

Minutes

Member Representatives Committee

August 20, 2020 | 11:00 a.m. – 1:00 p.m. Eastern

Chair Jennifer Sterling, with Vice Chair Paul Choudhury 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 August 20, 2020, 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 MRC members and proxies, acknowledging the NERC Board of Trustees (Board), Andy Dodge and others from the Federal Energy Regulatory Commission (FERC), State Commissioner Kate Bailey, CAMPUT representative David Morton, and Tab Gangopadhyay from the Canada Energy Regulator. Ms. Sterling reminded attendees that presentations conducted at the open Board committee meetings the day before would not be repeated during the MRC meeting. She acknowledged the MRC's responses to the policy input request from Roy Thilly, Chair of the Board.

NERC Antitrust Compliance Guidelines and 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 May 14, 2020, and July 22, 2020, meetings as presented at the meeting.

Future Meetings

The schedule of future meeting dates, including the pre-meeting and informational webinars for 2020, was included in the agenda package. Ms. Sterling noted that the logistics for future pre-meeting and informational webinars will be adjusted so that all MRC members are on an open line. This change will require an update to the MRC Governance Guidelines and Ms. Sterling will work with Mr. Choudhury and Ms. Iwanechko to present proposed revisions to the MRC for approval at its November meeting.

Mr. Thilly noted that the November Board, Board Committee, and MRC meetings will be held via teleconference due to the COVID-19 pandemic. He also noted that while the Board has not made a final decision for the February 2021 meetings, it is unlikely that the meetings will be held fully in-person and the Board is considering a hybrid approach.

Schedule for MRC Officer and Sector Election

Ms. Sterling announced the annual nomination and election of the MRC chair, vice chair, and sector representatives. The schedule for the 2020 nominations and elections was included in the agenda package.

Election of NERC Trustee

Ken DeFontes, chair of the Board Nominating Committee (BOTNC), provided a report and recommendation for election of one Board member. The MRC approved, with one abstention, the election of Jane Allen to fill a vacancy with a term ending in 2022.

Board of Trustees Nominating Committee Update

Mr. DeFontes provided an update on the BOTNC's efforts to replace Jan Schori, whose fourth and final term will expire in February 2021. The BOTNC reviewed a list of potential candidates at the beginning of the week and will meet in October to finalize a list of candidates to interview in November.

Business Plan and Budget Input Group Update

Sylvain Clermont, chair of the Business Plan and Budget Input Group, provided an update on the group's activities. During the group's most recent call, they reviewed the status of the 2021 business plan and budget development, including comments submitted on the second draft. He commended NERC's continued transparency and collaboration with the Business Plan and Budget Input Group through the business plan and budget 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.

NERC Bylaws Amendments

Ms. Mendonca provided an overview of the proposed amendments to the NERC Bylaws, which focus on clarifying certain requirements, incorporating the Board's feedback on certain governance matters, improving internal document consistency, and aligning certain provisions with applicable law. The MRC unanimously approved the NERC Bylaws amendments.

Responses to the Board's Request for Policy Input

Ms. Sterling acknowledged the MRC's responses to Mr. Thilly's July 15, 2020, letter requesting policy input on the E-ISAC Long-Term Strategic Plan, in addition to the preliminary agenda topics for the August meetings. Responses to the letter are [posted](#) with the Board agenda materials on the NERC website.

E-ISAC Long-Term Strategic Plan

Chair Sterling referred to the presentation given on the E-ISAC Long-Term Strategic Plan at the Technology and Security Committee meeting the previous day and invited additional discussion on the topic.

- MRC members reiterated the importance of ensuring that information sharing efforts complement, and do not duplicate, efforts by Canadian Security Agencies.
- An MRC member highlighted the importance of due consideration of policy input before Board action.

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 Committee, Technology and Security Committee, and Finance and Audit Committee meetings.

MRC Input and Advice on Board Agenda Items and Accompanying Materials

Attendees had the following comments on the topics included on the Board's agenda for its meeting later that day.

- An MRC member expressed appreciation for FERC's and NERC's support for industry throughout the pandemic, including the recent extension for self-logging.
- An MRC member suggested more frequent updates on compliance monitoring and enforcement program activities at future meetings.

