

Federal Energy Regulatory Commission
Washington, D.C. 20426

March 25, 2021

Re: Nineteenth Determination
Release Letter
FOIA No. FY19-30

VIA ELECTRONIC MAIL ONLY

Michael Mabee

CivilDefenseBook@gmail.com

Dear Mr. Mabee:

This is a response to your correspondence received on January 16, 2020, in which you requested information pursuant to the Freedom of Information Act (FOIA),¹ and the Federal Energy Regulatory Commission's (Commission) FOIA regulations, 18 C.F.R. § 388.108 (2020).

By letter dated February 10, 2021, the submitter and the concerned Unidentified Registered Entities (URE) were informed that a copy of the public version of the Notices of Penalty associated with Docket Nos. NP11-155 and NP11-178, along with the names of the relevant UREs inserted on the first page, would be disclosed to you no sooner than five calendar days from that date. *See* 18 C.F.R. § 388.112(e). The five-day notice period has elapsed and the documents are enclosed.

On November 18, 2019, you filed suit in the U.S. District Court for the District of Columbia asserting claims in connection with this FOIA request. *See Mabee v. Fed. Energy Reg. Comm'n.*, Civil Action No. 19-3448 (KBJ) (D.D.C.). Because this FOIA request is currently in litigation, this letter does not contain information regarding administrative appeal of the response to the FOIA request. For any further assistance or to discuss any aspect of your request, you may contact Assistant United States Attorney

¹ 5 U.S.C. § 552.

April D. Seabrook by email at april.seabrook@usdoj.gov, by phone at (202) 252-2525, or by mail at United States Attorney's Office – Civil Division, U.S. Department of Justice, 555 Fourth Street, N.W., Washington, DC 20530.

Sincerely,

**MARY
O'DRISCOLL**

Digitally signed by
MARY O'DRISCOLL
Date: 2021.03.24
18:43:08 -04'00'

Mary O'Driscoll
Acting Director
Office of External Affairs

CC: Mr. Peter Sorenson, Esq.
Counsel for Mr. Mabee
petesorenson@gmail.com

James M. McGrane
Senior Counsel
North American Electric Reliability Corporation
1325 G Street N.W. Suite 600
Washington, D.C. 20005
James.McGrane@nerc.net

Enclosures



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

PRIVILEGED AND CONFIDENTIAL INFORMATION
HAS BEEN REMOVED FROM THIS PUBLIC VERSION

Turlock Irrigation District
NP11-178

April 29, 2011

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Re: NERC Abbreviated Notice of Penalty regarding Unidentified Registered Entity,
FERC Docket No. NP11-__-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Abbreviated Notice of Penalty (NOP) regarding Unidentified Registered Entity (URE), with information and details regarding the nature and resolution of the violations¹ discussed in detail in the Settlement Agreement (Attachment a) and the Disposition Documents (Attachment b), in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations and orders, as well as NERC Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).²

This NOP is being filed with the Commission because Western Electricity Coordinating Council (WECC) and URE have entered into a Settlement Agreement to resolve all outstanding issues arising from WECC's determination and findings of the violations of CIP-002-1 R1.2 and COM-002-2 R2. According to the Settlement Agreement, URE agrees and stipulates to the violation, and has agreed to the assessed penalty of thirty five thousand dollars (\$35,000), in addition to other remedies and actions to mitigate the instant violations and facilitate future compliance under the terms and conditions of the Settlement Agreement. Accordingly, the violations identified as NERC Violation Tracking Identification Numbers WECC200901741 and

¹ For purposes of this document, each violation at issue is described as a "violation," regardless of its procedural posture and whether it was a possible, alleged or confirmed violation.

² *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards* (Order No. 672), III FERC Stats. & Regs. ¶ 31,204 (2006); *Notice of New Docket Prefix "NP" for Notices of Penalty Filed by the North American Electric Reliability Corporation*, Docket No. RM05-30-000 (February 7, 2008). See also 18 C.F.R. Part 39 (2010). *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693), *reh'g denied*, 120 FERC ¶ 61,053 (2007) (Order No. 693-A). See 18 C.F.R. § 39.7(c)(2).

NERC Notice of Penalty

PRIVILEGED AND CONFIDENTIAL INFORMATION

Unidentified Registered Entity

HAS BEEN REMOVED FROM THIS PUBLIC VERSION

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WECC200901399 are being filed in accordance with the NERC Rules of Procedure and the CMEP.

Statement of Findings Underlying the Violations

This NOP incorporates the findings and justifications set forth in the Settlement Agreement executed on November 2, 1020, by and between WECC and URE. The details of the findings and the basis for the penalty are set forth in the Disposition Documents. This NOP filing contains the basis for approval of the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC BOTCC). In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7, NERC provides the following summary table identifying each violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Duration	Total Penalty (\$)
NOC-718	WECC200901741	CIP-002-1	1.2	Medium ³	7/1/08-8/27/09	35,000
	WECC200901399	COM-002-2	2	Medium	2/10/09-7/29/09	

The text of the Reliability Standards at issue and further information on the subject violations are set forth in the Disposition Documents.

CIP-002-1 R1.2 - OVERVIEW

A violation of CIP-002-1 R1.2 was discovered by WECC during a Spot Check. WECC determined that URE failed to consider systems and facilities critical to system restoration, including blackstart generators and substations in the electrical path of transmission lines used for initial system restoration, in accordance with the subject Standards requirement.

COM-002-2 R2 - OVERVIEW

On April 3, 2009, URE self-reported a violation of COM-002-2 R2. WECC determined that URE failed to: (1) ensure that the recipient of a directive repeated the information back correctly; and (2) acknowledge the response as correct or repeat the original statement to resolve any misunderstandings.

³ When NERC filed Violation Risk Factors (VRF) it originally assigned CIP-002-1 R1 a Lower VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified Medium VRF and on January 27, 2009, the Commission approved the modified Medium VRF. Therefore, the Lower VRF for CIP-002-1 R1 was in effect from June 18, 2007 until January 27, 2009 when the Medium VRF became effective.

