



Compliance Audit Report Public Version

**West Georgia Generating Company, LLC
(WGGC) - NCR01368
November 6, 2007**

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

**Report Date:
November 27, 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.

West Georgia Generating Company, LLC was audited on November 6, 2007 for compliance with the requirements contained in the NERC Reliability Standards that are currently enforceable and apply to WGGC's operation. The audit team reviewed standard FAC-009-1 –Establish and Communicate Facility Ratings to verify progress of an open mitigation plan associated with WGGC's self-report of a possible violation of Requirement 1. Additionally, standard MOD-024-1 – Verification of Generator Gross and Net Real Power Capability was audited to confirm satisfactory completion of WGGC's Mitigation Plan associated with their self-report of a possible violation of Requirement 3. This audit focused on documents and other evidence provided to SERC by the staff of WGGC, and did not include any evidence obtained through system observation or inspection. The findings of the audit are based on the state of compliance 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 WGGC staff to demonstrate valid evidence of compliance with each individual requirement and sub-requirement contained in the 14 standards that had been previously identified by SERC to WGGC as subject to this audit. WGGC 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 WGGC was judged to be compliant. Likewise, if any of the requirements or sub-requirements were not fully met, then WGGC 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.

The Audit Team determined that WGGC is not a blackstart capable facility and is not listed in the SERC Blackstart Capability Plan; therefore EOP-009-0 – Documentation of Blackstart Generating Unit Test Results was not assessed by the Audit Team. The Audit Team further determined that WGGC does not own or operate any Special Protection Systems, and therefore PRC-016 – Special Protection System Misoperations and PRC-017-0 – Special Protection System Maintenance and Testing were not assessed by the Audit Team. Critical Infrastructure Protection standards CIP-002 through CIP-008 although applicable to WGGC were not identified to WGCC as being within the audit scope and were not assessed during this audit.

WGGC provided adequate evidence of compliance for all of the reliability standards assessed with the exception of standards PRC-005-1 - Transmission and Generation Protection System Maintenance and Testing and CIP-001-1 - Sabotage Reporting. The Audit Team found WGGC in possible violation of standards PRC-005-1 requirement 1 and CIP-001-1 Requirement 4.

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 WGGC's compliance with the requirements of the reliability standards that are applicable to WGGC based on the WGGC's registered functions in the bulk electric system as determined by SERC.
- Validate compliance with applicable reliability standards from the NERC 2007 Implementation Plan list of actively monitored standards.

Scope

The scope of the audit of WGGC was to look at all related standards that are in the NERC 2007 Compliance Monitoring and Enforcement Plan as applicable to Generator Owner, Generator Operator and Purchasing-Selling Entity functions. Of the standards that apply to WGGC, a specified set was 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 standards applicable to WGGC in the NERC 2007 Enforcement Plan. WGGC is currently registered with SERC as a Generator Owner, Generator Operator and Purchasing Selling Entity. The Audit Team reviewed standard FAC-009-1 – Establish and Communicate Facility Ratings to verify progress of an open mitigation plan associated with WGGC's self-report of a possible violation of Requirement 1. Additionally, standard MOD-024-1 – Verification of Generator Gross and Net Real Power Capability was audited to confirm satisfactory completion of WGGC's Mitigation Plan associated with their self-report of a possible violation of Requirement 3. These standards were grouped and scheduled during the day to make the most efficient use of the WGGC staff's time. The WGGC staff had been briefed on the standards that were to be addressed so that documentation and evidence of compliance could be assembled in advance of the interviews.

A single team of two SERC auditors and one industry volunteer subject matter expert conducted the audit of WGGC. The Audit Team had a moderator who would initiate dialogue on each standard requirement and request evidence of compliance. A second auditor served as a scribe to document the evidence presented, staff responses, and auditor comments. The audit team reviewed the evidence and questioned WGGC staff to obtain sufficient understanding of the evidence and processes to enable a determination of compliance with all standard requirements. This method was used to determine factual basis for compliance with each and every individual

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

requirement and sub-requirement contained in the standards that had been previously identified by SERC to WGGC as subject to this audit. WGGC staff responded by providing evidence in the form of reports, procedures, studies, and other documents. WGGC 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. Discrepancies between the requirement and the evidence provided were the subject of dialogue among the team members and WGGC 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 WGGC did not have sufficient evidence to support a finding of compliance, a possible violation would be identified by the team and WGGC staff.

