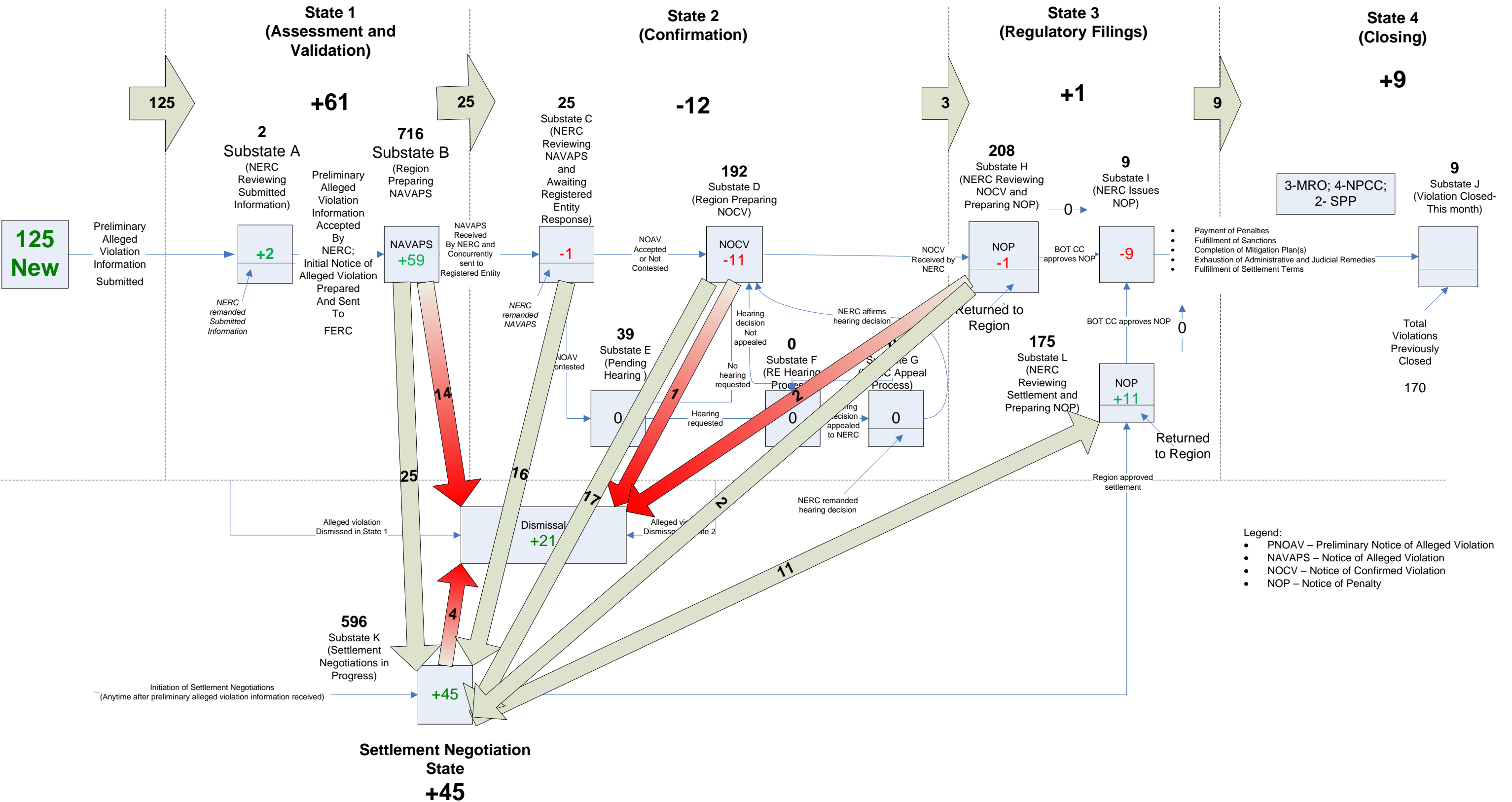


Violation Process States and Underlying Process Sub states

Snapshot comparison between August 1, 2009 and August 31, 2009



Violation Process State Summary Table — Active FERC Enforceable Alleged Violations

Below is a breakdown, as of August 31, 2009, of the Compliance Monitoring and Enforcement Program (CMEP) Violation “state” summary for the 1971 active violations.

