

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.

Antitrust Compliance Guidelines

I. General

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

II. Prohibited Activities

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.
- Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.

III. Activities That Are Permitted

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation, Bylaws, and Rules of Procedure are followed in conducting NERC business.

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.

Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

Draft Minutes

Member Representatives Committee

February 4, 2021 | 11:00 a.m. – 1:00 p.m. Eastern

Outgoing Chair Jennifer Sterling, with incoming Chair Paul Choudhury and incoming 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 February 4, 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

Ms. Sterling welcomed attendees and expressed her appreciation for serving as Chair and Vice Chair of the MRC. She thanked the NERC Board of Trustees (Board), MRC members, Mr. Choudhury, and NERC staff for their support.

Mr. Choudhury welcomed new and returning MRC members, acknowledging the Board, Andy Dodge and others from the Federal Energy Regulatory Commission (FERC), Pat Hoffman from the Department of Energy, State Commissioners Kate Bailey and Matt Schuerger, 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 Roy Thilly, Chairman of the Board. Mr. Choudhury also thanked MRC and Board members for completing a recent survey on the effectiveness of the MRC and noted that a summary of results will be shared at the MRC's May meeting.

NERC Antitrust Compliance Guidelines and Public Announcement

Ms. Iwanek 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 November 5, 2020, and January 6, 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. Thilly noted that NERC has not confirmed whether the May and August meetings will be held virtually. A final decision will be made around March 10 for the May meetings and later in the spring for the August meetings.

Election of NERC Trustees

Ken DeFontes, 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 and Rob Manning and election of Larry Irving and Sue Kelly for three-year terms ending in 2024. Mr. Choudhury welcomed Mr. Irving and Ms. Kelly and thanked Mr. Hawkins and Mr. Manning for their continued service. Mr. Thilly acknowledged Jan Schori's completion of her term on the Board and thanked her for her service.

Mr. Choudhury noted that four Board members will be up for re-election next year and MRC members are encouraged to volunteer to participate on the Board Nominating Committee. Interested MRC members should notify Mr. Choudhury, Mr. Jones, and Ms. Iwanechko.

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. During the most recent call, they reviewed the 2020 BP&B results, including the status of reserves, the 2021 BP&B, and preliminary projections for 2022 and 2023. At the next meeting, the group plans to share their own organizations' budget assumptions related to returning to the office post-pandemic. He commended NERC's continued transparency and collaboration with the BP&B Input Group through the BP&B development process.

Mr. Clermont also acknowledged the contributions from MRC members that have left the group and encouraged additional MRC members to volunteer to participate. Interested MRC members should notify Mr. Clermont, Mr. Choudhury, Mr. Jones, and Ms. Iwanechko.

Stakeholder Perception Process

The Compliance and Certification Committee (CCC) has a responsibility to provide comments and recommendations to NERC with respect to stakeholders' perceptions of the policies, programs, practices, and effectiveness of the compliance monitoring and enforcement, registration, and certification programs. Following the discontinuation of the ERO Enterprise Effectiveness Survey, the CCC began an effort to review questions related to compliance, monitoring, and enforcement that were included in previous surveys, and consider what approaches could be used to optimize the value of stakeholder feedback going forward. Jennifer Flandermeyer, chair of the CCC, noted that the CCC made great strides in 2020 in collaborating and strengthening relationships with NERC, industry, and the MRC sub-group throughout the process. Scott Tomashefsky, vice chair of the CCC, noted that the CCC revised its *CCCPP-008 Program for Monitoring Stakeholder's Perceptions* to include gathering more real-time and focused feedback, which the NERC Board approved in August 2020. The revisions also introduced more flexibility in the tools used to gather stakeholder perceptions, including surveys on specific areas or initiatives, focus groups, coordinating with Regional Entities and industry organizations, and direct feedback through the Alignment Working Group (CCC working group). Mr. Tomashefsky also discussed a process for feedback loops related to stakeholder feedback.

- A Board member suggested the CCC explore providing a consolidated view of feedback received.

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.

Responses to the Board's Request for Policy Input

Mr. Choudhury acknowledged the MRC's responses to Mr. Thilly's December 30, 2020, letter requesting policy input on future approaches to stakeholder engagement, in addition to the preliminary agenda topics for the February meetings. Responses to the letter are [posted](#) on the NERC website.

Future Approaches to Stakeholder Engagement

Jim Robb, president and CEO of NERC, thanked MRC members for their responses to the policy input letter. Although there did not appear to be consensus on the overall approach for future Board and MRC meetings, the responses indicated a common desire to engage in person when possible. However, stakeholders also recognized the benefits of virtual meetings, including scheduling flexibility and broader participation. Mr. Robb noted that NERC would strive to use an approach that supports both in-person and virtual interactions and any approach taken would be evaluated and adjusted as necessary. He also acknowledged that many responses suggested that NERC keep meeting space in its offices for small to medium-sized meetings.

Additional Policy Input Comments

An MRC member highlighted a request for NERC and industry to address third-party accreditation and certification concerns raised by industry.

Additional Policy Discussion of Key Items from Board Committee Meetings

Attendees did not have any additional comments related to the Board's Finance and Audit, Compliance, and Technology and Security Committee meetings.

Corporate Governance and Human Resources Committee

An MRC member requested a presentation from NERC staff at a future meeting on the overall status and accomplishments of the Standards Efficiency Review, addressing the effectiveness of the process and whether it is an efficient process to use going forward.

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.

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: Order on Standards Efficiency Review retirements; Supply Chain Notice of Inquiry (NOI); Notice of Proposed Rulemaking (NOPR) for BAL-002-WECC-3; Order approving 2021 Business Plans and Budgets; Order regarding delegation agreements; Order regarding virtualization and cloud services for power grid operations; Order regarding the ERO Five-Year Performance Assessment; and NOPR regarding revisions to regulations on ERO performance assessments.