The Audit Team conducted an Exit Briefing, with WGGC audit participants and WGGC management personnel located off site, via an exit presentation and conference call, immediately following the audit. WGGC audit participants asked questions and commented on the Audit Team's findings.

Company Profile

WGGC is a simple-cycle, dual-fuel, 668 MW peaking facility, with 4 GE 7FA gas turbine-generator sets, located in Thomaston, GA, that typically supplies peaking power to the Georgia Integrated Transmission System owned by Georgia Power, Georgia Transmission Corporation, The Municipal Electric Authority of Georgia and the City of Dalton, GA. The WGGC facility has only one connection to the Georgia ITS and it is via a 230 kV power circuit breaker disconnect switch.

WGGC is organized and exists under the laws of the State of Delaware and is the owner of the generating facility. WGGC does not have any direct employees. WGGC contractual counterparties include, but are not limited to: LS Power – Commercial Asset Management, GE Global O&M Services - Facility Operations and Maintenance, Eagle Energy Partners – Facility Energy Marketing Services, Southern Natural Gas Company – Facility Natural Gas Supplier and Georgia Power – Transmission Interconnection Provider.

The LS Power Group is a fully-integrated power plant owner, developer and manager. LS Power actively manages the daily operations of WGGC.

The off-take from WGGC is sold via bilateral contracts to third parties (purchaser) and by an energy manager. Presently about 75% of the off-take is sold under a bilateral contract and the remaining power is managed by Eagle Energy Partners, energy manager, on a short-term basis. Currently WGGC does not schedule or procure transmission for the off-take. This is handled by the purchaser and the energy manager.

Relative to Transmission, WGGC has the following networked interconnection tie-lines with other, neighboring systems:

- One 230 kV interconnected power circuit breaker disconnect switch with Georgia Integrated Transmission System

WGGC is registered in SERC as a Generator Operator, Generator Owner, and Purchasing-Selling Entity. The Balancing Authority for WGGC is Southern Company.

Audit Specifics

The compliance audit was conducted on November 6, 2007 at the WGGC Generating Plant in Thomaston, Georgia.

WGGC is structured as the Generator Owner, Generator Operator and Purchasing-Selling Entity. Eagle Energy Partners will be assuming the Purchasing-Selling Entity function, pending completion of a delegation agreement with WGGC. GE Global O&M Services provides staff for the Thomaston facility. Some requirements for applicable standards were split amongst the various business groups. WGGC's facilities are located and operate in the SERC Region. Balancing Authority and Transmission functions do not apply to West Georgia and are performed by Southern Company.

SERC used a single Audit Team to review evidence and conduct interviews. Bruce Curatola, Commercial Asset Manager from LS Power Development, LLC; Tim Cook, Manager, Electric Transmission, LS Power Development, LLC; and Sparta Cagle, Facility Manager, GE Global O&M Services, participated in the audit as subject matter experts for WGGC.

Audit Team

Audit Team Role	Name	Title	Company
Audit Team Leader	James Harrell	Compliance Auditor	SERC
Auditor	Mickey Bellard	Compliance Auditor	SERC
Member	Jim Peterson	SERC Industry Volunteer	Santee Cooper

AUDIT RESULTS

The audit began at 8:30 a.m., November 6, 2007 with an opening presentation by James Harrell, SERC Compliance Auditor and Audit Team Leader. He reviewed the NERC compliance plan for 2007 in general, and how it applied to WGGC specifically. He introduced and reviewed the standards to be covered in the audit, and addressed both the expectations of WGGC staff and the quality of evidence to be presented. He also covered the basic procedure for the audit, and the bounding rules of conduct. Each member of the Audit Team was introduced and professional affiliation identified. The staff of WGGC was introduced, and general housekeeping matters explained. West Georgia then presented their organizational structure explaining the various contractual and services functions.

