



RELIABILITY FIRST

PUBLIC

Agenda

Board of Directors • Nominating & Governance Committee

December 6, 2023 • 3:10 PM – 5:10 PM (EDT)

Market Square Conference Center
Concourse Level
801 Pennsylvania Ave. NW
Washington, DC 20004

Room: Boardroom B
Attire: Business

Open Agenda

1. **Call to Order – Courtney Geduldig, Chair**
2. **Appoint Secretary to Record Minutes – Courtney Geduldig, Chair**
3. **Antitrust Statement – Niki Schaefer**
4. **Approve Nominating & Governance Committee Meeting Minutes**
Presenter: Courtney Geduldig, Chair
Reference: [Draft Minutes from August 23, 2023 Nominating & Governance Committee Meeting](#)
Action: **Approve Minutes**
5. **Approve Resolution 2023-6**
Presenter: Chelsey Eppich, Managing Corporate Counsel
Description: Ms. Eppich will present the resolution to hold a special Industry Sector Election to fill the upcoming vacancy in the Small LSE Sector.
Reference: [Resolution 2023-6](#)
Action: **Approve Resolution 2023-6**
6. **Timetable of Key ReliabilityFirst Events**
Presenter: Chelsey Eppich, Managing Corporate Counsel
Description: Ms. Eppich will present the Nominating and Governance Committee 2023 Timetable of Key Events for review and discussion.
Reference: [Timetable of Key Events](#)
Action: Information and Discussion
7. **Annual Review of Performance of Activities**
Presenter: Chelsey Eppich
Description: Chelsey Eppich will present a draft summary of the Nominating & Governance Committee's performance of its specific duties for Committee review.
Reference: [Summary of Performance of Specific Duties for 2023](#)
Action: **Accept Summary of Performance of Specific Duties for 2023**

- 8. Discussion on Board Biennial Self-Evaluation and Potential Improvements**
Presenter: Niki Schaefer, VP and General Counsel
Description: Ms. Schaefer will recap the process and relevant background for the director self-evaluation and present potential improvements for the committee to discuss.
Reference: [Summary of Evaluation](#)
Action: Information and Discussion
-

Closed Agenda

- 9. 2024 Chair, Vice Chair, Lead Independent, and Committee Assignments**
Presenter: Courtney Geduldig, Chair
Description: Chair Geduldig will lead a discussion of candidates for Board Chair, Vice Chair and Lead Independent Director for 2024. She will also lead a discussion on committee assignments and chairs, including a discussion on the responses to the annual request to Board members for committee preferences. The discussion will lead to nominations.
Reference: None
Action: **Nominate Board Chair, Vice Chair and Lead Independent Director for 2024 and propose committee assignments, chairs, and vice chairs for 2024.**
- 10. Director Training Discussion**
Presenter: Courtney Geduldig, Chair
Description: Chair Geduldig will review recent training and lead a discussion on proposed ideas and plans for future training.
Reference: Summary of Training Plan
Action: Information and Discussion
- 11. Future At-Large Director Discussion**
Presenter: Courtney Geduldig, Chair
Description: Chair Geduldig will lead a discussion to plan for filing the At-Large Director position.
Reference: None
Action: Information and Discussion
- 12. Next Meetings: TBD**
- 13. Adjourn**

Roster • Nominating & Governance Committee

Courtney Geduldig, **Chair** • Independent
Rachel Snead, **Vice Chair** • Dominion Resources Services, Inc. (S • 2024)
Steve Ambrose • DTE Energy (M-LSE • 2025)
Lesley Evancho • Independent (2025)
Scott Hipkins • FirstEnergy (T • 2024)
Jason Marshall • Wabash Valley Power Association (S-LSE • 2023)

Draft Minutes from August 23, 2023 Nominating & Governance Committee Meeting



RELIABILITY FIRST

PUBLIC

DRAFT Minutes

Board of Directors • Nominating & Governance Committee

August 23, 2023 • 3:10 PM – 5:10 PM (ET)

ReliabilityFirst Corporation
3 Summit Park Drive • Cleveland, OH 44131

Open Session

Call to Order – Vice Chair Rachel Snead called to order a duly noticed open meeting of the Nominating & Governance Committee (Committee) on August 23, 2023, at 3:17 pm (ET). A quorum was present, consisting of the following members of the Committee: Vice Chair Rachel Snead, Lesley Evancho, Steve Ambrose, Scott Hipkins, and Jason Marshall. A list of others present during the Committee meeting is set forth in Attachment A.

Appoint Secretary to Record Minutes – Vice Chair Snead designated Niki Schaefer, ReliabilityFirst's (RF) Vice President & General Counsel, as secretary to record the meeting minutes.

