

Agenda

Member Representatives Committee

February 13, 2025 | 8:00a.m.-10:00a.m. Eastern

In-Person

JW Marriott
1109 Brickell Ave,
Miami, FL 33131
Conference Room: Grand Ballroom

Virtual Attendees

Webcast Link: [Join Meeting](#)

Webcast Password: FEB25MRCBRDA (33225673 when dialing from a phone)

Audio Only: 1-415-655-0002 US Toll | 1-416-915-8942 Canada Toll | Access Code: 2303 098 4361

Introduction and Chair's Remarks

[NERC Antitrust Compliance Guidelines and Public Announcement](#)

Consent Agenda

1. **Minutes - (Approve)**
 - a. November 13, 2024 Meeting*
 - b. November 13, 2024 Informational Session*
 - c. January 16, 2025 Informational Session*

Regular Agenda

2. **Election of NERC Trustees* (Elect)**
3. **MRC Governance Guidelines* (Approve)**
4. **General Updates and Reports**
 - a. Business Plan and Budget Input Group Update*
 - b. Update on FERC Activities*
5. **Discussion Items**
 - a. Responses to the Board's January 9 Request for MRC Input*
 - b. Additional Discussion on February 12 Board Committee Meetings*
 - i. Technology and Security Committee
 - ii. Regulatory Oversight Committee

- iii. Finance and Audit Committee
 - iv. Corporate Governance and Human Resources Committee
 - c. Additional Discussion on February 12 Technical Session*
 - d. MRC Input and Advice on February 13 Board Agenda Items*
- 6. NERC’s Planning and Prioritization Process***
- a. 2023-2025 Plan
 - i. 2024 NERC Work Plan Priorities: Year-End Review*
 - b. 2026-2028 Plan
 - i. Summary of MRC Input and Next Steps*
- 7. Update on Implementation of MRC Effectiveness Recommendations***

Informational Items

- 8. [Future Meetings](#)
- 9. **Regulatory Update***

*Background materials included.

Draft Minutes

Member Representatives Committee

November 13, 2024 | 11:00 a.m. – 12:30 p.m. Eastern

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) via teleconference on November 13, 2024, at 11:00 a.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 attendees, acknowledging the NERC Board of Trustees (Board), Eric Vandenberg from the Federal Energy Regulatory Commission (FERC), and Anna Le from the Canada Energy Regulatory (CER).

NERC Antitrust Compliance Guidelines and Public Announcement

Ms. Iwanechko 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 August 15, 2024, meeting as presented at the meeting.

Election of MRC Officers for 2025

Chair Flandermeyer announced the nominations of John Haarlow for chair and Matt Fischesser for vice chair of the MRC for 2025. Upon motion duly made and seconded, the MRC unanimously approved Mr. Haarlow as chair and Mr. Fischesser as vice chair.

Board of Trustees Nominating Committee Update

Larry Irving, chair of the Board Nominating Committee (NC), provided an update on the NC's activities since the last report. The NC met in September and October to review the candidates, with interviews being conducted the week of November 18. The NC will provide a final recommendation to the MRC in December in anticipation of the election in February 2025.

Business Plan and Budget Input Group Update

John Haarlow, chair of the BP&B input group, acknowledged that the business plans and budgets for NERC and the Regional Entities were approved by FERC on October 17, 2024. The input group's next meeting is on November 18, 2024, where the group will discuss NERC's 2025 Work Plan Priorities and the development of NERC's next three-year plan for 2026-2028.

Camilo Serna, senior vice president, strategy and external engagement at NERC, provided an update on upcoming MRC engagement around NERC's 2026-2028 plan. Mr. Serna thanked MRC members for their input earlier in the year on revisions to the ERO Enterprise Long-Term Strategy (Strategy). He noted that all Regional Entity Boards endorsed the revised Strategy, and it will be presented to the NERC Board for approval in December. The Strategy serves as starting point for NERC's three-year planning efforts, which NERC is beginning for 2026-2028. Mr. Serna shared that NERC is identifying high-level strategic priorities and goals for its 2026-2028 plan, which will ultimately inform NERC's next business plan and budget. In December and January, NERC will seek informal feedback from the MRC on the draft 2026-2028 strategic priorities and goals.

Update on FERC Activities

Eric Vandenberg, Deputy Director, Office of Electric Reliability at FERC, provided an update on recent FERC reliability activities, including the 2024 Commissioner-led Reliability Technical Conference, November 1 Large Loads Co-Located at Generating Facilities Technical Conference, November 12 Federal and State Current Issues Collaborative on gas-electric coordination, 2024 FERC staff report on lessons learned from Commission-led CIP reliability audits, and recently issued FERC Orders.

Upcoming MRC Opportunities to Participate in Committees and Groups

Chair Flandermeyer noted that one of the MRC's key responsibilities is to provide advice and recommendations to the Board. This happens through several forums, including certain sub-groups and committees. Chair Flandermeyer provided an overview of the roles of the Board of Trustees Nominating Committee, MRC Business Plan and Budget Input Group, and Reliability Issues Steering Committee, each of which requires participation from MRC members. MRC participation in these groups is important and the MRC members that participate in these groups are intended to represent the full MRC. MRC leadership will reach out to the MRC to solicit volunteers for each of these groups.

Standards and Compliance Update

Mark Lauby, senior vice president and chief engineer at NERC, acknowledged that the speed at which risks to the reliability, security, and resilience of the bulk power system are emerging is outpacing industry's ability to develop, enhance, and implement Reliability Standards. Mr. Lauby acknowledged current efforts around improving approaches used to measure compliance with Reliability Standards, especially those that are focused on the integration of newer technologies where industry has less experience with their performance. He also shared that NERC would stand up a task force to review the NERC standards development procedures and processes and develop recommendations for a modernized process that continues to ensure industry engagement and strives to shorten the time between risk identification and prioritization. More information on the process for standing up the task force will be provided at a future meeting.

Implementation of MRC Effectiveness Recommendations

Chair Flandermeyer provided an update on the implementation of the MRC effectiveness recommendations that were adopted by the MRC at its February 2024 meeting, noting that all recommendations are either in progress or completed. She highlighted completed recommendations since the last update, noting the (1) recent panel discussion on energy assurance and continued

collaboration with NERC for more industry panel discussions at future meetings for industry perspectives on key issues, and (2) more intentional outreach to MRC members for input on meeting agenda topics.

Chair Flandermeyer also highlighted recommendations that are in progress, which have been grouped into three categories: (1) roles and responsibilities documents; (2) strategic planning and input; and (3) MRC operations and governance. She provided an update on each category of recommendations, as identified in the agenda package.

MRC Sector Nominations and Elections Schedule

The MRC Sector nominations and elections schedule was included in the agenda package.

Future Meetings

The schedule of future meeting dates was included in the agenda package. Chair Flandermeyer noted that the February 2025 Board and MRC meetings will be held in Miami, FL, the week of February 10. An MRC orientation will also be held for all MRC members that week.

Adjournment

Chair Flandermeyer thanked all MRC members for their input and participation this year, acknowledging appreciation for members volunteering their time to represent their Sector members through this important part of the NERC governance structure.

There being no further business, the meeting was adjourned.

Submitted by,



Kristin Iwanechko
Secretary

Draft Minutes

Member Representatives Committee Informational Session

November 13, 2024 | 12:30 p.m. – 1:00 p.m. Eastern

Introduction and Chair's Remarks

Chair Jennifer Flandermeyer convened a duly noticed open informational session of the North American Electric Reliability Corporation (NERC) Member Representatives Committee (MRC) via teleconference on November 13, 2024, at 12:30 p.m., Eastern. The meeting announcement and agenda are attached as **Exhibits A and B**, respectively.

NERC Antitrust Compliance Guidelines and Public Announcement

Kristin Iwanechko, MRC Secretary, 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.

Overview of NERC Membership Sectors

Ms. Flandermeyer introduced this item as a continuation of an education series focused on NERC membership sectors that are represented on the MRC. The November 13, 2024, MRC Informational Session highlighted Sector 4: Federal/Provincial Utility. The presentation was given by the MRC sector representatives and recordings are [posted](#) on NERC's YouTube channel.

Meeting Adjourned

There being no further business, the call was terminated.

Submitted by,



Kristin Iwanechko
Secretary

DRAFT Minutes**Member Representatives Committee
Informational Session**

January 16, 2025 | 3:00 p.m. – 4:30 p.m. Eastern

Introduction and Chair's Remarks

Chair Jennifer Flandermeyer convened a duly noticed open informational session of the North American Electric Reliability Corporation (NERC) Member Representatives Committee (MRC) via teleconference on January 16, 2025, at 1:00 p.m., Eastern. The meeting announcement and agenda are attached as **Exhibits A and B**, respectively.

