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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2016

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public

Information about Form 990 and its instructions is at www.irs.gov/form990

Department of the Treasury
Internal Revenue Service

A For the 2016 calendar year, or tax year beginning 01-01-2016 , and ending 12-31-2016

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return as Final

☒ Return/terminated

☐ Amended return

☐ Application pending

C Name of organization

North American Electric Reliability Corp

% MANAGEMENT

Doing business as

Number and street (or P O box if mail is not delivered to street address)

Room/suite

3353 Peachtree Road NE Suite STE 60

City or town, state or province, country, and ZIP or foreign postal code

Atlanta, GA 30326

F Name and address of principal officer

J SCOTT JONES

3353 Peachtree Road NE

Atlanta, GA 30326

H(a) Is this a group return for subordinates?

☐ Yes ☒ No

H(b) Are all subordinates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status

☐ 501(c)(3) ☒ 501(c) (6) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www.nerc.com

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 2006

M State of legal domicile NJ

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities

To enhance the reliability and security of the bulk power system in North America

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a)

3

11

4 Number of independent voting members of the governing body (Part VI, line 1b)

4

10

5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)

5

267

6 Total number of volunteers (estimate if necessary)

6

2,300

7a Total unrelated business revenue from Part VIII, column (C), line 12

7a

0

7b Net unrelated business taxable income from Form 990-T, line 34

7b

Revenue

8 Contributions and grants (Part VIII, line 1h)

9 Program service revenue (Part VIII, line 2g)

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

Prior Year

Current Year

0

0

63,486,737

66,521,115

6,792

-656

-159,707

-180,790

63,333,822

66,339,669

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)

14 Benefits paid to or for members (Part IX, column (A), line 4)

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

16a Professional fundraising fees (Part IX, column (A), line 11e)

b Total fundraising expenses (Part IX, column (D), line 25) ▶0

17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)

18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)

19 Revenue less expenses Subtract line 18 from line 12

2,500

1,000

0

0

36,702,990

38,040,309

0

0

25,633,415

25,707,979

62,338,905

63,749,288

994,917

2,590,381

Net Assets or Fund Balances

20 Total assets (Part X, line 16)

21 Total liabilities (Part X, line 26)

22 Net assets or fund balances Subtract line 21 from line 20

Beginning of Current Year

End of Year

55,029,893

72,854,421

41,584,036

56,818,183

13,445,857

16,036,238

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Signature of officer

2017-05-11

Date

J SCOTT JONES VP Fin & Treasurer

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Michele N Melchior

Michele N Melchior

P00488037

Firm's name ▶ GRANT THORNTON LLP

Firm's EIN ▶

Firm's address ▶ 1100 PEACHTREE STREET SUITE 1200

Phone no (404) 330-2000

ATLANTA, GA 30309

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2016)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission

The North American Electric Reliability Corporation (NERC) is a not-for-profit international regulatory authority whose mission is to assure the reliability and security of the bulk power system in North America

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported**4a** (Code) (Expenses \$ including grants of \$) (Revenue \$)

Electricity ISAC The Electricity Information Sharing and Analysis Center (E-ISAC) establishes situational awareness, incident management, coordination, and communication capabilities within the electricity sector through timely, reliable, and secure information exchange

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)

Reliability Assessment and Performance Analysis NERCs Reliability Assessment and Performance Analysis group identifies areas of concern regarding assessment and trend efforts and makes recommendations for their remedy

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

Compliance Monitoring Compliance Monitoring is the process used to assess, investigate, evaluate, and audit in order to measure compliance with NERC Reliability Standards. Standards are developed, adopted, and approved through the Reliability Standards Development program and placed into effect pursuant to FERC orders or to applicable authorities in other North American jurisdictions

