

Hearing Body Charter

I. Purpose

- A. The Hearing Body is a non-standing committee of the Texas Reliability Entity, Inc. (Texas RE) Board of Directors (Board) whose purpose is to conduct and render decisions in compliance hearings in accordance with Exhibit D of the Texas RE Delegation Agreement.
- B. Hearings shall be conducted in accordance with the then-current Attachment 2, Hearing Procedures to the NERC Compliance Monitoring and Enforcement Program. This Charter clarifies and supplements the Hearing Procedures.
- C. Decisions of the Hearing Body shall be binding on Texas RE and applicable registered entities and appealable to NERC according to the NERC Rules of Procedure.

II. Membership and Term

- A. The Board will appoint Directors to form a Hearing Body. The Hearing Body will be comprised of two Independent Directors and one Affiliated Director. An alternate Independent Director will be named in the event there is a recusal, disqualification, withdrawal, or term expiration of an Independent Director. In the event of a recusal, disqualification, withdrawal, or term expiration of the Affiliated Director, the remaining Affiliated Director will be appointed to the Hearing Body.
- B. The term of each Hearing Body member shall be two years. In the event a hearing is pending at the time of a member's two-year Hearing Body term expiration, term limits will be waived until such time as the Hearing Body issues a Final Order.
- C. A member of the Hearing Body shall recuse himself or herself from a proceeding if participation would violate Texas RE's conflict of interest policy.
- D. The Hearing Body will select a Chair through a majority vote of the Hearing Body.
- E. A quorum of the Hearing Body consists of all of its members. A simple majority of the members of the Hearing Body may approve an action.

III. Responsibilities and Duties

- A. The Hearing Body will convene promptly following a registered entity's request for hearing. The Hearing Body will appoint a Hearing Officer to assist it in conducting the hearing and it will delegate to that Hearing Officer authority consistent with the applicable Hearing Procedures.
- B. The Hearing Body will meet as necessary to carry out its duties. In accordance with the NERC Rules of Procedure, proceedings of the Hearing Body will be closed to the public. Notice of Hearing Body meetings will not be publicly posted. Hearing Body members may participate in meetings by means of any communication system that allows all persons participating in the meeting to hear each other.
- C. The Hearing Officer will manage prehearing matters, preside over the hearing proceedings, and assist the Hearing Body in drafting orders and other delegated tasks in accordance with the Hearing Procedures. The Hearing Officer is not a member of the Hearing Body. The Hearing Officer will be a contractor or employee of Texas RE, but, for all purposes associated with the hearing proceedings will report directly to the Hearing Body.

- D. The Hearing Body will attend the evidentiary hearing so that the members can hear and weigh the evidence presented and assess the credibility of the witnesses.
- E. Following post-hearing briefing, the Hearing Body will convene to deliberate and make an initial determination of the disputed issues based on the evidence admitted during the proceedings. The Hearing Body will issue an Initial Opinion reflecting the decisions of the Hearing Body in accordance with the Hearing Procedures.
- F. The Hearing Body will subsequently issue its Final Order after any exceptions, oral argument, and further proceedings are completed.