NERC Notice of Penalty

PRIVILEGED AND CONFIDENTIAL INFORMATION

Unidentified Registered Entity

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Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed⁴

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines, the Commission's July 3, 2008, October 26, 2009 and August 27, 2010 Guidance Orders,⁵ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on April 11, 2011. The NERC BOTCC approved the Settlement Agreement, including WECC's assessment of a thirty five thousand dollar (\$35,000) financial penalty against URE and other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violations at issue.

In reaching this determination, the NERC BOTCC considered the following factors:

1. the CIP-002-1 R1.2 violation constituted URE's first occurrence of violation of the subject NERC Reliability Standard;
2. URE self-reported the COM-002-2 R2 violation;
3. WECC reported that URE was cooperative throughout the compliance enforcement process;
4. URE had a compliance program at the time of the violation which WECC considered a mitigating factor, as discussed in the Disposition Documents;
5. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. WECC determined that the CIP-002-1 R2 violation posed a minimal risk and the COM-002-2 R1 posed a moderate risk and that neither of the violations posed a serious or substantial risk to the reliability of the bulk power system (BPS), as discussed in the Disposition Documents; and
7. WECC reported that there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

For the foregoing reasons, the NERC BOTCC approved the Settlement Agreement and believes that the assessed penalty of thirty five thousand dollars (\$35,000) is appropriate for the violations and circumstances at issue, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

⁴ See 18 C.F.R. § 39.7(d)(4).

⁵ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); *North American Electric Reliability Corporation*, "Further Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009); *North American Electric Reliability Corporation*, "Notice of No Further Review and Guidance Order," 132 FERC ¶ 61,182 (2010).

NERC Notice of Penalty

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Unidentified Registered Entity

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Pursuant to 18 C.F.R. § 39.7(e), the penalty will be effective upon expiration of the 30 day period following the filing of this NOP with FERC, or, if FERC decides to review the penalty, upon final determination by FERC.

Attachments to be included as Part of this Notice of Penalty

The attachments to be included as part of this NOP are the following documents:

- a) Settlement Agreement by and between WECC and URE executed November 2, 2010, included as Attachment a;
- b) Disposition Document for Common Information, included as Attachment b:
 - i. Disposition Document for CIP-002-1 R1.2, included as Attachment b-1;
 - ii. Disposition Document for COM-002-2 R2, included as Attachment b-2;
- c) Record Documents for CIP-002-1 R1.2:
 - i. WECC's Regional Determination of Alleged Violation Summary, included as Attachment c;
 - ii. URE's Mitigation Plan for CIP-002-1 R1.2, designated as MIT-08-2978 and dated January 8, 2010, included as Attachment d;
 - iii. URE's Certification of Mitigation Plan Completion for CIP-002-1 R1.2, dated January 8, 2010,⁶ included as Attachment e;
 - iv. WECC's Verification of Mitigation Plan Completion for CIP-002-1 R1.2, dated July 12, 2010, included as Attachment f;
- d) Record Documents for COM-002-2 R2:
 - i. URE's Self-Report for COM-002-2 R2, dated April 3, 2009, included as Attachment g;
 - ii. URE's Mitigation Plan for COM-002-2 R2, designated as MIT-09-2061 and dated April 30, 2009, included as Attachment h;
 - iii. URE's Certification of Mitigation Plan Completion for COM-002-2 R2, dated July 29, 2009, included as Attachment i;
 - iv. WECC's Verification of Mitigation Plan Completion for COM-002-2 R2, dated November 10, 2009, included as Attachment j;

A Form of Notice Suitable for Publication⁷

A copy of a notice suitable for publication is included in Attachment k.

⁶ The Certification of Completion has a signature date of January 8, 2009.

⁷ See 18 C.F.R. § 39.7(d)(6).

NERC Notice of Penalty
Unidentified Registered Entity
April 29, 2011
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PRIVILEGED AND CONFIDENTIAL INFORMATION
HAS BEEN REMOVED FROM THIS PUBLIC VERSION

Notices and Communications

Notices and communications with respect to this filing may be addressed to the following:

<p>Gerald W. Cauley President and Chief Executive Officer David N. Cook* Sr. Vice President and General Counsel North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, NJ 08540-5721 (609) 452-8060 (609) 452-9550 – facsimile david.cook@nerc.net</p> <p>Mark Maher* Chief Executive Officer Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (360) 713-9598 (801) 582-3918 – facsimile Mark@wecc.biz</p> <p>Constance White* Vice President of Compliance Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6855 (801) 883-6894 – facsimile CWhite@wecc.biz</p> <p>Sandy Mooy* Senior Legal Counsel Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 819-7658 (801) 883-6894 – facsimile SMooy@wecc.biz</p>	<p>Rebecca J. Michael* Associate General Counsel for Corporate and Regulatory Matters Sonia C. Mendonça* Attorney North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, DC 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net sonia.mendonca@nerc.net</p> <p>Christopher Luras* Manager of Compliance Enforcement Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6887 (801) 883-6894 – facsimile CLuras@wecc.biz</p> <p>*Persons to be included on the Commission's service list are indicated with an asterisk. NERC requests waiver of the Commission's rules and regulations to permit the inclusion of more than two people on the service list.</p>
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NERC Notice of Penalty
Unidentified Registered Entity
April 29, 2011
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PRIVILEGED AND CONFIDENTIAL INFORMATION
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Conclusion

Accordingly, NERC respectfully requests that the Commission accept this Abbreviated NOP as compliant with its rules, regulations and orders.

