

# NERC

NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

# NERC Committee Assessments

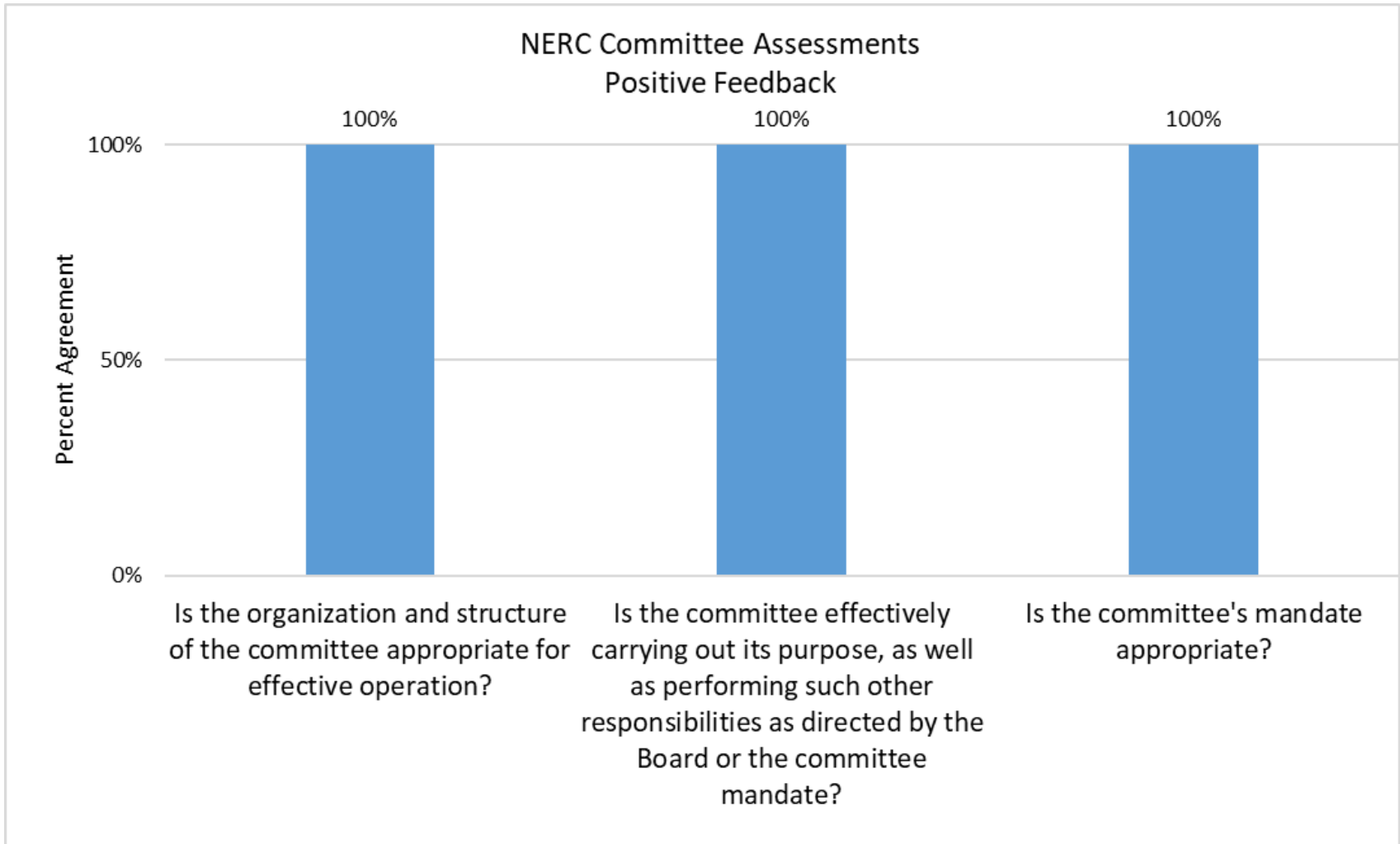
## 2021 Assessment Year Results

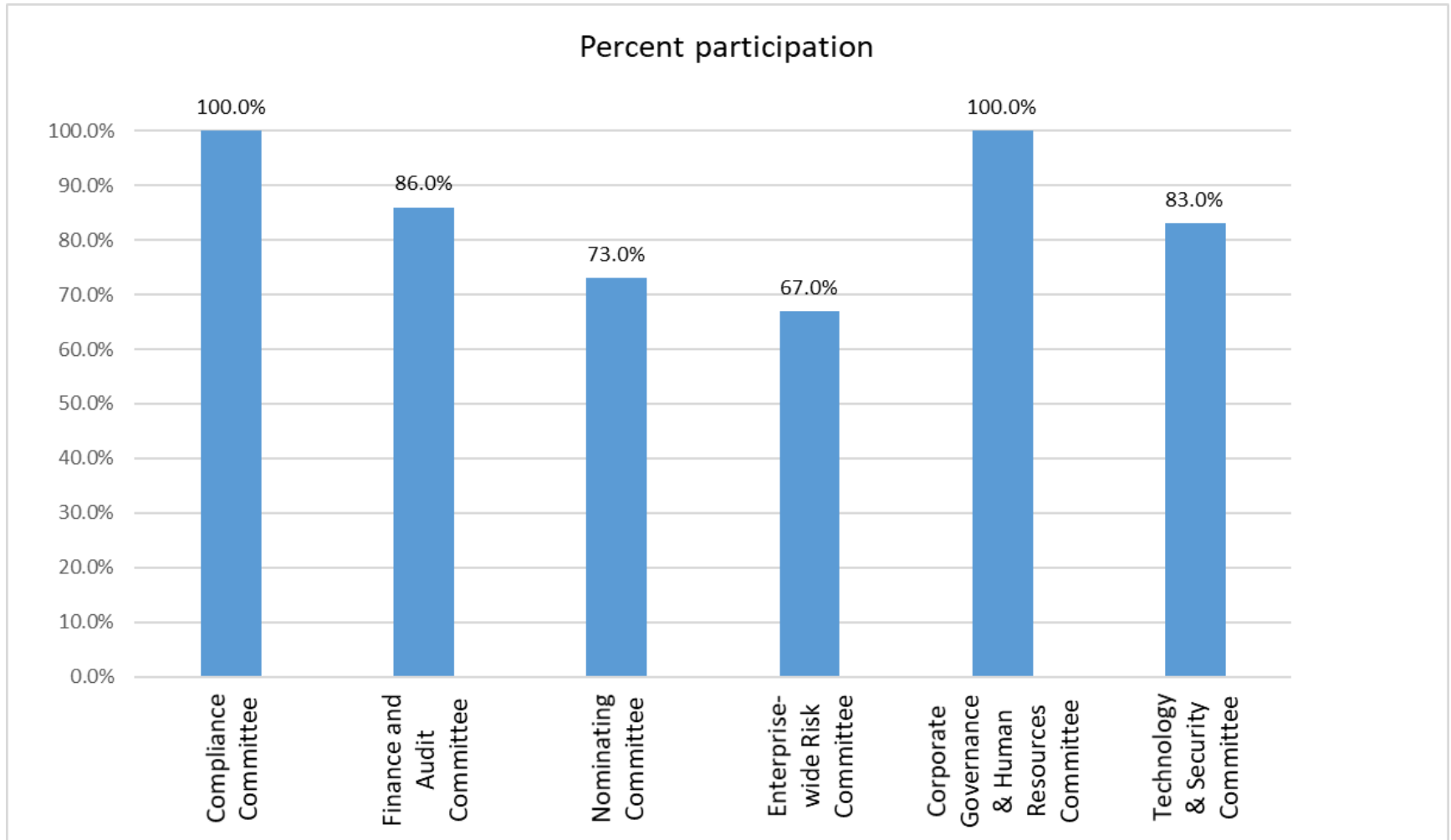
Corporate Governance and Human Resources Committee Meeting  
May 11, 2022

**RELIABILITY | ACCOUNTABILITY**



- Consistent questions used since 2018 (2017 assessment year):
  - Is the organization and structure of the committee appropriate for effective operation?
  - Is the committee effectively carrying out its purpose, as well as performing such other responsibilities as directed by the Board or the committee mandate?
  - Is the committee's mandate appropriate?
- Positive Feedback:
  - 100% of all respondents replied “Yes” to all questions.
- Slightly lower response rate for 2021