Antitrust Statement – Vice Chair Snead advised all present that this meeting is subject to, and all attendees must adhere to, RF's Antitrust Compliance Guidelines.

Approve Nominating & Governance Committee Meeting Minutes – Vice Chair Snead presented draft minutes from the meeting on April 26, 2023, which were included in the agenda package. Upon a motion duly made and seconded, the Committee approved the minutes.

Timetable of Key ReliabilityFirst Events – Chelsey Eppich, Managing Corporate Counsel, reviewed the Timetable of Key ReliabilityFirst events. Ms. Eppich recapped events that have taken place since the last meeting, including the election of industry sector directors. She then discussed upcoming events, including the creation of the Board committee assignments for discussion in December, and issuance of the election notice and proxy for the December At-Large and Independent Director elections. Ms. Eppich stated that during the December meeting, the Committee will review the content of the Board effectiveness surveys, which will go out to the Board next year. There was then a discussion among the Committee about how the Board effectiveness survey process takes place.

Resolution for Annual Meeting of Members – Ms. Eppich presented Resolution No. 2023-3 to hold the Annual Meeting of Members. She provided information on the time and date of the Annual Meeting of Members, and the record date to determine which members

Nominating and Governance Committee Minutes
August 23, 2023

can vote in the At-Large and Independent Director elections. Upon a motion duly made and seconded, the Committee endorsed Board adoption of Resolution No. 2023-3.

2023 Charter Discussion – Vice Chair Snead presented proposed redlines to the Nominating and Governance Committee Charter (Charter) for discussion, which were consistent with the changes Ms. Senk presented to the Committee in April. Ms. Snead stated that the changes are part of a review that began with the plan to broaden the scope of the Compliance Committee to the Risk and Compliance Committee. She noted that the Board requested a review of all the committee charters to ensure consistency and holistic risk oversight. She explained that several edits were made to all four committee charters to ensure consistency of language regarding committee responsibilities, minutes, and members.

Then Ms. Snead discussed the substantive changes to the Charter, noting first the change to transfer oversight of the Stakeholder Advisory and Technical Committees from this Committee to the Compliance Committee, given that the Stakeholder Advisory and Technical Committees will support the development of the Regional Risk Assessment going forward. She also discussed the proposed change for this Committee to review all director reported conflicts of interest (in conjunction with RF legal staff) to ensure the independence of directors. Finally, she discussed the proposed change for this Committee to appoint two members to the hearing body when a hearing takes place (this responsibility previously resided with the Compliance Committee). The Committee discussed the changes to the Charter, and upon a motion duly made and seconded, endorsed them for Board approval.

Review Director Selection Process – Ms. Schaefer reviewed the process for electing directors with the Committee. She discussed the Procedure for Electing Directors (included in the agenda package) and provided an overview of the upcoming August and December director elections.

Next Meeting – Vice Chair Snead noted that the next Committee meeting will occur in Washington, DC on December 6, 2023.

The Committee then went into closed session at 3:32 pm (ET).

Closed Session

Tim Gallager, RF's President and CEO, joined for the closed session.

Individual Director Surveys - Ms. Schaefer confidentially reviewed the results of the Individual Director Surveys that were completed by staff and the Board. The three directors due for review in 2023 were Simon Whitelock, Courtney Geduldig, and Joanna Burkey. Ms. Schaefer provided a high-level summary of the results and noted the next steps in the process. She will provide the results to Board Chair Antonio Smyth, who will discuss them

**Nominating and Governance Committee Minutes
August 23, 2023**

individually with Mr. Whitelocke, Ms. Geduldig, and Ms. Burkey. The Committee also discussed the process and how the results have been used to improve performance in the past.

Evaluate and Nominate At-Large Director and Independent Director Candidates –

Vice Chair Snead led a discussion on the upcoming elections for At-Large and Independent Directors, as well as a review of the incumbent candidates (Pat Cass for Independent Director and Scott Etnoyer for At-Large Director). Upon a motion duly made and seconded, the Committee voted to endorse Mr. Cass and Mr. Etnoyer for Board nomination for another term as Independent Director and At-Large Director, respectively.

Adjourn – Upon a motion duly made and seconded, Vice Chair Snead adjourned the Committee meeting at 3:54 pm (ET).

