



Final Minutes of the Board of Directors Meeting

Hybrid: MRO Offices, St. Paul, MN & Webex

April 7, 2022, 10:32 a.m. to 2:35 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 also posted on March 24, 2022.

1. Call to Order, Determination of Quorum, and Introductions

MRO Board of Directors Chair Brad Cox, called the meeting of the MRO Board of Directors to order at 10:32 a.m. Central. Julie Peterson, Assistant Corporate Secretary and Senior Counsel, advised the chair that a quorum of the board was present. Board members introduced themselves. A complete list of attendees is included as [Exhibit A](#).

2. Hybrid Meeting Logistics

Peterson shared a presentation regarding best practices for a smooth hybrid meeting experience.

3. 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.

4. Consent Agenda

The consent agenda included draft minutes from the board meetings held on December 2, 2021 – the annual board and member meeting, and the annual board only meeting.

Upon a motion duly made and seconded, the board approved the consent agenda without objection.

5. President's Report

Sara Patrick, President and Chief Executive Officer, addressed the board. She thanked staff for their support in planning for a hybrid meeting, and noted that thirteen board members have joined the board since the last time there was an in-person meeting. She welcomed guests to the meeting, including George Hawkins, Vice Chair of the NERC Board of Trustees, as well as Heather Polzin, FERC Attorney-Advisor, David Huff, an electrical engineer from FERC's Office of Electric Reliability, and Kiel Lyons, NERC Senior Manager, Compliance Assurance. Patrick also noted the upcoming retirements of John Seidel, MRO Principal Technical Advisor, Russ Mountjoy, MRO Principal Reliability Specialist, and Jim Morales, Principal Compliance Auditor, and thanked them for their contributions to MRO.

Patrick highlighted key areas of value delivered by MRO, including the Regional Risk Assessment (RRA), as well as a framework for bridging key gaps between industry stakeholders via MRO's organizational groups. She also highlighted MRO's strategic plan and 2021 Annual Report, and welcomed incoming board chair Brad Cox, and incoming vice chair Dr. Dana Born.



6. Chair's Remarks

Chair Cox shared remarks with the board. He acknowledged the momentous return to in-person meetings, and welcomed all meeting participants and special guests. Having served on the MRO board since 2012, Cox expressed pride to be associated with a region he considered to be a leader within the ERO Enterprise, and encouraged fellow board members to look beyond the traditional board oversight role to seek opportunities to help MRO succeed in its mission.

He noted that MRO's value proposition is well-captured in its 2021 Annual Report, which highlights the publication of its Regional Risk Assessment, MRO's facilitation of the sharing of information and best practices amongst its members, and MRO accomplishments related to event analysis. He highlighted MRO's role as a leader regarding risk-based concepts that fundamentally shifted the ERO's approach to monitoring and enforcement.

7. NERC Trustee Remarks

Vice chair of the NERC Board of Trustees, George Hawkins, joined the board remotely to address the MRO board and guests. He shared his perspectives on a number of challenges facing the industry and the ERO Enterprise. He provided information on NERC's strategic plan objectives and focus areas – highlighting the importance of coordination and collaboration during these unprecedented times.

Recalling his role as chief executive officer of the District of Columbia Water and Sewer Authority (DC Water), Hawkins explained how everything being done at a water utility depends on power, which underscores the critical importance of investing in reliability. He highlighted initiatives discussed at the February NERC meeting, including that the water utilities may seek to model the ERO Enterprise structure to support their industry as well.

Looking to the future, he shared that the NERC board identified four initiatives necessary in order to fulfill its strategic objective – (1) tackling energy challenges associated with a changing resource mix, (2) improving posture with respect to security risks, (3) increasing agility in key management procedures, and (4) improving sustainability and reducing risk. He noted that NERC leadership has been asked to create a three-year plan to address these challenges in addition to fulfilling their statutory mandates.

8. Final Findings and Recommendations from the ERO and FERC Cold Weather Inquiry

Heather Polzin, FERC Attorney-Advisor, David Huff, FERC Office of Electric Reliability Electric Engineer, and Kiel Lyons, NERC Senior Manager, Compliance Assurance, shared a presentation with the board regarding the final findings and recommendations from the [ERO and FERC Cold Weather Inquiry](#). Polzin thanked Seidel and Mountjoy for their contributions to the inquiry, noting the inquiry was supported by highly qualified staff from each regional entity.

