

DRAFT AGENDA
Midwest Reliability Organization
Standards Committee
2774 Cleveland Avenue, Roseville, MN 55113
May 24, 2007 – 10:00 AM to 4:00PM

- 1. Welcome**
 - a. Determination of Quorum
 - b. Additions to the Agenda
 - c. Review Policy and Procedure 4

- 2. Consent Agenda**
 - a. Approve Minutes
 - i. *Approve March 5, 2007 Meeting Minutes*
 - b. Nominations for NERC Interchange Subcommittee

- 3. Open positions on the MRO Standards Committee**

- 4. Review of Rosters on MRO Standards Committee Exploder Lists**

- 5. Bulk Electric System (BES) Definition Review**

- 6. Time Horizon Definition Discussion**

- 7. Review of MRO Manual on Web Site**
 - a. MAPP/MAIN Retirement Process Status – Larry Brusseau
 - b. Procedures

- 8. Disturbance Monitoring Report Form**

- 9. Reports and Updates**
 - a. Chairman Report – Lloyd Linke
 - b. NSRS Report – Larry Brusseau
 - c. Standards Manager Report – Larry Brusseau
 - d. Staff Update: Compliance Committee – Wayne VanOsdol
 - e. Staff Update: Reliability Assessment Committee – John Seidel

- 10. Standards**
 - a. Standards Process Manual for Organizational Standards- Larry Brusseau

- 11. NERC Representative Reports**
 - a. Interchange Subcommittee – Open
 - b. Resources Subcommittee – Alan Oneal
 - c. Resource Issues Subcommittee – Bill Head/ Larry Brusseau
 - d. Standards Committee - Robert Coish, Canadian Rep.
 - e. Compliance and Certification Committee – Terry Bilke
 - f. Regional Reliability Standards Working Group – Larry Brusseau

- 12. Task List Review – Larry Brusseau**

13. 2008 Budget – Larry Brusseau

14. Other Business

- a. Committee Appointments 2007
 - i. *Generator and/or Power Marketer Sector*
 - ii. *Cooperative Sector (2)*
- b. MRO Reliability Standards and Compliance Program Seminar – May 31, 2007
- c. Standards Committee report to BOD meeting June 19, 2007

15. Next Meeting and Adjourn

June 19, 2007	MRO Board of Directors
September 6, 2007	
September 27, 2007	MRO Board of Directors
November 1, 2007	
December 6, 2007	MRO Board of Directors

Agenda 1.
Welcome

**Agenda 1.a.
Determination of Quorum**

Name	Sector	Mailing Address	Phone/Fax	E-mail Address
Dave Acton	IOU>	Alliant Energy 4902 North Biltmore Lane P.O. Box 7707 Madison, WI 53707-1007	P: (608) 458-8214 F:	daveacton@alliantenergy.com
Jason Shaver	TSO	American Transmission Co. P.O. Box 47 Waukesha, WI 53187-0047	P: (262) 506-6885 F:	jshaver@atcllc.com
OPEN	C		P: F:	
OPEN	C		P: F:	
Larry Larson	IOU<	Otter Tail Powr Company 215 South Cascade Street Fergus Falls, MN 56538-0496	P: (218) 739-8572 F: (218) 739-8625	llarson@otpc.com
Gerry Steffens	MU	Rochester Public Utilities 4000 East River Road NE Rochester, MN 55906-2813	P: (507) 280-1607 F: (507) 280-1542	gsteffens@rpu.org
Wayne Guttormson	CU	Saskatchewan Power 2025 Victoria Avenue Regina, Saskatchewan Canada S4P 0S1	P: F:	wguttormson@saskpower.com
Lloyd Linke, Chair	FPMA	Western Area Power Admin. 1330 41st Street SE Watertown, SD 57201	P: (605) 882-7500 F: (605) 882-7409	lloyd@wapa.gov
Tim Noeldner	MU	Wisconsin Public Power, Inc. 1425 Corporate Center Drive Sun Prairie, WI 53590	P: (608) 834-4559 F: (608) 837-0274	tnoeldner@wppisys.org
OPEN	GPM		P: F:	
Larry Brusseau	Secretary	Midwest Reliability Organization 2774 Cleveland Ave N Roseville, MN 55113	P: (651) 855-1735 F: (651) 855-1712	

Agenda 1.b.
Additions to the Agenda

**Agenda 1.c.
Review of Policy and Procedure 4**

Anti-trust Reminder

Participants in Midwest Reliability Organization meeting activities must refrain from the following when acting in their capacity as participants in Midwest Reliability Organization activities (i.e. meetings, conference calls, and informal discussions):

- Discussions involving pricing information; and
- Discussions of a participant's marketing strategies; and
- Discussions regarding how customers and geographical areas are to be divided among competitors; and
- Discussions concerning the exclusion of competitors from markets; and
- Discussions concerning boycotting or group refusals to deal with competitors, vendors, or suppliers.



