

**MINUTES OF MEETING OF THE EXECUTIVE COMMITTEE
(MEMBERS AND BOARD OF DIRECTORS)
OF
WSPP INC.
August 27, 2014**

Pursuant to Section 3.4, 4.2 and 4.6 of the Bylaws, a meeting of the Executive Committee of WSPP Inc. ("WSPP") was held on the above date, such meeting having been duly noticed pursuant to Section 11.1.2.1 of the Bylaws, and a quorum having been present pursuant to Section 6.3 of the Bylaws.

The attendees of the meeting are specified on the attached list.

Harry Singh, Chairman, delivered a statement about the WSPP policy of antitrust compliance.

WSPP Legal Representation - Discussion and Vote

Arnold Podgorsky left Wright and Talisman and started his own firm. Officers reached out to members and interviewed a few other attorneys and decided to retain Arnold Podgorsky PLLC to provide WSPP legal services through the end of 2014. Because he isn't backed by a large firm, there has been a reduction in fees.

There was a motion from Toxie Burriss, Modesto, to change from Wright and Talisman to Arnold Podgorsky's Law Firm. It was seconded by Jim Salo, Colorado River Commission. The motion passed without dissent.

Amendments to the WSPP Bylaws and Section 8 of the Agreement to split the role of the Treasurer and Secretary into two separate roles and other matters - Discussion and Vote (*Presentation*)

In order to split the Treasurer/Secretary role, Mr. Podgorsky proposed changes (attached) to the Bylaws of the Corporation and associated changes of the WSPP Agreement. In the course of the discussion it was reported that Margaret Miller, who was previously the Secretary of the Executive Committee, has changed positions to a nonmember company, and that the Administrative Committee appointed Brenda Anderson, BPA, as Secretary of the Executive Committee to fill the remainder of Margaret Miller's term. The driver for a Secretary position separate from the Treasurer is having a record of meetings minutes. Jim Salo, Colorado River Commission, made the motion to accept the changes, it was seconded by Jeff Atkinson, EDF, and was approved by vote without dissent.

Update on Contract Subcommittee (CSC) Officer Creation

It was reported that the CSC had created officer positions, and that Jim Barnes, Portland General Electric, would serve as Chair. The CSC decided to create some Guidelines for operation consistent with the EC and OC. The CSC Guidelines and work products will hopefully add some transparency and accountability to Members. The Members are also hoping that having CSC Officers will assist in setting up a broader pool for WSPP leadership. Members suggested adding a reference to "balanced" representation into the Guidelines and to clarify that there could be several "task forces".

Mr. Podgorsky suggested taking out any references to making money or losing money in the Guidelines. It was suggested that all Contract Subcommittee Members are notified each time a new task force is set up. Each task force should have a charter and/or scope. These Guidelines do not limit the scope of legal counsel. Some members wanted changes to Section 5 to allow greater involvement of legal counsel's expertise and experience. Legal counsel should have an eye on market sectors and

antitrust issues. Adding legal counsel to the carbon copy list on member communication is important to some members. Counsel will be on the communication for the OC and EC. It was suggested that a list of members' ongoing issues be kept for historical recordkeeping purposes as some issues may have already been reviewed by the Contract Subcommittee in the past and it's helpful to understand the history of an issue/topic. Some would like more clarity on when the creation of a task force is justified.

WSPP Budget Development - Discussion

Presentation Attached

A question was raised if "pay to attend" OC meetings are a way of the future as the members need to address how to pay for these meetings. Typically, it costs approximately \$300 per person. Sponsorships are getting harder to find. Some companies send more people than others. Need to do something that is equitable. This is a topic for a future discussion.

Arnie Podgorsky suggested the Corporation should have liability insurance. We should also have a "not liable" statement when attendees are signing up for each meeting.

Upcoming OC Meeting

The joint meeting with NAEMA is a one-time thing. There was a discussion about the panels and speakers that will be at the OC. CVENT has made the registration and tracking easier.

Update on CSC Initiatives – Discussion

UFAS task force. TF has met several times. There have been many thoughts, many opinions. There have been many discussions about options to move forward. Should it be an Uncontrollable Force? Should we try to change the Agreement to address? There are too many differing opinions to think we could ever come to agreement and have a consensus to amend the Agreement. There was some discussion about a few parties having a side agreement or have a list of parties that believe it to be an Uncontrollable Force, but nothing binding. There was a suggestion to wait for the WECC ECC Tool to try to pursue any agreement, since the tool will make changes to how transactions are curtailed. Some people believe we should try to encapsulate what we agree on, like when there is not transmission involved in the agreement of the transaction. Parties want it to remain a firm product that can be used as a network resource. WSPP Counsel has not issued opinions on what the Agreement means. The contract means what the contract says. Legal Counsel would only recommend taking on the issue if there is agreed upon clarity needed in the Agreement. The task force will work on creating an educational document on what some of the positions are.

Schedule's D and E – Mr. Podgorsky gave some background on where D and E began. Contract Subcommittee has met several times and should have the new draft out next week. The OC is going to ask if any members really need a damages multiplier. That will be discussed at the upcoming OC call. Hopefully will have it ready for a vote at the Operating Committee meeting.

Update on EPA's Clean Power Plan

Clare Breidenich presented an update on EPA's Clean Power Plan (*slides attached*)

Other Business

Settlements. There was discussion that the settlements process needs updating. Look for a proposal to create a new task force to address check out dates, exploring if a coordinated format can be created, and a process for billing for damages.

The meeting was adjourned at 2:30 pm

Submitted by Brenda Anderson, Secretary

Approved by the Executive Committee, _____, ____, 2014