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 granting deferred implementation of certain NERC Reliability Standards; extensions on reliability and security related actions; Notice of Inquiry (NOI) regarding virtualization and cloud services for power grid operations; NOI regarding NIST Cybersecurity Framework and coordinated cyber attacks; Cybersecurity incentives policy white paper; Notice of Proposed Rulemaking regarding transmission incentives; May 4, 2020, technical conference on MISO storage as transmission only asset; July 2020 Commission-led technical conference on impacts of COVID-19 on the energy industry; July 23, 2020, technical conference on hybrid resources; upcoming conferences and Commission meetings; and FERC Order 841.

Cloud Computing

Steve Noess, director of regulatory programs at NERC, and Lonnie Ratliff, senior manager, cyber and physical security assurance at NERC, provided an update from the perspective of four future-state use cases related to virtualization and cloud computing: (1) cloud or virtualization; (2) storage of information in the cloud; (3) cloud-based electronic and physical monitoring cyber assets; (4) cloud-based BES Operations. Mr. Noess and Mr. Ratliff highlighted current challenges and how NERC and industry are addressing them, or would support addressing them in the future, as technology advances.

Adjournment

There being no further business, the meeting was adjourned.

Submitted by,



Kristin Iwanechko
Secretary

Agenda

Member Representatives Committee

August 20, 2020 | 11:00 a.m. – 1:00 p.m. Eastern

Click to: [Join Webinar](#)

Introduction and Chair's Remarks

NERC Antitrust Compliance Guidelines and Public Announcement*

Consent Agenda

1. **Minutes - (Approve)**
 - a. May 14, 2020 Meeting*
 - b. July 22, 2020 Conference Call*

Regular Agenda

2. **Future Meetings***
3. **Schedule for MRC Officer and Sector Elections***
4. **Election of NERC Trustee* - (Elect)**
5. **General Updates and Reports**
 - a. Board of Trustees Nominating Committee Update*
 - b. Business Plan and Budget Input Group Update*
 - c. Regulatory Update*
6. **Policy and Discussion Items**
 - a. NERC Bylaws Amendments* - **(Approve)**
 - b. Responses to the Board's Request for Policy Input*
 - i. E-ISAC Long-Term Strategic Plan
 - c. 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
 - d. MRC Input and Advice on Board Agenda Items and Accompanying Materials*

Technical Updates

- 7. Update on FERC Reliability Matters***
- 8. Cloud Computing***

*Background materials included.

Member Representatives Committee - Attendance (August 20, 2020)

Voting Members

First Name	Last Name	Sector
Jennifer	Sterling	Chair
Paul	Choudhury	Vice Chair
Jennifer	Flandermeyer	1. Investor-Owned Utility
Thad	Ness	1. Investor-Owned Utility
Carol	Chinn	2. State/Municipal Utility
Roy	Jones	2. State/Municipal Utility
Greg	Ford	3. Cooperative Utility
Jason	Marshall	3. Cooperative Utility
Sylvain	Clermont	4. Federal/Provincial
Martin	Huang	4. Federal/Provincial
Lloyd	Linke	4. Federal/Provincial
Bill	Gallagher	5. Transmission Dependent Utility
John	Twitty	5. Transmission Dependent Utility - Proxy Bill Gallagher
Martin	Sidor	6. Merchant Electricity Generator
Sean	Cavote	6. Merchant Electricity Generator
Brad	Cox	7. Electricity Marketer
Chris	Haas	7. Electricity Marketer
Devin	Hartman	8. Large End-Use Electricity Customer
Venona	Greaff	8. Large End-Use Electricity Customer
Michael	Moody	9. Small End-Use Electricity Customer
Bill	Magness	10. ISO/RTO
Gordon	van Welie	10. ISO/RTO
Todd	Hillman	11. Regional Entity - SERC
Simon	Whitelocke	11. Regional Entity - RF
Matt	Schuerger	12. State Government - Proxy Michelle Rosier
Kate	Bailey	12. State Government

Non-Voting Members

First Name	Last Name	Sector
David	Morton	Canadian Provincial
Tab	Gangopadhyay	Canadian Federal
Andy	Dodge	U. S. — Federal
Tom	Kent	Regional Entity - (MRO)
Harvey	Reed	Regional Entity - NPCC
Melanie	Frye	Regional Entity - WECC
Liz	Jones	Regional Entity - Texas RE
Kristin	Iwanechko	Secretary