4d Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	No
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III 	5	Yes
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a	Yes
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII 	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e	Yes
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f	Yes
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a	Yes
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV 	14b	Yes
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV 	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV 	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		No
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	Yes	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		No
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		No
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		No
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		No
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		No
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		No
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		No
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		No
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		No
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		No
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		No
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	Yes	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	55
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	267
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	Yes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	No
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8	
9a	Did the sponsoring organization make any taxable distributions under section 4966?	9a	
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	11	
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	10	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	8a	Yes
b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	15a	Yes
b	Other officers or key employees of the organization	15b	Yes
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed: DE , GA , NC

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records
 ►MANAGEMENT 3353 PEACHTREE RD NE STE 600 Atlanta, GA 30326 (404) 446-2560

Check if Schedule O contains a response or note to any line in this Part VII ☒

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

[illegible]

[illegible]

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 133

Section B. Independent Contractors

(A)	(B)	(C)
Name and business address	Description of services	Compensation
Battle Pacific Northwest Division, POBox 84262 SEATTLE, WA 981245562	CRISP data sharing	6,071,982
GSTDC 72 Owner LLC, PO Box 75460 BALTIMORE, MD 21275	Landlord-DC	1,758,341
Atlanta Financial Center LLC, 3353 Peachtree Road NE Suite 100 ATLANTA, GA 30326	Landlord-ATL	1,637,858
Computer Technology Solutions Inc, 300 Riverchase Parkway East BIRMINGHAM, AL 35244	Business Intell	1,109,839
Presidio Holdings Inc, PO Box 822169 PHILADELPHIA, PA 19182	Project consulting	1,055,459

Form **990** (2016)

Part VIII **Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns . . .	1a				
	b Membership dues . . .	1b				
	c Fundraising events . . .	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f \$ _____					
	h Total. Add lines 1a-1f		0			
Program Service Revenue			Business Code			
	2a ASSESSMENTS		900099	57,081,445	57,081,445	
	b THIRD-PARTY FUNDING		900099	6,917,790	6,917,790	
	c TESTING FEES		900099	1,738,043	1,738,043	
	d PENALTY SANCTIONS		900099	500,000	500,000	
	e WORKSHOPS		900099	240,837	240,837	
	f All other program service revenue			43,000	43,000	
g Total. Add lines 2a-2f		66,521,115				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			38,851		38,851
	4 Income from investment of tax-exempt bond proceeds			0		
	5 Royalties			0		
	6a Gross rents	(i) Real (ii) Personal				
		188,684				
	b Less rental expenses	369,676				
	c Rental income or (loss)	-180,992 0				
	d Net rental income or (loss)			-180,992		-180,992
	7a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
		100				
	b Less cost or other basis and sales expenses	39,607				
	c Gain or (loss)	-39,507				
	d Net gain or (loss)			-39,507		-39,507
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18		a			
	b Less direct expenses	b				
	c Net income or (loss) from fundraising events			0		
	9a Gross income from gaming activities See Part IV, line 19		a			
b Less direct expenses	b					
c Net income or (loss) from gaming activities			0			
10a Gross sales of inventory, less returns and allowances		a				
b Less cost of goods sold	b					
c Net income or (loss) from sales of inventory			0			
Miscellaneous Revenue		Business Code				
11a MISCELLANEOUS- AMEX POINTS		900099	202		202	
b _____						
c _____						
d All other revenue						
e Total. Add lines 11a-11d			202			
12 Total revenue. See Instructions			66,339,669	66,521,115	-181,446	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	0			
2 Grants and other assistance to domestic individuals. See Part IV, line 22.	1,000			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.	0			
4 Benefits paid to or for members.	0			
5 Compensation of current officers, directors, trustees, and key employees.	6,303,537			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0			
7 Other salaries and wages.	24,240,487			
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions).	2,504,730			
9 Other employee benefits.	3,256,799			
10 Payroll taxes.	1,734,756			
11 Fees for services (non-employees):				
a Management.	0			
b Legal.	405,432			
c Accounting.	137,080			
d Lobbying.	46,363			
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees.	0			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	10,871,744			
12 Advertising and promotion.	0			
13 Office expenses.	1,473,667			
14 Information technology.	3,312,852			
15 Royalties.	0			
16 Occupancy.	3,113,724			
17 Travel.	2,232,853			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19 Conferences, conventions, and meetings.	1,239,784			
20 Interest.	78,971			
21 Payments to affiliates.	0			
22 Depreciation, depletion, and amortization.	2,472,276			
23 Insurance.	287,404			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O):				
a OTHER EXPENSES	35,829			
b				
c				
d				
e All other expenses.				
25 Total functional expenses. Add lines 1 through 24e.	63,749,288	0	0	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part IX ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		32,260,259	1	46,449,528
	2	Savings and temporary cash investments		8,048,696	2	8,074,390
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		3,986,346	4	3,784,074
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L.		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		0	8	0
	9	Prepaid expenses and deferred charges		1,291,805	9	2,046,006
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a	18,447,599		
	b	Less: accumulated depreciation	10b	7,656,385		
				8,301,732	10c	10,791,214
	11	Investments—publicly traded securities		0	11	0
	12	Investments—other securities. See Part IV, line 11		0	12	0
	13	Investments—program-related. See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
15	Other assets. See Part IV, line 11		1,141,055	15	1,709,209	
16	Total assets. Add lines 1 through 15 (must equal line 34)		55,029,893	16	72,854,421	
Liabilities	17	Accounts payable and accrued expenses		10,048,001	17	9,267,556
	18	Grants payable		0	18	0
	19	Deferred revenue		22,743,496	19	38,191,817
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability. Complete Part IV of Schedule D.		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		1,641,044	23	2,016,126
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D.		7,151,495	25	7,342,684
	26	Total liabilities. Add lines 17 through 25		41,584,036	26	56,818,183
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		9,735,857	27	13,265,238
	28	Temporarily restricted net assets		3,710,000	28	2,771,000
	29	Permanently restricted net assets		0	29	0
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
33	Total net assets or fund balances		13,445,857	33	16,036,238	
34	Total liabilities and net assets/fund balances		55,029,893	34	72,854,421	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	66,339,669
2	Total expenses (must equal Part IX, column (A), line 25)	2	63,749,288
3	Revenue less expenses Subtract line 2 from line 1	3	2,590,381
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	13,445,857
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	16,036,238