Standards of Conduct Reminder

FERC Standards of Conduct prohibit MRO staff, committee, subcommittee and task force members from sharing non-public transmission sensitive information with anyone who is either an affiliate merchant or could be a conduit of information to an affiliate merchant.



Agenda 2.
Consent Agenda

Agenda 2.a.i.
Consent Agenda
Approve Meeting Minutes of March 5, 2007

DRAFT MINUTES
Midwest Reliability Organization
Standards Committee
2774 Cleveland Avenue, Roseville, MN 55113
March 5, 2007 – 10:00 AM to 4:00PM

1. Welcome

- a. Determination of Quorum
- b. Additions to the Agenda
Secretary Brusseau submitted additional agenda items prior to the start of the meeting.
- c. Review Policy and Procedure 4

Chair Linke called the meeting of the Midwest Reliability Organization (MRO) Standards Committee (SC) to order at 10:00am CT.

Chair Linke and Secretary Brusseau determined that a quorum was present. The following members, guests, and staff were in attendance:

Members:

Dave Acton	Alliant Energy
Larry Larson	Otter Tail Power Company
Gerry Steffens	Rochester Public Utilities
Wayne Guttormson	Saskatchewan Power
Lloyd Linke, Chair	Western Area Power Administration
Tim Noeldner	Wisconsin Public Power

Staff:

Mari Ann Baden
Larry Brusseau, Secretary

2. Consent Agenda

- a. Approve Minutes
 - i. *Approve September 18, 2006 Joint Standards Committee - NERC Standards Review Subcommittee Conference Call Minutes*
 - ii. *November 2, 2006 Minutes*

Upon motion duly made by Mr. Acton and seconded by Mr. Steffens, the SC approved the September 18, 2006 and the November 2, 2006 minutes as amended at the meeting.

- b. Approve confirmation of Jim Haigh and Neal Balu as NSRS members
Chair Linke opened the floor for discussion.

Upon motion duly made by Mr. Larson and seconded by Mr. Steffens the CC approved the confirmation of Mr. Haign and Mr. Balu as NSRS members.

- c. Elect Vice Chair for Committee
Chair Linke opened the floor for nominations and discussion.

*Dave Acton put his name forward for nomination.
Gerry Steffens moved to close the nominations.
Tim Noeldner seconded the motion.*

Upon motion duly made by Mr. Steffens and seconded by Mr. Guttormson the CC approved the appointment of Dave Acton to Vice Chair of the Standards Committee.

3. Reports and Updates

- a. Chairman Report – Lloyd Linke
Chair Linke gave the details of his report that will be presented to the BOD based on the actions taken in the March 5, 2007 meeting.
- b. NSRS Report –
Secretary Brusseau reported that the MRO voted No on this report.
- c. Standards Manager Report – Larry Brusseau
- Secretary Brusseau reported that RSVP is working as expected and without issues.
 - The Committee was referred to a handout distributed at the meeting to report the status of Standards development. NERC will try to coordinate the Regional Standards. The question was raised as to what detail will be included in the NERC standards. This has not yet been determined.
- d. Staff Update: Compliance Committee – Shel Berg
A report was not submitted.
- e. Staff Update: Reliability Assessment Committee – John Seidel
A report was not submitted.
- f. Staff Update: Handbook and Procedures Project – Larry Brusseau
Secretary Brusseau reported that the MRO staff is in the final process of uploading the manual to the web site for members to print the manual in its entirety or easily refer to specific sections.

4. Standards

- a. Report on NERC “fill in the blank” working group- Larry Brusseau
- i. *Regional Standards Needed*
Secretary Brusseau referred the Committee to the handout distributed at the meeting. First five standards listed are MRO Standards, the next three are fill in the blank standards, and the remainder will be reworked to take out the RRO. The MRO will need to develop the three fill in the blank standards. We plan to coordinate this with NERC and the other regions and have SAR requests submitted at the appropriate time to keep us in sync with these organizations.

