

## Meeting Minutes Board of Trustees Compliance Committee

August 4, 2010 | 10:00-11:45 a.m. EDT  
Toronto Marriot Eaton Centre  
525 Bay Street  
Toronto, Ontario M5G 2L2 Canada  
416-597-9200

Chairman Paul Barber called to order a duly noticed open meeting of the Board of Trustees Compliance Committee of the North American Electric Reliability Corporation on August 4, 2010, at approximately 10:05 a.m., local time, and a quorum was declared present. The agenda and list of attendees are attached as **Exhibits A** and **B**, respectively.

### **NERC Antitrust Guidelines**

Chairman Barber acknowledged NERC's Antitrust Compliance Guidelines.

### **Overview of Meeting Objectives and Process**

Chairman Barber reviewed the meeting's objectives.

### **Consent Agenda**

On motion of Ken Peterson, the committee approved the meeting minutes of May 11, 2010.

### **NERC Staff Update**

Michael Moon, director of compliance operations, and Joel deJesus, director of compliance enforcement, provided updates on the compliance operations and enforcement activities.

### **Compliance Operations**

Mr. Moon presented a priority list of Compliance Application Notices (CANs) that provided a projected case load and the status of each CAN. Approximately 56 issues have been identified for CAN development, five CANs have been published and two CANs are currently with NERC legal for review.

Mr. Moon also conducted a presentation for the committee on the Multi-Region Registered Entity (MRRE) Program/Process. The program's purpose is to describe the coordinated Compliance Monitoring and Enforcement (CMEP) processes that will be used by NERC and the Regional Entities for a subset of Registered Entities that meet certain aspects of the NERC Registration Criteria. This coordinated process provides for increased efficiencies in compliance resource allocation for NERC, the Regional Entities, and registered entities while maintaining the reliability of the bulk power system (BPS).

## **Compliance Enforcement**

Mr. deJesus presented a trending analysis of non-confirmed violations awaiting submittal of mitigation plans, because of an increasing number of active violations for which no mitigation plans have been submitted. There are 651 violations awaiting mitigation plans, and 20 entities account for 57%. There is no way to track mitigation plans that come in as drafts, but no real unifying theory has been identified for the trend.

Mr. deJesus also provided an update on the streamlining enforcement process. Of note were the new Notice of Penalties drafting templates, which have increased efficiency and regulatory filing.

Lastly, Mr. deJesus presented the regular quarterly analysis of violations processing trends. The number of active violations continues to climb each month, due primarily to the large number of violations of CIP-related standards.

## **Adjournment**

There being no further business, Chairman Barber adjourned the meeting at 11:40 a.m. EDT.  
Submitted by,

A handwritten signature in black ink, appearing to read "Joel deJesus". The signature is stylized with large, sweeping loops.

Joel deJesus  
Committee Secretary

**Attendee List for August 4, 2010  
NERC Board of Trustees Compliance Committee Meeting**

**Compliance Committee Members**

John Q. Anderson, Ex-officio  
Paul F. Barber, Chairman  
Tom Berry  
Jim Goodrich

Fred Gorbet  
Ken Peterson  
Bruce Scherr  
Jan Schori

**Guests**

Vicky Bailey, NERC Board of Trustees  
Janice Case, NERC Board of Trustees  
Dave Goulding, NERC Board of Trustees  
Ed Schwerdt, NPCC  
Harvey Reed, NPCC  
Jennifer Budd Mattiello, NPCC  
Dan Schoenecker, MRO  
Sara Patrick, MRO  
Stacy Dochoda, SPP  
Larry Grimm, TRE  
Allen Mosher, APPA  
Susan Court, Hogan & Hartson  
Tina McClellan, NERC  
Liz Merlucci, NERC  
Earl Shockley, NERC  
Mark Weatherford, NERC  
Mark Lauby, NERC  
Mike Walker, NERC  
Herb Schrayshuen, NERC  
Gerry Adamski, NERC  
Joel deJesus, NERC  
Valerie Agnew, NERC  
Michael Moon, NERC  
Gerry Cauley, NERC CEO  
David Cook, NERC  
Rebecca Michael, NERC  
Dave Nevius, NERC  
Tom Galloway, NERC  
Sue Ivey, Exelon  
Steven T. Naumann, Exelon  
Tom Bowe, PUM  
Sam Holeman, Duke Energy  
Scott Henry, SERC  
Carter Edge, SERC  
Tim Gallagher, RFC  
Ray Palmieri, RFC  
Jacquie Smith, RFC  
Linda Campbell, FRCC  
Sarah Rogers, FRCC  
Pierre Guimond, CEA

Carol Chinn, ATC  
Nabil Hitti, National Grid  
Gayle Mayo, IMPA  
Tim Arlt, NPPD  
Michelle D'Antonio, MRC  
Terry Huval, MRC  
Scott Helyer, MRC  
Chris Hatovsky, MRC  
Jack Cashin, EPSA  
Thomas Burgess, First Energy  
Clay Smith, GSO  
Dave Boguslawslei, Northeast Utilities  
Janet Sena, NERC  
Lou Oberski, Dominion  
Michael Gildsa, Dominion  
Ed Davis, Entergy  
Jeff Mueller, PSE&G  
William Ball, Southern Company Transmission  
Bob Schaffeld, Southern Company Transmission  
Marc Butts, Southern Company Transmission  
Jeff Floyo, Southern Company Transmission  
Mark Bennett, Competitive Power Ventures  
Charles Yeung, Southwest Power Pool  
Constance White, WECC  
Steve Goodwill, WECC  
Louise McCarren, WECC  
Martin Kirkwood, FERC  
Roger Moris, FERC  
Joe McClelland, FERC  
Terry Bilke, Midwest ISO  
Huck Manning, ERCOT  
Barry Lawson, NRECA  
Bill Gallagher, Vermont Public Power  
Jim Fama, EEI  
David Dworzak, EEI  
Hertzel Shamash, PP&L  
Ben Li, Bar Li Associates  
David Brown, Ontario Energy Board  
Jim Davidson, Ontario Energy Board  
Patrick Brown, Canadian Electricity Association

Linda Poirier, MOE & Infrastructure  
Bob Tallman, E ON US  
Tab Gangopadhyay, National Energy Board  
Gilbert Neveu, Quebec Energy Board  
Dale Landgran, American Transmission Co.  
Jim Keller, Wisconsin Electric Power Company  
Sharon Saylor, Global Business Reports  
Thomas Willatt, Global Business Reports