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		No
b Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	Yes	
c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Additional Data

Software ID:
Software Version:
EIN: 20-4821888
Name: North American Electric Reliability Corp

Form 990 (2016)

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Fred Gorbet Chairman	10 0 0 0	X		X				141,667	0	0
Roy Thilly Vice Chair	10 0 0 0	X		X				107,500	0	0
Bob Clarke Trustee	10 0 0 0	X						112,500	0	0
David Goulding Trustee	8 0 0 0	X						112,500	0	0
Kenneth Peterson Trustee	12 0 0 0	X						122,500	0	0
Janice Case Trustee	9 0 0 0	X						112,500	0	0
Jan Schori Trustee	9 0 0 0	X						112,500	0	0
Ken DeFontes Trustee (AS OF 02/16)	8 0 0 0	X						89,688	0	0
Paul Barber Trustee	9 0 0 0	X						112,500	0	0
George Hawkins Trustee	9 0 0 0	X						102,500	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Gerry W Cauley President and CEO	53 0 0 0	X		X				780,565	0	107,310
Charles A Berardesco SR VP/GEN COUNS /SEC	48 0 0 0			X				481,885	0	60,258
Mark G Lauby Sr VP & Chief Reliability	60 0 0 0			X				388,973	0	80,060
Michael A Walker Sr VP/CFO/SDO	46 0 0 0			X				433,042	0	88,166
Janet L Sena SVP/Policy & Ext Affairs Dir	45 0 0 0			X				344,443	0	45,754
Marcus Sachs SVP & Chief Sec Officer	50 0 0 0			X				396,578	0	62,428
Kenneth McIntyre VP/DIR Stan and Compliance	58 0 0 0			X				156,131	0	21,692
Stan Hoptroff VP/CTO/DIR of IT	43 0 0 0			X				310,590	0	33,226
Timothy E Roxey VP/E-ISAC Operations Off	43 0 0 0			X				286,020	0	54,951
Sonia C Mendonca VP/DGC/Enforcement DIR	45 0 0 0			X				321,245	0	61,867