Western Heatwave Event

Mark Rothleder, senior vice president and chief operating officer at California Independent System Operator, and Branden Sudduth, vice president of reliability planning and performance analysis at WECC, discussed the extreme heatwave event in August 2020 in the Western Interconnection, which created high demands for generation across the interconnection between August 14, 2020, and August 18, 2020, and forced California utilities to cut power to customers on two occasions due to electricity shortages.

Mr. Rothleder presented high level results of a joint agency analysis that reviewed the causes of the August events, noting the analysis did not identify a single root cause. He discussed the following preliminary findings: (1) demand for electricity exceeded existing resource adequacy and planning targets; (2) planning targets in the resource mix transition have not resulted in sufficient resources to meet demand in the early evening hours or extremely hot days; and (3) several practices in the energy markets exacerbated the supply challenges under highly stressed conditions. He also reviewed priority actions identified for summer 2021.

Mr. Sudduth discussed key findings from a holistic interconnection review conducted by WECC. He noted that 11 Balancing Authorities were placed in an Energy Emergency Alert state, there were inaccuracies in day-ahead forecasting, and variable generation affected the ability to help with peak demand. Mr. Sudduth acknowledged the need to evaluate how the changing resource mix impacts planning and resource adequacy across the interconnection. Mr. Sudduth also highlighted positive observations: (1) proactive coordination among Reliability Coordinator managers; (2) support of the findings from WECC's Multi-Area Variable Resource Integration Convolution (MAVRIC) tool; (3) use of real-time synchrophasor data to monitor and take action on phase angles; and (4) impacts of energy conservation.

Meeting participants engaged in a robust discussion about potential impacts on load forecasting, load shedding, planning, resource adequacy, and future seasonal assessments as a result of the event.

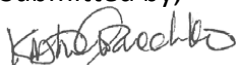
Impacts of Electrochemical Utility-Scale Battery Storage Systems on the Bulk Power System

Howard Gugel, vice president of engineering and standards at NERC, provided an overview of the *Impacts of Electrochemical Utility-Scale Battery Energy Storage Systems on the Bulk Power System* report, which emphasizes some of the potential reliability benefits that battery energy storage systems can offer, such as providing peaking capacity; minimizing the need for new generation and transmission infrastructure; and providing essential reliability services (e.g., frequency response, ramping, and voltage support). He highlighted the key findings identified in the report, as well as recommendations for system planners, intermittent resources (wind and solar), NERC, and data collection.

Adjournment

There being no further business, the meeting was adjourned.

Submitted by,



Kristin Iwanechko
Secretary

DRAFT Minutes

Member Representatives Committee Pre-Meeting Informational Session Conference Call and Webinar

April 14, 2021 | 11:00 a.m. – 12:00 p.m. Eastern

Introduction and Chair's Remarks

Chair Paul Choudhury convened a duly-noticed open meeting by conference call and webinar of the North American Electric Reliability Corporation (NERC) Member Representatives Committee (MRC) on April 14, 2021, at 11:00 a.m., Eastern. The meeting provided the MRC and other stakeholders an opportunity to preview proposed agenda topics for the MRC, Board of Trustees (Board), and Board Committee meetings scheduled to be held May 12-13, 2021, via teleconference. The meeting announcement and agenda are attached as **Exhibits A and B**, respectively.

NERC Antitrust Compliance Guidelines and Public Announcement

Kristin Iwanechko, 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 Mendonca, senior vice president, general counsel, and corporate secretary at NERC.

Schedule of Quarterly NERC Meetings and Conference Calls

The draft schedule of events for the upcoming meetings was included in the agenda package.

Review of Proposed Board and Board Committees Meeting Agenda Items

Ms. Mendonca reviewed the preliminary agenda items for the Board and Board Committee meetings scheduled for May 12-13, 2021, that were identified in the slide presentation included in the informational session agenda package. MRC members should review all agenda materials for the Board and Board Committee meetings, once posted and available, and attend as many of these meetings as possible in advance of the MRC's meeting on May 13, 2021.

Review of Proposed MRC Agenda Items for May 13, 2021

Mr. Choudhury reviewed the following preliminary MRC agenda items for the upcoming May 13, 2021, meeting that were identified in the slide presentation included in the informational session agenda package:

- Board of Trustees Nominating Committee Update;
- Business Plan and Budget Input Group Update;
- Regulatory Update;
- MRC Effectiveness Survey Results;

- Discussion of the Responses Submitted to the Policy Input Request from the Board;
 - Reliability and Security Technical Committee;
- Additional Discussion of the Items Presented at the Board Committee Meetings;
- MRC Input and Advice on Board Agenda Items and Accompanying Materials;
- Standards Efficiency Review Update;
- Update on FERC Reliability Matters;
- Bulk Power System Situation Awareness Update; and
- Ensuring Energy Adequacy with Energy-Constrained Resources.

Policy Input Reminder

Mr. Choudhury announced that the Board's request for policy input was released on April 7, 2021, and responses are due by Wednesday, April 28, 2021, to Ms. Iwanechko. Greg Ford, president and chief executive officer of Georgia System Operations Corporation, provided an overview of the *Reliability and Security Technical Committee*, which was included in the Board's request for policy input.

The Board also requested input on the preliminary agenda topics presented during the MRC Informational Session. There will be time dedicated on the MRC's May 13, 2021, agenda for MRC members to provide input and advice on the Board agenda items after the final package has been posted.

Proxy Reminder

Proxy notifications for the May 13, 2021, 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

Future Meetings

Action

Information

Summary

The following are the future meeting dates for 2021. The dates for 2021 pre-meeting and information webinars are also included below.

