



Compliance Audit Report Public Version

**Southern Company Services, Inc
NCR01319/NCR01320
November 27-28, 2007**

**Confidential Information (including
Privileged and Critical Energy Infrastructure
Information) – Has Been Removed**

December 13, 2007

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EXECUTIVE SUMMARY

This final compliance audit report is the public version. Confidential information (including privileged and critical energy infrastructure information) has been redacted from this report. The full final compliance audit report was submitted to the audited entity and NERC.

Southern Company Services, Inc was audited on November 27-28, 2007 for compliance to the requirements contained in the NERC Reliability Standards that are currently enforceable and apply to the Southern Company Services, Inc's operation. This audit focused on documents and other evidence provided to SERC by the staff of Southern Company Services, Inc, and did not include any evidence obtained through system observation or inspection. The findings of the audit are based on the state of compliance and current mitigation activity at the time of the audit, and do not reflect past compliance activities or activities that will be completed in the future.

The audit was conducted by asking Southern Company Services, Inc staff to show valid evidence of meeting each and every individual requirement and sub-requirement contained in the 24 standards that had been previously identified by SERC to Southern Company Services, Inc as subject to this audit. Southern Company Services, Inc staff responded by providing evidence in the form of reports, procedures, studies, and other documents. Southern Company Services, Inc staff would then cite specific portions of the evidence that demonstrated compliance. This evidence and the citations were documented and evaluated by the audit team for the level of compliance and agreement with the requirement. If all of the requirements and sub-requirements of an audited standard were met, then Southern Company Services, Inc was judged to be compliant. Likewise, if any of the requirements or sub-requirements were not fully met, then Southern Company Services, Inc was judged to have a possible violation of the standard. In other words, only a score of 100% is identified as compliant; 99% and below is a possible violation.

Southern Company Services, Inc was found to be in compliance with all of the audited standards.

The audit team acknowledges Southern Company Services, Inc's efforts in establishing their Reliability Standards Compliance Program, their strong commitment to compliance with the standards and to ensuring the reliability of the bulk electric system.

AUDIT PROCESS

Objectives

All registered entities are subject to audit for compliance with all reliability standards applicable to the functions for which the registered entity is registered.¹ The audit objectives are:

- Independently and objectively review Southern Company Services, Inc compliance with the requirements of the reliability standards that are applicable to Southern Company Services, Inc based on the Southern Company Services, Inc functions in the bulk electric system as determined by SERC.

¹ North American Electric Reliability Corporation CMEP, paragraph 3.1, Compliance Audits

- Validate compliance with applicable reliability standards from the NERC 2007 Implementation Plan list of actively monitored standards.

Scope

The scope of the audit of Southern Company Services, Inc. was to look at all Balancing Authority, Transmission Service Provider, Transmission Operator, Transmission Planner, Resource Planner, Generator Operator, Purchasing-Selling Entity, and Planning Authority related standards that are in the NERC 2007 Compliance Monitoring and Enforcement Plan. Of the 30 standards that apply to Southern Company Services, Inc., 24 were selected for review in this audit.

Note: For the 2007 compliance program, the monitoring period for the compliance audit will be the past 12 months or periods specified in individual reliability standards. The monitoring period is not limited to the time period for which penalties and sanctions are assessed.

Methodology

The audit was conducted by reviewing all of the standards that apply to Southern Company Services, Inc. in the NERC 2007 Enforcement Plan. These standards were grouped and scheduled during the day to make the most efficient use of Southern Company Services, Inc. staff's time. The Southern Company Services, Inc. staff had been briefed on the standards that were to be addressed so that documentation and evidence of compliance could be assembled.

A team of auditors and subject matter experts were identified and conducted the audit of Southern Company Services, Inc. The audit team was split into three sub-teams. Each sub-team had a moderator who would initiate dialogue on each standard requirement, request compliance evidence, and document the evidence and Southern Company Services, Inc staff response. This was done by asking Southern Company Services, Inc staff to show valid evidence of meeting each and every individual requirement and sub-requirement contained in the 24 standards that had been previously identified by SERC to Southern Company Services, Inc as subject to this audit. Southern Company Services, Inc staff responded by providing evidence in the form of reports, procedures, studies, and other documents. Southern Company Services, Inc staff would then cite specific portions of the evidence that demonstrated compliance. This evidence and the citations were documented by the scribe of the sub-team on the Reliability Standard Audit Worksheet (RSAW) and evaluated by the audit team for the level of compliance and agreement with the requirement. Discrepancies between the requirement and the evidence provided were the subject of dialogue among the team members and Southern Company Services, Inc staff members until it could be agreed that each requirement was met by the cited evidence or other evidence offered. If it was felt that, after all evidence had been presented and discussed, that Southern Company Services, Inc did not have sufficient evidence to support a finding of compliance, a possible violation would be identified by the team and the Southern Company Services, Inc staff would be informed.

Company Profile

Based in Atlanta, Southern Company is one of the largest generators of electricity in the nation, serving both regulated and competitive markets across the southeastern United States.

Southern Company provides retail electric service as regulated by the public service commissions in the states they serve. Southern Company's four electric subsidiary utilities – Alabama Power, Georgia Power, Gulf Power, and Mississippi Power – serve more than 4.3 million retail customers (through October 2006).

Southern Company Services Transmission has responsibility for approximately 27,000 miles of transmission lines, 3,400 substations, and more than 300,000 acres of right-of-way within the SERC Southeastern sub-region. They plan, design, build, operate, and maintain their system to meet growing demand with substantial investment.

