Utility - Proxy Patti Metro
Edison	Elizeh	4. Federal/Provincial
Francois	Brassard	4. Federal/Provincial
Paul	Choudhury	4. Federal/Provincial
Martin	Sidor	6. Merchant Electricity Generator
Sean	Cavote	6. Merchant Electricity Generator
Brad	Cox	7. Electricity Marketer
Chris	Haas	7. Electricity Marketer - Proxy Matt Fischesser
Travis	Fisher	8. Large End-Use Electricity Customer
Venona	Greaff	8. Large End-Use Electricity Customer
Darryl	Lawrence	9. Small End-Use Electricity Customer
Michael	Moody	9. Small End-Use Electricity Customer
Gordon	van Welie	10. ISO/RTO - Proxy Matt Goldberg
Lesley	Gallinger	10. ISO/RTO
Terry	Young	10. ISO/RTO
Matt	Schuerger	12. State Government - Proxy CJ Manthe

Non-Voting Members

First Name	Last Name	Sector
David	Morton	Canadian Provincial
Pat	Hoffman	U. S. — Federal
David	Ortiz	U. S. — Federal
Harvey	Reed	Regional Entity - NPCC
Todd	Hillman	Regional Entity - SERC
Curt	Brockmann	Regional Entity - Texas RE
Melanie	Frye	Regional Entity - WECC
Kristin	Iwanechko	Secretary