

December 30, 2020

Ms. Jennifer Sterling, Chair
NERC Member Representatives Committee

Dear Jennifer:

I invite the Member Representatives Committee (MRC) to provide policy input on one matter of particular interest to the NERC Board of Trustees (Board) as it prepares for its February 3-4, 2021, meetings, which will occur via teleconference due to the coronavirus (COVID-19) pandemic. In addition, policy input is requested on any items on the preliminary agendas for the quarterly Board, Board Committees, and MRC meetings. The preliminary agendas are included in the [MRC Informational Session agenda package](#) (see Item 1) and are attached hereto (**Attachment A**). The MRC's February agenda includes an opportunity for MRC members to provide additional input to the Board on the final agenda and materials. **As a reminder, please include a summary of your comments in your response (i.e., a bulleted list of key points) for NERC to compile into a single summary document to be provided to the Board for reference, together with the full set of comments.**

Future Approaches to Stakeholder Engagement

Stakeholder engagement is central to NERC's ability to meet its mission. Stakeholders participate directly in much of NERC's work and their expertise is essential for reaching the best outcomes, whether technical at the standing committee level or policy at the Board level. Due to the pandemic, all NERC engagements over the past nine months have been virtual, enabled by technology such as WebEx. NERC is now evaluating how to incorporate the lessons learned about remote work and virtual engagement into more efficient and effective future engagement efforts and whether there are opportunities to re-imagine its facilities.

NERC has seen increased participation in several forums and posits that the lower cost of participating and ease of access have been an attractive benefit of using remote participation technology. At the same time, we believe that the personal relationships that develop through in-person meetings and informal conversations are very important and we are concerned that meeting only virtually will erode existing relationships and make it difficult to build new relationships and trust over time.

To that end, we are considering holding a combination of in-person and virtual quarterly Board and MRC meetings when travel is deemed appropriate again, as summarized in the attached *Post-Pandemic Board and MRC Meeting Rhythm Proposal (Attachment B)*. This proposal includes two in-person meetings (February and August) hosted at a hotel with a reception, including a hosted dinner at the annual meeting in February. For these meetings, NERC would explore options for remote participation for those wishing

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to participate in that way, which would be dependent on the hotel having sufficient audio and visual support for an engaging remote experience. The other two meetings (May and November) would be virtual and supported by WebEx or similar video technology. For these meetings, the Board itself may meet in person to hold closed briefings around ERO Enterprise security issues and other matters in the security of NERC's office.

Similarly, NERC will work with the chairs of its major stakeholder committees on their meeting plans, which may adopt a similar "two in person, two remote" rhythm. At this point, NERC intends to retain public meeting space in its Atlanta and Washington, DC offices for hosting small to medium-sized meetings.

The Board requests MRC policy input on the following:

- 1. Do you think the proposed post-pandemic meeting plan for the quarterly Board, MRC, and Board Committee meetings strikes a reasonable balance to enable effective stakeholder engagement with the Board?**
- 2. Do you have other observations about post-pandemic, in-person or virtual meetings that you believe NERC should consider as it examines the possibility of downsizing its physical office space in Atlanta and Washington, DC?**

Written comments in response to the input requested above, the preliminary agenda topics, and on other matters that you wish to bring to the Board's attention are due by **January 20, 2020**, to Kristin Iwanechko, MRC Secretary (Kristin.Iwanechko@nerc.net). The formal agenda packages for the Board, Board Committees, and MRC meetings will be available on January 21, 2020, and the presentations will be available on January 28, 2020. The Board looks forward to your input and discussion of these matters during the February 2021 meetings.

Thank You,



Roy Thilly, Chair
NERC Board of Trustees

cc: NERC Board of Trustees
Member Representatives Committee

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Member Representatives Committee (MRC)

Pre-Meeting and Informational Webinar
January 6, 2021

RELIABILITY | RESILIENCE | SECURITY



- Review schedule and preliminary agenda topics for:
 - February 3 Board Committee (open) meetings
 - February 4 MRC meeting
 - February 4 Board of Trustees meeting
- Review policy input letter topic

Wednesday, February 3, 2021	
11:00 a.m.-12:00 p.m.	Finance and Audit Committee Meeting — <u>Open</u>
12:45-1:45 p.m.	Compliance Committee Meeting— <u>Open</u>
2:30-3:30 p.m.	Technology and Security Committee Meeting— <u>Open</u>
4:15-5:30 p.m.	Corporate Governance and Human Resources Committee Meeting— <u>Open</u>
Thursday, February 4, 2021	
11:00 a.m.-1:00 p.m.	Member Representatives Committee Meeting— <u>Open</u>
2:00 p.m.-5:00 p.m.	Board of Trustees Meeting— <u>Open</u>

- 2020 Year-End Unaudited Statement of Activities
 - NERC 2020 Unaudited Results
 - ERO Enterprise Combined 2020 Unaudited Results
 - Regional Entity Reports
- Proposed Amendments to Committee Mandate

- Follow-up Regarding Action Items from Prior Meeting
- COVID-19 Lessons Learned Update
- Facility Ratings Activities Update
- Compliance Monitoring and Enforcement Program Annual Report
- Annual Review of Compliance Committee Mandate

- E-ISAC Operations Update
- ERO Enterprise Business Technology Projects Update
- ERO Enterprise Align Project Update
- ERO Enterprise Secure Evidence Locker Update
- Proposed Amendments to Committee Mandate

- Report on Matters Discussed in January 20 and February 1 Closed Sessions
- Approve Board Committees' Self-Assessment Surveys
- 2021 Board of Trustees Committee, Chair and Vice Chair Appointments and Related Assignments
- 2020 Work Plan Priorities Year-End Report
- Board Self-Assessment and MRC Assessment of Board of Trustees Effectiveness Results
- NERC Governance Guidelines Annual Review
- Annual Conflict of Interest and Independence Report
- Approve Corporate Governance and Human Resources, Technology and Security, Finance and Audit, and Enterprise-wide Risk Committee Mandate Amendments
- Review Policy on Internal Audit and Corporate Risk Management
- Human Resources and Staffing Update

- Election of NERC Trustees
- General Updates and Reports
 - Business Plan and Budget Input Group Update
 - Regulatory Update
- Policy and Discussion Items
 - Responses to the Board's Request for Policy Input
 - Future Approaches to Stakeholder Engagement
 - Additional Policy Discussion of Key Items from Board Committee Meetings
 - MRC Input and Advice on Board Agenda Items and Accompanying Materials

