



## Approved Minutes of the Board of Directors Meeting

### Webex

*December 2, 2021, 12:30 p.m. to 2:51 p.m. Central*

*Notice for this meeting was electronically posted to the MRO website [here](#) on December 11, 2020. A final agenda, including advanced reading materials, was posted on Boardvantage on November 18, 2021.*

#### 1. Call to Order and Determination of Quorum

Chair Tom Kent called the meeting of the MRO Board of Directors to order at 12:30 p.m. Central. Lisa Zell, Vice President General Counsel and Corporate Secretary, advised the chair that a quorum of the board was present. A complete list of attendees is included as [Exhibit A](#).

#### 2. Standards of Conduct and Antitrust Guidelines

Pursuant to Policy and Procedure 4, Zell highlighted MRO's Standards of Conduct, Conflict of Interest, and Antitrust Guidelines.

#### 3. Consent Agenda

The consent agenda included draft minutes from the board meeting held on September 30, 2021.

*Upon a motion duly made and seconded, the board unanimously approved the consent agenda.*

#### 4. Chair's Remarks

Chair Kent welcomed the board, staff, meeting participants, and guests, including Commissioner Matthew Schuerger and NERC Senior Vice President and Chief Reliability Officer Mark Lauby. Chair Kent reflected on his virtual term, and the ways individuals, families, communities, as well as businesses and the industry, have adapted in the face of a global pandemic. He remarked about the ongoing goals for diversity and inclusion, and about the lessons learned and successes in responding to Winter Storm Uri. He commended MRO for exemplifying the principles of a High Reliability Organization (HRO). Chair Kent thanked Patrick for her leadership, and welcomed Brad Cox as incoming board chair.

#### 5. President's Report

Sara Patrick, President and Chief Executive Officer, welcomed guests Commissioner Schuerger and Lauby. She welcomed incoming board members for 2022 – Eric Schmitt, Aaron Bloom, Ben Porath, Daryl Maxwell, Paul Roehr, and Priti Patel, and thanked outgoing board members – Gordon Pietsch, Keri Glitch, Dr. Paul Barber, Silvia Parada Mitchell, and Tony Clark. In particular, Patrick expressed particular gratitude for Pietsch noting his longstanding dedicated service since 2003, having been one of the original board members. She also thanked outgoing Chair Kent for his leadership, mentorship, and his focus on the principles of a HRO.



Patrick remarked how the element and speed of constant change influenced MRO's strategic planning, and the importance of being clear and grounded in your values in order to thrive in constant change.

Patrick expressed gratitude for industry Highly Effective Reliability Organizations (HEROs) for their performance in the February winter storm, and thanked MRO staff members, John Seidel and Russ Mountjoy, for their worked on the NERC and FERC inquiry team to assess the root causes of the event and develop recommendations for industry to prevent recurrence.

Patrick introduced Resolution 21-009 expressing appreciation for outgoing board members, Pietsch, Glitch, Barber, Parada Mitchell, and Clark.

*Upon a motion duly made and seconded, the board unanimously approved Resolution 21-009 regarding appreciation of outgoing board members.*

Patrick introduced Resolution 21-010 expressing appreciation for outgoing board chair Kent.

*Upon a motion duly made and seconded, the board unanimously approved Resolution 21-010 regarding appreciation of Thomas Kent.*

## **6. Organizational Group Recognition & HERO Award**

Patrick next acknowledged outgoing volunteers who had dedicated more than twelve years to MRO organizational groups. Glitch shared the contributions of Dean Schiro of Xcel Energy, Jodi Jensen of Western Area Power Administration, John Breckenridge of Evergy, and Joe DePoorter of Madison Gas & Electric. Patrick introduced Resolution 21-011 expressing appreciation for these exemplary departing organizational group volunteers.

*Upon a motion duly made and seconded, the board unanimously approved Resolution 21-011 regarding appreciation for outgoing organizational group members.*

Patrick next provided background for MRO's annual HERO Award, which provides MRO the opportunity to recognize volunteers annually for their exemplary initiative and commitment to advancing the concept and principles of HEROs throughout the MRO region and in support of MRO's vision and mission.

Glitch announced the recipients of the MRO HERO Award – Sharon Koller of American Transmission Company, and Mark Buchholz of Western Area Power Administration. Koller's notable contributions included her role in developing the Standard Application Guides, her role in authoring the original CIP Standards Application Guide, as well as her contributions on the NERC drafting team. Buchholz's notable contributions include his combined fifteen years serving on organizational groups, his exemplary leadership in the transition during the transition of SPP entities into the MRO region, as well as coordinating a streamlined approach to Event Analysis.

