

Minutes Board of Trustees Conference Call

March 10, 2011 | 2 p.m. EST

Chairman John Q. Anderson convened a duly noticed open meeting by conference call of the Board of Trustees of the North American Electric Reliability Corporation on March 10, 2011 at 2:00 p.m., EST. As required by the bylaws of the Corporation, dial-in listen-only access was provided to members of the Corporation and the public for the meeting. The agenda is attached as **Exhibit A**.

Trustees present on the call in addition to Chairman Anderson were Vicky Bailey, Paul Barber, Tom Berry, Janice Case, Fred Gorbet, David Goulding, Ken Peterson, Bruce Scherr, Jan Schori, Roy Thilly and President and CEO Gerry Cauley. Also present were Allen Mosher, chair of the Standards Committee, and Dave Nevius, Tina McClellan, Herb Schrayshuen, Phil Tatro, David Taylor, Tom Galloway, Mallory Huggins, Holly Hawkins, and David Cook of NERC staff. Additional attendees are listed in **Exhibit B**.

Antitrust Compliance Guidelines

David Cook, vice president and general counsel, directed the participants' attention to the NERC Antitrust Compliance Guidelines.

Standards Development Plan

Herb Schrayshuen presented the updated 2011-2013 Standards Development Plan. Following discussion among the trustees, on motion of Ken Peterson the board approved the updated plan and directed staff to file the updated plan with the Federal Energy Regulatory Commission and applicable governmental authorities in Canada for informational purposes.

Supplemental Violation Severity Level Modifications

Herb Schrayshuen presented supplemental modifications to NERC's March 5, 2010 Violation Severity Level filing. On motion of Dave Goulding, the board approved the supplemental modifications for filing with FERC.

Critical Infrastructure Protection VRFs and VSLs

Herb Schrayshuen presented for approval the comprehensive list of violation risk factors (VRFs) and violation severity levels (VSLs) for the CIP Reliability Standards Versions 2, 3, and 4 for filing with the FERC and applicable governmental authorities in Canada. On motion of Fred Gorbet, the board approved the comprehensive list of VRFs and VSLs as presented.

PRC-023 – Relay Loadability and NERC Rules of Procedure Section 1700 – Challenges to Determinations

Herb Schrayshuen presented for approval the proposed PRC-023-2 — Transmission Relay Loadability Reliability Standard, associated implementation plan, and a proposed Section 1700—Challenges to Determinations section to be added to the NERC Rules of Procedure, as directed by the FERC in Order No. 733 and Order No. 733-A. Following discussion among the trustees, on motion of Paul Barber, the board approved PRC-023-2, the associated implementation plan and proposed new Section 1700 to the NERC Rules of Procedure, as presented.

Response to FERC Order on Three-Year ERO Performance Assessment

Dave Nevius presented for approval the draft NERC response to FERC’s September 16, 2010 order on NERC’s three-year performance assessment. Following discussion among the trustees, on motion of Vicky Bailey the board approved the draft NERC response substantially in the form presented.

There being no further business, the call was terminated at 2:55 p.m.

Submitted by,



David N. Cook
Secretary

Agenda Board of Trustees Conference Call

March 10, 2011 | 2:00–3:00 p.m. ET

Dial-In: 800-954-1051

Code: **No Code Needed**

Introductions and Chair's Remarks

NERC Antitrust Compliance Guidelines

Agenda

1. **Reliability Standards* — Approve**

- a. *Reliability Standards Development Plan: 2011-2013*
- b. Supplemental Violation Severity Level Modifications
- c. CIP Reliability Standards Versions 2, 3, and 4 Violation Risk Factors and Violations Severity Levels
- d. PRC-023 – Relay Loadability Reliability Standard and NERC Rules of Procedure Section 1700 - Challenges to Determinations

2. **Response to FERC Order on Three-Year ERO Performance Assessment* — Approve**

*Background materials enclosed.

Board of Trustees Conference Call

Reservation Number: 21514627

Reservation Date/Time: 03-10-2011 14:00 ETN

Chair Person: John Q Anderson

Total Number of Lines: 68

Company Name: N AMER ELECTRIC RELIABILITY CORP

	First Name	Last Name	Company
1	John	Anderson	N/A
2	Guy	Andrews	Georgia System Operation
3	Vicky	Bailey	N/A
4	Paul	Barber	N/A
5	Thomas	Berry	N/A
6	Travis	Borrini	Ameren Missouri
7	Patrick	Brown	Canadian Electricity Assoc
8	Joseph	Bucciero	N E R C
9	Janice	Case	N/A
10	Carol	Chinn	American Transmission Co
11	Mark	Cole	Autry Horton Cole L L P
12	Tom	Connell	I M P A
13	David	Cook	N/A
14	Ed	Davis	Entergy
15	Claudia	Deneen	El Paso Electric
16	David	Dockery	A E C I
17	Barbara	Doland	N E R C
18	Andy	Dressel	N E R C
19	David	Dworzak	E E I
20	Sharon	Flores	Alliant Energy
21	William	Gallacher	Vermont Public Power
22	Tim	Gallagher	Reliability First Corp
23	Tom	Galloway	N/A
24	Fred	Gorbet	N/A
25	David	Goulding	N E R C
26	Barry	Green	Barry Green Consulting
27	Howard	Gugel	N E R C
28	Donna	Johnson	O P C

29	Don	Jones	Texas Reliability Entity
30	Andre	Komissarov	San Diego Gas & Electric
31	Michael	Kuhl	Duke Energy
32	Michael	Lombardi	North East Utilities
33	Kim	Long	Duke Energy
34	Chuck	Mattews	B P A
35	Bob	Mattey	Ohio Valley Electric Corp
36	Angela	McCarroll	Southwest Generation
37	Tina	McClellan	N/A
38	Patti	Metro	N E C A
39	Kasia	Mihalchuk	Manitoba Hydro
40	Jake	Miller	Dynegy
41	Micheal	Moon	N E R C
42	Allen	Mosher	N/A
43	Brian	Murphy	N E R C
44	Steven	Naumann	Exelon
45	David	Nevius	N/A
46	Lee	Pedowicz	N P C C
47	Kayleigh	Peters	Lincoln Electric Sys
48	Ken	Peterson	N/A
49	Gil	Prego	T N D
50	Brenda	Prokop	Xcel Energy
51	Ted	Risher	Energy Grp
52	Dan	Roethemeyer	Dynegy
53	Eric	Ruskamp	Lincoln Electric Sys
54	Bruce	Scherr	N E R C
55	Jan	Schori	N/A
56	Herb	Schrayshuen	N/A
57	Ed	Schwerdt	N P C C
58	Hertel	Shamash	Dayton Power & Light
59	Bob	Solomon	Hoosier Energy
60	Shawna	Speer	Duke Energy
61	Tracey	Stewart	Southwestern Power & Admin
62	PHILIP	Tatro	N/A

63	Roy	Thilly	N/A
64	Roy	Tued	Aces Entire Marketing
65	Serene	Wilson Archie	P E C O
66	Felicia	Withers	Duke Energy
67	Bbrad	Young	L G E K U
68	Guy	Zito	N P C C