Georgia Power Company is a participant in the Georgia Integrated Transmission System (ITS). The Georgia ITS was created through a set of Integrated Transmission System Agreements between Georgia Power Co., the City of Dalton, Municipal Electric Authority of Georgia (MEAG), and Georgia Transmission Corporation (GTC) and provides for the joint use of transmission facilities which are individually owned and maintained by each participant..

Other major subsidiaries and business units of Southern Company include Southern Nuclear, the licensed operator of Southern Company's three nuclear generating plants in Alabama and Georgia; SouthernLINC Wireless, a communications network with about 300,000 subscribers in the southeast; and Southern Telecom, a fiber optic wholesaler in the southeast.

The Southern Balancing Authority Area is a summer peaking system covering over 120,000 square miles and spanning most of Alabama and Georgia, the southeastern portion of Mississippi and the panhandle of Florida. It experienced an all time instantaneous peak load of 48,008 MW, recorded on August 22, 2007. The Southern Balancing Authority Area is comprised of the four Southern Company Operating Companies plus Alabama Municipal Electric Authority (AMEA); Dalton Utilities; Crisp County Power Commission; Georgia Transmission Corporation (GTC); Municipal Electric Authority of Georgia (MEAG); and Southeastern Power Administration (SEPA). In addition, there are numerous independent power producers and co-generators interconnected within the Southern Balancing Authority Area.

Audit Specifics

The compliance audit was conducted on November 27-28, 2007 at the Southern Company Services, Inc offices located at 600 North 18th Street, Birmingham, AL.

Audit Team

Audit Team Role	Name	Title	Company
Audit Team Leader	Bob Goss	Manager of Compliance Audits	SERC
Member	Tom Galloway	Compliance Director	SERC
Member	Sam Stryker	Senior Compliance Auditor	SERC
Member	Mike Vastano	Compliance Auditor	SERC
Member	Mark Ladrow	Compliance Engineer	SERC
Member	Gary Fuerst	Manager of IT and CIP	SERC
Member	Kirit Shah	Manager, Reliability Standards Compliance	Ameren

Audit Team Role	Name	Title	Company
Member	Jason Marshall	Technical Manager Standards Compliance and Strategy	MISO
Member	Earl Shockley	Regional Compliance Program Coordinator	NERC

AUDIT RESULTS

The audit team arrived at the Southern Company Services, Inc at 7:45 a.m., November 27, 2007. The audit began at 8:00 a.m., November 27, 2007 with an opening presentation by Bob Goss, SERC Manager of Compliance Audits and Audit Team Lead. He reviewed the NERC compliance plan for 2007 in general, and how it applied to Southern Company Services, Inc specifically. He introduced and reviewed the standards to be covered in the audit, and addressed both the expectations of Southern Company Services, Inc staff and the quality of evidence to be presented. He also covered the basic procedure for the audit, the bounding rules of conduct, and that all auditors had signed confidentiality agreements. Each member of the audit team was introduced and professional affiliation identified. His presentation was followed by a brief presentation covering the background of Southern Company Services, Inc and its compliance activities. The staff of Southern Company Services, Inc was introduced, and general housekeeping matters explained. The audit began at 8:30 a.m., November 27, 2007 with a tour of the Southern Company Services, Inc Power Control Center. The auditing of the reliability standards began at 9:00 a.m. when the audit team split into their respective sub-teams.

The audit sub-team initially reviewed the registration status of Southern Company Services, Inc with Southern Company Services, Inc staff to verify application of each standard. Each standard's audit began with a recitation of each requirement and an explanation, if requested by Southern Company Services, Inc staff. Southern Company Services, Inc staff would then present evidence of meeting this requirement, or cite evidence in material already presented to the team. At that point, the evidence was reviewed and dialogue took place until the team reached a point of satisfaction with the evidence. Consensual approval or concern was reached on each of the requirements, and explained to Southern Company Services, Inc staff before proceeding to the next requirement. At that point the sub-team scribe would record the evidence presented to satisfy the requirement and the team's recommendation on that requirement using the Reliability Standard Audit Worksheet (RSAW).

After completing a review of all applicable requirements in the standard, the overall compliance to that standard was reviewed first by the team and Southern Company Services, Inc staff, and then by the Audit Team Leader. Any concerns or dissention with the recommendation was offered, and the audit team leader would indicate support or disagreement with the recommendation. Dialogue would ensue to the point of decision on the part of the Audit Team Leader. Following this review, the RSAW would be updated by the scribe with the compliance recommendation.

The review of all applicable standards was completed at 8:30 a.m., November 28, 2007 and the audit team met to review and discuss the findings. Following these discussions, the scribe collected all notes and evidence as needed and began to finalize the Reliability Standard Audit Worksheet (RSAW). The Audit Team Leader began to develop the Exit Briefing with the help of

all team members by using a projector attached to his laptop computer. This facilitated the consensus of the full team on the content of the Exit Briefing, and re-affirmed the findings.

The Exit Briefing was presented to the assembled Audit Team and Southern Company Services, Inc staff at 10:00 a.m., November 28, 2007 and was followed by an informal response and questions from the Southern Company Services, Inc staff. The Audit Team Leader solicited both informal comments from Southern Company Services, Inc staff, along with requesting that they fill out formal feedback forms for submission to SERC. The audit team left the Southern Company Services, Inc meeting room at around 10:45 a.m., November 28, 2007.