2021 Dates

July 14	Pre-Meeting and Informational Session
August 11-12	Vancouver, Canada (to be determined if virtual is needed)
October 6	Pre-Meeting and Informational Session
November 3-4	Atlanta, GA (to be determined if virtual is needed)

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. **Paul Choudhury** – MRC Chair
2. **Roy Jones** – MRC Vice Chair
3. **Jennifer Flandermeyer** – Investor-Owned Utility (Sector 1)
4. **Edison Elizeh** – Federal/Provincial Utility (Sector 4)
5. **Bill Gallagher** – Transmission-Dependent Utility (Sector 5)

Roy Thilly, 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

Summary

The Business Plan and Budget (BP&B) Input Group was established as a means of getting MRC and stakeholder feedback toward each year's budget. The group meets at least once per month during the normal budget season and additionally in other months to receive updates on NERC's financial position and discuss upcoming budget strategies. The following MRC members are serving on this year's BP&B Input Group:

1. **Sylvain Clermont (Chair)** – Federal/Provincial Utility
2. **Paul Choudhury** – MRC Chair
3. **Thad Ness** – Investor-Owned Utility
4. **Carol Chinn** – State/Municipal Utility
5. **John Haarlow** – State/Municipal Utility
6. **Bill Gallagher** – Transmission-Dependent Utility

In addition to the above MRC members, the BP&B Input Group also includes a representative from a Regional Entity (Tim Gallagher – RF) and a representative from the RISC (Peter Brandien – past RISC chair).

Sylvain Clermont, chair of the BP&B Input Group, will provide an update on behalf of the group at the May 13, 2021, MRC Meeting.

Update on Regulatory Matters (As of April 9, 2021)

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 [Canadian Filings and Orders](#) page. This page also contains links to the websites of each of the Canadian applicable governmental authorities, 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, as well as 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:

1. April 13, 2021 – NERC will submit Comments regarding the Complaint – George Berka v NERC, NPCC et al (regarding Indian Point Nuclear Plant).
Docket No. EL21-61-000
2. April 15, 2021 – NERC will submit Technical Conference Comments regarding Extreme Weather.
Docket No. AD21-13-000
3. April 16, 2021 – NERC will submit an Informational Filing regarding the GMD Work Plan.
Docket No. RM15-11-003
4. April 29, 2021 – NERC will submit a Compliance Filing regarding Regional Delegation Agreements.
Docket No. RR20-5-000

5. May 15, 2021 – 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
Pending Board approval
6. May 19, 2021 – NERC will submit a compliance filing related to the 5-year performance assessment regarding revisions to ROP Section 1003; E-ISAC/Standards Feedback Loop.
Docket No. RR19-7-001
Pending Board approval
7. May 27, 2021 – NERC will submit a Petition for Approval of Revised WECC Reliability Standards Development Procedure.
Docket TBD
Pending Board approval
8. May 30, 2021 – NERC will submit a quarterly filing in Nova Scotia of FERC-approved Reliability Standards.
9. June 14, 2021 – NERC will submit a Petition for Approval of Cold Weather Reliability Standards.
Docket TBD
Pending Board approval
10. June 15, 2021 – NERC will submit a Petition for Approval of the FAC System Operating Limit Standards (Project 2015-09).
Docket TBD
Pending Board approval
11. June 15, 2021 – NERC will submit a CIP SDT Schedule Compliance Filing
Docket No. RD20-2-000
12. June 17, 2021 – NERC will submit a Petition for Approval of ROP revisions for the Compliance Monitoring and Enforcement Program, the Personnel Certification Program, and the Training and Education Program.
Pending Board approval

MRC Effectiveness Survey Results

Action

Review

Summary

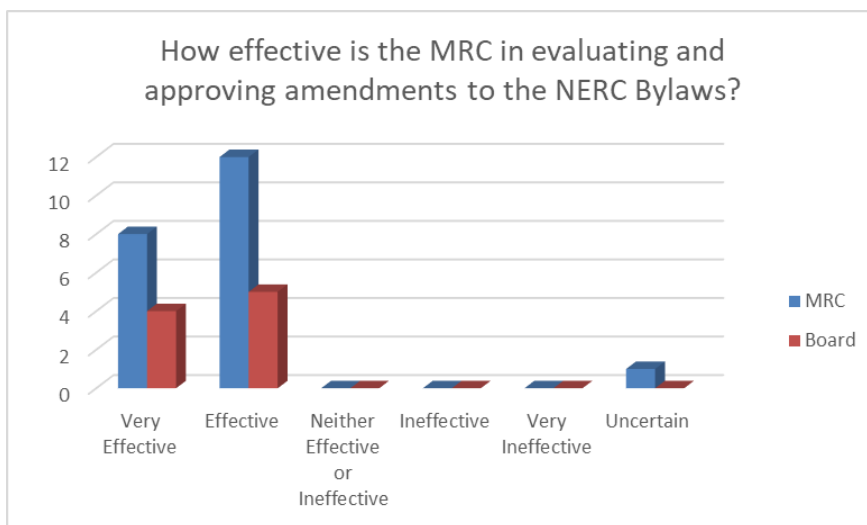
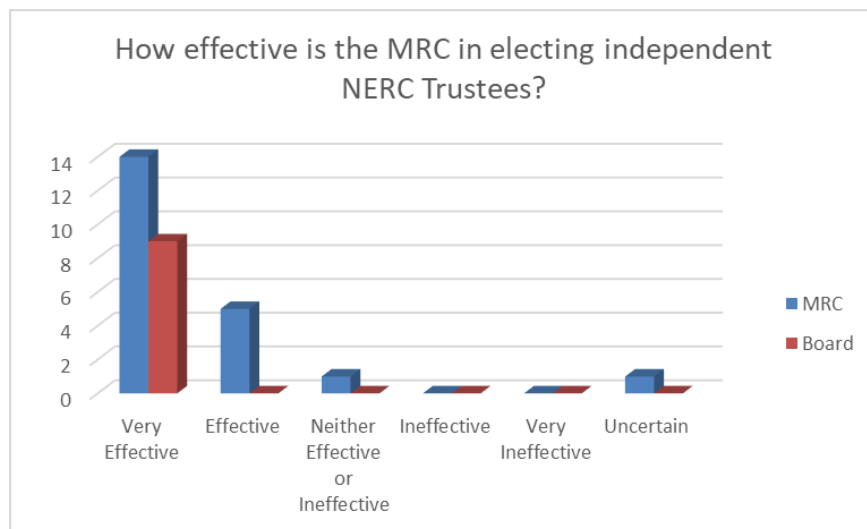
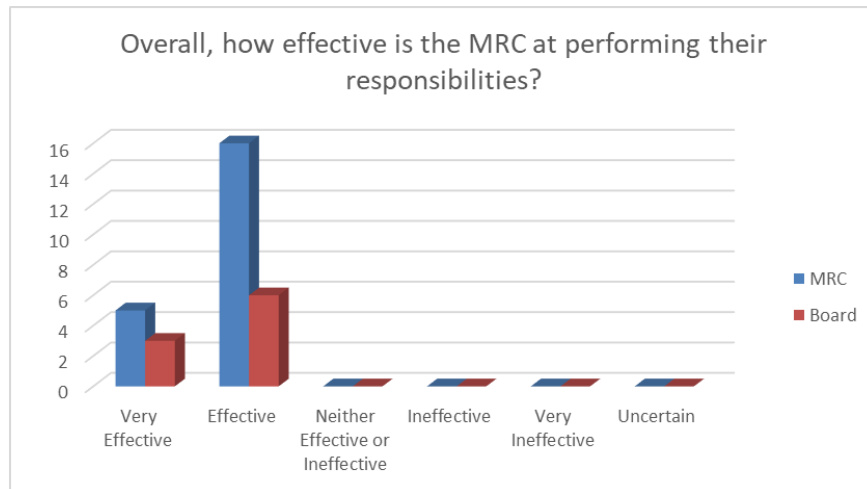
Periodically, NERC Board and MRC members complete a survey to evaluate the MRC's overall effectiveness. The most recent survey was conducted in January 2021 and included 12 total questions (full results included below), in addition to opportunities for open-ended comments.