As approved on this 6th day of December, 2023 by
the Nominating and Governance Committee,

Niki Schaefer
*Vice President General Counsel & Corporate
Secretary*

Attachment A

Others Present at Nominating and Governance Committee Meeting

Chelsey Eppich • ReliabilityFirst
Megan Gambrel • ReliabilityFirst
Erik Johnson • ReliabilityFirst
Niki Schaefer • ReliabilityFirst
Kristen Senk • ReliabilityFirst
Brian Thiry • ReliabilityFirst
Jim Uhrin • ReliabilityFirst

Resolution 2023-6



RESOLUTION NO. 2023-06

**Resolution for
Special Industry Sector Director Election**

WHEREAS, the Corporation's Bylaws provide that the Corporation's Industry Sectors may elect sector directors prior to the Annual Meeting of Members;

WHEREAS, Small LSE Sector Director, Jason Marshall, will resign from the Board following the 2023 Annual Meeting and the process to solicit nominees for his position will occur immediately following the meeting to hold a noticed election in February of the following year.

NOW, THEREFORE, BE IT RESOLVED, that a Small LSE Sector director election shall be conducted prior to the 2024 Annual Meeting of Members at a special telephonic meeting to be held on February 9, 2024, at 10:00 a.m., Eastern Time;

FURTHER RESOLVED, that the close of business on January 9, 2024 is designated as the record date for the determination of the Regular Members in the Small LSE Industry Sector entitled to receive notice of, and to vote in, the election;

FURTHER RESOLVED, that the nominees submitted by members of the Small LSE Sector on or prior to January 9, 2024 be submitted to the Small LSE Sector for election to the Board of Directors, for a term expiring as provided in the Bylaws or until their successor is duly elected;

FURTHER RESOLVED, that the authorized officers, each acting alone or together with the other, are hereby authorized and directed to solicit and transmit a notice and proxy to each Regular Member entitled to receive notice of, and to vote in, the election;

FURTHER RESOLVED, that Niki Schaefer of the Corporation is hereby appointed and authorized to tabulate proxies on behalf of the Corporation and to act as inspector of election in connection with the Small LSE Sector Director election;

FURTHER RESOLVED, that the President or the Corporate Secretary, or such other officer of the Corporation as may be appointed by them, shall preside at the special meeting;

FURTHER RESOLVED, that all actions heretofore taken by the authorized officers of the Corporation in connection with the subject matter of any of the foregoing resolutions be, and they hereby are, approved, confirmed and ratified in all respects; and

FINALLY RESOLVED, that the appropriate officers of the Corporation be and they hereby are authorized and directed to take all actions and execute all such documents as they deem necessary or appropriate to effectuate the foregoing resolutions.

As adopted on this 7th day of December, 2023 by
the Board of Directors,

Niki Schaefer
*Vice President, General Counsel & Corporate
Secretary*

Timetable of Key Events

**NOMINATING AND GOVERNANCE COMMITTEE
2023 Timetable of Key Events**

Meeting/Activity Date	Action	Location/ Comment	Owner
January 12, 2023	Distribute Annual Conflict of Interest update request		Staff
January 31, 2023	Annual Conflict of Interest Disclosures Due		Board
February 24, 2023	Onboarding of New Directors	Cleveland, OH	Board/Executive Staff
March 21, 2023	Board of Directors Budget Assumptions Meeting on the 2024 Budget	WebEx	Board/Executive Staff
TBD	Distribute Effectiveness of Organizational Group Surveys (odd years) Distribute Board/Committee Governance surveys to staff and Board (even years)		
April 26, 2023	Committee Meeting - Discuss Effectiveness of Organizational Groups - Review Procedures for Electing Directors and recommend resolution for Industry Sector Elections - Discuss Board Training Plan		NGC
April 27, 2023	Board Meeting - Declare August 3, 2023 Meeting Date to vote and set Record Date of July 2, 2023 to vote for Industry Sector Directors		Board
June 15, 2023	Distribute Individual Director Evaluation of Independent and At-Large Directors to Board and President (as required)		Staff/Board
June 15, 2023	Solicit Nominees for Industry Sector Directors (if necessary)	15 days given to Members to provide Nominees	Staff/Member Entities
June 23, 2023	Cut-Off Date for Sector Director Nominees (Secretary to Report Nominees to Committee Chair)		Staff
July 7, 2023	Record Date for Members to Vote for Industry Sector Directors	Record Date cannot be more than 40 days before date vote is taken	Staff
July 7, 2023	Distribute Telephonic Meeting Notice, Nominee Information, Voting Instructions and Proxies to Members for Industry Sector Director Elections (Small LSE, Medium LSE, and Supplier Sectors)	Notice must be provided not less than 5 nor more than 60 days before date vote is taken	Staff

Key:

Staff – RF Staff, NGC – Nominating and Governance Committee,
Board – full RF Board of Directors,
SCM – Stakeholder Committee Members
ME – Member Entities

