

# **Sweeny Cogeneration Limited Partnership**

**NERC ID # NCR10183**

## **Audit Report**

**for Compliance with**

## **NERC Reliability Standards**

**Public Version**

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

Audit Date: October 21 & 22, 2008  
Audit Location: Texas Regional Entity  
Report Date: December 5, 2008  
Prepared By: J. Frank Vick, Audit Team Leader

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## **1.0 EXECUTIVE SUMMARY**

The Off-Site compliance audit of Sweeny Cogeneration Limited Partnership (SCLP) was conducted on October 21 & 22, 2008. The NERC Reliability Standards that are being actively monitored for 2008 were reviewed based on SCLP's registration as a Generator Owner (GO). The audit team consisted of three (3) representatives from Texas Regional Entity (Texas RE) and one (1) representative from the North American Electric Reliability Corporation (NERC). Based on the review of documentation provided by SCLP and the interviews of SCLP's personnel, SCLP met all of the NERC Standard requirements with no violations.

## **2.0 AUDIT PROCESS**

The compliance audit process is detailed in the NERC Compliance Monitoring and Enforcement Program (CMEP), available at [www.nerc.com](http://www.nerc.com). The NERC CMEP generally conforms to the United States Government Accountability Office Government Auditing Standards and other generally accepted audit practices.

### **2.1 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.<sup>1</sup> The audit objectives are:

- Independently review SCLP's compliance with the requirements of the reliability standards that are applicable to SCLP based on the SCLP's registered functions.
- Validate compliance with applicable reliability standards from the NERC 2008 CMEP Implementation Plan list of actively monitored standards.
- Validate evidence of self-reported violations and previous self-certifications, confirm compliance with other requirements of the reliability standard, and review the status of associated mitigation plans.
- Document SCLP's compliance culture.

### **2.2 Scope**

The scope of this compliance audit is inclusive of all requirements of the NERC Reliability Standards that are being actively monitored in 2008 and any others that may be identified by the audit team at the time of the audit applicable to Generator Owners (GO). The audit was performed by three (3) members of Texas RE and one (1) NERC representative.

For the 2008 CMEP, 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.

#### **2.2.1 Confidentiality and Conflict of Interest**

Confidentiality agreements and code of conduct documentation for the regional entity staff were provided to SCLP prior to the audit. Work history and conflict of interest forms submitted by each audit team member were provided to the SCLP. SCLP was given an opportunity to object to an audit

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<sup>1</sup> North American Electric Reliability Corporation CMEP, paragraph 3.1, Compliance Audits

team member on the basis of a possible conflict of interest or the existence of other circumstances that could interfere with the audit team member's impartial performance of duties. SCLP accepted the audit team member participants with no objections.

### 2.3 Methodology

Once an audit date was set by Texas RE, SCLP was sent a pre-audit questionnaire and the Reliability Standard Audit Work Sheet (RSAW) for the list of actively monitored NERC Standards. During the audit, Texas RE reviewed the responses to the RSAW and pre-audit questions with SCLP's management and supervisors. The Texas RE audit team interviewed operations personnel and reviewed documents to substantiate those operations personnel were trained and capable of following the procedures to ensure reliable operations from that entity.

The audit team conducted an exit briefing immediately following the audit with SCLP. The audit team verbally shared its preliminary results with SCLP's management.

### 2.4 Company Profile

The Sweeny Cogeneration Facility (Facility) is a simple cycle, cogeneration power plant owned by Sweeny Cogeneration Limited Partnership (SCLP). The primary components of the plant consist of four Westinghouse 501D5A Combustion Turbine Generators with an integrated Westinghouse WDPF II distributed control system, and four Nooter/Eriksen Heat Recovery Steam Generators. The function of the Sweeny Cogeneration Facility is to generate electricity and to provide process steam to the ConocoPhillips Sweeny Refinery and adjacent petrochemical facility. ConocoPhillips Company, through two wholly owned indirect subsidiaries, owns 49% of the limited partnership interest and 100% of the general partnership interest of SCLP. ConocoPhillips Company operates and maintains the Facility pursuant to an operation and maintenance agreement with SCLP. This work is performed by ConocoPhillips Company personnel assigned from the company's Sweeny Refinery which is adjacent to the Facility.

### 2.5 Audit Specifics

Audit Date: October 21 & 22, 2008  
Audit Location: Texas Regional Entity

Texas RE Audit Team:

Name	Company/Title
J. Frank Vick	Texas RE/Audit Team Leader
Rashida Caraway	Texas RE/Auditor
Brent Torgrimson	Texas RE/Auditor
Jule Tate	NERC/Auditor

SCLP Audit Participants:

<b>Name</b>	<b>Company/Title</b>
Jamey Deloney	Business Director (Plant Manager)
Miles Kajjoka	Shared Services Manager
Carl Moses	Cogen Production Engineer
Jennifer Kiddy	Administrative Assistant
Kim Blackerby	Power Regulatory Analyst
Julie Unruh	Director of Power Regulatory
Trent Balke	Director of US Power Assets
Tonya Albarado	Manager of North American Compliance
Ken Farber	Senior Business Analyst
Dan Frank	Outside Council

### 3.0 AUDIT RESULTS

#### 3.1 Findings

The Compliance Audit Team found that SCLP was compliant with all 2008 actively monitored NERC Standards at the time of the audit.

The following table is a summary of the auditor's notes for those NERC standards reviewed during the audit:

<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
CIP-002-1 thru CIP-009-1		
EOP-009-0	R1.	Compliant
EOP-009-0	R2.	Compliant
FAC-008-1	R1.	Compliant
FAC-008-1	R2.	Compliant
FAC-008-1	R3.	Compliant
FAC-009-1	R1.	Compliant
FAC-009-1	R2.	Compliant
IRO-004-1	R1.	N/A
IRO-004-1	R2.	N/A
IRO-004-1	R3.	N/A
IRO-004-1	R4.	Compliant
IRO-004-1	R5.	N/A
IRO-004-1	R6.	N/A
IRO-004-1	R7.	N/A
PRC-004-1	R1.	N/A

<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
PRC-004-1	R2.	Compliant
PRC-004-1	R3.	Compliant
PRC-005-1	R1.	Compliant
PRC-005-1	R2.	Compliant
PRC-016-0	R1.	Compliant
PRC-016-0	R2.	Compliant
PRC-016-0	R3.	Compliant
PRC-017-0	R1.	Compliant
PRC-017-0	R2.	Compliant
VAR-002-1	R1.	N/A
VAR-002-1	R2.	N/A
VAR-002-1	R3.	N/A
VAR-002-1	R4.	Compliant
VAR-002-1	R5.	Compliant

### **3.2 Conclusion**

SCLP was found in compliance with the standards that were audited.

### **3.3. Compliance Culture**

Based on the information provided in the Audit General Information Request and the audit results, SCLP has a program in place which promotes compliance within the company. SCLP was cooperative with all of the audit team's initial and additional information requests.