The Audit Team and WGGC staff then assembled and auditing of standards began at 9:20 a.m. The Audit Team initially reviewed the entity registration status with WGGC staff to verify the applicability of each standard. Each standard's audit began with a recitation of each requirement and an explanation, if requested by WGGC. WGGC staff would then present evidence of how this requirement was met, 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. The Audit Team developed consensual approval or concern, on

each of the requirements, and then explained the outcome to WGGC staff before proceeding to the next requirement. At that point, the team scribe would record the evidence presented to satisfy the requirement and the team's recommendation on that requirement using the standard worksheet.

After completing a review of all applicable requirements in the standard, the overall compliance to that standard was reviewed first by the team and WGGC staff, and then by the Audit Team Leader. Any concerns or dissent 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 standard worksheet would be updated with the compliance recommendation.

James Harrell, Audit Team Leader, reviewed West Georgia's overall compliance structure and activities with Bruce Curatola, Commercial Asset Manager, Tim Cook, Manager, Electric Transmission, and Sparta S. Cagle, Facility Manager.

The review of all applicable standards was completed at approximately 3:10 p.m. The Audit Team met to review and discuss the findings. At approximately 3:20 p.m., November 6, 2007, the scribe collected all notes and evidence as needed and began to finalize the standards worksheets. The Audit Team Leader began to develop the Exit Briefing with the help of all team members by using a projector connected to his laptop. This work facilitated the consensus of the full team on the content of the Exit Briefing, and re-affirmed the findings and recommendations of the individual sub-teams.

The Exit Briefing was presented to the assembled Audit Team and WGGC staff participants at 4:00 p.m., November 6, 2007, which was followed by an informal response from WGGC staff. The Audit Team Leader solicited both informal comments from WGGC staff, and requested that they fill out formal feedback forms for submission to SERC. The Audit Team left the WGGC meeting room at approximately 4:30 p.m., November 6, 2007.

Findings

The following table details the summarized auditor notes relating to evidence reviewed for compliance with the monitored reliability standards.

Reliability Standard	Auditor Notes	Finding
BAL-001-0	Not Applicable – West Georgia Generating LLC is not a BA	NA
BAL-002-0	Not Applicable – West Georgia Generating LLC is not a BA, RSG or RRO	NA
BAL-003-0	Not Applicable – West Georgia Generating LLC is not a BA	NA

