

## Minutes Corporate Governance and Human Resources Committee

April 27, 2015 | 11:30 a.m. – 1:30 p.m. Eastern

### Conference Call

Jan Schori, Chair, called to order a duly noticed open meeting of the Corporate Governance and Human Resources Committee (the “Committee”) of the Board of Trustees of the North American Electric Reliability Corporation (“NERC”) on April 27, 2015, at 11:30 a.m. Eastern, and a quorum was declared present. The agenda is attached as **Exhibit A**.

Present at the meeting were:

#### **Committee Members**

Jan Schori, Chair  
Robert Clarke  
George Hawkins  
Ken Peterson

#### **Board of Trustees Members**

Gerry Cauley, President and CEO  
David Goulding  
Roy Thilly

#### **NERC Staff**

Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary  
Damon Epperson, Director of Human Resources  
Kristin Iwanekko, Associate Director, Member Relations and MRC Secretary  
Mark G. Lauby, Senior Vice President and Chief Reliability Officer  
Brady Walker, Associate Counsel

#### **NERC Antitrust Compliance Guidelines**

Mr. Berardesco directed the participants’ attention to the NERC Antitrust Compliance Guidelines included with the agenda materials.

#### **Minutes**

Upon motion duly made and seconded, the Committee approved the minutes of the February 11, 2015 meeting as presented at the meeting.

#### **Report on March 24, 2015 Closed Meeting**

Ms. Schori reported that on March 24, the Committee met in closed session via conference call to discuss and authorize an update to the board compensation study conducted by Towers Watson in 2013, and to request proposals to conduct a staff compensation study. Ms. Schori noted that results of

the Board compensation study update would be discussed in an upcoming open meeting of the Committee.

### **2015 Quarter 1 Corporate Goals Update**

Mr. Lauby reported that as of the end of the first quarter of 2015, the company is on target on the vast majority of its goals. He noted two areas of focus regarding (i) the timing of the cyber security preparedness frequently asked questions documents, and (ii) the need for modeling data that is necessary to measure quality related to Metric 4.

Mr. Lauby also stated that while a recent event that had occurred in and around Washington, DC was not classified as a Category 3 event, NERC's assessment teams were dedicating significant resources to analyze the event.

### **ERO Enterprise Effectiveness Survey Results**

Ms. Schori introduced the effectiveness survey and indicated that the report presented to the Committee was preliminary and that more information would be made available at a future meeting.

Ms. Iwanechko provided an overview of the ERO Enterprise Effectiveness Survey and stated that it was designed to consolidate several previously existing surveys. She stated that the survey included elements of the prior annual compliance and certification survey and the five-year assessment survey, as well as questions related to the ERO core values and to the ERO strategic plan.

Ms. Iwanechko reviewed the preliminary results of the survey, a summary of which had been included with the advance meeting materials. She indicated that the overall results were positive and presented next steps which include a detailed analysis of the comments received and work to improve the survey for next year.

The Committee engaged in a discussion of the survey results. Ms. Iwanechko stated that she will make a more detailed presentation at an upcoming meeting of the Committee.

### **Periodic Review of NERC Governance Guidelines**

Mr. Berardesco stated that the Governance Guidelines, approved by the Board at its February 2014 meeting, consolidated several policies and procedures related to the conduct of the Board of Trustees and its members, and require periodic review by the Board. He indicated that NERC Legal had conducted a review of the Guidelines and is not recommending any revisions, either to the Guidelines as a whole or to any individual policy or practice contained therein, at this time.

### **Staffing and Recruiting Update**

Mr. Epperson summarized the staffing and recruiting update, which had been included in the advance Committee materials.

### **Adjournment**

There being no further business, and upon motion duly made and seconded, the meeting was adjourned at 12:00 p.m. Eastern.

Submitted by,

A handwritten signature in black ink, appearing to read 'Charles A. Berardesco'.

Charles A. Berardesco  
Secretary