NERC Antitrust Compliance Guidelines and Public Announcement

Kristin Iwanechko, MRC Secretary, 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.

Overview of NERC Membership Sectors

Ms. Flandermeyer introduced this item as a continuation of an education series focused on NERC membership sectors that are represented on the MRC. The January 16, 2025, MRC Informational Session highlighted Sector 2: State/Municipal Utility and Sector 10: ISO/RTO. The presentations were given by MRC sector representatives and recordings are [posted](#) on NERC's YouTube channel.

Review of First Quarter Meeting Schedule and Preliminary Agenda Topics

Ms. Rocha and Ms. Flandermeyer reviewed the meeting schedule and highlighted key agenda topics for the MRC, Board, Board Committee, and Technical Session meetings being held on February 12-13, 2025, in Miami, Florida. A complete list of preliminary agenda topics for the February 2025 meetings was included in the posted agenda package. MRC members should review all agenda materials for the Board and Board Committee meetings and technical session, once posted and available, and attend as many of these meetings as possible.

Input Letter Reminder

Ms. Flandermeyer announced that the Board's request for MRC input was issued on Thursday, January 9, 2025, and responses are due by Wednesday, January 29, 2025, to Ms. Iwanechko. The Board requested input on *Understanding and Addressing Risks from Integrating Large Loads*, in addition to preliminary agenda topics for the February 12-13, 2025, meetings referenced in the input letter. There will be time dedicated on the MRC's February 13, 2025, agenda for MRC members to provide input and advice on the Board agenda items after the final package has been posted.

Proxy Reminder

Proxy notifications for the February 13, 2025, meeting must be submitted in writing to Ms. Iwanechko.

Meeting Adjourned

There being no further business, the call was terminated.

Submitted by,



Kristin Iwanechko
Secretary

Election of NERC Trustees

Action

Elect three NERC Board of Trustees (Board) as Class of 2028 (with three-year terms). As discussed in the attached report, the Board Nominating Committee is not recommending a fourth candidate at this time and recommends continuing the search process in 2025.

Background

Election of the trustees of the Corporation is governed by Sections 5 and 6 of Article III of the [Bylaws](#). The details are provided in the attached report. Larry Irving, chair of the Board's Nominating Committee, will present the enclosed report.

Attachment

1. Report of the Nominating Committee to the Member Representatives Committee

Report of the Board of Trustees Nominating Committee to the Member Representatives Committee

December 18, 2024

The Nominating Committee (Committee)¹ of the Board of Trustees (Board) for the North American Electric Reliability Corporation (NERC) recommends the following nominees for election to the NERC Board at the Annual Meeting of the Member Representatives Committee (MRC) on February 13, 2025:

Class of 2028 (three-year terms):

Jane Allen
Kenneth W. DeFontes, Jr.
Colleen Sidford

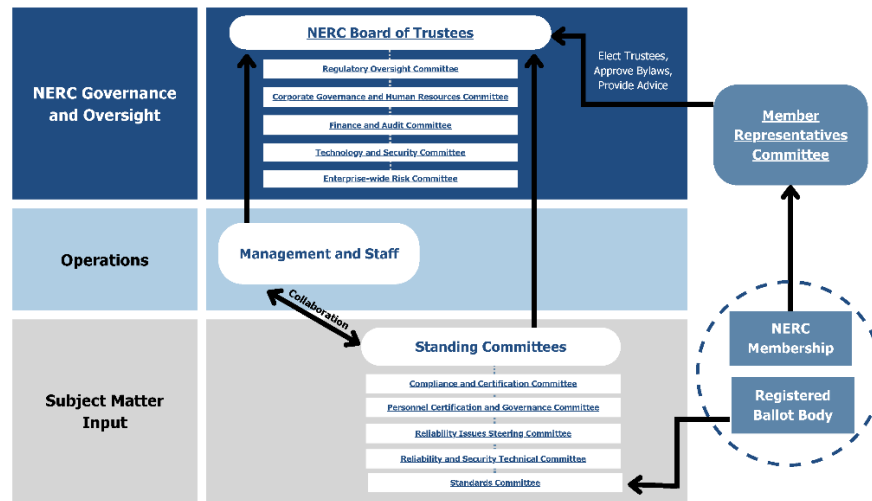
As discussed below, the Committee has decided not to recommend a new candidate for independent trustee at this time. Following an extensive search process, careful consideration of the transformational issues affecting the industry, and a thorough discussion of the current and future needs of trustees, the Committee recommends continuing the search process into 2025.

The Committee concluded that the ongoing changes in the bulk power system and the electric industry—particularly in terms of technology, security, and evolving policies—along with the current size of the Board, justify further analysis and contemplation in the trustee selection process. Extending the search into 2025 will provide the Committee with additional time to reassess the skills and perspectives needed to enhance the Board’s effectiveness considering these ongoing changes.

Background on Trustee Succession

Article III of NERC’s Bylaws establishes the qualifications and sets the nomination and election procedures for members of NERC’s Board. NERC’s independent trustees serve staggered three-year terms, and an election of trustees occurs at the annual meeting of the MRC each year (February), or as deemed necessary. All independent trustees are to be elected from nominees proposed by the Nominating Committee. As defined in NERC’s governance framework below, the MRC elects the independent trustees who are thus nominated by an affirmative vote of two-thirds of the members of the MRC. Each nominee receiving the necessary two-thirds vote of the MRC takes office immediately upon election.

¹ The Nominating Committee consists of a subset of the Board and MRC who seek and represent input and guidance from the full Board and MRC membership. The independent NERC trustees serving on the Nominating Committee this year were Larry Irving (Committee Chair), Robert G. Clarke, George S. Hawkins, Suzanne Keenan, Susan Kelly, Robin E. Manning, Jim Piro, and Kristine Schmidt. The representative MRC members were Jennifer Flandermeyer (MRC Chair), John Haarlow (MRC Vice Chair), Joel Dembowski, Rich Dewey, and Jason Marshall.



The incumbent trustees whose terms expire at the February 2025 annual meeting are Jane Allen, Kenneth W. DeFontes, Jr., Colleen Sidford, and Robert G. Clarke. NERC’s trustee succession policy provides that no independent trustee may be re-nominated or reappointed after he or she has served on the Board for 12 consecutive years. As such, Mr. Clarke is rendered ineligible to seek re-election due to the policy’s application.

The Board of Trustees has adopted a policy statement on trustee succession as set forth in the NERC Governance Guidelines, and the Nominating Committee has followed that policy in making the nominations. Among other things, the policy requires the Nominating Committee to report the average tenure of the independent trustees. The Nominating Committee should endeavor to keep the average tenure of independent trustees below six years. Assuming the election of the nominees, as of February 2025, the average tenure of all independent trustees would be 5.1 years.

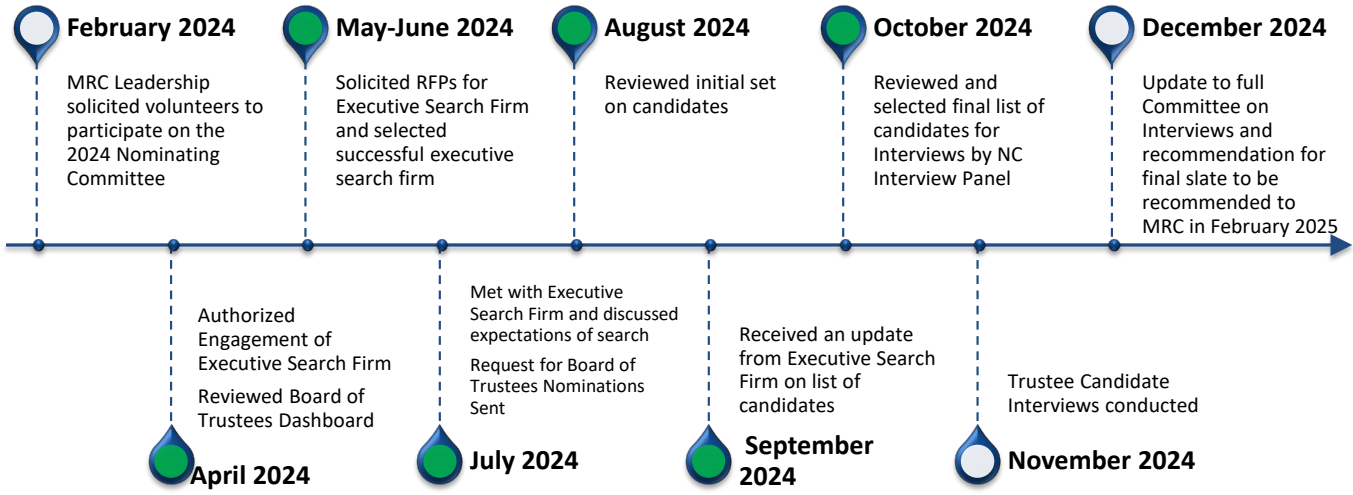
2024 Nominating Committee Process and Recommendation
Incumbent Trustees

The Committee was pleased to ascertain that Ms. Allen, Mr. DeFontes, and Ms. Sidford were willing and interested to serve an additional term. Committee members solicited the views of MRC members on each of the three trustees and reviewed their performance. Based on that input and the Committee’s own views, the Committee determined that each were well-qualified to continue to serve and should be re-nominated.

