



RELIABILITY FIRST

Minutes

Board of Directors • Finance and Audit Committee

June 24, 2024

Teleconference

Open Session

Call to Order – Chair Patrick Cass called to order a duly noticed open meeting of the Finance and Audit Committee (Committee) on June 24, 2024, at 11:06 am (ET). A quorum was present, consisting of the following members of the Committee: Chair Patrick Cass, Vice Chair Jennifer Sterling, Joanna Burkey, Nelson Peeler, and Joseph Trentacosta. A list of others present during the Committee meeting is set forth in Attachment A.

Appoint Secretary to Record Minutes – Chair Cass designated Niki Schaefer as the secretary to record the meeting minutes.

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

Approve Minutes – Chair Cass presented the draft minutes for the May 1, 2024 meeting, which were included in the agenda package. Upon a motion duly made and seconded, the Committee approved the minutes as presented.

2025 Business Plan and Budget – Beth Dowdell, Senior Director Corporate Services, presented the final 2025 Business Plan and Budget (BP&B) to the Committee, which was included in the agenda package. She began by noting that there were no changes to the budget numbers since what was presented to the Committee in May and the public posting of the first draft of the 2025 BP&B. Ms. Dowdell reported that the 2025 BP&B was posted publicly for the required period, and she discussed the analytics from the RF website of the numbers of users who searched for and viewed the document. She noted that there were no comments received from the public posting.

She then discussed RF's meetings with NERC and FERC about the 2025 BP&B and the items discussed during those meetings. As a result of the FERC meeting, RF made edits to the language in the 2025 BP&B to further explain how RF forecasts future budgets. She stated that RF is the only region that projects high and low numbers for its budget forecasts. Ms. Dowdell stated that there were some minor edits from NERC legal, and noted that one change to the 2025 BP&B is that RF is holding \$30,000 of penalties in the assessment stabilization reserve. These penalties were collected after the first draft of the 2025 BP&B was published, and they will be used for the 2026 BP&B. There was also clarifying language added to explain how RF forecasts and holds penalties.

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Ms. Dowdell then reviewed the 2025 NERC and Regional budgets and assessment variances year over year. She noted that the NERC and Regional budgets for 2025 are still in varying stages of approval with their respective boards.

Upon a motion duly made and seconded, the Committee unanimously approved the 2025 BP&B, which will next go to the full Board for approval.

Next Meeting – Chair Cass noted that the next Committee meeting will be on August 21, 2024.

Adjourn – Upon a motion duly made and seconded, Chair Cass adjourned the Committee meeting at 11:30 am (ET).

As approved on this 21st day of August, 2024 by the
Finance and Audit Committee,

A handwritten signature in blue ink, appearing to read 'Niki Schaefer', is positioned above the printed name and title.

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

Attachment A

Others Present During the Finance and Audit Committee Meeting

Tim Gallagher • ReliabilityFirst
Jeff Craigo • ReliabilityFirst
Marcus Noel • ReliabilityFirst
Niki Shaefer • ReliabilityFirst
Christi Klein • ReliabilityFirst
Beth Dowdell • ReliabilityFirst
Diane Holder • ReliabilityFirst
Jody Tortora • ReliabilityFirst