- b. MRO Standards Process manual SDT update- Larry Brusseau
 - i. *Status of Delegation Agreement – Exhibit C*
 - ii. *Standards Process Manual for Organizational Standards*
Secretary Brusseau reviewed the Reliability Standards Voting Process – Detailed Ballot Voting Results handout distributed at the meeting.
Secretary Brusseau will create a first draft on the MRO Organizational Standards Process manual and send it to the Standards Manual Drafting team.
- c. Under Frequency Load Shedding Study- Larry Brusseau
The report was approved by the RAC. This will be used a foundation for an upcoming SAR, dealing with the UFLS fill in the blank standard.

5. ERO Standards Transition Activity

- a. Transition status update- Larry Brusseau
- b. MAPP/MAIN Retirement Process Status – Larry Brusseau
It was agreed that the second group of MAPP/MAIN standards can be sent tot the BOD with the recommendation that they be retired.

6. NERC Representative Reports

- a. Interchange Subcommittee – Al Boesch
- b. Planning Standards Task Force – Greg Pieper
- c. Resources Subcommittee – Alan Oneal
- d. Resource Issues Subcommittee – Bill Head
- e. Standards Committee - Robert Coish, Canadian Rep.
- f. Compliance and Certification Committee – Terry Bilke
- g. Regional Reliability Standards Working Group – Larry Brusseau
 - No reports were submitted for 6a.-6f. Mr. Larson noted that NERC is restructuring their committees.
 - Regional Reliability Standards Working Group will be meeting in March to begin developing a work plan. This includes all Regions.

7. NERC Drafting Team Reports

- a. Coordinated Interchange – Al Boesch
- b. Certification – Al Boesch
- c. System Personnel – Earl Cass
- d. Assess Transmission Future Needs and Develop Transmission Plans –
No reports were submitted. The question was raised as to how many of the groups are still functioning.

8. Task List – Larry Brusseau

- Second set of MAPP/MAIN Retirement by March 15.
- Send MRO Organizational Standards Manual to Drafting Team asap.
- Handbooks & Procedures – Reliability Standards manual published to the website by the end of the month.
- Work plan for Disturbance Monitoring by the end of 2007. SAR request should be submitted.

9. Other Business

- a. Committee Appointments 2007
 - i. *Generator and/or Power Marketer Sector*
Terry Norton will be resigning from this group. Standards Committee will send note stating positions are open.
- b. MRO Reliability Standards and Compliance Program Seminar – May 31, 2007
Secretary Brusseau updated the committee on a compliance seminar which will be held for the MRO registered entities.
- c. 2008 Budget Process Timeline
 - May 11 Regions will need to submit preliminary budgets.
 - June 1 is deadline for final budgets.

10. Next Meeting and Adjourn

March 29, 2007	MRO Board of Directors
May 24, 2007	
June 19, 2007	MRO Board of Directors
September 6, 2007	
September 27, 2007	MRO Board of Directors
November 1, 2007	
December 6, 2007	MRO Board of Directors

Chair Linke adjourned the meeting at 12:10pm.

Prepared by: Mari Ann Baden

Reviewed by: Lloyd Linke, Larry Brusseau

Agenda 2.b.
Consent Agenda

Nominations for NERC Interchange Subcommittee

From: Mari Ann Baden
Sent: Wednesday, April 11, 2007 2:04 PM
To: 'mrosc-mem@midwestreliability.org'
Subject: MRO Standards Committee - Call for Nominations: NERC Interchange Subcommittee

The following is sent on behalf of Lloyd Linke, Standards Committee Chair.

Thank you

Mari Ann
++++++

Dear Standard Committee Members:

The MRO Standards Committee is seeking nominations for a representative to the NERC Interchange Subcommittee. The charter for this subcommittee can be found at the following link to aid you in your nominations (<http://www.nerc.com/~oc/is.html>).

Attached are MRO Policy and Procedure 2 regarding expense reimbursement for travel expenses to attend IS meetings and MRO Policy and Procedure 4 regarding NERC committee membership responsibilities.

