



Draft Minutes of the Annual Member and Board of Directors Meeting

Hybrid: MRO Office, St Paul, MN & Webex

December 1, 2022, 10:40 a.m. to 2:52 p.m. Central

Notice for this meeting was electronically posted to the MRO website [here](#) on January 8, 2021. A final agenda, including advanced reading materials, was posted on Boardvantage on November 17, 2022.

1. Call to Order and Determination of Quorum

Chair Brad Cox called the meeting of the MRO Board of Directors to order at 10:40 a.m. Central. Julie Peterson, Interim 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, Peterson 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 22, 2022, as well as revisions to policies and procedures and board committee charters.

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

4. Chair's Remarks

Chair Cox welcomed board members and attendees, and thanked staff for their continued support of the hybrid meeting format. Cox highlighted MRO's year in review, noting a strong year amidst ongoing challenges.

He further shared remarks regarding incorporating incentives into our standards and compliance monitoring and enforcement program mechanism suggesting that incentives are better than penalties at promoting high levels of reliability and security. He emphasized that he has questions, not answers regarding this concept, but urged that the work to explore these questions is well suited to the ERO Enterprise and its many stakeholders.

Cox reviewed the notable milestones in the evolution of the electric power industry during his career – from providing basic electrification to operating a large regional grid framework efficiently, reliably, and securely. He commended the industry for the planning, design, and maintenance providing benefit to consumers, and expressed interest in the transitions ahead for the future of the industry.

5. The Geopolitics of Energy Transition

The MRO Board of Directors welcomed Professor Meghan O'Sullivan, the Jeane Kirkpatrick Professor of the Practice of International Affairs and Director of Geopolitics of Energy Project at the Harvard University Kennedy School of Government. O'Sullivan shared a presentation focused on the global

energy transition to net zero and how it is shaping geopolitics and conversely how the geopolitical landscape is shaping the transition and the pace and scope of how it unfolds.

Board members engaged O’Sullivan regarding harnessing global cooperation in a world based on global competition, what to expect geopolitically post-transition, the role of critical minerals and mineral rights as a transition of the future, and the role of onshoring or “friendshoring” as increasingly common strategic policy approach. O’Sullivan cautioned of an enormous gap between the current challenges and the current trajectory and emphasized the need for serious honest discussions in boardrooms.

The Board recessed for a lunch break from 12:04 p.m. to 12:47 p.m.

6. President’s Report

Sara Patrick, President and Chief Executive Officer, welcomed Jim Robb, President and CEO of NERC and thanked him for his mentorship and leadership. She also welcomed keynote speaker, Professor Meghan O’Sullivan, as well as incoming board members for 2023 – John Rhea and Maurice Moss – who were in attendance.

Patrick reflected on 2022 by recalling challenges, celebrating accomplishments, and acknowledging the work that remains. Notable challenges included geopolitical tensions in Ukraine, new strains of malware, and risks to the reliability of the bulk power system, including extreme weather conditions, generator retirements, and increased power demand. She commended expert system planners and operators for maintaining reliability through the summer heat of 2022, and highlighted the MRO’s Generator Winterization Program as a key opportunity to help entities prepare for the winter season.

Among MRO’s accomplishments, Patrick highlighted seasonal assessments, the Regional Risk Assessment, the risk matrix, the annual risk meeting, and stakeholder outreach. Patrick acknowledged the COVID-19 pandemic as an ongoing challenge in 2022, but celebrated MRO’s return to the office and its return to hosting onsite meetings as a considerable accomplishment.

Recognition of Outgoing Board Members

Patrick next thanked outgoing board members – Aaron Bloom, Michael Desselle, Paul Crist, and Stuart Lowry. Patrick introduced Resolution 22-005 expressing appreciation for outgoing board members, Bloom, Desselle, Crist, and Lowry.

Upon a motion duly made and seconded, the board adopted by acclamation Resolution 22-005 regarding appreciation of outgoing board members.

7. NERC Remarks

Jim Robb, President and CEO of NERC, addressed the MRO Board of Directors, outlining challenges on the horizon for industry and how the ERO Enterprise is working to address risk. He reflected on the pace of the energy transition and increasing extreme weather risks, which are having profound impacts on system planning and operation. Robb highlighted the following key risks identified in NERC’s State of Reliability Report: 1) severe weather risks, 2) electric gas interdependencies, 3) continuing challenges with inverter based resource integration, and 4) cybersecurity threats and vulnerabilities.



He also introduced NERC's 2023 Work Plan Priorities that include tackling energy challenges posed by the changing resource mix and extreme weather, mitigating security risks, creating more agility in NERC's program areas, and investing in the enterprise's sustainability. Although addressing these challenges is a tremendous amount of work, Robb indicated NERC and the ERO Enterprise are up to the challenge.

Stuart Lowry departed the meeting.