Respectfully submitted,

Gerald W. Cauley
President and Chief Executive Officer
David N. Cook
Sr. Vice President and General Counsel
North American Electric Reliability Corporation
116-390 Village Boulevard
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/s/ Rebecca J. Michael
Rebecca J. Michael
Associate General Counsel for Corporate
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cc: Unidentified Registered Entity
Western Electricity Coordinating Council

Attachments

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment b

Disposition Document for Common Information

DISPOSITION OF VIOLATION¹
INFORMATION COMMON TO INSTANT VIOLATIONS

Dated April 11, 2011

REGISTERED ENTITY	NERC REGISTRY ID	NOC#
Unidentified Registered Entity (URE)	NCRXXXXX	NOC-718
REGIONAL ENTITY		
Western Electricity Coordinating Council (WECC)		

IS THERE A SETTLEMENT AGREEMENT YES NO

WITH RESPECT TO THE VIOLATION(S), REGISTERED ENTITY

NEITHER ADMITS NOR DENIES IT (SETTLEMENT ONLY)	YES	<input type="checkbox"/>
ADMITS TO IT	YES	<input checked="" type="checkbox"/>
(Stipulates to the facts)		
DOES NOT CONTEST IT (INCLUDING WITHIN 30 DAYS)	YES	<input type="checkbox"/>

WITH RESPECT TO THE ASSESSED PENALTY OR SANCTION, REGISTERED ENTITY

ACCEPTS IT/ DOES NOT CONTEST IT YES

I. PENALTY INFORMATION

TOTAL ASSESSED PENALTY OR SANCTION OF **\$35,000** FOR **TWO** VIOLATIONS OF RELIABILITY STANDARDS.

(1) REGISTERED ENTITY'S COMPLIANCE HISTORY

PREVIOUSLY FILED VIOLATIONS OF ANY OF THE INSTANT RELIABILITY STANDARD(S) OR REQUIREMENT(S) THEREUNDER
YES NO

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

¹ For purposes of this document and attachments hereto, each violation at issue is described as a "violation," regardless of its procedural posture and whether it was a possible, alleged or confirmed violation.

PREVIOUSLY FILED VIOLATIONS OF OTHER RELIABILITY STANDARD(S) OR REQUIREMENTS THEREUNDER

YES NO

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

(2) THE DEGREE AND QUALITY OF COOPERATION BY THE REGISTERED ENTITY (IF THE RESPONSE TO FULL COOPERATION IS "NO," THE ABBREVIATED NOP FORM MAY NOT BE USED.)

FULL COOPERATION YES NO
IF NO, EXPLAIN

(3) THE PRESENCE AND QUALITY OF THE REGISTERED ENTITY'S COMPLIANCE PROGRAM

IS THERE A DOCUMENTED COMPLIANCE PROGRAM
YES NO UNDETERMINED
EXPLAIN

WECC determined that URE has an effective compliance program and considered URE's ICP as a mitigating factor.

EXPLAIN SENIOR MANAGEMENT'S ROLE AND INVOLVEMENT WITH RESPECT TO THE REGISTERED ENTITY'S COMPLIANCE PROGRAM, INCLUDING WHETHER SENIOR MANAGEMENT TAKES ACTIONS THAT SUPPORT THE COMPLIANCE PROGRAM, SUCH AS TRAINING, COMPLIANCE AS A FACTOR IN EMPLOYEE EVALUATIONS, OR OTHERWISE.

(4) ANY ATTEMPT BY THE REGISTERED ENTITY TO CONCEAL THE VIOLATION(S) OR INFORMATION NEEDED TO REVIEW, EVALUATE OR INVESTIGATE THE VIOLATION.

YES NO
IF YES, EXPLAIN

(5) ANY EVIDENCE THE VIOLATION(S) WERE INTENTIONAL (IF THE RESPONSE IS "YES," THE ABBREVIATED NOP FORM MAY NOT BE USED.)

YES NO
IF YES, EXPLAIN

(6) ANY OTHER MITIGATING FACTORS FOR CONSIDERATION

YES NO
IF YES, EXPLAIN

(7) ANY OTHER AGGRAVATING FACTORS FOR CONSIDERATION

YES NO
IF YES, EXPLAIN

(8) ANY OTHER EXTENUATING CIRCUMSTANCES

YES NO
IF YES, EXPLAIN

OTHER RELEVANT INFORMATION:

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR
SANCTION ISSUED

DATE: 11/18/09 OR N/A

SETTLEMENT REQUEST DATE

DATE: 12/18/09 OR N/A

NOTICE OF CONFIRMED VIOLATION ISSUED

DATE: OR N/A

SUPPLEMENTAL RECORD INFORMATION

DATE(S) OR N/A

REGISTERED ENTITY RESPONSE CONTESTED

FINDINGS PENALTY BOTH DID NOT CONTEST

HEARING REQUESTED

YES NO

DATE

OUTCOME

APPEAL REQUESTED

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Disposition Document for CIP-002-1 R1.2

DISPOSITION OF VIOLATION**Dated April 11, 2011**

NERC TRACKING REGIONAL ENTITY TRACKING
 NO. NO.
WECC200901741 URE_WECC20091920

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
CIP-002-1	1	1.2	Medium¹	N/A²

PURPOSE OF THE RELIABILITY STANDARD AND TEXT OF RELIABILITY STANDARD AND REQUIREMENT(S)/SUB-REQUIREMENT(S)

The purpose statement of CIP-002-1 provides in pertinent part: "...Standard CIP-002 requires the identification and documentation of the Critical Cyber Assets associated with the Critical Assets that support the reliable operation of the Bulk Electric System. These Critical Assets are to be identified through the application of a risk-based assessment."

CIP-002-1 R1 provides:

R1. Critical Asset Identification Method — The Responsible Entity shall identify and document a risk-based assessment methodology to use to identify its Critical Assets.

R1.1. The Responsible Entity shall maintain documentation describing its risk-based assessment methodology that includes procedures and evaluation criteria.

R1.2. The risk-based assessment shall consider the following assets:

R1.2.1. Control centers and backup control centers performing the functions of the entities listed in the Applicability section of this standard.

R1.2.2. Transmission substations that support the reliable operation of the Bulk Electric System.