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Reliability Standard	Auditor Notes	Finding
CIP-001-1	<p>Applies to West Georgia Generating LLC as currently registered.</p> <p>Concerning requirements 1, 2 and 3, West Georgia Generating LLC submitted evidence in their Policies, Guidelines, and Procedures (WI 06.08 Site Security Procedure) and other evidence.</p> <p>Concerning R4, WGGC could not provide evidence that they had contacted the FBI to establish the required contacts. The entity obtained the FBI's number in their procedure from the FBI's website; however, the Entity has not established applicable communication contacts with the FBI.</p> <p>West Georgia Generating LLC was found by the audit team to meet all standard requirements through the evidence provided, with the exception of R4.</p>	Possible Violation (R4)
CIP-002-1 through CIP-009-1	Applies to West Georgia Generating LLC as currently registered, but not assessed during this audit	Not Assessed
COM-001-1	Not Applicable – West Georgia Generating LLC is not a BA,TO or RC	NA
EOP-001-0	Not Applicable – West Georgia Generating LLC is not a BA, TOP	NA
EOP-003-1	Not Applicable – West Georgia Generating LLC is not a BA, TOP	NA
EOP-005-1	Not Applicable – West Georgia Generating LLC is not a BA, TOP	NA
EOP-006-1	Not Applicable – West Georgia Generating LLC is not a RC	NA
EOP-008-0	Not Applicable – West Georgia Generating LLC is not a BA, TOP or RC	NA
EOP-009-0	Applies to West Georgia Generating LLC as currently registered. However, West Georgia Generating LLC is not in the regional blackstart plan and does not have blackstart units, thus this standard was not assessed.	Not Assessed
FAC-003-1	Not Applicable – West Georgia Generating LLC is not a RRO,TO	NA
FAC-008-1	<p>Applies to West Georgia Generating LLC as currently registered.</p> <p>Concerning requirements 1, 2 and 3 West Georgia Generating LLC provided evidence in the form of the document entitled Policies, Guidelines, and Procedures West Georgia WI 06.17 SERC FAC-008 and 009 Facility Rating Methodology and other procedures.</p> <p>West Georgia Generating LLC 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
FAC-009-1	<p>Applies to West Georgia Generating LLC as currently registered.</p> <p>Concerning requirements 1 and 2 West Georgia Generating LLC provided evidence in the form of the document entitled Policies, Guidelines, and West Georgia WI 06.17 SERC FAC-008 and 009 Facility Rating Methodology and other procedures. West Georgia Generating LLC is in the process of applying this methodology and reviewing derived ratings for accuracy.</p> <p>The audit team determined that the mitigation plan progress is on track for timely completion.</p>	Mitigation Plan Progress on Track for Timely Completion
IRO-001-1	<p>Applies to West Georgia Generating LLC as currently registered.</p> <p>Since WGGC is not a Reliability Coordinator or Regional Reliability Organization, requirement 8 was the only requirement applicable to WGGC.</p> <p>West Georgia Generating LLC provided evidence with the document Policies, Guidelines, and Procedures, West Georgia SOP-201 Dispatch Communications Procedure, Section 8.4, Pages 5 & 6, and other evidence.</p> <p>West Georgia Generating LLC was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
IRO-004-1	<p>Applies to West Georgia Generating LLC as currently registered.</p> <p>Since WGGC is not a Reliability Coordinator, requirement 4 was the only requirement applicable to WGGC.</p> <p>West Georgia Generating LLC provided evidence with the document Policies, Guidelines, and Procedures, West Georgia SOP-201 – Dispatch Communications, Section 8.4, Page 5, and other evidence.</p> <p>West Georgia Generating LLC was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
IRO-014-1	Not Applicable – West Georgia Generating LLC is not a RC	NA
IRO-015-1	Not Applicable – West Georgia Generating LLC is not a RC	NA
IRO-016-1	Not Applicable – West Georgia Generating LLC is not a RC	NA