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors									
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)							(D) Reportable compensation from the organization (W- 2/1099-MISC)
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
J Scott Jones VP/CT/Corp Treas /DIR F&A	47 0 0 0			X				301,029	0
James Merlo VP/DIR Reliability Risk Mgt	56 0 0 0			X				258,370	0
Robert W Cummings SR DIR ENG and Reliability	48 0 0 0					X		249,020	0
Valarie Agnew Sr Director	50 0 0 0					X		249,817	0
Andrea Koch SR DIR, Reliability Assuranc	54 0 0 0					X		247,764	0
Thomas Coleman Director of Reliability	43 0 0 0					X		226,066	0
Holly Hawkins Asso Gen Counsel through 10/16	40 0 0 0					X		237,300	0

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶Complete if the organization is described below. ▶Attach to Form 990 or Form 990-EZ.
▶Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Open to Public Inspection

If the organization answered "Yes" on Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes" on Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes" on Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization North American Electric Reliability Corp	Employer identification number 20-4821888
--	--

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1	Provide a description of the organization's direct and indirect political campaign activities in Part IV	
2	Political expenditures	▶ \$
3	Volunteer hours	

Part I-B Complete if the organization is exempt under section 501(c)(3).

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	☐ Yes ☐ No
4a	Was a correction made?	☐ Yes ☐ No
b	If "Yes," describe in Part IV	

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities	▶ \$
3	Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b	▶ \$
4	Did the filing organization file Form 1120-POL for this year?	☐ Yes ☐ No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV	

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
2				
3				
4				
5				
6				

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures
(The term "expenditures" means amounts paid or incurred.)**(a)** Filing
organization's
totals**(b)** Affiliated
group totals

1a Total lobbying expenditures to influence public opinion (grass roots lobbying)

b Total lobbying expenditures to influence a legislative body (direct lobbying)

c Total lobbying expenditures (add lines 1a and 1b)

d Other exempt purpose expenditures

e Total exempt purpose expenditures (add lines 1c and 1d)

f Lobbying nontaxable amount Enter the amount from the following table in both columns

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over \$500,000	20% of the amount on line 1e
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000
Over \$17,000,000	\$1,000,000

g Grassroots nontaxable amount (enter 25% of line 1f)

h Subtract line 1g from line 1a If zero or less, enter -0-

i Subtract line 1f from line 1c If zero or less, enter -0-

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?

☐ Yes ☐ No**4-Year Averaging Period Under section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities?			
j	Total. Add lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

		Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1	No
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	No
3	Did the organization agree to carry over lobbying and political expenditures from the prior year?	3	Yes

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1	Dues, assessments and similar amounts from members	1	57,081,445
2	Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a	Current year	2a	56,000
b	Carryover from last year	2b	37,160
c	Total	2c	93,160
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	91,000
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	2,160
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, lines 1 and 2 (see instructions), and Part II-B, line 1. Also, complete this part for any additional information.

Return Reference	Explanation
------------------	-------------

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SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990.
Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
North American Electric Reliability Corp

Employer identification number
20-4821888

Part I

Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

(a) Donor advised funds

(b) Funds and other accounts

1

Total number at end of year

2

Aggregate value of contributions to (during year)

3

Aggregate value of grants from (during year)

4

Aggregate value at end of year

5

Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?

