

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

North American Electric Reliability Corporation)
)

Docket No. FA11-21-000

COMPLIANCE FILING OF THE NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

I. INTRODUCTION

The North American Electric Reliability Corporation (“NERC”)¹ submits this compliance filing in accordance with the Commission’s January 16, 2013 Order in Docket No. FA11-21-000.² In the January 16 Order, the Commission approved a Settlement Agreement between the Office of Enforcement (“Enforcement”) and NERC related to Enforcement’s findings and recommendations arising out of its 2012 performance audit of NERC. Specifically, Section II.7(b)(i) of the Settlement Agreement requires that:

Within forty-five days of the end of each quarter, beginning with the quarter ending March 31, 2013, NERC will file with the Commission the unaudited report of the NERC budget-to-actual spending variances during the preceding quarter. This report will include information regarding sources and uses of operating and working capital reserves and will match or exceed the level of detail of the quarterly budget-to-actual variance report of NERC expenditures attached to the agenda of NERC Board of Trustees Finance and Audit Committee’s October 2012 meeting.³

Attached hereto is the unaudited report of NERC’s budget-to-actual variance information for the second quarter of 2018, in accordance with the January 16 Order. This variance

¹ NERC was certified by FERC as the electric reliability organization (“ERO”) authorized by Section 215 of the Federal Power Act. FERC certified NERC as the ERO in its order issued July 20, 2006 in Docket No. RR06-1-000. *Order Certifying North American Electric Reliability Corporation as the Electric Reliability Organization and Ordering Compliance Filing*, 116 FERC ¶ 61,062 (2006) (“ERO Certification Order”).

² See *North American Electric Reliability Corporation, Order Approving Settlement Agreement*, 142 FERC ¶ 61,042 (2013) (“January 16 Order”).

³ *Id.*

information was posted on NERC's website August 8, 2018 and reviewed at the August 15, 2018 open meeting of the NERC Finance and Audit Committee. The unaudited report was accepted by the NERC Board of Trustees at its meeting on August 16, 2018.

II. NOTICES AND COMMUNICATIONS

Notices and communications with respect to this filing may be addressed to the following:

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III. DISCUSSION OF SIGNIFICANT VARIANCES BETWEEN 2018 BUDGET AND ACTUAL PROJECTED 2018 RESULTS

The attached second quarter 2018 variance report compares actual (unaudited) financial results to NERC's budgeted expenditures as of June 30, 2018, and projected year-end 2018 financial results to NERC's total 2018 budgeted expenditures. NERC is providing additional discussion of significant variances between the projected (unaudited) year-end 2018 results and NERC's 2018 budgeted expenditures, by NERC department or program area and by major activity within departments and program areas. This discussion focuses on variances of \$500,000 or more between projected year-end 2018 results and the 2018 budget. NERC has focused on projected year-end variances in excess of budget of \$500,000 or more, because Section 7(b)(ii) of the Settlement Agreement specifies that NERC will file for Commission review and approval proposals approved by the NERC Board of Trustees to expend \$500,000 or more from Operating

Reserves designated for “unforeseen contingencies” (as defined in NERC’s Working Capital and Operating Reserves Policy), *i.e.*, where any amount allocated from the unforeseen contingencies account of Operating Reserves plus any amount redirected from previously budgeted funds is, in the aggregate, \$500,000 or more for any one specific project or major activity in a program area.

A. Consultants and Contracts

Expenses related to the Consultant and Contract category were under budget \$729k (10.5%) at June 30, 2018, and are projected to be \$520k (3.8%) over budget at year-end. The over budget variance is primarily due to costs related to the Southwest Power Pool Regional Entity transition work, a cyber-security supply chain risk study, and E-ISAC strategic vendor pilot programs. No single variance item is projected to exceed \$500k for the year.

B. Fixed Asset Additions

Fixed asset additions are \$1.5 million (76.8%) under budget at June 30, 2018, due to timing differences of expenditures and lower than budgeted spending. Fixed asset additions are projected to be under budget at year-end by \$768k (19.8%), primarily in the IT Department to manage overall department costs to the annual budget. No single variance item in the IT Department is projected to exceed \$500k for the year.

IV. CONCLUSION

NERC respectfully requests that the Commission accept this filing as compliant with Section II.7(b)(i) of the Settlement Agreement and the Commission's January 16 Order in Docket No. FA11-21-000.

