

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426
OFFICE OF ELECTRIC RELIABILITY

North American Electric Reliability Corporation
Docket Nos. RR10-7-002
RR10-11-002

March 1, 2011

North American Electric Reliability Corporation
1120 G Street N.W., Suite 990
Washington, D.C. 20005-3801

Attention: Rebecca J. Michael, Attorney

Reference: Compliance Filing of the North American Electric Reliability Corporation in Response to July 12, 2010 and December 1, 2010 Commission Orders Relating to Compliance Monitoring and Enforcement Agreements

Dear Ms. Michael:

1. On January 10, 2011, the North American Electric Reliability Corporation (NERC) submitted a compliance filing in response to the Commission's July 12 and December 1, 2010 Orders.¹
2. NERC proposes to modify the SPP-FRCC-SERC Compliance Monitoring and Enforcement Agreements to require that any penalties levied against the operational functions, divisions, or affiliated entities of SPP or FRCC be transmitted to NERC, to be used as a general offset to its budget for its activities as the ERO. NERC also proposes to modify the renewal terms of the agreement to provide that the agreement shall not renew at the end of the initial term without the express approval of NERC and the Commission. The amended agreement further provides that if SPP and SERC or FRCC and SERC intend to renew these agreements, they must make a joint filing to NERC no later than April 1, 2012.

¹ *Order Conditionally Accepting Compliance Monitoring and Enforcement Program Agreements and Revised Delegation Agreements, and Ordering Compliance Filings*, 132 FERC ¶ 61,024 (2010), *See Also: Order Granting Rehearing and Accepting Filing*, 133 FERC ¶ 61,190 (2010).

3. Notice of this filing was issued on January 11, 2011, with comments, protests or motions to intervene due on or before January 31, 2011.
4. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motions to intervene are governed by the provisions of Rule 214. No protests or adverse comments were filed.
5. NERC's uncontested filing is approved pursuant to the relevant authority delegated to the Director, Office of Electric Reliability, under 18 C.F.R. § 375.303.
6. This action shall not be construed as accepting any other contingency plan pursuant to 18 C.F.R. § 375.303(a)(1)(i) or any other data or report pursuant to C.F.R. § 375.303(b)(3)(iv). This action shall not be construed as approving any other application including Electric Reliability Organization or Regional Entity Rules or procedures pursuant to 18 C.F.R. § 375.303(a)(2)(i). Such acceptance or approval shall not be deemed as recognition of any claimed right or obligation associated therewith; and such acceptance or approval is without prejudice to any findings or orders which have been or which may hereafter be made by the Commission in any proceeding now or pending or hereafter instituted by or against NERC.
7. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Joseph H. McClelland, Director
Office of Electric Reliability