

Agenda Member Representatives Committee Informational Session

April 10, 2025 | 1:00 p.m. – 2:30 p.m. Eastern

Attendee WebEx: [Click to Register and Join](#)

Webinar Number: 2319 533 5805

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Introduction and Chair's Remarks

[NERC Antitrust Compliance Guidelines](#)

Agenda Items

1. **Overview of NERC Membership Sectors***
 - a. Sector 12: State Government*
2. **Schedule and Preliminary Agenda Topics for the May 2025 Board, Board Committees, Technical Session, and MRC Meetings***
 - a. Overview of Input Letter
 - i. Prioritizing Gas-Electric Interdependency Risks and Mitigation Efforts

*Background materials included.

Overview of NERC Membership Sectors

Action

Information

Summary

At the April 2024 MRC Informational Session, the MRC initiated an educational series for [MRC members](#) to present on NERC's membership sectors¹ that are represented on the MRC, including how each sector is organized and who they represent.

During the April 10, 2025, MRC informational session, the educational series on MRC Sectors will conclude with a presentation on the following:

- Sector 10: Government

The presentations from past sessions are recorded and posted on [NERC's YouTube channel](#). Following the April 2025 session, the presentation on the above sector will be added to the channel.

¹ NERC Membership is organized by 13 sectors (sectors 1 through 10, and sector 12 have voting representation on the MRC). MRC members are elected by NERC members. [Membership in NERC](#) is free, voluntary, and open to any person or entity with an interest in the reliable operation of the North American bulk power system.

NERC MRC Informational Session

Sector 12: Government

MARCUS HAWKINS

PUBLIC SERVICE COMMISSION OF WISCONSIN

JIM HUSTON

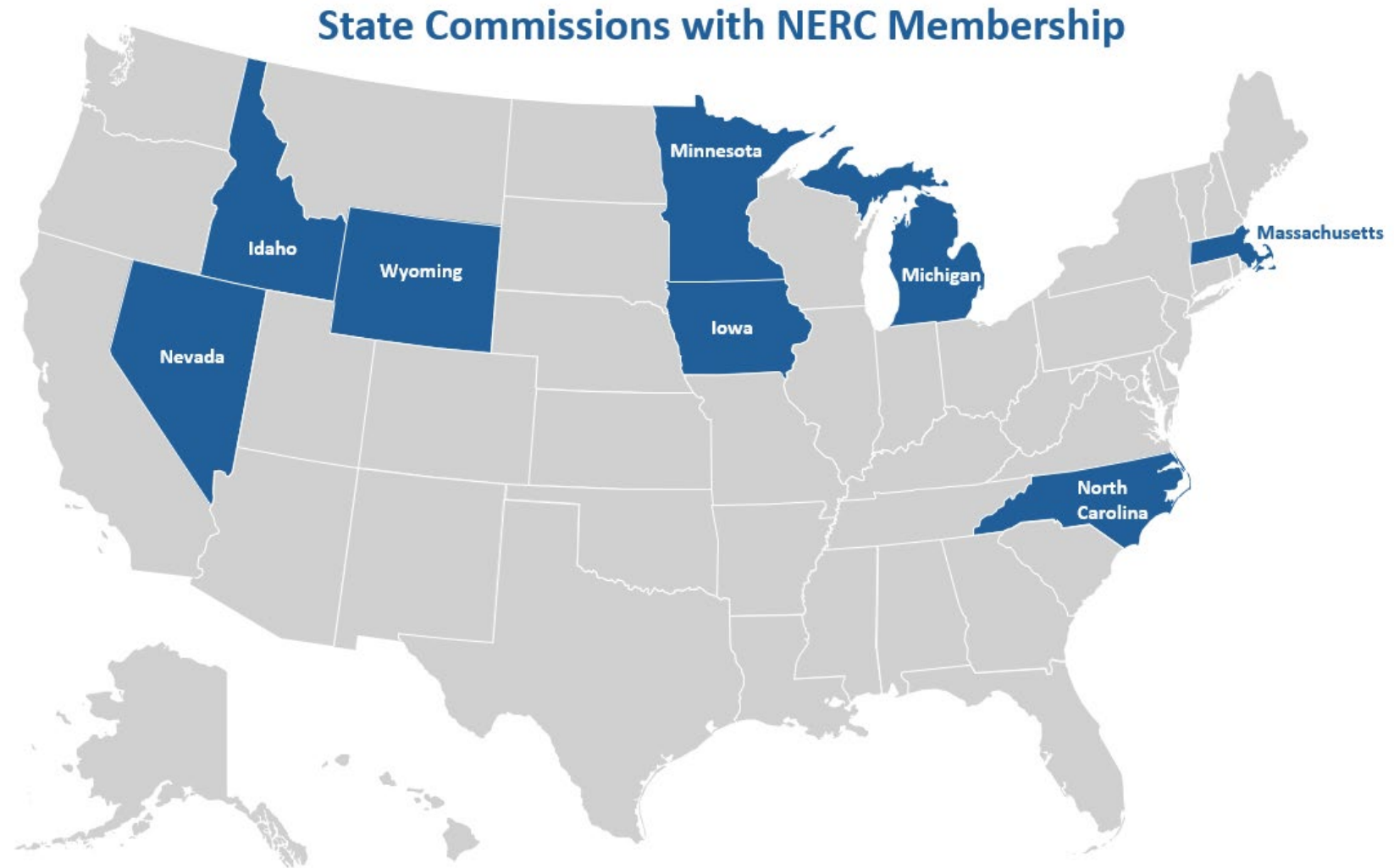
INDIANA UTILITY REGULATORY COMMISSION



Sector Membership

Some State Regulators are Individual NERC Members

Most state commissions participate through the National Association of Regulatory Utility Commissioners (NARUC).