Findings

Reliability Standard	Auditor Notes	Finding
BAL-001-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled BAL-001 Reporting” document (includes 12 months of reporting data) and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence that stated Southern Company Services is taking part in the BAAL field test phase of BAL-001 and is not subject to compliance as per agreements in “Field Test Letters to management”.</p> <p>This requirement is not applicable due to this fact.</p> <p>Regarding requirement 3 Southern Company Services, Inc does not provide Overlap Regulation Service. This requirement is not applicable to Southern Company Services, Inc.</p> <p>Regarding requirement 4 Southern Company Services, Inc does not receive Overlap Regulation Service. This requirement is not applicable to Southern Company Services, Inc.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

Reliability Standard	Auditor Notes	Finding
BAL-002-0	<p>Applies to Southern Company Services, Inc as currently registered.</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled EMS information, screen shot, that shows their Operating Reserves and Spinning Reserves at the time of their highest on record system peak of 48,008 MW set on August 22, 2007 at 3:19pm and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc is not a Regional Reliability Organization or a member of a Reserve Sharing Group. This requirement is not applicable to Southern Company Services, Inc.</p> <p>Regarding requirement 3 Southern Company Services, Inc had not had a reportable DCS event in the past twelve months and provided evidence of one recordable event that took place (August 27, 2006) in the past 15 months. They recovered in six minutes. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 4 Southern Company Services, Inc had not had a reportable DCS event in the past twelve months and provided evidence of one recordable event that took place (August 27, 2006) in the past 15 months. They recovered in six minutes. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 5 Southern Company Services, Inc is not a member of a Reserve Sharing Group. This requirement is not applicable to Southern Company Services, Inc.</p> <p>Regarding requirement 6 Southern Company Services, Inc had not had a reportable DCS event in the past twelve months and provided evidence of one recordable event that took place (August 27, 2006) in the past 15 months. They recovered in six minutes. Southern Company Services, Inc contingency reserve recovery requirement is 90 minutes. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

Reliability Standard	Auditor Notes	Finding
BAL-003-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence that Southern Company Services, Inc reviews and recalculates it Fixed Frequency Bias each December of every year. An email provided to SERC providing Southern Company Services, Inc response to SERC's request for our Frequency Bias setting. Provided inside the e-mail is the Excel spreadsheet showing Southern Company Services, Inc calculated Frequency Bias setting. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc utilizes a fixed Frequency Bias value equal to 1% of its expected peak demand. In addition, Southern Company Services, Inc frequency response to interconnection frequency events is evaluated during the course of the year using the process described in Appendix A of document BPO-30 (AGC) to ensure the Bias setting is accurate. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence - Southern Company Services, Inc runs in the Tie-Line Frequency Bias and has not been taken off Tie-Line Frequency Bias. Document BPO-30 Page 2 shows it is Southern Company Services, Inc policy to operate that way.</p> <p>Regarding requirement 4 Southern Company Services, Inc Not applicable; Southern Company Services, Inc has no jointly owned units which use Dynamic Schedules or Pseudo-ties.</p> <p>Regarding requirement 5 Southern Company Services, Inc Southern Company Services, Inc utilizes a fixed Frequency Bias value equal to 1% of its expected peak demand. In addition, Southern Company Services, Inc's frequency response to interconnection frequency events is evaluated during the course of the year using the process described in Appendix A of document BPO-30 (AGC) to ensure the Bias setting is accurate. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 6 Southern Company Services, Inc does not perform Overlap Regulation Service or Supplemental Regulation Service.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

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Reliability Standard	Auditor Notes	Finding
CIP-001-1	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled Southern Company Playbook Chapter XI – Plant Security Guidelines , pp. XI-2, XI-13 – 15 - 2007 Version and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled Southern Company Playbook Chapter XI – Plant Security Guidelines , pp. XI-13 - 2007 Version and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the form of the documents entitled Southern Company Playbook Chapter XI – Plant Security Guidelines , pp. XI-4, XI-7 – 11- 2007 version and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled Southern Company Playbook Chapter XI – Plant Security Guidelines , p. XI-13 – 15 - Gives threat levels - 2007 versions and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
CIP-002-1 through CIP-009-1	Applies to Southern Company Services, Inc as currently registered, but not covered in this audit	NA

Reliability Standard	Auditor Notes	Finding
COM-001-1	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled PCC Phone System Failure Plan. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled. BPO-05 is document of record BPO-05 defines testing periodicity Page 7 of 12 phones are tested daily. Satellite phones tested weekly. Southern Link is tested weekly.</p> <p>There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence that within the Southern Company Services, Inc Balancing Authority area, the Reliability Coordinator, Balancing Authority and Transmission Operator are physically located in the same control center and most often communicate face to face. Should a situation occur, system operators report telecommunication problems to their EMS Service Center who then contacts Infrastructure Operations Center (IOC). Once the IOC is notified, the PCC Information Technology (IT) support personnel and telecomm infrastructure personnel are dispatched.</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO 05 I subtopic B defines English as the official language.</p> <p>Regarding requirement 5 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-5 Procedure and BPO-28 Procedure.</p> <p>Regarding requirement 6 Southern Company Services, Inc provided evidence in the form of the documents entitled and e-mail NERC Sent: Friday, November 16, 2007 3:12 PM that Southern Company Services, Inc is a registered NERCNet user. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

