



Compliance Audit Report Public Version

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Critical Energy Infrastructure Information) – Has
Been Removed**

**City of Tallahassee
NCR00073
November 2 to 6, 2009**

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Executive Summary

As part of the Florida Reliability Coordinating Council, Inc. (FRCC) Compliance Monitoring and Enforcement Program (CMEP), the FRCC performs On-Site Compliance Audits of each Balancing Authority and Transmission Operator within the Region once every three (3) years.

The FRCC 2009 Compliance Audit of City of Tallahassee (TAL) was conducted on Monday November 2, 2009 to Friday November 6, 2009 at its operations center in Tallahassee, Florida.

The specific North American Electric Reliability Corporation (NERC) Reliability Standards, applicable requirements, along with TAL documentation (where required to demonstrate compliance), were reviewed by the compliance audit team. Relevant copies of documents, detailed audit notes, Reliability Standard Audit Worksheets (RSAWs) and detailed basis of findings are included in the TAL audit record file.

A total of thirty-eight (38) NERC Reliability Standards were reviewed, and the audit team found that:

- TAL was fully compliant with thirty-two (32) standards
- One (1) of the standards was not applicable to TAL
- TAL was found to have possible violations of five (5) standards.

Audit Process

The compliance audit team followed the audit process steps that are outlined in the FRCC CMEP. The audit included the use of the NERC Reliability Standard Audit Worksheets (RSAWs) along with the NERC reliability standards for definition of requirements. The FRCC CMEP generally conforms to the United States Government Accountability Office Government Auditing Standards and other generally accepted audit practices, as required by NERC.

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 to:

- Independently review TAL's compliance with the requirements of the reliability standards that are applicable to TAL based on TAL's registered functions.
- Validate compliance with applicable reliability standards from the NERC 2009 Implementation Plan list of actively monitored standards.

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

- 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 TAL's compliance culture.

Scope

A compliance audit will include all reliability standards applicable to the Registered Entity monitored in the NERC and FRCC Implementation Plans in the current and three previous years (back to June 18, 2007), and may include other reliability standards applicable to the Registered Entity. The scope of an on-site compliance can vary depending on whether it is scheduled as part of a regular, periodic scheduled audit or as part of a compliance investigation.

The scope of this audit included:

- Review of submitted documentation at TAL's office location.
- On-site review of TAL's back-up Control Center.
- Review of TAL compliance with the specifically monitored standards included in the 2009 FRCC Implementation Plan and did not include the period prior to June 18, 2007.
- Detailed review of procedures, plans, records (such as training and maintenance), and other documentation developed by TAL to demonstrate compliance with the applicable NERC reliability standards requirements. See Documentation table in this report for a listing of evidence submitted by TAL.

Confidentiality and Conflict of Interest

In order to ensure confidentiality and avoid possible conflict of interest, the FRCC compliance staff signed Non-Disclosure Acknowledgements as per the NERC Rules of Procedures. The signed documents, work history and conflict of interest forms of each audit team participant were provided to TAL in advance of the on-site audit. TAL was given an opportunity to object to an audit 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. TAL accepted the audit team participants with no objections.

On-site Audit

On August 19, 2009, the FRCC submitted the 60 day notice of on-site audit to TAL by e-mail and US mail as required by the CMEP. The notice of the audit defined the process, the expectations, and a request for data submittal.

In addition, TAL was provided with a pre-audit survey, the audit scope, folders containing the RSAW's and associated reliability standards, an agenda, and a table of the reliability standards to be reviewed during the audit.

Methodology

The audit team conducted a pre-audit review of the evidence of compliance supplied by TAL, at the FRCC office on October 22, 2009 and October 23, 2009. The audit team conducted an additional audit review of the evidence of compliance supplied by TAL, at the TAL office on November 2, 2009 thru November 6, 2009. After initial review of the data using the RSAWs, the audit team advised TAL that submittal of follow-up data was required for further determination and clarification of the evidence submitted. Letters from the FRCC Manager of Compliance to the TAL Compliance Contact, dated October 28, 2009 (request #1), November 2, 2009 (request #2), November 3, 2009 (request #3), November 4, 2009 (request #4, 5), and November 5, 2009 (request #6) with TAL responses, are included in the list of Documentation.

An audit overview meeting was held with TAL via a conference call on October 22, 2009. The team leader went over the logistics and the agenda with TAL and informed the TAL of the audit team's expectations while on site. During this meeting, the team leader confirmed the areas that would be investigated via an interview and requested that appropriate subject matter experts be available. TAL was in agreement with the agenda. TAL also provided the audit team with instructions of where to enter its facility and confirmed the necessary personnel would be available during the audit.