A board member asked about maintaining a focus on implementing the inquiry recommendations. Polzin responded that the inquiry team will create a dashboard to monitor the implementation of the non-standard recommendations, and that the standards recommendations are on their own track. She added that support from the NERC and regional entity level will help maintain a focus on implementation as well.



The board recessed for lunch from 12:12 p.m. to 1:00 p.m.

9. Independent Auditor Report

Dr. Dana Born, chair of the Finance and Audit Committee (FAC), introduced Jeff Gendreau of Baker Tilly to review the independent financial audit report. Gendreau commended MRO for an unqualified or unmodified report, noting that MRO has conformed to the generally accepted accounting principles and been prepared to provide information to the auditors as requested. Gendreau referred the board to the draft report and reviewed types of communications required as a part of the audit process and noted no reportable items.

Gendreau noted that per a new accounting standard adopted for 2022, MRO's office space lease would be brought onto the MRO balance sheet in 2022. There were no questions.

Upon a motion duly made and seconded, the board accepted the 2021 audited financial statements without objection.

10. Reliability Advisory Council Report

Dick Pursley, chair of the Reliability Advisory Council (RAC), joined the board to provide a report on behalf of the RAC. He noted that the group had met on April 6, 2022, including a joint meeting with the OGOC. He reported that the RAC approved new members for MRO organizational groups and new MRO-sponsored NERC organizational group representatives, each of which were approved by the OGOC. He added that the PRS was updated to remove geographic requirement for membership on the RAC, though still encouraging geographic diversity.

He reported that the RAC has been focused on work plan development and outreach development. He also highlighted risks identified in the Regional Risk Assessment where the RAC is focusing its work efforts, such as the recent cold weather preparedness webinar which will become an annual event, implementation of ambient adjustment ratings, the Midcontinent Independent System Operator (MISO) and Southwest Power Pool (SPP) targeted interconnection study and associated promotional outreach. Pursley also updated the board regarding planning for the Annual Reliability Conference to be held in-person in Kansas City on May 18. There were no questions.

11. Organizational Group Oversight Committee Report

Paul Crist, chair of the Organizational Group Oversight Committee (OGOC), provided a report on behalf of the OGOC. He relayed that the OGOC received an update on the initiative to increase the diversity on MRO's organizational groups. He highlighted responses to a survey sent to organizational group participants, and noted that the OGOC approved membership recommendations and work plans from each of the three advisory councils. There were no questions.

10. Finance and Audit Committee Report

FAC Chair Born shared a report on behalf of the FAC. She noted items discussed during the FAC's first quarter meeting held on February 24, 2022, including the fourth quarter treasurer's report, the FAC's recommendation for the board to accept the audited 2021 financial statements, and annual



reports of MRO's investment committees. She reported that the FAC is on target with respect to its governance tasks. The FAC also met on March 31, 2022 to discuss the proposed 2023 business plan and budget and reminded the board of a joint FAC and board meeting to further the proposed budget on April 14, 2022. There were no questions.

12. Governance and Personnel Committee Report

Jeanne Tisinger, chair of the Governance and Personnel Committee (GPC), next provided a report on behalf of the GPC. She reviewed the MRO stakeholder survey results, which assessed six primary areas of service. The full results were provided to the board in advance of the meeting and will be made available for stakeholders. She highlighted progress on human resources initiatives, and highlighted a staff initiative to conduct a holistic review of MRO governance documents. There were no questions.

13. 2022 Regional Risk Assessment Results

John Seidel, Principal Technical Advisor, Lee Felter, Principal Risk Assessment & Mitigation Engineer, CIP, and Steen Fjalstad, Director of Security, next delivered a presentation to the board regarding the results of the 2022 Regional Risk Assessment.

In response to a question from a board member, Seidel confirmed that renewables and resource adequacy are considered as part of long-term planning assessments, and that planning coordinators do a good job assessing renewables and capacity. A board member observed that some countries are accelerating their renewable portfolios, or states eliminating natural gas, in light of geopolitical tensions in Europe, which raises concerns when taking place in a short period of time. A board member pointed out that several ISOs have struggled with how to account for intermittent resources and resource adequacy, and that the Energy Reliability Assessment Task Force is exploring the topic with its focus on energy assurance. In response to a question from a board member as to whether there is clarity regarding who makes decisions on questions of resource adequacy, Seidel acknowledged that this has historically been a state issue and with changes to the system it is less clear, but that it will require the input of planning coordinators and a common methodology.