¹ When NERC filed Violation Risk Factors (VRF) it originally assigned CIP-002-1 R1 a Lower VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified Medium VRF and on January 27, 2009, the Commission approved the modified Medium VRF. Therefore, the Lower VRF for CIP-002-1 R1 was in effect from June 18, 2007 until January 27, 2009 when the Medium VRF became effective.

² At the time of the violation, no VSLs were in effect for CIP-002-1. On June 30, 2009, NERC submitted VSLs for the CIP-002-1 through CIP-009-1 Reliability Standards. On March 18, 2010, the Commission approved the VSLs as filed, but directed NERC to submit modifications.

R1.2.3. Generation resources that support the reliable operation of the Bulk Electric System.

R1.2.4. Systems and facilities critical to system restoration, including blackstart generators and substations in the electrical path of transmission lines used for initial system restoration.

R1.2.5. Systems and facilities critical to automatic load shedding under a common control system capable of shedding 300 MW or more.

R1.2.6. Special Protection Systems that support the reliable operation of the Bulk Electric System.

R1.2.7. Any additional assets that support the reliable operation of the Bulk Electric System that the Responsible Entity deems appropriate to include in its assessment.

VIOLATION DESCRIPTION

WECC discovered, during a Spot Check, a violation of CIP-002-1 R1.2. The versions of URE's risk-based assessment methodology (Methodology) prior to August 27, 2009 failed to consider systems and facilities critical to system restoration, as required by the subject Standards requirement.

It was determined during the Spot Check that URE's Critical Assets list and criteria for evaluation contains URE's Methodology. The Spot Check team reviewed the Critical Assets list and criteria for evaluation, along with other evidence. The Spot Check Team concluded that, although URE identified its one plant as a blackstart facility, it did not use the procedures and criteria contained in its Methodology for the evaluation of assets used in the electrical path of the transmission lines used for initial system restoration from the plant. On August 27, 2009, URE modified its Methodology to include all procedures and evaluation criteria used for the identification of critical assets for all assets classes identified in the Standard in its Critical Assets list and criteria for evaluation.

WECC reviewed the findings of the Spot Check team and confirmed that URE's Methodology, prior to August 27, 2009, failed to consider assets critical to system restoration, including blackstart generators and substations in the electrical path of transmission lines used for initial system restoration. WECC Enforcement determined URE's failure to consider systems and facilities critical to system restoration was a violation of CIP-002-1 R1.2.4.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violation posed a minimal risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because (1) URE had a Methodology applicable to all other critical assets described in the subject Standards requirement; and (2) the plant is a relatively small blackstart

facility. Although URE did not identify the plant as a Critical Asset, the plant represents approximately one-third of URE’s total generating capability. Further, the plant represents a fraction of the generation capacity available to the host Balancing Authority.

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

- SELF-REPORT
- SELF-CERTIFICATION
- COMPLIANCE AUDIT
- COMPLIANCE VIOLATION INVESTIGATION
- SPOT CHECK
- COMPLAINT
- PERIODIC DATA SUBMITTAL
- EXCEPTION REPORTING

DURATION DATE(S) **7/1/08 (when the Standard became mandatory and enforceable) through 8/27/09 (Mitigation Plan completion)**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Spot Check**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-08-2978
DATE SUBMITTED TO REGIONAL ENTITY	1/8/10
DATE ACCEPTED BY REGIONAL ENTITY	7/8/10
DATE APPROVED BY NERC	8/8/10
DATE PROVIDED TO FERC	11/17/10³

IDENTIFY AND EXPLAIN ALL PRIOR VERSIONS THAT WERE ACCEPTED OR REJECTED, IF APPLICABLE

³ Due to an administrative oversight, NERC did not timely submit the subject Mitigation Plan to FERC.

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **Submitted as complete**

EXTENSIONS GRANTED **N/A**

ACTUAL COMPLETION DATE **8/27/09**

DATE OF CERTIFICATION LETTER **1/8/10⁴**

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **8/27/09**

DATE OF VERIFICATION LETTER **7/12/10**

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **8/27/09**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

URE's Critical Assets list and criteria for evaluation, considers potential critical assets used in the electrical path of the transmission lines used for initial system restoration from the plant and therefore addresses the requirements of the subject Standard. Accordingly, URE did not take any action to mitigate the instant violation subsequent to discovery because WECC found its Methodology to be acceptable at the time of the Spot Check.

LIST OF EVIDENCE REVIEWED BY REGIONAL ENTITY TO EVALUATE COMPLETION OF MITIGATION PLAN OR MILESTONES (FOR CASES IN WHICH MITIGATION IS NOT YET COMPLETED, LIST EVIDENCE REVIEWED FOR COMPLETED MILESTONES)

1. URE's Critical Assets list and criteria for evaluation

EXHIBITS:

SOURCE DOCUMENT

WECC's Regional Determination of Alleged Violation Summary

MITIGATION PLAN

URE's Mitigation Plan for CIP-002-1 R1.2, designated as MIT-08-2978 and dated January 8, 2010

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion, dated January 8, 2010

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion, dated July 12, 2010

⁴ The Certification of Completion document was signed on January 8, 2009.

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Disposition Document for COM-002-2 R2

DISPOSITION OF VIOLATION**Dated April 11, 2011**

NERC TRACKING REGIONAL ENTITY TRACKING
 NO. NO.
 WECC200901399 URE_WECC20091568

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
COM-002-2	2		Medium	High

PURPOSE OF THE RELIABILITY STANDARD AND TEXT OF RELIABILITY STANDARD AND REQUIREMENT(S)/SUB-REQUIREMENT(S)

The purpose statement of COM-002-2 provides: “To ensure Balancing Authorities, Transmission Operators, and Generator Operators have adequate communications and that these communications capabilities are staffed and available for addressing a real-time emergency condition. To ensure communications by operating personnel are effective.”

COM-002-2 R2 provides:

Each Reliability Coordinator, Transmission Operator, and Balancing Authority shall issue directives in a clear, concise, and definitive manner; shall ensure the recipient of the directive repeats the information back correctly; and shall acknowledge the response as correct or repeat the original statement to resolve any misunderstandings.