8. HERO Award Recognition

Patrick next provided background for MRO's annual HERO Award, through which MRO recognizes a volunteer for 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.

Tony Eddleman was announced as the recipient of the 2022 MRO HERO Award. Paul Crist, chair of the Organizational Group Oversight Committee, thanked Eddleman, noting that he was nominated for his initiative and commitment to advancing the HERO concepts and principles as an industry-wide leader on supply chain risks for the electric industry, in particularly through his efforts associated with the CIP-013 Supply Chain Risk Management Standard and Internal Controls.

Eddleman addressed the board and expressed gratitude to the board, staff, and his wife. He underscored the importance of making a plan and embracing controls when approaching compliance. He recalled inspiring work with the World Economic Forum, his address to the RSA conference to more than 26,000 attendees, and called upon his work as chair of the NERC Supply Chain Working Group (SCWG). He encouraged stakeholders to continue to partner with and trust the SCWG to develop tools and security guidelines enhance reliability and agility.

Patrick introduced Resolution 22-006 conveying the 2022 HERO Award to Eddleman.

Upon a motion duly made and seconded, the board unanimously approved Resolution 22-006 conveying the 2022 HERO Award to Tony Eddleman.

9. Finance and Audit Committee Report

Dr. Dana Born, Chair of the Finance and Audit Committee (FAC), thanked Thomas Graham for stepping in last quarter, and thanked the board for welcoming her colleague, Professor O'Sullivan.

Born advised that the IRS Form 990 had been filed, reminded board members of the audit that will be commenced by Baker Tilly in 2023, noted that FERC has approved MRO's 2023 business plan and budget, and advised the business plan and budget process for 2024 would begin in earnest in early 2023 as well.

Born referred the board to draft Resolution 22-004 regarding the renewal of a revolving line of credit, which she advised the FAC had unanimously recommended for board approval.

Upon a motion duly made and seconded, the board unanimously approved Resolution 22-004 authorizing renewal of line of credit.



10. Governance and Personnel Committee Report

Chair of the Governance and Personnel Committee (GPC), Jeanne Tisinger, shared that the GPC met on November 1, 2022, and had completed its annual review of MRO policies and procedures, and noted that proposed changes were approved earlier in the meeting via the consent agenda. She recognized recent initiatives related to employee retention, leadership development, and succession planning, adding that MRO's people are key to its resilience. She advised that there have been no reports to the compliance hotline, and confirmed that board attendance has been reviewed and no issues found. There were no questions.

11. Organizational Group Oversight Committee Report

Chair of the OGOC, Crist, reported that the OGOC conducted its annual joint meeting with the advisory council leadership the day prior on November 30, 2022. He reported that staff shared a presentation previewing the 2023 MRO Regional Risk Assessment. He noted the work of the breakout groups to discuss areas of focus and draft work plans. He noted a key takeaway was to seek additional opportunities for cross-council collaboration. 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 2023.

Crist 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. He commended the councils for their contributions. There were no questions.

Tom Graham and Dehn Stevens departed the meeting.

12. Progress Made Following 2021 Cold Weather Event

Mark Tiemeier, Principal Technical Advisor, and Bryan Clark, Director of Reliability Analysis, addressed the board regarding progress to improve and expand cold weather preparedness activities since the Winter Storm Uri event in February 2021. Tiemeier and Clark explained that both the ERO Enterprise and MRO have undertaken significant outreach to help industry become more aware of and to mitigate future cold weather risk. They also shared information on both NERC and MRO's winter assessments, which outline that portions of MRO's region are at risk of insufficient energy supplies during the upcoming winter season. MRO's Regional Winter Assessment is anticipated for release on December 5 to be followed by a webinar on December 15 highlighting the assessment's findings.

Tiemeier and Clark responded to questions from board members regarding extrapolated impressions of the position of the region based on the onsite visits associated with MRO's new Generator Winterization Program, and whether an area of emerging focus may be the reliability of batteries when exposed to the same weather with similar vulnerabilities.

13. Written Reports

Chair Cox referred board members to the written reports on operations, outreach, and external affairs. There were no questions.



14. Other Business and Adjourn

Chair Cox highlighted the upcoming meeting dates. Having no further business to discuss, the meeting was adjourned at 2:52 p.m.