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Reliability Standard	Auditor Notes	Finding
MOD-024-1	<p>Applicable as Generator Owner only – West Georgia Generating LLC is not a Reliability Coordinator.</p> <p>Reviewed validation test report conducted May 2, 9, 16.18, 2000 for Units 1, 2, 3, and 4 Report date August 21, 2000. The confirmation test was conducted over a two day period for each unit in August 2007.</p> <p>All units were tested for two hours on 8/22/07. Power factors reviewed averaged .992. Natural Gas was used to fuel all units.</p> <p>West Georgia Generating LLC was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant
PER-002-0	Not Applicable – West Georgia Generating LLC is not a BA or TOP	NA
PER-003-0	Not Applicable – West Georgia Generating LLC is not a BA, TOP or RC	NA
PER-004-1	Not Applicable – West Georgia Generating LLC is not a RC	NA
PRC-004-1	<p>Applies to West Georgia Generating LLC as currently registered.</p> <p>Requirement 1 is not applicable to a Generator Operator, Generator Owner or Purchasing-Selling Entity.</p> <p>Concerning requirements 2 and 3, WGGC provided evidence with the documents; Policies, Guidelines, W10.01 Non-conforming & Preventive /Corrective Action procedure, which describes the process for analyzing generator protection system operations. WGGC provided analysis of a prior operation of the generator protection system. Also, WGGC has not had any misoperations since commissioning of the plant. WGGC has a procedure in place in the event that WGGC does have a misoperation.</p> <p>WGGC 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
PRC-005-1	<p>Applies to West Georgia Generating LLC as currently registered</p> <p>Concerning requirements 1 and 2, WGGC's original PM program does not contain current and potential transformers. Entity could not provide any evidence as to why the CTs and PTs do not exist in their program. The monthly, quarterly, and annual battery PMs were reviewed, via printouts from their CMS system, for adequate maintenance. The Maximo work-order references the controlling document in their GE manual. DC control circuitry: The entity does not routinely test DC control circuits and they are not identified as part of the program. The Audit Team reviewed WI 10.01 Protection Sys Maint/Testing/Misoperations/Coordination and PRC 001-004-005 which was a high level document referencing plant procedures.</p> <p>The Audit Team found WGGC in possible violation of R1 due to WGGC's failure to include current and voltage sensing devices and DC Control Circuits as a part of their Maintenance and Testing Program.</p>	Possible violation (R1)
PRC-008-0	Not Applicable – West Georgia Generating LLC is not a TO or DP	NA
PRC-010-0	Not Applicable – West Georgia Generating LLC is not a TO, DP, LSE or TOP	NA
PRC-011-0	Not Applicable – West Georgia Generating LLC is not a TO or DP	NA
PRC-016-0	Applies to West Georgia Generating LLC as currently registered. WGGC does not have an SPS, thus this standard was not assessed	Not Assessed
PRC-017-0	Applies to West Georgia Generating LLC as currently registered. WGGC does not have an SPS, thus this standard was not assessed	Not Assessed
PRC-021-1	Not Applicable – West Georgia Generating LLC is not a TO or DP	NA
TOP-003-0	<p>Applies to West Georgia Generating LLC as currently registered.</p> <p>Concerning requirements 1, 2, 3, and 4, West WGGC provided evidence with the following documentation: Policies, Guidelines, and Procedures West Georgia SOP 201 Dispatch Communications Procedure, Section 8.4, Page 5. West Georgia Outage Communication examples consisted of e-mails and operator log detailing outage requests and unit status. Evidence of this communication was also provided in e-mails that the Audit Team reviewed (7/3/07 7:56 AM, 6/27/07 8:14 AM), sent to Eagle. The e-mails contain outage information to SOCO for November unit outages. Information was also entered into operator log IBH dated September 8th 2007.</p> <p>WGGC was found by the audit team to meet all standard requirements through the evidence provided.</p>	Compliant

Reliability Standard	Auditor Notes	Finding
TOP-004-1	Not Applicable – West Georgia Generating LLC is not a TOP	NA
TOP-005-1	Not Applicable – West Georgia Generating LLC is not a BA, TOP, RC or PSE	NA
TOP-007-0	Not Applicable – West Georgia Generating LLC is not a TOP or RC	NA
TPL-001-0	Not Applicable – West Georgia Generating LLC is not a PA or TPL	NA
TPL-002-0	Not Applicable – West Georgia Generating LLC is not a PA or TPL	NA
TPL-003-0	Not Applicable – West Georgia Generating LLC is not a PA or TPL	NA
TPL-004-0	Not Applicable – West Georgia Generating LLC is not a PA or TPL	NA
VAR-001-1	Applicable R5 – West Georgia Generating is a Purchasing-Selling Entity and not a Transmission Operator. They are required to purchase reactive voltage. Provided documentation from one OASIS reservation on ancillary services tariff with SOCO. We reviewed an example from SOCO Oasis 1.4, status query 11/5/07. Transmission OASIS requests for SOCO require that (hourly RV)) be purchased for all transmission reservations.	Compliant

Conclusions

WGGC provided evidence of compliance with all of the applicable monitored reliability standards, as specified in the scope of this audit, with the exception of PRC-005-1 and CIP-001-1.

SUMMARY OF WGGC RESPONSE TO THE AUDIT FINDINGS

West Georgia Generating Company, LLC provided minor corrections to the draft Audit Report, including the audit team’s failure to specify that standard FAC-009-1 was audited to confirm progress on an open mitigation plan associated with their self-report of a possible violation of Requirement 1. WGGC made no further comments as to the findings of the audit.