Please complete and return the attached nomination form by **Wednesday, May 8, 2007**.
Nominations can be returned via one of the following methods:

1. U.S. Mail to:
Mari Ann Baden
Midwest Reliability Organization
2774 Cleveland Avenue N
Roseville, MN 55113
2. Facsimile to:
Mari Ann Baden
F: (651) 855-1712
3. Email to:
ma.baden@midwestreliability.org

Thank you,
Lloyd Linke
Chairman, Standards Committee
+++
+++

Agenda 3.
Open Positions on the MRO Standards Committee

Name	Sector	Mailing Address	Phone/Fax	E-mail Address
Dave Acton	IOU>	Alliant Energy 4902 North Biltmore Lane P.O. Box 7707 Madison, WI 53707-1007	P: (608) 458-8214 F:	daveacton@alliantenergy.com
Jason Shaver	TSO	American Transmission Co. P.O. Box 47 Waukesha, WI 53187-0047	P: (262) 506-6885 F:	jshaver@atcllc.com
OPEN	C		P: F:	
OPEN	C		P: F:	
Larry Larson	IOU<	Otter Tail Powr Company 215 South Cascade Street Fergus Falls, MN 56538-0496	P: (218) 739-8572 F: (218) 739-8625	llarson@otpc.com
Gerry Steffens	MU	Rochester Public Utilities 4000 East River Road NE Rochester, MN 55906-2813	P: (507) 280-1607 F: (507) 280-1542	gsteffens@rpu.org
Wayne Guttormson	CU	Saskatchewan Power 2025 Victoria Avenue Regina, Saskatchewan Canada S4P 0S1	P: F:	wguttormson@saskpower.com
Lloyd Linke, Chair	FPMA	Western Area Power Admin. 1330 41st Street SE Watertown, SD 57201	P: (605) 882-7500 F: (605) 882-7409	lloyd@wapa.gov
Tim Noeldner	MU	Wisconsin Public Power, Inc. 1425 Corporate Center Drive Sun Prairie, WI 53590	P: (608) 834-4559 F: (608) 837-0274	tnoeldner@wppisys.org
OPEN	GPM		P: F:	
Larry Brusseau	Secretary	Midwest Reliability Organization 2774 Cleveland Ave N Roseville, MN 55113	P: (651) 855-1735 F: (651) 855-1712	

Agenda 4.
Review of Rosters on MRO Standards Committee Exploder Lists

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ma.baden@midwestreliability.org	Mari Ann Baden
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Agenda 5.
Bulk Electric Systems (BES) Definition Review

Midwest Reliability Organization
Bulk Electric System Definition

This document describes the criteria used by the Midwest Reliability Organization (“MRO”) for identifying facilities that must comply with the Reliability Standards.

I. The following definition of Bulk Electric System (“BES”) is used by the MRO and can be found in the NERC Glossary of Terms.

NERC BES Definition¹: As defined by the Regional Reliability Organization², the electrical generation resources, transmission lines, interconnections with neighboring systems, and associated equipment, generally operated at voltages of 100 kV or higher. Radial transmission facilities serving only load with one transmission source are generally not included in this definition.

II. MRO Criteria for Identifying Facilities below 100 kV which are subject to Reliability Standards:

1. The NERC BES definition is used for identifying facilities of 100kV (and greater) that must comply with the Reliability Standards as referenced above.

¹ Any change to the NERC definition should be considered through NERC’s standards setting process considering the broad enforcement implications of the definition in determining registration of entities subject to the Reliability Standards.

² Regional Reliability Organizations have been superseded by Regional Entities for reliability functions under the Energy Policy Act of 2005.

2. The criteria used for identifying facilities (less than 100kV) that apply to the Reliability Standards:
 - a. All circuits that are elements of the NERC “Book of Flowgates” unless the Transmission Owner excludes them. This includes both the monitored and outage element for Outage Transfer Distribution Factor (OTDF) sets.
 - b. All circuits that are directly related to off-site power supply to nuclear plants. Any circuit whose outage causes unacceptable voltages on the off-site power bus at a nuclear plant must be included, regardless of its proximity to the plant.
 - c. Other circuits determined and agreed to by the transmission owners, Reliability Coordinator and the Regional Entity. Facilities contested by the Reliability Coordinator or Transmission Owner shall be determined, through applicable due process, by the Regional Entity.
-

Agenda 6.
Time Horizon Definition Discussion

From: Mazur, Ron [mailto:rwmazur@hydro.mb.ca]
Sent: Thursday, May 03, 2007 11:52 AM
To: Larry E. Brusseau; mro-nsrs@midwestreliability.org
Subject: RE: [mro-nsrs] FW: Time Horizon

I think we need more background on how these will be applied, especially in the planning horizon. If an assessment study shows a violation of performance standard in the power system, and the plan to fix the violation will require five years to implement, who decides if this is OK?