New Trustee Search

The Committee has decided not to recommend a new candidate for independent trustee at this time.

The Committee retained the services of an executive search firm to help search for and evaluate candidates to fill the open trustee position created by applying the term limit policy to Mr. Clarke. The following timeline of activities is typical of the search process.



The Committee received many nominations and reviewed a robust list of 45 candidates from which it selected five for interviews by a panel of Committee members. The Committee reviewed each candidate’s background and screened the candidates for conflicts of interest. The Committee also evaluated the attributes and perspective each of the current trustees brings to the Board. These attributes are found in the publicly available [Board of Trustees Dashboard](#).

Despite the many qualified candidates, and after considerable deliberation, the Committee did not select a new candidate for independent trustee.

The current state of change affecting the bulk power system and the electric industry, as it relates to technology, security and an evolving policy landscape, warrants further reflection regarding the real-time needs of the Board. The Committee recommends the continuation of the search process in 2025 such that additional examination offers an opportunity to revisit the most appropriate competencies, knowledge, skills and perspectives that would enhance the effectiveness of the Board as we look towards the ongoing changes. This will afford the 2025 Nominating Committee an opportunity to revisit the Board matrix skills, consider the newly updated ERO Enterprise Long-Term Strategy and account for policy changes in the first part of 2025.

This deferral does not pose a risk to the effectiveness of the Board in the interim given the Board’s current size and composition.

Recommendation

As set forth in this report, the Nominating Committee unanimously recommends Ms. Allen, Mr. DeFontes, and Ms. Sidford for election to the NERC Board for a three-year term ending at the February 2028 annual meeting of the MRC.

Biographies of the Nominees

[Jane Allen](#)

[Colleen Sidford](#)

[Kenneth W. DeFontes, Jr.](#)

MRC Governance Guidelines

Action

Approve

Summary

The MRC Governance Guidelines highlight important provisions of the NERC Bylaws related to the role of the MRC and provide guidance on the normal operation of the MRC. MRC leadership is proposing revisions to the guidelines to reflect recent changes implemented as a result of the MRC effectiveness review. Specifically, a reference to roles and responsibilities documents being developed for MRC leadership and members was added and the language around the MRC Informational Sessions was updated to reflect the shift in purpose to add an educational component. A redline of the guidelines reflecting these changes, along with minor administrative corrections, is attached.

Attachment

1. MRC Governance Guidelines (*redline*)

MEMBER REPRESENTATIVES COMMITTEE GOVERNANCE GUIDELINES

The Member Representatives Committee (the “MRC”) of the North American Electric Reliability Corporation (“NERC” or the “Corporation”) has adopted the following Governance Guidelines to provide a framework for the general governance of the MRC.

The purpose of the Governance Guidelines is to (1) highlight important provisions of the NERC Bylaws in order to facilitate understanding among MRC members of their rights and responsibilities, and (2) provide guidance on the normal operation of the MRC.

1. Role of the Member Representatives Committee

The MRC is not a standing committee of the Corporation, but is elected by the members of the Corporation and is authorized to provide its advice and recommendations directly to the Board of Trustees (the “Board”). The MRC has three primary 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.

As part of its responsibility to provide advice and recommendations to the Board, the MRC may divide the responsibility for this activity among its membership. [MRC member responsibilities are further detailed in a separate roles and responsibilities document.](#) The MRC will periodically evaluate its effectiveness.

2. Size and Election of the Member Representatives Committee

The number of MRC representatives and their election shall be determined as set forth in NERC’s Bylaws, as amended from time to time.

The MRC is comprised of voting and non-voting representatives, as set forth in NERC’s Bylaws. The Board may by resolution create additional non-voting positions on the MRC at the written

See NERC Bylaws, Article VIII, Section 1

See NERC Bylaws, Article VIII, Sections 2 and 3

See NERC Bylaws, Article VIII, Section 2

| request of any group of members of the Corporation that believes its interests are not adequately represented on the MRC.

The MRC shall contain a number of Canadian voting representatives, as set forth in NERC's Bylaws. When the Corporation receives recognition from appropriate governmental authorities in Mexico as the ~~e~~Electric ~~r~~Reliability ~~o~~Organization, the NERC Bylaws shall be revised to provide for adequate representation of Mexican interests on the MRC.

See NERC Bylaws, Article VIII, Section 4

The MRC Secretary, with support from the MRC Chair and Vice Chair, will conduct an orientation program for new MRC members prior to the February regular meeting each year or, in the instance of a special election, as soon as practical following the election.

3. Process for Selection of Member Representatives Committee Chair and Vice Chair

Prior to the annual election of representatives to the MRC, the MRC shall select a Chair and Vice Chair of the MRC from among its voting members by majority vote of the members of the MRC to serve during the upcoming year. The incumbent Chair and Vice Chair shall not vote or otherwise participate in the selection of the incoming Chair or Vice Chair. The newly selected Chair and Vice Chair shall not have been representatives of the same sector. The selection of the Chair and Vice Chair of the MRC shall not be subject to approval of the Board.

See NERC Bylaws, Article VIII, Section 5

4. Duties and Responsibilities of the Member Representatives Committee Chair and Vice Chair

Upon assuming such positions, the Chair and Vice Chair shall cease to act as representatives of the sectors that elected them as representatives of the MRC and shall thereafter be responsible for acting in the best interests of the members of the Corporation as a whole.

See NERC Bylaws, Article VIII, Section 5

The Chair, Vice Chair, or other designated discussion leader is responsible for facilitating discussion of agenda items in the MRC meetings so as to clearly define the differences of opinion that may exist among the discussion participants. During this discussion, the Chair will determine if passage of a resolution by the MRC on the matter is needed and appropriate. Notwithstanding the Chair's determination, an MRC member may call for such determination to be made by majority vote of a quorum present. If such call is moved and seconded, a discussion of the need for and appropriateness of passing a resolution will proceed, and a vote on that need and appropriateness will take

place immediately following that discussion. If a resolution is determined to be needed and appropriate, the Chair will designate at least two MRC members to draft such resolution and bring it before the MRC for discussion and vote.

The Chair of the MRC may call special meetings of the MRC for any purpose and may initiate a call for action without a meeting of the MRC, as set forth in NERC's Bylaws.

See NERC Bylaws, Article VIII, Sections 8 and 12

MRC chair and vice chair responsibilities are further detailed in a separate roles and responsibilities document.

5. Confidential Information

To the extent permitted by law, each MRC member must maintain the confidentiality of (1) any confidential or proprietary NERC information disclosed or available to the MRC member; (2) any confidential or proprietary information of NERC members, or market participants to which the MRC member has access by virtue of his or her position with the MRC; and (3) any confidential or proprietary information of others that has been provided to the MRC on condition of confidentiality.

6. Representation Policy

Individual MRC members should act in a manner that recognizes that they do not represent NERC, or, other than the MRC Chair, the MRC, nor are they authorized to speak or communicate on behalf of NERC, unless authorized to do so by the NERC Board Chair or CEO, and should provide such a disclaimer if identifying themselves as an MRC member to the press, at speaking engagements, or through any other public communications.

7. Meetings of the Member Representatives Committee

Meetings (face-to-face and by teleconference) of the MRC shall be open to the public, subject to reasonable limitations such as the availability and size of meeting facilities; provided that the MRC may meet in or adjourn to closed session where the subject matter of the meeting so warrants, consistent with the provisions of NERC's Bylaws and these Governance Guidelines.

See NERC Bylaws, Article VIII, Section 10

The MRC will hold ~~regular~~ an annual meetings each year in February and ~~will hold~~ additional special-regular meetings ~~as~~

See NERC Bylaws, Article VIII, Sections ~~7~~ and 8

~~needed~~ during that year that typically connect with the NERC Board meeting cycle.

