

## Meeting Minutes Board of Trustees Compliance Committee

February 15, 2010 | 8:30 – 9:45 a.m.

Arizona Grand Resort  
8000 South Arizona Grand Parkway  
Phoenix, AZ 85044  
877-800-4888

### **Welcome and Determination of Quorum**

The meeting was called to order at 8:30 a.m. and a quorum was declared. The attendance list is affixed as **Exhibit A**.

### **NERC Antitrust Guidelines**

The NERC Antitrust Guidelines were acknowledged.

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

Chairman Paul Barber reviewed the meeting's objectives.

### **Consent Agenda**

Tom Berry motioned to approve the minutes of November 4, 2009 and the committee unanimously agreed. After discussion about the scheduling conflicts between the May 10 BOTCC closed and closed-closed meetings and the May 11–12 BOT meeting, Bruce Scherr motioned to reschedule the May closed and closed-closed meetings to May 14, 2010 and the committee unanimously agreed. The meeting start times remain 10 a.m. and 1 p.m.

### **NERC Reorganization**

David Hilt informed the committee of changes to Compliance staffing. Mr. Hilt will head up a new division – Operations and Engineering – and will oversee Events Analysis and the CVI group. This will be Mr. Hilt's last BOTCC meeting. Mike Moon and Joel deJesus will be taking on new and distinctive roles in Compliance Operations and Compliance Enforcement, respectively. Gerry Cauley will define these new roles further at the MRC meeting.

### **Review Self-Assessment**

Chairman Barber reviewed the BOTCC Self-Assessment. Chairman Barber remarked that with the Self-Assessment and the audit by Crowe Horwath LLC, NERC can move forward with required changes.

### **Compliance Committee Mandate**

The language in the mandate was changed from ‘director of Compliance’ to ‘a member of NERC staff’ allowing for easier assignment. The next change will take the committee from six to seven members due to workload. If the workload continues to increase, the committee will be broken down into two working groups. Tom Berry motioned to approve the changes and the committee unanimously agreed.

### **NERC Staff Update**

#### **Violation Risk Index Trends**

Mark Lauby provided an overview presentation to the committee. Steve Naumann raised the question whether two higher risk standards PRC-004 and EOP-005 need to have an in-depth Compliance Analysis by NERC and the Regional Entities. Chairman Barber will look into it and determine if it is necessary.

#### **Review/Status of Abbreviated NOP**

David Hilt presented the review to the committee. Two NOPs have been submitted using the new form. Initial feedback was positive.

#### **Crowe Audit Summary and Status of Top Ten Violated Standards**

Mike Moon presented the summary to the committee. Tom Berry asked about the validation of reports from C-RATS and Mike Moon responded that NERC staff will conduct both the manual process along with the new C-RATS reporting process to validate C-RATS for two months. Chairman Barber asked Mr. Moon to check into the two violations for which the Violation Risk Index was questioned earlier.

#### **Violations Processing Status and Statistics**

Joel deJesus presented the analysis to the committee. Chairman Barber asked for recommendations on updating the states diagram slide to break out NERC work on Settlement Agreements versus NOCVs.

### **Other Matters**

None

### **Adjournment**

John Anderson motioned to adjourn the meeting at 9:19 a.m. and the committee unanimously agreed.

Submitted by,



Joel deJesus  
Committee Secretary

**Attendee List for February 15, 2010  
NERC Board of Trustees Meeting**

**Board of Trustees**

John Q. Anderson, Chairman  
Paul F. Barber  
Thomas W. Berry  
James M. Goodrich

Fred Gorbet  
Kenneth G. Peterson  
Bruce A. Scherr  
Jan Schori

**Guests**

Ed Schwerdt, NPCC  
Jennifer Budd Mattiello, NPCC  
Barry Lawson, NRECA  
David Goulding, NPCC  
Dan Schoenecker, MRO  
Jim Burley, MRO  
Sara Patrick, MRO  
Dan Skaar, MRO  
Wayne Vanosdol, MRO  
Mari Ann Baden, MRO/SPPRE  
Stacy Dochoda, SPP RE  
Louse McCarren, WECC  
Ed Tymofichuk, Manitoba Hydro  
Larry Grimm, TRE  
Susan Vincent, TRE  
Sylvain Clermont, Hydro

Caroline Dupis, Quebec  
Allen Mosher, APPA  
Mark Hergerle, FERC/OER  
Susan Court, Hogan & Hartson  
Martin Kirkwood, FERC  
Kathleen Barron, FERC  
Vicky Bailey  
Tina McMillan, NERC  
Joel deJesus, NERC  
Michael Moon, NERC  
Gerry Cauley, NERC  
David Cook, NERC  
Rebecca Michael, NERC  
David Hilt, NERC  
Dave Nevius, NERC  
Janice Case