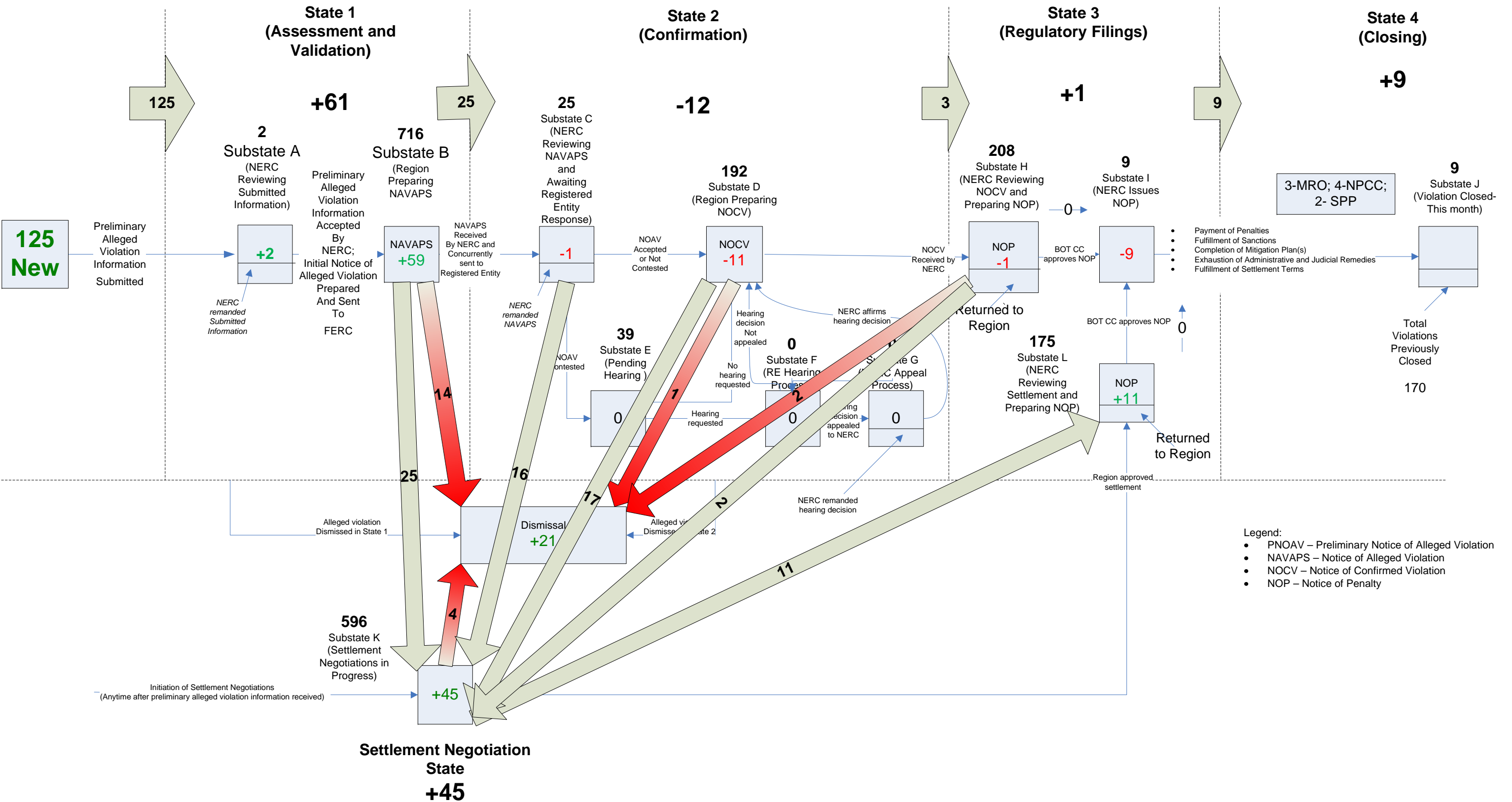


Violation Process States and Underlying Process Sub states

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.