The MRC ~~will hold a special meeting~~ may hold informational sessions by teleconference, typically about four weeks before each regular meeting of the MRC. The purpose of this ~~special meeting informational session~~ is to discuss (1) ~~the draft agenda for the regular meeting~~ provide additional background and context around activities relevant to the operations of NERC and (2) review preliminary agenda topics

~~of particular interest to the for upcoming Board meetings for policy input from the MRC in order to facilitate sector discussions on those topics prior to the regular meeting.~~ The MRC Chair, Vice Chair, and Secretary will establish the date and time for this special meeting when the date and time for the annual and regular MRC meetings isare set and should be timed to allow subsequent sector meetings on the subject matter of the next regular MRC meeting.

a. Preparation for Meetings

The MRC Secretary should make materials required for the conduct of the regular meeting, including the final meeting agenda with supporting materials, available at least two weeks in advance of the regular meeting, when possible.

The MRC requests that reports by NERC management on the status of NERC programs and projects ensure transparency, ease comprehension of the materials provided, and cover topics that are most important to the members of the Corporation and that large volumes of material provided by NERC management should be accompanied by executive summaries.

b. Setting of Member Representatives Committee Agenda

The Chair and Vice Chair of the MRC shall prepare the agenda for each meeting in consultation with the members of the MRC, the Board, NERC staff, and others as needed.

The MRC Chair and Vice Chair should coordinate with the Board Chair and Vice Chair on the placement of informational items (*i.e.*, items that do not require any action by either body, such as status reports from NERC management) into the MRC and Board agendas for their regular meetings so that these items are not duplicated in each meeting. In their respective meetings, the MRC and Board should accommodate questions and comments from members of the other body during the discussion of such informational items.

The meeting agenda will tag all agenda items by the type of action expected of the MRC at the meeting. Types of action generally include, but are not limited to, the following:

1. Receive information and seek clarification;
2. Discuss and advise the Board or NERC management; or
3. Decide by vote.

c. Types of Meetings

In general, a meeting of the MRC shall be conducted as one of the following types of meetings:

- **Open Meeting.** The public may attend and observe the deliberations of the MRC during such meetings or portion of the meetings. The public may participate during the meeting in the sole discretion of the presiding officer for the meeting.
- **Closed Meeting.** The public may not attend or observe the deliberations of the MRC. The MRC may invite particular persons to participate in a closed meeting where such participation would further the business of the MRC. At least one NERC staff member shall be present to record any necessary minutes of such meeting.

d. Criteria for Holding Closed Meetings

A meeting or a portion of a meeting may be closed to discuss matters of a confidential nature, including but not limited to personnel matters, compliance and enforcement matters, litigation, or commercially sensitive or critical infrastructure information of any entity, as contemplated by NERC's Bylaws.

See NERC Bylaws, Article VIII, Section 10

e. Procedures for Meetings

Notice to the public of the dates, places, and times ~~and status~~ of meetings of the MRC shall be provided by NERC in accordance with the requirements of NERC's Bylaws and applicable law. NERC will post all non-confidential material for any meeting within 24 hours of when such material is provided to the MRC. NERC will provide the appropriate logistics (i.e., location for in-person meetings, dial-in numbers for teleconferences) with the meeting agenda.

See NERC Bylaws, Article VIII, Section 10

The MRC may, in accordance with the NERC Bylaws, take action without a meeting pursuant to written consent.

See NERC Bylaws, Article III, Section 12

f. Conduct of Meetings

Trustees in attendance at an MRC meeting are encouraged to ask questions and seek clarification of positions expressed by MRC members during MRC discussions.

Other persons who are not MRC members in attendance at an MRC meeting may be invited to comment at the discretion of the Chair, who should take into account both the MRC's desire for inclusiveness and the need to keep MRC meetings focused to make best use of the members' time.

When the MRC wants a formal response from the Board to MRC recommendations or advice, it should formally request such a response when conveying the recommendation or advice to the Board.

g. Minutes of Meetings

The MRC Secretary shall keep and post written minutes of each meeting. Minutes should contain the following information unless otherwise agreed to by NERC's General Counsel:

- Place, date and time of meeting
- When and how notice was given
- Meeting chair and vice chair present
- List of attendees and whether quorum was present
- Statement that minutes from prior meeting were reviewed, amended if necessary, and approved
- Description of the substance of matters discussed (presentations and written materials considered should be included as exhibits, if feasible, or specifically identified and incorporated by reference)
- Statement of specific actions taken (including, where the required number of affirmative votes is other than a simple majority, the number of votes for and against)

In general, minutes are not a transcript of the meeting. The minutes should be in sufficient detail to apprise the reader of the general tenor and scope of the discussion (including minority positions), without attempting to record the statements or opinions of each person speaking. Because a primary purpose of the MRC is to advise the Board on policy matters, emphasis in the minutes should be on the specific advice offered by the MRC.

This policy is not intended to change existing policies with respect to confidentiality of data. Minutes of non-public meetings should be kept on a non-public basis or prepared in a manner that does not disclose non-public information. The MRC Secretary shall post a copy of draft minutes to the NERC website and make the minutes available to each MRC member promptly after each meeting. Minutes from one meeting should be reviewed, amended (if necessary), and approved at the following meeting. The MRC Secretary shall post a copy of the final minutes to the NERC website upon approval by the MRC.

8. Guidelines for Participant Conduct and Use of NERC Email Lists

MRC members shall conduct themselves in a professional manner at all times. This includes in-person conduct and any communication, electronic or otherwise, made as a participant in NERC activities. MRC members shall not use NERC activities for commercial purposes or for their own private purposes, including, but not limited to, advertising or promoting a specific product or service, announcements of a personal or business nature, sharing of files or attachments not directly relevant to the purpose of the NERC activity, and communication of personal views or opinions, unless those views are directly related to the purpose of the NERC activity.

MRC members also shall not distribute work product developed during the course of NERC activities if distribution is not permitted by NERC (e.g., an embargoed report), provided that NERC, may grant in writing a request by an MRC member to allow further distribution of the work product to one or more specified entities within its industry sector if deemed to be appropriate. Any MRC member that distributes work product labeled “embargoed,” “do not release,” or “confidential” (or other similar labels) without written approval for such further distribution will be in violation of these guidelines.

MRC members shall not use NERC-provided listservs for any price-fixing, division of markets, and/or other anti-competitive behavior. Recipients and participants on NERC listservs may not utilize NERC listservs for their own private or business purposes. This may include lobbying for or against pending balloted standards, announcements of a personal nature, sharing of files or attachments not directly relevant to the listserv group’s scope of responsibilities, or communication of personal views or opinions, unless those views are provided to advance the work of the

listserv's group. Any offensive, abusive, or obscene language or material shall not be sent across the NERC listservs.

If a participant does not comply with these Guidelines for Participant Conduct and Use of NERC Email Lists, certain reasonable restrictions may be imposed, including removal from meetings or teleconferences, restrictions on the use of NERC-administered listservs or other restrictions, up to permanent removal from participation on a NERC or MRC committee or other NERC or MRC activity.

9. NERC Support of the Member Representatives Committee

NERC should provide administrative staff to support the operation of the MRC and the MRC members' engagement of their sector members. These NERC staff are responsible for anticipating and providing for the MRC members' information and communication needs.

In addition, NERC should support MRC activities by facilitating teleconferences, securing meeting spaces for in-person meetings, and providing a location on its website to share agendas, minutes, presentations, and related materials relevant to the MRC.

10. Amendments to these Guidelines

These Governance Guidelines may be amended by the MRC from time to time. The MRC members shall periodically review these Governance Guidelines and recommend any amendments to the MRC.

**Approved by the Member Representatives Committee
November 5, 2019**

**As amended by the Member Representatives Committee
November 5, 2020**

Business Plan and Budget Input Group Update

Action

Information

Background

The MRC Business Plan and Budget (BP&B) Input Group (Input Group) was established to solicit MRC feedback on BP&B assumptions, cost drivers, and funding levels. The group meets periodically throughout the year to receive updates and provide input to NERC in support of the MRC's role in providing advice and feedback to the Board of Trustees (Board). The Input Group includes members of the MRC as appointed by the MRC chair. In addition, the Input Group includes NERC staff, the chair of the NERC Board Finance and Audit Committee (FAC), Colleen Sidford, and a representative from a Regional Entity, Sara Patrick, CEO of MRO.

