

## Agenda

# Member Representatives Committee

May 8, 2024 | 3:30–5:30 p.m. Eastern

**Hybrid Meeting**

**In-Person** (*Board, MRC, NERC Staff ONLY*)

**NERC DC Office**  
**1401 H Street NW, Suite 410**  
**Washington, DC 20005**

**Webinar Link:** [Join Meeting](#)

**Attendee Password:** Day1May82024 (32916298 from phones)

**Audio Only:** 1-415-655-0002 US | 1-416-915-8942 Canada | **Access Code:** 2310 963 8050

**Introduction and Chair's Remarks**

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

### **Consent Agenda**

1. **Minutes - (Approve)**
  - a. February 14, 2024 Meeting\*
  - b. April 22, 2024 Conference Call\*

### **Regular Agenda**

2. **General Updates and Reports**
  - a. Board of Trustees Nominating Committee Update\*
  - b. Business Plan and Budget Input Group Update\*
  - c. Update on FERC Activities\*
  - d. Report on the May 7 Closed Meeting
3. **Discussion Items**
  - a. Additional Discussion on May 8 Board Committee Meetings\*
    - i. Corporate Governance and Human Resources Committee
    - ii. Finance and Audit Committee
    - iii. Technology and Security Committee
    - iv. Regulatory Oversight Committee

- b. Additional Discussion on May 8 Technical Session\*
  - c. MRC Input and Advice on May 9 Board Agenda Items\*
- 4. Update on Implementation of MRC Effectiveness Recommendations\***

**Informational Items**

- 5. [Future Meetings](#)
- 6. **Regulatory Update\***

\*Background materials included.

## Draft Minutes

# Member Representatives Committee

February 14, 2024 | 3:30 p.m. – 5:30 p.m. Central

The Houstonian Hotel  
111 North Post Oak Lane  
Houston, Texas 77024

Chair Jennifer Flandermeyer called to order a duly noticed meeting of the Member Representatives Committee (MRC) of the North American Electric Reliability Corporation (NERC) on February 14, 2024, at 3:30 p.m., Central, 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 new and returning MRC members and virtual attendees, acknowledging the NERC Board of Trustees (Board), Pat Hoffman from the Department of Energy, Eric Vandenberg and Kal Ayoub from the Federal Energy Regulatory Commission (FERC), Anna Le from the Canada Energy Regulator, and CAMPUT representative Derek Olmstead.

Chair Flandermeyer acknowledged John Twitty's upcoming retirement and recognized his contributions and commitment to the reliability of the grid. Scott Tomashefsky read a statement on behalf of Mr. Twitty who was unable to attend the meeting. Mr. Twitty was a long-time MRC member, most recently representing state and municipal utilities. He previously served as chair and vice chair of the MRC and was an active participant in many sub-groups.

Jason Marshall acknowledged the recent passing of Jay Bartlett, former President and CEO of Wabash Valley Power Alliance. Mr. Bartlett was an advocate for NERC's mission and ensuring the reliability of the grid. He was a long-time contributor on the MRC and the Electricity Subsector Coordinating Council (ESCC) on behalf of cooperative utilities. The MRC observed a moment of silence in honor of Mr. Bartlett.

### 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 October 25, 2023, and January 24, 2024, meetings with a correction to the October minutes regarding the state for which Matt Schuerger was Commissioner.

### **Election of NERC Trustees**

Bob Clarke, chair of the Board Nominating Committee (BOTNC), provided a report and recommendation for the election of four Board members. The MRC unanimously approved the re-election of George Hawkins, Larry Irving, Sue Kelly, and Rob Manning for three-year terms ending in 2027. Chair Flandermeyer congratulated Mr. Hawkins, Mr. Irving, Ms. Kelly, and Mr. Manning.

Mr. Clarke noted that there are four Trustees with terms ending in February 2025, with three eligible for reelection and one that is term limited. This year's BOTNC consists of all Trustees not up for reelection and five members of the MRC, with Larry Irving as Chair. He also noted that the BOTNC is reviewing a matrix of desired Trustee skills which will be publicly posted when finalized.

### **MRC Governance Guidelines**

Chair Flandermeyer reviewed the MRC Governance Guidelines, noting that MRC leadership is not recommending any changes at this time. She also noted that the MRC Governance Guidelines will be reviewed as the MRC effectiveness recommendations are implemented and any recommended amendments presented to the MRC for approval.

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

Brian Evans-Mongeon provided an update on Business Plan and Budget (BP&B) Input Group activities on behalf of John Haarlow, chair of the BP&B Input Group. Since the last update to the MRC, the input group discussed the following: (1) NERC's Atlanta office stakeholder survey and recommended path forward; (2) NERC's 2024 Work Plan Priorities; (3) planning for NERC's next three-year plan for 2026-2028; (4) recent conversations among stakeholders related to the ERO's net energy for load-based billing assessments.