VIOLATION DESCRIPTION

On April 3, 2009, URE self-reported a violation of COM-002-2 R2 after discovering that one of its operators, on two occasions, failed to: (1) ensure that the recipient of a directive repeated the information back correctly; and (2) acknowledge the response as correct or repeat the original statement to resolve any misunderstandings.

After reviewing communications recordings provided by URE as evidence of prior violation mitigation, WECC notified URE that the evidence may have indicated the existence of another violation. In response, URE conducted an internal review and discovered recordings from February 10, 2009 and February 20, 2009 on which the URE operator failed to communicate effectively in accordance with the subject Standards requirement.

WECC reviewed the self-report and the findings of its subject matter expert and determined that the URE operator’s failure to ensure that the Generator Operator

correctly received and understood the directive constituted a violation of the subject Standard.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violation posed a moderate risk to the bulk power system (BPS) because an improper response to the directive, resulting from a misunderstanding, could have led to a voltage deviation requiring further corrective action by URE Operators and adjoining BAs and TOPs to stabilize the system.

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

- SELF-REPORT
- SELF-CERTIFICATION
- COMPLIANCE AUDIT
- COMPLIANCE VIOLATION INVESTIGATION
- SPOT CHECK
- COMPLAINT
- PERIODIC DATA SUBMITTAL
- EXCEPTION REPORTING

DURATION DATE(S) **2/10/09 (when URE's Power Control Center Operator failed to ensure the recipient of a directive repeated the information correctly) through 7/29/09 (Mitigation Plan completion)**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **4/3/09**

IS THE VIOLATION STILL OCCURRING YES NO
 IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
 PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-09-2061**
 DATE SUBMITTED TO REGIONAL ENTITY **4/30/09**
 DATE ACCEPTED BY REGIONAL ENTITY **10/19/09**
 DATE APPROVED BY NERC **10/27/09**
 DATE PROVIDED TO FERC **10/27/09**

IDENTIFY AND EXPLAIN ALL PRIOR VERSIONS THAT WERE ACCEPTED OR REJECTED, IF APPLICABLE

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE 7/30/09

EXTENSIONS GRANTED N/A

ACTUAL COMPLETION DATE 7/29/09

DATE OF CERTIFICATION LETTER 7/29/09

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF 7/29/09

DATE OF VERIFICATION LETTER 11/10/09

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF 7/29/09

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

1. URE will provide additional training on COM-002-2 Requirement R2 for all of its Control Center operators;
2. URE's Control Center operators also received additional refresher training on COM-002-2 R2 during the discussions held every training week;
3. URE provided training on COM-002-2 R2 for all of its Generator Operators;
4. Both occurrences were committed by the same operator, and URE has disciplined the employee in accordance with URE's internal compliance program;
5. URE's Control Center operators and Generator Operators were provided training on the proper phone communication protocol; and
6. URE's Control Center operators and Generator Operators received refresher training on compliance with NERC Reliability Standards. The training will be emphasizing the importance of compliance with the Standards and the penalties associated with violating any requirements of those standards.

LIST OF EVIDENCE REVIEWED BY REGIONAL ENTITY TO EVALUATE COMPLETION OF MITIGATION PLAN OR MILESTONES (FOR CASES IN WHICH MITIGATION IS NOT YET COMPLETED, LIST EVIDENCE REVIEWED FOR COMPLETED MILESTONES)

URE provided:

1. training agendas for URE Control Center operator and Generator Operator training sessions; and
2. training session rosters.

EXHIBITS:

SOURCE DOCUMENT

URE's Self-Report dated April 3, 2009

MITIGATION PLAN

URE's Mitigation Plan for COM-002-2 R2, designated as MIT-09-2061 and dated April 30, 2009

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion, dated July 29, 2009

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion, dated November 10, 2009

Document Content(s)

Public_FinalFiled_ANOP_NOC-718.PDF.....1



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

**PRIVILEGED AND CONFIDENTIAL INFORMATION
HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

California Department of Water Resources
NP11-155

March 30, 2011

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Re: NERC Abbreviated Notice of Penalty regarding Unidentified Registered Entity,
FERC Docket No. NP11-__-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Abbreviated Notice of Penalty (NOP) regarding Unidentified Registered Entity (URE), with information and details regarding the nature and resolution of the violation¹ discussed in detail in the Settlement Agreement (Attachment a) and the Disposition Document (Attachment b), in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations and orders, as well as NERC Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).²

This NOP is being filed with the Commission because the Western Electricity Coordinating Council (WECC) and URE have entered into a Settlement Agreement to resolve all outstanding issues arising from WECC's determination and findings of the enforceable violation of CIP-003-1 Requirement (R) 2. According to the Settlement Agreement, URE stipulates to the facts of the violation and has agreed to the assessed penalty of two-thousand dollars (\$2,000), in addition to other remedies and actions to mitigate the instant violation and facilitate future compliance under the terms and conditions of the Settlement Agreement. Accordingly, the violation identified as NERC Violation Tracking Identification Numbers WECC200901705 is being filed in accordance with the NERC Rules of Procedure and the CMEP.

¹ For purposes of this document, each violation at issue is described as a "violation," regardless of its procedural posture and whether it was a possible, alleged or confirmed violation.

² *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards* (Order No. 672), III FERC Stats. & Regs. ¶ 31,204 (2006); *Notice of New Docket Prefix "NP" for Notices of Penalty Filed by the North American Electric Reliability Corporation*, Docket No. RM05-30-000 (February 7, 2008). See also 18 C.F.R. Part 39 (2011). *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693), *reh'g denied*, 120 FERC ¶ 61,053 (2007) (Order No. 693-A). See 18 C.F.R. § 39.7(c)(2).