Region	State 1 (Assessment and Validation)		State 2 (Confirmation)					Settlement	State 3 (Regulatory Filings)			State 4 (Closing)	Total
	Substate A (NERC Reviewing)	Substate B (Region Preparing NAVAP)	Substate C (NERC Reviewing NAVAP and awaiting RE Response)	Substate D (Region Preparing NOCV)	Substate E (Pending Hearing)	Substate F (RE Hearing Process)	Substate G (NERC Appeal Process)	Substate K (Settlement Negotiations)	Substate H (NERC Reviewing NOCV)	Substate L (NERC Reviewing Settlement Agreement)	Substate I (NERC Issues NOP)	Substate J (Violation Closes)	
FRCC	0	21	0	0	0	0	0	125	47	0	0	0	193
MRO	1	4	0	0	0	0	0	18	8	0	3	3	37
NPCC	0	22	0	0	0	0	0	28	0	14	0	4	68
RFC	1	51	0	0	0	0	0	79	12	11	0	0	154
SERC	0	61	0	0	0	0	0	65	4	44	3	0	177
SPP	0	33	5	3	0	0	0	21	39	1	0	2	104
TRE	0	13	8	0	0	0	0	19	5	3	2	0	50
WECC	0	508	12	189	39	0	0	241	93	102	1	0	1185
NERC	0	3	0	0	0	0	0	0	0	0	0	0	3
TOTAL	2	716	25	192	39	0	0	596	208	175	9	9	1971
Percentage of Total	0.10%	36.33%	1.27%	9.74%	1.98%	0.00%	0.00%	30.24%	10.55%	8.88%	0.46%	0.46%	
State Totals	718		256					596	392			9	

Definitions

Substate A = Preliminary Notice of Alleged violation information has been received from the Region but no Initial Notice has been issued to FERC.

Substate B = NERC is awaiting receipt of Notice of Alleged Violation Proposed Penalty or Sanction from the Region.

Substate C = NERC has received Notice of Alleged Violation Proposed Penalty or Sanction and is awaiting acceptance, auto acceptance or contest.

Substate D = Region received acceptance letter from Registered Entity, or 30 day clock expired and violation is Auto Accepted and is now Confirmed.

Substate E = Region has received letter contesting violation from Registered Entity.

Substate F = Region has received request for Hearing from Registered Entity.

Substate G = NERC has received request for Appeal from Registered Entity.

Substate H = NERC has received a Notice of Confirmed Violation from the Region.

Substate I = Violation is Confirmed/Settled and a Notice of Penalty has been issued by NERC to Registered Entity and submitted to FERC.

Substate J = Payment of Penalties, Fulfillment of Sanctions, Completion of Mitigation Plan, Exhaustion of Administrative and Judicial Remedies, and Fulfillment of Settlement terms have all been met and violation is closed.

Substate K = Settlement negotiations are in progress.