### **Update on FERC Activities**

Eric Vandenberg, deputy director of the Office of Electric Reliability at FERC, provided an update on recent FERC reliability activities, including the joint inquiry into Winter Storm Elliott, final rule on reliability standards to address inverter-based resources, December 2023 FERC-NERC-Regional Entity Joint Blackstart Report, FERC's annual Reliability Technical Conference on November 9, 2023, and key expected NERC filings to FERC in 2024.

### **Responses to the Board's Request for Input**

Chair Flandermeyer acknowledged the MRC's responses to Mr. DeFontes' January 17, 2024, letter requesting input on promoting greater industry engagement, alignment, and accountability, in addition to the preliminary agenda topics for the February meetings. Responses are [posted](#) on the NERC website.

Chair Flandermeyer provided a summary of the feedback received from MRC members, highlighting comments around improving onboarding of new players and overall communications; working together as industry to move the mission forward; ensuring alignment on the front end of issues being addressed; Rules of Procedure changes around inverter-based resources; increasing NERC's in-house analytical capabilities; and NERC's presentations to NARUC and expanding to NASUCA.

MRC members discussed the feedback provided, focusing on inverter-based resources; the importance of communications particularly around understanding intentions during standards development; the cadence of in-person Board and MRC meetings; and increasing NERC's in-house analytical capabilities.

### **Additional Discussion on February 14 Board Committee Meetings**

Chair Flandermeyer reminded attendees that full presentations were conducted at the Board committee meetings and would not be repeated during the MRC meeting. Attendees did not have any comments related to the Board's Finance and Audit, Regulatory and Oversight, Technology and Security, and Corporate Governance and Human Resources Committee meetings.

### **Additional Discussion on February 14 Technical Session**

MRC members complemented the discussions that occurred at the Technical Session, specifically around the gas-electric coordination and cloud technology panels. MRC members provided additional comments on both topics. An MRC member expressed a perspective of a regulatory gap around gas-electric coordination.

### **MRC Input and Advice on February 15 Board Agenda Items**

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

### **MRC Effectiveness Recommendations**

Chair Flandermeyer highlighted the MRC effectiveness recommendations included in the agenda package which resulted from an MRC effort to evaluate its effectiveness. The recommendations do not suggest any governance changes and instead are focused on how the MRC operates and ensuring an engaging, collaborative, and positive MRC culture. The recommendations are organized under the following categories:

- Collaboration and Engagement
- Education and Increased Awareness of Processes
- Recruiting and Raising Awareness of the MRC's Role
- Providing Advice and Recommendations to the NERC Board
- Meeting Logistics and Agenda Development

Chair Flandermeyer highlighted progress in some areas, including the new format of the MRC Informational Session and improvements to MRC onboarding. MRC leadership will prioritize and identify implementation plans for the recommendations and will provide updates on progress at future MRC meetings.

The MRC unanimously adopted the MRC Effectiveness Recommendations included in the agenda package.

### **Future Meetings**

The schedule of future meeting dates was included in the agenda package.

### **Regulatory Update**

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

### **Adjournment**

There being no further business, the meeting was adjourned.

Submitted by,



Kristin Iwanechko

Secretary

# **DRAFT** Minutes

## Member Representatives Committee

### Informational Session

April 22, 2024 | 2:00 p.m. – 3:30 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 April 22, 2024, at 2:00 p.m., Eastern. The meeting announcement and agenda are attached as **Exhibits A and B**, respectively.

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

Kristin Iwanekchko, 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 the start of an education series focused on NERC membership sectors that are represented on the MRC. The April 22, 2024, MRC Informational Session highlighted Sector 1: Investor-Owned Utilities, Sector 8: Large End-Use Electricity Customers, and Sector 9: Small End-Use Electricity Customers. The presentations were given by Sector 1 representatives, Joel Dembowski (Southern Company Services, Inc.) and John Rhea (Ameren Corporation), Sector 8 representatives, Venona Greaff (Occidental Chemical) and Karen Onaran (ELCON), and Sector 9 representatives Michael Moody (Michigan Department of Attorney General) and Darryl Lawrence (Pennsylvania Office of Consumer Advocate). The [presentations](#) are posted within the agenda package on the NERC website.

#### **Review of Second 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 May 8-9, 2024, in Washington, DC. A complete list of preliminary agenda topics for the May 2024 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.

Ms. Flandermeyer reminded MRC members that instead of a formal input letter this quarter, the MRC and Board will have a strategic discussion around MRC input to the Board in closed session on May 7, 2024. Ms. Flandermeyer will report on the closed meeting discussions at the open MRC meeting on May 8, 2024.

