

PRESS RELEASE

FOR IMMEDIATE RELEASE

FRCC BOARD VOTES TO DISSOLVE REGIONAL ENTITY

On October 30, 2018, the Florida Reliability Coordinating Council, Inc. (FRCC), Board of Directors approved a timeline and plan to terminate its *Amended and Restated Delegation Agreement* with the North American Reliability Electric Reliability Corporation (NERC) pending the receipt of formal approval of FRCC's plan from NERC and the Federal Energy Regulatory Commission. FRCC will target winding down its Regional Entity operations effective July 1, 2019.

This Board decision follows a careful review of FRCC's governance and corporate structure, which includes a NERC Regional Entity division and a Member Services division. The Board undertook its review in response to NERC's decision to require NERC Regional Entities to be separate corporate entities from NERC registered entities, and included consideration of factors including, but not limited to: maintaining the reliability of the bulk power system in Florida, customer costs, availability of stakeholder involvement in governance.

During its time as a Regional Entity, FRCC has operated with delegated authority from NERC and has fulfilled responsibilities to monitor and enforce reliability standards for the bulk power system in its Region. While winding down its Regional Entity functions, FRCC will remain in close contact with NERC, as well as the SERC Reliability Corporation (SERC), to ensure that Registered Entities within FRCC's region, which is comprised of peninsular Florida east of the Apalachicola River, experience a smooth transfer to another NERC Regional Entity. The transition will result in SERC becoming the new Compliance Enforcement Authority for all NERC registered entities that are currently within the FRCC Region (FRCC Entities). FRCC has already begun negotiating the transition of the FRCC Entities with SERC. Joining SERC, which, like FRCC, is governed by a stakeholder board, will also ensure that Florida's reliability interests are maintained.

After July 1, 2019, FRCC will continue its traditional member services reliability functions and coordinating roles, which include its work as a Reliability Coordinator and Planning Authority. In fulfilling these roles, "FRCC staff and members will continue to steadfastly pursue our vision to maintain a highly reliable and secure bulk power system for peninsular Florida," said FRCC CEO Stacy Dochoda.

Mory Jones, (813)289-5644, mjones@frcc.com