Respectfully submitted,

/s/ Meredith M. Jolivert

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*Counsel for North American Electric Reliability
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Dated: August 14, 2018

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon all parties listed on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 14th day of August, 2018.

/s/ Meredith M. Jolivert

Meredith M. Jolivert
*Counsel for North American Electric
Reliability Corporation*

ATTACHMENT

Summary of Unaudited Results For the Month Ending June 30, 2018

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Executive Summary

Projected Year-End Results (\$ millions)

	<u>FUNDING</u>	Projected	Budget	Over (Under)
Revenues		\$ 72.4	\$ 72.4	\$ -
Funding from Reserves				
Assessment Stabilization Reserve		0.6	0.6	-
TOTAL FUNDING		\$ 73.0	\$ 73.0	\$ -
EXPENDITURES				
Expenses (excluding Depreciation)		\$ 70.2	\$ 69.3	\$ 0.9
Fixed Asset Additions		3.1	3.9	(0.8)
TOTAL EXPENDITURES		\$ 73.3	\$ 73.2	\$ 0.1
RESERVE INCREASE (DECREASE)		\$ (0.3)	\$ (0.2)	\$ (0.1)

FUNDING

- Revenues
 - Projected to be close to budget at year-end. Interest income and workshop fees are projected to be above budget, while testing fee income and CRISP revenues are expected to be below budget

EXPENDITURES

- Expenses (excluding depreciation)
 - Personnel expenses expected to be over budget primarily due to increased medical insurance costs and search fees
 - Contracts and consultants projected to be over budget primarily due to costs for SPP RE transition work, a cyber-security supply chain risk study, and E-ISAC vendor pilots
 - Office costs projected to be over budget due to higher software license, support, and hosting expense
- Fixed Assets
 - Projected to be below budget at year-end due to anticipated lower spending in IT to manage overall department costs to the annual budget

RESERVE INCREASE (DECREASE)

- Projected decrease in total reserves is \$0.3M versus a budgeted decrease of \$0.2M

**Year-to-Date Actual Results
(\$ millions)**

<u>FUNDING</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Revenues	\$ 36.2	\$ 36.2	\$ -
Funding from Reserves			
Assessment Stabilization Reserve	0.6	0.6	-
TOTAL FUNDING	\$ 36.8	\$ 36.8	\$ -
 <u>EXPENDITURES</u>			
Expenses (excluding Depreciation)	\$ 34.2	\$ 35.3	\$ (1.1)
Fixed Asset Additions	0.4	1.9	(1.5)
TOTAL EXPENDITURES	\$ 34.6	\$ 37.2	\$ (2.6)
 RESERVE INCREASE (DECREASE)			
	\$ 2.2	\$ (0.4)	\$ 2.6

FUNDING

- Revenues
 - Interest income is over budget year to date, which is offset by lower than budgeted testing fee revenue

EXPENDITURES

- Expenses (excluding depreciation)
 - Contracts and Consultants, Rent, Office Costs, and Professional Services are under budget due to the expected timing of expenditures versus budget
- Fixed Assets
 - Under budget due to the expected timing of expenditures and lower than budgeted spending in IT

OPERATING RESERVE INCREASE (DECREASE)

- Reserve increase higher than budget by \$2.6 million
 - Additional net increase of reserves from operating results, primarily due to the expected timing of expenditures versus budget

Detailed Operating Results

Total NERC (including CRISP)