Reliability Standard	Auditor Notes	Finding
EOP-001-0	<p>Applies to Southern Company Services, Inc as currently registered.</p> <p>Regarding requirement 1 Southern Company Services, Inc provided the following evidence - Southern Company Services, Inc has agreements with each of their immediate neighboring Balancing Authorities for providing and receiving emergency assistance. These Balancing Authorities are: SCEG, SCANA, Duke, TVA, Entergy, FPL, JEA, Progress Energy-Florida, City of Tallahassee, AEC, SMEPA and SEPA.</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled There were no IROL's identified by Southern Company Services, Inc.</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-16 (System Alert), BPO-10 (Brown Book) and BPO-7 (Blackstart). There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-16 (System Alert), BPO-10 (Brown Book) and BPO-7 (Blackstart) BPO-28 (Conservative Operations). There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 5 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-16 (System Alert) and Section V of BPO-10 (Brown Book). There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 6 Southern Company Services, Inc provided evidence as follows. The required review cycle for Southern Company Services, Inc emergency plans is annually as managed by the document management system "Documentum", with updates taking place as necessary. This is a shared process with the Reliability Coordinator. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 7 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-5 (PCC Communications) BPO-10 (Brown Book) Section V-B Emergency Operations and Section IV-A Interconnected Operation. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

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Reliability Standard	Auditor Notes	Finding
EOP-003-1	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-16 and also BPO-10 (Brown Book) Section V-E-5 thru 10.</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-10 (Brown Book) Section V-C discusses automatic under frequency load shed plan.</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the form of the documents entitled GPC FIDVR 05-07 Report (1.2).</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled UFLS and UVLS reports.</p> <p>Regarding requirement 5 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-10 (Brown Book). There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 6 Southern Company Services, Inc provided evidence in the form of the document entitled BPO-10 (Brown Book) Section VI-D.</p> <p>Regarding requirement 7 Southern Company Services, Inc provided evidence in the form of the documents entitled UFCoordCurve which contains the Southern Company coordination curve (Accumulated cycles vs. Frequency) that has been used to demonstrate coordination between generators and load shedding relays for benchmark frequency scenarios.</p> <p>Regarding requirement 8 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-10 (Brown Book) Section V-E-9. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

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Reliability Standard	Auditor Notes	Finding
EOP-005-1	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1- Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-7 (Blackstart) and individual Transmission Control Center Plans also provided training records in support of this requirement. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-07 Section 2 Item 10 a yearly requirement exists. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-7, Assumptions in Section I BPO-10, Section VI-G.</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled 2006 Transmission Customer Forum, blackstart plan. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 5 Southern Company Services, Inc provided evidence in the form of the documents entitled in BPO-5 (PCC Communications). There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 6 Southern Company Services, Inc provided evidence in the form of the documents entitled Restoration Plan Training Records.</p> <p>Regarding requirement 7 Southern Company Services, Inc provided evidence - October, 2006, a table top restoration exercise was performed by the PCC and the TCC's. In January 2007, a SERC Southeastern subregion restoration drill was performed by operators at each entity's remote location.</p> <p>Regarding requirement 8 Southern Company Services, Inc provided evidence – Regional Reliability Organization does not have defined requirements for the number, size, availability or location of system blackstart plan that Southern Company Services, Inc is required to meet.</p> <p>Regarding requirement 9 Southern Company Services, Inc provided evidence – Regional Reliability Organization has not requested documentation for review.</p>	Compliant

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Reliability Standard	Auditor Notes	Finding
EOP-005-1	<p>Regarding requirement 10 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO Documents\Procedures\Blackstart\2007-2012 Blackstart Study this study was completed August 2007</p> <p>Regarding requirement 11 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-7 under Section II (Responsibilities), provides this information as well as BPO-10, section VI (Restorative Operation. No blackout or system restoration has occurred in the Southern Company Balancing Authority/Transmission Operator footprint since Hurricane Katrina in August 2005.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
EOP-006-1	Applies to Southern Company Services, Inc as currently registered, but not covered in this audit. The Reliability Coordinator Function will be audited at a later date.	Not Assessed
EOP-008-0	<p>Applies to Southern Company Services, Inc as currently registered.</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-31 (Loss of Primary Control Facility). There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
EOP-009-0	<p>Applies to Southern Company Services, Inc as currently registered.</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled Southern Company Blackstart Test Plan/Results Spreadsheet dated 09/19/07.</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled Southern Company Blackstart Test Plan/Results Spreadsheet dated 09/19/07 and Black Start Test Report – Example dated 05/11/07. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
FAC-003-1	Not Applicable – Southern Company Services, Inc is not registered as a RRO,TO	NA
FAC-008-1	Not Applicable – Southern Company Services, Inc is not registered as a GO or TO	NA

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FAC-009-1	Not Applicable – Southern Company Services, Inc is not registered as a GO or TO	NA
IRO-001-1	<p>Applies to Southern Company Services, Inc as currently registered since Southern Company Services, Inc is not a Reliability Coordinator or a Regional Reliability Organization requirement 8 is the only requirement applicable to Southern Company Services, Inc.</p> <p>Regarding requirement 8 Southern Company Services, Inc has not had any directives from the Reliability Coordinator in the last 12 months.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
IRO-004-1	<p>Applies to Southern Company Services, Inc as currently registered since Southern Company Services, Inc is not a Reliability Coordinator requirement 4 was the only requirement applicable to Southern Company Services, Inc.</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-10 (Brown Book), Section III (Responsibilities). There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
IRO-014-1	Applies to Southern Company Services, Inc as currently registered, but not covered in this audit. The Reliability Coordinator Function will be audited at a later date.	Not Assessed
IRO-015-1	Applies to Southern Company Services, Inc as currently registered, but not covered in this audit. The Reliability Coordinator Function will be audited at a later date.	Not Assessed
IRO-016-1	Applies to Southern Company Services, Inc as currently registered, but not covered in this audit. The Reliability Coordinator Function will be audited at a later date.	Not Assessed

