Sector 8 Policy Input for the
NERC Board of Trustees & Member Representatives Committee
February 7-8, 2018 Meetings in Ft. Lauderdale FL

ELCON, on behalf of Large End-Use Customers, submits the following policy input for consideration by NERC's Board of Trustees (BOT) and the Member Representatives Committee (MRC). It responds to BOT Chairman Roy Thilly's January 4, 2018 letter to John Twitty, Chair of the MRC.

SUMMARY

ELCON appreciates the Board's interest in improving the efficiency and effectiveness of stakeholder engagement. Sector 8 registered entities, which are few in number, are severely limited with regard to the resources they can commit to ERO stakeholder responsibilities. Our policy input to the BOT is that our lack of participation on so many committees, subcommittees, task forces, and working groups is not because we do not care, but rather it is logistically impossible. Going forward there needs to be recognition that our rights and standing within the ERO Enterprise are not compromised or discriminated against by our inability to fully participate on all the important venues. In that regard the BOT is urged to consider establishing a Sector 8 advocate on NERC staff that would help supplement our engagement in the stakeholder process.

Item 1: Improving the Efficiency and Effectiveness of Stakeholder Engagement

The ERO Enterprise Long-Term Strategy and ERO Enterprise Strategic Plan, approved by the Board on November 9, 2017, recognize the importance of effective engagement of industry technical expertise and executive leadership to the success of the ERO Enterprise's mission and strategic priorities. Stakeholders and the ERO Enterprise devote substantial resources and funding to supporting the MRC, Standards Committee, Planning Committee, Operating Committee, Critical Infrastructure Protection Committee, Compliance and Certification Committee, Personnel Certification Governance Committee, Reliability Issues Steering Committee, and the many working groups and tasks forces which have been created by these committees. These resource demands are occurring as both industry and the ERO Enterprise are under increased budget pressure and demands to prioritize activities, improve efficiency, and reduce costs. The ERO Enterprise is committed to working with the MRC and the leadership of the standing committees in both evaluating and taking appropriate steps to further improve the efficiency and effectiveness of industry and ERO Enterprise engagement. New models and mechanisms of

engagement should be explored in determining how best to bring executive leadership into the strategic direction of the ERO Enterprise, while engaging more agile technical groups with the best relevant expertise available from industry and elsewhere. The Board requests MRC input on next steps for addressing these issues in recognition that improvements in the efficiency and effectiveness of stakeholder engagement must be stakeholder driven. The MRC is in a unique position to lead this undertaking. Attached is a list of NERC's current stakeholder engagement committees, subcommittees, working groups, and task forces. In terms of cost and resource burden, we need to remember that industry is also engaged with the Regional Entities in many, often similar ways, and involved with other related activities and groups which are not identified in the attachment.

ELCON Response: ELCON appreciates the Board's interest in improving the efficiency and effectiveness of stakeholder engagement. Sector 8 registered entities are severely limited with regard to the resources they can commit to ERO stakeholder responsibilities. About a half dozen ELCON members are registered entities, and a couple of non-ELCON members are also registered. All registrations are related to behind-the-meter generation. Each company has at most 2 or 3 full-time equivalents (FTEs) assigned to NERC/RE activities. Simple arithmetic demonstrates that Sector 8 is completely incapable of populating each of the 54 existing committees, subcommittees, task forces, and working groups. ELCON, the Sector 8 trade association, contributes one FTE to NERC activities. Needless to say we have had to triage our involvement and target our resources where our contribution has the most impact. This has been MRC membership, participation in one or more standing committees (at one time or another a Sector 8 representative has been a member of the SC, OC, PC and CCC). Current participation is on the SC. We have participated on a couple of standards drafting teams, most notably the BES SDT. ELCON staff regularly monitors the activities of several task forces and working groups that engage in activities potentially affecting behind-the-meter generation or demand response. We are generally prepared to attend a meeting of a group which we are not a sitting member of, if an issue emerges that needs our direct response. Our policy input to the BOT is that our lack of participation on so many committees, subcommittees, task forces, and working groups is not because we do not care, but rather it is logistically impossible. Going forward there needs to be recognition that our rights and standing within the ERO Enterprise are not compromised or discriminated against by our inability to fully participate on all the important venues. In that regard the BOT is urged to consider establishing a Sector 8 advocate on NERC staff that would help supplement our engagement in the stakeholder process.

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NERC Stakeholder Engagement Committees, Subcommittees, Working Groups, and Task Forces[1]

January 2018

Member Representatives Committee
MRC Business Plan and Budget Input Group
Board of Trustees Nominating Committee

Compliance & Certification Committee
ERO Monitoring Subcommittee
Organization Registration and Certification Subcommittee
Compliance Processes and Procedures Subcommittee

Critical Infrastructure Protection Committee
Critical Infrastructure Protection Committee Executive Committee
Cyber Security Subcommittee
Control Systems Security Working Group
Security Training Working Group
Operating Security Subcommittee
Grid Exercise Working Group
Supply Chain Working Group
Physical Security Subcommittee
Physical Security Guidelines Task Force
Physical Security Working Group
Policy Subcommittee
Security Metrics Working Group
Compliance and Enforcement Input Working Group

Reliability Issues Steering Committee

Standards Committee
Functional Model Advisory Group (FMAG)
Standards Committee Process Subcommittee
Project Management and Oversight Subcommittee

Personnel Certification Governance Committee
Exam Working Group (EWG)

Operating Committee
Event Analysis Subcommittee

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[1] Does not include Regional Entity stakeholder committees.

EMS Working Group
Operating Reliability Subcommittee
Personnel Subcommittee
Resources Subcommittee

Planning Committee
Reliability Assessment Subcommittee
Probabilistic Assessment Working Group
System Analysis and Modeling Subcommittee
Load Modeling Task Force
Plant-Level Controls and Protection Modeling Task Force
Power Plant Modeling and Verification Task Force
System Protection and Control Subcommittee
Synchronized Measurement Subcommittee

Joint Operating Committee and Planning Committee
Essential Reliability Services Working Group
Geomagnetic Disturbance Task Force
Inverter-Based Resource Performance Task Force
Methods for Establishing IROLs Joint Task Force
Performance Analysis Subcommittee
Demand Response Availability Data System Working Group
Generating Availability Data System Working Group
Transmission Availability Data System Working Group

Other
Electricity Sub-sector Coordinating Council (ESCC)
Standing Committee Coordination Group