

Minutes Finance and Audit Informational Session and Webinar

June 3, 2021 | 2:00–3:30 p.m. Eastern

Virtual Meeting

Mr. Robert G. Clarke, Chair, called to order a duly noticed open meeting of the Finance and Audit Committee (“FAC” or the “Committee”) of the Board of Trustees (“Board”) of the North American Electric Reliability Corporation (“NERC” or the “Company”) on June 3, 2021, at 2:00 p.m. Eastern, and a quorum was declared present.

Present at the meeting were:

Committee Members

Robert G. Clarke, Chair
Suzanne Keenan
Susan N. Kelly
Jim Piro
Colleen Sidford
Kenneth W. DeFontes, Jr., *ex officio*

Board of Trustees Members

Jane Allen
George S. Hawkins
Robin E. Manning
James B. Robb, President and Chief Executive Officer
Roy Thilly

NERC Staff

Tina Buzzard, Assistant Corporate Secretary
Manny Cancel, Senior Vice President and Chief Executive Officer of the E-ISAC
Erika Chanzas, Manager of Business Planning
Kelly Hanson, Senior Vice President and Chief Administrative Officer
Nina Johnston, Assistant General Counsel
Mark Lauby, Senior Vice President and Chief Engineer
Meg Leonard, Controller
Sônia Mendonça, Senior Vice President, General Counsel, and Corporate Secretary
Kristin Miller, Director, Internal Audit
Janet Sena, Senior Vice President, External Affairs
Andy Sharp, Vice President and Chief Financial Officer

Regional Entity Staff

Carol Baskey, ReliabilityFirst
Lisa Brohaugh, Western Interconnection Regional Advisory Body
Lam Chung, Midwest Reliability Organization
Judy Foppiano, Texas Reliability Entity, Inc.
Jessica Hala, Northeast Power Coordinating Council, Inc.

George Krogstie, SERC Reliability Corporation
Jillian Lessner, Western Electricity Coordinating Council
Wynne Schweitzer, Western Electricity Coordinating Council

Introduction and Chair's Remarks

Mr. Clarke welcomed the participants to the meeting and provided an overview of the agenda. He noted that comments on the first draft of the NERC 2022 Business Plan and Budget are due by June 18, 2021.

NERC Antitrust Compliance Guidelines

Mr. Clarke 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 Ms. Mendonça.

NERC 2022 Draft Business Plan and Budget (BP&B)

Mr. Sharp presented the draft 2022 BP&B, referencing the materials in the advance agenda package. He discussed the 2022 budget drivers, highlighting efficiencies in the 2022 BP&B as compared to the Company's budget in 2013. Mr. Sharp noted the growth in the 2022 BP&B with relation to operational areas of the Company, excluding the E-ISAC and CRISP. Mr. Sharp reviewed the 2022 budget by program area, 2022 assessment details, and the projected reserve balances. He noted that NERC's preliminary 2023 and 2024 projections will be included in the next draft of the 2022 BP&B.

Regional Entities' and WIRAB 2022 Draft Business Plans and Budgets

The Regional Entities' and WIRAB's representatives provided an overview of their draft 2022 BP&Bs, referencing materials included in the advance agenda package.

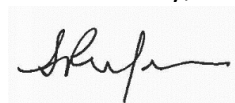
2022 ERO Enterprise Combined Budgets and Assessments Overview

Mr. Sharp reviewed the combined ERO Enterprise combined budgets and assessments, referencing the materials included in the advance agenda package. He reviewed the ERO Enterprise long-term strategy focus areas, the ERO Enterprise 2022 preliminary budget by program area, and preliminary assessments.

Closing Remarks and Adjournment

Mr. Clarke adjourned the open session and excused all Regional Entity and NERC staff. The Committee continued in executive session with the Trustees, Mr. Sharp, Ms. Hanson, and Mr. Walker to discuss contract matters.

Submitted by,



Sônia Mendonça
Corporate Secretary