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PER-002-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled List of all SOCO Bulk Power Operators and NERC certification information dated 10/07/07, Random Individual training record dated 11/26/07. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled Comprehensive Training Program revision 4 dated 09/28/07, Random Individual training record dated 11/26/07. There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the form of the documents entitled Comprehensive Training Program revision 4 dated 09/28/07, Random Individual training record dated 11/26/07 and Training Department Certificates documents There is other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled List of all SOCO Bulk Power Operators and NERC Certificates dated 10/07/07, Random Individual training records for 2007.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
PER-003-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled List of SOCO Bulk Power Operations and their NERC Certificate numbers and dates all operators have Reliability Coordinator or Reliability Authority certificates dated 10/07/07.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
PER-004-1	Applies to Southern Company Services, Inc as currently registered, but not covered in this audit. The Reliability Coordinator Function will be audited at a later date.	Not Assessed
PRC-004-1	Not Applicable – Southern Company Services, Inc is not registered as a GO, TO or PA	NA
PRC-005-1	Not Applicable – Southern Company Services, Inc is not registered as a GO,TO or PA	NA
PRC-008-0	Not Applicable – Southern Company Services, Inc is not registered as a TO or DP	NA

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Reliability Standard	Auditor Notes	Finding
PRC-010-0	<p>Applies to Southern Company Services, Inc as currently registered.</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled North Georgia Fault Induced Delayed Voltage Recovery (FIDVR) Exposure and Mitigation Strategies by Southern Company Transmission; Transmission Planning and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled Letter of Certification submitted to SERC dated 05/30/07.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
PRC-011-0	Not Applicable – Southern Company Services, Inc is not registered as a TO or DP	NA
PRC-016-0	Not Applicable – Southern Company Services, Inc is not registered as a GO,TO or PA	NA
PRC-017-0	Not Applicable – Southern Company Services, Inc is not an GO,TO or PA	NA
PRC-021-1	Not Applicable – Southern Company Services, Inc is not a TO or DP	NA
TOP-003-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-33 (Generator Outage Scheduling) and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-33 (Generation Outage Scheduling, Items a-g), BPO-4, Appendix A and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-33 (Generation Outage Scheduling) item F and BPO-4 (Trans Outage Coordination) page 1.</p> <p>Regarding requirement 4 this requirement is not applicable to Southern Company Services, Inc as registered.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

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Reliability Standard	Auditor Notes	Finding
TOP-004-1	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc has operated within limits per information from the Reliability Coordinator (Documents in Corbin Notebook).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled Documents in Corbin Notebook and Transmission Planning studies.</p> <p>Regarding requirement 3 The Regional Reliability Organization has not specified any multiple outage study requirements.</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled Southern Company Services, Inc have not entered into an unknown state. However if it did occur, Southern Company Services would use the document BPO-28 "Conservative operations" to use as a guide.</p> <p>Regarding requirement 5 Southern Company Services, Inc took no action to disconnect their system due to immanent danger.</p> <p>Regarding requirement 6 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-26 (Facility Ratings), BPO-25 (Transfer Capability Methodology), BPO-3 (Interface Coordination) and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

Reliability Standard	Auditor Notes	Finding
TOP-005-1	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc Reliability Area model document requires each Subregion Transmission Operator and Balancing Authority to maintain and update the model and other information desired by the Reliability Coordinator to ensure reliability is maintained across the Reliability Area. Data internal to Southern Company is available to the Reliability Coordinator by the fact the Reliability Coordinator uses the same EMS as the Transmission Operator and Balancing Authority functions.</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled signed NERC Confidentiality Agreement for “Electric System Reliability Data.” The agreement is on file at NERC.</p> <p>Regarding requirement 3 The Southeastern Reliability Area members have delegated to the Southeastern Reliability Coordinator, the responsibility to share data with other Reliability Coordinator’s at the request of the other Reliability Coordinator’s Balancing Authorities and Transmission Operator s. Specific information is given to entities from the Southeastern Reliability Coordinator via the NERC ISN. Examples were shown to the audit team.</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled OATI Tag & OASIS Trans Reservation dated 01/01/07 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

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Reliability Standard	Auditor Notes	Finding
TOP-007-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc has not had violations of SOL's or IROL's; however, if one did occur, the Reliability Coordinator and Transmission Operator function is performed by the same person, and any IROL or SOL is communicated.</p> <p>Regarding requirement 2, N/A, Southern Company Services, Inc has not had any IROL Violations.</p> <p>Regarding requirement 3, N/A, Southern Company Services, Inc has not had any IROL Violations.</p> <p>Regarding requirement 4, N/A Southern Company Services, Inc has not had any IROL or SOL Violations.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided,</p>	Compliant
TPL-001-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled Transmission Policy No. 4 Revision 3 dated 3/29/07, Alabama Power Co. 10 Year Plan, Georgia ITS Projects (2008-2017) fall 2007 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled Transmission Policy No. 4 Revision 3 dated 3/29/07, Alabama Power Co. 10 Year Plan, Georgia ITS Projects (2008-2017) fall 2007 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the form of the documents entitled SERC Certification submitted 5/31/07.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