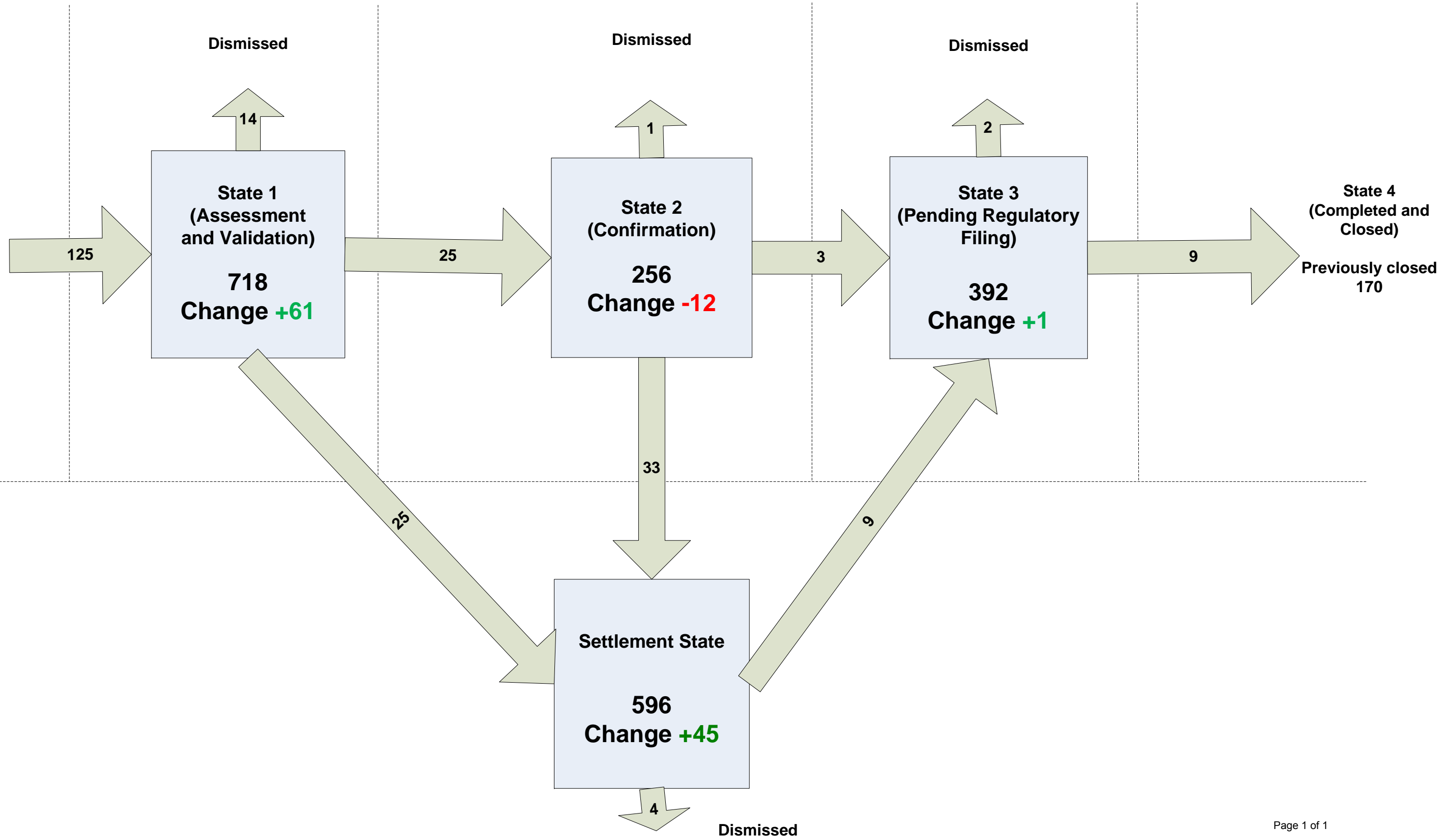
Substate L = NERC has received a Settlement Agreement from the Region.

