

September 1, 2011

Mr. Allen Mosher  
Chair, NERC Standards Committee

Re: Report Regarding the Status of the Bulk Electric System Definition Development Project

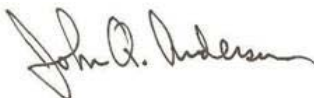
Dear Allen,

On behalf of the NERC Board of Trustees, I want to thank you and the drafting team for the early response relative to our inquiry on the status of the Bulk Electric System definition development project. The Standards Committee's report fulfills all of our expectations regarding the resolution that the Board approved at its August 4, 2011 meeting. It is gratifying to see that the industry has adopted a way forward that should enable NERC to meet the schedule set by the Federal Energy Regulatory Commission and we remain hopeful this highly important project will remain on track toward the January filing date.

The Trustees also recognize the industry has identified the generator threshold issue as one it believes important to defining the extent of the Bulk Electric System. It is also possible there will be future similar issues requiring deeper exploration. We believe the solution of separating out those elements requiring more thought and development time into separate phases is an appropriate solution. We support these additional efforts and look forward to future discussions related to them.

Should any additional issue arise that may impede the schedule, please work with the Board's Standards Oversight and Technology Committee to keep us informed and feel free to seek our guidance relative to proposed solutions.

Sincerely,



John Q. Anderson  
Chair

cc: Mr. Pete Heidrich, Chair, BES Definition Drafting Team  
NERC Board of Trustees

3353 Peachtree Road NE  
Suite 600, North Tower  
Atlanta, GA 30326  
404-446-2560 | [www.nerc.com](http://www.nerc.com)