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Reliability Standard	Auditor Notes	Finding
TPL-002-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled Transmission Policy No. 4 Revision 3 dated 3/29/07, Alabama Power Co. 10 Year Plan, Georgia ITS Projects (2008-2017) fall 2007 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled Transmission Policy No. 4 Revision 3 dated 3/29/07, Alabama Power Co. 10 Year Plan, Georgia ITS Projects (2008-2017) fall 2007 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the form of the documents entitled Copy of screen from SERC Portal covering TPL-001-004 dated 05/31/07.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
TPL-003-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled Transmission Policy No. 4 Revision 3 dated 3/29/07, Alabama Power Co. 10 Year Plan, Georgia ITS Projects (2008-2017) fall 2007 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled Transmission Policy No. 4 Revision 3 dated 3/29/07, Alabama Power Co. 10 Year Plan, Georgia ITS Projects (2008-2017) fall 2007 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the form of the documents entitled SERC Portal Submission dated 5/31/07.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

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Reliability Standard	Auditor Notes	Finding
TPL-004-0	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled Guidelines for Planning dated 1/13/07 Transmission Policy #4 R3 page 9, Southern Company Summary of Compliance for TPL-004-0 revision 1, TProc-002 V1.0 Dated 6/11/07 page 1 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled SERC Portal submission dated 5/31/07.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

<p>VAR-001-1</p>	<p>Applies to Southern Company Services, Inc as currently registered</p> <p>Regarding requirement 1 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-1 (Voltage Schedules) defines (in Attachment A) required voltage levels based on MW load levels. Coordination with neighbors is also included in BPO-1 page 2.</p> <p>Regarding requirement 2 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-1 (Voltage Schedules) Attachment A , BPO-10 (Brown Book) Section IV-C-2, Voltage Control and Reactive Resources.</p> <p>Regarding requirement 3 Southern Company Services, Inc provided evidence in the Criteria used for exempting generators which is included in BPO-1, Attachment B and the most recent e-mail sent to generators located in the Southern Balancing Authority area providing them with BPO-1 (containing exempted generator list) was sent on October 26, 2007.</p> <p>Regarding requirement 4 Southern Company Services, Inc provided evidence in the form of the documents entitled e-mail that is sent each morning to the generators telling what voltage schedule to be on.</p> <p>Regarding requirement 5 Southern Company Services, Inc provided evidence in the form of the documents Duke TSR with confirmation and ancillary provisions dated 5/31/07 and SoCo TSR with confirmation and ancillary provisions dated 12/01/06.</p> <p>Regarding requirement 6 Southern Company Services, Inc provided evidence in the form of the documents entitled Balancing Authority desk log is in “2007 AVR status report”, Cap and PSS screen shots and BPO-1 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 7 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-10 (Brown Book), Section IV-C-2 and other supporting documentation as noted in the Reliability Standard Audit Worksheet (RSAW).</p> <p>Regarding requirement 8 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-1 (Voltage Schedules) section “Voltage Schedule Communication” and BPO-10 (Brown Book) Section IV-C-2 Voltage Control and Reactive Resources.</p> <p>Regarding requirement 9 Southern Company Services, Inc provided evidence in the form of the documents entitled BPO-10 (Brown Book) Section IV-C-2 Voltage Control and Reactive Resources page 13 and BPO-1, Page 2 under Transmission System Limitations.</p>	<p>Compliant</p>
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	<p>Regarding requirement 10 Southern Company Services, Inc has not experienced any violations for IROL's or SOL's resulting from lack of reactive resources.</p> <p>Regarding requirement 11, N/A, Southern Company Services, Inc due to no change in step up transformer taps in generation stations; however should we have any; this is covered in BPO-1 page 4.</p> <p>Regarding requirement 12 Southern Company Services, Inc did not have any conditions that can cause voltage collapse. They do have an authority letter if conditions warrant.</p> <p>Southern Company Services, Inc was found by the audit team to meet all standard requirements through the evidence provided.</p>	
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Conclusions

Southern Company Services, Inc was audited on 24 monitored standards as being applicable to Southern Company Services, Inc as a Balancing Authority, Transmission Service Provider, Transmission Operator, Transmission Planner, Resource Planner, Generator Operator, Purchasing-Selling Entity, and Planning Authority.

Southern Company Services, Inc was found to be in compliance by the audit team with all the audited standards.

Southern Company Services, Inc exhibited a culture of compliance. They showed a desire and willingness to continue improvement of their compliance effort in the future. Southern Company Services, Inc personnel were very well prepared for the audit and showed tremendous pride in their work.

SUMMARY OF SOUTHERN COMPANY SERVICES, INC RESPONSE TO THE AUDIT FINDINGS

Southern Company Services agrees with the audit findings.