14. Written Reports

Chair Cox referred the board to written reports provided in the agenda material regarding operational activities, outreach, external affairs, and policy matters. There were no questions.

15. Other Business and Adjourn

Chair Cox highlighted the upcoming meeting dates. Having no further business to discuss, the meeting was adjourned at 2:35 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	Sector
Brad Cox, <i>Chair</i>	Generator and/or Power Marketer Sector
Dr. Dana Born, <i>Vice Chair</i>	Independent Director
Aaron Bloom	Generator and/or Power Marketer Sector
Ben Porath	Cooperative Sector
Charles Marshall	Transmission System Operator Sector
Darcy Neigum	Investory Owned Utility Sector
Daryl Maxwell	Canadian Utility Sector
Dehn Stevens	Investory Owned Utility Sector
Eric Schmitt	Independent Director
Iqbal Dhami	Canadian Utility Sector
Jeanne Tisinger	Independent Director
Jennifer Flandermeyer	Regional Director
JoAnn Thompson	Investory Owned Utility Sector
JP Brummond	Investory Owned Utility Sector
Lloyd Linke	Federal Power Marketing Agency Sector
Michael Desselle	Transmission System Operator Sector
Michael Lamb	Investory 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	Title
Alexis Larson	MRO IT Support Analyst
Bryan Clark	MRO Director of Reliability Analysis
Carl Stelly	Southwest Power Pool, Director, Compliance
Carolina Margaria	MRO Executive Assistant
Clayton Whitacre	Great River Energy
Courtney Vetter	Montana-Dakota Utilities, Electric System Compliance Manager
Dallas Rowley	Oklahoma Gas & Electric
David Freund	Baker Tilly
David Huff	FERC, Office of Electric Reliability Electrical Engineer
Dick Pursley	Great River Energy, Director, Operations & Transmission Services
Farid Shallal	MRO Senior Cybersecurity Specialist
George Hawkins	NERC Board of Trustees, Vice Chair
Gina March	MRO Senior Accountant
Holly Haynes	MRO Senior CIP Compliance Auditor
Jason Weiers	Otter Tail Power Company, Manager, Delivery Planning
Jeff Gendreau	Baker Tilly
Jeff Norman	MRO Director of Compliance Monitoring
Jess Syring	MRO Compliance Monitoring Manager, CIP
Jessica Mitchell	MRO Director of Communications
John Seidel	MRO Principal Technical Advisor
Karla Schiller	MRO Director of Human Resources
Ken Gartner	MRO Director of Internal Oversight and Information Technology
Kent Feliks	American Electric Power Company
Kiel Lyons	NERC Senior Manager, Compliance Assurance



Lam Chung	MRO Vice President and Engineer for Strategy, Innovation, and Finance
Lee Felter	MRO Principal Risk Assessment & Mitigation Engineer, CIP
Lexi McCutcheon	MRO Legal Intern
Lisa Stellmaker	MRO Executive Administrator and Office Manager
Mahmood Safi	Omaha Public Power District
Marissa Falco	MRO Risk Assessment and Mitigation Technical Coordinator
Mark Flanary	MRO Manager of Risk Assessment and Mitigation, CIP
Mary Agnes Nimis	FERC, Energy Industry Analyst
Michael Spangenberg	MRO CIP Risk Assessment and Mitigation Engineer III
Michelle Olson	MRO Compliance Monitoring Administrator
Omar Elabbady	Xcel Energy, Senior Reliability Standards Analyst
Paul Mehlhaff	Sunflower Electric Power Corporation, Manager, NERC Compliance
Richard Burt	MRO Senior Vice President and Chief Operating Officer
Ron Gunderson	Nebraska Public Power District
Russ Mountjoy	MRO Principal Reliability Specialist
Ryan McNamara	MRO CIP Risk Assessment and Mitigation Engineer III
Sara Patrick	MRO President and Chief Executive Officer
Steen Fjalstad	MRO Director of Security
Tasha Ward	MRO Director of Enforcement and External Affairs
Terri Pyle	Oklahoma Gas & Electric
Terry Harbour	MidAmerican Energy Company
Thomas Breen	MidAmerican Energy 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.