

# Minutes

## Member Representatives Committee

August 16, 2023 | 4:30 p.m. – 6:00 p.m. Eastern

In-Person Meeting

Westin Ottawa Hotel

11 Colonel By Dr.

Ottawa, ON K1N 9H4, Canada

Chair Jennifer Flandermeyer, with Vice Chair John Haarlow present, called to order a duly noticed meeting of the Member Representatives Committee (MRC) of the North American Electric Reliability Corporation (NERC) on August 16, 2023, at 4:30 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

Chair Flandermeyer welcomed MRC members and virtual attendees, acknowledging the NERC Board of Trustees (Board), Pat Hoffman from the Department of Energy, David Ortiz from the Federal Energy Regulatory Commission (FERC), Anna Le from the Canada Energy Regulator, and CAMPUT representative David Morton. Chair Flandermeyer acknowledged State Commissioner CJ Manthe's recent retirement and thanked her for her contributions to the MRC. She also expressed appreciation to NERC for adding the webcast option for the August meetings and to the Reliability and Security Technical Committee leadership for their efforts to improve the transparency and clarity of its activities.

### 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 Rocha, senior vice president, general counsel, and corporate secretary at NERC.

### Minutes

Upon motion duly made and seconded, the MRC approved the minutes of the May 10, 2023, and July 24, 2023, meetings as presented at the meeting.

### Schedule for MRC Officer and Sector Elections

Chair Flandermeyer announced the annual nomination and election of the MRC chair, vice chair, and sector representatives. The schedule for the upcoming nominations and elections was included in the agenda package.

### Board of Trustees Nominating Committee Update

Bob Clarke, chair of the Board Nominating Committee (BOTNC), noted that there are four Trustees with terms ending in February 2024, with all eligible for re-election. The BOTNC received input from MRC members and agreed to recommend re-nomination of all four Trustees. On August 15, 2023, the BOTNC discussed the overall nomination and election process. This included reviewing corporate governance

documents related to the BOTNC, discussing how the BOTNC operates as a committee, and discussing desired Trustee attributes and expertise. Next year, the BOTNC will be looking for a new Trustee and will continue discussions around improving the process for filling Board vacancies for 2024 and beyond.

### **Business Plan and Budget Input Group Update**

Mr. Haarlow, chair of the business plan and budget (BP&B) input group, provided an update on BP&B activities and input group discussions since the May meeting. In May, NERC posted its draft 2024 BP&B for stakeholder comment. During the time the draft was posted for comment, U.S. Congress mandated NERC to complete an interregional transfer capability study (ITCS) which resulted in NERC having to reevaluate its resourcing and priorities for 2023 and 2024. In July, the BP&B input group received an update from NERC on its final 2024 BP&B and funding strategies for the ITCS resources. BP&B input group discussion focused on clarifying the need for permanent resources to build long-term transfer study capabilities, what work is being deferred, impacts to the Regional Entity budgets, and NERC's position on seeking other funding sources for ITCS costs.

### **Update on FERC Activities**

David Ortiz, director, office of electric reliability at FERC, provided an update on the following FERC reliability activities: FERC-NERC joint inquiry into Winter Storm Elliott; FERC order approving inverter-based resources work plan; FERC order directing NERC to develop a new Reliability Standard or modifications to TPL-001-5.1 that addresses concerns pertaining to transmission system planning for extreme weather; FERC order directing transmission providers to file one-time informational reports describing how they conduct extreme weather vulnerability assessments; FERC order on improvements to generator interconnection procedures and agreements; August 10, 2023, physical security technical conference; and November 9, 2023, FERC annual reliability technical conference.

### **MRC Effectiveness Review Update**

Chair Flandermeyer provided an update on efforts in response to the MRC effectiveness review conducted earlier this year. At the May 2023 meeting, the MRC endorsed initial recommendations and initiation of an evaluation around areas for additional discussion. One recent change in response to feedback received was a shift in format for the MRC informational sessions, which was initiated at the July informational session. The new format introduced the addition of topics focused on providing more background and context on NERC governance and activities. MRC leadership plans to continue this new format and welcomes feedback for continuous improvement.

Regarding the areas for additional discussion, the MRC is establishing sub-groups, with support from NERC, for each of the following areas. Each sub-group will provide an update on discussions at the MRC's October 2023 meeting and recommendations for MRC consideration at the MRC's February 2024 meeting.

- Balancing Technical and Policy Input
- MRC Structure
- Closed MRC Meeting Opportunities to Discuss MRC Strategy
- MRC Value Proposition
- Culture of Collaboration and Engagement

### **Board Invitation for MRC Input**

Chair Flandermeyer thanked MRC members for their meaningful and substantive responses to Mr. DeFontes' July 12, 2023, letter requesting general input from MRC members on any items to bring to the Board's attention, in addition to the preliminary agenda topics for the August meetings. Responses to the letter are [posted](#) on the NERC website.

Chair Flandermeyer provided a summary of the feedback received from MRC members, highlighting comments around encouraging NERC to leverage its relationships with policymakers and reliability oversight model to ensure grid reliability and the ability to provide essential reliability services, positive feedback on the new format of the May meetings, changes to the MRC informational sessions, increased engagement with the Board on key matters, concerns about setting precedent for funding congressional directives, and encouraging NERC to continue to seek opportunities to discuss cost concerns and plans with industry.

MRC members discussed the feedback provided, focusing on prioritization, gas-electric coordination, the interregional transfer capability study, strengthening the standards process, and reviewing the registered ballot body.

