



## Meeting Information

**MEAN Board Portal**

Login at: <https://www.nmppenergy.org>

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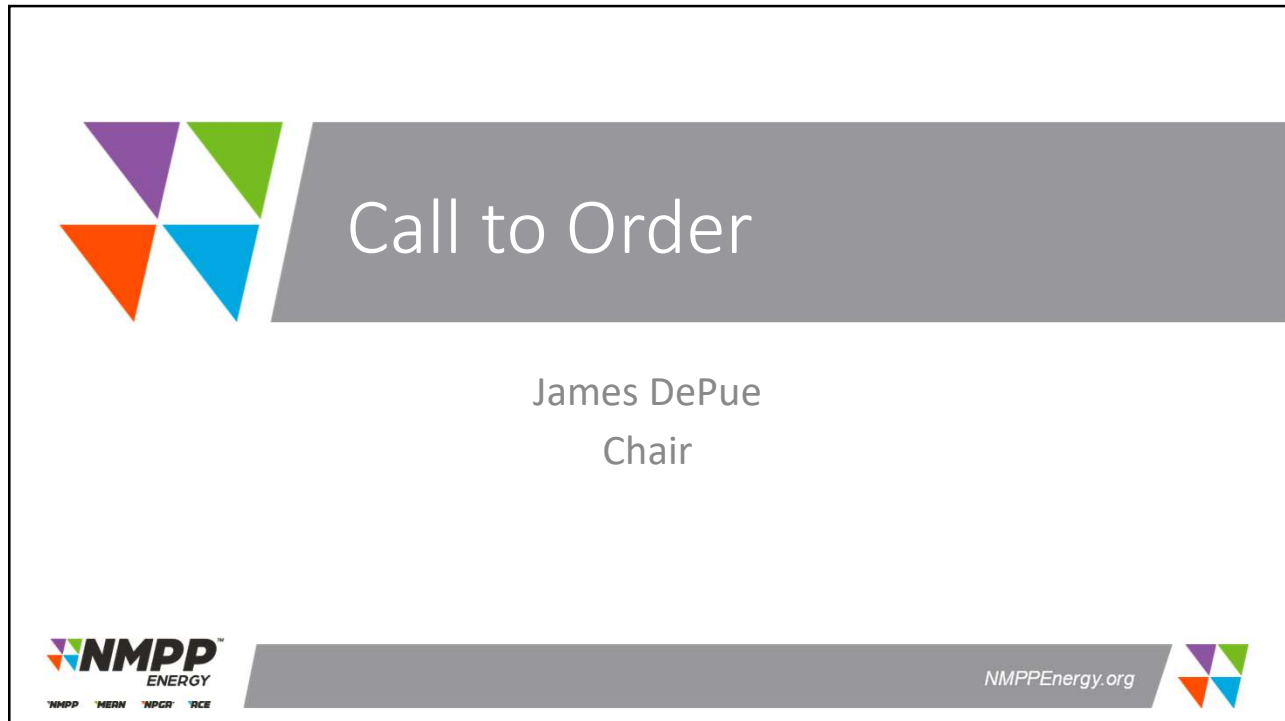


# MEAN Risk Oversight Committee Meeting

Younes Conference Center, Kearney, Nebraska



January 22, 2025

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Call to Order

James DePue  
Chair



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Call to Order

- Nebraska Open Meetings Act – Section 84-1412 (8)
- Roll Call

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# Public Comment Period



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## Public Participation Policy - Summary

- Any member of the public may speak, subject to these rules
- Individuals must state the following:
  - **Name**
  - **Address** (unless the address requirement is waived to protect the security of the individual), and
  - **Name of any organization represented** by such person
- Public comment period will be a maximum of 30 minutes
- Comments are limited to 3 minutes per person
- Address comments to the Committee as a body and not to any individual member thereof
- Disruptive conduct is not allowed & individual may be asked to leave meeting



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## Consent Agenda

- Approval of Minutes of the December 18, 2024 Meeting
- The next meeting of the Risk Oversight Committee will be held on May 21, 2025 at the Younes Conference Center South, Kearney, Nebraska.



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## Consent Resolution

Approval of the consent resolution as shown on page 3 of the meeting packet



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# NERC and MEAN Compliance Update

Sarah Jones

Director of Corporate Services



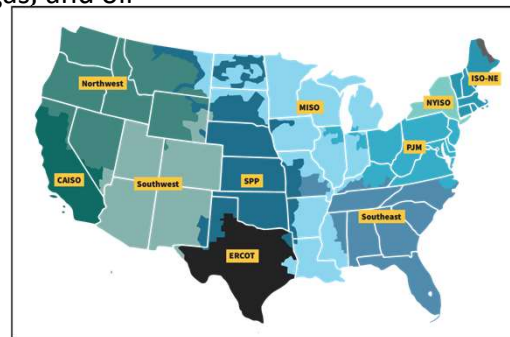
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## Who are FERC and NERC?