Overall, the ratings were positive and support a finding that the MRC is effective in performing its responsibilities. The MRC chair, vice chair, and secretary reviewed the results (including the raw comments) and identified the following for continued focus.

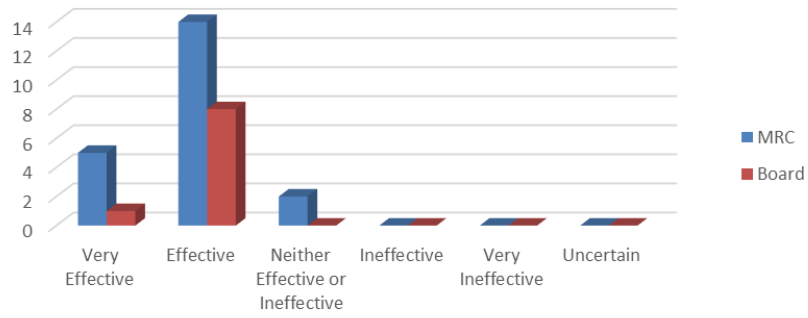
- Improve coordination and communication among MRC members and between MRC and Board members, particularly while in the virtual environment.
 - Recently adjusted the format of the MRC informational sessions to include MRC and Board members on the WebEx panelist line, allowing for a “practice session” among panelists for final coordination immediately prior to the start of the informational session.
 - Consider options for informal touchpoints and engagements with the MRC while still meeting virtually.
- Build on new member training and engagement.
 - Review new member orientation for improvements.
 - Plan for more deliberate outreach to new members following their orientation and first couple meetings to ensure successful onboarding.
- Clarify how MRC members can contact members of their sector to gather feedback and input as desired, and help ensure they are representing their sector.
 - The MRC Secretary will provide distribution lists to MRC members for use in gathering feedback and input from their respective Sectors as desired, to ensure they are representing their sector appropriately.
- Ensure the MRC focuses on the effectiveness of the Board, as one of its primary responsibilities is electing members of the Board.
 - MRC members are surveyed annually to provide input on the Board's effectiveness.
 - More deliberate outreach to the MRC towards the beginning of the Board Nominating Committee process this year to request initial input on Board incumbents.
- Continue including topics on MRC agendas focused on providing advice and recommendations to the Board.
- Continue encouraging discussions from a broad range of MRC members.

Survey Results

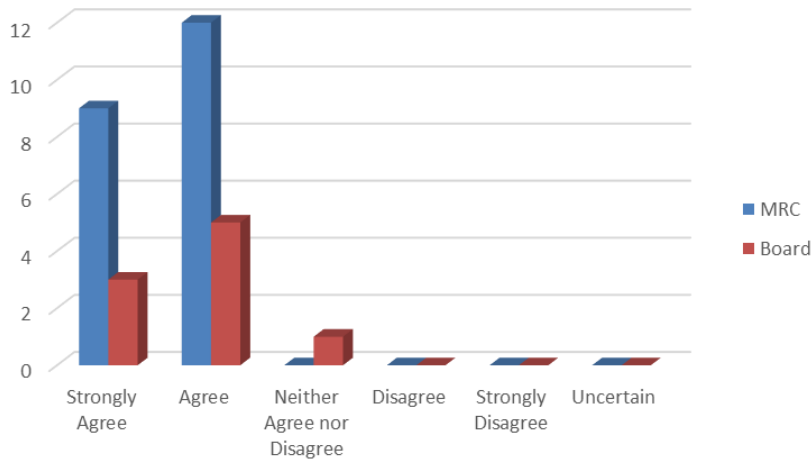
Below are the results from the 2021 MRC Effectiveness Survey. MRC members responded to all twelve questions, while Board members only responded to the first nine.