APPENDIX 1 — APPLICABLE RELIABILITY STANDARDS

Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? 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.	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.	No

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? Yes or No
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.	No
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
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.	No

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? Yes or No
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.	No
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	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.	No
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

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? Yes or 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.	No
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 four quarterly outage reports.	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.	Yes
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.	Yes

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? Yes or 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
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

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? Yes or No
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
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.	No
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.	No

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? Yes or No
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.	Yes
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.	Yes
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

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? Yes or 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.	No
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.	Yes
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.	Yes
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

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? Yes or No
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.	No
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.	No
TPL-001-0	All	System Performance Under Normal (No Contingency) Conditions	PA, TPL	System performance under normal conditions	By request – latest annual assessment.	No
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.	No

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Std #	Requirements	Standard	Who	Purpose	Monitoring Timeframe	Applicable to West Georgia Generating LLC? Yes or No
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.	No
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.	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

Determination Summary for Possible Violations Identified in an Audit

Regional Tracking Number 07-221
Entity West Georgia Generating Company, LL
Audit Date 11/6/2007
Standard PRC-005-1
Requirement R1

Sufficient Basis for Violation

Factual Basis Relay maintenance procedures are identified in subcontractor's report of completed maintenance. Program does not include Current and Voltage Sensing Devices, Battery or DC Control Circuitry maintenance intervals, basis for intervals or a summary of maintenance and testing procedures. Maintenance records provided indicate that battery maintenance and testing is being performed. Relay subcontractor maintenance report indicates DC Control Circuitry maintenance and testing is being performed, but does not clearly identify DC Control Circuits as a part of their maintenance and testing procedures. No maintenance records were provided, nor has any maintenance or testing been performed on Current and Voltage Sensing Devices. Entity began commercial operations in May of 2000. Maintenance of voltage and current sensing transformers had not been performed since commissioning and were not included in their maintenance and testing program. The entity indicated that the only thing listed in transformer documentation was inspection of connections on a 10-year basis. Since the plant has only been in operation for seven years, the Entity is within the maintenance manual recommendations. Accordingly, the Entity's failure to perform such maintenance, at this point, would not have a significant impact on operations or reliability. Therefore it was determined to be a documentation issue.

Conclusion Violation Summary The Entity is in violation of PRC-005-1, R1 because the Entity's Generation and Transmission System Protection System Maintenance and Testing Program does not identify a summary of relay maintenance procedures, does not include Current and Voltage Sensing Devices, Battery or DC Control Circuitry maintenance intervals, basis for intervals or a summary of maintenance and testing procedures.

NERC BOTCC Determination The NERC BOTCC affirmed SERC Reliability Corporation's determination to exercise enforcement discretion to impose a zero dollar (\$0) penalty against West Georgia Generating Company, LLC, based upon the NERC BOTCC's review of the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violations at issue.

NERC Violation Number SERC200700064

NOC Number NOC-27

NOP Number NOP-19

FERC Docket Number NP08-19-000

Determination Summary for Possible Violations Identified in an Audit

<i>Regional Tracking Number</i>	<u>07-222</u>
<i>Entity</i>	<u>West Georgia Generating Company, LL</u>
<i>Audit Date</i>	<u>11/6/2007</u>
<i>Standard</i>	<u>CIP-001-1</u>
<i>Requirement</i>	<u>R4</u>

Sufficient Basis for Violation

Factual Basis Entity has not established contact with the FBI to establish communications contacts to develop sabotage reporting procedures appropriate for their circumstances. Entity obtained FBI office phone number from internet site and acknowledges they have not contacted the FBI to establish required contacts.

Conclusion Violation Summary The Entity is in violation of CIP-001-1, R4 for failing to establish contact with the FBI for the purpose of reporting suspected sabotage events, as required by standard CIP-001-1.

NERC BOTCC Determination The NERC BOTCC affirmed SERC Reliability Corporation's determination to exercise enforcement discretion to impose a zero dollar (\$0) penalty against West Georgia Generating Company, LLC, based upon the NERC BOTCC's review of the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violations at issue.

NERC Violation Number SERC200700065

NOC Number NOC-27

NOP Number NOP-19

FERC Docket Number NP08-19-000