☐ Yes

☐ No

6

Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

☐ Yes

☐ No

Part II

Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

2a

2b

2c

2d

Held at the End of the Year

a

Total number of conservation easements

b

Total acreage restricted by conservation easements

c

Number of conservation easements on a certified historic structure included in (a)

d

Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4

Number of states where property subject to conservation easement is located ►

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes

☐ No

6

Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ►

7

Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes

☐ No

9

In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.
Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a

If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included on Form 990, Part VIII, line 1

► \$

(ii) Assets included in Form 990, Part X

► \$

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a

Revenue included on Form 990, Part VIII, line 1

► \$

b

Assets included in Form 990, Part X

► \$

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 52283D

Schedule D (Form 990) 2016

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐

Public exhibition

b

☐

Scholarly research

c

☐

Preservation for future generations

d

☐

Loan or exchange programs

e

☐

Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

☐

Part V

Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a)Current year	(b)Prior year	(c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance				
b	Contributions				
c	Net investment earnings, gains, and losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Temporarily restricted endowment ▶

The percentages on lines 2a, 2b, and 2c should equal 100%

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b

If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?

4

Describe in Part XIII the intended uses of the organization's endowment funds

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a	Land			
b	Buildings			
c	Leasehold improvements	1,380,675	746,832	633,843
d	Equipment	14,393,033	5,053,245	9,339,789
e	Other	2,673,890	1,856,308	817,582
Total.	Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))			10,791,214

Part VII

Investments—Other Securities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11b.
See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12) ▶		

Part VIII

Investments—Program Related. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c.
See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13) ▶		

Part IX

Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ▶	

Part X

Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f.
See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	0
DEFERRED COMPENSATION	1,527,437
ACCRUED RETIREMENT LIABILITIES	1,903,342
DEFERRED RENT	3,411,905
INSURANCE RESERVE	500,000
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	7,342,684

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII

☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	66,748,852
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	66,748,852
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	-409,183
c	Add lines 4a and 4b	4c	-409,183
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)	5	66,339,669

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	64,158,471
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	409,183
e	Add lines 2a through 2d	2e	409,183
3	Subtract line 2e from line 1	3	63,749,288
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)	5	63,749,288

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 20-4821888
Name: North American Electric Reliability Corp

Supplemental Information

Return Reference	Explanation
Schedule D, Part X, Line 2	The corporation has received a determination letter from the Internal Revenue Service concluding that it is exempt from federal income taxes under section 501(c)(6) of the internal revenue code. The corporation is subject to income taxes on revenues related to unrelated business activities. The corporation is subject to a proxy tax related to nondeductible lobbying and political expenses incurred. There was no proxy tax incurred in 2016 or 2015. The corporation recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authority, based on the technical merits of the position. The corporation is no longer subject to federal and state tax examinations by the respective taxing authorities for the years prior to 2013. Tax years 2013 through 2016 remain subject to examination by major tax jurisdictions.

Supplemental Information	
Return Reference	Explanation
RECONCILIATION OF REVENUE, SCHEDULE D, PART XI, LINE 4B	RECLASS OF RENTAL EXPENSES (\$369,676) LOSS ON DISPOSAL OF ASSETS (\$39,507) ----- TOTAL (\$409,183) -----

Supplemental Information	
Return Reference	Explanation
RECONCILIATION OF EXPENSES, SCHEDULE D, PART XII, LINE 2D	RECLASS OF RENTAL EXPENSES \$369,676 LOSS ON DISPOSAL OF ASSETS \$39,507 ----- TOTAL \$409,183 -----

**SCHEDULE F
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization
North American Electric Reliability Corp

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990,
Part IV, line 14b, 15, or 16.

► Attach to Form 990. ► See separate instructions.

► Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

**Open to Public
Inspection**

Employer identification number

20-4821888

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☐ No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States

3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) North America	0	0	Program Services	Regulatory Obligations	5,135,852
(2) North America	0	0	Program Services	Regulatory Obligations	159,765
(3)					
(4)					
(5)					
3a Sub-total	0	0			5,295,617
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)	0	0			5,295,617

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									

- 2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ► _____
- 3 Enter total number of other organizations or entities ► _____

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* ☐ Yes ☒ No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A)* ☐ Yes ☒ No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons with Respect to Certain Foreign Corporations (see Instructions for Form 5471)* ☐ Yes ☒ No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* ☐ Yes ☒ No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* ☐ Yes ☒ No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713)* ☐ Yes ☒ No