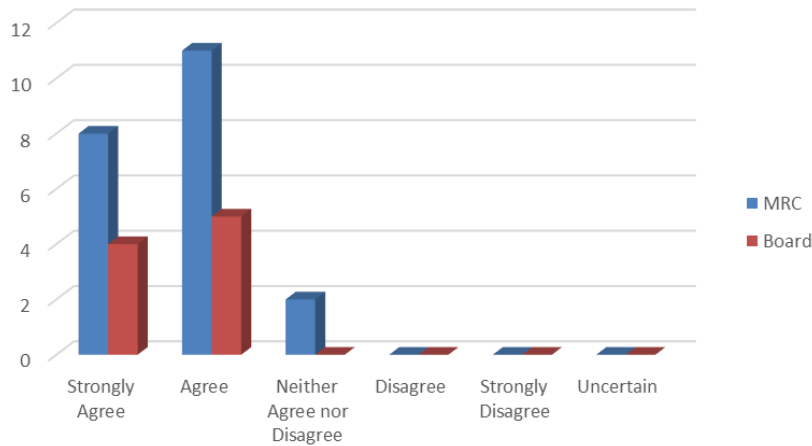
How effective is the MRC in providing advice and recommendations to the NERC Board of Trustees through policy input and discussion at committee meetings?



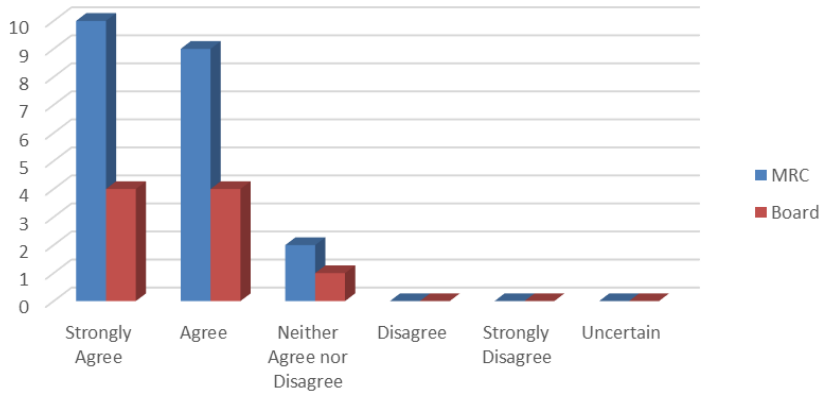
MRC meetings are run efficiently.



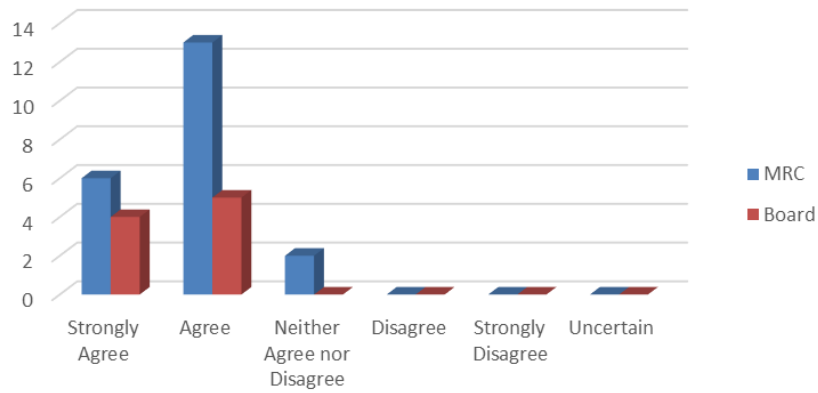
MRC meetings are an effective use of my time.



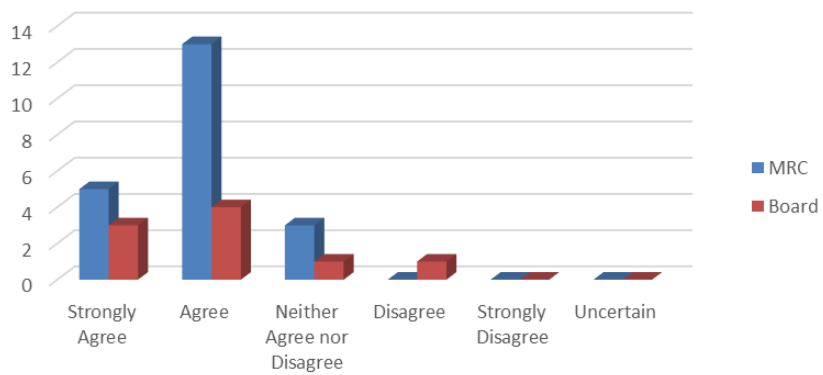
The frequency of MRC meetings is appropriate.



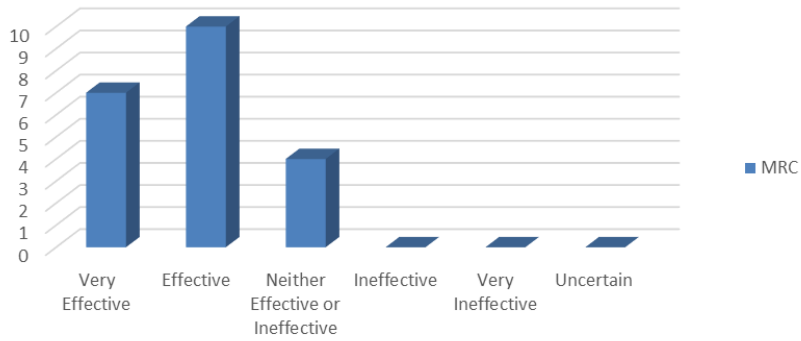
MRC agendas include relevant and appropriate topics.



