

**NERC Transmission Loading Relief Standards Drafting Team
NAESB Business Practices Subcommittee
Joint Meeting, Conference Call, and WeBex**

**Midwest ISO Headquarters
Carmel, IN**

August 22–23, 2007 — 9 a.m.–5 p.m. Eastern Daylight Time

Meeting Agenda

1. Administration

- Introduction of Attendees
- NERC Antitrust Compliance Guidelines
- Adoption of Agenda
- Approval of Minutes

2. Future Meetings and Schedule Review

- Conference Call — September 6, 2007 — 2 p.m.–3 p.m. Eastern Daylight Time — To review comments and make assignments
- Conference Call — September 13, 2007 — 1 p.m.–5 p.m. Eastern Daylight Time — To review responses and approve for posting
- Meeting — October 4–5, 2007 — 9 a.m.–5 p.m., 9 a.m.–noon Central Daylight Time (MSP) — OATI to host

3. Joint Operator Manual — Update

4. Phase III Work

- Guidance from NERC re: Regional Standards
- Regional Standards
 - WECC Report — David Lemmons
 - ERCOT Report — Ben Li
- IRO-006-5

5. New business

6. Adjourn

Conference Call and WebEx Information

- **August 22, 2007**
 - Conference Call
 - Dial in: 732-694-2061
 - Password: 1205082207
 - WebEx
 - <http://nerc.webex.com>
 - Password: standards
- **August 23, 2007**
 - Conference Call
 - Dial in: 732-694-2061
 - Password: 1205082307
 - WebEx
 - <http://nerc.webex.com>
 - Password: standards

NERC ANTITRUST COMPLIANCE GUIDELINES

I. GENERAL

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

II. PROHIBITED ACTIVITIES

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.

III. ACTIVITIES THAT ARE PERMITTED

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation and Bylaws are followed in conducting NERC business. Other NERC procedures that may be applicable to a particular NERC activity include the following:

- Reliability Standards Process Manual
- Organization and Procedures Manual for the NERC Standing Committees
- System Operator Certification Program

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.
- Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.

Approved by NERC Board of Trustees, June 14, 2002 Technical revisions, May 13, 2005 2

Meeting Notes

Transmission Loading Relief (Project 2006-08) Standard Drafting Team Meeting, Conference Call, and WebEx

July 9–10, 2007 — Toronto, ON

Meeting Agenda

1. Administration

a. Introduction of Attendees

The following members and guest were in attendance:

- Ben Li, Chair
- Jonathon Booe
- Jim Busbin
- Bob De Mello
- Jim Eckelkamp
- Laura Kennedy
- Frank Koza
- David Lemmons
- Tom Mallinger
- Sue Mangum-Goins
- Nelson Mueller
- Ellen Oswald
- Narinder Saini
- Kathy York
- Andy Rodriguez

b. NERC Antitrust Compliance Guidelines

Andy Rodriguez reviewed the NERC Antitrust Compliance Guidelines.

c. Adoption of Agenda

Bob De Mello moved for the agenda to be approved. The motion was seconded, and passed unanimously.

d. Approval of Minutes

Bob De Mello moved for the Minutes from the last meeting to be approved. The motion was seconded, and passed unanimously.

2. Future Meetings and Schedule Review

a. The team reviewed the schedule for IRO-006-4. The group agreed upon the following meeting schedule for the weeks ahead:

- i. Conference Call — July 19 — 9–11 am Eastern Daylight Time — Review Joint Operator Manual
- ii. Industry Webcast — August 9 — 1–2:30 p.m. Eastern Daylight Time — Overview & Q&A
- iii. Regular Meeting — August 22–23 — 9 a.m.–5 p.m. Eastern Daylight Time for both days — Carmel, IN at MISO

- iv. Conference Call — September 6 — 2–3 p.m. Eastern Daylight Time — To review no-vote comments, make assignments
- v. Conference Call — September 13— 1–5 p.m Eastern Daylight Time — To review responses to no-vote comments, approve for posting
- vi. Regular Meeting — October 4–5 — 9 a.m.–5 p.m., 9 a.m.–noon Central Daylight Time — Minneapolis, MN at OATI

3. Review Status of IRO-006-4

The Drafting Team reviewed the status of the standards. Ben Li requested the drafting team review IRO-006 and Attachment 1, and provide any feedback within 1 week.

4. Joint Operator Manual

Jim Busbin and Sue Mangum-Goins presented the work they had done on the Joint Operator Manual. There was some question as to whether measures and compliance should be included in the Manual. Ben Li suggested drafting team members solicit feedback from their operators. The team set the timeline described in (2) above as it relates to the Joint Operator Manual.

5. Compliance Guidance

Tom Mallinger reviewed the work he and Ellen Oswald had done related to the Compliance Guidelines for Attachment 1. The drafting team made minor changes to the compliance sections of the standards, as well as the guidelines. The team decided to rename this document “Violation Severity Level Guidelines.”

6. Phase III Work

a. IRO-006-5

Bob De Mello started the group on a review of the new standard Frank Koza and he developed. The drafting team discussed the manner in which the WECC and ERCOT standards would be incorporated, and the appropriate way to write the TLR standard such that it applies to the correct entities. As discussions continued, more and more requirements were eliminated from IRO-006 until only one remained. The drafting team agreed to retire IRO-006 and instead create 3 regional standards: one for the Eastern Interconnection, one for the Western Interconnection (WECC), and one for the Texas Interconnection (ERCOT). It was unclear whether there would need to be a regional standard for the Quebec Interconnection. Andy Rodriguez was tasked to confirm this approach with Gerry Adamski and Dave Taylor, as well as the Standards Committee. David Lemmons reiterated that he would serve as a liaison with the WECC team working on their next version of the WECC IRO-006 Regional Standard. Ben Li volunteered to talk with Steve Myers regarding a similar ERCOT liaison or team.

b. Attachment 1

Tom Mallinger reviewed Attachment 1, and began discussions with the drafting team regarding how to convert it into a standard. Several changes were made to the standard, including the deletion of TLR Level 6 as discussed in previous meetings. Andy Rodriguez was tasked with formatting the new IRO-006. Frank Koza agreed to talk to the RCWG about the removal of TLR 6 and replacement with Transmission Emergency Alert Level 3 and get their opinion. Frank also agreed to forward the current TEA language to the drafting team.

c. Attachment 2 (IDC Reference Document)

Andy Rodriguez reviewed Attachment 2 (the IDC Reference Document). All the items in Attachment 2 appear to be in the Joint Operator Manual; therefore, Attachment 2 may be superfluous.

d. WECC & ERCOT Coordination

This item was discussed in (6a).

7. New business

- a. The drafting team discussed the need to address IDC model quality, as well as general data quality and making sure that the IDC had all information it needed. No actions were taken.

8. Adjourn