- **Technical Updates**
 - Update on FERC Reliability Matters
 - Western Heatwave Event
 - Battery Energy Storage Report

- Approve Reliability Issues Steering Committee Membership
- Report on the January 19 and February 1 Closed Meetings
- Approve Election and Appointment of Board Chair and Vice Chair, Board of Trustees Committee Assignments, and NERC Officers
- Board Self-Assessment and MRC Assessment of Board of Trustees Effectiveness Survey
- Board Committee Reports
 - Approve Proposed Amendments to Committee Mandates
 - Approve Policy on Internal Audit and Corporate Risk Management
 - Accept 2020 Year-End Unaudited Statement of Activities
- Standards Quarterly Report and Actions
 - Adopt Project 2015-09 Establish and Communicate System Operating Limits
 - Adopt Project 2018-03 Standards Efficiency Review Retirements
 - Approve SERC Regional Standards Development Procedure Revisions
 - Supply Chain Update

- **Other Matters and Reports**

- Discuss Policy Input and Member Representatives Committee Meeting
- Accept Framework to Address Known and Emerging Reliability and Security Risks
- Approve Rules of Procedure Revisions for Compliance Monitoring and Enforcement Program and Training and Education Program
- 2020 Year-End Review and 2021 ERO Enterprise Reliability Indicators

- **Committee, Forum, and Group Reports**

- Approve Standards Committee and Compliance and Certification Committee 2021 Work Plans

- Schedule and Preliminary Agenda Topics for the February 2020 Board, Board Committees, and MRC Meetings
- Overview of Policy Input Letter
 - Future Approaches to Stakeholder Engagement

- **December 30:** Policy input letter issued
- **January 20:** Written comments due on policy input topics and preliminary agenda topics
- **January 21:** Board and MRC agenda packages and policy input letter comments posted
- **January 28:** Board and MRC presentations posted



Questions and Answers

Timing	Location	Board	MRC and Stakeholders
February*	Hotel (Southwest or Florida**)	In Person	In Person***
May	NERC DC Office	In Person	Virtual
August	Hotel (Canada**)	In Person	In Person***
November	NERC Atlanta Office	In Person	Virtual

* February to be reconceived as an Annual Meeting with a celebratory dinner and acknowledgment of outgoing/incoming Trustees and Stakeholder leaders

** Goal would be to host one in-person meeting per year in the West and one in the East, each with a reception, to facilitate stakeholder participation and reduce travel burden

*** As hotel technology improves, would consider adding remote participation options for stakeholders as well

MEMORANDUM

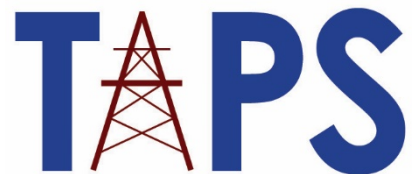
TO: Roy Thilly, Chair
NERC Board of Trustees

FROM: Jack Cashin, Director, Policy Analysis and Reliability Standards, American Public Power Association
John Di Stasio, President, Large Public Power Council
Terry Huval, Executive Director, Transmission Access Policy Study Group

DATE: January 20, 2021

SUBJECT: Response to Request for Policy Input to NERC Board of Trustees

The American Public Power Association, Large Public Power Council, and Transmission Access Policy Study Group concur with the Policy Input submitted today by the State/Municipal and Transmission Dependent Utility Sectors of the Member Representatives Committee, in response to NERC Board Chair Roy Thilly's December 30, 2020 letter requesting policy input in advance of the February 2021 NERC Board of Trustees meetings.



NERC Board of Trustees Policy Input – Canadian Electricity Association

The Canadian Electricity Association (“CEA”) appreciates this opportunity to provide policy input to the NERC Member Representatives Committee (“MRC”) and Board of Trustees (“Board”).

Summary of Key Points:

- CEA is generally supportive of the proposal, and additionally encourages NERC to take advantage of this unique opportunity in time to evolve stakeholder engagement practices to make them more effective, efficient, fluid, dynamic and timely.
- An increased number of shorter meetings may be better suited to the virtual format.
- CEA encourages NERC to prioritize event planning that includes substantive options to remotely participate in in-person meetings.
- CEA is supportive of NERC working with the chairs of its major stakeholder committees on their meeting plans, but cautions against a one-size-fits-all approach.
- CEA is supportive of downsizing physical office space, so long as consideration is given towards minimizing any unintended consequences.
- CEA is supportive of the policy input letter comments submitted by Lloyd Linke in his role as representative of the Portion of Sector 4 representing the Federal Utilities and Federal Power Marketing Administrations.

1. Do you think the proposed post-pandemic meeting plan for the quarterly Board, MRC, and Board Committee meetings strikes a reasonable balance to enable effective stakeholder engagement with the Board?

CEA appreciates the opportunity to provide feedback on the *Post-Pandemic Board and MRC Meeting Rhythm Proposal*. The COVID-19 pandemic has fundamentally changed how we connect. Some of these shifts will become the new normal going forward.

In principle, CEA is supportive of the proposal. A shift to having both in-person and virtual meetings will allow NERC stakeholders to leverage the benefits of both platforms. At the highest level, virtual meetings can allow those who would not typically be able to travel to meetings to participate. In-person meetings also remain important, enabling relationship and trust building.

While CEA does not have any specific issues with the proposal, we encourage NERC to take advantage of this unique occasion in time to think creatively about how to evolve stakeholder engagement practices.

The past year has accelerated the usage and familiarity of digital collaboration tools. More facilities are also being developed for meetings with a mix of in-person and virtual attendance. Venues are starting to offer tools like high-tech video and podcast studios for creating compelling digital content for hybrid meetings, beyond normal video conferencing tools. At the same time, the complexity and breadth of issues affecting grid reliability and security continues to increase, as has the speed at which these issues evolve and how the issues interact.

In this environment, improved stakeholder relations practices that enable the right conversations, with the right people, at the right time, or more in-depth or meaningful engagement, could bring additional value. As such, NERC should be encouraged to think about how to leverage virtual connections, tools, and processes, beyond adapting the former meeting rhythm to a partially virtual schedule.

