

Minutes

Member Representatives Committee

May 13, 2021 | 11:00 a.m. – 1:00 p.m. Eastern

Chair Paul Choudhury, with Vice Chair Roy Jones 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 May 13, 2021, 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

Mr. Choudhury welcomed MRC members and attendees, acknowledging the Board, Andy Dodge from the Federal Energy Regulatory Commission (FERC), Pat Hoffman from the Department of Energy, State Commissioner Kate Bailey, CAMPUT representative David Morton, and Tab Gangopadhyay from the Canada Energy Regulator. Mr. Choudhury reminded attendees that full presentations were conducted at the Board committee meetings and would not be repeated during the MRC meeting. He acknowledged the MRC's responses to the policy input request from Ken DeFontes, Chairman of the Board.

Mr. Choudhury noted that Carol Chinn and Terry Young will be retiring in the coming months. He congratulated them on their upcoming retirements and thanked them for their participation on the MRC. Special elections will be conducted to fill the upcoming vacancies.

Antitrust Guidelines/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 Mendonca, senior vice president, general counsel, and corporate secretary at NERC.

Minutes

Upon motion duly made and seconded, the MRC approved the minutes of the February 4, 2021, and April 14, 2021, meetings as presented at the meeting.

Future Meetings

The schedule of future meeting dates, including the pre-meeting and informational webinars for 2021, was included in the agenda package. Mr. DeFontes noted that the August meetings will be held virtually. He noted that the Board is looking into the possibility of a hybrid meeting in Atlanta in November, with the Board and MRC members meeting in person and all other attendees attending virtually, and a decision on the November meetings will be announced in August.

Board of Trustees Nominating Committee Update

Roy Thilly, chair of the Board of Trustees Nominating Committee (BOTNC), noted that four incumbent trustees are eligible for re-election in February 2022 and all four indicated a strong commitment to NERC's mission and desire to continue serving on the Board. Mr. Choudhury and Mr. Jones solicited input from MRC members on their desire to conduct an external search or support for re-nominating the four incumbents without a search. Based on input received, the BOTNC decided not to conduct an external search and will meet in the Fall to prepare the recommendation that the four incumbents be re-nominated in advance of the February 2022 election.

Business Plan and Budget Input Group Update

Sylvain Clermont, chair of the Business Plan and Budget (BP&B) Input Group, provided an update on the group's activities. The group met three times since the February MRC meeting, discussing assumptions for future stakeholder meetings, alignment on strategic workforce development, and budgetary impacts of the Align project. Mr. Clermont noted that input from the group was integrated into NERC's presentation at the Finance and Audit Committee meeting on May 12. He commended NERC's continued transparency and collaboration with the BP&B Input Group throughout the BP&B development process.

Regulatory Update

Ms. Mendonca invited questions or comments regarding the regulatory report, which highlights Canadian affairs, as well as past and future significant FERC filings.

MRC Effectiveness Survey Results

Mr. Choudhury reviewed the results from the MRC Effectiveness Survey conducted in January 2021, which were included in the agenda package. He noted that responses were positive and the specific comments were helpful, many of which related to the impact of not having face-to-face meetings this past year. Mr. Choudhury acknowledged that although ratings were high, continuous improvement is important. He highlighted areas identified for continued focus, including communications, new member engagement and training, MRC member engagement with their sectors, and ongoing feedback. Mr. Choudhury also acknowledged that the response rate was lower than the previous survey and committed to highlighting response rates for future surveys.

Responses to the Board's Request for Policy Input

Mr. Choudhury acknowledged the MRC's responses to Mr. DeFontes' April 7, 2021, letter requesting policy input on the Reliability and Security Technical Committee, in addition to the preliminary agenda topics for the May meetings. Responses to the letter are [posted](#) on the NERC website.

Reliability and Security Technical Committee

Greg Ford, chair of the Reliability and Security Technical Committee (RSTC), thanked MRC members for their policy input. He noted that the RSTC is reviewing the input and will post a matrix on the RSTC web page summarizing the comments with responses. Based on input received, the RSTC will discuss improvements to agendas, schedules, and processes.