These interviews in conjunction with TAL supplied evidence provided the audit team with a basis for professional judgment when validating compliance with the reliability standards.

Audit Overview

Upon arrival at TAL, the audit team leader presented an overview of the audit agenda to TAL's audit participants. A brief discussion took place regarding the coordination of interviews. TAL was informed when the preliminary compliance audit findings would be presented to its participants. The audit team later broke into two groups and reviewed the audit folders requiring follow-up of additional evidence of compliance from TAL.

During the on-site audit, the audit team conducted interviews with the appropriate subject matter experts within the various areas to validate data and processes were being met by TAL as required by the reliability standards. The interviews confirmed TAL's personnel were well informed of the processes in accordance to their specific job function(s). The following subject areas were clarified during the on-site interviews:

- System operator tools
- Emergency plans
- Transmission Vegetation Management Program
- Facility Ratings Methodology
- Protection System Program

The audit team had direct communications with TAL management as well as the subject matter experts who were collectively the audit participants. These interviews, in conjunction with submitted evidence, provided the audit team with a basis for their professional judgment when

validating compliance with reliability standards. In accordance to the Generally Accepted Government Auditing Standard 3.31 – Auditors must use professional judgment in planning and performing audits and in reporting the results. The audit team was pleased with TAL's flexibility to accommodate its schedules and to be readily available to answer questions regarding the assessed reliability standards.

The audit team requested additional documentation from TAL and asked the audit participants to clarify questions or concerns the audit team had in validating compliance. If a possible violation was determined, the team discussed their findings as to where TAL may have failed to provide evidence of compliance and reached a team consensus.

Exit Briefing

At the completion of the compliance audit, preliminary findings were presented to TAL's audit participants. (A list of the participants is included in this report). The monitored reliability standards were summarized. TAL was informed of the following next steps:

- The draft audit report will be provided for TAL's review.
- TAL is to provide written comments to FRCC within fourteen (14) days of receipt of the draft report.
- The audit team will finalize the report and provide to FRCC Compliance Staff.
- The FRCC Manager of Compliance will approve the final report.
- The FRCC Compliance Staff will review the audit report and determine the initial findings of alleged violation(s), if any.
- A Notice of alleged violation and penalty will be submitted to TAL, if any.
- The final audit report will be issued and forwarded to NERC for posting in accordance with the FRCC CMEP.
- TAL feedback of the audit process will be requested.

Company Profile

TAL is registered on the NERC (NCR00073) compliance registry with the following functions: Balancing Authority, Distribution Provider, Generation Owner, Generation Operator, Interchange Authority, Load Serving Entity, Planning Authority, Purchasing Selling Entity, Resource Planner, Transmission Owner, Transmission Operator, and Transmission Planner.

Audit Specifics

The compliance audit was conducted on November 2, 2009 to November 6, 2009 at the TAL control center facility in Tallahassee, FL.

Audit Team

Audit Team Role	Title	Company
Lead	Compliance Engineer	FRCC
Member	Senior Compliance Auditor	FRCC
Member	Compliance Auditor	FRCC
Member	Compliance Auditor	FRCC
Observer	CIP Compliance Auditor	FRCC
Documentation	Compliance Administrator	FRCC

TAL Audit Participants

Title
General Manager Electric Utility
Manager Power Production
Manager Electric System Compliance
Interim Manager Control Center
Chief System Operator
Assistant Chief System Operator
Electric Engineer III System Planning
Utility Forester
System Operator
Assistant Chief System Operator
Power Plant Engineer III
Supervising Engineer – Relay and Communications
Consultant – Bengalzi Power Solution
Electrical Engineer III
Plant Manager - Hopkins
Plant Manger - Purdom