Variances by Revenue and Expense Category

	YTD Actual	YTD Budget	YTD Over (Under)	% Inc (Dec)	Annual Projection	Annual Budget	Annual Over (Under)	% Inc (Dec)
TOTAL FUNDING	\$ 36,840,519	\$ 36,803,111	\$ 37,408	0.1%	\$ 73,010,538	\$ 72,981,221	\$ 29,317	0.0%
EXPENDITURES								
Personnel	\$ 21,054,810	\$ 20,967,800	\$ 87,010	0.4%	\$ 41,258,210	\$ 40,969,105	\$ 289,105	0.7%
Meetings, Travel, and Conference Calls	1,686,196	1,766,300	(80,104)	(4.5%)	3,423,783	3,395,100	28,683	0.8%
Contracts and Consultants	6,217,920	6,946,730	(728,810)	(10.5%)	14,243,911	13,724,185	519,726	3.8%
Rent and Facilities	1,448,894	1,545,902	(97,008)	(6.3%)	3,038,760	3,091,804	(53,044)	(1.7%)
Office Costs, Professional, and Misc.*	3,717,230	3,984,143	(266,913)	(6.7%)	8,055,392	7,942,084	113,308	1.4%
Other Non-Operating Expenses	49,285	69,439	(20,154)	(29.0%)	153,924	138,878	15,096	10.9%
Fixed Asset Additions*	449,569	1,937,000	(1,487,431)	(76.8%)	3,105,836	3,874,000	(768,164)	(19.8%)
TOTAL EXPENDITURES	\$ 34,623,904	\$ 37,217,314	\$ (2,593,410)	(7.0%)	\$ 73,279,817	\$ 73,135,156	\$ 144,711	0.2%
RESERVE INCREASE (DECREASE)	\$ 2,216,615	\$ (414,203)	\$ 2,630,818	(635.2%)	\$ (269,279)	\$ (153,935)	\$ (115,394)	75.0%
FTEs	191.4	199.3	(7.9)	(4.0%)	190.2	199.3	(9.1)	(4.6%)

* Excludes depreciation expense

Following is a brief summary of variances by major categories:

- Personnel Expense
 - Year-to-date actual and annual projection are slightly over budget due to higher than expected medical insurance costs and search fees

- Contracts and Consultants Expense
 - Under budget year-to-date because of the expected timing of expenditures versus budget
 - Projected to be over budget primarily due to costs for SPP RE transition work, a cyber-security supply chain risk study, and E-ISAC strategic vendor pilot programs (see table on the following page for variances by department)

<u>CONTRACTS and CONSULTANTS</u>	YTD			Annual	Annual	Over
	YTD Actual	YTD Budget	Over (Under)	Projection	Budget	(Under)
Reliability Standards	\$ 40,000	\$ -	\$ 40,000	\$ 100,000	\$ -	\$ 100,000
Compliance Assurance	7,175	25,000	(17,825)	93,750	50,000	43,750
Compliance Analysis, Registration and Certification	-	-	-	-	-	-
Compliance Enforcement	40,513	-	40,513	48,500	-	48,500
Reliability Assessment and System Analysis	80,500	262,500	(182,000)	525,000	525,000	-
Reliability Risk Management	1,084,324	1,165,900	(81,576)	1,867,525	1,867,525	-
E-ISAC	455,453	550,100	(94,647)	1,200,000	1,100,200	99,800
Training, Education, and Personnel Certification	156,738	299,450	(142,712)	573,900	598,900	(25,000)
General and Administrative and Executive	-	-	-	80,000	80,000	-
Legal and Regulatory	-	-	-	-	-	-
Policy and External Affairs	5,000	10,000	(5,000)	41,500	20,000	21,500
Information Technology	999,885	1,061,983	(62,098)	2,355,142	2,123,966	231,176
Human Resources	261,512	212,500	49,012	640,000	640,000	-
Finance and Accounting	158,451	213,500	(55,049)	427,000	427,000	-
TOTAL (excluding CRISP)	\$ 3,289,550	\$ 3,800,933	\$ (511,383)	\$ 7,952,317	\$ 7,432,591	\$ 519,726
CRISP	2,928,370	3,145,797	(217,427)	6,291,594	6,291,594	-
TOTAL (including CRISP)	\$ 6,217,920	\$ 6,946,730	\$ (728,810)	\$ 14,243,911	\$ 13,724,185	\$ 519,726

- Office Costs and Professional Fees
 - Under budget year-to-date because of the expected timing of expenditures versus budget
 - Projected to be slightly over budget at year-end due to higher than budgeted software license, support, and hosting expense

- Fixed Asset Additions (excluding depreciation)
 - Under budget year-to-date because of the expected timing of expenditures versus budget
 - Projected to be below budget at year-end due to anticipated lower spending in IT