There may be an opportunity to not only to transpose current practices to a partially virtual setting, but to improve stakeholder engagement to make it more effective and efficient, and also more fluid, dynamic and timely. Care must also be taken to ensure the stakeholder engagement process is not overly burdensome and is focused on the most impactful issues within NERC's scope.

For example, could there be a way to encourage feedback on the quarterly Policy Input Letters to be more thoughtful by enabling more ongoing conversation on the topics? Are there other opportunities for stakeholder engagement to become more fluid, dynamic and/or timely where appropriate, while at the same time making it easier for stakeholders to engage? Are there matters where intermediate, earlier stages or ongoing discussion and development might bring some additional benefits?

We have learned from experience that long virtual meetings are challenging; it becomes more difficult to maintain the right level of attention and engagement for hours in a virtual setting. As such, CEA invites NERC to consider whether an increased number of shorter meetings may be better suited to the virtual format.

CEA does not promote specific answers to these questions, but we do believe they are worthy of consideration in the larger conversation of how stakeholder engagement and meetings can be improved.

CEA supports the shift in remote engagement from teleconferencing to video conferencing, and also would be interested in if the Board will consider shifting to a mix of in-person and virtual meetings, similar to the MRC.

CEA is also supportive of NERC working with the chairs of its major stakeholder committees on their meeting plans, and the possibility of adopting a combined remote and in-person rhythm. That said, each committee should be provided the flexibility to adopt the procedures that work best for them, rather than a one size fits all approach.

Finally, CEA encourages NERC to prioritize event planning that includes substantive options to remotely participate in in-person meetings. Regional variation in public health guidance and associated restrictions may continue for some time, impacting not only where in-person meetings take place, but who may travel to them. Prioritizing capacity for all stakeholders to participate will be important to sustaining a healthy dialogue.

2. Do you have other observations about post-pandemic, in-person or virtual meetings that you believe NERC should consider as it examines the possibility of downsizing its physical office space in Atlanta and Washington, DC?

CEA is supportive of downsizing physical office space, so long as thorough consideration is given towards minimizing any unintended and less overall efficient consequences.

CEA thanks the Board for considering these comments. CEA and its members look forward to continuing the discussion going forward.

Dated: January 20, 2021

Contact:

Francis Bradley
President & CEO
Canadian Electricity Association
Bradley@electricity.ca



Policy Input for the NERC Board of Trustees Provided by the Edison Electric Institute January 20, 2021

On behalf of our member companies, the Edison Electric Institute (EEI) appreciates the opportunity to provide the following policy input for the NERC Board of Trustees to review in advance of the February 3-4, 2021 meetings. EEI perspectives on bulk-power system (BPS) reliability are formed by our CEO Policy Committee on Reliability, Security, and Business Continuity and the Reliability Executive Advisory Committee with the support of the Reliability Technical Committee.

In the December 30, 2020 policy input letter, NERC Board of Trustees Chair, Roy Thilly, seeks stakeholder input on future approaches to stakeholder engagement. EEI offers the following input.

I. SUMMARY OF COMMENTS

Future Approaches to Stakeholder Engagement

- EEI supports NERC efforts to evaluate alternative approaches to conducting quarterly in-person NERC Board meetings in the long term.
- EEI appreciates opportunities to engage in-person and finds formal and informal interactions before, during and after the Board meetings invaluable.
- EEI suggests the quarterly Board meetings occur in-person for the near term when travel resumes to build and develop new connections.
- EEI recommends establishing a small, cross sector group to explore issues and develop principles for effective stakeholder engagement.
- EEI agrees with NERC that a separate effort is appropriate for NERC Stakeholder Committees to evaluate an appropriate cadence for in-person meetings.

Additional Input

- EEI recommends industry and NERC address third-party accreditation and certification concerns raised by industry previously.

II. COMMENTS

Future Approaches to Stakeholder Engagement

The Board of Trustees seeks policy input on holding combination of in-person and virtual quarterly Board and MRC meetings.

EEl supports NERC efforts to evaluate alternative approaches to conducting quarterly NERC Board meetings sometime in the future. EEl agrees with exploring some combination of in-person and virtual meetings which could provide efficiencies, substantial cost savings, and opportunities for additional industry participation based on lessons learned during the past nine months where meetings have been virtual. Any solution must ensure continued robust, direct engagement between industry and the NERC Board.

EEl appreciates the opportunities to engage in-person with the NERC Board, NERC staff, and other Stakeholders at the in-person quarterly Board meetings. Both formal and informal settings and interactions before, during and after the meetings are invaluable. This past year's virtual meetings have been successful in no small part due to the relationships built during the in-person Board meetings. Continued opportunities for maintaining existing and building new relationships should be considered when weighing alternatives.

While EEl supports in principle some type of hybrid approach for quarterly meetings, EEl suggests the quarterly Board meetings occur in-person for the near term when travel resumes. After what will be a year of virtual meetings, in-person engagement is particularly important to build and develop new connections because of the natural and expected changes in leadership in the NERC Board, NERC Executive Leadership, and Stakeholders.

For the longer term alternatives, EEl recommends establishing an ad-hoc small, cross sector group to explore issues and develop principles for effective stakeholder engagement in connection with NERC Board Meetings with the goal of developing a pilot for balancing a hybrid approach of in-person and virtual meetings to ensure stakeholder engagement is effective.

Finally, EEl agrees with NERC that a separate effort is appropriate for NERC Stakeholder Committees to evaluate an appropriate cadence for in-person meetings.

Additional Input

In April 2019, EEl submitted policy input to the NERC Board regarding supply chain risk and mitigating supply chain risk. EEl expressed support for developing a third-party accreditation and certification process and willingness to work with

NERC to address this recommendation. Now that the CIP-013 supply chain standard has been enforceable for more than six months, EEI recommends industry, the Compliance and Certification Committee, and NERC work together to address third-party accreditation and certification. A proven certification model would allow NERC and Regional Entities to ably rely on the work of others as is discussed in the GAO-18-568G Government Auditing Standards¹. This is critical because it is not practical or efficient for all registered entities and the ERO Enterprise to audit all vendors and suppliers. Vendors and suppliers are not resourced to have every customer conduct its own audit or to respond to numerous information requests on an ad hoc basis. Below are a few examples of the issues to address:

- whether there are particular vendors/certification/solution providers that the ERO Enterprise will recognize and pre-qualify as capable of providing verification;
- what type of assessment or certification is considered sufficient in an entity's supply chain assessment; and
- if an entity uses a third-party assessment or certification to assess supply chain risk, what output or data will the ERO require to be submitted as evidentiary material.