Meeting/Activity Date	Action	Location/Comment	Owner
July 11, 2023	Individual Director Evaluation Survey Responses Due		Board/Staff
August 4, 2023	Telephonic Meeting to Vote for Industry Sector Directors (Small LSE, Medium LSE and Supplier Sectors) Directors-elect are declared and Committee is notified		Staff/Member Entities
August 23, 2023	Committee Meets - Review/Recommend Approval of Resolution for Annual Meeting of Members - Discuss At-Large and Independent Directors Nominee Selection Process and Procedure for Electing Directors - Evaluate incumbent At-Large and Independent Directors - Determine whether to re-nominate Independent and/or At-Large incumbents - Nominate At-Large and Independent Director Candidates	Cleveland, OH	NGC
August 24, 2023	Board Meeting - Declare 2023 Annual Meeting of Members to be held December 7, 2023, and Set Record Date to vote at the Annual Meeting	Cleveland, OH	Board
September 30, 2023	Solicit Nominees for At-Large and Independent Directors (if necessary)	15 days given Members to provide Nominees	Staff/ME
October 3, 2023	Distribute Committee Assignments Survey		Staff
October 10, 2023	Cut-Off Date for Sector Director Nominees (Secretary to Report Nominees to Committee Chair)		Staff
October 20, 2023	Board of Directors Annual Fiduciary Training	Virtual	Board/Executive Staff
October 27, 2023	Record Date for Annual Meeting of Members	Record Date cannot be more than 60 days before date vote is taken	Staff
October 27, 2023	Distribute Notice and Solicit Proxies for Annual Meeting of Members Distribute Voting Procedures, Nominee Information and Voting Instructions to Members	Notice must be provided not less than 5 nor more than 60 days before date vote is taken	Staff
November 2023	Due Date for Committee Assignment Survey		Staff/Board

Key:

Staff – RF Staff, NGC – Nominating and Governance Committee,
Board – full RF Board of Directors,
SCM – Stakeholder Committee Members
ME – Member Entities



Meeting/Activity Date	Action	Location/ Comment	Owner
December 6, 2023	Committee Meets - Review Committee Charter - Evaluate Committee Performance - Review 2023 Board Training topic suggestions - Recommend Board Chair & Vice Chair and Lead Independent for 2024 - Recommend to Board Committee Assignments and Chairs/Vice Chairs and Lead Independent for 2024	Washington, DC	NGC
December 7, 2023	Annual Meeting of Members - Election of At-Large and Independent Directors - Overview of 2024 Budget – 2023 Financial Position	Washington, DC	ME
December 7, 2023	Committee Meets Immediately Before Board Meeting (if needed) to Finalize Recommendations of Board Committee Assignments and Chairs for 2024	Washington, DC	NGC
December 7, 2023	Board Meeting - Elect Board Chair & Vice Chair and Independent Lead for 2024 - Approve Board Committee Assignments and Chairs/Vice Chair for 2024 - Appoint Corporate Officers for 2024	Washington, DC	Board
December 2024	Distribute Annual Conflict of Interest update request		Staff
January 8, 2024	Cut-off date for Small LSE Sector Director Nominees		
January 9, 2024	Record date for Members to Vote in Small LSE Industry Sector Election; Distribute Telephonic Meeting Notice, Nominee Information, Voting Instructions and Proxies to Members for Industry Sector Director Election	Record Date cannot be more than 60 days before date vote is taken	
January 2024	Annual Conflict of Interest Disclosures Due		Board
February 2024	Special Election for the Small LSE Sector		
February 2024	Onboarding of New Directors		
February 2024	Distribute Board Effectiveness Surveys		Staff
April 2024	Committee Meeting - Review Quality of Information Furnished to the Board - Review Procedures for Electing Directors and recommend resolution for Industry Sector Elections		NGC
April 2024	Board Meeting - Declare August 2023 Meeting Date to vote and set Record Date to vote for Industry Sector Directors		Board

Key:

Staff – RF Staff, NGC – Nominating and Governance Committee,

Board – full RF Board of Directors,

SCM – Stakeholder Committee Members

ME – Member Entities

Summary of Performance of Specific Duties for 2023



SUMMARY OF NOMINATING AND GOVERNANCE COMMITTEE'S PERFORMANCE OF SPECIFIC DUTIES FOR 2023

	Required Activity	Outcome	Performed Activity
1.	Facilitate the assessment of (a) an individual sector director's performance in that director's fifth year of service, and every third year thereafter; and (b) an individual at-large or independent director's performance in that director's second year of service, and every third year thereafter.	Complete	Board completed the surveys for the three Directors up for review and the GC summarized the results for a Committee discussion in August.
2.	Evaluate the qualifications and performance of incumbent at-large and independent directors and determine whether to nominate them for re-election to the Board	Complete	In August, evaluated incumbent at-large and independent directors; decided to re-nominate independent and at-large incumbents; nominated at-large and independent director candidates.
3.	Search for, recruit, screen, interview and select candidates for new at-large and independent directors as necessary to fill vacancies or the additional needs of the Board, and consider management's recommendations for at-large and independent director candidates. The Committee may retain the services of an independent outside consultant to identify director candidates and otherwise provide such advice as the Committee shall deem necessary to the discharge of its duties and responsibilities	Not Applicable	Not applicable this year to date.
4.	Nominate for election at-large and independent director candidates	Complete	Accomplished during August meeting (Committee's nomination of Independent and At-Large Director Candidates.)
5.	Establish and periodically reevaluate criteria for Board membership and selection of new at-large and independent directors including independence standards; and determine as necessary the portfolio of skills, experience, perspective and background required for the effective functioning of the Board considering ReliabilityFirst's strategy, and its regulatory, geographic and market environments	Complete	Accomplished during August Meeting with a review of the Director Selection Process and discussion on incumbent directors.
6.	At least annually, report to the Board describing the number of candidates considered and other matters of interest relating to nominations to the Board as the Committee shall determine to be appropriate for the Board	Complete	Accomplished during August Meeting with report out to the Board on nominations.
7.	At least annually, in connection with the annual meeting of the Board of Directors, recommend at least one candidate to serve as the Chair of the Board of Directors and at least one candidate to serve as the vice-chair of the Board of Directors and a Lead Independent Director.	Pending	To accomplish at December Committee meeting (recommend Board Chair & Vice Chair and Lead Independent for 2024)
8.	At least annually, in connection with the annual meeting of the Board of Directors, make recommendations for the election of the directors to the Committees of the Board of	Pending	To accomplish at December Committee meeting (recommend to Board Committee Assignments and Chairs/Vice Chairs for 2024)



SUMMARY OF NOMINATING AND GOVERNANCE COMMITTEE'S PERFORMANCE OF SPECIFIC DUTIES FOR 2023

	Directors, and the designation of a chair and vice chair, if applicable, for each Committee		
9.	Recommend to the Board removal of an at-large or independent director where appropriate (the power to remove a director elected by a specific industry sector is reserved in the Bylaws to that industry sector electing such director)	Not Applicable	Not applicable this year to date.
10.	Initiate and oversee a periodic evaluation of (a) the quality, sufficiency and currency of information furnished by management to the directors in connection with Board and Committee meetings and other activities of the directors, (b) the Board's effectiveness, (c) the composition, organization (including its Committee structure, membership and leadership) and practices of the Board, (d) tenure and other policies related to the directors' service on the board, and (e) corporate governance matters generally; and recommend action to the Board where appropriate	Pending	The Committee completes an ongoing review of governance matters and performs the overview of the Board composition, organization and policies throughout the year. In April, the Committee discussed substantive, organizational, and governance updates to the four committee charters that were approved in August. In December, the Committee will consider the organization when making committee and chair recommendations and will review and propose changes to Board effectiveness surveys scheduled to take place in 2024 (even years).
11.	Periodically evaluate (1) the effectiveness of ReliabilityFirst's organizational groups; and (2) the satisfaction of ReliabilityFirst's stakeholders with the performance of the organization. Recommend any follow-up actions to the Board, as appropriate	Complete	In April, Committee discussed the organizational groups and their processes and recent feedback. The Committee made the decision to defer the review the effectiveness of the organizational groups due recent work by committees and the decision to the transfer responsibility to the Risk and Compliance Committee with the Charter revisions.
12.	Develop, periodically review, and recommend to the Board corporate governance principles for ReliabilityFirst and any organizational groups established by the Board under the Bylaws	Complete	Discussed improving Committee Charters to align with better governance principles in April and recommended Changes in August.
13.	Monitor the orientation and training needs of directors and recommend action to the Board, individual directors, and management where appropriate	Pending	Discussed board training plan in April meeting, and will review 2023 Board Training topics suggestions in December meeting
14.	Review and approve, prior to acceptance, the service of the President of ReliabilityFirst on any other company's board of directors	Not applicable	Not applicable this year to date
15.	Ensure that satisfactory background checks have been conducted for all directors prior to their service on the Board in accordance with the Governance Guidelines.	Complete	Performed after the Director was elected.
16.	Recommend to the Board Membership Application changes, as needed	Not applicable	Not applicable this year to date
17.	Perform other functions within the scope of the foregoing, which the Committee deems appropriate to undertake from time to time	Completed	Accomplished throughout the year