Variations by Department / Program

DIRECT EXPENSES and NET FIXED ASSETS	YTD Actual	YTD Budget	YTD Over (Under)	Annual Projection	Annual Budget	Annual Over (Under)
Reliability Standards	\$ 1,369,913	\$ 1,691,325	\$ (321,413)	\$ 2,931,613	\$ 3,293,666	\$ (362,002)
Compliance Assurance	2,315,878	2,298,944	16,934	4,384,797	4,520,550	(135,753)
Compliance Analysis, Registration and Certification	1,318,848	1,399,301	(80,453)	2,870,643	2,748,762	121,881
Compliance Enforcement	1,640,896	1,976,937	(336,041)	4,119,185	3,894,123	225,062
Reliability Assessment and System Analysis	2,089,971	2,100,539	(10,568)	4,323,943	4,105,476	218,467
Reliability Risk Management	4,136,740	4,124,401	12,339	7,919,082	7,654,264	264,817
E-ISAC	3,116,529	3,722,920	(606,391)	7,085,849	7,357,222	(271,373)
Training, Education, and Personnel Certification	676,946	872,363	(195,416)	1,484,417	1,706,574	(222,157)
General and Administrative and Executive	3,911,000	3,974,211	(63,211)	7,840,021	7,874,321	(34,300)
Legal and Regulatory	1,435,375	1,493,284	(57,909)	2,926,171	2,914,377	11,794
Policy and External Affairs	1,203,577	1,139,060	64,517	2,420,412	2,221,826	198,586
Information Technology	5,246,137	5,688,004	(441,867)	11,290,490	11,266,626	23,865
Human Resources	709,165	754,688	(45,523)	1,753,083	1,704,459	48,624
Finance and Accounting	2,066,946	2,036,885	30,061	4,198,514	4,008,326	190,188
TOTAL (excluding CRISP)	\$ 31,237,920	\$ 33,272,861	\$ (2,034,941)	\$ 65,548,220	\$ 65,270,572	\$ 277,698
CRISP	3,385,983	3,944,452	(558,469)	7,731,597	7,864,584	(132,987)
TOTAL EXPENSES and NET FIXED ASSETS	\$ 34,623,904	\$ 37,217,314	\$ (2,593,410)	\$ 73,279,817	\$ 73,135,156	\$ 144,711

- **Reliability Standards and Training:** Under budget year-to-date and projected to be under budget primarily because of reduced personnel costs resulting from the reallocation of resources to other departments
- **Compliance Enforcement:** Under budget year-to-date mainly due to the expected timing of CMEP technology project expenditures versus budget. Projected to be over budget primarily because of personnel and SPP RE transition costs
- **Reliability Assessments and System Analysis:** Projected to be over budget due to increased personnel costs related to the reallocation of resources from other departments
- **Reliability Risk Management:** Projected to be over budget due to personnel and workshop meeting expenses, which is partially offset by increased revenues from workshop fees due to higher than budgeted conference attendance
- **E-ISAC:** Under budget year-to-date largely because of decreased personnel costs due to lower FTE's and the expected timing of expenditures versus budget. Projected to be under budget at year-end because of lower than expected personnel costs
- **Information Technology:** Under budget year-to-date mainly due to the expected timing of expenditures versus budget. Projected to be near budget by year-end
- **CRISP:** Under budget year-to-date mainly due to the expected timing of expenditures versus budget. Projected to be near budget by year-end

SUPPLEMENTAL SCHEDULE 1

Year-End Projected Reserves

Reserve Account	Beginning Balance ⁽²⁾	Budgeted Funding	Budgeted Uses	Other Funding (Uses) ⁽¹⁾	Net Financing Activity ⁽³⁾	Expected Ending Balance
Operating Contingency	\$ 3,680,094	\$ 600,000	\$ (231,393)	\$ (698,514)	\$ 714,726	\$ 4,064,914
Future Obligations	3,015,787	-	(480,457)	(15,759)	-	2,519,571
Assessment Stabilization	2,671,000	-	(600,000)	-	-	2,071,000
System Operator	477,484	77,458	-	(16,829)	-	538,113
CRISP	500,000	-	-	-	-	500,000
Total Reserves	\$ 10,344,365	\$ 677,458	\$ (1,311,850)	\$ (731,102)	\$ 714,726	\$ 9,693,597

NOTES:

(1) The column Other Funding (Uses) primarily reflects the net impact of normal operations. For example, under normal circumstances, if NERC was tracking well under budget in actual expenditures, this would reflect additional funds into the reserve account.

