



# **Compliance Audit Report Public Version**

**East Kentucky Power Cooperative  
NCR01225  
March 23-25, 2009**

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

**June 30, 2009**

## TABLE OF CONTENTS

Executive Summary .....	3
Audit Process .....	3
<i>Objectives</i> .....	3
<i>Scope</i> .....	4
<i>Confidentiality and Conflict of Interest</i> .....	4
<i>On-site Audit</i> .....	4
<i>Methodology</i> .....	5
<i>Audit Overview</i> .....	5
<i>Audit</i> .....	5
<i>Exit Briefing</i> .....	6
<i>Company Profile</i> .....	6
<i>Audit Specifics</i> .....	6
Audit Results .....	7
<i>Findings</i> .....	8
<i>Compliance Culture</i> .....	18

## 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.

East Kentucky Power Cooperative (EKPC) was audited on March 23-25, 2009 for compliance with the requirements contained in the currently mandatory and enforceable reliability standards in the 2009 NERC Compliance Monitoring and Enforcement Program (CMEP) that are applicable to EKPC's registered functions. EKPC is registered with SERC Reliability Corporation (SERC) as a Balancing Authority (BA), Distribution Provider (DP), Generator Owner (GO), Generator Operator (GOP), Interchange Authority (IA), Load-Serving Entity (LSE), Planning Authority (PA), Purchasing-Selling Entity (PSE), Resource Planner (RP), Transmission Owner (TO), Transmission Operator (TOP), Transmission Planner (TP), and Transmission Service Provider (TSP). Thirty-eight standards were selected and identified to EKPC as subject to review during this audit. The audit focused on documents and other evidence provided to SERC by the staff of EKPC, 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.

EKPC staff was requested to provide valid evidence of meeting each and every applicable requirement and sub-requirement contained in each standard that had been previously identified by SERC Compliance staff to EKPC as subject to this audit. EKPC staff responded by providing evidence in the form of reports, procedures, studies, and other documents. EKPC staff then cited specific portions of the evidence that demonstrated compliance. This evidence and the citations were documented and evaluated by the audit team to assess the level of compliance. If all of the requirements and sub-requirements of an audited standard were met, then EKPC was judged to be compliant. Likewise, if any of the requirements or sub-requirements were not fully met, then EKPC was judged to have a possible violation of the standard. A score of 100% is required for compliance.

The audit team found EKPC to be in compliance with all of the NERC Reliability Standards in the audit scope.

The audit team determined that EKPC does not own or operate Under Voltage Load Shedding or Special Protection Systems and therefore, 2 of the 38 standards applicable to EKPC were not applicable. These standards are PRC-016 and PRC -017.

## AUDIT PROCESS

The compliance audit process steps are detailed in the NERC CMEP. The NERC CMEP generally conforms to the United States Government Accountability Office Government Auditing Standards and other generally accepted audit practices.

### **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:

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

- Independently review EKPC's compliance with the requirements of the reliability standards that are applicable to EKPC based on the EKPC registered functions.
- Validate compliance with applicable reliability standards from the NERC 2009 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 the EKPC compliance culture.

### **Scope**

The scope of the audit of EKPC included all monitored standards that are in the NERC 2009 CMEP. Based on the confirmed registration of EKPC, the 38 reliability standards previously indentified were the focus of the compliance audit. Of these, 38 standards; EOP-009-0, PRC-016-0, and PRC-017-0 were not applicable. This is detailed in the Audit Results section.

Note: For the 2009 compliance program, the monitoring period for the compliance audit will generally 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.

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

Code of conduct documentation for the NERC representative and regional entity staff was provided to EKPC in advance of the audit. Work history and conflict of interest forms submitted by each audit team member were provided to EKPC upon request. SERC has confirmed that confidentiality agreements have been executed by, and are on file for SERC Industry Subject Matter Experts (SME's) who participated in the audit. EKPC 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. EKPC accepted the audit team member participants with no objections.

### **On-site Audit**

EKPC was contacted by letter on September 24, 2008, by SERC staff. The letter provided EKPC with their initial notification of their upcoming audit in 2009, and the desire to schedule audit dates that would be acceptable to both parties. SERC staff then provided formal acknowledgement of the scheduled audit dates and requested that EKPC both verify their currently registered functions and complete and return an attached Pre-Audit Survey within 30 days.

On January 13, 2009, SERC staff forwarded an Audit Detail Letter to EKPC, again confirming the scheduled audit dates and confirming EKPC's registered functions within SERC. The Audit Detail Letter also provided EKPC with notice of the Standards in Audit Scope, Proposed Audit Schedule, Audit Team Roster (with industry affiliations), and requested that EKPC Subject Matter Experts (SMEs) responsible for and knowledgeable of compliance submittals be available for interview during the audit. In addition to the Audit Detail Letter, EKPC was provided with a Non-Disclosure Agreement Signature Verification for audit team members, a Pre-Audit Questionnaire, a list of Documentation and Evidence Requirements, and Questionnaire/Reliability Standard Auditor Worksheets (QRSAWs) for each standard to be audited.