Audit Results

Reliability Standard	Requirement	Finding
BAL-002-0	R1.	Compliant
BAL-002-0	R1.1	Compliant
BAL-002-0	R3.	Compliant
BAL-002-0	R3.1.	Compliant
BAL-005-0b	R2.	Compliant
BAL-005-0b	R10.	Compliant
CIP-001-1	R1.	Compliant
CIP-001-1	R2.	Compliant
CIP-001-1	R3.	Compliant
CIP-001-1	R4.	Compliant
COM-001-1	R1.	Compliant
COM-001-1	R1.1	Compliant
COM-001-1	R1.2	Compliant
COM-001-1	R1.3	Compliant
COM-001-1	R1.4	Compliant
COM-002-2	R1.	Compliant
COM-002-2	R1.1.	Compliant
EOP-001-0	R1.	Compliant
EOP-001-0	R2.	Compliant
EOP-001-0	R3.	Compliant
EOP-001-0	R3.1	Compliant
EOP-001-0	R3.2	Compliant
EOP-001-0	R3.3	Compliant
EOP-001-0	R3.4	Compliant
EOP-001-0	R4.	Compliant
EOP-001-0	R4.1	Compliant
EOP-001-0	R4.2	Compliant
EOP-001-0	R4.3	Compliant
EOP-001-0	R4.4	Compliant
EOP-001-0	R5.	Compliant
EOP-001-0	R6.	Possible Violation
EOP-001-0	R7.	Compliant
EOP-001-0	R7.1	Compliant
EOP-001-0	R7.2	Compliant
EOP-001-0	R7.3	Compliant
EOP-001-0	R7.4	Compliant

Contains Information (including Privileged and
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Reliability Standard	Requirement	Finding
EOP-002-2	R1.	Compliant
EOP-002-2	R2.	Compliant
EOP-002-2	R3.	Compliant
EOP-002-2	R4.	Compliant
EOP-002-2	R5.	Compliant
EOP-002-2	R6.	Compliant
EOP-002-2	R6.1	Compliant
EOP-002-2	R6.2	Compliant
EOP-002-2	R6.3	Compliant
EOP-002-2	R6.4	Compliant
EOP-002-2	R6.5	Compliant
EOP-002-2	R6.6	Compliant
EOP-002-2	R7.	Compliant
EOP-002-2	R7.1	Compliant
EOP-002-2	R7.2	Compliant
EOP-002-2	R9.	Compliant
EOP-002-2	R9.1	Compliant
EOP-003-1	R1.	Compliant
EOP-003-1	R2.	Compliant
EOP-003-1	R3.	Compliant
EOP-003-1	R4.	Compliant
EOP-003-1	R5.	Compliant
EOP-003-1	R6.	Compliant
EOP-003-1	R7.	Compliant
EOP-003-1	R8.	Compliant
EOP-005-1	R1.	Compliant
EOP-005-1	R2.	Compliant
EOP-005-1	R3.	Compliant
EOP-005-1	R4.	Compliant
EOP-005-1	R5.	Compliant
EOP-005-1	R6.	Compliant
EOP-005-1	R7.	Possible Violation
EOP-005-1	R8.	Compliant
EOP-005-1	R9.	Compliant
EOP-005-1	R10.	Compliant
EOP-005-1	R10.1	Compliant
EOP-005-1	R11.	Compliant
EOP-005-1	R11.2	Compliant
EOP-005-1	R11.3	Compliant
EOP-005-1	R11.4	Compliant
EOP-005-1	R11.5	Compliant

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Reliability Standard	Requirement	Finding
EOP-005-1	R11.5.1	Compliant
EOP-005-1	R11.5.2	Compliant
EOP-005-1	R11.5.4	Compliant
EOP-008-0	R1.	Compliant
EOP-008-0	R1.1	Compliant
EOP-008-0	R1.2	Compliant
EOP-008-0	R1.3	Compliant
EOP-008-0	R1.4	Compliant
EOP-008-0	R1.5	Compliant
EOP-008-0	R1.6	Compliant
EOP-008-0	R1.7	Compliant
EOP-008-0	R1.8	Compliant
FAC-001-0	R1.	Compliant
FAC-001-0	R1.1.	Compliant
FAC-001-0	R1.2.	Compliant
FAC-001-0	R1.3.	Compliant
FAC-001-0	R2.	Compliant
FAC-001-0	R2.1.1.	Compliant
FAC-001-0	R2.1.2.	Compliant
FAC-001-0	R2.1.3.	Compliant
FAC-001-0	R2.1.4.	Compliant
FAC-001-0	R2.1.5.	Compliant
FAC-001-0	R2.1.6.	Compliant
FAC-001-0	R2.1.7.	Compliant
FAC-001-0	R2.1.8.	Compliant
FAC-001-0	R2.1.9.	Compliant
FAC-001-0	R2.1.10.	Compliant
FAC-001-0	R2.1.11.	Compliant
FAC-001-0	R2.1.12.	Compliant
FAC-001-0	R2.1.13.	Compliant
FAC-001-0	R2.1.14.	Compliant
FAC-001-0	R2.1.15.	Compliant
FAC-001-0	R2.1.16.	Compliant
FAC-001-0	R3.	Compliant
FAC-003-1	R1.	Compliant
FAC-003-1	R1.1.	Compliant
FAC-003-1	R1.2.	Compliant
FAC-003-1	R1.2.1.	Compliant
FAC-003-1	R1.2.2.	Compliant
FAC-003-1	R1.2.2.1.	Compliant
FAC-003-1	R1.2.2.2.	Compliant