Part V **Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

990 Schedule F, Supplemental Information

Return Reference	Explanation
Schedule F, Part I, Line 2	Expenditures are accounted for based upon the location of the activities

990 Schedule F, Supplemental Information

Return Reference	Explanation
Schedule F, Part I, Line 3	(1) Country - Canada (2) Country - Mexico

Schedule J (Form 990)	Compensation Information For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23. ▶ Attach to Form 990. ▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.		OMB No 1545-0047
			2016
			Open to Public Inspection
Department of the Treasury Internal Revenue Service Name of the organization North American Electric Reliability Corp		Employer identification number 20-4821888	

Part I Questions Regarding Compensation				Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items					
☐	First-class or charter travel	☐	Housing allowance or residence for personal use		
☐	Travel for companions	☐	Payments for business use of personal residence		
☐	Tax indemnification and gross-up payments	☒	Health or social club dues or initiation fees		
☐	Discretionary spending account	☐	Personal services (e g , maid, chauffeur, chef)		
b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain			1b	Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?			2	Yes	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III					
☒	Compensation committee	☐	Written employment contract		
☒	Independent compensation consultant	☒	Compensation survey or study		
☐	Form 990 of other organizations	☒	Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization					
a Receive a severance payment or change-of-control payment?			4a		No
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?			4b	Yes	
c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			4c		No
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.					
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of					
a The organization?			5a		
b Any related organization? If "Yes," on line 5a or 5b, describe in Part III			5b		
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of					
a The organization?			6a		
b Any related organization? If "Yes," on line 6a or 6b, describe in Part III			6b		
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III			7		
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III			8		
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?			9		

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

Schedule J (Form 990) 2016

Part III **Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
Schedule J, Part I, Line 1	The Washington DC NERC building facility provides a free gym membership that all employees are able to utilize. The Atlanta NERC office facility does not provide this free benefit. In order to provide an equal opportunity for use of a gym facility, NERC pays the membership for Atlanta-based employees who would like to use the health club in the Atlanta office facility. Of those included in Part II of Schedule J, the following Atlanta-based employees participated in this opportunity during the year: Stan Hoptroff, James Merlo, J. Scott Jones, and Thomas Coleman. All payments were considered taxable compensation in the employee's W-2.
Schedule J, Part I, Line 4b	IN 2015, NERC ESTABLISHED A 457(F) PLAN FOR EXECUTIVE OFFICERS. AWARDED CONTRIBUTIONS TO THE PLAN IN 2016 TOTALED \$202,541. AWARDS VEST OVER TIME. NO AWARDS VESTED IN 2016, and no amounts were paid out of the plan.

Additional Data

Software ID:
Software Version:
EIN: 20-4821888
Name: North American Electric Reliability Corp