Thank you for the opportunity to provide policy input.

¹ *Government Auditing Standards, 2018 Revision*, <https://www.gao.gov/assets/700/693136.pdf>.



Sector 8 Policy Input for the NERC Board of Trustees & Member Representatives Committee

February 3-4, 2021 Meetings

ELCON, on behalf of Large End-Use Consumers, submits the following policy input for the consideration of NERC's Board of Trustees (BOT) and the Member Representatives Committee (MRC). It responds to BOT Chair Roy Thilly's December 30, 2020 letter to Jennifer Sterling, Chair of the MRC.

SUMMARY

Large Consumers (Sector 8) are happy with NERC's post-pandemic meeting plan overall and applaud NERC's stakeholder engagement efforts during this difficult time.

- 1. Post-pandemic meeting plan.** NERC's *Post-Pandemic Board and MRC Meeting Rhythm Proposal* largely strikes an appropriate balance between in-person and remote meetings. Large Consumers ask that NERC: (1) prioritize the availability of a remote-only option for the in-person stakeholder meetings, (2) maintain adequate meeting space, and (3) allow an in-person option for all MRC meetings.
- 2. Other observations about post-pandemic, in-person or virtual meetings.** None.

Post-pandemic Meeting Plan

NERC BOT Chair Roy Thilly's December 30, 2020 letter emphasizes that stakeholder engagement is central to NERC's ability to meet its mission. Large Consumers agree with Chair Thilly's observation and encourage NERC to continue to seek creative solutions regarding stakeholder engagement. For example, ELCON appreciated the new MRC member orientation presented remotely by Kristin Iwanechko to Travis Fisher and other new MRC members. As Chair Thilly identified, remote meetings offer a lower cost of participation and easy access. The participants in the new member orientation were located in various parts of the U.S. and Canada, yet none of us purchased flights or hotel rooms to accommodate the meeting. Large Consumers have seen the same benefits in our own outreach from the "ease of access" perspective – we have been able to engage with geographically diverse stakeholders more frequently and with higher turnout than if we had required all meeting participants to travel to a single location.

Large Consumers believe NERC also correctly identifies the downside of virtual-only meetings – namely the lack of meaningful personal interactions and informal dialogue (before

and after meetings, over coffee or a meal, etc.). Personal relationships are extremely important, and Large Consumers share Chair Thilly's concern that hosting all meetings virtually will be detrimental to maintaining existing relationships, building new ones, and establishing rapport among stakeholders and NERC's staff and BOT. NERC's solution – as identified in Chair Thilly's letter and the *Post-Pandemic Board and MRC Meeting Rhythm Proposal* – seems more than reasonable, and we appreciate the opportunity to review and comment on it.

First, regarding in-person meetings, Large Consumers urge NERC to tailor its approach to the end-user. Chair Thilly's letter reads:

NERC would explore options for remote participation for those wishing to participate in that way, which would be dependent on the hotel having sufficient audio and visual support for an engaging remote experience.

Much the same as we have asked NERC to take heterogeneous preferences into account with respect to desired levels of reliability, we urge NERC to account for stakeholders' different risk tolerances regarding COVID-19. To that end, we ask that NERC make a remote-only option available for the in-person meetings. We understand that providing a remote-only option could mean changing meeting spaces to ensure the venue has sufficient audio and visual support, which might require NERC to incur higher meeting costs or a higher planning burden. However, decisions to join in-person meetings (or stay home) in this COVID-19 era are highly individual. Large Consumers think a remote participation option should be available to any stakeholder who feels attending an in-person meeting in 2021 would be too high-risk, for whatever reason. Put differently, taking a remote-only option off the table would disadvantage those stakeholders who feel they are at greater risk regarding COVID-19, which would seem to be an unfair outcome.

Second, regarding meeting space, Large Consumers ask NERC to continue to maintain adequate meeting space so that stakeholder committees have the option to meet at NERC's offices. Although NERC is taking into consideration major stakeholder committees, meeting space is particularly important for SAR and Standard Drafting Teams. As with the BOT and MRC, in-person meetings are crucial for effective and efficient development of SARs and Standards, and it can be difficult for these teams to find space to use. Although regional entity offices are an option, they too are re-evaluating their lease requirements and may cut back on space as well. NERC has said it is taking into consideration all committee meetings when evaluating its meeting space needs, but we want to reiterate the importance of the consideration of SAR and Standard Drafting Teams.

Finally, the *Post-Pandemic Board and MRC Meeting Rhythm Proposal* would have the MRC meet virtually for two of the four meetings in 2021. Large Consumers encourage the BOT to allow the MRC to meet in person for all four meetings, consistent with its approach for the BOT, with a virtual option for those who are uncomfortable or unable to attend in person. Large Consumers believe it's important that in-person MRC meetings be considered (with a virtual option for other stakeholders), similar to the BOT, for the reasons identified in Chair Thilly's letter. Placing MRC members in a virtual-only meeting for two of the four 2021 meetings would limit MRC members' choice and reduce the potential for relationship building among MRC members.

Thank you for your consideration.

TO: Roy Thilly, Chair
NERC Board of Trustees

FROM: Lloyd A, Linke
Federal Utility/Federal PMA Portion Sector 4

DATE: January 20, 2021

SUBJECT: Response to Request for Policy Input to NERC Board of Trustees

The Portion of Sector 4 representing the Federal Utilities and Federal Power Marketing Administrations (Federal PMAs), appreciate the opportunity to respond to your December 30, 2020 letter to Ms. Jennifer Sterling, Chair NERC Member Representative Committee, requesting input on certain policy issues. The Federal PMAs appreciates the opportunity to provide comments on the policy input of particular interest to the NERC Board of Trustees (Board) for their February 2021 meeting.

- The Federal PMAs have no further input on Board and MRC's agenda. The items listed on draft agenda adequately represents the issues for the Board and MRC discussions and approvals.
- The Federal PMAs offers the following suggestions for considerations on future approaches for stakeholder engagement.