Additional Policy Discussion of Key Items from Board Committee Meetings

Attendees did not have any additional comments related to the Board's Corporate Governance and Human Resources and Technology and Security Committee meetings.

Finance and Audit Committee

MRC members provided comments on the proposed assessment increase for 2022, with some members uncomfortable with the increase and others supportive. MRC members expressing discomfort suggested further discussion on priorities and allocation of resources. Some MRC members also suggested developing metrics to substantiate the allocated funds balanced with increasing priorities and pressures.

MRC Input and Advice on Board Agenda Items and Accompanying Materials

Attendees did not have any comments on the topics included on the Board's agenda for its meeting following the MRC meeting.

Standards Efficiency Review Update

Howard Gugel, vice president of engineering and standards at NERC, provided an overview of the Standards Efficiency Review (SER) project which was established in 2018 to evaluate NERC Reliability Standards using a risk-based approach to identify potential efficiencies through retirement or modification of Reliability Standard Requirements. The SER project used a multi-phase approach:

- Phase 1: Identify Requirements for retirement or modification
- Phase 2: Develop and recommend programmatic standards-based solutions to reduce inefficiencies and unnecessary regulatory burdens
- CIP: Evaluate critical infrastructure protection standards to identify requirements for retirement or modification

Mr. Gugel provided an update on each phase and referenced a [final report](#) posted on the SER web page that memorializes the project with a detailed summary. He noted that the SER web page is being updated to ensure that all relevant materials are documented for reference by industry and future standard drafting teams. The web page will continue to be maintained for transparency and to provide accountability for completing outstanding deliverables that are being addressed by other areas.

Update on FERC Reliability Matters

Andy Dodge, director of the Office of Electric Reliability at FERC, provided an update on the following FERC reliability activities: Office of Public Participation workshop and listening sessions; April 29, 2021, Electrification and the Grid of the Future Conference; June 1-2, 2021, Climate Change, Extreme Weather, and Electric System Reliability Conference; June 23-24, 2021, Western Resource Adequacy Conference; September 30, 2021, Reliability Technical Conference; joint inquiry into 2021 cold weather grid operations; Notice of Proposed Rulemaking (NOPR) regarding revisions to regulations on ERO performance assessments; letter order approving Reliability Standards addressing supply chain risk management; delegated letter approving Reliability Standard FAC-008-5; and Order approving Reliability Standard BAL-002-WECC-3.

Bulk Power System Situation Awareness Update

Darrell Moore, director, bulk power system awareness (BPSA) and personnel certifications at NERC, explained that the NERC BPSA group is responsible for acquiring and disseminating timely, accurate, and complete information regarding the current status of the bulk power system and threats to its reliable operation. He highlighted NERC BPSA activities during the Texas and Mid-South cold weather event, including facilitating ERO Enterprise conference calls, monitoring conditions, providing daily status updates to the ERO Enterprise, FERC, and U.S. Department of Energy, receiving OE-417 and EOP-004 reports from impacted entities, and providing near real-time data to impacted ERO Enterprise situation awareness teams. Mr. Moore also provided an overview of OE-417 and EOP-004 reports from Q1 2021 by Regional Entity, Energy Emergency Alert Level 3 (EEA3) reports from the past twelve months by Regional Entity, and NERC Alerts published over the last three years.

Ensuring Energy Adequacy with Energy-Constrained Resources

Mark Lauby, senior vice president and chief engineer at NERC, and Peter Brandien, chair of the Energy Reliability Assessment Task Force (ERATF), provided an update on activities around ensuring energy adequacy with energy-constrained resources. Mr. Lauby discussed current challenges, noting that the transforming grid is resulting in a system that has a higher level of energy uncertainty, regardless of fuel type, and therefore, focus needs to shift from fuel type to energy adequacy. He provided an overview of a whitepaper which was presented to the RSTC in December 2020 and focuses on energy adequacy in three timeframes: mid-to-long term planning (one to five year), operational planning (one day to one year), and operations (zero to one day). The whitepaper includes eleven questions which were categorized into three focus areas: (1) energy adequacy and flexibility for evolving resource mix; (2) gas delivery security; and (3) metrics, procedures, and analysis.

