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**TO:** SPP Regional Entity Trustees

**FROM:** Stacy Dochoda, RE General Manager

**DATE :** July 18, 2011

**SUBJECT:** Approval Authority Levels for Violation Penalties

## Background

At the June, 2009 RE Trustee Meeting, the Trustees delegated certain approved authority to the SPP RE General Manager. The Trustees decided Trustees approval would be required for NOCV penalties of $150,000 and above and Settlements of $100,000 and above. The Trustees decided the RE General Manager could approve all other penalties.

## Analysis and Recommendation

Since 2009, the RE General Manager and RE staff have gained significant experience administering the program. Experience with the penalty tool and the availability of comparisons to numerous public notices of penalties provide useful basis for penalty amounts. I recommend increasing the approval authority of the RE General Manager to include penalties up to $1 million.

## Action Requested

Trustee approval of a motion to:

Increase the approval authority of the RE General Manager to include penalties up to $1 million.