Southwest Power Pool

SPP REGIONAL ENTITY TRUSTEE MEETING

July 29, 2009

Airport Marriott – Kansas City, MO

• M I N U T E S •

SPP RE Trustee Chairman, John Meyer, called the meeting to order at 8:30 a.m. The following Trustees were also in attendance: Gerry Burrows, Dave Christiano. Others at the meeting were: Stacy Dochoda, Ron Ciesiel, Machelle Smith, Charles Yeung, David Hodges, Ricky Bittle (AECC), Tracey Stewart (SWPA), Tim Woolley (SPS), Fred Meyer (The Empire District Electric Company), Mak Nagle (via telephone/SPP, Inc), John Allen (via telephone/City of Springfield), Jennifer Flandermeyer (via telephone/KCPL), Mike Gammon (via telephone/KCPL), Joe Dissell (KCPL), and Alison Hayes, Staff Secretary.

Review of Past Action Items

There are no past action items to report at this time.

Agenda Item 1 – TFE Process

Originally NERC planned on performing the Technical Feasibility Exception (TFE) Process for the Regions. NERC has decided to shift the responsibility to the Regions. Regions will begin processing the TFE's for the registered entities on the Table 1; 13 requirements (Spot Audits). **(Attachment 1)**

Regions are not ready to accept TFE requests and are making adjustments to manpower to process the TFE requests. All regions making adjustments to manpower to process the TFE's should be nationally consistent. SPP RE will ask for TFE's prior to audits and spot checks. SPP RE will begin the CIP Spot Check Audits in September 2009. Dave Christiano noted that TFE's are intended to be temporary.

Mr. Ron Ciesiel explained all possible exceptions.

There could be a possible workshop held for TFE Process in conjunction with Compliance Workshops.

Agenda Item 2 – SPP RE 2010 Business Plan and Budget for TFE's

All regions are providing a Supplemental Budget to NERC to address the issues for additional manpower that is needed for the TFE activities. The SPP RE General Manager, Stacy Dochoda, will address the TFE issue by initially using contractors for the remainder of 2009 and for all 2010. The Supplemental Budget for 2009 was proposed at an increased amount of $100,000 and 2010 at an increased amount of $700,000 for two (2) contracted FTE's. Stacy will request approval of the Supplement for submission to NERC this afternoon, July 29, 2009. **(Attachment 2)**

Motion to approve the Supplement Budget for the TFE Process – Gerry Burrows
Second the Motion - John Meyer
Passed unanimously

Agenda Item 3 – Process Improvements

Ron Ciesiel discussed proposing adjustments to the CMEP Process regarding the following activities. Pre-Audit Activities, On-Site Activities, Post-Audit Activities, and Other Activities Under Consideration. Ron reviewed each item listed. **(Attachment 3)**

Agenda Item 4 – Compliance Update

Ron Ciesiel reported that since July 17, 2009, eleven (11) more violations have been posted. Tracey Stewart (SWPA) inquired why the RE is not disseminating information, i.e. violation updates, out on exploders. **(Attachment 4)**

CIP-004 is becoming the most violated standard in the SPP Region and #3 in NERC.

Agenda Item 5 – SPP Compliance Activities Status

Stacy Dochoda reported that SPP registered entity monitoring functions will proceed. Stacy has reached out to SERC to take over monitoring functions. SPP is waiting for the Delegation Agreement to be approved.

Per David Hodges, NERC originally scheduled an audit of SPP for August 10, 2009 to audit the four (4) standards as the Reliability Coordinator (RC) and an additional audit on September 1-3, 2009. SERC will be on the CIP Audit Team to help with the CIP On-Site Audit.

Agenda Item 6 – Other Business

Mak Nagle reported that the UFLS Standard Working Group is making progress on draft #2 and has a goal to have it finished by August 31, 2009. The UFLS Standard WG had an aggressive meeting schedule to get this accomplished. NERC is attempting to finish a continent- wide standard by the end of the year. Mak stated that a technical assessment will be performed in relation to the Regional "UFLS standard and that it will be a mandatory budget category item.

Next Trustee Meeting will be October 28, 2009 in Tulsa, OK.

Lubbock Power & Light appeal status: Entity has 45 days to name a transmission operator after the appeal was denied. SPS and LP&L are coming to a joint registration agreement. SPP is asking for a 30 extension in order to finalize agreement.

SPP RE preparing to inventory the entities in the footprint in an effort to determine if any other similar problems exist. Anticipated timeline: 1Q 2010

Meeting adjourned at 11:25 a.m. to Executive Session where confidential matters were discussed.

Respectfully Submitted,

Alison Hayes
Secretary