NERC Notice of Penalty
Unidentified Registered Entity
March 30, 2011
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Statement of Findings Underlying the Violation

This NOP incorporates the findings and justifications set forth in the Settlement Agreement executed on July 6, 2010, by and between WECC and URE. The details of the findings and the basis for the penalty are set forth in the Disposition Document. This NOP filing contains the basis for approval of the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC BOTCC). In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7, NERC provides the following summary table identifying each violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Duration ³	Total Penalty (\$)
NOC-597	WECC200901705	CIP-003-1	2	Lower ⁴	12/31/08 – 11/30/09	2,000

The text of the Reliability Standard at issue and further information on the subject violation is set forth in the Disposition Document.

CIP-003-1 R2 - OVERVIEW

WECC determined that URE did not comply with CIP-003-1 R2 because URE did not assign a senior manager with overall responsibility for leading and managing URE's implementation and adherence to CIP-002 through CIP-009 according to the subscribed timeline of the Implementation Plan for Cyber Security Standards.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed⁵

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines, the Commission's July 3, 2008, October 26, 2009 and August 27, 2010 Guidance Orders,⁶ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on December 10, 2010. The NERC BOTCC approved the Settlement Agreement, including WECC's assessment of a two-thousand dollar (\$2,000) financial penalty against URE and other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable

³ The Mitigation Plan incorrectly states that the violation duration was from December 31, 2008 to June 10, 2009.

⁴ When NERC filed Violation Risk Factors (VRF) it originally assigned CIP-003-1 R2 a Lower VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified Medium VRF and on January 27, 2009, the Commission approved the modified Medium VRF. Therefore, the Lower VRF for CIP-003-1 R2 was in effect from June 18, 2007 until January 27, 2009 when the Medium VRF became effective. CIP-003-1 R2.1, R2.2 and R2.3 have Lower VRFs. The Mitigation Plan incorrectly states that the violation had a Medium VRF.

⁵ See 18 C.F.R. § 39.7(d)(4).

⁶ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); *North American Electric Reliability Corporation*, "Further Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009); *North American Electric Reliability Corporation*, "Notice of No Further Review and Guidance Order," 132 FERC ¶ 61,182 (2010).

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Unidentified Registered Entity
March 30, 2011
Page 3

PRIVILEGED AND CONFIDENTIAL INFORMATION
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requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violation at issue.

In reaching this determination, the NERC BOTCC considered the following factors:⁷

1. the violation constituted URE's first violation of the subject NERC Reliability Standards;
2. WECC reported that URE was cooperative throughout the compliance enforcement process;
3. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
4. WECC determined that the violation did not pose a serious or substantial risk to the reliability of the bulk power system (BPS), as discussed in the Disposition Document; and
5. WECC reported that there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

For the foregoing reasons, the NERC BOTCC approved the Settlement Agreement. The NERC BOTCC believes that the assessed penalty of two-thousand dollars (\$2,000) is appropriate for the violation and circumstances at issue, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

Pursuant to 18 C.F.R. § 39.7(e), the penalty will be effective upon expiration of the 30 day period following the filing of this NOP with FERC, or, if FERC decides to review the penalty, upon final determination by FERC.

Request for Confidential Treatment

Information in and certain attachments to the instant NOP include confidential information as defined by the Commission's regulations at 18 C.F.R. Part 388 and orders, as well as NERC Rules of Procedure including the NERC CMEP Appendix 4C to the Rules of Procedure. This includes non-public information related to certain Reliability Standard violations, certain Regional Entity investigative files, Registered Entity sensitive business information and confidential information regarding critical energy infrastructure.

In accordance with the Commission's Rules of Practice and Procedure, 18 C.F.R. § 388.112, a non-public version of the information redacted from the public filing is being provided under separate cover.

Because certain of the attached documents are deemed confidential by NERC, Registered Entities and Regional Entities, NERC requests that the confidential, non-public information be provided special treatment in accordance with the above regulation.

⁷ URE did not receive credit for having a compliance program because it was not reviewed by WECC.

NERC Notice of Penalty
Unidentified Registered Entity
March 30, 2011
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Attachments to be included as Part of this Notice of Penalty

The attachments to be included as part of this NOP are the following documents:

- a) Settlement Agreement by and between WECC and URE executed July 6, 2010, included as Attachment a;
- b) Disposition Document, included as Attachment b;
- c) URE's Self-Certification for CIP-003-1 R2, included as Attachment c;
- d) URE's Mitigation Plan MIT-09-2819 for CIP-003-1 R2 submitted April 1, 2010, included as Attachment d;
- e) URE's Certification of Mitigation Plan Completion for CIP-003-1 R2 dated April 7, 2010, included as Attachment e; and
- f) WECC's Verification of Mitigation Plan Completion for CIP-003-1 R2 dated September 10, 2010, included as Attachment f.

A Form of Notice Suitable for Publication⁸

A copy of a notice suitable for publication is included in Attachment g.

⁸ See 18 C.F.R. § 39.7(d)(6).

NERC Notice of Penalty
Unidentified Registered Entity
March 30, 2011
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Notices and Communications

Notices and communications with respect to this filing may be addressed to the following:

<p>Gerald W. Cauley President and Chief Executive Officer David N. Cook* Sr. Vice President and General Counsel North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, N.J. 08540-5721 (609) 452-8060 (609) 452-9550 – facsimile david.cook@nerc.net</p> <p>Mark Maher* Chief Executive Officer Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (360) 713-9598 (801) 582-3918 – facsimile Mark@wecc.biz</p> <p>Constance White* Vice President of Compliance Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6885 (801) 883-6894 – facsimile CWhite@wecc.biz</p> <p>Sandy Mooy* Senior Legal Counsel Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 819-7658 (801) 883-6894 – facsimile SMooy@wecc.biz</p>	<p>Rebecca J. Michael* Associate General Counsel for Corporate and Regulatory Matters Sonia C. Mendonça* Attorney North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, D.C. 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net sonia.mendonca@nerc.net</p> <p>Christopher Luras* Manager of Compliance Enforcement Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6887 (801) 883-6894 – facsimile CLuras@wecc.biz</p> <p>*Persons to be included on the Commission's service list are indicated with an asterisk. NERC requests waiver of the Commission's rules and regulations to permit the inclusion of more than two people on the service list.</p>
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NERC Notice of Penalty
Unidentified Registered Entity
March 30, 2011
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PRIVILEGED AND CONFIDENTIAL INFORMATION
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Conclusion

Accordingly, NERC respectfully requests that the Commission accept this Abbreviated NOP as compliant with its rules, regulations and orders.