(2) Some 2018 beginning balances have been adjusted from the 12/31/2017 variance report balances as the result of a reconciliation to the final audited balance sheet.

(3) Net Financing Activity is projected to be favorable to budget by \$483k due to lower debt service requirements in 2018, primarily as a result of no capital borrowing in 2017.

SUPPLEMENTAL SCHEDULE 2

IT Projects

	Project Budget ⁽¹⁾	Actual Spend	Expected Spend	Expected
				Over (Under) Budget
Projects in Progress				
CMEP Technology Project	\$ 5,103,000	\$ 488,000	\$ 5,103,000	\$ -
E-ISAC Portal Enhancements	743,475	379,431	743,475	-
E-ISAC Document Management	215,000	50,000	215,000	-
Entity Registration	600,000	109,317	600,000	-
SPP RE Transition	-	167,312	323,426	323,426
			Actual	
	Project Budget ⁽¹⁾	Actual Spend	Over (Under) Budget	
Projects Completed in 2018				
NERC.com Phase 2	\$ 300,000	\$ 281,530	\$ (18,471)	

NOTES:

(1) The Project Budget noted above usually corresponds to the approved business case for each project and funds for each project are drawn from the available budget. In some projects, business cases may not be prepared, particularly when a project is smaller and/or may be in response to a FERC order.

* Some of these projects span multiple years, so the amounts above do not represent a single budget year expenditure.

* The amounts noted above do not include internal labor and reflect only external (consultant) costs of the projects.

SUPPLEMENTAL SCHEDULE 2

(continued)

CMEP Technology Project

(Started May 2017 / Planned Completion Dec 2020)

This project will provide registered entities, Regional Entities, and NERC the ability manage the compliance and enforcement processes and data in a single ERO Enterprise system. Today, those processes and related data are managed across three separate systems that have to be synchronized (webCDMS, CITS, and CRATS).

E-ISAC Portal Enhancements

(Started Jan 2018/ Planned Completion Dec 2018)

As requested by and prioritized by the Member Executive Committee (MEC), certain enhancements will be made to the E-ISAC portal during 2018 related to areas such as email notifications, user communities, and STIX-TAXII.

E-ISAC Document Management

(Started Apr 2018 / Planned Completion Oct 2018)

NERC launched the Document Management Program to provide a secure and efficient method of creating, collaborating, storing, and disseminating the vast amount of information produced at NERC. The E-ISAC is the final business unit to be implemented.

Entity Registration

(Started Dec 2017 / Planned Completion Dec 2019)

NERC is undertaking an effort to both standardize and modernize the Entity Registration process. The discovery phase of the Centralized Organization Registration Entity System (CORES) project includes the capture of Region-specific needs, variations, and exceptions in the registration process. CORES will be a centralized entity registration process, which will require the retirement of registration in CDMS, CITS, and CRATS. The Joint Registration Organization (JRO) portion of the project will be combined with the CORES production release in 2019.

SPP RE Transition

(Started Mar 2018 / Planned Completion Oct 2018)

With SPP RE dissolving, NERC is assessing the changes required to applications that contain SPP RE data and the reassignment/classification of such information. The inventory will require the mapping utility, functionality, migration, and support efforts by both Region and entity. Activities include facilitated discussions with IT and business owners of impacted applications to capture and document high-level, as well as more detailed requirements necessary to support the transition of registered entities from SPP RE to MRO and SERC.

NERC.com Phase 2

(Started May 2017 / Completed Feb 2018)

In response to feedback from stakeholders, this project was a first step to improve the usability and search capability of the public NERC.com website. The project also enhanced the stability of the NERC.com platform with a technology upgrade from SharePoint 2010 to SharePoint 2016 in Azure.