Summary

Since the last update, the Input Group met on November 18, 2024, during which the group reviewed NERC's 2025 work plan priorities. The Input Group also received an update on activities around NERC's next three-year plan for 2026–2028, including an overview of NERC's 2026-2028 strategic priorities, and reviewed the development timeline for the 2026 BP&B.

John Haarlow, chair of the Input Group, will provide an update to the MRC on behalf of the group at the MRC meeting on February 13, 2025, to review these highlights. Following the February meeting, Matt Fischesser, MRC Vice Chair, will serve as chair of the Input Group.

Update on FERC Reliability Matters

Action

Information

Summary

At the February 13, 2025 MRC meeting, Kal Ayoub, Director, Office of Electric Reliability, FERC, will provide an update on recent FERC activity.

Responses to the Board's Request for MRC Input

Action

Discussion

Background

A letter requesting MRC input is issued by the Chair of the NERC Board of Trustees (Board) four to five weeks in advance of the quarterly meetings and includes relevant materials necessary to inform and prepare for discussion. Written input from the MRC and stakeholders is due approximately three weeks after issuance and is then revisited during a dedicated discussion time on the MRC's agenda, in the presence of the Board.

Summary

For this quarter, the Board requested input from the MRC on *Understanding and Addressing Risks from Integrating Large Loads*. In addition, the Board requested input on preliminary Board, Board Committee, Technical Session, and MRC agenda topics. On February 13, 2025, the MRC can expect to participate in discussion on the responses received from the input request.

The input letter with its attachments and responses are posted with the Board's [February 2025 meeting materials](#).

Additional Discussion on February 12 Board Committee Meetings

Action

Discussion

Summary

On February 13, 2025, the Member Representatives Committee (MRC) will have additional time for discussion, as part of its own agenda, to respond to the information that is presented during the February 12, 2025, Board Committee meetings. Staff presentations made at the Board Committee meetings will not be duplicated at MRC meeting.

The Board committee agendas and associated background materials will be posted on the following webpages approximately one to two weeks in advance of the meetings:

[Technology and Security Committee](#)

[Regulatory Oversight Committee](#)

[Finance and Audit Committee](#)

[Corporate Governance and Human Resources Committee](#)

Additional Discussion on February 12 Technical Session

Action

Discussion

Summary

On February 13, 2025, the Member Representatives Committee (MRC) will have additional time, as part of its own agenda, to discuss the information that is presented during the February 12, 2025, Technical Session. Presentations made at the Technical Session will not be duplicated at the MRC meeting.

The agenda and associated background materials are posted on the following webpage:

[Technical Session](#)

MRC Input and Advice on February 13 Board Agenda Items

Action

Discussion

Background

Article VIII, Section 1 of the [NERC Bylaws](#) states that the MRC shall have the right and obligation 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.”

On February 13, 2025, the MRC will have time for discussion, as part of its own agenda, to provide input on behalf of their sectors on the Board’s agenda topics. Preliminary agenda topics for the February Board meeting were reviewed during the January 16, 2025, MRC Informational Session and a formal agenda package was posted on January 30, 2025, on the following webpage:

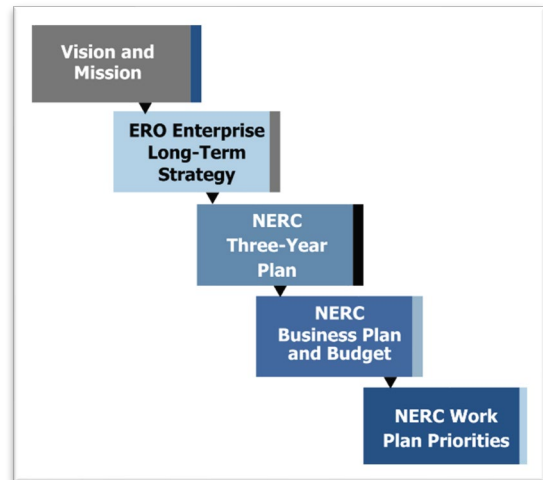
[Board of Trustees](#)

NERC's Planning and Prioritization Process

Action Update

Background

As NERC continues to evolve its strategic and business planning efforts, NERC is aiming to provide greater transparency of the process and a clearer connection between the different elements. As shown in the image to the right, NERC's planning efforts begin with the ERO Enterprise's established **vision and mission**, which drives all planning.



- The **ERO Enterprise Long-Term Strategy** defines the long-term direction of the ERO Enterprise and serves as a common input for NERC and Regional Entity planning processes throughout multiple business planning cycles. The strategy is intended to be enduring with no specific timeframe but is validated and updated as required.
- NERC develops a **three-year plan** which supports the ERO LTS by defining NERC's strategic priorities and initiatives over a three-year period.
- Annually, NERC develops a **business plan and budget** which includes a one-year budget with two-year rolling projections. The business plan and budget provides details on process changes, resource allocation, and costs necessary to execute NERC's three-year plan.
- Also developed annually, **NERC's work plan priorities** identify NERC's highest priority items from its three-year plan and are NERC's goalpost for executing each respective year of NERC's three-year plans.

Each of these elements is highly informed by work from stakeholders, including the Reliability Issues Steering Committee's biennial ERO Reliability Risk Priorities Report and other standing committee activities, regulatory requirements and directives, engagement with the MRC including responses to input letters, and the MRC business plan and budget input group. NERC welcomes feedback throughout the process, both formal and informal.

Summary

NERC is currently executing against its 2023-2025 plan and simultaneously developing its 2026-2028 plan. During the February 13, 2025, MRC meeting, NERC will provide an update on current elements for each cycle. For the 2023-2025 plan, that will be the year-end review of the 2024 NERC Work Plan Priorities and a reminder of the recent Board approval of the 2025 NERC Work Plan Priorities. For the 2026-2028 plan, that will be an update on the current development status. Specific information for each is included in the write-ups that follow for MRC Agenda Items 6.a.i and 6.b.i.

2024 Work Plan Priorities

Action

Review

Background

In support of the ERO Enterprise's mission to assure the effective and efficient reduction of risks to the reliability and security of the grid, NERC developed a three-year plan for 2023–2025 to focus on investments where the ERO can most influence change. The plan is centered on four strategic areas of focus—Energy, Security, Agility, and Sustainability—and is supported by the investments outlined in each year's annual business plan and budget (BP&B). NERC also develops annual Work Plan Priorities (WPPs), which are its highest priority items in support of the three-year plan strategic focus areas. The 2024 WPPs were NERC's goalpost for executing Year 2 of the 2023–2025 plan.

Summary

In 2024 NERC executed against nearly all of its WPPs, completing 15 of 17 by the end of 2024. These accomplishments supported NERC's efforts to:

- Advance understanding and mitigation of most critical risks to reliability;
- Increase industry's security posture;
- Inform and engage stakeholders in meaningful, impactful ways; and
- Create a more informed and sustainable NERC and ERO Enterprise.

Two WPPs will be completed in 2025:

- Physical Security Standard modifications, due to additional balloting requirements; and
- One Winter Storm Elliott follow-up item, delayed due to external resource constraints.

The attached provides an assessment of each of NERC's 2024 WPPs. During the MRC meeting on February 13, 2025, NERC will highlight the accomplishments of the 2024 WPPs as part of its 2024 Year-in-Review.

Additionally, NERC has developed its 2025 WPPs, which will serve as NERC goalpost for executing Year 3 of the 2023-2025. The [2025 WPPs](#) were approved by the Board of Trustee (Board) s on December 10, 2024 and NERC will provide a mid-year progress update to the Board in August.

