Determination Summary for Possible Violations Identified in an Audit

Regional Tracking Number	08-153
Entity	Henderson Municipal Power & Light
Audit Date	11/13/2008
Standard	PRC-005-1
Requirement	1
Sufficient Basis for Violation	☐
Factual Basis	Audit of 11/13/08 discovered additional Transmission Owner R1 issues that were not self-reported. Entity earlier self-reported a violation of R1 as a generator owner, and R2 as both a GO and a TO. The documentation for the transmission system protective systems did not address intervals, bases, and M&T summaries for CT's & PTs, Associated Communication Systems, and DC Control Circuitry. In addition there was no basis for the intervals for batteries and relays. A current procedure being finalized to mitigate the earlier self-report contains the necessary intervals, bases, and summaries for both the generation and transmission protective systems.
Conclusion Violation Summary	Staff merged this issue with 08-107 R1 to include both the Generator Owner and Tranmission Owner. Entity as a Transmission Owner did not have a maintenance and testing plan that identified intervals and basis for transmission system voltage and current sensing devices, associated communication systems and DC control circuitry nor was there any basis for the relay or battery interval until a recent procedure revision.
NERC BOTCC Determination	Taking into consideration the Commission's directions in Order No. 693, the NERC Sanction Guidelines, and the Commission's July 3, 2008 Guidance Order,15 the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on August 3, 2009. The NERC BOTCC approved the Settlement Agreement, including SERC's imposition of a financial penalty of thirty-five thousand dollars ($35,000) against HMPL based upon SERC's findings and determinations, the NERC BOTCC's review of the applicable requirements of the Commissionapproved Reliability Standards and the underlying facts and circumstances of the alleged violations at issue.
NERC Violation Number	Included in SERC200800191
NOC Number	NOC-0210
NOP Number	NOC-210
FERC Docket Number	NP10-50-000

Determination Summary for Possible Violations Identified in an Audit

Regional Tracking Number	08-154
Entity	Henderson Municipal Power & Light
Audit Date	11/13/2008
Standard	CIP-001-1
Requirement	1
Sufficient Basis for Violation	☑
Factual Basis	Entity was found by the audit team in Possible Violation of this requirement for the following reasons: no specific language was in an effective procedure for the communication of sabotage events to operating personnel, nor was their language addressing multi site sabotage. Entity's procedure was revised to include the appropriate language on July 23, 2008, therefore the violation covers a gap in compliance for the period from June 18, 2007, when the standard became mandatory, until July 23, 2008,when the deficiency was corrected.
Conclusion Violation Summary	The responsible entity, as an LSE, failed to have language in their procedures for the recognition of and for making its operating personnel aware of sabotage events on its facilities and multi site sabotage affecting larger portions of the Interconnection. This is a violation of R1 for not having written procedural content that described how to recognize a sabotage event, and at what stage in the process operating personnel are made aware of the event. A VSL of HIGH is assessed consistent with the FERC approved Violation Severity Level Matrix. A VRF of MEDIUM is assigned consistent with the Commission approved Violation Risk Factor Matrix. The violation duration is from June 18, 2007, when the CIP-001-1 standard became enforceable, until July 23, 2008, which is the date Entity updated its procedures to address the deficiency.
NERC BOTCC Determination	Taking into consideration the Commission's directions in Order No. 693, the NERC Sanction Guidelines, and the Commission's July 3, 2008 Guidance Order,15 the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on August 3, 2009. The NERC BOTCC approved the Settlement Agreement, including SERC's imposition of a financial penalty of thirty-five thousand dollars ($35,000) against HMPL based upon SERC's findings and determinations, the NERC BOTCC's review of the applicable requirements of the Commissionapproved Reliability Standards and the underlying facts and circumstances of the alleged violations at issue.
NERC Violation Number	SERC200800233
NOC Number	NOC-0210
NOP Number	NOC-210
FERC Docket Number	NP10-50-000

Determination Summary for Possible Violations Identified in an Audit

Regional Tracking Number	08-155
Entity	Henderson Municipal Power & Light
Audit Date	11/18/2008
Standard	FAC-008-1
Requirement	1
Sufficient Basis for Violation	☑
Factual Basis	Entity's Standard Operating Procedure policy #12 for transmission and policy #1 for generation, which was used as a ratings policy, did not have document origination or revision dates. The Standard Operation Procedure #12 and #1 were not formalized into a working methodology as required in R1. Entity rated each piece of equipment separately based on IEEE standards, but failed to develop a documented methodology. Entity formalized their methodology for both Generation and Transmission on September 2, 2008.
Conclusion Violation Summary	Entity did not present sufficient evidence of a documented facility ratings methodology for generation or transmission facilities in place between June 18,2007 to September 2, 2008. Entity as a Transmission Owner and Generator Owner did not have evidence of a documented Facility Ratings Methodology that includes all of the items identified in FAC-008 Requirement 1.1 through FAC-008 Requirement 1.3.5. A "VRF" of MEDIUM is assigned, based on the VRF assigned at the sub-requirement level. A "VSL" of SEVERE is assigned because the Transmission Owner and Generation Owner did not have a documented Facility Ratings Methodology for use in developing facility ratings. The violation duration is from June 18, 2007 until September 2, 2008.
NERC BOTCC Determination	Taking into consideration the Commission's directions in Order No. 693, the NERC Sanction Guidelines, and the Commission's July 3, 2008 Guidance Order,15 the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on August 3, 2009. The NERC BOTCC approved the Settlement Agreement, including SERC's imposition of a financial penalty of thirty-five thousand dollars ($35,000) against HMPL based upon SERC's findings and determinations, the NERC BOTCC's review of the applicable requirements of the Commissionapproved Reliability Standards and the underlying facts and circumstances of the alleged violations at issue.
NERC Violation Number	SERC200800234
NOC Number	NOC-0210
NOP Number	NOC-210
FERC Docket Number	NP10-50-000