* 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

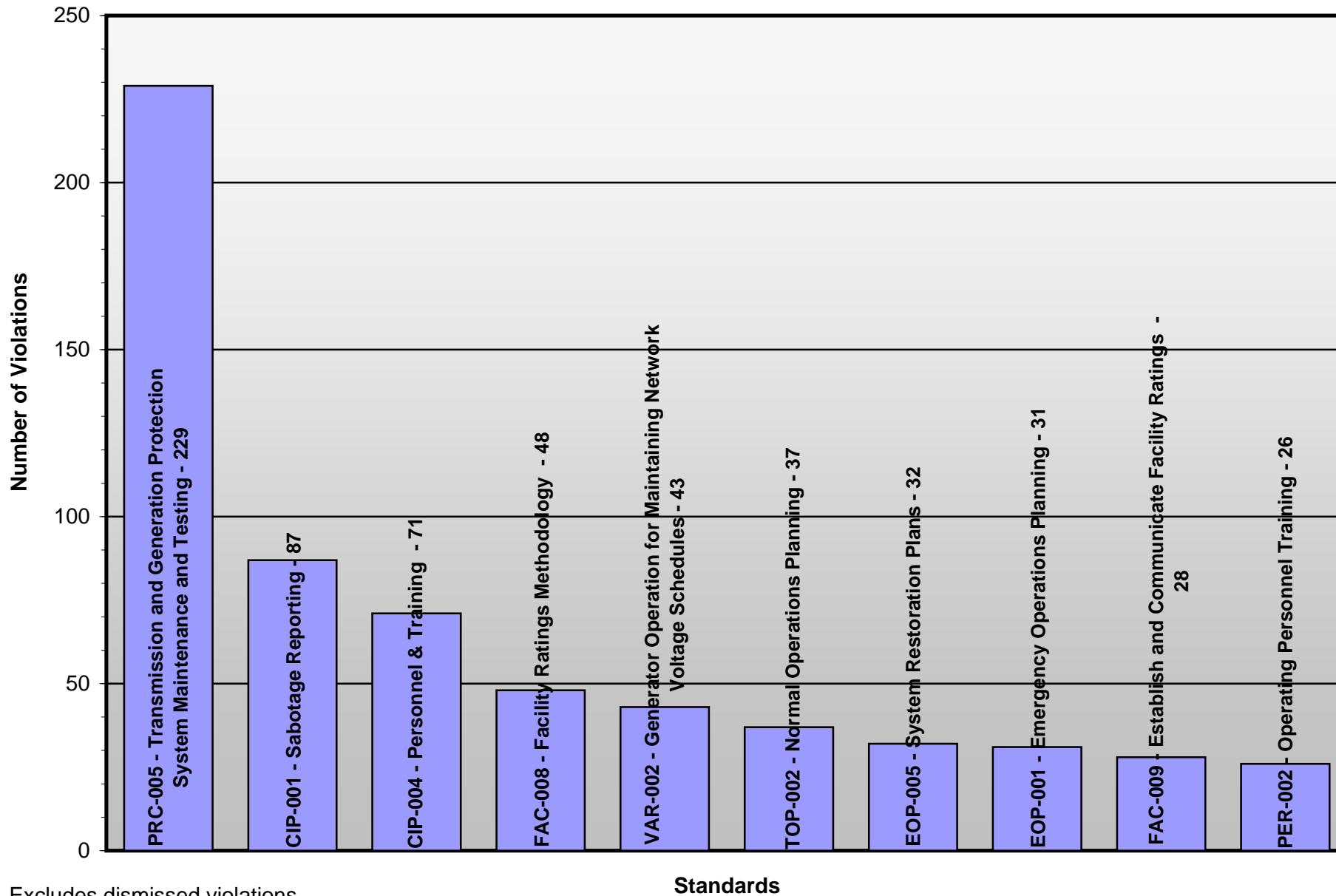
Below is a breakdown, as of August 31st, 2009 of the Compliance Monitoring and Enforcement (CMEP) alleged violation summary for all 3087 violations.