Attachments

Attachment – 2024 Work Plan Priorities Assessment

2024 Work Plan Priorities Assessment



Energy: Tackle the challenge of grid transformation and climate change-driven, extreme weather



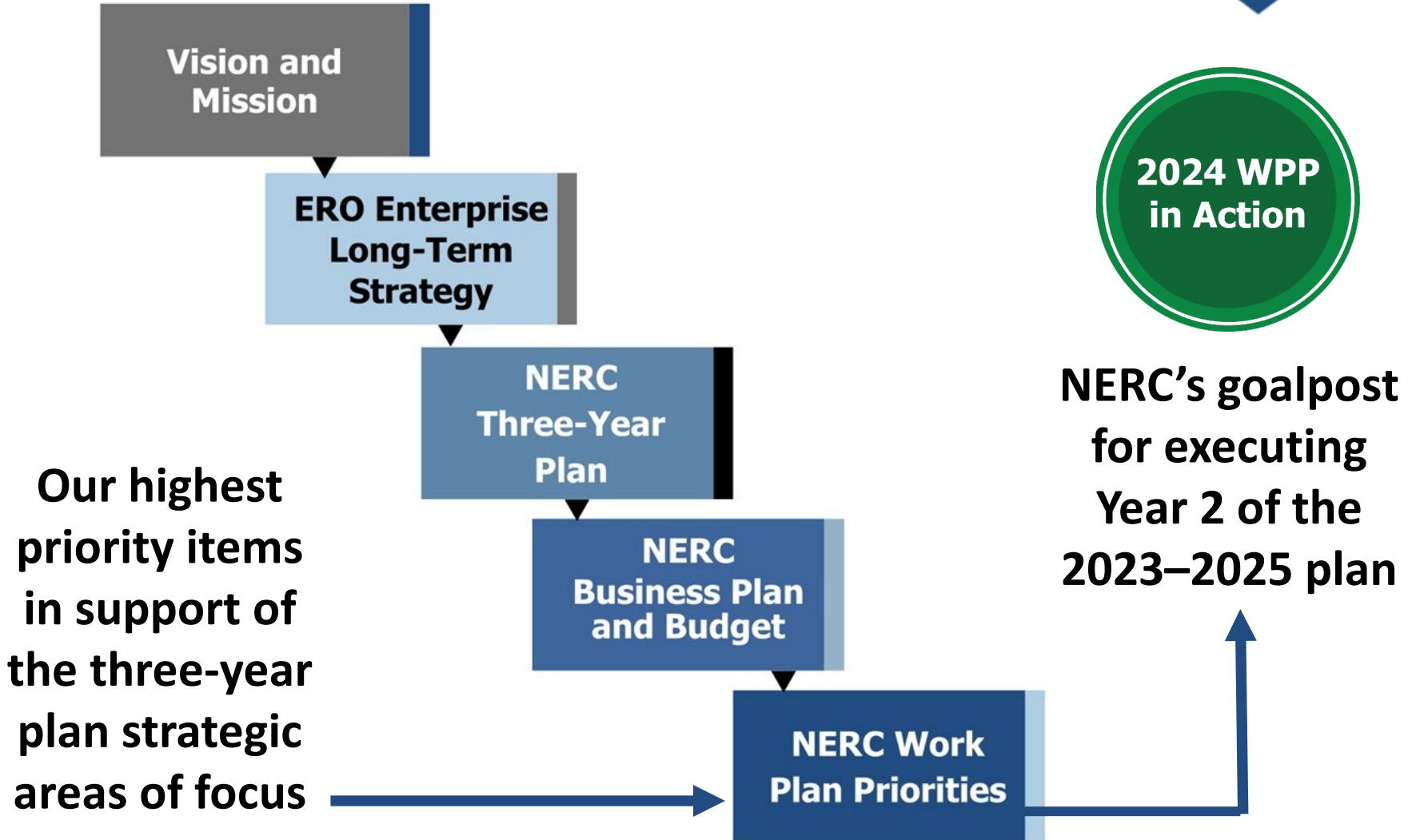
Security: Move the needle by focusing on supply chain, Information Technology (IT) and Operational Technology (OT) system monitoring, cyber design, and evolution of the Critical Infrastructure Protection (CIP) Standards

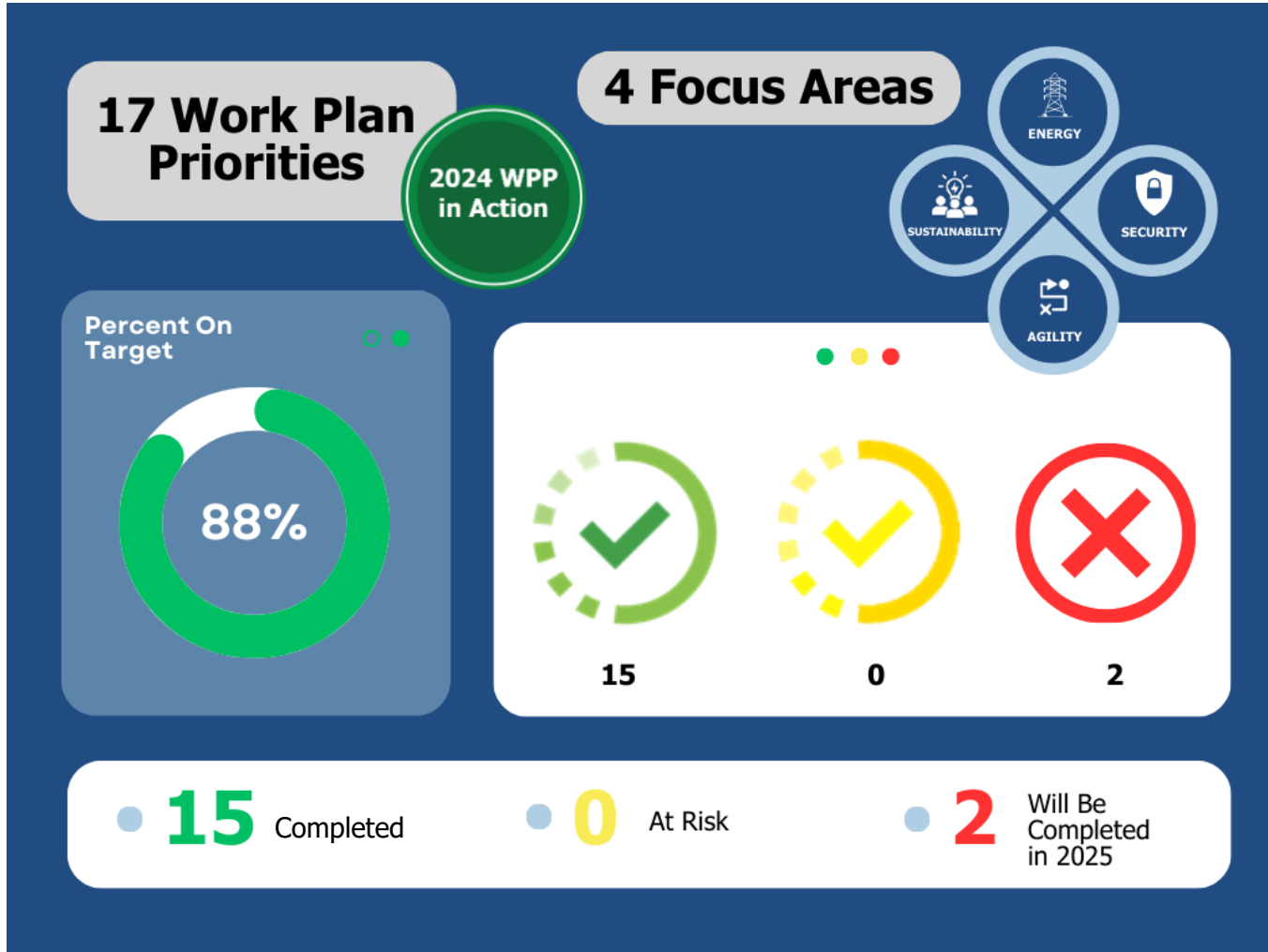


Agility: Tool the company to be more nimble in key areas, particularly standards development, internal operational processes



Sustainability: Invest in ERO systematic controls, eliminate single points of failure, strengthen succession planning, and ensure robust cyber security protections for all systems





Transfer Capability

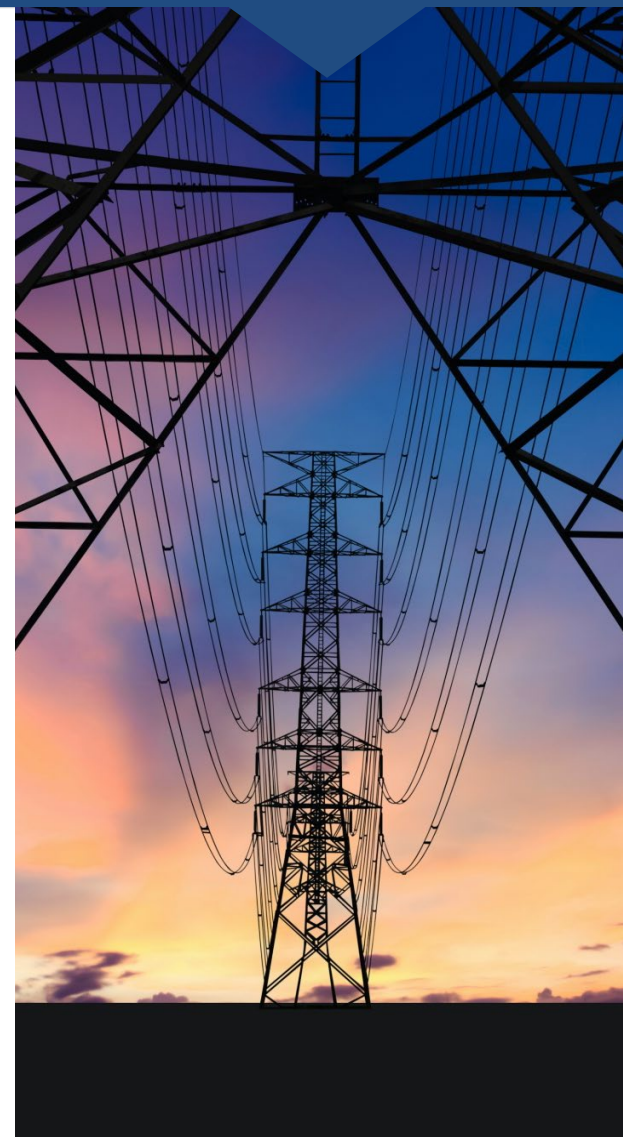
1. Conduct and deliver the congressionally mandated ITCS and integrate with the LTRA. ✓

Extreme Weather

2. Adopt Reliability Standards that address extreme/cold weather and energy assurance ✓ and implement the findings of Winter Storm Uri and Elliott inquiry recommendations **(one recommendation delayed, on track for early 2025)**.

