

Message

From: Tam Wagner [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=70AD853871354761A98848DE59C4C792-TAM WAGNER]
Sent: 2017-07-20 8:10:28 AM
To: Jessica Savage [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=42171042a4154102bf27418f958141e3-Jessica Sav]
Subject: FW: Preparation for NERC MRC Meeting (Aug 9)
Attachments: MRC Background Note - Jul 18 2017.docx; Policy-Input-Letter-August-2017.pdf; IESO Comments on NERC 2018 Budget - Jun 29 2017.pdf

FYI – Note sent to Peter re MRC pre-meeting and policy input (also included is a brief background note to familiarize Peter with MRC and his role).

From: Hanna Smith
Sent: July 19, 2017 2:48 PM
To: Peter Gregg
Cc: Tam Wagner; Lorraine Turnevicius; Reena Goyal
Subject: Preparation for NERC MRC Meeting (Aug 9)

Hi Peter,

Welcome to the preparation process for NERC Member Representatives Committee (MRC) meetings.

Attached is a background note on the MRC and the following is information specific to the **August 9 MRC meeting**:

While the final agenda for the meeting hasn't yet been issued, draft items were discussed at a July 12 pre-meeting. *Note: Pre-meeting conference calls, which are typically attended by support staff, are an opportunity to review draft agenda items and emerging information. IESO Regulatory Affair staff have participated in these pre-meetings in the past and provided a summary.*

There are two items to bring to your attention:

1. Policy Input Request

- The NERC Board of Trustees (BoT) has asked the MRC to provide policy input (see attached letter) on several topics for the August 9-10 meetings.
- Typically the input is requested for all topics well in advance of the meeting. However, at this time, input is requested in advance only on the following item:
 - **Cyber Security Supply Chain Risk Management:** The BoT is seeking answers to questions on how to best address and assess high and medium risk bulk electric system cyber systems. The IESO has been involved in earlier discussions on the topic through the Critical Infrastructure Protection Committee and is not concerned with the related standards – the IESO already surpasses the proposed requirements.
- Input on the following items is expected to be provided by MRC members at the August 9 meeting. The delay is due to the supporting materials for the topics not being available until closer to the meeting.
 - **2018 Business Plan and Budget:** The second draft was posted for a ten-day stakeholder comment period on July 17 and the final will be presented to the BoT for approval on August 10. *Note: The IESO submitted a letter to NERC on the first draft of its budget and business plan (see below).*
 - **ERO Enterprise Long-term Strategy, Operating Plan, and 2018 Metrics:** First draft will be posted for a stakeholder comment period from mid/late July to mid-August. Second draft will be posted for stakeholder comment in September, with the final presented to the BoT for approval in November.
 - **Special Reliability Assessment – Single Points of Disruption:** Redacted copy of the draft assessment will be distributed to MRC members within the next week or so.

2. NERC Business Plan and Budget

- NERC issued the first draft of its 2018 Business Plan and Budget (BP&B) on May 19.
 - Combined expense and capital budget is approximately \$71.4M, an increase of approximately \$1.8M (2.5%) from the 2017 budget
 - Total expenses are increasing approximately \$2.4M (3.5%) over 2017
 - Total capital budget, excluding depreciation, is approximately \$3.7M, a decrease of \$696k from 2017
- The IESO issued a letter of comment to NERC on the budget (attached), expressing concern for the proposed increases.
- NERC has completed preliminary calculations on the IESO's individual assessment, which represents a 6.4% increase over last year's.
 - Regulatory Affairs staff are in the process of gathering information from NERC on the assessment to better understand the reasons for the increases.

Next Steps:

Date	Action	Lead
<i>As needed</i>	Meet with Reg. Affairs re: Policy Input (Internal)	IESO Reg. Affairs
Jul 20	Briefing of IRC MRC reps and discussion via teleconference re: Policy Input	Ben Li, Chair of the SRC, and IRC MRC Reps
Jul 26	Policy Input responses due	MRC
Jul 27	Board/MRC agenda packages posted	NERC
Aug 3	Board and MRC Presentations, policy inputs posted	NERC
Aug 4	Briefing materials (Internal)	IESO Reg. Affairs
<i>TBC</i>	Meet with Reg. Affairs (if desired) to review NERC Board of Trustees (BoT)/MRC materials (Internal)	IESO Reg. Affairs
Aug 9-10	MRC and BoT Meetings	

Please let me know if you'd like any further information either via briefing materials or in person.

Thank you,
Hanna

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