Patrick introduced Resolution 21-012 conveying a 2021 HERO Award to Koller.

*Upon a motion duly made and seconded, the board unanimously approved Resolution 21-012 conveying a 2021 HERO Award to Sharon Koller.*

Patrick introduced Resolution 21-013 conveying a 2021 HERO Award to Buchholz.



*Upon a motion duly made and seconded, the board unanimously approved Resolution 21-013 conveying a 2021 HERO Award to Mark Buchholz.*

## **7. Minnesota Public Utilities Commissioner**

Minnesota Public Utilities Commissioner, Matthew Schuerger, was welcomed to the board meeting. He shared his perspective as a regulator. He noted that power system reliability requires engaged and coordinated partners, and expressed appreciation for MRO's partnership with state regulators, and leadership of Patrick and Jim Robb, NERC President and CEO, for their commitment to maintaining the partnership as an ongoing priority. He remarked on the common mission of MRO, NERC, and the Commissions to understand the industry's significant changes in light of aging infrastructure and changing consumer demands. Commissioner Schuerger commented that states and utilities are also responsible for evaluating reliability risks, which requires an ongoing collaboration and clearly communicating across complex lines. He added that states' perspectives remain important to developing successful policy objectives. There were no questions.

## **8. MRO Officers**

Patrick introduced a recommendation outlined in Resolution 21-008 for the board to appoint Richard Burt, Senior Vice President and Chief Operating Officer, as an MRO officer pursuant to Section 9.1 of the MRO Bylaws.

*Upon a motion duly made and seconded, the board unanimously approved Resolution 21-008 appointing Richard Burt, MRO Senior Vice President and Chief Operating Officer, as an officer of MRO.*

## **9. Strategic Plan 2022-2024**

Lam Chung, Vice President and Engineer of Strategy, Innovation, and Finance, introduced the proposed 2022-2024 MRO Strategic Plan. There were no questions.

*Upon a motion duly made and seconded, the board unanimously approved the 2022-2024 MRO Strategic Plan.*

## **10. Finance and Audit Committee Report**

Brad Cox, Chair of the Finance and Audit Committee (FAC), provided a report on behalf of the FAC, which held its fourth quarter meeting on October 28, 2021. He noted that the unaudited year-end expenses were projected to be 5.5 percent under budget, primarily due to lack of travel and other COVID-related impacts. He added that FERC had approved MRO's 2022 business plan and budget. There were no questions.

## **11. Governance and Personnel Committee Report**

Chair of the Governance and Personnel Committee (GPC), Jeanne Tisinger, shared that the GPC had completed its annual review of MRO policies and procedures, and noted that proposed changes were included in the meeting agenda packet.

*Upon motion duly made and seconded, the board unanimously approved the MRO policies and procedures as presented.*



Tisinger next advised that the GPC had also concluded its annual review of the board committee charters, and referred the board to proposed revisions within the meeting agenda packet.

*Upon a motion duly made and seconded, the board unanimously approved the MRO board committee charters as presented.*

Tisinger next provided a report regarding the board composition task force. She reported that the task force's recommendations outlined in the Board Composition Task Force Memo were adopted by the board during its executive session meeting earlier in the day. She highlighted that no changes to the board composition were recommended, but that periodic reviews were recommended going forward.

Tisinger provide an update regarding human resources initiatives, including a focus on employee development, and a transition from annual to quarterly performance reviews. Tisinger reported that board attendance was reviewed and no issues were identified.

Tisinger advised that results of the annual MRO stakeholder survey, which was completed in October 2021, would be available for the board's review in the first quarter of 2022.

## **12. Organizational Group Oversight Committee Report**

Organization Group Oversight Committee (OGOC) Chair Glitch reported that the OGOC met on November 19, 2021 and approved the membership recommendations of the advisory councils. She noted that there are still remaining seats open and encouraged interested parties to reach out to MRO staff with questions. Glitch called attention to the annual summary of accomplishments of the Compliance Monitoring and Enforcement Program Advisory Council (CMEPAC), Reliability Advisory Council (RAC), and Security Advisory Council (SAC) as provided within the agenda packet. She commended the councils for their contributions. There were no questions.

## **13. Joint Advisory Council & OGOC Strategy Report**

Glitch next note that the OGOC conducted its annual joint meeting with the advisory council leadership the day prior on Dec 1, 2021. She reported that staff shared a presentation previewing the 2022 MRO Regional Risk Assessment. The top risks for next year in the MRO region are identified as Winter Planning Reserve Margins, Generation Unavailability Due to Cold Weather, and Supply Chain Compromise. Other risks identified as a High Priority for MRO include Insider Threat, Ransomware, the need for Energy Assessments, and the accuracy of planning models.

