Southwest Power Pool, Inc.

SPECIAL SPP REGIONAL ENTITY TRUSTEE MEETING

June 24, 2010

Southwest Power Pool Regional Entity

Little Rock, AR

• M I N U T E S •

SPP RE Trustee Chairman, John Meyer, called the meeting to order at 8:00 a.m. The following Trustees were also in attendance: Gerry Burrows, Dave Christiano. Others attending the meeting were: Stacy Dochoda General Manager; Ron Ciesiel, Joe Gertsch; Alice Wright; Sheila Scott; Raj Rana (American Electric Power); Tracy Stewart (Southwestern Power Administration); Ron Beck (Southwest Power Administration); Kevin Goolsby (Southwest Power Pool); Ron Losh (Southwest Power Pool); Mak Nagle (Southwest Power Pool) and; Alison Hayes, Staff Secretary. Those attending by teleconference were: Jennifer Flandermeyer (Kansas City Power & Light); Fred Meyer (Empire District Electric Company) Bary Warren (Empire District Electric Company); Ronnie Tharp (Western Farmers Electric Cooperative); Ashley Stringer (Southwest Power Pool); Mark Robinson (Southwest Power Pool): Jeff Knottek (City Utilities of Springfield, MO) and John Allen (City Utilities of Springfield, MO).

Agenda Item 1 – Antitrust Guidelines

Alison Hayes presented the Antitrust Guidelines for meeting participants to review.

Agenda Item 2 –Administrative Items

Minutes from the April 26, 2010 Trustee Meeting were presented for approval. Gerry Burrows moved to approve as presented and Dave Christiano seconded. The Motion passed unanimously. **(Attachment 1)**

Agenda Item 3 – Review of Past Action Items

Alison Hayes reported on the status of past action items. ~~There are currently no open items~~. One item from 10/28/09 is still pending: Stacy Dochoda and staff will design a training program using industry volunteer presenters on reliability. **(Attachment 2)**

Agenda Item 4 – General Manager's Report

Stacy Dochoda reported on eight issues outlined in **Attachment 3**. She highlighted the following items:

1. NERC Audit of SPP RE office will be conducted on site in August.
2. Staffing: an offer has been extended to a candidate for the engineer position in the audit group and an offer has been extended to a candidate for a law clerk position.
3. NERC headquarters is moving to Atlanta, GA.
4. Tom Galloway of SERC has been hired as a VP at NERC
5. RDA, Rules of Procedure NERC has approved and will be filing with FERC soon.

Agenda Item 5 – 2011 Business Plan and Budget (Attachment 4)

Alice Wright reported on the SPP RE draft budget which was posted June 1, 2010. No comments have been posted. Items of note:

1. NERC has prepared curriculum of training programs for the REs to deliver to entities. SPP RE will be tasked with providing more webinars such as "lessons-learned" for the registered entities.
2. Joe Gertsch explained the drivers for increasing FTEs for CMEP activities.
3. Ron Ciesiel presented an explanation on need for additional FTEs in the Compliance Department

4. The budget will be submitted to NERC on July 8, 2010.

Gerry Burrows made a Motion to Approve the Draft Budget in substantially the form presented, and authorize Stacy Dochoda to make all non-substantive changes as necessary to finalize the draft for filing with NERC.

John Meyer seconded the Motion.

The Motion was unanimously approved.

Agenda Item 6 – 2010 SPP Long Term Reliability Assessment

Mak Nagle reported on the status of the 2010 Term Reliability Assessment. The Trustees anticipate taking formal action at the July 2010 Trustee Meeting. **(Attachment 5)**

Agenda Item 7 – UFLS Standard Update

Mak Nagle reported on the status of the UFLS Regional Standard. **(Attachment 6)**

Agenda Item 8– Financial Report Year-to-Date May 2010

Alice Wright reported on the Year-to-Date financials for SPP RE. The RE is currently running under budget by approximately $600,000 but forecasted to run under budget approximately $175,000 by year end. **(Attachment 7)**

Agenda Item 9– Compliance Report

Ron Ciesiel made the Compliance Report. He noted that on July 1, 2010, all 43 CIP requirements will be auditable. All CIP audits will include all 43 CIP standards, unlike 693 Audits in which only a select group of standards are audited. **(Attachment 8)**

Agenda Item 10 – Enforcement Report

Joe Gertsch made the Enforcement Report. **(Attachment 9)**

Agenda Item 11 – New Action Items

Alison Hayes stated the following new action items:

1. Joe Gertsch will continue to provide updated graphs reflecting violation production related to FTEs.
2. Stacy Dochoda will develop and implement a communication plan regarding the issue of TOP-002 R11 compliance monitoring

Agenda Item 12 – Future Meetings

a. July 28 (Wednesday) SPP RE Trustee Meeting – Omaha;
b. October 25 (Monday) SPP RE Trustee Meeting – Kansas City

With no further business, the meeting was adjourned at 1:05 p.m. to Executive Session where the Trustees discussed confidential Compliance and Enforcement issues.

Respectfully Submitted,

Alison Hayes
Staff Secretary