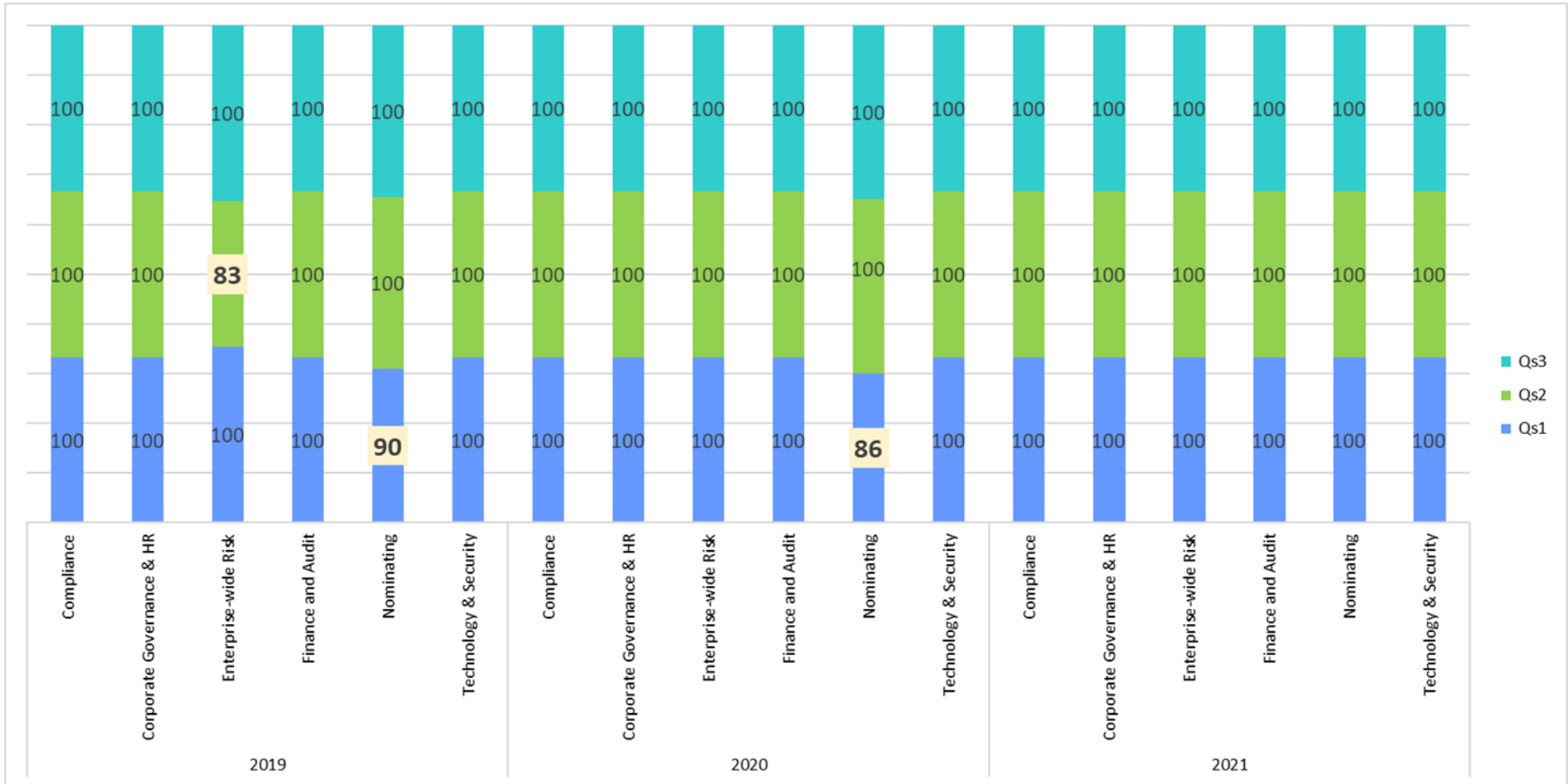


- 2021 was the first year associated with the Compliance Committee concentrating more on higher level issues such as significant violations and trends regarding most violated standards and evaluating and understanding what those trends mean and determining whether program changes or corrections that are warranted. Members feel this change had a positive impact on the effectiveness of the Committee.
- The Nominating Committee has remained effective and will continue to focus on ensuring access to people of diverse backgrounds with the requisite knowledge and skills to support the work of NERC, while ensuring the independence of the new Trustees as it initiates a new Trustee search in 2022.

- The Finance and Audit Committee and ERO Enterprise's continued focus on implementing efficiencies in the business plan and budget process over the past few years has resulted in three consecutive years of clean FERC orders. The Committee's ongoing commitment to evaluate its purpose has resulted in a different approach starting in 2022 of evaluating and implementing a three-year business plan strategy in lieu of an annual strategy.
- The Enterprise-wide Risk Committee continues its focus on establishing a mandate that effectively covers the needs and purpose of the Committee to include embedding a risk culture in all corporate functions, clarifying roles with the Finance and Audit Committee in audit responsibilities, and understanding the level of participation by the Compliance and Certification Committee as a member of the Committee.

- The Corporate Governance and Human Resources Committee effectively continued its mandated responsibilities of corporate governance, initiating and evaluating current compensation market studies and focusing on work place and work force issues given the pace of change in the work environment.
- The Technology and Security Committee continued its focus on the security topics to include oversight of NERC's IT initiatives such as Align and the Secure Evidence Locker, the information technology and security posture of the ERO Enterprise and providing guidance and input in real-time regarding active security threats.

Is the organization and structure of the committee appropriate for effective operation?	Is the committee effectively carrying out its purpose, as well as performing such other responsibilities as directed by the Board or the committee mandate?	Is the committee's mandate appropriate?
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# Questions and Answers