

PRESS RELEASE

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FERC ISSUES APPROVALS IN CONNECTION WITH DISSOLUTION OF FRCC AS A REGIONAL ENTITY

On April 30, 2019, the Federal Energy Regulatory Commission (FERC) issued a letter order granting the joint petition of the Florida Reliability Coordinating Council, Inc. (FRCC), SERC Reliability Corporation (SERC), and the North American Electric Reliability Corporation (NERC) seeking approvals in connection with the dissolution of FRCC as a regional entity. The FERC order approves termination of FRCC's *Amended and Restated Delegation Agreement* with NERC, funding for FRCC's wind down of its regional entity activities, and the transfer of FRCC registered entities to SERC by July 1, 2019, with a targeted final dissolution date of August 31, 2019. The letter order also approves amendments to SERC's Bylaws to allow Board participation by representatives from FRCC entities.

FRCC had operated as a regional entity for over a decade. During its time as a regional entity, FRCC operated with delegated authority from NERC and fulfilled responsibilities to monitor and enforce reliability standards for the bulk power system in its region. FRCC's decision to seek dissolution as a regional entity followed a careful review of FRCC's governance and corporate structure, which the FRCC Board had undertaken in response to NERC's decision to require NERC regional entities to be separate corporate entities from NERC registered entities.

Since deciding to seek dissolution in October 2018, FRCC has worked closely with SERC and NERC to plan for the dissolution of FRCC as a regional entity. FRCC and SERC have already taken steps to transition the registered entities within FRCC's region, which is comprised of peninsular Florida east of the Apalachicola River, to SERC, to ensure that they experience a smooth transfer and to ensure preservation of Florida's reliability interests. The transition will result in SERC becoming the new Compliance Enforcement Authority for all NERC registered entities that are currently within the FRCC region.

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