| | 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)

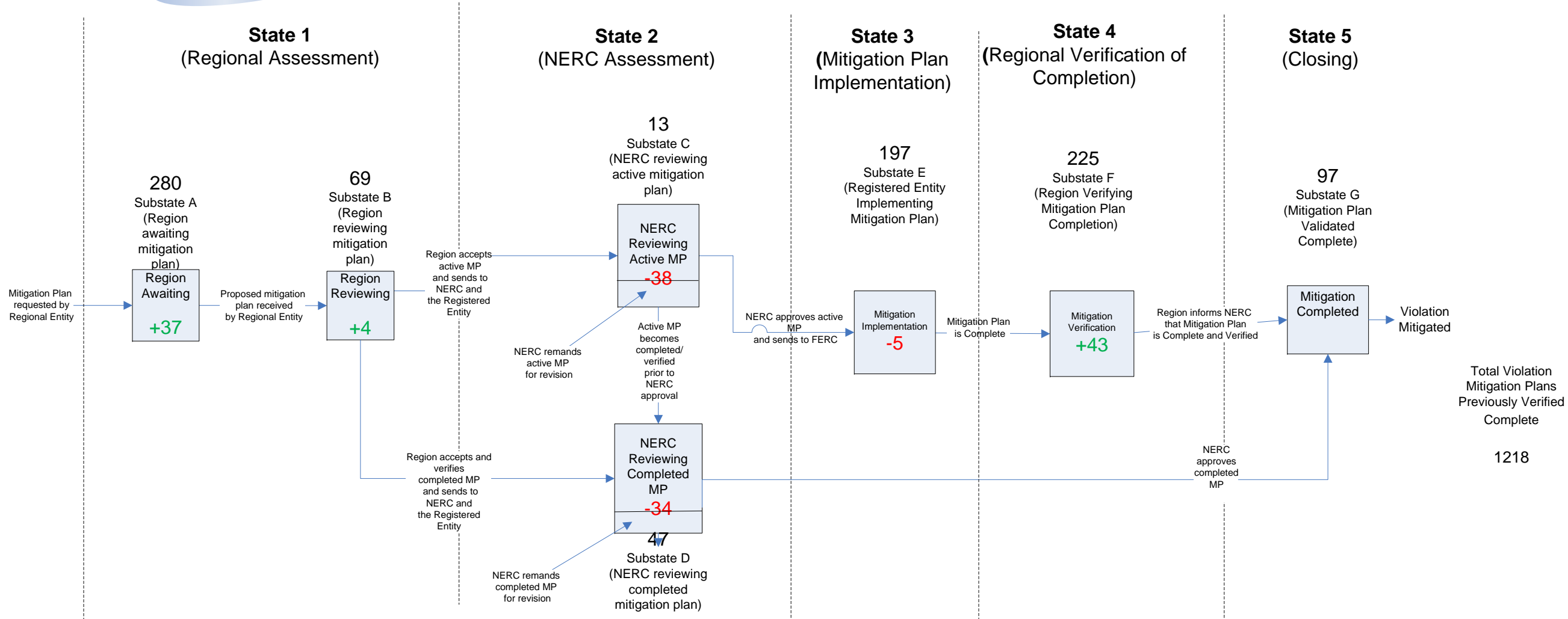


Excludes dismissed violations.

Report Date: 9/1/2009

Mitigation Process States and Underlying Process Substates

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



Total Violation Mitigation Plans Previously Verified Complete
1218

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