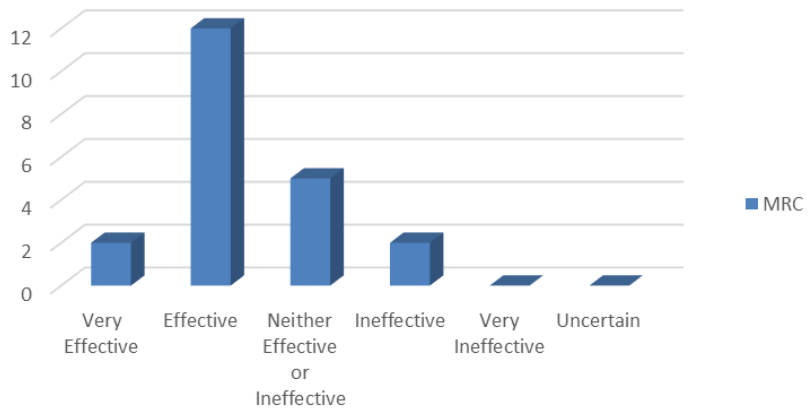
MRC meetings allow for open and honest discussions.



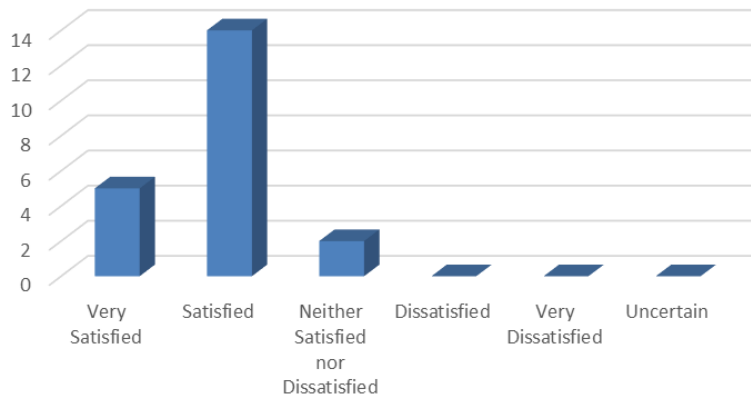
Rate the quality of training and communication preparing you to understand your role when you joined the committee.



Rate how effective communication and coordination is among committee members.



Overall, how satisfied are you personally with the job you do working on the MRC?



Responses to the Board's Request for Policy Input

Action

Discussion

Background

The policy input letter is issued by the Chair of the NERC Board of Trustees (Board) four to five weeks in advance of the quarterly meetings and includes relevant materials necessary to inform and prepare for discussion. Written input from the Member Representatives Committee (MRC) and stakeholders is due three weeks after issuance and is then revisited during a dedicated discussion time on the MRC's agenda, in the presence of the Board.

Summary

For this quarter, the Board requested specific policy input on the Reliability and Security Technical Committee. In addition, the Board requested input on preliminary Board, Board Committee, and MRC agenda topics. On May 13, 2021, the MRC can expect to participate in discussion on the responses received from the policy input request.

The policy input letter with its attachments and responses are posted with the Board's [May 2021 meeting materials](#).

Reliability and Security Technical Committee

Action

Policy Input

Background

Improving the effectiveness and efficiency of stakeholder engagement across the ERO Enterprise was specifically raised by NERC Chair Roy Thilly in a January 4, 2018 Policy Input Letter to the Member Representatives Committee (MRC). In response to industry feedback that was received, the NERC Board of Trustees (Board) called for a comprehensive review of the technical committee structure and actions that could be taken to improve the effectiveness and efficiency of those committees. As a result of that request, a [Stakeholder Engagement Team \(SET\)](#) was formed to review the NERC technical committee structure and to develop a recommendation. The SET was comprised of members of the Board, NERC executive leadership, representatives from the MRC, the chairs of the existing technical committees (Operating, Planning, and Critical Infrastructure Protection), other stakeholder volunteers, and NERC staff. The SET considered multiple options, including maintaining the existing committee structure, for fulfilling the ERO Enterprise need for participatory technical input on matters of reliability and security of the North American bulk power system (BPS). The SET determined that a new [Reliability and Security Technical Committee \(RSTC\)](#) should be launched that replaces the three technical committees noted above to best meet the vision for effective and efficient technical input.

In July and August 2019, the Board sought policy input from the MRC and the SET sought comments from industry regarding the proposed committee structure. Based on the policy input and comments, the SET developed responses and made conforming revisions to the proposal, including the participation model and transition timeline. In November 2019, the Board accepted the [proposal](#) and approved the [RSTC charter](#) along with the transition plan. The RSTC's first meeting was planned for March 2020.

RSTC Transition Objectives

1. Stand up the RSTC to deliver on the goals outlined in its charter;
2. Maintain continuity in all ongoing, high-value work across the subgroups;
3. Capture best practices and synergies through the integration of processes across the "legacy" committees;
4. Create a more collaborative and bottoms-up operating model that clearly documents roles, responsibilities, and processes, and supports subgroups while maintaining alignment to overall NERC strategy; and
5. Provide more effective and efficient processes for technical input on risks to North American BPS reliability and security.

Progress to Date

The RSTC held its first initial half day in-person meeting in early March 2020 in conjunction with the final technical committee meetings. At that time, it was not apparent that this would be their only in-person meeting for at least another year and a half. All meetings have been held virtually since March 2020. As the Committee was stood up in the middle of a pandemic, the initial formalizing and normalizing phases of a new working committee was more challenging than planned. However, a great deal of progress has been made to achieve the above objectives.