APPENDIX 1 — APPLICABLE RELIABILITY STANDARDS

Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
BAL-001-0	All	Real Power Balancing Control Performance	BA	To maintain Interconnection steady-state frequency within defined limits by balancing real power demand and supply in real-time.	The data that supports the calculation of CPS1 and CPS2 (Attachment 1-BAL-001-0) are to be retained in electronic form for at least a one-year period. If the CPS1 and CPS2 data for a Balancing Authority Area are undergoing a review to address a question that has been raised regarding the data, the data are to be saved beyond the normal retention period until the question is formally resolved. Each Balancing Authority shall retain for a rolling 12-month period the values of: one-minute average ACE (ACEi), one-minute average Frequency Error, and, if using variable bias, one-minute average Frequency Bias.	Yes

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
BAL-002-0	All	Disturbance Control Performance	BA, RSG, RRO	To ensure the Balancing Authority is able to utilize its Contingency Reserve to balance resources and demand and return Interconnection frequency within defined limits.	Compliance for DCS will be evaluated for each reporting period. Reset is one calendar quarter without a violation. The data that support the calculation of DCS are to be retained in electronic form for at least a one-year period.	Yes
BAL-003-0	All	Frequency Response and Bias	BA	This standard provides a consistent method for calculating the Frequency Bias component of ACE.	Yearly or by request.	Yes
CIP-001-1	All	Sabotage Reporting	RC, BA, TOP, GOP, LSE	Disturbances or unusual occurrences, suspected or determined to be caused by sabotage, shall be reported to the appropriate systems, governmental agencies, and regulatory bodies.	By request and any events in the last year.	Yes
CIP-002-1 through CIP-009-1	All	Critical Infrastructure Protection Standards	BA, GO, GOP, IA, LSE, NERC, RC, RRO, TO, TOP, TSP	Cyber Security Standards- Follow revised Implementation Plan for Cyber Security Standards CIP-002-1 through CIP-009-1	By request.	Yes

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
COM-001-1	R2 and R5	Telecommunications	TO, BA, RC, NERCNet User Organizations.	Each Reliability Coordinator, Transmission Operator and Balancing Authority needs adequate and reliable telecommunications facilities internally and with others for the exchange of Interconnection and operating information necessary to maintain reliability.	By request.	Yes
EOP-001-0	All	Emergency Operations Planning	BA, TOP	Each Transmission Operator and Balancing Authority needs to develop, maintain, and implement a set of plans to mitigate operating emergencies. These plans need to be coordinated with other Transmission Operators and Balancing Authorities, and the Reliability Coordinator.	By request.	Yes
EOP-003-1	All	Load Shedding Plans	BA, TOP	A Balancing Authority and Transmission Operator operating with insufficient generation or transmission capacity must have the capability and authority to shed load rather than risk an uncontrolled failure of the Interconnection.	R1, R5, R6 – Event Driven. Has an event occurred in the past year? R2, R3, R4, R7, R8 – By request	Yes

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
EOP-005-1	All	System Restoration Plans	BA, TOP	To ensure plans, procedures, and resources are available to restore the electric system to a normal condition in the event of a partial or total shut down of the system	By request. Note: entity must follow the timelines specified in the standard: show that the plan is reviewed annually; simulation or testing must be done every five years.	Yes
EOP-006-1	All	Reliability Coordination – System Restoration	RC	The Reliability Coordinator must have a coordinating role in system restoration to ensure reliability is maintained during restoration and priority is placed on restoring the Interconnection.	By request.	No
EOP-008-0	All	Plans for Loss of Control Center Functionality	BA, RC, TOP	Each reliability entity must have a plan to continue reliability operations in the event its control center becomes inoperable.	By request.	Yes
EOP-009-0	All	Documentation of Blackstart Generating Unit Test Results	GO, GOP	To ensure that the quantity and location of system blackstart generators are sufficient and that they can perform their expected functions.	By request. Note entity must meet testing frequency specified in EOP-007-0.	Yes
FAC-003-1	All	Vegetation Management	RRO, TO	To improve the reliability of the electric transmission systems by preventing outages from vegetation located on transmission rights-of-way (ROW) and minimizing outages from vegetation located adjacent to ROW, maintaining clearances between transmission lines	By request – program documentation and last 4 quarterly outage reports.	No

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
FAC-008-1	All	Facility Ratings Methodology	GO, TO	To ensure that Facility Ratings used in the reliable planning and operation of the Bulk Electric System (BES) are determined based on an established methodology.	By request the current methodology and any superseded portions of the methodology within the past 12 months.	No
FAC-009-1	All	Establish and Communicate Facility Ratings	GO, TO	To ensure that Facility Ratings used in the reliable planning and operation of the Bulk Electric System (BES) are determined based on an established methodology or methodologies.	By request.	No
IRO-001-1	All	Reliability Coordination – Responsibilities and Authorities	BA, GOP, LSE, PSE, RC, RRO, TOP, TSP	Reliability Coordinators must have the authority, plans, and agreements in place to immediately direct reliability entities within their Reliability Coordinator Areas to re-dispatch generation, reconfigure transmission, or reduce load to mitigate critical conditions to return the system to a reliable state. If a Reliability Coordinator delegates tasks to others, the Reliability Coordinator retains its responsibilities for complying with NERC and regional standards. Standards of conduct are necessary to ensure the Reliability Coordinator does not act in a manner that favors one market participant over another.	By request.	Yes