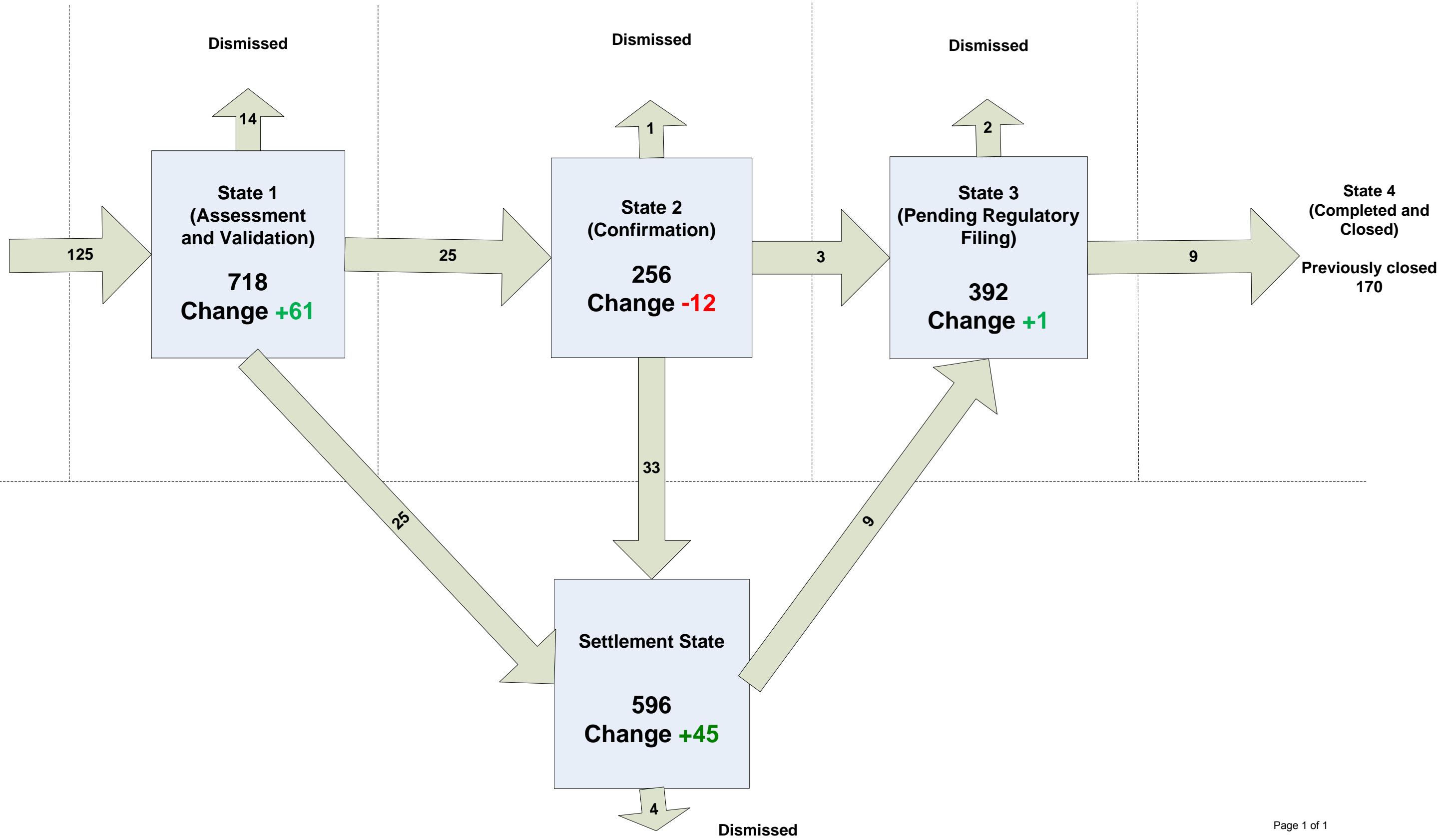
Substate L = NERC has received a Settlement Agreement from the Region.

* Includes new violations received through 8/31/2009.

Report Date: 9/2/2009

Violation Process States

Snapshot comparison between August 1, 2009 and August 31, 2009



Pending Violations Summary by Process Steps FERC Enforceable Alleged Violations Summarized by State

Below is a breakdown, as of August 31, 2009, of the Compliance Monitoring and Enforcement Program (CMEP) Violation Process Steps summarized by State for the 2141 FERC enforceable violations.