NARUC
National Association of
Regulatory Utility Commissioners

What are Public Service Commissions?

State agencies created by state legislatures

- Regulate monopoly utilities and utility services.
- Public Utility Commissions, Public Service Commission, Utility Boards, etc.
- Can have a variety of services within their jurisdiction
 - Directly established by state legislatures
 - Indirectly established by Federal Power Act (FPA) and Natural Gas Act (NGA)

Commissioners and expert staff

- Commissioners are either appointed by Governors or elected
 - Appointed in most common
 - Elected in 11 states
- Staff typically consist of engineers, accountants, attorneys, and environmental scientists.

Typical State Commission Responsibilities

Ensure that utilities provide reliable, affordable, and fair services while maintaining financial stability and protecting consumers

Electricity

- Retail Electric Rates
- Siting of infrastructure
- Need for Generation and Transmission
- Distribution system standards and investment

Water

Natural Gas

Telecom

- Broadband

Other Key Responsibilities

- Oversight – enforce rules, monitor service quality, etc.
- Dispute Resolution
- Policy Development
- Ensure utilities operate in the ***public interest***
- Interact with other relevant state agencies (environmental regulator, consumer advocates, etc.)



Contested Proceedings

Structured similarly to court cases

- discovery and evidence
- Testimony and cross-examinations

Involve many stakeholders /
intervening parties

Public participation

Commission Deliberation



Retail Ratemaking

Major cost categories

- Generation, Transmission, Distribution
- Pass-through (uncontrollable vs. controllable)

Commission Decisions:

- Rate base
- Class cost of service
- Rate design

Decision Making and Rate Setting

Challenges Facing Commissions

- Balancing (or aligning) Public Interest and Utility Interests
- Technological Advancements
 - Challenge regulatory structures, planning assumptions, etc.
- Political and Public Pressures
 - Affordability
 - Siting of infrastructure
 - Maintaining RA
 - Supporting new economic development



NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Schedule and Preliminary Agenda Topics for the May 2025 Board, Board Committees, Technical Session, and MRC Meetings

RELIABILITY | RESILIENCE | SECURITY

Wednesday, May 7, 2025	
9:00 – 9:30 a.m.	Corporate Governance and Human Resources Committee Meeting — <u>Open</u>
9:45 – 10:45 a.m.	Finance and Audit Committee Meeting — <u>Open</u>
11:00 a.m. – 12:00 p.m.	Technology and Security Committee Meeting — <u>Open</u>
1:30 p.m. – 2:30 p.m.	Regulatory Oversight Committee Meeting — <u>Open</u>
3:00 – 4:30 p.m.	Technical Session — <u>Open</u>
Thursday, May 8, 2025	
8:30 – 10:00 a.m.	Member Representatives Committee Meeting — <u>Open</u>
10:30a.m. – 12:30 p.m.	Board of Trustees Meeting— <u>Open</u>

**All meeting times are in Eastern Time Zone*

Corporate Governance and Human Resources Committee

- Review 2024 Board Committees and Board of Trustees Annual Evaluation Results

Finance and Audit Committee

- 2024 Year-End Audited Summary or Results
- First Quarter Unaudited Summary of Results
- 2026 BP&B Status

Technology and Security Committee

- ERO Enterprise Business Technology Strategy Update
- E-ISAC Operations Update

Regulatory Oversight Committee

- Reliability Standards Update
- Standards and CMEP Enhancements Update
- ERO Regulatory Programs Update
- ORCP and CMEP Dashboard

- Gas-Electric Coordination Discussion
 - Northeast Electric/Gas System Study and Implications
 - Wellhead Winterization
 - Electric/Gas Market and Operational Coordination
 - NERC's Work Plan and Activities

- Board of Trustees Nominating Committee Update
- Business Plan and Budget Input Group Update
- Update on FERC Activities
- Report on May 6 Closed Meeting
- Responses to the Board's April 3 Request for MRC Input
- Additional Discussion on May 7-8 Board, Board Committee and Technical Session Meetings
- Update on Implementation of MRC Effectiveness Recommendations
 - Approve MRC Officer and MRC Member Roles and Responsibilities Documents

- Modernization of Standards Processes and Procedures (MSPP) Task Force Update
- Update on Milestone 3 for the Order 901 Filing
- Lessons Learned from the Cold Weather 321 Actions
- Approve Regional Delegations Agreements
- Approve Level 3 NERC Alert Action: IBR Performance Modeling
- Large Load Task Force (LLTF) Update