Major Improvements of the RSTC Restructuring

- **Subgroup Structure**
 - Developed three program areas to coordinate work flows: **Performance Monitoring, Risk Mitigation,** and **Reliability and Security Assessment** (see Figure 1 below)
 - Reduced subgroups from 31 to 23, which included retiring eight sub-groups, creating one new subcommittee focused on new technology integration, merging two working groups, and forming two new groups focused on energy reliability assessment and facility ratings
 - A number of groups became User Groups: **Demand Availability Data System, Generating Availability Data System, Transmission Availability Data System,** and **Misoperation Information Data Analysis System** (TADS, DADS, GADS, MIDAS), which will meet once a year to support data submittal enhancements and training
- **Internal Collaboration and Processes**
 - Incorporated a Sponsor program to improve coordination and development of work processes between the RSTC members and the individual subgroups
 - Use of the Executive Committee to swiftly “spin-up” task forces quickly to address emerging risks
- **Cross Coordination**
 - Provides lead support to the Standing Committee Coordination Group (SCCG)
 - Increased coordination with the Reliability Issues Steering Committee (RISC) and developed a work plan aligned with the RISC’s [ERO Reliability Risk Priorities Report](#)
 - Jointly published with the RISC a [Framework to Address Known and Emerging Reliability and Security Risks](#) (Framework) focused on how risks are identified, prioritized, mitigated and monitored, that was accepted by the Board in February 2021

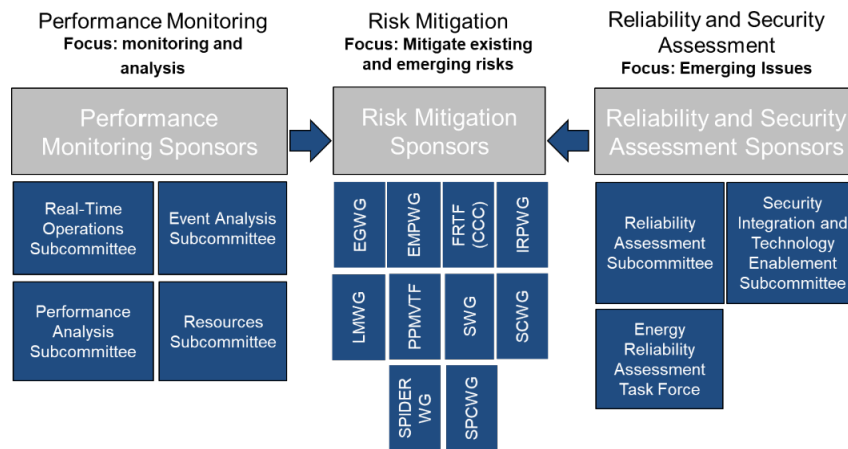


Figure 1: RSTC Structure, March 2021

One of the guiding principles in the development of the RSTC was to be a nimble organization that can “spin-up” task forces quickly to address emerging risks. This is exhibited in the coordination with the Compliance and Certification Committee (CCC) in developing a scope for the Facility Ratings Task Force (FRTF) as a joint RSTC-CCC subgroup. Expanding the FRTF by including the RSTC promotes the inclusion of broader technical, risk-based perspectives into ongoing activities around the current FAC-008 standards. The RSTC also quickly stood up the Energy Reliability Assessment Task Force (ERATF) to address energy availability concerns related to operations, operations planning, and mid-to-long-term planning horizons. This topic was presented to the RSTC at its December 2020 meeting and the scope and work plan were approved at the March 2021 RTSC meeting.

As part of this Framework, the key linkages between all of the committees are identified. The SCCG is a group comprised of the Board Standing Committee Chairs and Vice Chairs and will support these links and ensure all committees are engaged and coordinated on solving priority reliability issues. Engaging NERC’s standing committees in this way, facilitates the development of internal feedback loops that will improve the ERO Enterprise’s ability to identify and manage reliability risks. In addition, a Risk Registry is currently being developed under the auspices of the RISC, to prioritize and manage the ongoing RSTC risk mitigation initiatives and actions.

The 2019 ERO Risk Priorities Report highlights four key reliability risk profiles that should be prioritized by the ERO. In its initial year, the RSTC addressed these in much of their work, including:

- **Grid Transformation:**
 - Four Reliability Guidelines on Planning and Modeling approaches for integrating Distributed Energy Resources (DER), inverter-based resources, and battery energy storage system
 - Three Standard Authorization Requests related to inverter-based generations and DER
 - Initiated the ERATF
 - Published Summer and Winter Reliability Assessments
 - Published Long-Term Reliability Assessment
 - Published Special Assessment on Energy Management System Failures

- **Extreme Natural Events:**
 - Updated Reliability Guideline Cold Weather Preparedness
 - Published State of Reliability Report
 - Completed the Geomagnetic Disturbance research
- **Security Risks:**
 - Two Security Guidelines on Supply Chain Management
 - Formed Security Working Group to focus on tactical short-term security and compliance issues
 - Formed Security Integration and Technology Enablement Subcommittee to focus on considering cyber and physical threats more directly in planning, operations, design, and restoration activities
- **Critical Infrastructure Interdependencies:**
 - Supported the Reliability Leadership Conference
 - Supporting refinement of the Electric-Gas Working Group's Reliability Guideline

Further planned activities are highlighted in the RSTC's posted [Work Plan](#).

In its first year, the RSTC purposely focused on the tactical work needed to lay the foundation for ongoing operations. Now that it is shifting in a more strategic direction, the Board requested policy input on the degree of which the RSTC is meeting the objectives of the transition.

Additional Policy Discussion of Key Items from Board Committee Meetings

Action

Discussion of specific items presented at the Board of Trustees (Board) Committee meetings. Staff presentations made at the Board Committee meetings will not be duplicated at the Member Representatives Committee (MRC) meeting.

Summary

On May 13, 2021, the MRC will have additional time for policy discussion, as part of its own agenda, to respond to the information that is presented during the Board Committee meetings.

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](#)

[Technology and Security Committee](#)

[Finance and Audit Committee](#)

MRC Input and Advice on Board Agenda Items and Accompanying Materials

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.”

In the policy input letter issued on April 7, 2021, the NERC Board of Trustees (Board) requested comments on the preliminary agenda topics for the May Board meeting that were reviewed during the April 14, 2021, MRC Informational Session. At the May 13, 2021, meeting, MRC members should come prepared to provide input on behalf of their sectors on the Board’s formal agenda package posted on April 29, 2021.