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
IRO-004-1	All	Reliability Coordination — Operations Planning	BA, GO, GOP, LSE, RC, TO, TOP, TSP	Each Reliability Coordinator must conduct next-day reliability analyses for its Reliability Coordinator Area to ensure the Bulk Electric System can be operated reliably in anticipated normal and Contingency conditions.	By request.	Yes
IRO-014-1	All	Procedures, Processes, or Plans to Support Coordination Between Reliability Coordinators	RC	To ensure that each Reliability Coordinator's operations are coordinated such that they will not have an Adverse Reliability Impact on other Reliability Coordinator Areas and to preserve the reliability benefits of interconnected operations.	By request.	No
IRO-015-1	All	Notifications and Information Exchange Between Reliability Coordinators	RC	To ensure that each Reliability Coordinator's operations are coordinated such that they will not have an Adverse Reliability Impact on other Reliability Coordinator Areas and to preserve the reliability benefits of interconnected operations.	Rolling 12 months of information provided on request.	No
IRO-016-1	All	Coordination of Real-time Activities Between Reliability Coordinators	RC	To ensure that each Reliability Coordinator's operations are coordinated such that they will not have an Adverse Reliability Impact on other Reliability Coordinator Areas	Rolling 12 months of information provided on request.	No

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
PER-002-0	All	Operating Personnel Training	BA, TOP	Each Transmission Operator and Balancing Authority must provide their personnel with a coordinated training program that will ensure reliable system operation.	By request training program and training records.	Yes
PER-003-0	All	Operating Personnel Credentials	BA, RC, TOP	Certification of operating personnel is necessary to ensure minimum competencies for operating a reliable Bulk Electric System.	By request latest certification information and present calendar year plus previous calendar year staffing plan.	Yes
PER-004-1	All	Reliability Coordination — Staffing	RC	Reliability Coordinators must have sufficient, competent staff to perform the Reliability Coordinator functions.	By request – Each Reliability Coordinator shall keep evidence of compliance for the previous two calendar years plus the current year.	No
PRC-004-1	All	Analysis and Mitigation of Transmission and Generation Protection System Misoperations	DP*, GO, TO	Provide trip operation/misoperation information per regional process.	By request – last 12 months of protection system Misoperation analysis.	No
PRC-005-1	All	Transmission and Generation Protection System Maintenance and Testing	DP*, GO, TO	Document/implement transmission protection system maintenance/testing/monitoring PROGRAM	By request – maintenance and testing program and testing records to show that testing intervals are on schedule.	No

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
PRC-008-0	All	Implementation and Documentation of Underfrequency Load Shedding Equipment Maintenance Program	DP, TO	Document/implement UFLS maintenance/testing PROGRAM	By request – maintenance and testing program and testing records to show that testing intervals are on schedule.	No
PRC-010-0	All	Technical Assessment of the Design and Effectiveness of Undervoltage Load Shedding Program.	DP, LSE, TO, TOP	ASSESS design and effectiveness of UVLS programs	By request – current assessment.	Yes
PRC-011-0	All	UVLS System Maintenance and Testing	DP, TO	Document/implement UVLS maintenance/testing PROGRAM	By request – maintenance and testing program and testing records to show that testing intervals are on schedule.	No
PRC-016-0	All	Special Protection System Misoperations	DP, GO, TO	DOCUMENT/analyze misoperations	By request – last 12 months of special protection system Misoperation analysis.	No
PRC-017-0	All	Special Protection System Maintenance and Testing	DP, GO, TO	Document/implement SPS maintenance/testing PROGRAM	By request – maintenance and testing program and testing records to show that testing intervals are on schedule.	No

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
PRC-021-1	All	Under-Voltage Load Shedding Program Data	DP, TO	DOCUMENTATION of undervoltage load shedding program	By request – latest UVLS data.	No
TOP-003-0	All	Planned Outage Coordination	BA, GOP, RC, TOP	Scheduled generator and transmission outages that may affect the reliability of interconnected operations must be planned and coordinated among Balancing Authorities, Transmission Operators, and Reliability Coordinators.	By request.	Yes
TOP-004-1	R6	Transmission Operations	TOP	To ensure that the transmission system is operated so that instability, uncontrolled separation, or cascading outages will not occur as a result of the most severe single Contingency and specified multiple Contingencies.	By request – Each Transmission Operator shall keep 90 days of historical data for Measure 1. Each Transmission Operator shall have current, in-force policies and procedures, as evidence of compliance to Measure 2.	Yes
TOP-005-1	All	Operational Reliability Information	BA, PSE, RC, TOP	To ensure reliability entities have the operating data needed to monitor system conditions within their areas.	By request.	Yes
TOP-007-0	All	Reporting System Operating Limit (SOL) and Interconnection Reliability	RC, TOP	Ensure SOL and IROL violations are being reported to the Reliability Coordinator so that the Reliability Coordinator may evaluate actions being taken and direct additional corrective actions as needed.	Event driven.	Yes

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
TPL-001-0	All	System Performance Under Normal (No Contingency) Conditions	PA, TPL	System performance under normal conditions	By request – latest annual assessment.	Yes
TPL-002-0	All	System Performance Following Loss of a Single Bulk Electric System Element	PA, TPL	System performance under single contingency	By request – latest annual assessment.	Yes
TPL-003-0	All	System Performance Following Loss of Two or More Bulk Electric System Elements	PA, TPL	System performance under multiple contingencies	By request – latest annual assessment.	Yes
TPL-004-0	All	System Performance Following Extreme Events Resulting in the Loss of Two or More Bulk Electric System Elements	PA, TPL	System performance under extreme contingencies	By request – latest annual assessment.	Yes

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to Southern Company Services, Inc? Yes or No
VAR-001-1	All	Voltage and Reactive Control	PSE, TOP	To ensure voltage levels, reactive flows, and reactive resources are monitored, controlled, and maintained within limits in real time to protect equipment and the reliable operation of the Interconnection.	By request – last 12 months of data.	Yes