Changing Resource Mix

3. Mitigate risks related to the changing resource mix through
 - a. Reliability Standard modifications and registration activities for IBRs; - Standards ✓
 - b. Conducting studies on DER and DER aggregators; and ✓
 - c. Raising awareness of the impacts on the interconnected natural gas-electric systems from interdependencies and needed response, leveraging the joint NGS/NERC/DOE gas-electric study, NAESB report recommendations, and Winter Storm Uri and Elliott inquiry recommendations ✓

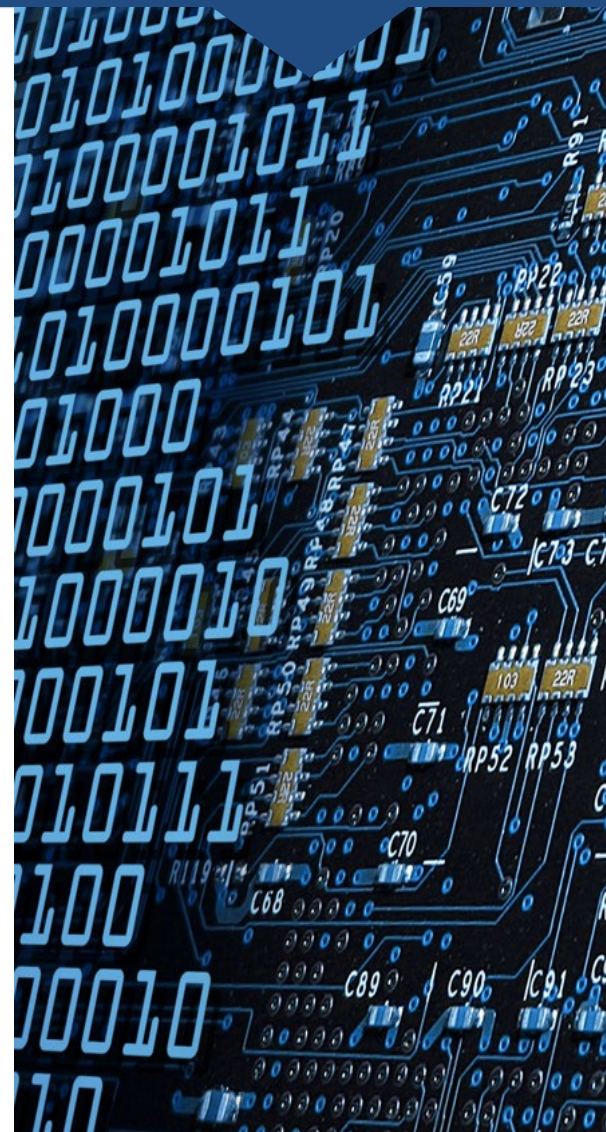


Physical Security

4. Adopt modified physical security Reliability Standard **(delayed, expected to bring to Board in 2025)**.
5. Provide actionable physical security intelligence and risk mitigation measures, including emphasis on the U.S. election cycle, and conduct workshops on physical security incidents. ✓

Cyber Security

6. Provide actionable cyber security intelligence and risk mitigation measures regarding geopolitical, criminal, and other threats targeting the electricity sector. ✓
7. Develop plans for the continued enhancement of CRISP. ✓
8. Strategically expand E-ISAC membership. ✓
9. Complete analysis for cloud computing and develop a plan to address and enable appropriate use for BES assets. ✓



Effectiveness and Efficiency

10. Develop recommendations for Registered Ballot Body criteria while maintaining fairness, openness, inclusivity, and balance in Reliability Standards voting. ✓
11. Design a new NERC.com website to improve the user experience. ✓

Communications and Stakeholder Relations

12. Broaden communication strategy and engagement to inform stakeholders about key initiatives and provide clarity and context on prioritization of NERC activities. ✓
13. Support implementation efforts associated with the recommendations from the MRC effectiveness evaluation. ✓



Talent Management

- 14. Establish a succession planning framework to strengthen leadership development and talent pipeline. ✓

Technology

- 15. Implement a new RCIS and governance process. ✓
- 16. Complete the next phase of system implementations to strengthen automation and controls across HR and Finance & Accounting. ✓
- 17. Enhance security of existing and new solutions with Data Loss Prevention, monitoring, and response tools, while leveraging AI. ✓



2026-2028 Plan: Summary of MRC Input and Next Steps

Action

Update

Background

In 2024, NERC and the Regional Entities (collectively, the ERO Enterprise) updated the [ERO Enterprise Long-Term Strategy](#) (Strategy) which serves as a common input to each organization's strategic and business planning efforts. The Strategy is centered around four key focus areas: *Energy, Security, Engagement, and Agility and Sustainability*. For NERC, the updated Strategy informs its three-year plan and NERC is currently developing its 2026-2028 plan.

Summary

NERC's 2026-2028 plan centers around the same four focus areas as the Strategy. NERC has been identifying strategic priorities and goals for each focus area as part of the 2026-2028 plan. In December 2024 and January 2025, NERC held calls with each MRC Sector for informal input on the draft 2026-2028 strategic priorities and goals. Below are the general themes from those calls:



- **Overall** – Support 2026-2028 strategic priorities and goals
- **Value** – Review priority and goals wording to ensure it speaks to benefits and how those advance NERC's mission and vision; articulate the “why” behind the priorities and goals; ensure wording reflects a proactive vs. reactive stance
- **Engagement** – Supportive of increased and targeted engagement; consider ways in which engagement converts into partnerships to advance priorities; continue to expand stakeholder universe, especially in the policymaker space; create bridges between stakeholders to address reliability concerns that bring opposing views
- **Communications** – Timely, frequent and early communications, especially around key initiatives
- **Flexibility & Anticipation** – Be nimble enough to respond to energy policy changes; consider scenario planning; focus on proactive risk identification; aim to understand potential inflection points
- **Education & Learning** – Encourage increased foundational education on NERC and the ERO Enterprise model, particularly where there is less understanding and high turnover
- **Stakeholder Support** – MRC open to partner on engagement and outreach efforts; encourage NERC to seek additional ways in which to leverage MRC or related organizations
- **Tracking Progress** – Ensure metrics are established to understand progress and effectiveness

Next Steps

NERC will update its draft 2026-2028 plan to reflect MRC input and provide an update on the next version and through a call with MRC members and trades and forums to be scheduled in the Spring. NERC's 2026-2028 plan will inform NERC's 2026 business plan and budget, which will provide more clarity on resourcing and funding needs to support the plan. The three-year plan will also be used to identify NERC's 2026 work plan priorities. As NERC continues to strengthen its processes, stakeholders can expect to see a clearer connection across all elements.

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

NERC 2026-2028 Plan

Summary of MRC Input and Next Steps

Camilo Serna, Senior Vice President, Strategy and External Engagement
Member Representatives Committee Meeting
February 13, 2025

RELIABILITY | RESILIENCE | SECURITY

NERC's Planning and Prioritization Process

VISION

Highly reliable and secure bulk power system.



MISSION

Assuring effective and efficient reduction of risks to the reliability and security of the bulk power system.



ERO ENTERPRISE LONG-TERM STRATEGY

Defines the long-term strategy of the ERO Enterprise and articulates how we will achieve our vision and mission.