In summary the Federal PMAs are in support of having a plan for the post-pandemic and creating a balance between virtual and face to face meetings. The Federal PMAs would suggest.

1. Board to consider a phase approach for the implementation with the goal in reaching two virtual meetings and two face to face meetings per year.
2. Board to consider possibly adding more meetings on the calendar as the virtual meetings time span is much shorter than the face to face meetings.
3. Board to direct NERC staff to standardize the virtual meeting software and making sure members' requirements and specifications for cyber security are considered.

The following are more specific responses to questions asked by the Board on the Policy Input Letter;

- 1. Do you think the proposed post-pandemic meeting plan for the quarterly Board, MRC, and Board Committee meetings strikes a reasonable balance to enable effective stakeholder engagement with the Board?**

The Federal PMAs believes having a plan on stakeholders' future interactions with the Board and NERC Staff post-pandemic is an excellent idea. The Federal PMAs agree with the ultimate plan of cutting the traditional four times a year face to face meetings to two and conduct the business virtually for remaining times. It's hard to ignore the effectiveness and

efficiency of technology for bringing members together for meetings and the value it brings. It's also prudent to continue on a regular cadence in-person meetings to develop relationships with peers across the industry. The proposal to have two face to face and two virtual seems like a logical and balanced approach. However the frequency of the virtual meetings might need to be increased to allow sufficient time for items to be discussed among stakeholders. Unfortunately virtual meetings have a pre specified time span which forces the Chair to rush through the items and make sure all items are covered

2. Do you have other observations about post-pandemic, in-person or virtual meetings that you believe NERC should consider as it examines the possibility of downsizing its physical office space in Atlanta and Washington, DC?

The Federal PMAs understanding is that the current office space in Atlanta or in DC are not sufficient to hold Board and MRC meetings. However for committees such as Reliability Issues Steering Committee or Reliability & Security Technical Committee these offices could serve their purpose given the typical participation is below the 90 participants limit. The Federal PMAs suggest Board direct all committees to work with NERC staff and have a post-pandemic plan on number of virtual vs face to face meetings and NERC staff to consider their input prior to making a decision on the lease extension for both Atlanta and DC offices.

The Federal PMAs suggest the following for the Board considerations on implementation of the proposed policy.

- i. Implementation, if it is phased, could provide a smoother transition given that in last 10 to 12 months no face to face of MRC and the Board interactions has taken place. It is critical for new MRC members build relationship among their peers, the Board, and NERC staff. The Federal PMAs offer a suggestion of starting with three face to face and one virtual meeting and ultimately go to the two face to face and two virtual meetings.
- ii. The Federal PMAs suggest NERC staff address the technology requirements for virtual meetings and work with members on software specifications in making sure the cyber and security requirements are met. Governmental Entities have certain cyber security requirements and often have challenges in virtual participation with some vendor software.

The Federal PMA support the comments provided by the Canadian Utilities in Sector 4 and appreciate the opportunity to provide this policy input to the NERC Board of Trustees.



ISO/RTO Council's (IRC) Policy Input to Board of Trustees

January 20, 2021

The ISO/RTO Council¹ (IRC) appreciates the opportunity to respond to the Board's request for policy input. The IRC offers the following input to the Member Representatives Committee (MRC) in response to Ms. Jennifer Sterling's letter dated December 30, 2020, regarding NERC's future approaches to stakeholder engagement. As noted in the December 30 letter, NERC is considering holding a combination of in-person and virtual quarterly Board and MRC meetings when travel is deemed appropriate again. The letter also notes that NERC will work with the chairs of its major stakeholder committees on their meeting plans, which may result in their adopting similar approaches.

In brief, the IRC supports NERC's proposal and applauds NERC for proactively planning on how best to work most effectively with its stakeholders.

1. Do you think the proposed post-pandemic meeting plan for the quarterly Board, MRC, and Board Committee meetings strikes a reasonable balance to enable effective stakeholder engagement with the Board?

In light of the successes and advantages that NERC has observed with holding virtual meetings, it makes sense for NERC to structure the quarterly Board, MRC and Board Committee meetings so that not every set of meetings needs to be in person. It would be valuable for NERC to try the approach it sets forth in the Policy Input Letter in order to see if it strikes an effective balance between realizing the benefits of virtual meetings (e.g., increased participation, potentially lower costs) and the benefits of in-person meetings (e.g., networking, on-boarding new members).

In order to assess whether the proposed approach strikes a reasonable balance of in-person and virtual meetings, NERC can periodically check in with stakeholders to survey what is working and where there may be areas of improvement. As NERC and its stakeholders learn more about what works, periodic check-ins will help NERC consider whether future modifications to stakeholder engagement would be appropriate.

2. Do you have other observations about post-pandemic, in-person or virtual meetings that you believe NERC should consider as it examines the possibility of downsizing its physical office space in Atlanta and Washington, DC?

As NERC examines the possibility of downsizing its office space, the IRC would encourage NERC to investigate the ability to host meetings so that there can be a combination of in-person and remote engagement at the meeting. The IRC encourages NERC to look into the availability of audio-visual infrastructure (e.g., conference room cameras; microphone/speakers) so that those attending remotely can be engaged in the meeting and so

¹ The IRC is comprised of the Alberta Electric System Operator (AESO), the California Independent System Operator Corporation (California ISO), Electric Reliability Council of Texas, Inc. (ERCOT), the Independent Electricity System Operator of Ontario, Inc., (IESO), ISO New England, Inc. (ISO-NE), Midcontinent Independent System Operator, Inc., (MISO), New York Independent System Operator, Inc. (NYISO), PJM Interconnection, L.L.C. (PJM), and Southwest Power Pool, Inc. (SPP).



that in-person attendees can communicate with other participants without having to do so through their own personal computer. This may allow NERC and stakeholders to operate with greater flexibility and have the “best of both worlds” in future meeting administration.

Conclusion

In sum, the IRC applauds NERC for thinking proactively about how best to engage stakeholders during the pandemic and post-pandemic period.

**Policy Input to the NERC Board of Trustees
February 4, 2021 Teleconference
Provided by the North American Generator Forum**

The North American Generator Forum (NAGF) appreciates the opportunity to provide the following policy input in advance of the NERC BOT meeting.