In March 2021, the RSTC formed the ERATF to develop: (1) a technical foundation for the three time horizons; (2) ways to identify the levels of energy that are required to meet the operational needs; and (3) tool specifications needed to incorporate energy considerations into planning, operational planning, and operations assessments. Mr. Brandien acknowledged the important work ahead of the ERATF as industry transitions to more limited, variable resources. He discussed the three focus areas and the questions from the whitepaper that fit in to each of those focus areas. Mr. Brandien also reviewed the scope and deliverables for the ERATF and highlighted the ERATF membership, which includes representation from the MRC and Board.

Adjournment

There being no further business, the meeting was adjourned.

Submitted by,



Kristin Iwanechko
Secretary

Agenda

Member Representatives Committee

May 13, 2021 | 11:00 a.m. – 1:00 p.m. Eastern

Attendee WebEx: [Click to Join](#)

Introduction and Chair's Remarks

NERC Antitrust Compliance Guidelines and Public Announcement*

Consent Agenda

1. **Minutes - (Approve)**
 - a. February 4, 2021 Meeting*
 - b. April 14, 2021 Conference Call*

Regular Agenda

2. **Future Meetings***
3. **General Updates and Reports**
 - a. Board of Trustees Nominating Committee Update*
 - b. Business Plan and Budget Input Group Update*
 - c. Regulatory Update*
 - d. MRC Effectiveness Survey Results*
4. **Policy and Discussion Items**
 - a. Responses to the Board's Request for Policy Input*
 - i. Reliability and Security Technical Committee*
 - b. Additional Policy Discussion of Key Items from Board Committee Meetings*
 - i. Corporate Governance and Human Resources Committee
 - ii. Technology and Security Committee
 - iii. Finance and Audit Committee
 - c. MRC Input and Advice on Board Agenda Items and Accompanying Materials*
 - d. Standards Efficiency Review Update*

Technical Updates

- 5. Update on FERC Reliability Matters***
- 6. Bulk Power System Situation Awareness Update***
- 7. Ensuring Energy Adequacy with Energy-Constrained Resources***

*Background materials included.

Member Representatives Committee - Attendance (May 13, 2021)

Voting Members

First Name	Last Name	Sector
Paul	Choudhury	Chair
Roy	Jones	Vice Chair
Jennifer	Flandermeyer	1. Investor-Owned Utility
Thad	Ness	1. Investor-Owned Utility
Carol	Chinn	2. State/Municipal Utility
John	Haarlow	2. State/Municipal Utility
Greg	Ford	3. Cooperative Utility
Jason	Marshall	3. Cooperative Utility
Sylvain	Clermont	4. Federal/Provincial
Edison	Elizeh	4. Federal/Provincial
Martin	Huang	4. Federal/Provincial - Proxy Sylvain Clermont
Bill	Gallagher	5. Transmission Dependent Utility
Terry	Huval	5. Transmission Dependent Utility
Martin	Sidor	6. Merchant Electricity Generator
Sean	Cavote	6. Merchant Electricity Generator
Brad	Cox	7. Electricity Marketer
Chris	Haas	7. Electricity Marketer
Travis	Fisher	8. Large End-Use Electricity Customer
Venona	Greaff	8. Large End-Use Electricity Customer
Darryl	Lawrence	9. Small End-Use Electricity Customer
Michael	Moody	9. Small End-Use Electricity Customer
Gordon	van Welie	10. ISO/RTO
Terry	Young	10. ISO/RTO
Liz	Jones	11. Regional Entity - Texas RE
Melanie	Frye	11. Regional Entity - WECC
Kate	Bailey	12. State Government
Matt	Schuerger	12. State Government - Proxy Hwikwon Ham

Non-Voting Members

First Name	Last Name	Sector
David	Morton	Canadian Provincial
Tab	Gangopadhyay	Canadian Federal
Pat	Hoffman	U. S. — Federal
Andy	Dodge	U. S. — Federal
Harvey	Reed	Regional Entity - NPCC
Todd	Hillman	Regional Entity - SERC
Simon	Whitelocke	Regional Entity - RF
Kristin	Iwanechko	Secretary