	Assessment and Validation	Confirmation	Settlement	Pending Regulatory Filing	Completed and Closed	
Region						Total
FRCC	21	0	125	47	2	195
MRO	5	0	18	11	34	68
NPCC	22	0	28	14	17	81
RFC	52	0	79	23	2	156
SERC	61	0	65	51	94	271
SPP	33	8	21	40	7	109
TRE	13	8	19	10	23	73
WECC	508	240	241	196	0	1185
NERC	3	0	0	0	0	3
TOTAL	718	256	596	392	179	2141

* Includes new violations received through 8/31/2009.

Report Date: 9/1/2009

Summary of all Post June 18th Alleged Violations by Region

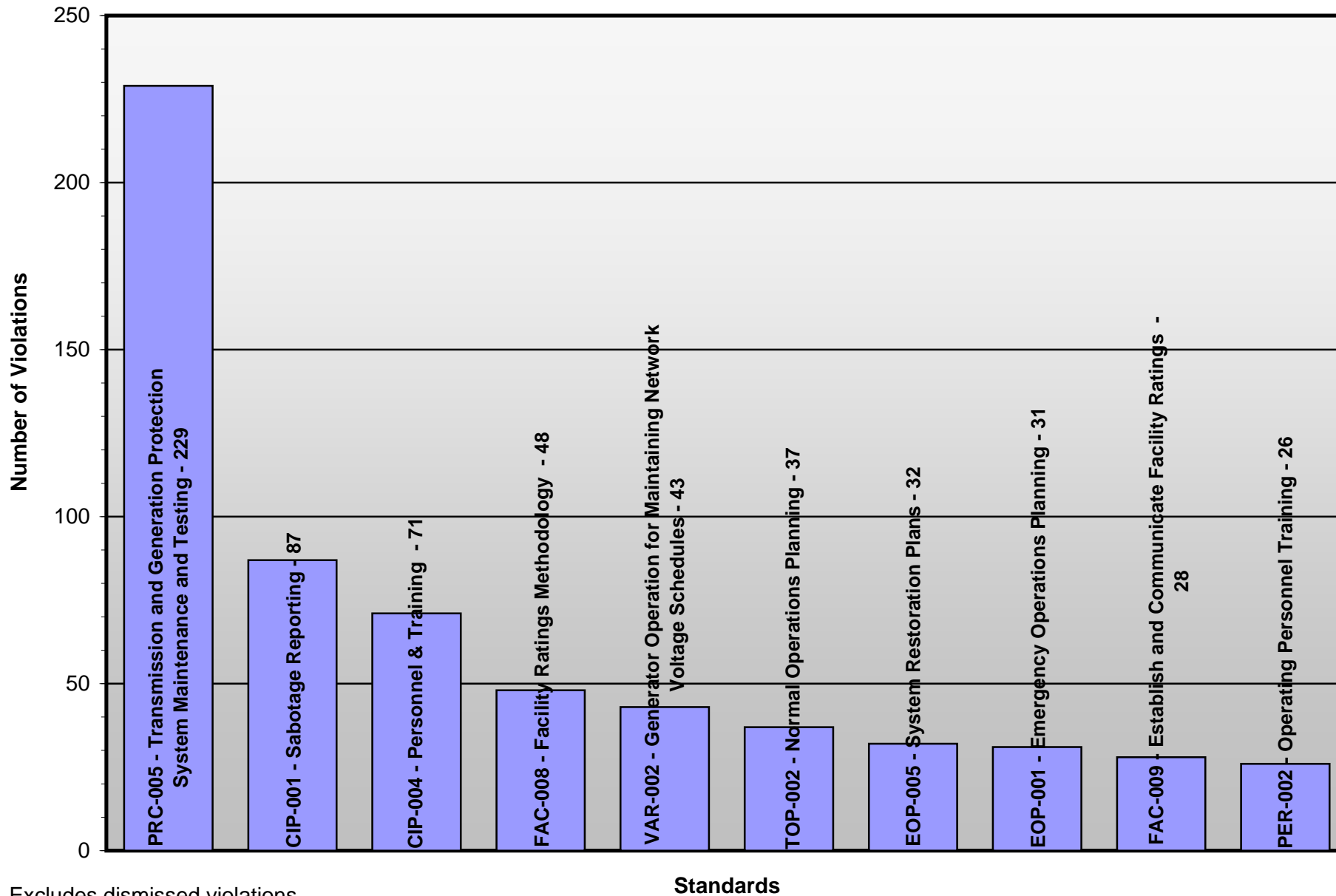
Below is a breakdown, as of August 31st, 2009 of the Compliance Monitoring and Enforcement (CMEP) alleged violation summary for all 3087 violations.