NERC'S PLANNING AND PRIORITIZATION PROCESS

THREE-YEAR PLAN

Supports the Long-term Strategy by defining how we realize our long-term ambitions to achieve specific objectives.



BUSINESS PLAN AND BUDGET

Operationalizes the three-year plan and identifies resource and funding requirements.

WORK PLAN PRIORITIES

Identifies NERC's highest priority items for each year of the three-year plan.



Overall Support for 2026-2028 Strategic Priorities and Goals

Articulate the Value of the Strategic Priorities

Engagement is Critical to Success

Early and Frequent Communications

Ensure Flexibility and Proactive Focus

Increase Foundational Education on NERC and ERO Enterprise Model

Partner with MRC and Leverage Industry Organizations

Establish Metrics to Track Progress

**Wide-Area Energy
Assessments/Analytical
Consistency**

**Gas/Electric
Interdependency**

**Cloud Computing
Implications on
Standards**

**Increased Dependency
on Other Industries (e.g.,
Telecom)**

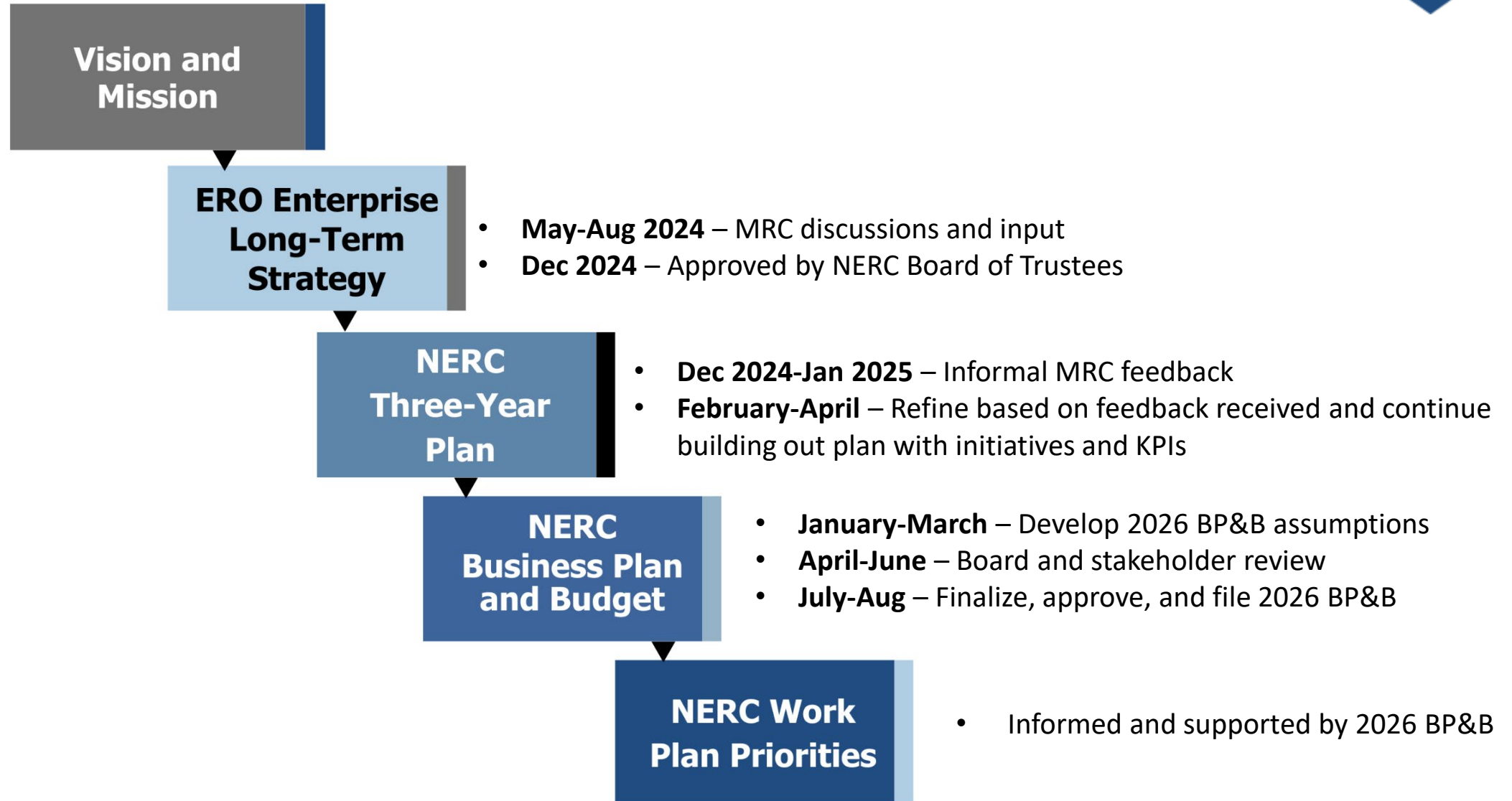
**Reliability Assessment
Data Quality and
Validation**

**Supply Chain
Implications to Reliability
and Security**

**Risk Mitigation vs.
Affordability Balancing
Act**

**Reliability Impact of
Tariffs**

**Connection to ERO
Reliability Risk Priorities
Report**



A map of North America is shown with a blue gradient overlay. The overlay is a horizontal band that is darker in the center and fades to a lighter blue towards the top and bottom. The text "Questions and Answers" is centered within this band. The map shows the United States, Canada, and Mexico. Mexico is shaded with a light gray diagonal hatching pattern.

Questions and Answers

Implementation of MRC Effectiveness Recommendations

Action

Update

Summary

The MRC regularly evaluates its effectiveness and conducted an in-depth evaluation throughout 2023 of its effectiveness in executing its responsibilities. On February 14, 2024, the MRC adopted 27 recommendations (see [February MRC agenda package](#), Agenda Item 6) resulting from the effectiveness review. The recommendations focus on how the MRC operates and ensuring an engaging, collaborative, and positive MRC culture. Recommendations are organized under the following categories:

1. Collaboration and Engagement
2. Education and Increased Awareness of Processes
3. Recruiting and Raising Awareness of the MRC's Role
4. Providing Advice and Recommendations to the NERC Board
5. Meeting Logistics and Agenda Development

At the February 13, 2025, MRC meeting, MRC leadership will provide an update on progress in implementing the recommendations.

Update on Regulatory Matters (As of January 22, 2025)

Action

Information

FERC Orders Issued Since the Last Update

FERC orders are available on the NERC website [FERC Orders/Rules](#) page.

NERC Filings to FERC Since the Last Update

NERC filings to FERC are available on the NERC website [NERC Filings to FERC](#) page.

NERC Filings in Canadian Jurisdictions Since the Last Update

NERC filings to Canadian applicable governmental authorities are available on the NERC website's [Canadian Filings and Orders](#) page. This page also contains links to the websites of each authority, where orders, consultation records, and other records related to NERC matters may be found.

Processes for making standards enforceable and monitoring and enforcing compliance are specific to each jurisdiction in Canada. The Federal, Provincial, and Territorial Monitoring and Enforcement Sub-group (MESG) has developed provincial summaries of each province's electric reliability standard-making and enforcement functions with U.S. comparators. The [Canada](#) page of the NERC website contains these summaries and a link to the [Canadian MOUs](#) page.

Anticipated NERC Filings

Highlights of NERC filings that will be submitted to applicable governmental authorities in the U.S. and Canada appear below:

1. February 5, 2025 – NERC will submit a quarterly update on its Inverter-Based Resource (IBR) registration workplan.

Docket No. RD22-4-001

2. February 14, 2025 – Within 45 days of the end of each quarter, NERC must submit the unaudited report of the NERC budget-to-actual spending variances during the preceding quarter.

Docket No. FA11-21-000

3. February 25, 2025 – NERC will submit a petition for approval of revised NPCC Bylaws

Docket TBD

4. March 3, 2025 – NERC will submit a quarterly filing in Nova Scotia of FERC-approved Reliability Standards.

5. March 13, 2025 – NERC will submit a petition for approval of proposed Reliability Standard BAL-004-WECC-4.

Pending BOT approval

Docket TBD

6. March 21, 2025 – NERC will submit an annual report regarding cybersecurity incidents reported to NERC as required by Reliability Standard CIP-008-6.

Docket No. RM18-2-000

7. March 27, 2025 – NERC will submit a petition for approval of proposed Reliability Standard EOP-012-3.

Pending BOT approval

Docket TBD

8. March 31, 2025 – NERC will submit the 2025 NERC Standards Report, Status, and Timetable for Addressing Regulatory Directives. This annual report is due on or before March 31 of each year.

Docket No. RR09-6-003