Respectfully submitted,

Gerald W. Cauley
President and Chief Executive Officer
David N. Cook
Sr. Vice President and General Counsel
North American Electric Reliability Corporation
116-390 Village Boulevard
Princeton, NJ 08540-5721
(609) 452-8060
(609) 452-9550 – facsimile
david.cook@nerc.net

/s/ Rebecca J. Michael
Rebecca J. Michael
Associate General Counsel for Corporate
and Regulatory Matters
Sonia C. Mendonça
Attorney
North American Electric Reliability
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1120 G Street, N.W.
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rebecca.michael@nerc.net
sonia.mendonca@nerc.net

cc: Unidentified Registered Entity
Western Electricity Coordinating Council

Attachments

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment b

Disposition Document

Attachment b

**PRIVILEGED AND CONFIDENTIAL INFORMATION
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**DISPOSITION OF VIOLATION¹
Dated December 10, 2010**

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.	NOC#
WECC200901705	WECC200901705	NOC-597

REGISTERED ENTITY Unidentified Registered Entity (URE)	NERC REGISTRY ID NCRXXXXX
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REGIONAL ENTITY
Western Electricity Coordinating Council (WECC)

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
CIP-003-1	R2		Lower²	Severe

PURPOSE OF THE RELIABILITY STANDARD AND TEXT OF RELIABILITY STANDARD AND REQUIREMENT(S)/SUB-REQUIREMENT(S)

The purpose statement of CIP-003-1 provides in pertinent part: “Standard CIP-003 requires that Responsible Entities³ have minimum security management controls in place to protect Critical Cyber Assets. Standard CIP-003 should be read as part of a group of standards numbered Standards CIP-002 through CIP-009.... (footnote added)

¹ For purposes of this document and attachments hereto, each violation at issue is described as a “violation,” regardless of its procedural posture and whether it was a possible, alleged or confirmed violation.

² When NERC filed Violation Risk Factors (VRF) it originally assigned CIP-003-1 R2 a Lower VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified Medium VRF and on January 27, 2009, the Commission approved the modified Medium VRF. Therefore, the Lower VRF for CIP-003-1 R2 was in effect from June 18, 2007 until January 27, 2009 when the Medium VRF became effective. CIP-003-1 R2.1, R2.2 and R2.3 have Lower VRFs. The Mitigation Plan incorrectly states that the violation had a Medium VRF.

³ Within the text of the CIP-002 through CIP-009 Standards, “Responsible Entity” shall mean Reliability Coordinator, Balancing Authority, Interchange Authority, Transmission Service Provider, Transmission Owner, Transmission Operator, Generator Owner, Generator Operator, Load Serving Entity, NERC, and Regional Reliability Organizations.

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CIP-003-1 R2 provides:

Leadership - The Responsible Entity shall assign a senior manager with overall responsibility for leading and managing the entity's implementation of, and adherence to, Standards CIP-002 through CIP- 009.

- R2.1 The senior manager shall be identified by name, title, business phone, business address, and date of designation.**
- R2.2 Changes to the senior manager must be documented within thirty calendar days of the effective date.**
- R2.3 The senior manager or delegate(s), shall authorize and document any exception from the requirements of the cyber security policy.**

VIOLATION DESCRIPTION

URE submitted a Self-Certification to WECC reporting its non-compliance with CIP-003-1 R2. Under the Implementation Plan for Cyber Security Standards,⁴ URE is a “Table 3” entity and was required to be “compliant” with the Standard effective December 31, 2008. Nevertheless, URE reported that it was only “substantially compliant” because it had not assigned a senior manager with overall responsibility for leading and managing URE’s implementation and adherence to CIP-002 through CIP-009. URE’s attempt on May 19, 2009 to retract its self-certification was rejected by a WECC subject matter expert (SME) on October 26, 2009 because the SME concluded that the evidence provided supported a finding that URE had a violation of CIP-003-1 R2. WECC Enforcement concurred with the SME’s findings and notified URE on November 4, 2009 that its violation retraction request had been rejected.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that this violation posed a minimal risk to the reliability of the BPS because, although URE did not designate a senior manager with overall CIP responsibility in compliance with CIP-003-1 R2, URE was not required to be fully compliant with the remainder of Standards CIP-002 through CIP-009 until December 31, 2009.

⁴ See http://www.nerc.com/fileUploads/File/Standards/Revised_Implementation_Plan_CIP-002-009.pdf.

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IS THERE A SETTLEMENT AGREEMENT YES NO

WITH RESPECT TO THE VIOLATION(S), REGISTERED ENTITY

NEITHER ADMITS NOR DENIES IT (SETTLEMENT ONLY) YES
 ADMITS TO IT YES
Stipulates to the facts
 DOES NOT CONTEST IT (INCLUDING WITHIN 30 DAYS) YES

WITH RESPECT TO THE ASSESSED PENALTY OR SANCTION, REGISTERED ENTITY

ACCEPTS IT/ DOES NOT CONTEST IT YES

III. DISCOVERY INFORMATION

METHOD OF DISCOVERY

SELF-REPORT
 SELF-CERTIFICATION
 COMPLIANCE AUDIT
 COMPLIANCE VIOLATION INVESTIGATION
 SPOT CHECK
 COMPLAINT
 PERIODIC DATA SUBMITTAL
 EXCEPTION REPORTING

DURATION DATE(S) **12/31/08 (Date URE was to be 'compliant' with CIP-003-1 R2 under the Implementation Plan for Cyber Security Standards) through 11/30/09 (Date of Mitigation Plan completion)**⁵

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **1/14/09**

IS THE VIOLATION STILL OCCURRING YES NO
 IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
 PRE TO POST JUNE 18, 2007 VIOLATION YES NO

⁵ The Mitigation Plan incorrectly states that the violation duration was from December 31, 2008 to June 10, 2009.