- Federal Energy Regulatory Commission (FERC) is the federal agency that regulates interstate transmission of electricity, natural gas, and oil
  - **FERC infrastructure oversight**
    - Interstate natural gas pipelines, liquified natural gas facilities (LNG), non-federal hydropower facilities
  - **FERC wholesale electricity transactions and electric reliability**
    - U.S. Energy markets
    - Rates and services for interstate electric transmission
    - Operating reliability standards



**NERC**  
NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION



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## Grid Reliability is a Big Concern for FERC and NERC

- Grid is **vulnerable to extreme weather**
- New solar, battery, and hybrid resources continue to flood interconnection queues, but **completion rates are lagging** behind the need for new generation
- **Performance of these replacement resources** is more variable and weather-dependent than the generators they are replacing
- As a result, less overall capacity (dispatchable capacity in particular) is being added to the system than what was projected and needed to **meet future demand**



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## Reliability Standards Under Revision

- Unprecedented levels of change to reliability standards and aggressive timelines

Topic Area	Acronym
Resource and Demand Balancing	BAL
Critical Infrastructure Protection	CIP
Communications	COM
Emergency Preparedness and Operations	EOP
Facilities Design, Connections and Maintenance	FAC
Interchange Scheduling and Coordination	INT
Interconnection Reliability Operations and Coordination	IRO
Modeling, Data, and Analysis	MOD
Nuclear	NUC
Personnel Performance, Training, and Qualifications	PER
Protection and Control	PRC
Transmission Operations	TOP
Transmission Planning	TPL
Voltage and Reactive	VAR



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## Organization Registration Functions

- Reliability Coordinator **(RC)**
- Transmission Operator **(TOP)**
- Balancing Authority **(BA)**
- Planning Authority/Coordinator **(PA/PC)**
- Transmission Planner **(TP)**
- Transmission Service Provider **(TSP)**
- Transmission Owner **(TO)**
- Resource Planner **(RP)**
- Distribution Provider **(DP)**
- Distribution Provider UFLS **(DP-UFLS)**
- Generator Owner **(GO)**
- Generator Operator **(GOP)**
- Reserve Sharing Group **(RSG)**
- Frequency Response Sharing Group **(FRSG)**
- Regulation Reserve Sharing Group **(RRSG)**



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## New Parties Being Brought Under NERC Jurisdiction

- Registration criteria changing
  - Smaller inverter-based resource (IBR) generators
  - Future potential for voltage-sensitive large loads having to register and comply

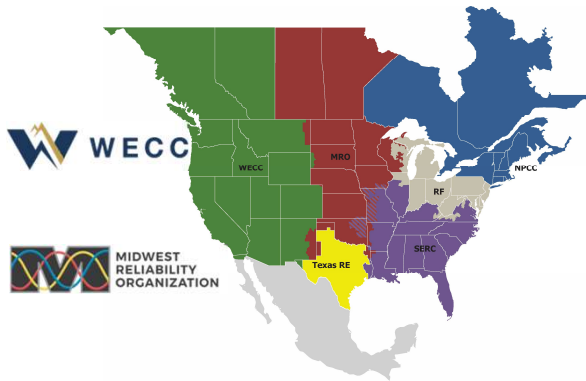


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## How NERC Standards are Developed/Revised



- Open cooperative process with industry expert and stakeholder input
- Ballot body of industry and stakeholders vote to approve
  - ▶ Approval by NERC
  - ▶ Approval by FERC
- NERC has used Section 321 capabilities to bypass consensus-based, stakeholder-driven standards development process



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## Importance of These Trends

- Resource transition and extreme weather making the grid less reliable
- Unprecedented level and pace of changes in standards to respond
- Smaller and new players collectively having a grid impact
- Cost effectiveness is not a NERC requirement
  - ▶ APPA advocating this must be considered
- Impacting our partners and those with whom we contract
  - ▶ Additional investments required to comply with standards



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# MEAN's NERC Compliance Program

- Simplifying and right-sizing MEAN's internal compliance program
- Significantly reduced the number of documents requiring maintenance
  - ▶ Worked in conjunction with our Subject Matter Experts (SMEs)
  - ▶ External review by NERC consultant
- Updated training programs for staff, SMEs, and compliance



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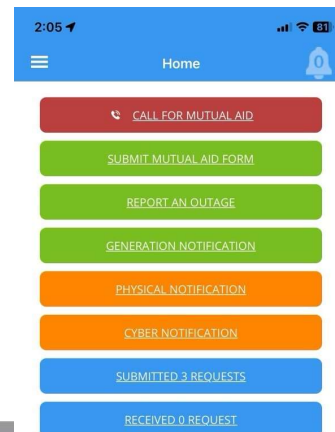


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# E-ISAC Update



- Physical Security Events
  - ▶ Ballistics damage and intrusions
- Cybersecurity Events
  - ▶ Importance of reporting
  - ▶ Collective action of industry required
- Drone activity at generating units and substations
- Members can report through NMPP Operations app or website