Summary

Item 1: Future Approaches to Stakeholder Engagement

The NAGF appreciates the opportunity to provide policy input for the NERC Member Representatives Committee (“MRC”) and Board of Trustees (“Board”) in response to BOT Chair Roy Thilly’s letter dated December 30, 2020. The NAGF agrees with and supports the proposed post-pandemic meeting plan to enable effective stakeholder engagement with the NERC Board.

Discussion

Item 1: Future Approaches to Stakeholder Engagement

The Board requests MRC policy input on the following:

- 1. Do you think the proposed post-pandemic meeting plan for the quarterly Board, MRC, and Board Committee meetings strikes a reasonable balance to enable effective stakeholder engagement with the Board?**

The NAGF agrees with the proposed post-pandemic meeting plan to enable effective stakeholder engagement with the Board. Industry stakeholder engagement is a critical component to NERC’s ability to meet its mission. Previously accepted practices of face-to-face meetings and communication to conduct business need to evolve to include a full range of virtual, hybrid, and in-person options. These alternative options, properly executed, provide opportunities for stakeholder engagement and networking in the new “normality” post COVID.

2. **Do you have other observations about post-pandemic, in-person or virtual meetings that you believe NERC should consider as it examines the possibility of downsizing its physical office space in Atlanta and Washington, DC?**

Changes to the NERC physical office space in Atlanta and Washington DC should be tied to revisions in the NERC work model implemented post-pandemic. In addition, use of the NERC Offices by industry Forums, Regional Entities, and others needs to be considered.



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Policy Input
From a Northeastern North American Reliability Perspective
By the NPCC Board of Directors

1. Future Approaches to Stakeholder Engagement

- The NPCC Board affirms the value of in-person interaction among representatives from all entities within the expanding reliability ecosystem as being critical to achieving the vision of a highly reliable North American bulk power system.
- The NPCC Board supports the proposed near-term post-pandemic meeting plan for the MRC and BOT as being reasonable but suggests that consideration be given to holding the November 2021 meetings of both the MRC and BOT in-person, recognizing that continuing international travel restrictions may preclude a Canadian in-person meeting for August 2021.
- The NPCC Board continues to strongly support providing a hybrid ability for virtual participation at all in-person meetings to provide the flexibility to adapt to changing conditions, such as allowing participation by self-identified “at risk” members or continuing individual company travel restrictions.
- The NPCC Board recommends that the current virtual participation model be augmented with additional technology, such as stakeholder sector break out rooms, electronic white boards, and interactive chat features to enhance participant involvement and meeting experience.
- The NPCC Board also suggests that additional, shorter, more frequent “topic specific” virtual meetings of the MRC be held to encourage earlier and greater stakeholder engagement in North American reliability considerations.
- The NPCC Board recommends maintaining a re-configured NERC office space in Atlanta to provide a cost-effective option for small to medium sized in-person meetings.
- The NPCC Board also recommends investigating opportunities for other meeting locations within the ERO Enterprise and stakeholder offices that can support virtual participation and provide similar overall cost-effectiveness for both U.S. and Canadian members.

*For submittal to the February 4, 2021
NERC MRC and BOT Meetings
Affirmed by the NPCC Board of Directors
January 19, 2020*

Cooperative Sector Policy Input to the NERC Board of Trustees

The Cooperative Sector appreciates the opportunity to provide policy input to the NERC Board of Trustees (BOT) for policy issues that will be discussed at the February 3/4 NERC MRC, BOT and BOT Committee meetings.

Summary of Policy Input

- *The Cooperative Sector supports the proposed meeting plan as a pilot plan and strongly recommends that moving back to quarterly in-person meetings be revisited after one-year under the proposed plan.*
- *While WebEx and Zoom are useful in limited ways for remote meetings, the Cooperative Sector recommends that NERC consider other platforms and tools that, in the interim, could facilitate better stakeholder engagement during the quarterly BOT/MRC and other NERC meetings.*
- *The Cooperative Sector supports NERC's effort to examine the possibility of downsizing its office space in Atlanta and Washington, DC. We also believe it's important for NERC to maintain meeting space in both locations for small and medium-sized meetings.*

Future Approaches to Stakeholder Engagement

1. Do you think the proposed post-pandemic meeting plan for the quarterly Board, MRC, and Board Committee meetings strikes a reasonable balance to enable effective stakeholder engagement with the Board?
 - The Cooperative Sector supports the proposed meeting plan as a pilot plan and strongly recommends that moving back to quarterly in-person meetings be revisited after one-year under the proposed plan. An in-depth review and industry survey should be completed and reported out to stakeholders along with recommendations within two quarters of completing one year under the proposed plan. The Cooperative Sector also recommends that the BOT seek policy input prior to finalizing any decisions on how to move forward.
 - The Cooperative Sector believes there is significant value in the face to face interactions and hallway conversations at the quarterly BOT/MRC meetings. When attending meetings in-person, there is a greater ability to focus on the meeting, and less on office and personal interruptions.
 - There is no virtual platform that can fully replace numerous benefits of an in-person meeting. In-person meetings are a major part of what makes the quarterly BOT/MRC meetings so valuable and beneficial to building strong relationships and connections between the NERC BOT/management and industry.
 - In-person meetings are also critical for passing on vital industry information, context and history to newer and younger electric utility industry staff.
 - The Cooperative Sector believes having the May meeting virtual for MRC and stakeholders, misses an opportunity for stakeholders to conveniently meet with their respective trade associations and federal agencies. We request that NERC carefully consider this missed opportunity as it evaluates the elements of the proposed meeting plan.
 - While WebEx and Zoom are useful in limited ways for remote meetings, the Cooperative Sector recommends that NERC consider other platforms and tools that, in the interim, could facilitate better stakeholder engagement during the quarterly BOT/MRC and other NERC meetings. As an example, use of platforms such as Gatherly, Hopin, and others, would allow NERC to provide much more interactive functionality and improved experiences for attendees and panelists during the meetings.

- Alternatively, the Cooperative Sector believes NERC should consider allowing panelists and presenters to the BOT to attend in-person at virtual meetings where only the BOT is attending in-person. This would support the effectiveness of the meetings (while striking a balance for COVID-related reasons) to include the option for panelists and presenters to attend in-person. Additionally, this would provide important interaction and communication between the BOT and those actively participating in the meeting through presentations or reporting.
2. Do you have other observations about post-pandemic, in-person or virtual meetings that you believe NERC should consider as it examines the possibility of downsizing its physical office space in Atlanta and Washington, DC?
- The Cooperative Sector supports NERC's effort to examine the possibility of downsizing its office space in Atlanta and Washington, DC. We also believe it's important for NERC to maintain meeting space in both locations for small and medium-sized meetings.

