

Meeting Agenda

Disturbance Monitoring Standard Drafting Team

March 31, 2008 | noon–5 p.m. Phoenix Time

April 1, 2008 | 8 a.m.–5 p.m. Phoenix Time

Hyatt Regency Phoenix

122 N Second St.

Phoenix, AZ

Phone: 602-252-1234

1. Administrative

1.1. Roll Call

Stephanie Monzon will lead the welcome of members and guests of the standard drafting team (SDT) for Project 2007-11 Disturbance Monitoring (DM) (see Roster — **Attachment 1.1**).

- Navin B. Bhatt — American Electric Power (Chair)
- Felix Amarth — Georgia Transmission Corporation
- Alan D. Baker — Florida Power & Light Company
- Bharat Bhargava — Southern California Edison Co.
- Larry Brusseau — Midwest Reliability Organization
- Charlie Childs — Ametek Power Instruments
- Richard Dernbach — Los Angeles Department of Water & Power
- James R. Detweiler — FirstEnergy Corp.
- Barry G. Goodpaster — Exelon Business Services Company
- Willy Haffecke — Springfield Missouri City Utilities
- Daniel J. Hansen — Reliant Energy, Inc.
- Tracy M. Lynd — Consumers Energy Co. (via telephone)
- Susan L. McGill — PJM Interconnection, L.L.C.
- Robert (Bob) Millard — ReliabilityFirst Corporation
- Steven Myers — Electric Reliability Council of Texas, Inc.
- Jeffrey M. Pond — National Grid
- Larry E. Smith — Alabama Power Company (via telephone)
- Jack Soehren — ITC Holdings
- Stephanie Monzon — North American Electric Reliability Corporation
- David Taylor — North American Electric Reliability Corporation

Each team member is asked to verify the information on the DM SDT roster and notify Stephanie Monzon via e-mail of any corrections that should be made.

1.2. NERC Antitrust Compliance Guidelines

Stephanie Monzon will review the NERC Antitrust Compliance Guidelines provided in **Attachment 1.2**. 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.

2. Action Items

Stephanie Monzon will review the actions generated during the last meeting of the standard drafting team for Project 2007-11 Disturbance Monitoring:

| Action Items | Status: | Assigned To: |
|---|---------|--|
| Jim Detweiler agreed to supply the RFC implementation as the basis to develop an implementation for this project. Jim will work with Jeff Pond and Alan Baker to draft an implementation plan prior to the next meeting of the group. | New | Jim Detweiler, Jeff Pond, and Alan Baker |
| Revise draft standard and distribute it to SDT prior to next meeting. | New | Susan McGill |
| Prepare comments on draft standard prior to next meeting. | New | All |

3. Project Schedule and SDT Objectives

Stephanie Monzon will review the schedule for Project 2007-01 Disturbance Monitoring (**Attachment 3**).

4. Standards Revisions

Navin Bhatt will lead the group in discussing the drafting of the standard (**Attachment 4**).

5. Compliance Elements of the Standard

Stephanie Monzon will review the guidelines for developing compliance elements for the standard and time permitting; the team will begin developing the compliance elements for the standard (**Attachments 5a and 5b**).

6. Testing and Maintenance

Navin Bhatt will lead the group in discussing how to begin drafting the maintenance and testing requirements for disturbance monitoring equipment. Jeff Pond will provide his ideas on how the requirements can be written at a functional level as opposed to being hardware specific.

7. Action Items

Navin Bhatt will review the action items generated during the meeting and confirm assignments.

8. Next Steps

The group will discuss and identify the next steps and establish future meeting dates and locations.

9. Adjourn

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

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, Bylaws, and Rules of Procedure are followed in conducting NERC business.

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.