Ron Mazur, M.Sc.(E.E.), P.Eng.
Manager,
System Planning Department
Manitoba Hydro
P.O. Box 815
12-1146 Waverley Street
Work: (204) 474-3113
Cell: (204) 781-4433
Fax: (204) 477-4606
Email: rwmazur@hydro.mb.ca

From: David Taylor [mailto:David.Taylor@nerc.net]
Sent: Thursday, May 03, 2007 11:10 AM
To: rrswg_plus@nerc.com
Cc: Maureen Long
Subject: Time Horizon

This email was sent to the rrswg_plus List Serve

On Monday's RRSWG call I was tasked with finding the official definition of Time Horizon so it can be incorporated into each of the regional reliability standard templates. Maureen provides the answer in her e-mail below.

Dave

David W. Taylor
North American Electric Reliability Corporation
116-390 Village Boulevard
Princeton, NJ 08540-5731
Phone (609) 452-8060
Cell (609) 651-5089
Fax (609) 452-9550
david.taylor@nerc.net

From: Maureen Long
Sent: Thursday, May 03, 2007 11:26 AM
To: David Taylor
Cc: Gerry Adamski
Subject: RE: Mitigation Time Horizon

Hi Dave;

The SC is looking at making revisions to the RSDP (1st meeting of small team of SC members next week) and including a definition of the various choices for time horizons is one of the items targeted for inclusion. Note that the SC directed us to stop using the word, 'mitigation' and just use the phrase, 'time horizon'. The concept of time horizons is introduced in the Sanctions Guidelines. Gerry Cauley attempted to bring some standardization to the concept of time horizons by directing standard drafting teams to use the following (endorsed by Dave Hilt):

Time Horizon

The drafting team should also indicate the time horizon available for mitigating a violation to the requirement using the following definitions:

- **Long-term Planning** — a planning horizon of one year or longer.
- **Operations Planning** — operating and resource plans from day-ahead up to and including seasonal.
- **Same-day Operations** — routine actions required within the timeframe of a day, but not real-time.
- **Real-time Operations** — actions required within one hour or less to preserve the reliability of the bulk electric system.
- **Operations Assessment** — follow-up evaluations and reporting of real time operations.

Hope this helps - let me know if you need anything more.

Maureen Long
Standards Process Manager
maureen.long@nerc.net
813-468-5998

Agenda 7.
Review of MRO Manual on Web Site

<http://www.midwestreliability.org/MROmanual.html>

Agenda 8.
Disturbance Monitoring Report Form

Agenda 9.
Reports and Updates

**Agenda 9.a.
Reports and Updates
Chairman Report**



To: Compliance Committee
From: John Stolley
Subject: Chair Report

Below are the meeting highlights from the March 29, 2007 meeting of the board:

- Approved the meeting minutes of the following meetings:
 - November 30, 2006
 - December 20, 2006 Teleconference

For further details please visit http://www.midwestreliability.org/bod_docs.html.

- Approved the following NERC Committee appointments:
 - Critical Infrastructure Protection Committee
Marc Child, Great River Energy

 - Planning Committee
Ed Weber, Western Area Power Administration
- Approved conforming changes to the bylaws. The conforming changes allow each sector to name alternate directors; however, alternate directors are not permitted to vote in place of duly elected directors and any participation of an alternate director in executive sessions of the board is at the board's discretion.
- Approved conforming changes to Midwest Reliability Organization ("MRO") Policies and Procedures. Changes to the policies and procedures were needed to conform to the bylaws adopted on November 6, 2006 and the proposed Delegation Agreement filed with the Commission and provincial authorities.
- Approved the termination of the Compliance Agreement Participants Group ("CAPG") Agreement. The agreement for regional compliance and enforcement programs that NERC and most regions signed in 2001 is no longer needed now that mandatory standards and enforcement programs across North America will be in place in 2007.