Glitch reported that the meeting participants then discussed risk and focus areas for the 2022 work plans. The organizational groups will incorporate feedback from the discussion and seek OGOC approval of their updated work plans at the OGOC's first quarter meeting in 2022. There were no questions.

## **14. External Affairs**

Tasha Ward, Director of Enforcement and External Affairs, and Bryan Clark, Director of Reliability Analysis, provided a presentation regarding external affairs. The presentation included a summary of the phased approach for regulator engagement. She reported that MRO has held at least one initial meeting with the regulators or regulator staff for each state in the MRO footprint, as well as the



Organization of MISO States (OMS). Ward outlined various ways MRO has worked to generate industry awareness. Ward and Clark outlined that the information being shared with regulators includes an overview of MRO's footprint, history of the ERO Enterprise, the organizational structure, regulatory model, outreach, and reliability analysis initiatives.

A board member asked whether Ward or Clark encountered regulators honing in on information they did not previously understand. Ward and Clark noted particular focus from regulators on general structure, as well as enhancing their understanding of what information or reports are most important, and understanding where to find and easily access this information.

### **15. Canadian Affairs**

Lam Chung, Vice President and Engineer for Strategy, Innovation, and Finance, summarized a meeting with the Saskatchewan Electric Reliability Authority (SERA) on November 1, 2021. He also summarized a meeting in September with NERC and CAMPUT, a self-supporting, non-profit association of Canadian federal, provincial, and territorial energy and utility regulators, similar to NARUC in the US, and the Mandatory Reliability Standards (MRS) group. There were no questions.

### **16. MRO Operational Activities**

Chair Kent referred the board to a written report in the agenda packet regarding MRO operational activities. Burt highlighted the contributions of the volunteers who helped rank risks. There were no questions.

### **17. MRO Outreach Report**

Chair Kent referred the board to a written report in the agenda packet regarding MRO outreach. Burt highlighted record-breaking attendance at outreach events throughout 2022. There were no questions.

### **18. Policy Matters & NERC**

Chair Kent referred the board to a written report in the agenda packet regarding policy matters and NERC activities. Patrick highlighted that the last round of NERC meetings included the leadership meeting at which extreme weather preparedness was discussed. She also called attention to presentations that were shared regarding the 2021 Winter Reliability Assessment, which has since been released, and the 2021 Long-Term Reliability Assessment (LTRA).

### **19. MRO Reliability Risk Matrix**

Burt welcomed Lauby and introduced their joint presentation regarding the status of the Reliability Risk Framework. Burt shared that the process for this project may be as transformative as the project itself, and reviewed the history of how the project evolved.

Lauby outlined the larger ERO risk framework within which this project – risk prioritization – resides, including the identification and validation of risk, remediation and mitigation identification evaluation, measuring success, monitoring residual risk and deploying mitigation. Burt outlined the reliability risk matrix criteria for determining the likelihood of a consequence including the event history, emerging



trends, and mandatory controls. Further, he outlined the operations and planning risks and physical and cyber security risks as plotted on a risk matrix illustrated on a heat map.

He explained that MRO piloted the reliability risk assessment (RRA), which shows both the security and reliability risks on a single heat map, and has now been shared with the ERO Enterprise. Burt reviewed the results of the 2022 RRA, and advised it will be published in the coming weeks. As next steps, Lauby highlighted collaboration with the NERC Reliability Issues Steering Committee (RISC) and the Reliability and Security Technical Committee (RSTC) for consideration as an ERO Risk Prioritization Tool, an ERO pilot (RISC, other Regional Risk Assessments), and plans to address the remaining framework steps.

A board member asked how the project treated leading and lagging likelihoods, and the tension of ranking more immediate versus more long term risks. Burt responded that the process took into consideration the extent to which the risk would impact the bulk power system resulting in cascading incidents versus risks that would have smaller scale impacts.

## **20. Other Business and Adjourn**

Chair Kent highlighted the upcoming meeting dates. Having no further business to discuss, the meeting was adjourned at 2:51 p.m.