**Proxy Reminder**

Proxy notifications for the May 8, 2024 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



## **Board of Trustees Nominating Committee Update**

### **Action**

Information

### **Summary**

The following MRC members are serving on this year's Board of Trustees Nominating Committee (BOTNC):

1. **Jennifer Flandermeyer** – MRC Chair
2. **John Haarlow** – MRC Vice Chair
3. **Joel Dembowski** – Investor-Owned Utility (Sector 1)
4. **Rich Dewey** – ISO/RTO (Sector 10)
5. **Jason Marshall** – Cooperative Utility (Sector 3)

Larry Irving, chair of the BOTNC, will provide a status report on the planned activities and schedule for the BOTNC.

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

### **Action**

Information

### **Background**

The Business Plan and Budget (BP&B) Input Group (Input Group) was established as a means of soliciting MRC and stakeholder feedback on annual budget assumptions, cost drivers, and funding levels including assessments. The group meets primarily during the budget season and as needed in other months to receive updates and provide input to NERC management in support of the MRC's role in providing advice and feedback to the Board of Trustees (Board). The following MRC members are serving on this year's Input Group:

- **John Haarlow (Chair)** – MRC Vice Chair
- **Jennifer Flandermeyer** – MRC Chair
- **John Rhea** – Investor-Owned Utility (Sector 1)
- **Scott Tomashefsky** – State/Municipal Utility (Sector 2)
- **Brian Evans-Mongeon** – Transmission-Dependent Utility (Sector 5)
- **Lesley Gallinger** – ISO/RTO (Sector 10)

In addition to the above MRC members, the Input Group also 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 – MRO.

### **Summary**

The Input Group has met twice since the last update to the MRC. On March 13, 2024, the Input Group welcomed its new members and reviewed the group's guiding principles. NERC management then provided a refresher on NERC's 2023–2025 plan, including the 2023 and 2024 budget, assessments, and key assumptions, and what was projected for 2025 in the 2024 BP&B. NERC also provided an update on planning for NERC's next three-year plan for 2026–2028, including efforts by NERC and Regional Entity leadership to update the ERO Enterprise Long-Term Strategy. NERC is seeking stakeholder input early in the 2026–2028 planning process, specifically in the context of identifying future priorities within the current strategic focus areas: Energy, Security, Agility, and Sustainability.

On April 18, 2024, the Input Group met again to receive a preview of NERC's 2025 BP&B assumptions, which represents Year 3 of the 2023–2025 plan. NERC's draft 2025 BP&B will be posted for stakeholder review and comment by May 24, 2024, and the FAC will host a webinar on June 10, 2024, during which NERC and each Regional Entity will review its proposed 2025 budget, assessments, and underlying assumptions.

John Haarlow, chair of the Input Group, will provide an update to the MRC on behalf of the group at the MRC meeting on May 8, 2024, to recap these conversations.

## **Update on FERC Reliability Matters**

### **Action**

Information

### **Summary**

At the May 8, 2024 MRC meeting, David Ortiz, Director of the Office of Electric Reliability (OER), FERC, will provide an update on recent FERC activity.

## **Additional Discussion on May 8 Board Committee Meetings**

### **Action**

Discussion

### **Summary**

On May 8, 2024, 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 May 8, 2024, 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:

[Corporate Governance and Human Resources Committee](#)

[Finance and Audit Committee](#)

[Technology and Security Committee](#)

[Regulatory Oversight Committee](#)

## **Additional Discussion on May 8 Technical Session**

### **Action**

Discussion

### **Summary**

On May 8, 2024, the Member Representatives Committee (MRC) will have additional time, as part of its own agenda, to discuss the information that is presented during the May 8, 2024, 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 May 9 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 May 8, 2024, 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 for the following day. Preliminary agenda topics for the May Board meeting were reviewed during the April 22, 2024, MRC Informational Session and a formal agenda package was posted on April 25, 2024, on the following webpage:

[Board of Trustees](#)

## **Update on Implementation of MRC Effectiveness Recommendations**

### **Action**

Discussion

### **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 May 8, 2024, MRC meeting, MRC leadership will provide an update on progress in implementing the recommendations.

## **Update on Regulatory Matters (As of April 22, 2024)**

### **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:

- May 15, 2024 – NERC will submit a petition for approval of proposed Regional Reliability Standard FAC-501-WECC-4.
  - *Docket No. TBD*
  - *Pending Board approval*
- May 15, 2024 – 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*
- May 15, 2024 – NERC will submit a quarterly filing in Nova Scotia of FERC-approved Reliability Standards.
- May 15, 2024 – NERC will submit a petition for approval of Inverter-based Resource (IBR) Definitions
  - *Docket No. TBD*
  - *Pending Board and ballot body approval*



- June 15, 2024 – NERC will submit a petition for CIP Internal Network Security Monitoring (INSM).
  - *Docket No. TBD*
  - *Pending Board and ballot body approval*
- June 15, 2024 – NERC will submit a petition for approval of CIP Virtualization Standards.
  - *Docket No. TBD*
  - *Pending Board Approval*