Prepared by: Julie Peterson, Interim Vice President General Counsel and Corporate Secretary

Reviewed and Submitted by: Richard Burt, Senior Vice President and Chief Operating Officer



Exhibit A – Meeting Attendees

MRO Board of Directors Present	
Name	Sector
Brad Cox, <i>Chair</i>	Generator and/or Power Marketer Sector
Dr. Dana Born, <i>Vice Chair</i>	Independent Director
Ben Porath	Cooperative Sector
Darcy Neigum	Investor Owned Utility Sector
Daryl Maxwell	Canadian Utility Sector
Dehn Stevens	Investor Owned Utility Sector
Eric Schmitt	Independent Director
Iqbal Dhami	Canadian Utility Sector
Jeanne Tisinger	Independent Director
Jennifer Flandermeyer	Regional Director
JoAnn Thompson	Investor Owned Utility Sector
JP Brummond	Investor Owned Utility Sector
Lloyd Linke	Federal Power Marketing Agency Sector
Michael Desselle	Transmission System Operator Sector
Michael Lamb	Investor Owned Utility Sector
Paul Crist	Municipal Utility Sector
Priti Patel	Cooperative Sector
Scott Nickels	Municipal Utility Sector
Stuart Lowry	Regional Director
Thomas Graham	Independent Director
Tom Finco	Transmission System Operator Sector



Other Attendees	
Name	Company / Title
Alexis Larson	MRO IT Support Analyst
Anne Richards	MRO Internal Oversight Specialist
Art Wiese	Nebrask Public Power District, Vice President Energy Delivery
Becky Holien	MRO Accounting Specialist
Bill Steiner	MRO Director of Risk Assessment and Mitigation
Bobbi Welch	MISO, Principal Advisor - Standards & Assurance
Brendan Kennelly	Minnkota Power, Senior Manager of Power Delivery Engineering
Brian Capistrant	Xcel Energy, Director Reliability Assurance
Bryan Clark	MRO Director of Reliability Analysis
Carl Stelly	Southwest Power Pool, Director of Compliance
Carolina Margaria	MRO Executive Assistant
Courtney Vetter	Montana Dakota Utilities, Electric System Compliance Manager
Dallas Rowley	Oklahoma Gas and Electric, Director System Operations
David Gadberry	MRO RAM Engineer
David Osburn	Oklahoma Municipal Power Authority, General Manager
Dick Pursley	Great River Energy, Director, Operations & Transmission Services
Farid Shalla	MRO Senior Cybersecurity Specialist
Fred Meyer	Algonquin Power & Utilities Corporation, Senior Director of NERC Compliance
Gina March	MRO Director of Finance and Corporate Risk Management
Holly Haynes	MRO Senior CIP Compliance Auditor
Janice Anderson	MRO Enforcement and Legal Paralegal
Jeff Norman	MRO Director of Compliance
Jessie Mitchell	MRO Director of Communications
Jess Syring	MRO CIP Compliance Manager



John Rhea	Incoming Board Director, Generator and/or Power Marketer Sector
Julie Peterson	MRO Interim Vice President General Counsel and Corporate Secretary
Kabir Dogubo	MRO Senior RAM OPS Engineer
Karen Yoder	MRO Principal Compliance Engineer/Auditor, CIP
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
Kristine Albrecht	MRO Human Resources Generalist
Lam Chung	MRO Vice President and Engineer for Strategy, Innovation, and Finance
Lee Felter	MRO Principal Security Engineer
Mahmood Safi	Omaha Public Power District, Manager NERC Compliance
Margaret Eastman	MRO Security Administrator
Marissa Falco	MRO RAM Technical Coordinator
Mark Buchholz	Western Area Power Administration, Compliance Manager
Mark Flanary	MRO Manager of Risk Assessment and Mitigation, CIP
Mark Tiemeier	MRO Principal Technical Advisor
Mary Agnes Nimis	FERC, Energy Industry Analyst
Maurice Moss	Incoming Board Director, Municipal Utility Sector
Max Vang	MRO IT Support Analyst
Professor Meghan O'Sullivan	Director of Geopolitics of Energy Project, Harvard University Kennedy School of Government
Michael Spangenberg	MRO RAM Engineer
Michael Taube	MRO Senior Risk Assessment and Mitigation Engineer
Michelle Olson	MRO Compliance Monitoring Administrator
Nazra Gladu	Manitoba Hydro, Professional Engineer
Omar Elabbady	Xcel Energy
Paul Mehlhaff	Sunflower Electric Power Corporation, Manager NERC Compliance



Rebecca Schneider	MRO Reliability Analysis Administrator
Richard Burt	MRO Senior Vice President and Chief Operating Officer
Ronald Bauer	Madison Gas and Electric, Reliability Compliance Manager
Ryan McNamara	MRO CIP RAM
Sam Zewdie	MRO Compliance Engineer
Sara Patrick	MRO President and Chief Executive Officer
Silvia Parada Mitchell	NextEra, Senior Director
Stacey Eddleman	Guest
Steen Fjalstad	MRO Director of Security
Tasha Ward	MRO Director of Director of Enforcement and External Affairs
Taylor Holte	Moorhead Public Service, Project Engineer
Terry Harbour	MidAmerican Energy Company, Supervisor, NERC Compliance
Tony Eddleman	2022 HERO Award Recipient

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