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Reliability Standard	Requirement	Finding
FAC-003-1	R1.3.	Compliant
FAC-003-1	R1.4.	Compliant
FAC-003-1	R1.5.	Compliant
FAC-003-1	R2.	Compliant
FAC-008-1	R1.	Compliant
FAC-008-1	R1.1.	Compliant
FAC-008-1	R1.2.	Compliant
FAC-008-1	R1.2.1.	Compliant
FAC-008-1	R1.2.2.	Compliant
FAC-008-1	R1.3.	Compliant
FAC-008-1	R1.3.1.	Compliant
FAC-008-1	R1.3.2.	Compliant
FAC-008-1	R1.3.3.	Compliant
FAC-008-1	R1.3.4.	Compliant
FAC-008-1	R1.3.5.	Compliant
FAC-008-1	R2.	Compliant
FAC-008-1	R3.	Compliant
FAC-009-1	R1.	Possible Violation
FAC-009-1	R2.	Compliant
FAC-010-1	R2.2.	Compliant
FAC-010-1	R2.2.1.	Compliant
FAC-010-1	R2.2.2.	Compliant
FAC-010-1	R2.2.3.	Compliant
FAC-014-1	R5.	Compliant
IRO-001-1	R8.	Complaint
IRO-004-1	R3.	Complaint
IRO-004-1	R4.	Complaint
IRO-004-1	R7.	Compliant
IRO-005-1	R8.	Compliant
IRO-005-1	R13.	Compliant
IRO-006-3	R6.	Compliant
PER-001-0	R1.	Compliant
PER-002-0	R1.	Compliant
PER-002-0	R2.	Compliant
PER-002-0	R2.1	Compliant
PER-002-0	R2.2	Compliant
PER-002-0	R3.	Compliant
PER-002-0	R3.1	Compliant
PER-002-0	R3.2	Compliant
PER-002-0	R3.3	Compliant
PER-002-0	R3.4	Compliant

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Reliability Standard	Requirement	Finding
PER-002-0	R4.	Compliant
PER-003-0	R1.	Compliant
PER-003-0	R1.1.	Compliant
PER-003-0	R1.2.	Compliant
PRC-001-1	R1.	Compliant
PRC-001-1	R2.	Compliant
PRC-001-1	R2.1.	Compliant
PRC-001-1	R2.2.	Compliant
PRC-001-1	R3.1.	Compliant
PRC-001-1	R3.2.	Compliant
PRC-001-1	R4.	Compliant
PRC-001-1	R5.	Compliant
PRC-001-1	R5.1	Compliant
PRC-001-1	R5.2	Compliant
PRC-001-1	R6.	Not Applicable
PRC-004-1	R1.	Compliant
PRC-004-1	R2.	Compliant
PRC-004-1	R3.	Compliant
PRC-005-1	R1.	Compliant
PRC-005-1	R1.1	Compliant
PRC-005-1	R1.2	Compliant
PRC-005-1	R2.	Possible Violation
PRC-005-1	R2.1	Possible Violation
PRC-005-1	R2.2	Compliant
PRC-008-0	R1.	Compliant
PRC-008-0	R2.	Compliant
PRC-017-0	R1.	Not Applicable
PRC-017-0	R1.1.	Not Applicable
PRC-017-0	R1.1.1.	Not Applicable
PRC-017-0	R1.1.2.	Not Applicable
PRC-017-0	R1.1.3.	Not Applicable
PRC-017-0	R1.1.4.	Not Applicable
PRC-017-0	R1.2.	Not Applicable
PRC-017-0	R1.3.	Not Applicable
PRC-017-0	R1.4.	Not Applicable
PRC-017-1	R1.5.	Not Applicable
TOP-001-1	R1.	Compliant
TOP-001-1	R2.	Compliant
TOP-001-1	R3.	Compliant
TOP-001-1	R4.	Compliant
TOP-001-1	R5.	Compliant