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1Gerry W Cauley President and CEO	(i)	499,691	238,000	42,874	71,472	35,838	887,875	0
	(ii)	0	0	0	0	0	0	0
1Charles A Berardesco SR VP/GEN COUNS /SEC	(i)	340,387	125,717	15,781	46,162	14,096	542,143	0
	(ii)	0	0	0	0	0	0	0
2Mark G Lauby Sr VP & Chief Reliability	(i)	274,123	104,939	9,911	44,282	35,778	469,033	0
	(ii)	0	0	0	0	0	0	0
3Michael A Walker Sr VP/CFO/SDO	(i)	304,192	114,519	14,331	52,388	35,778	521,208	0
	(ii)	0	0	0	0	0	0	0
4Janet L Sena SVP/Policy & Ext Affairs Dir	(i)	250,467	88,639	5,337	43,180	2,574	390,197	0
	(ii)	0	0	0	0	0	0	0
5Marcus Sachs SVP & Chief Sec Officer	(i)	317,568	76,395	2,615	58,520	3,908	459,006	0
	(ii)	0	0	0	0	0	0	0
6Kenneth McIntyre VP/DIR Stan and Compliance	(i)	153,402	0	2,729	3,038	18,654	177,823	0
	(ii)	0	0	0	0	0	0	0
7Stan Hoptroff VP/CTO/DIR of IT	(i)	242,164	65,428	2,998	30,646	2,580	343,816	0
	(ii)	0	0	0	0	0	0	0
8Timothy E Roxey VP/E-ISAC Operations Off	(i)	221,925	59,587	4,508	28,910	26,041	340,971	0
	(ii)	0	0	0	0	0	0	0
9Sonia C Mendonca VP/DGC/Enforcement DIR	(i)	248,682	69,583	2,980	31,532	30,335	383,112	0
	(ii)	0	0	0	0	0	0	0
10J Scott Jones VP/CT/Corp Treas /DIR F&A	(i)	230,730	69,000	1,299	25,738	32,664	359,431	0
	(ii)	0	0	0	0	0	0	0
11James Merlo VP/DIR Reliability Risk Mgt	(i)	199,136	57,960	1,274	27,173	17,025	302,568	0
	(ii)	0	0	0	0	0	0	0
12Robert W Cummings SR DIR ENG and Reliability	(i)	192,828	52,529	3,663	26,884	32,354	308,258	0
	(ii)	0	0	0	0	0	0	0
13Valarie Agnew Sr Director	(i)	193,815	53,619	2,383	26,561	14,103	290,481	0
	(ii)	0	0	0	0	0	0	0
14Andrea Koch SR DIR, Reliability Assuranc	(i)	194,759	52,175	830	18,773	10,797	277,334	0
	(ii)	0	0	0	0	0	0	0
15Thomas Coleman Director of Reliability	(i)	173,286	51,000	1,780	20,439	19,056	265,561	0
	(ii)	0	0	0	0	0	0	0
16Holly Hawkins Asso Gen Counsel through 10/16	(i)	180,141	56,731	428	16,640	3,326	257,266	0
	(ii)	0	0	0	0	0	0	0

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
~~Internal Revenue Service~~

Name of the organization

North American Electric Reliability Corp

Supplemental Information to Form 990 or 990-EZComplete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at
www.irs.gov/form990.

OMB No 1545-0047

2016**Open to Public
Inspection****Employer identification number**

20-4821888

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 6	Membership in the corporation is voluntary and is open to any person or entity that has an interest in the reliable operation of the North American bulk power system and that registers with the corporation as a member, maintains its registration in accordance with the bylaws, and complies with the other conditions and obligations of membership as specified in the bylaws. Membership in a regional entity shall not be a condition for membership in the corporation. The secretary of the corporation shall maintain a roster of the members of the corporation. Members do not share in the profits or revenues of the corporation.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 7a	Independent trustees are elected by the member representatives committee, which is elected by the members

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 7b	The member representatives committee and the Board of Trustees must each approve changes to the bylaws and the organization's rules of procedure They are subject to review and approval by the United States Federal Energy Regulatory Commission ("FERC") Decisions of the compliance committee of the Board of Trustees regarding enforcement matters for U S entities are subject to review and approval by FERC

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 11b	The organization must use the following process for preparation and review of its IRS Form 990 (1) each year, an independent CPA Firm prepares a draft of the Form 990, working with the Chief Financial Officer The CFO may also engage the services of outside counsel in preparing the draft Form 990 (2) Prior to filing the Form 990 each year, the Corporate Controller, Vice President of Finance, CFO and General Counsel review the draft form 990 (3) Prior to filing the Form 990 each year, the draft Form 990 is sent to all members of the Board of Trustees for review The Finance and Audit Committee (FAC) and the Corporate Governance and Human Resources Committee (CGHRC) include the review of the draft Form 990 on a meeting agenda, with the FAC review focused on the financial aspects and the CGHRC focused on the corporate governance aspects (4) The minutes of the meetings of the FAC and the CGHRC record the timing and nature of that review (5) The CFO prepares a memorandum for the file each year describing the timing, nature, and individuals involved in the preparation and review of the form 990