**Prepared by:** Julie Peterson, Assistant Corporate Secretary and Senior Counsel

**Reviewed and Submitted by:** Sara Patrick, President and Chief Executive Officer, and Lisa Zell, Vice President General Counsel and Corporate Secretary



## Exhibit A – Meeting Attendees

MRO Board of Directors Present	
Name	Company, Role
Thomas Kent	Nebraska Public Power District, Board Chair
Brad Cox	Tenaska Power Services Co., Board Vice Chair
Charles Marshall	ITC Holdings Corp., Board Member
Dr. Dana Born	Independent Director, Board Member
Darcy Neigum	Montana-Dakota Utilities Co.
Dehn Stevens	MidAmerican Company, Board Member
Gordon Pietsch	Great River Energy, Board Member
Iqbal Dhani	Saskatchewan Power Corporation, Board Member
Jeanne Tisinger	Independent Director, Board Member
Jennifer Flandermeyer	Evergy, Board Member
JoAnn Thompson	Otter Tail Power Company, Board Member
JP Brummond	Alliant Energy Corporation, Board Member
Keri Glitch	MISO, Board Member
Lloyd Linke	Western Area Power Administration, Board Member
Michael Desselle	Southwest Power Pool, Board Member
Michael Lamb	Xcel Energy, Board Member
Dr. Paul Barber	Independent Director, Board Member
Paul Crist	Lincoln Electric System, Board Member
Scott Nickels	Rochester Public Utilities, Board Member
Silvia Parada Mitchell	NextEra Energy, Board Member
Stuart Lowry	Sunflower Electric Power Corporation, Board Member
Thomas Graham	Independent Director, Board Member
Tony Clark	Manitoba Hydro, Board Member



Other Attendees	
Name	Title
Becky Holien	MRO Accounting Specialist
Ben Porath	Dairyland Power Cooperative
Brian Capistrant	Xcel Energy, CIP Program Manager
Bryan Clark	MRO Director of Reliability Analysis
Carl Stelly	Southwest Power Pool, Director, Compliance
Carolina Margaria	MRO Executive Assistant
Courtney Vetter	Montana-Dakota Utilities, Electric System Compliance Manager
Daniel Graham	Basin Electric Power Cooperative
Darnez Gresham	MidAmerican Company
Daryl Maxwell	Manitoba Hydro
Eric Schmitt	Incoming Independent Director
Frank Acheampong	American Transmission Company
Fred Meyer	Liberty Utilities
Gerad Paul	Minnkota Power Cooperative
Gina March	MRO Senior Accountant
Janice Anderson	MRO Enforcement and Legal Paralegal
Jeff Norman	MRO Director of Compliance Monitoring
Jess Syring	MRO Compliance Monitoring Manager, CIP
Jessica Mitchell	MRO Director of Communications
Jodi Jensen	Formerly of Western Area Power Administration
John Breckenridge	Evergy
John Seidel	MRO Principal Technical Advisor
Joseph DePoorter	Madison Gas & Electric
Julie Peterson	MRO Assistant Corporate Secretary and Senior Counsel





Karla Schiller	MRO Director of Human Resources
Ken Burruss	Midwest Energy, Senior NERC Compliance Specialist
Ken Gartner	MRO Director of Internal Oversight and Information Technology
Kent Davis	Federal Energy Regulatory Commission
Lam Chung	MRO Vice President and Engineer for Strategy, Innovation, and Finance
Larry Heckert	Alliant Energy, Manager NERC Standards & Compliance
Lisa Zell	MRO Vice President General Counsel and Corporate Secretary
Lori Frisk	Minnesota Power
Marissa Falco	MRO Risk Assessment and Mitigation Technical Coordinator
Mark Brahmstadt	Archer
Mark Buchholz	Western Area Power Administration
Mark Lauby	NERC, Senior Vice President and Chief Engineer
Mary Nimis	FERC, Energy Industry Analyst
Matt Caves	Western Farmers Electric Cooperative
Matthew Schuerger	Minnesota Public Utilities, Commissioner
Michael Spangenberg	MRO CIP Risk Assessment and Mitigation Engineer III
Omar Elabbady	Xcel Energy, Senior Reliability Standards Analyst
Paul Mehlhaff	Sunflower Electric Power Corporation, Manager, NERC Compliance
Paul Roehr	American Transmission Company
Priti Patel	Great River Energy
Richard Burt	MRO Senior Vice President and Chief Operating Officer
Sara Patrick	MRO President and Chief Executive Officer
Sharon Koller	American Transmission Company
Steen Fjalstad	MRO Director of Security
Tasha Ward	MRO Director of Enforcement and External Affairs
Terry Harbour	MidAmerican Company



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Tracey Stewart	Southwest Power Administration
Trevor Stiles	American Transmission Company
Troy Brumfield	American Transmission Company
William Steiner	MRO Director of Risk Assessment and Mitigation

*The above list may not reflect all meeting attendees  
as the meeting was open for observation via Webex.*