**SUMMARY OF
NOMINATING AND GOVERNANCE COMMITTEE'S
PERFORMANCE OF SPECIFIC DUTIES FOR 2023**

18.	Conduct an evaluation of the Committee's performance and charter at least annually, and adopt such Committee Charter changes, as the Committee deems appropriate, subject to approval by the Board	Pending	Charter review occurred in April and August while discussing changes, and the review based off the current Charter will be accomplished during December meeting (done annually at last meeting of the year).
19.	Report regularly to the Board regarding the Committee's activities	Completed	Accomplished during every Board of Directors meeting

Summary of Evaluation



SUMMARY

Board Biennial Self-Evaluation Overview with Background and Potential Improvements

Objective: Review Board biennial self-evaluation overview and background from 2022 and consider potential improvements to the evaluation. The Committee will discuss revising the evaluation to obtain more productive feedback in 2024.

Overview

The Board performs a biennial self-evaluation where Directors are given the opportunity to assess the effectiveness of the Board as a whole and the committees on which they serve. The President & CEO and select employees also provide their assessments of the effectiveness of the Board of Directors and its committees¹.

The General Counsel organizes the results for discussion with the Nominating and Governance Committee, who then shares a summary of the evaluation results with the full Board. This supports the Committee Charter (duty 12) to initiate and oversee a periodic evaluation of (1) the quality, sufficiency, and currency of information furnished by management to the directors in connection with Board and Committee meetings and other activities and (2) the Boards effectiveness, composition, organization, and practices.

Relevant Background

The Board effectiveness evaluation results were reviewed by the Committee in 2022 and were consistent with past results and overwhelmingly positive. No major issues were identified, and the following action items were taken:

- Board Member Composition (more IT/Cyber/Physical Security experience from industry Board Members/Senior Leadership C-Suite) → This was addressed through review of qualifications for independent directors and related discussion and the work through the Search committee taking into account considerations for experience/diversity.
- Training ideas: what RF and NERC can and cannot do by statute; annual or biannual session on strategy; and leaving time to discuss increased threats to the grid to ensure issues are bubbled up and shared with NERC. → addressed with RF 101, improved agendas and planning sessions and regular debriefing sessions after Board meetings to improve feedback, and weekly regulatory email updates to the independent directors.
- Improve the Process: We added language to clarify the process can continue after the evaluation and now we are asking the Committee to look at the evaluation itself.
 - In 2022 we revised governance standards to match the practice of performing the survey in even years while adding the language: Based on the summary results,

¹ Governance Standards

the Nominating and Governance Committee can propose additional discussions, follow-up surveys (qualitative interviews or more targeted surveys) or hire a third party as appropriate.

- Final step is to adapt the evaluation with the goal of obtaining more measurable results and productive discussion based on Committee feedback.

Note current scale: Exceeds expectations, satisfactory, or needs improvement with option to add comments for each Question.

2022 BOD Self-Evaluation Questions	Proposed 2023 BOD Self-Evaluation Questions
<p>Section 1: Board Structure</p> <ol style="list-style-type: none"> 1. Number of Directors 2. Qualifications, experience and diversity of Board members 3. Frequency of Board meetings 4. Establishment of appropriate committees 5. Independent Directors' compensation 	<p>Section 1: Board Structure</p> <ol style="list-style-type: none"> 1. The appropriate number of directors are on the Board. 2. The qualifications, experience and diversity of Board members represent the industry and align with the needs of the corporation. 3. The frequency of Board meetings is sufficient to fulfill its duties and responsibilities. 4. The committees established have roles and responsibilities that support the Board's oversight function. 5. The Independent Directors' compensation is fair and reasonable.
<p>Section 2: Information and Resources</p> <ol style="list-style-type: none"> 6. Quality of internal and external resources available to the Board 7. Adequacy of information about the Corporation 8. Access to and communication with the President, management, employees, and members of the Corporation and to the independent accountants and outside advisors 9. Adequacy and timeliness of information provided for the Board meetings 10. Orientation and continuing education for Directors 	<p>Section 2: Information and Resources</p> <ol style="list-style-type: none"> 6. The information provided for Board meetings is adequate, timely, and facilitates the decision-making process. 7. The Board has enough information to understand the Corporation and its mission, goals, risks and challenges to provide critical oversight. 8. The Board periodically receives reports and program performance information that enables them to monitor the Corporations progress and performance. 9. The Board has open lines of communication with the President, management, employees, and members of the Corporation and to the independent accountants and outside advisors. 10. Orientation and continuing training/education for Directors are effective and enhance Board skills.