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 12c	The organization's conflict of interest and business ethics policy for Trustees, officers, and employees require assurance in writing annually from all employees, including Trustees, confirming the absence of any conflict of interest. The annual forms are reviewed by the organization's general counsel.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 15a & 15b	North American Electric Reliability Corporation (NERC) uses the following processes for determining the compensation of independent trustees, the chief executive officer, other officers, and key employees (A) Trustee compensation - Consistent with its Mandate and NERC's governance guidelines, as amended from time to time, the CGHRC annually reviews the compensation plan for independent Trustees. The objective of the Committee's review is to assure that NERC is able to attract and retain individuals who have the necessary skills, experience, personal characteristics and commitment to be an effective Trustee, taking into account, in particular, the workload of Trustees, the alternative opportunities available to those NERC wishes to attract and retain, and the stringent conflict-of-interest provisions governing NERC Trustees. In conducting the review of compensation, the CGHRC evaluates the amount of work and level of responsibility Trustees are being asked to undertake and, from time to time, but no less than every three years, examines market data with respect to the compensation of the members of the governing boards of other relevant organizations utilizing an independent compensation consultant. Such market data may include available compensation data from NERC's Regional Entities, regional transmission operators (RTO), independent system operators (ISO), investor owned utilities (IOU) (meeting such characteristics as are approved by the Committee in consultation with the independent compensation consultant) and a general industry peer group (as approved by the Committee in consultation with the independent compensation consultant). As an initial compensation target benchmark range, the Committee determines the dollar range between the 50th percentile of RTO/ISO independent director compensation and the 25th percentile of IOU independent director compensation, as reflected in the most recent independent compensation consultant report. Each Committee review should evaluate the appropriateness of continued utilization of this target benchmark range and whether changes should be considered in connection with modifications to compensation. The Committee's recommendations should, in principle, be within the benchmark range and influenced by the overall objective of the Committee's review and specific considerations as set forth above. (B) Chief Executive and other officer compensation - the annual compensation, including incentive compensation, of the CEO is determined by the Board of Trustees, after review and recommendation by the CGHRC. The Committee and Board consider market data for peer group organizations provided by an independent consultant, as well as the degree to which the organization and CEO have achieved established annual goals. The decisions of the Committee and Board are documented and kept on file in the human resources department. The annual compensation, including incentive compensation, of other officers is reviewed, determined.

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Return Reference	Explanation
Form 990, Part VI, Line 15a & 15b	and documented in a similar fashion, except that the final compensation determinations are, upon recommendation of the CEO, approved by the CGHRC, rather than the Board of Trustees (C) Key employees - the annual compensation of other key employees is determined by the CEO, after consultation with the CGHRC concerning overall corporate compensation structure, taking account of the degree to which organizational and personal goals have been achieved. The CEO also uses comparability data provided by an independent consultant in these determinations. The recommendations of the CEO are documented and kept on file in the human resources department.

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Return Reference	Explanation
Form 990, Part VI, Line 19	The organization's bylaws, governing documents, conflict of interest policy, and other corporate policies, and detailed budget are all posted and available for public inspection on its website. The organization provides copies of its audited financial statements upon request, and files such statements with FERC. The Form 990 is also available on guidestar.org and by request to the organization.

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Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION E-ISAC AND CRISP TOTAL FEES 6818495

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FORM 990 PART IX LINE 11G	DESCRIPTION RELIABILITY AND RISK MGT TOTAL FEES 1720788

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FORM 990 PART IX LINE 11G	DESCRIPTION RELIAB ASSESSMENT & ANALYSIS TOTAL FEES 406570

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FORM 990 PART IX LINE 11G	DESCRIPTION ADMIN SERVICES TOTAL FEES 737816

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Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION COMPLIANCE ASSURANCE TOTAL FEES 5347

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Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION TRAINING EDUCATION CERTIF TOTAL FEES 549109

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FORM 990 PART IX LINE 11G	DESCRIPTION OTHER SERVICES TOTAL FEES 519772

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Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION MAINTENANCE SERVICES TOTAL FEES 113847