Submitted on behalf of the Cooperative Sector by:

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**NERC Board of Trustees
Teleconference
February 3-4, 2021
Policy Input of the Merchant Electricity Generator Sector**

Sector 6, Merchant Electricity Generator Sector, takes this opportunity to provide policy input in advance of the upcoming North American Electric Reliability Corporation (NERC) Member Representatives Committee (MRC) and Board of Trustees (Board) meetings.

In a letter to MRC Chair Jennifer Sterling dated December 30, 2020, Board Chair Roy Thilly requested MRC input on questions related to hosting virtual meetings and NERC office space. Sector 6 makes the following comments in response.

Key Points

- The Merchant Electricity Generators agree in principle with and support the stakeholder engagement concepts outlined in the policy letter and discussed in the MRC Pre-meeting Informational Session. This support is made knowing that conditions may change in the future requiring this topic to be addressed once again.
- The Merchant Electricity Generators also support NERC's examination of its office space utilization in Atlanta and Washington D.C. A larger look at how working committees and their subgroups will meet and use this space is critical in this analysis.

Sector 6 Comments for Policy Input

BOT and MRC Meeting Plans

The Merchant Electricity Generator Sector agrees in principle with the proposed post-pandemic meeting plan as a first step to evaluate and promote effective stakeholder engagement with the Board. We support this understanding that improving technology at hotels and within companies should enable this sort of hybrid approach to evolve over time. Indeed, the timing is opportune to plan and commence this discussion. However, the successful output of the Board and its supporting groups is highly dependent on in-person interactions, and that needs to be considered in their meeting plans. Therefore, until the post-pandemic landscape is better understood, and in light of evolving yet still immature technical capabilities of hotels and companies to support this sort of plan, NERC should proceed deliberately, cautiously, and in close collaboration with industry stakeholders to ensure any proposed changes do not adversely impact the Board's ability to engage NERC and its industry stakeholders.

We view the proposed changes as a first step in what will likely include future discussions and evolutions in meeting structure as conditions change. The Merchant Electricity Generators support properly executed changes that allow industry stakeholder input and engagement.

NERC Office Space Observations

NERC moved to Atlanta ten years ago to take advantage of cost savings by hosting meetings in a central location rather than meet at many different locations throughout the continent. The use of the offices in Atlanta and Washington DC also included meetings for trades and industry organizations. These considerations should remain as revisions are made to the NERC post-pandemic work model.

Sincerely,

/s/

Sector 6 Merchant Electricity Generator Representatives:

Martin Sidor
NRG Energy, Inc.

Sean Cavote
PSEG

MEMORANDUM

TO: Roy Thilly, Chair NERC Board of Trustees

FROM: Michael Moody and Jackie Roberts – MRC Sector 9 Small End-Use Electricity Customer Representatives

DATE: **January 19, 2021**

SUBJECT: Small End-Use Sector (9) Response to Request for Policy Input to the NERC Board of Trustees

The representatives to the NERC Member Representatives Committee for the Small End-Use Customer Sector (9) appreciate the opportunity to provide these comments in response to the request in your letter to Jennifer Sterling dated December 30, 2020.

Summary

Small End-Use Customer Sector (9) believes that the option of in-person meetings for the quarterly Board, MRC, and Board Committees is essential for MRC members, but supports a hybrid of virtual and in-person meetings until the pandemic travel issues are resolved. We believe caution should be exercised when determining the timing of a move back to physical meetings and that even when this has been determined, all meetings should continue to provide for virtual participation. Experience has shown that the availability of virtual meetings as an option is increasing participation.

Detailed Comments

Question 1 - Do you think the proposed post-pandemic meeting plan for the quarterly Board, MRC, and Board Committee meetings strikes a reasonable balance to enable effective stakeholder engagement with the Board?

Response: Small End-Use Customer Sector (9) supports maintaining the in-person quarterly meetings post-pandemic with the option of virtual participation for those members who cannot attend. Sector 9 representatives believe that in-person quarterly meetings with the option of virtual participation will provide the opportunity for stakeholder engagement necessary to promote the important work of NERC and the Regions to preserve and enhance the reliable operation of the bulk power system in the face of the many challenges. Distribution of meeting participant lists with contact information after the meetings is a reasonable approach to ensure stakeholder post meeting cross-communication in lieu of in-person engagement and should become the norm. This is especially important since the NERC Roster is no longer widely available.

Question 2 - Do you have other observations about post-pandemic, in-person or virtual meetings that you believe NERC should consider as it examines the possibility of downsizing its physical office space in Atlanta and Washington, DC?

Response: The Small End-Use Customer Sector (9) believes that ultimately a move back to in-person meetings is important and that the economics of office space needs to be weighed carefully in the near term.

Sector 9 members observe and caution the ERO that the situation may not be clear as to when the post pandemic period begins. The permissibility of round-trip travel will depend on several factors within a large number of industry organizations and various overlapping levels of government. The ability to hold a meeting is not determined solely by the rules in place at the destination for a given in-person event. The control points regarding travel include:

- The public health policy decisions by employers of participating personnel as to whether travel will be permitted.
- The public health policy decisions of the federal state and local governments at the meeting location destinations.
- The public health policy decisions of federal state and local governments at the departure points for travelers which may impact the ability to return home for travelers.
- The public health policy decisions of nations.
- The status of the virus and its variants which may evolve in the intervening period (or even while a given multi-day meeting is in progress) and the effectiveness of the vaccines already delivered to the population by the time of the event.

Therefore, all ERO meetings should allow for virtual participation for the foreseeable future once some travel is deemed to be possible, due to the various factors listed above.

Regarding downsizing the physical office spaces of the ERO, we agree that it makes sense to consider all options and suggest that a temporary extension of existing but expiring leases be sought to provide the time to fully consider available options.