Standards Efficiency Review Update

Action

Information

Background

The scope of the Standards Efficiency Review (SER) is to evaluate NERC Reliability Standards using a risk-based approach to identify potential efficiencies through retirement or modification of Reliability Standard Requirements. Considering that many Reliability Standards have been mandatory and enforceable for over 10 years in North America, this project seeks to identify potential candidate requirements that are not essential for reliability, could be simplified or consolidated, and could thereby reduce regulatory obligations and/or compliance burden.

Phase 1 consisted of gathering input from industry stakeholders on potential retirements and modifications. Recommended retirements and modifications were combined into a single document, organized by compliance time horizon, Long Term Planning, Operations Planning, and Real-time Operations and analyzed by three teams of 50 stakeholders. The SER working team submitted a [Standard Authorization Request](#) (SAR) to the Standards Committee and it was accepted on August 22, 2018. Revisions of the applicable Reliability Standards were addressed in [Project 2018-03](#). The justification for the retirements are outlined in the Technical Rationale for the project.

The purpose of SER Phase 2 was to identify standards-based solutions applicable to all Reliability Standards in lieu of further unconditional retirements. The Phase 2 team developed and presented six efficiency concepts to industry in February 2019 and solicited their feedback. As a result, the SER working team prioritized four concepts to pursue and all were addressed. The disposition and long term owners are outlined below.

Evidence Retention Overhaul (Owner: NERC staff)

- [SER Evidence Retention Recommendations](#) (Endorsed by SC December 18, 2019)
- [SER Evidence Retention White Paper](#)

Consolidate Information/Data Exchange Requirements (Owner: SAR Drafting Team)

- [Operation Data Exchange Simplification SAR](#) (Accepted on January 20, 2021)

Move Requirements to Guidance (Risk Mitigation Framework) (Owner: Reliability and Security Technical Committee (RSTC))

- [Framework to Address Known and Emerging Reliability and Security Risks](#) (Endorsed by RSTC December 16, 2020)

Prototype Standard (reframed) (Owner: Standards Committee Process Subcommittee)

- [SER Recommendation for Standards Template and Drafting Team Training Review](#) (Endorsed by SC December 9, 2020)

The Critical Infrastructure Protection (CIP) SER working team evaluated the set of CIP Reliability Standards and identified a list of recommended retirements and modifications. The overall recommendation from this project is for industry to create an initiative to align the CIP Standards with the results-based framework. In addition, the SER is developing a transition plan to incorporate lessons learned from the Standards Efficiency Review and Paragraph 81 projects into the standards development process.

Update on FERC Reliability Matters

Action

Information

Summary

At the May 13, 2021, MRC meeting, Andrew Dodge, Director, Office of Electric Reliability, FERC, will provide an update on recent FERC activity.

Bulk Power System Situation Awareness Update

Action

Information

Background

NERC's Bulk Power System Awareness (BPSA) group acquires and disseminates timely, accurate and complete information regarding the current status of the bulk power system (BPS) and threats to its reliable operation, to enable the ERO Enterprise to effectively assure the reliability of the BPS. During major system disturbances, extreme weather, fires, hurricanes, physical events, and geomagnetic disturbances, etc. the BPSA group facilitates effective communications among the ERO Enterprise, industry and government stakeholders.

NERC BPSA, in collaboration with the E-ISAC and the ERO Enterprise Situation Awareness teams, is responsible for the following:

- Maintaining a near real-time situation awareness of conditions on the BPS;
- Notifying industry of significant BPS events that have occurred in one area, and which have the potential to impact reliability in other areas; and
- Maintaining and strengthening high-level communications, coordination, and cooperation with government agencies regarding real-time conditions.

The presentation at the May 13, 2021, MRC meeting is designed to provide a snapshot of the BPS and some of the reports/events/activities over the first quarter of 2021.

Ensuring Energy Adequacy with Energy-Constrained Resources

Action

Information

Background

Unassured fuel supplies¹ including the timing and inconsistent output from variable renewable energy resources, fuel location, and volatility in forecasted load can result in insufficient amounts of energy on the system to serve electrical demand and ensure the reliable operation of the bulk power system throughout the year.

Summary

This ERO Enterprise developed the [Ensuring Energy Adequacy with Energy Constrained Resources](#) whitepaper to explore the shortcomings of the application of historical capacity analysis to the grid transformation being experienced through North America. The whitepaper proposes 11 questions for evaluation across three planning and operational timeframes to determine the level of energy adequacy. The whitepaper also recommends evaluating gaps to Reliability Standards, the types of analysis required, and proposes next steps.

The ISO/RTO Council (IRC) reviewed an earlier version of the whitepaper, considered the timeframes, and developed responses to the questions while grouping similar topics for the sake of efficiently prioritizing what work should be considered sooner rather than later:

- Focus 1 – Energy Adequacy and Flexibility for Evolving Resource Mix
- Focus 2 – Gas Delivery Security
- Focus 3 - Metrics, Procedures and Analysis

The Whitepaper was presented to the Reliability and Security Technical Committee (RSTC) at its December 2020 meeting and from that discussion it was determined that a task force of subject matter experts should be assembled to develop:

- a. Technical foundation for the three time horizons
- b. Ways to identify the levels of energy that are required to meet the operational needs
- c. Tool specifications needed to incorporate energy considerations into planning, operational planning and operations assessments

At its March 2021 meeting, the RSTC approved the formation of the [Energy Reliability Assessment Task Force](#) (ERATF), its [scope](#) and [work plan](#).

¹ Some examples are: lack of firm gas transportation, pipeline maintenance or disruption, compressor station failures, emission limitations on fossil fuels. All resources have some degree of fuel uncertainty due to unavailability including coal (onsite stock-piles can be frozen) and nuclear (during some tidal conditions affecting cooling intake).