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## **Policy and Procedure 3: Establishment, Responsibilities, and Procedures of Organizational Groups and MRO Sponsored Representatives on NERC Organizational Groups**

### **1. Objective**

The objective of this policy and procedure is to establish the procedures governing MRO organizational groups, as well as the responsibilities of individuals representing MRO on NERC organizational groups.

### **2. Policy**

This policy and procedure is established pursuant to Section 8.1 of the MRO Bylaws. It establishes the procedures applicable to MRO organizational groups except as may otherwise be noted in the charter for the organizational group.

### **3. Establishment of Organizational Groups**

The Organizational Group Oversight Committee of the MRO Board (OGOC) is responsible for establishing and dissolving organizational groups. Existing organizational groups that report to the OGOC include the Compliance Monitoring and Enforcement Program Advisory Council, the Reliability Advisory Council, and the Security Advisory Council. From time to time, these councils may recommend that the OGOC approve the establishment of subgroups to support the council's work plan and serve under the direction of the council.

### **4. MRO Organizational Group Responsibilities and Procedures**

#### **A. Member Responsibilities**

Organizational Group members shall:

- Regularly attend meetings of the group(s) on which the member serves.
- Competently prepare for, and be an active participant in, the meetings for the group(s) on which the member serves.
- Collaborate with other organizational group members in support of the mission, vision, and strategic initiatives of MRO.
- Support the Highly Effective Reliability Organization (HERO™) principles.

Members who do not meet these responsibilities are subject to removal from the organizational group by the OGOC.

#### **B. Charter**

Each MRO organizational group shall have a charter describing its purpose and key objectives, as well as its membership and meeting and reporting requirements. The charters and rosters of each MRO organizational group are on [MRO's website](#).



### **C. Quorum Requirements**

A quorum shall consist of a majority of the current organizational group members unless otherwise provided in the organizational group's charter. A quorum is required to be present at the meeting, in person or electronically (telephone, webcast, or video), to conduct business. If a quorum is not present, the organizational group may continue to meet and have discussions; however, no actions may be taken. Organizational group members unable to attend a meeting may not designate a proxy or alternate.

### **D. Voting Requirements**

- MRO organizational groups are not sector balanced policy-making groups with the exception of the NERC Standards Review Forum (NSRF). Therefore, significant substantive decisions, for example, work plans, the naming of individuals to organizational subgroups, or to represent MRO on NERC organizational groups, should be made as recommendations to the OGOC for its approval. Decisions on how to execute an approved work plan may be made by the organizational group. Administrative decisions such as the frequency of meetings, whether the meetings will be in-person or by electronic means, may be made by the organizational group. Recommendations require approval of a majority of those members present and casting a vote provided a quorum is present.
- Votes taken electronically will require a majority of the members to cast votes during the time period established for the vote.
- Voting requirements for the NSRF are set out in its charter.

### **E. Conduct Requirements for Organizational Group Members and MRO Sponsored NERC Representatives**

- Organizational group members and individuals serving as MRO sponsored representatives on NERC organizational groups must comply with Policy and Procedure 4: MRO Antitrust and Standards of Conduct Guidelines, and Policy and Procedure 5: Confidentiality, the [Guidelines for MRO Sponsored NERC Representatives](#), as well as any applicable policies or guidelines established by MRO, the OGOC, or NERC.
- When voting and participating on any matter, organizational group members' actions must be consistent with the applicable charter, any direction from the OGOC, and in furtherance of MRO's Mission "To identify, prioritize, and assure effective and efficient mitigation of risks to the reliability and security of the North American bulk power system by promoting Highly Effective Reliability Organizations® (HEROs)." This does not prevent an organizational group member from expressing his or her industry sector's viewpoint, however, organizational group members should recuse from voting on any matter that directly affects his or her company.
- At NERC meetings, the MRO sponsored representative shall understand MRO's position on key matters prior to attending any NERC meetings.
  - For NERC Member Representative Committee and Board of Trustee matters, the MRO President and Chief Executive Officer and/or the chair of the MRO Board of Directors shall be consulted.
  - For other NERC organizational groups, the MRO staff member shall be contacted.
- Following NERC meetings, the MRO sponsored representative shall provide a brief written report to MRO staff and the appropriate designated Advisory Council, which includes the following:
  - Actions taken by the NERC body.
  - Any direction provided pursuant to paragraph c, above
  - Anticipated future actions by the NERC body.



## **F. Selection of Organizational Group Chair and Vice Chair**

The chair and vice chair of an organizational group shall be selected by each respective organizational group.

## **G. Meetings**

- An agenda shall be prepared in advance of all meetings.
- The chair shall preside at meetings and shall have the power to call meetings. The vice chair, or other designee, shall preside at meetings in the absence of the chair.
- Meetings may also be held at such times and places as determined by the organizational group.
- The chair shall call a meeting upon the request of three or more members of the organizational group within sixty (60) days of the request.
- All organizational group meetings shall be open to the MRO members and other interested persons except as may be necessary to discuss personnel issues, litigation or other confidential or sensitive matters as determined by the respective organizational group.