<p>Section 3: Board Process</p> <ol style="list-style-type: none"> 11. Periodic executive sessions without management participation 12. Inclusion of important and specific topics on the agenda 13. Preparation by Board members for meetings 14. Open, candid and constructive Board deliberations of relevant issues and the ability of Board members to offer independent views 15. Amount of time at each meeting to discuss the matters on the agenda 16. Periodic presentations and review of significant Committee activities, actions and recommendations 17. Organization, focus, efficiency and effectiveness of Board meetings 18. Board minutes adequately capturing key events 	<p>Section 3: Board Process</p> <ol style="list-style-type: none"> 11. Agenda items reflect the organizations priorities and topics that need addressed by the Board (presentations, Committee activities, risks and recommendations) 12. Board members devote adequate time to reviewing materials prior to meetings. 13. Open, candid and constructive Board deliberations of relevant issues occur, and Board members feel comfortable offering independent views and asking critical questions. 14. Periodic executive sessions without management participation occur and are useful for discussing sensitive or confidential matters. 15. There is enough time at each meeting to discuss the matters on the agenda. 16. Board minutes adequately capture key events.
<p>Section 4: Board Activities</p> <ol style="list-style-type: none"> 19. Understanding of the role and responsibilities of the Board 20. Regular review of reports of finances, budgets and program performance and other important matters 21. Development and review of Corporation's overall strategic plans and goals 22. Evaluation and development of the President and other executive officers 23. Monitoring issues and trends that could impact the Corporation 24. Management's follow-up to actions and recommendations of the Board 	<p>Section 4: Board Activities</p> <ol style="list-style-type: none"> 17. The Board effectively provides strategic guidance to the organization. 18. The Board understands its roles and responsibilities and engages at the right level of oversight without micromanaging. 19. The Board supports the development and review of Corporation's overall strategic plans and goals and how to manage risks of the organization. 20. The Board effectively reviews and supports the development of the President, other executive officers and succession planning initiatives. 21. The Board understands the company financials and appropriately reviews the budget, sets the Presidents compensation, and approves significant changes 22. The Board monitors issues, trends, the industry and legislative changes that could impact the Corporation and shares relevant knowledge. 23. Management provides follow-up and action based on recommendations of the Board.

Commented [CE1]: could we delete this question or is it possible timing issue?

Commented [CE2]: Note: Activities in this Section are not pulled from/tracking bylaws and can be edited

Commented [CE3R2]: Bylaw Activity Language: govern the Corporation and oversee all of its activities; (b) establish and oversee all organizational groups; (c) create Regional Reliability Standards; (d) establish compliance monitoring procedures and requirements consistent with applicable NERC Rules; (e) establish and approve an annual budget for submission to NERC; (f) hire the Corporation's president and approve his or her salary; (g) annually at the first regular Board meeting following the annual meeting of Members, elect a Chair ("Chair") and a vice-chair from among the directors on the Board, and a lead independent director from among the independent directors on the Board; and (h) establish Board committees as appropriate.

Commented [CE4]: do we want to include micromanaging or stop at oversight?

<p>Section 5: Overall</p> <ol style="list-style-type: none"> 25. Independence of Board members in dealing with issues that arise. 26. Monitoring the Corporation's compliance with the letter and spirit of applicable laws and regulations 27. Plans to address areas in need of improvement and implementation of action plans to fulfill recommendations of the Board 28. Fostering an atmosphere of corporate responsibility, accountability, control, and risk management 29. Establishment of duties, goals and objectives, and evaluation of performance against them 	<p>Section 5: Overall</p> <ol style="list-style-type: none"> 24. Board Members demonstrate independence on issues that arise, abstain or excuse themselves when appropriate, and avoid conflicts of interest. 25. The Board has confidence that the corporation operates ethically and responsibly and in compliance with the letter and spirit of applicable laws and regulations. 26. The Board establishes duties, goals and objectives, and rigorously evaluates performance against them. 27. The Board effectively demonstrates their understanding of the organization through discussion on key issues throughout the year.
<p>30. <i>Please provide any other comments or suggestions.</i></p>	<p>Additional open-ended questions for Committee consideration:</p> <ul style="list-style-type: none"> • What is the most important priority for the Board to address over the next 12 months? • What do you consider the Board's Greatest Strength? • Conversely, what do you consider the Board's Greatest Weakness? • What would help you better fulfill your obligations as a director in the upcoming year?