Attachment b

**PRIVILEGED AND CONFIDENTIAL INFORMATION
HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

IV. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-09-2819
DATE SUBMITTED TO REGIONAL ENTITY	4/1/10
DATE ACCEPTED BY REGIONAL ENTITY	8/19/10⁶
DATE APPROVED BY NERC	10/5/10
DATE PROVIDED TO FERC	10/6/10

IDENTIFY AND EXPLAIN ALL PRIOR VERSIONS THAT WERE ACCEPTED OR REJECTED, IF APPLICABLE

N/A

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE	Submitted as complete
EXTENSIONS GRANTED	N/A
ACTUAL COMPLETION DATE	11/30/09
DATE OF CERTIFICATION LETTER	4/7/10
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF	11/30/09
DATE OF VERIFICATION LETTER	9/10/10
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF	11/30/09

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

In June 2009, a memorandum was prepared for execution formally designating a compliance officer over reliability to oversee CIP effective June 29, 2009. After being notified by WECC that its violation retraction request had been rejected, URE realized it had misplaced the June 2009 memorandum. Therefore, URE redrafted the memorandum which was executed on November 30, 2009.

LIST OF EVIDENCE REVIEWED BY REGIONAL ENTITY TO EVALUATE COMPLETION OF MITIGATION PLAN (FOR CASES IN WHICH MITIGATION IS NOT YET COMPLETED, LIST EVIDENCE REVIEWED FOR COMPLETED MILESTONES)

- **URE's PowerPoint Presentation documenting CIP-003-1 R2 compliance dated May 19, 2009**
- **A copy of the November 30, 2009 memorandum which designated a compliance officer over reliability**

⁶ On April 23, 2010, WECC notified URE that it needed additional time to review the Mitigation Plan.

**PRIVILEGED AND CONFIDENTIAL INFORMATION
HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

V. PENALTY INFORMATION

TOTAL ASSESSED PENALTY OR SANCTION OF **\$2,000** FOR **ONE** VIOLATION OF RELIABILITY STANDARDS.

(1) REGISTERED ENTITY’S COMPLIANCE HISTORY

PREVIOUSLY FILED VIOLATIONS OF ANY OF THE INSTANT RELIABILITY STANDARD(S) OR REQUIREMENT(S) THEREUNDER

YES NO

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

PREVIOUSLY FILED VIOLATIONS OF OTHER RELIABILITY STANDARD(S) OR REQUIREMENTS THEREUNDER

YES NO

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

(2) THE DEGREE AND QUALITY OF COOPERATION BY THE REGISTERED ENTITY (IF THE RESPONSE TO FULL COOPERATION IS “NO,” THE ABBREVIATED NOP FORM MAY NOT BE USED.)

FULL COOPERATION YES NO
IF NO, EXPLAIN

(3) THE PRESENCE AND QUALITY OF THE REGISTERED ENTITY’S COMPLIANCE PROGRAM

IS THERE A DOCUMENTED COMPLIANCE PROGRAM
YES NO UNDETERMINED

EXPLAIN

URE did not receive credit for a compliance program because it was not reviewed by WECC.

Attachment b

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EXPLAIN SENIOR MANAGEMENT'S ROLE AND INVOLVEMENT WITH RESPECT TO THE REGISTERED ENTITY'S COMPLIANCE PROGRAM, INCLUDING WHETHER SENIOR MANAGEMENT TAKES ACTIONS THAT SUPPORT THE COMPLIANCE PROGRAM, SUCH AS TRAINING, COMPLIANCE AS A FACTOR IN EMPLOYEE EVALUATIONS, OR OTHERWISE.

See above.

(4) ANY ATTEMPT BY THE REGISTERED ENTITY TO CONCEAL THE VIOLATION(S) OR INFORMATION NEEDED TO REVIEW, EVALUATE OR INVESTIGATE THE VIOLATION.

YES NO
IF YES, EXPLAIN

(5) ANY EVIDENCE THE VIOLATION(S) WERE INTENTIONAL (IF THE RESPONSE IS "YES," THE ABBREVIATED NOP FORM MAY NOT BE USED.)

YES NO
IF YES, EXPLAIN

(6) ANY OTHER MITIGATING FACTORS FOR CONSIDERATION

YES NO
IF YES, EXPLAIN

(7) ANY OTHER AGGRAVATING FACTORS FOR CONSIDERATION

YES NO
IF YES, EXPLAIN

(8) ANY OTHER EXTENUATING CIRCUMSTANCES

YES NO
IF YES, EXPLAIN

**PRIVILEGED AND CONFIDENTIAL INFORMATION
HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

EXHIBITS:

SOURCE DOCUMENT

URE's Self-Certification for CIP-003-1 R2 submitted January 14, 2009

MITIGATION PLAN

Mitigation Plan, MIT-09-2819, submitted April 1, 2010

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion submitted April 7, 2010

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion submitted September 10, 2010

OTHER RELEVANT INFORMATION:

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR
SANCTION ISSUED

DATE: **11/24/09** OR N/A

SETTLEMENT DISCUSSIONS COMMENCED

DATE: **12/30/09** OR N/A

NOTICE OF CONFIRMED VIOLATION ISSUED

DATE: OR N/A

SUPPLEMENTAL RECORD INFORMATION

DATE(S) OR N/A

REGISTERED ENTITY RESPONSE CONTESTED

FINDINGS PENALTY BOTH NO CONTEST

HEARING REQUESTED

YES NO

DATE

OUTCOME

APPEAL REQUESTED

Document Content(s)

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