	Dismissed	Previously Closed	Newly Closed	FERC Enforceable			Total Canadian Violations	Total
				Total	Normalized by Registered Entity	% Non-Document Related		
FRCC	31	2	0	193	2.72	52%	0	226
MRO	28	31	3	34	0.29	59%	7	103
NPCC	9	13	4	64	0.22	41%	5	95
RFC	18	2	0	154	0.43	68%	0	174
SERC	43	94	0	177	0.79	55%	0	314
SPP	2	5	2	102	0.89	68%	0	111
TRE	7	23	0	50	0.23	78%	0	80
WECC	791	0	0	1185	2.54	55%	2	1978
NERC	3	0	0	3	1.00	100%	0	6
TOTAL	932	170	9	1962	1.05	56%	14	3087

Includes new violations received through 8/31/2009.

Report Date: 9/1/2009

Top 10 FERC Enforceable Standards (Submit Dates: 9/1/2008 thru 8/31/2009)

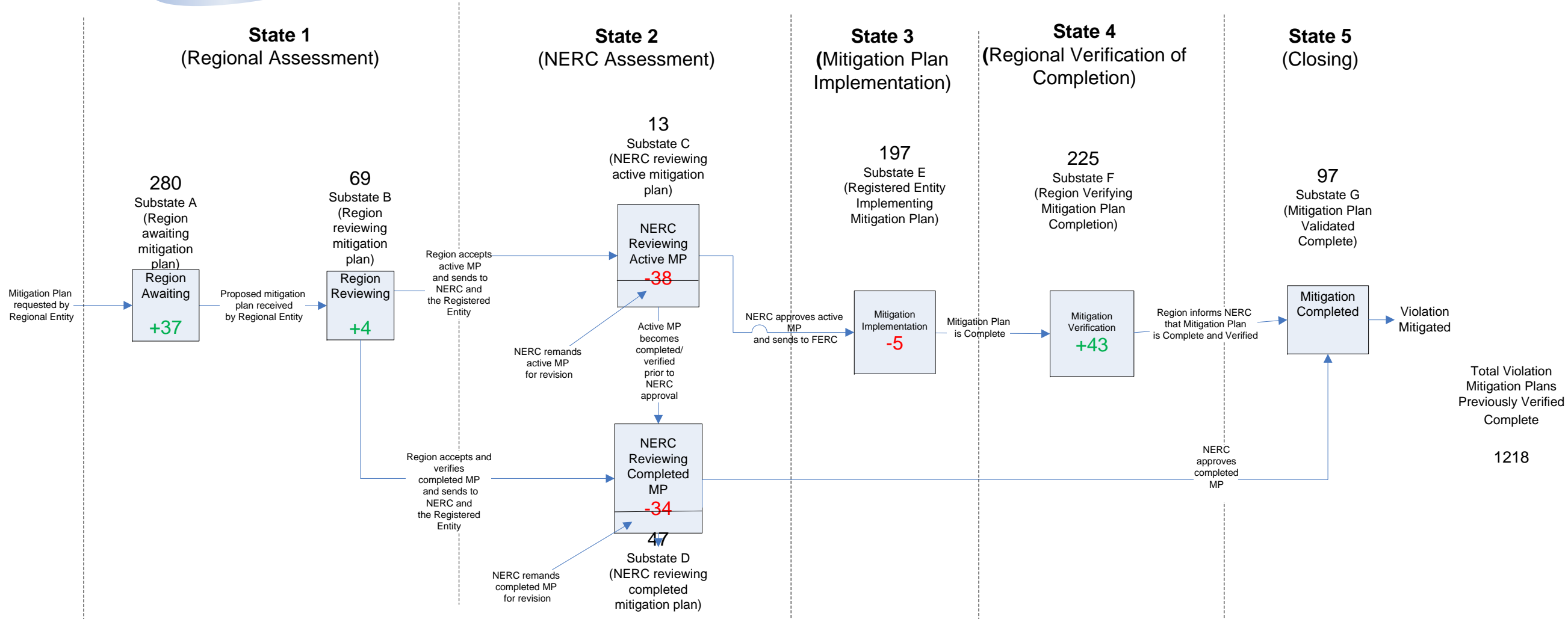


Excludes dismissed violations.

Report Date: 9/1/2009

Mitigation Process States and Underlying Process Substates

Snapshot comparison between August 1, 2009 and August 31, 2009



Mitigation Plans Process State Table — Active FERC Enforceable Alleged Violations

Below is a breakdown, as of August 31, 2009, of the Compliance Monitoring and Enforcement Program (CMEP) Mitigation Plan “state” summary for the 923 active violations.

Region	State 1 (Regional Assessment)		State 2 (NERC Assessment)			State 3 (Mitigation Plan Implementation)	State 4 (Regional Verification of Completion)	State 5 (Closing)	Total
	Substate A	Substate B	Substate C		Substate D	Substate E	Substate F	Substate G	
	Region Awaiting	Region Reviewing	Accepted MP Not Received from Region	NERC Reviewing Active MP	NERC Reviewing Completed MP	Registered Entity Implementation	Regional Verification of MP Completion	Mitigation Plan Validated Complete	
FRCC	30	7	0	5	1	14	31	8	96
MRO	12	3	0	0	1	1	1	0	18
NPCC	14	2	0	0	0	26	13	0	55
RFC	46	0	0	1	0	12	51	21	131
SERC	51	9	0	0	2	13	13	0	88
SPP	38	0	0	3	0	22	10	1	74
