

## Minutes Compliance Committee

November 1, 2019 | 11:00 a.m. – 12:00 p.m. Eastern

Conference Call

Chair Jan Schori called to order the duly noticed meeting of the Board of Trustees Compliance Committee (BOTCC) of the North American Electric Reliability Corporation (NERC) on November 1, 2019, at approximately 11:00 a.m. Eastern, and a quorum was declared present.

Present at the meeting were:

### Committee Members

Jan Schori, Chair  
Frederick W. Gorbet  
George S. Hawkins  
Robin E. Manning  
Roy Thilly, *ex officio*

### Board of Trustees Members

Janice B. Case  
Robert G. Clarke  
Kenneth W. DeFontes  
David Goulding  
Suzanne Keenan  
James B. Robb, President and Chief Executive Officer  
Colleen Sidford

### NERC Staff

Tina Buzzard, Associate Director  
Ed Kichline, Senior Counsel and Director of Enforcement Oversight  
Sônia Mendonça, Vice President, Interim General Counsel, Corporate Secretary, and Director of Enforcement  
Steve Noess, Director of Regulatory Programs  
Mechelle Thomas, Vice President and Chief Compliance Officer

### NERC Antitrust Compliance Guidelines

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

### Chair's Remarks

Ms. Schori welcomed the BOTCC members and thanked attendees participating over the phone.

### 2020 Compliance Monitoring and Enforcement Program Implementation Plan

Mr. Noess referenced the annual 2020 Compliance Monitoring and Enforcement Program Implementation Plan (CMEP IP). He discussed changes to make the 2020 CMEP IP more user-friendly and more relevant to registered entities, including NERC's collaboration with the Regional Entities to identify risks and focus areas

without needing a separate appendix for each Regional Entity. The BOTCC discussed how aging infrastructure and the availability of spare equipment affect the reliability of the bulk power system.

### **Compliance Monitoring and Enforcement Program Quarterly Report**

Mr. Noess and Mr. Kichline discussed highlights regarding third quarter CMEP activities. Mr. Noess described the development of Compliance Oversight Plans using results of Inherent Risk Assessments and performance considerations. Mr. Noess described how a registered entity's levels of control might affect its Compliance Oversight Plan in how frequently that registered entity is monitored. Mr. Kichline addressed the importance of controls to enforcement, including how the presence of protective controls can help support minimal risk assessments and Compliance Exception dispositions, and implementation of controls during mitigation to facilitate sustainable compliance to support reliability. The BOTCC discussed how to measure the effectiveness of internal controls.

Mr. Kichline discussed streamlining activities in enforcement, noting sampling to verify completion of mitigation for Compliance Exceptions, enhancements to guidance for the Electric Reliability Organization Enterprise and registered entities, and Rules of Procedure revisions to enhance the handling of minimal risk noncompliance.

### **Adjournment**

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

Submitted by,



Sônia Mendonça  
Corporate Secretary