## **H. Membership**

- Pursuant to the MRO Bylaws, no more than two members of an organizational group may be employees of a single registered entity or employees of registered entities that are affiliates, provided there are at least five members on the organizational group. If there are less than five members on the organizational group, no two members may be employees from a single registered entity or employees of registered entities that are affiliates.
- Organizational groups shall consist of three to twenty-one members appointed by the OGOC. Volunteers from MRO Members will be solicited to serve on the organizational groups except that an advisory council may form a subgroup consisting of its existing members. The advisory council will recommend new organizational group members for the advisory council and any sub organizational groups reporting to the advisory council.
- To ensure consistency in the process used by advisory councils to recommend individuals for MRO organizational groups or to represent MRO on NERC organizational groups, the recommendation process shall:
  - utilize the member qualifications listed in the charters as the criteria for selection, in addition to the organizational group requirements and aspirations for the members as stated in the charters (e.g., sectors, entities and affiliates, geographic diversity, etc.);
  - ensure that all nominees are provided comparable levels of opportunity regarding representing their nomination;
  - utilize a run-off voting process anytime a single candidate does not receive the majority of the votes cast. Run-off votes will continue until one candidate receives the majority of the votes, with each round of run-off voting eliminating the candidate (or candidates, if tied) with the least number of votes.
- The OGOC shall approve organizational group members based on their experience and expertise as recommended by the organizational group. At least three industry sectors will be represented on an organizational group. To the extent practicable, organizational groups will reflect geographical diversity and balanced sector representation.
- In their membership recommendations, organizational groups and the OGOC are encouraged, to the extent feasible, to strive for diversity, inclusion, equity and belonging and provide equal opportunities for membership in all the MRO organizational groups. In their operation, the organizational groups should demonstrate a commitment to an environment where all members



feel respected and valued regardless of gender, age, race, ethnicity, national origin, sexual orientation or identity, disability, education, or any other bias.

#### **I. Terms**

Organizational group members shall serve three-year, staggered terms. Upon the formation of an organizational group, one-third of the members will serve for one year, one-third shall serve for two years, and one-third shall serve for three years; thereafter all members shall serve three-year terms. Shorter terms may be established for sub-groups as appropriate given the subgroups' work.

The chair and vice chair of each organizational group shall serve a one-year term with no more than two consecutive terms. However, if there are no members on the organizational group willing to serve as chair or as vice chair, then those members who have served as chair or vice chair may continue to serve until such time as another member of the organizational group is willing to assume the responsibilities of chair or vice chair.

Notwithstanding the above, the OGOC in its sole discretion may remove any organizational group member, including the removal of a member from the chair or vice chair positions, or any MRO sponsored NERC representative, if the OGOC determines the volunteer is not currently or will not in the future be able to meet his or her responsibilities.

#### **J. Conduct of Meetings**

Meetings are conducted in accordance with *Robert's Rules of Order (Modern Edition)* unless specified otherwise herein, or within the charter of the organizational group. While minutes will be taken for all organizational group meetings, the level of detail of the minutes will vary given the organizational group's work.

#### **K. Establishment of Subgroups**

The organizational group will determine if there is a need for a subgroup to support the organizational group's work plan, and if so, the work to be done by the subgroup, the time period for the work of the subgroup, the number of members, and the requisite expertise and experience. The organizational group will recommend establishment of the subgroup and its members to the OGOC. The organizational group may authorize the subgroup to initiate its work prior to approval of the subgroup's charter and membership at the OGOC's next regularly scheduled meeting. The subgroup will follow all the procedures outlined for MRO organizational groups.

### **5. MRO Sponsored Representatives on NERC Organizational Groups**

With input from MRO staff and/or MRO organizational groups, the OGOC determines to which NERC organizational groups MRO will sponsor representatives. MRO shall seek volunteers from MRO Members to be MRO sponsored NERC representatives on NERC organizational groups as identified by the OGOC. The appropriate advisory council will review the expertise and experience of the individuals who volunteered and recommend individuals to serve as MRO sponsored representatives on the NERC organizational group to the OGOC.

When voting and participating on any matter, individuals representing MRO on NERC organizational group members' actions should further MRO's Mission "To identify, prioritize and assure effective and efficient

mitigation of risks to the reliability and security of the North American bulk power system by promoting Highly Effective Reliability Organizations™ (HEROs).”

These positions will serve a three-year term that begins January 1, irrespective of the election cycle of the NERC organization group. If the individual is approved for a term that begins at a time other than January 1, his or her term will end December 31 prior to the year in which a three-year term would end. All incumbents will be eligible for reappointment.

A list of MRO sponsored representatives on NERC Organizational Groups can be found on the [MRO website](#).

Any MRO sponsored representative on a NERC Organizational Group who is unable to attend a meeting shall contact MRO staff. MRO staff will arrange for a proxy or an alternate member to participate, including voting, consistent with NERC’s applicable policies.

## **6. Reimbursement of Meeting Expenses**

Members of MRO organizational groups, as well as MRO sponsored representatives who serve on NERC organizational groups, and proxies or alternates arranged by MRO staff, are entitled to reimbursement of his or her reasonable expenses incurred in conjunction with the work of the MRO or NERC organizational group. Reasonable expenses are reimbursed pursuant to Policy and Procedure 2: Expense Reimbursement. Preapproval for expenses to be incurred outside normal meeting expenses must be obtained from MRO.