TRE	24	0	0	2	0	7	1	0	34
WECC	65	45	0	2	43	97	105	67	424
NERC	0	3	0	0	0	0	0	0	3
TOTAL	280	69	0	13	47	192	225	97	923
State Totals	349		60			192	225	97	

Definitions

- Substate A = Region is still awaiting receipt of mitigation plan from Registered Entity.
- Substate B = Region has received mitigation plan and is reviewing.
- Substate C = NERC has received mitigation plan and is reviewing. Also includes any mitigation plans not yet received by NERC.
- Substate D = Mitigation plan has been verified completed by the Region but is still awaiting approval by NERC.
- Substate E = Mitigation plan has been approved by NERC, and sent to FERC, but has not been completed.
- Substate F = Mitigation Plan has been completed per Registered Entity but is being verified by the Region.
- Substate G = Mitigation plan has been verified completed by Region, has been approved by NERC, and sent to FERC.

- Includes Mitigation Plans received through 8/31/2009.
- Mitigation information reported at the violation level.

Mitigation Plan Summary of Pre-June 18th Violations

Below is a breakdown of the remaining unmitigated pre-June 18th violations occurring between January 2006 and June 17, 2007, by Region, updated as of August 31, 2009.

	2007 Unmitigated			All Years
	Target Date Passed	Total 2007	Total Unmitigated	Under Verification
FRCC	1	1	1	5
MRO	0	0	0	0
NPCC	0	0	0	0
RFC	0	0	0	0
SERC	0	0	0	0
SPP	0	0	0	0
TRE	0	0	0	0
WECC	0	2	2	2
TOTAL	1	3	3	7

Definitions

Target Date Passed = Violations that are listed as “In Progress” or “To be determined” per the region’s linear spreadsheet that have an Estimated Mitigation Completion Date which has passed.

Report Date: 9/1/2009

Progress with Pre-June 18th Violation Mitigation Plans