- Accepted the Underfrequency Load Shedding (“UFLS”) Report from the Reliability Assessment Committee (“RAC”) to satisfy a NERC Level 1 non-compliance matter from 2005. Directed staff to forward a copy of this report to NERC and forward the report to the Standards Committee for consideration in the standards process regarding UFLS.
- Approved Generation Testing guidelines as recommended by the RAC. These guidelines can be found at http://www.midwestreliability.org/GTRTF_docs.html.
- Scheduled a conference call for May 18, 2007 beginning at 1:30pm Central to discuss and approve MRO Hearing Procedures related to compliance and enforcement of mandatory reliability standards.
- Approved the Standards Process Manual with minor modifications.
- Approved the President’s job description as recommended by the Personnel Committee.
- Approved the following resolutions as recommended by the Finance and Audit Committee or Personnel Committee:
 - Appointment of Diane Kammerude as Treasurer.
 - Revisions to the pension plan to change the name to “Midwest Reliability Organization Pension Plan”; recognize it as a multiple employer plan; appointment of Wells Fargo, N.A. as the discretionary trustee; and other required conforming changes to the Plan.
 - Conforming changes to the MRO Thrift Savings Plan (“401(k”).
 - Conforming changes to MRO voluntary employee benefit association trust (“VEBA Trust”) and to appoint Wells Fargo, N.A. as the Trustee.

For further details, please refer to <http://www.midwestreliability.org>.

Sincerely,



Daniel P. Skaar, President
Midwest Reliability Organization, Inc.

DPS:slh

C: MRO Board of Directors

**Agenda 9.b.
Reports and Updates
NSRS Report**

**Agenda 9.c.
Reports and Updates
Standards Manager Report**

Agenda 9.d.
Reports and Updates
Staff Update: Compliance Committee

Agenda 9.e.
Reports and Updates
Staff Update: Reliability Assessment Committee

Agenda 10.
Standards

Agenda 11.
NERC Representative Reports

Agenda 11.a.
NERC Representative Reports
Interchange Subcommittee

Agenda 11.b.
NERC Representative Reports
Resources Subcommittee

Agenda 11.c.
NERC Representative Reports
Resource Issues Subcommittee

Agenda 11.d.
NERC Representative Reports
Standards Committee

Agenda 11.e.
NERC Representative Reports
Compliance and Certification Committee

Appendix 4-2

NERC REPRESENTATIVE REPORTING FORM

Date: April 3, 2007

To: MRO Compliance Committee

From: Terry Bilke

Re: Report-March Compliance and Certification Committee (CCC) Meeting

Highlights

- CCC is still working on its charter. The committee is expected to expand significantly to handle the workload under the ERO. CCC will be expected to monitor NERC's compliance with following the Standards Process.
- It appears the Readiness Evaluation Program will be moving to the NERC Operating Committee.
- Mike Delaura gave a presentation on 2006 compliance; the program is slowly but steadily improving. 2/3 of violations come from 6 standards.
 - PER-003, 66, violations are going down
 - PRC-005, 30 violations are not dropping as in the past
 - PRC-007, 27
 - EOP-008, 24
 - PER-002, 17
 - PRC-008, 8
- Discussion during the joint Standards Committee-CCC meeting on the process problems in developing compliance elements for the standards. Standards staff believes the CCC must have someone on all drafting teams along the way so the elements are drafted.
- NERC staff is proposing to pull all the requirements out of the draft Org Certification standards and put this info in all the other existing standards. This will load a significant number of new (primarily administrative) requirements in the standards.
- NERC staff has developed to "turbotax" type tool to walk them through the assignment of penalties.
- Reviewed a staff-revised draft of the Sanctions Guidelines that NERC would be filing with the FERC in a few days of the meeting. Primary changes include:

- Violations per day. Most standards don't lend themselves to a per-day performance or sanctions application. Wording changed in sanctions guidelines to "up to \$1 million/day if appropriate".
- They are also putting additional wording related to size (to address shell entities and coops). On one hand they suggest penalizing the coop based on the actual entity that incurred the violation, on the other, they say that if a participant is part of a corporate family, they will penalize to get the corporation's attention.
- Time Horizons are used to adjust the sanction. They also are used to determine time to remedy the situation.
- Reset period. This factor is used to evaluate repeat violations to escalate sanctions. At some point the slate is wiped clean. Where these exist in the standards, they will be used.
- REs will not be audited on their regional compliance plans this year. They may try some type of "lite" approach (review) in lieu of an audit. NERC will put them on notice that the programs will be audited on a three year basis starting on Jan of 2008 until Jan 2010.
- Mitigation plans will become much more formal and will require completion dates, milestones, and a guarantee of completion. Penalties will be calculated based on the violation but held in abeyance until the end of the mitigation plan and at that time you must be completed or you could be assessed the calculated penalties.
- Because the CCC is staffing up, it is going through a nomination process. A letter will be going out to the Regions asking people to nominate (or reaffirm) their representative on the CCC.
- NERC plans to do away with the idea of "recertification".
- Regions are developing "Reliability Standards Audit Worksheets: as a job aid for how to audit the various standards and assess non-compliance.
- Prior performance is not brought into the picture for assessing sanctions "day 1" of the ERO.
- It appears the MRO-CC should take a close look at existing mitigation plans to make sure they are realistic and the entity can. It appears that mitigation plans that extend beyond 2007 will need to be resubmitted to meet the new documentation requirements.
- Terry Bilke gave a presentation on an issue regarding the assignment of Violation Severity Levels. NERC has implemented a process that will ultimately end up in assigning Severe violation status to roughly 90% of all violations.

Agenda 11.f.
NERC Representative Reports
Regional Reliability Standards Working Group

Agenda 12.
Task List

Updated: 3/5/2007

Standards Committee 2007 Activities List DRAFT

Activities for 2007:	Status:	Assigned To:	Due Date:
Retirement of legacy MAPP/MAIN standards	<ul style="list-style-type: none">• notice will go out to BOD for 2nd set to be retired		March 14
Develop Organizational SPM	<ul style="list-style-type: none">• send to the SDT		Prior to may 24
Handbook and procedure	<ul style="list-style-type: none">• send to SC once mari ann is complete.		By end of March.
SAR for 3 FIB standards; need to send in SAR request for each one.	<ul style="list-style-type: none">• UFLS• DME• SPS	Need to develop SDT	ASAP

Agenda 13.
2008 Budget

Agenda 14.
Other Business

Agenda 14.a.
Other Business
Committee Appointments 2007

- i. Generator and/or Power Marketer Sector
- ii. Cooperative Sector (2)

**Agenda 14.b.
Other Business**

MRO Reliability Standards and Compliance Program Seminar – May 31



MRO Reliability Standards & Compliance Program Seminar

Location: Holiday Inn Express in Bloomington, MN

Date: May 31, 2007

Requested Attendees: Designated MRO Compliance Contacts

Agenda

07:30 am – 08:15 am	Continental Breakfast
08:15 am – 08:30 am	Welcome (Dan Skaar)
08:30 am – 08:45 am	Update to MRO Cross Border Regional Entity Delegation Agreement, Canadian Delegation Agreements (Dan Skaar)
08:45 am – 09:30 am	Update to NERC ERO Status, and FERC related information (Dave Hilt)
09:30 am – 09:45 am	Break
09:45 am – 10:45 am	Review FERC Approved Reliability Standards, Update to NERC and MRO Reliability Standards, and MRO Standard Development Process (Larry Brusseau)
10:45 am – 11:15 am	Review 2007 MRO Compliance Monitoring and Enforcement Program (Wayne VanOsdol)
11:15 am – 12:00 pm	Compliance Data Management System (CDMS) Tool Presentation (Riaz Islam)
12:00 pm – 1:00 pm	Lunch
1:00 pm – 2:00 pm	Review Violation Risk Factors, Severity Levels, Sanctions and Penalties, and Penalty Tool Presentation (Wayne VanOsdol)
2:00 pm – 2:45 pm	MRO Hearing Process (Shel Berg)
2:45 pm – 4:00 pm	Cyber (CIP) Reliability Standards Discussion and Program Review (Clark Liu)
4:00 pm	Adjourn

**Agenda 14.c.
Other Business**

Standards Committee report to BOD Meeting – June 19, 2007

Agenda 15.
Next Meeting and Adjourn

June 19, 2007	MRO Board of Directors
September 6, 2007	
September 27, 2007	MRO Board of Directors
November 1, 2007	
December 6, 2007	MRO Board of Directors