SUPPLEMENTAL SCHEDULE 3

E-ISAC and CRISP Summary of Activity

TOTAL E-ISAC (including CRISP)

<u>FUNDING</u>	YTD Actual	Annual Projection	Annual Budget	Projected Over (Under)
Assessments	\$ 7,148,762	\$ 14,297,524	\$ 14,297,524	\$ -
Other Funding	3,844,605	7,508,218	7,553,073	(44,855)
TOTAL FUNDING	\$ 10,993,367	\$ 21,805,742	\$ 21,850,597	\$ (44,855)
<u>EXPENDITURES</u>				
Personnel Expense	\$ 2,669,327	\$ 5,585,579	\$ 6,004,182	\$ (418,603)
Meeting Expense	226,530	444,358	418,000	26,358
Operating Expenses (excluding Depreciation)	3,606,655	8,537,509	8,549,624	(12,115)
Fixed Assets (including Allocations)	(187,686)	(6,019)	359,377	(365,395)
Indirect Expenses	2,845,501	6,001,331	6,519,415	(518,084)
TOTAL EXPENDITURES	\$ 9,160,328	\$ 20,562,758	\$ 21,850,597	\$ (1,287,839)
RESERVE INCREASE (DECREASE)	\$ 1,833,040	\$ 1,242,984	\$ 0	\$ 1,242,984

SUPPLEMENTAL SCHEDULE 3**(continued)****CRISP**

<u>FUNDING</u>	YTD Actual	Annual Projection	Annual Budget	Projected Over (Under)
Assessments	\$ 685,884	\$ 1,371,768	\$ 1,371,768	\$ -
Other Funding	3,706,862	7,288,263	7,348,144	(59,881)
TOTAL FUNDING	\$ 4,392,746	\$ 8,660,031	\$ 8,719,912	\$ (59,881)
<u>EXPENDITURES</u>				
Personnel Expense	\$ 348,124	\$ 979,280	\$ 944,070	\$ 35,210
Meeting Expense	41,850	52,623	48,000	4,623
Operating Expenses (excluding Depreciation)	2,996,010	6,599,694	6,772,514	(172,820)
Fixed Assets (including Allocations)	(26,536)	58,628	114,113	(55,485)
Indirect Expenses	402,317	969,807	841,215	128,592
TOTAL EXPENDITURES	\$ 3,761,764	\$ 8,660,031	\$ 8,719,912	\$ (59,880)
RESERVE INCREASE (DECREASE)	\$ 630,982	\$ (0)	\$ 0	\$ (0)

E-ISAC (excluding CRISP)

<u>FUNDING</u>	YTD Actual	Annual Projection	Annual Budget	Projected Over (Under)
Assessments	\$ 6,462,878	\$ 12,925,757	\$ 12,925,757	\$ -
Other Funding	137,743	219,954	204,929	15,025
TOTAL FUNDING	\$ 6,600,621	\$ 13,145,711	\$ 13,130,686	\$ 15,025
<u>EXPENDITURES</u>				
Personnel Expense	\$ 2,321,204	\$ 4,606,299	\$ 5,060,112	\$ (453,813)
Meeting Expense	184,680	391,735	370,000	21,735
Operating Expenses (excluding Depreciation)	610,645	1,937,815	1,777,110	160,705
Fixed Assets (including Allocations)	(161,150)	(64,647)	245,263	(309,910)
Indirect Expenses	2,443,184	5,031,524	5,678,200	(646,676)
TOTAL EXPENDITURES	\$ 5,398,564	\$ 11,902,727	\$ 13,130,686	\$ (1,227,959)
RESERVE INCREASE (DECREASE)	\$ 1,202,058	\$ 1,242,984	\$ 0	\$ 1,242,984



NERC Summary of Unaudited Results Second Quarter 2018

Scott Jones, Senior Vice President, Chief Financial and Administrative Officer
Finance and Audit Committee Meeting
August 15, 2018

RELIABILITY | ACCOUNTABILITY



- Total funding is on budget
 - Interest income is over budget, offset by lower testing fee revenue
- Total expenditures were \$2.6M (7.0%) under budget
 - Primarily due to the expected timing of expenditures versus budget
- Net impact was \$2.6M increase in operating reserves

- NERC projecting to be close to budget for funding
 - Interest income and workshop fees projected to be above budget, while testing fee income and CRISP revenues expected to be below budget
- NERC projecting to be close to budget for costs (0.2% over)
- In addition to planned operating reserve decline of \$200k, funding and expense projections will further reduce by \$100k
- Financing activity is projected to be favorable by \$483k

- Total project reserves balance is \$9.7M
 - Operating Contingency Reserve (OCR) – \$4.1M
 - Assessment Stabilization Reserve (ASR) – \$2.1M
 - Future Obligation Reserve – \$2.5M
 - System Operator Reserve – \$538k
 - CRISP Reserve – \$500k

Questions and Answers

