Southwest Power Pool Regional Entity

SPP REGIONAL ENTITY TRUSTEE MEETING

October 28, 2009

Warren Place Doubletree Hotel – Tulsa, OK

• MINUTES •

Agenda Item 1 – Administrative Items

Chairman John Meyer called the meeting order at 8:30 a.m. Others in attendance were Trustees Dave Christiano and Gerry Burrow; Stacy Dochoda; Ron Ciesiel; Machelle Smith; Sheila Scott; David Hodges (SPP); Fred Meyer (XCEL Energy); Tracy Stewart (SWPA) and Alison Hayes, Staff Secretary. Attending via teleconference were ; Charles Yeung (SPP); John Allen (City of Springfield); Alice Murdock (XCEL Energy); Darryl Boggess (Western Farmers); Timothy Arlt (NPPD) and Ronnie Tharp (Western Farmers).

Minutes from April, June and July 2009 Trustee meetings were presented for approval. The following changes will be made on the July minutes: Under Agenda Item 2, The Supplemental Budget year will be changed from 2009 to 2010. Under Agenda Item 5, the last sentence of the first paragraph shall be struck. Under Agenda Item 6, paragraph 3, the word "day" will be added after "30". Gerry Burrows made a motion to accept all 3 sets of minutes with the amendments reflected in these minutes. Dave Christiano seconded the motion, which passed unanimously. (Attachment 1)

Agenda Item 2 – Past Action Items

Alison Hayes reported that there are no open Action Items.

Agenda Item 3 – General Manager's Report – Stacy Dochoda

a. Delegation Agreement Extension – All Regions are proposing an extension for terms of Delegation Agreements in order for renegotiations to continue. Gerry Burrows made the following Motions:

   Motion to approve extending the existing term of the SPP RE Delegation Agreement for one year beginning May 2010.

   John Meyer seconded. The Motion passed unanimously.

   Motion to accept the changes to SPP RE Delegation Agreement as referenced in Attachment 1, Section 4, Application of Penalties Section of the Delegation Agreement Draft and to authorize Stacy Dochoda to facilitate the above referenced change to the Delegation Agreement on behalf of SPP RE.

   John Meyer Seconded. The Motion passed unanimously.

   (Attachment 2)

   (At this time the SPP RE Antitrust Guidelines were addressed and distributed.)

b. SPP, Inc Compliance Monitoring Plan: SERC, SPP and FRCC are jointly filing the Pleading requesting approval of the plan and the contractual agreements to FERC. The date for consideration by NERC is undetermined. (Attachment 3)

   1. Highlights of the plan

      1. 3-year term

      2. SERC will audit SPP RTO in 2010

3. 2010 estimate cost of $40,000 due to audit expense
4. Penalties will come back to SPP RE budget

Dave Christiano made the following Motion:

Move to amend the original RE Trustee action stating that NERC will conduct audits of SPP Registered functions and SERC will conduct all other monitoring functions, to now read, SERC will conduct all monitoring functions, to include audits, of SPP RTO.

In addition, Stacy Dochoda, General Manager, will have authority to sign said agreement with SERC on behalf of SPP RE.

Gerry Burrows Seconded. The Motion passed unanimously.

c. Organization and Staffing – The new organizational chart was presented and explained and position changes were announced. (Attachment 4)

d. SPP RE Survey Results –SPP RE received 33 responses to the survey. Results will be posted on website. (Attachment 5)

e. NERC 3-year Assessment of SPP RE – The Assessment and SPP's response were discussed. (Attachment 6).

f. September 2009 Financials – SPP RE $810,768 under budget due to change in indirect costs mid-year and because approved positions have not been filled. (Attachment 7)

g. FERC Order on 2010 SPP RE budget – FERC issued Order approving RE budgets. Submitted 3 questions to SPP RE:

1. Provide further explanation of reduction in training costs.
2. Is the $24,000 line item a consultant fee or software costs?
3. Explain the restrictions of the SPP RE on the SPP, Inc line of credit.

h. SPP RE Appointments to NERC Committees – Stacy Dochoda proposed notifying registered entities and SPP members when nominations are open. She will present nominations and bios to Trustees for selection

i. Trustee Self-Assessment – Discussed that Assessment must be completed prior to the SPP Board of Director's December Meeting.

Agenda Item 4 – Compliance Report – Ron Ciesiel

(Attachment 8)

Agenda Item 5 – Settlement Report – Alison Hayes

(Attachment 9)

Agenda Item 6 – Regional Standards Report – Mak Nagle

Second draft of UFLS standard has been posted and comment period has closed. The Drafting Team is having a technical study done. (Attachment 10)

Agenda Item 7 – NERC 2009 Long-Term Reliability Assessment – Mak Nagle

(Attachment 11)

Agenda Item 8 – Summary of New Action Items – Alison Hayes

1. Update the Trustees on Delegation Agreement status at each meeting.
2. Consider how to design periodic program utilizing industry volunteer presenters on reliability information.

3. Stacy will meet with Nick or Tom regarding funding for 5 year technical study. Report at January meeting.

Agenda Item 9 – Future Meetings

The next Trustee Meeting is currently scheduled for January 28, 2009 in New Orleans, LA. However, due to the NERC Mock Hearing and Enforcement Workshop scheduled on the same day, the Trustees rescheduled their meeting to Monday, January 25, 2009 in New Orleans, LA.; 8:00 a.m. – 2:00 p.m.

With no further business, the meeting was adjourned to Executive Session where CIP issues, settlement approval processes and personnel issues were discussed.

Respectfully submitted,

Alison Hayes

Staff Secretary