

Minutes Board of Trustees

February 22, 2024 4:30 p.m.–5:00 p.m. Eastern

Virtual Meeting

Call to Order

Mr. Kenneth W. DeFontes, Jr., Chair, called to order the duly noticed open meeting of the Board of Trustees (the Board) of the North American Electric Reliability Corporation (NERC or the Corporation) on February 22, 2024, at 4:30 p.m. Eastern, and a quorum was declared present. The agenda is attached as **Exhibit A**.

Present at the meeting were:

Board Members

Kenneth W. DeFontes, Jr., Chair
Suzanne Keenan, Vice Chair and Chair Elect
Jane Allen
Robert G. Clarke
George S. Hawkins
Larry Irving
Susan Kelly
Robin E. Manning
Jim Piro
James B. Robb, NERC President and Chief Executive Officer
Kristine Schmidt
Colleen Sidford

NERC Staff

Tina Buzzard, Assistant Corporate Secretary
Manny Cancel, Senior Vice President and Chief Executive Officer of the E-ISAC
Candice Castaneda, Senior Counsel
Howard Gugel, Vice President, Compliance Assurance and Registration
Kelly Hanson, Senior Vice President and Chief Administrative Officer
Soo Jin Kim, Vice President, Engineering and Standards
Sônia Rocha, Senior Vice President, General Counsel, and Corporate Secretary
Lauren Perotti, Assistant General Counsel

NERC Antitrust Compliance Guidelines

Ms. Buzzard noted the public nature of the meeting and directed the participants' attention to the NERC Antitrust Compliance Guidelines included in the advance meeting materials. She stated that any additional questions regarding these guidelines should be directed to Ms. Rocha.

Introduction and Chair's Remarks

Mr. DeFontes welcomed the attendees to the meeting and noted the purpose of the meeting is to approve the proposed Rules of Procedure revisions regarding registration of inverter-based resources, or IBRs. He expressed the

Board's appreciation for the stakeholder feedback on the proposals and the discussion at the February 15, 2024 open meeting. He introduced Mr. Robb to provide further remarks.

Mr. Robb remarked on the broad degree of consensus for the new registration thresholds for IBRs, but he noted opportunities to improve outreach and communications regarding implementation.

Proposed Revisions to the NERC Rules of Procedure - Registration

Mr. Gugel introduced the proposed revisions to the NERC Rules of Procedure for registration, noting that NERC staff considered feedback from stakeholders and several criteria to determine the optimal path forward among the possible implementation options. These criteria included: (1) minimizing impact to standards development; (2) fastest time to implement the approach; (3) minimizing burden on registered entities; and (4) minimizing burden on ERO registration staff. He noted that, after considering all of the stakeholder feedback received, NERC staff proposes revisions to the Rules of Procedure that are consistent with those reviewed at the February 15, 2024 meeting. Mr. Gugel emphasized staff's commitment to continued engagement and outreach as NERC implements these registration changes, which will begin after FERC approval.

The Board discussed the alternative approaches considered, including revising the Bulk Electric System (BES) definition. Mr. Gugel clarified that NERC staff's proposal would not foreclose revising the BES definition at a later time. The Board also discussed the need for enhanced outreach as the registration changes are implemented. Mr. DeFontes asked NERC staff to provide further updates to the Board as key milestones are advanced, and he noted that stakeholders would have the opportunity to ask questions or raise concerns in open meetings.

The Board opened the discussion to attendees, and Mr. Gugel clarified outreach efforts and aspects of NERC staff's proposal. Mr. DeFontes thanked stakeholders for the discussion and feedback received. After discussion, and upon motion duly made and seconded, the Board approved the following resolutions:

WHEREAS, entities listed in the NERC Compliance Registry (NCR) are responsible for compliance with applicable mandatory Reliability Standards and subject to compliance monitoring and enforcement;

WHEREAS, NERC does not monitor or hold those outside of the NCR responsible for compliance with Reliability Standards;

WHEREAS, Appendix 5B of the NERC Rules of Procedure (ROP), as supported by Appendices 2 and 5A of the ROP, sets forth the Statement of Compliance Registry Criteria which describes how NERC will identify organizations that may be candidates for Registration and assign them to the Compliance Registry;

WHEREAS, on November 17, 2022, the Federal Energy Regulatory Commission (FERC) directed NERC to submit a work plan describing how it plans to identify and register owners and operators of inverter-based resources (IBR) that are connected to and have a material impact in the aggregate on the Bulk-Power System (BPS), but are not currently required to register with NERC under the bulk electric system (BES) definition;¹

WHEREAS, NERC submitted its work plan on February 15, 2023, as amended on March 23, 2023, outlining concepts and milestones to achieve FERC's directive, and FERC accepted the work plan on May 18, 2023;

WHEREAS, NERC management proposes a series of revisions to the NERC Rules of Procedure to register owners and operators of IBR resources that are connected to and have a material impact in the aggregate on

¹ *Registration of Inverter-Based Resources*, 181 FERC ¶ 61,124 (2022); and *Order Approving Registration Work Plan*, 183 FERC ¶ 61,116 (2023).

the BPS, but are not currently required to register with NERC under the BES definition, to accomplish the first milestone of its work plan;

WHEREAS, NERC management solicited stakeholder feedback on the proposed Rules of Procedure revisions through the public notice and comment process described in Section XI of the NERC Bylaws;

WHEREAS, further work to accomplish the second and third milestones of NERC’s work plan, including the development of new or revised Reliability Standards, will proceed in accordance with NERC’s usual processes for such work;;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the proposed revisions to Appendix 2 (Definitions), Appendix 5A (Organization Registration and Certification Manual), and Appendix 5B (Compliance Registry Criteria);

BE IT FURTHER RESOLVED, that NERC management is hereby authorized to make the appropriate filings with ERO governmental authorities and take such further actions and make such further filings as are necessary and appropriate to effectuate the intent of the foregoing resolutions.

Other Matters and Adjournment

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

Submitted by,



Sônia Rocha
Corporate Secretary