MEMORANDUM

TO: Roy Thilly, Chair
NERC Board of Trustees

FROM: Carol Chinn
William J. Gallagher
Terry Huval
John Haarlow
Roy Jones

DATE: January 20, 2021

SUBJECT: Response to Request for Policy Input to NERC Board of Trustees

The Sector 2 and 5 members of the NERC Member Representatives Committee (MRC), representing State/Municipal and Transmission Dependent Utilities (SM-TDUs), appreciate the opportunity to respond to your December 30, 2020 letter to Jennifer Sterling, Chair of the MRC that requested MRC member sectors to provide input on future approaches to stakeholder engagement and other agenda items for the upcoming meetings. We look forward to discussing the policy input and other agenda items during the virtual meetings of the Board of Trustees (Board), Board committees, and the MRC, on February 3-4, 2021.

Summary of Comments

➤ **Future Approaches to Stakeholder Engagement**

- **The Board and MRC in-person meetings are unique and need to be preserved so that the MRC can fulfill its responsibilities. SM-TDUs believe the MRC and Board should still meet in-person four times a year (with a virtual participation option) in a post-pandemic environment.**
- **NERC and the Board's examination of virtual meetings and consideration of their effectiveness and cost is well founded and should be explored further for the ERO's full set of committee meetings.**

The SM-TDUs appreciate the Board's consideration of stakeholder engagement and its proposals for engagement in a post-pandemic environment. As the Board notes in the policy input letter, stakeholder engagement is "central to NERC's ability to meet its mission." The pandemic has interrupted the schedule of in-person meetings, limiting stakeholder engagement. While NERC nimbly adjusted and provided quality virtual and remote engagement, face-to-face engagement has been missed. SM-TDUs applaud efforts by NERC and the Board to examine lessons learned about remote work and virtual engagement to ensure more efficient and effective future engagement efforts. From that examination the Board has proposed a new annual schedule for the post-pandemic environment. Additionally, the Board asks if there are cost-effective ways to use the organization's facilities. The SM-TDUs address each question below.

Question 1: Do you think the proposed post-pandemic meeting plan for the quarterly Board, MRC, and Board Committee meetings strikes a reasonable balance to enable effective stakeholder engagement with the Board?

While the SM-TDUs believe that increased use of virtual meetings may be appropriate for many of NERC's forums, the post-pandemic proposal is not appropriate for the MRC. As an autonomous NERC Committee, the MRC has a responsibility to the sector constituents that elected the MRC Representatives to "provide its advice and recommendations **directly** to the Board of Trustees (the 'Board')" (emphasis added). Elected MRC Representatives have three rights and responsibilities: to elect the independent trustees; to vote on amendments to the Bylaws; and to provide advice and recommendations to the Board with respect to the development of annual budgets, business plans and funding mechanisms, and other matters pertinent to the purpose and operations of the Corporation. All of these responsibilities can be best addressed with personal interaction. While webinars and presentations can work well in a virtual format, more significant strategic and policy-oriented meetings do not. Therefore, the SM-TDUs believe it would be difficult for MRC Representatives to effectively execute their responsibilities with limited Board interaction, as well as interaction with their fellow MRC Representatives.

The SM-TDUs and other sectors depend on face-to-face interaction with Board members to develop a full understanding of particular issues. It is only through such in-person interaction that MRC members can best understand Board members' thinking on any particular issue. It is important to consider, for example, that in recent years several Board seats have changed. The personal interactions that are only available at in-person meetings allow new Board and MRC Representatives to get to know one another much better than can be accomplished through virtual meetings, promoting more productive working relationships. Further, Board and MRC meetings (especially when virtual) have limited time. Often there is not ample time for every Board member to be able to voice an opinion and lay out their reasoning on every matter discussed. Virtual meetings compound this limitation. Hallway conversations and other interactions between Board and MRC Representatives at in-person meetings can help address this limitation by allowing for more fulsome exchange on important issues between Board members and the MRC Representatives.

It is important that if the Board meets in-person four times a year that the MRC also meet with the Board in-person four times a year. It is important for the Board and the MRC to meet in-person for relationship building, conversations, and the other benefits that come with face-to-face discussions. It is equally important that the MRC Representatives have a chance to meet so that different sectors have an opportunity for discourse and consensus development throughout the course of any given year.

While SM-TDUs strongly endorse the in-person approach for all quarterly Board and MRC meetings, the SM-TDUs support NERC's exploration of options for remote participation for those attendees that would prefer a virtual option due to budgetary or other considerations.

The SM-TDUs would also like to communicate that the proposed meeting locations that favor the East and Southwest do not encourage participation by the middle of the country.

Therefore, the SM-TDUs suggest that other parts of the country (e.g. Midwest) should continue to be included as periodic meeting locations along with the Southwest and East.

Question 2: Do you have other observations about post-pandemic, in-person or virtual meetings that you believe NERC should consider as it examines the possibility of downsizing its physical office space in Atlanta and Washington, DC?

The SM-TDU sectors continue to encourage cost cutting measures, including reduction in administrative costs. However, cost cutting should not sacrifice engagement effectiveness. Efficiency should be examined, but only after effectiveness is ensured.

In examining the possibility of downsizing the Atlanta and Washington offices, NERC should weigh several factors along with cost savings. NERC conducts many meetings that could utilize the virtual format in some manner. Yet it is likely that the hybrid form (both virtual and in-person attendance) of meeting will become the norm. The NERC offices could become the primary location for such hybrid meetings, with in-person attendees on-site in Atlanta or Washington. Downsizing without full consideration of the likelihood of hybrid meetings and the cost implications could be premature. Further consideration of the full cost implications of downsizing is best considered with the MRC budget group.

Although hybrid meetings will likely be prevalent, virtual meetings work great with many forums, such as virtual summits and conferences, and the SM-TDUs encourage NERC to look for ways to connect with the industry virtually in the post-pandemic environment. It's a great tool to reach the entire industry and engage with more people. Virtual communication works best for one-way information sharing and when in-person discussions are not as important.

An important topic that the SM-TDUs want to note for the Board is security concerns associated with virtual meetings. Here are some additional points we would share in that regard:

- Confidentiality of sensitive information should continue to be of the utmost importance.
- More virtual meetings will mean additional cybersecurity risks and additional costs associated with mitigating such risks. NERC should consider the additional risks and whether its security protocols are robust enough given the recent large government agency cyber breaches, especially how it will present information and avoid a potential breach and inadvertent disclosures. This is especially important for closed session information.

We appreciate the opportunity to comment and look forward to the February Meeting discussion.