Questions for Committee to consider adding above:

- Board members ask appropriate questions of management
- The Chairman effective at optimizing board function and serving as a liaison between board and management.
- The format of the meetings (in-person/remote/hybrid and the tools used (boardvantage, powerpoint) support productive meetings
- The Board is transparent and accountable in its governance practices, such as financial oversight, risk management, compliance, and evaluation.

Committee Surveys (same questions for all Committees):

- Consider if we want different questions for specific committees

Current Committee Self-Evaluation Questions	Proposed Committee Self-Evaluation Questions
<p>Section 1: Committee Structure</p> <ol style="list-style-type: none"> 1. Number of Directors 2. Qualifications, experience and diversity of Board members 3. Frequency of Board meetings 	<p>Section 1: Committee Structure</p> <p>The appropriate number of directors are on the Committee.</p> <p>The qualifications, experience and diversity of Committee members align with the Committee's needs.</p> <p>The frequency of Committee meetings is sufficient to fulfill its duties and responsibilities.</p>
<p>Section 2: Information and Resources</p> <ol style="list-style-type: none"> 4. Quality, quantity, and accessibility of internal and external resources available to the Committee 5. Adequacy of information about the Corporation 6. Adequacy and timeliness of information provided for the Committee meetings 7. Commitment to and adequacy of continuing development of Committee members 	<p>Section 2: Information and Resources</p> <p>Quality, quantity, and accessibility of internal and external resources available to the Committee</p> <p>The Committee has enough information to understand the Corporation and its mission, goals, risks and challenges to provide critical oversight.</p> <p>Adequacy and timeliness of information provided for the Committee meetings</p> <p>Orientation and continuing training/education for Committee members are effective and enhance skills.</p>
<p>Section 3: Committee Process</p> <ol style="list-style-type: none"> 8. Quality of communication between the Committee members and management 9. Inclusion of important and specific topics on the agenda 10. Preparation by Committee members for meetings 11. Open, candid and constructive Committee deliberations of relevant issues and the ability 	<p>Section 3: Committee Process</p> <p>Quality of communication between the Committee members and management</p> <p>Agenda items reflect the organizations priorities and topics that need addressed by the Committee (presentations, Committee activities, risks and recommendations)</p> <p>Committee members devote adequate time to</p>

<p>of Committee members to offer independent views</p> <p>12. Amount of time at each meeting to discuss the matters on the agenda</p> <p>13. Recording and reporting periodically to the full Board of the Committee's significant activities, actions and recommendations</p> <p>14. Organization, focus, efficiency and effectiveness of Committee meetings</p>	<p>reviewing materials prior to meetings.</p> <p>Open, candid and constructive Committee deliberations of relevant issues occur, and Committee members feel comfortable offering independent views and asking critical questions.</p> <p>There is enough time at each meeting to discuss the matters on the agenda.</p> <p>Effective reporting to the full Board of the Committee's significant activities, actions and recommendations</p> <p>Organization, focus, efficiency and effectiveness of Committee meetings</p>
<p>Section 4: Overall</p> <p>15. Performance of the Committee with respect to its responsibilities as set forth in its charter</p> <p>16. Committee members have full and common understanding of the role and responsibilities of the Committee</p> <p>17. Independence of Committee members in dealing with issues that arise</p> <p>18. Monitoring the Corporation's compliance with the letter and spirit of applicable laws and regulations</p> <p>19. Fostering an atmosphere of corporate responsibility, accountability, control, and risk management</p> <p>20. Establishment of duties, goals and objectives, and evaluation of performance against them</p> <p>21. Each member of the Committee feels involved and interested in the Committee's work</p> <p>22. Monitoring action plans to fulfill Committee recommendations</p>	<p>Section 4: Overall</p> <p>The Committee members have a full and common understanding of the role and responsibility of the committee.</p> <p>The Committee members demonstrate independence on issues that arise, abstain or excuse themselves when appropriate, and avoid conflicts of interest.</p> <p>The Committee monitors the Corporations compliance with the letter and spirit of applicable laws and regulations</p> <p>The Committee fosters an atmosphere of corporate responsibility, accountability, control, and risk management</p> <p>The Committee establishes duties, goals and objectives, and rigorously evaluates performance against them.</p> <p>Each member of the Committee demonstrates involvement and interest in the Committee's work</p> <p>Management provides follow-up on actions and recommendations of the Committee.</p>
<p>Section 5: Comments</p> <p>23. Please provide any other comments or suggestions.</p>	<p>Section 5: Comments</p> <p>Please provide any other comments or suggestions.</p>

Commented [CE5]: Note: removed because new #19 includes evaluation of duties

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