### **Additional Discussion on August 16 Board Committee Meetings**

Chair Flandermeyer 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 Technology and Security, Compliance, Corporate Governance and Human Resources, and Finance and Audit Committee meetings.

### **Additional Discussion on August 16 Technical Session**

Chair Flandermeyer noted that MRC members requested a discussion around cloud use which was originally planned for the August technical session. The topic was delayed due to the ITCS discussion and MRC leadership is working with NERC staff on an appropriate time for the cloud use discussion. Attendees did not have additional comments on the items discussed during the August 16 Technical Session.

### **MRC Input and Advice on August 17 Board Agenda Items**

Attendees did not have any other comments on the topics included on the Board's agenda for its meeting the next day.

### **Compliance and Certification Committee Role in Monitoring Stakeholder Perceptions**

Scott Tomaszefsky, chair of the Compliance and Certification Committee (CCC), provided an overview of the CCC and their role in obtaining feedback from industry as called for in their charter and outlined in the CCC procedure ([CCCPP-008-3](#)) for the *Program for Monitoring Stakeholders' Perceptions*. When this procedure was developed, the CCC committed to sharing information on stakeholder perceptions to the MRC. The CCC has prepared two reports under the new program that are publicly available on the [NERC website](#).

For the 2021 report, discussions focused on Compliance Oversight Plans, risk-based standards and compliance oversight, self-logging processes and enforcement, and Align and SEL implementation experience. For the 2022 report, discussions focused on the Compliance Guidance policy, Compliance Oversight Plans and COVID-19 activities and resources, Align and SEL implementation experience, and 4A

Regional Entity audit results and takeaways. For the 2023 report, the CCC is working on strengthening feedback loops in the ERO Enterprise framework and partnerships with other industry committees for agility and effectiveness and with the Standards Committee on enhanced periodic review of standards and effectiveness of process.

### **Future Meetings**

The schedule of future meeting dates was included in the agenda package. Chair Flandermeyer noted that the virtual October MRC meeting will be on October 25, 2023.

### **Regulatory Update**

The regulatory update, which highlights Canadian affairs, as well as past and future significant FERC filings was included in the agenda package.

### **Adjournment**

There being no further business, the meeting was adjourned.

Submitted by,



Kristin Iwanechko  
Secretary

# Agenda

## Member Representatives Committee

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In-Person Meeting

### In-Person

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11 Colonel By Dr.  
Ottawa, ON K1N 9H4, Canada

### Virtual Attendees

[Webinar Link](#)

### Introduction and Chair's Remarks

### NERC Antitrust Compliance Guidelines and Public Announcement\*

### Consent Agenda

1. **Minutes - (Approve)**
  - a. May 10, 2023 Meeting\*
  - b. July 24, 2023 Conference Call\*

### Regular Agenda

2. **Schedule for MRC Officer and Sector Elections\***
3. **General Updates and Reports**
  - a. Board of Trustees Nominating Committee Update\*
  - b. Business Plan and Budget Input Group Update\*
  - c. Update on FERC Activities\*
  - d. MRC Effectiveness Review Update\*
4. **Discussion Items**
  - a. Board Invitation for MRC Input\*
  - b. Additional Discussion on August 16 Board Committee Meetings\*
    - i. Technology and Security Committee
    - ii. Compliance Committee
    - iii. Corporate Governance and Human Resources Committee
    - iv. Finance and Audit Committee Meeting

- c. Additional Discussion on August 16 Technical Session\*
- d. MRC Input and Advice on August 17 Board Agenda Items\*
- e. Compliance and Certification Committee Role in Monitoring Stakeholder Perceptions\*

**Informational Items**

**5. Future Meetings\***

**6. Regulatory Update\***

\*Background materials included.

**Member Representatives Committee - Attendance (August 16, 2023)**

**Voting Members**

<b>First Name</b>	<b>Last Name</b>	<b>Sector</b>
Jennifer	Flandermeyer	Chair
John	Haarlow	Vice Chair
Joel	Dembowski	1. Investor-Owned Utility
Rachel	Snead	1. Investor-Owned Utility
John	Twitty	2. State/Municipal Utility
Greg	Ford	3. Cooperative Utility
Jason	Marshall	3. Cooperative Utility
Edison	Elizeh	4. Federal/Provincial
Daryl	Maxwell	4. Federal/Provincial - <b>Proxy Stephane Desbiens</b>
Brian	Evans-Mongeon	5. Transmission-Dependent Utility
Terry	Huval	5. Transmission-Dependent Utility
Mark	Spencer	6. Merchant Electricity Generator
Matt	Fischesser	7. Electricity Marketer
Brad	Cox	7. Electricity Marketer
Venona	Greaff	8. Large End-Use Electricity Customer
Karen	Onaran	8. Large End-Use Electricity Customer
Michael	Moody	9. Small End-Use Electricity Customer - <b>Proxy Darryl Lawrence</b>
Gordon	van Welie	10. ISO/RTO
Lesley	Gallinger	10. ISO/RTO
Richard	Dewey	10. ISO/RTO
Matt	Schuerger	12. Government

**Non-Voting Members**

<b>First Name</b>	<b>Last Name</b>	<b>Sector</b>
Anna	Le	Canadian Federal
David	Morton	Canadian Provincial
Pat	Hoffman	U. S. - Federal
David	Ortiz	U. S. - Federal
Milo	Blair	Regional Entity - NPCC
Jason	Blake	Regional Entity - SERC
Curt	Brockmann	Regional Entity - Texas RE
Melanie	Frye	Regional Entity - WECC
Kristin	Iwanechko	Secretary