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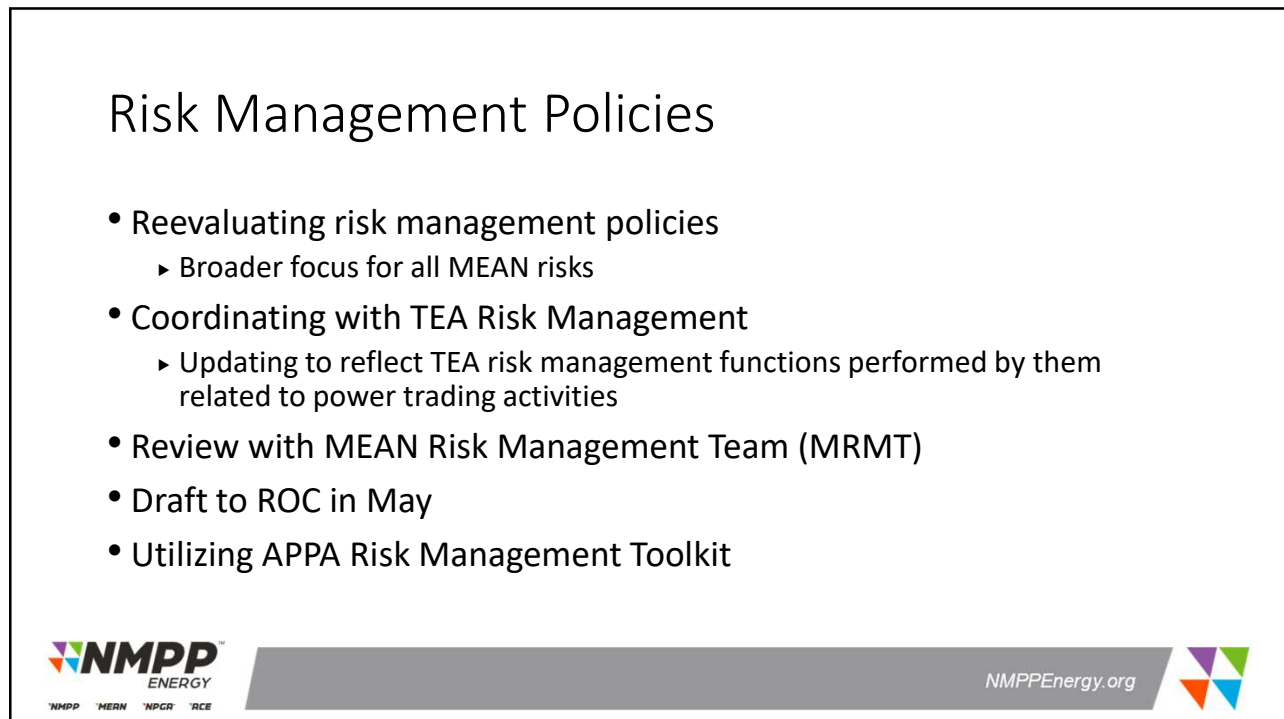
The slide features a header with a grey background on the right containing the text "Risk Management Update" in white. To the left of this text is a logo consisting of four triangles (purple, green, orange, blue) arranged in a larger triangular shape. At the bottom left is the "NMPP ENERGY" logo with sub-logos for "NMPP", "MEAN", "NPCR", and "RCE". At the bottom right is the website "NMPPEnergy.org" and a smaller version of the four-triangle logo.

# Risk Management Update

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The slide contains a list of bullet points under the heading "Risk Management Policies". At the bottom, it features the same "NMPP ENERGY" logo and "NMPPEnergy.org" website as the previous slide.

## Risk Management Policies

- Reevaluating risk management policies
  - Broader focus for all MEAN risks
- Coordinating with TEA Risk Management
  - Updating to reflect TEA risk management functions performed by them related to power trading activities
- Review with MEAN Risk Management Team (MRMT)
- Draft to ROC in May
- Utilizing APPA Risk Management Toolkit

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## TEA Hedging Policy

- MEAN Risk Management Team (MRMT) working with TEA to develop an internal hedging policy as a tool to mitigate risk of market price volatility
  - ▶ Plant outages
  - ▶ Deep dive on hedge settlements
- Value of TEA capabilities



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## Compliance Activity Update

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## Drone Compliance

- MEAN Operations team acquired a drone to assist with distribution system reviews and preventive maintenance
- Governed by Federal Aviation Administration (FAA) regulations
- Developed drone policies and procedures
- Drone software
- Governance of drone footage



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## Grant Compliance



- Recent DOE grant is MEAN's first federal grant
- Grant compliance responsibilities
- Drafting grant policies and procedures
  - ▶ Ensure we're set up for success



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## Compliance Training

- New Learning Management System (LMS) to house/document compliance training
  - ▶ House internal compliance training content
  - ▶ Quality external content
- Tool for enhanced compliance in multiple areas
  - ▶ NERC, data privacy, harassment, ethics
- Management training and skill enhancement



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# Adjourn



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