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Reliability Standard	Requirement	Finding
TOP-001-1	R6.	Compliant
TOP-001-1	R7.	Compliant
TOP-001-1	R7.1.	Compliant
TOP-001-1	R7.2.	Compliant
TOP-001-1	R7.3.	Compliant
TOP-001-1	R8.	Compliant
TOP-002-2	R1.	Compliant
TOP-002-2	R3.	Compliant
TOP-002-2	R4.	Compliant
TOP-002-2	R9.	Compliant
TOP-002-2	R11.	Compliant
TOP-002-2	R13.	Compliant
TOP-002-2	R14.	Compliant
TOP-002-2	R14.1.	Compliant
TOP-002-2	R14.2.	Compliant
TOP-002-2	R15.	Compliant
TOP-002-2	R16.	Compliant
TOP-002-2	R16.1.	Compliant
TOP-002-2	R16.2.	Compliant
TOP-002-2	R17.	Compliant
TOP-002-2	R18.	Compliant
TOP-002-2	R19.	Compliant
TOP-004-1	R1.	Compliant
TOP-004-1	R2.	Compliant
TOP-004-1	R3.	Compliant
TOP-004-1	R4.	Compliant
TOP-004-1	R5.	Compliant
TOP-006-1	R2.	Compliant
TOP-006-1	R6.	Compliant
TOP-006-1	R7.	Compliant
TOP-007-0	R1.	Compliant
TOP-007-0	R2.	Compliant
TOP-007-0	R3.	Compliant
TOP-008-1	R1.	Compliant
TOP-008-1	R2.	Compliant
TOP-008-1	R3.	Compliant
TPL-001-0	R1.	Compliant
TPL-001-0	R1.1.	Compliant
TPL-001-0	R1.2.	Compliant
TPL-001-0	R1.3.	Compliant
TPL-001-0	R1.3.1.	Compliant

Reliability Standard	Requirement	Finding
TPL-001-0	R1.3.2.	Compliant
TPL-001-0	R1.3.3.	Compliant
TPL-001-0	R1.3.4.	Compliant
TPL-001-0	R1.3.5.	Compliant
TPL-001-0	R1.3.6.	Compliant
TPL-001-0	R1.3.7.	Compliant
TPL-001-0	R1.3.8.	Compliant
TPL-001-0	R1.3.9	Compliant
TPL-001-0	R1.4.	Compliant
TPL-002-0	R1.	Compliant
TPL-002-0	R1.2.	Compliant
TPL-002-0	R1.3.	Compliant
TPL-002-0	R1.3.1	Compliant
TPL-002-0	R1.3.2.	Compliant
TPL-002-0	R1.3.3.	Compliant
TPL-002-0	R1.3.4.	Compliant
TPL-002-0	R1.3.5.	Compliant
TPL-002-0	R1.3.6.	Compliant
TPL-002-0	R1.3.7.	Compliant
TPL-002-0	R1.3.8.	Compliant
TPL-002-0	R1.3.9.	Compliant
TPL-002-0	R1.3.10.	Compliant
TPL-002-0	R1.3.11.	Compliant
TPL-002-0	R1.3.12.	Compliant
TPL-002-0	R1.4.	Compliant
TPL-002-0	R1.5.	Compliant
TPL-003-0	R1.	Compliant
TPL-003-0	R1.1.	Compliant
TPL-003-0	R1.2.	Compliant
TPL-003-0	R1.3.	Compliant
TPL-003-0	R1.3.1.	Compliant
TPL-003-0	R1.3.2.	Compliant
TPL-003-0	R1.3.3.	Compliant
TPL-003-0	R1.3.4.	Compliant
TPL-003-0	R1.3.5.	Compliant
TPL-003-0	R1.3.6	Compliant
TPL-003-0	R1.3.7.	Compliant
TPL-003-0	R1.3.8.	Compliant
TPL-003-0	R1.3.9.	Compliant
TPL-003-0	R1.3.10.	Compliant
TPL-003-0	R1.3.11.	Compliant

Reliability Standard	Requirement	Finding
TPL-003-0	R1.3.12.	Compliant
TPL-003-0	R1.4.	Compliant
TPL-003-0	R1.5.	Compliant
VAR-001-1	R1.	Possible Violation
VAR-001-1	R2.	Compliant
VAR-001-1	R5.	Compliant
VAR-001-1	R7.	Compliant
VAR-001-1	R8.	Compliant
VAR-001-1	R9.	Compliant
VAR-001-1	R9.1.	Compliant
VAR-001-1	R10.	Compliant
VAR-001-1	R12.	Compliant

Compliance Culture

The TAL's compliance culture was reviewed by the audit team by an interview with the Compliance Manager.