Interviews with SMEs were requested, in conjunction with documented evidence, to provide the audit team with additional information or clarification as a basis for professional judgment when validating compliance with reliability standards.

### ***Methodology***

A team of auditors and Industry SMEs were identified and conducted the audit of EKPC. The standards were grouped and scheduled for review to make the most efficient use of EKPC staff's time. The audit team moderator (ATL or designee) initiated dialogue on each standard requirement and requested compliance evidence. This evidence and EKPC's staff response was documented. EKPC staff was requested to show valid evidence of meeting each applicable requirement and sub-requirement contained in the 38 standards that had been previously identified by SERC to EKPC as subject to this audit. EKPC staff responded by providing evidence in the form of reports, procedures, studies, and other documents. EKPC staff would then cite specific portions of the evidence that demonstrated compliance.

This evidence and the citations were documented by the audit team scribe on the QRSAs 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 EKPC staff members until it was determined that each requirement was met by the cited evidence or other evidence offered.

Once all the evidence was presented and discussed, if EKPC did not provide sufficient evidence to support a finding of compliance, then a possible violation was identified by the team and EKPC staff was informed.

### ***Audit Overview***

The audit team arrived at the EKPC offices 3:05 PM, March 23, 2009. At 4:00 PM on March 23, 2009, the ATL began the session with an opening presentation. He reviewed the NERC compliance plan for 2009 in general, and how it applied to EKPC specifically. The ATL introduced and reviewed the standards to be covered in the audit, and addressed both the expectations of EKPC staff and the quality of evidence to be presented. The ATL also covered the basic procedure for the audit, and the bounding rules of conduct. EKPC staff made a brief presentation describing EKPC's corporate structure and compliance program. The staff of EKPC was introduced, and general housekeeping matters explained. The staff of EKPC was excused and the audit team reviewed team assignments and a general overview for preparation of the audit activities. The audit team left the EKPC office at 5:05 PM, March 23, 2009 to return the next day to start the review of the reliability standards in the audit scope.

### ***Audit***

The audit team arrived at the EKPC office at 7:45 AM, March 24, 2009. The audit team was divided into two sub-teams. The audit team initially reviewed the registration status of EKPC with entity staff to verify applicability of each standard. Each standard's audit began with a recitation of each requirement. EKPC staff then presented evidence supporting requirement compliance, or cited evidence previously provided to the audit team. At that point, the evidence was reviewed and discussed until the team reached agreement on the evidence. By audit team consensus a determination of compliance was reached for each of the requirements and communicated to EKPC 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 QRSA.

The review of all applicable standards was completed at 11:30 AM, March 25, 2009 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 QRS AW.

### **Exit Briefing**

The ATL presented an exit briefing to the assembled audit team and entity staff at 1:40 PM, March 25, 2009. This was followed by an informal response and questions from the EKPC staff. The exit briefing summarized the team's preliminary conclusions, including any items of potential noncompliance or possible violation with supporting information, areas of concern, any added information required, and the expected timeline for review and issuance of the audit report.

The ATL solicited both informal comments from EKPC staff, along with requesting that they fill out formal feedback forms for submission to NERC and SERC.

The ATL thanked EKPC staff for their cooperation and support of the audit process. EKPC staff expressed their appreciation of the professional manner in which the audit was conducted.

The audit team left the EKPC meeting room at 2:02 PM on March 25, 2009.

### **Company Profile**

East Kentucky Power Cooperative (EKPC) is a not-for-profit generation and transmission (G&T) electric utility owned by and providing wholesale energy, transmission, and support services to 16 distribution cooperatives. EKPC's transmission system is geographically located in roughly the eastern two-thirds of Kentucky. The transmission system approaches the borders of Kentucky in the north, east, and south, and stretches to approximately the Interstate 65 corridor in the west.

### **Audit Specifics**

The compliance audit was conducted on March 23–25, 2009 at the EKPC office in Winchester, Kentucky.

### **Audit Team**

<b>Audit Team Role</b>	<b>Title</b>	<b>Company</b>
Lead	Audit Team Leader	SERC
Member	Manager, Compliance Audits	SERC
Member	Manager, Operations	SERC
Member	Senior Compliance Auditor	SERC
Member	Senior Compliance Auditor	SERC
Member	ISME	Entergy
Member	ISME	South Carolina Public Service Authority
Member	ISME	Southern Illinois Power Cooperative

### **EKPC Audit Participants Titles and Organizations**

<b>Title</b>	<b>EKPC Organization</b>
Supervisor of Power Supply Operations	EKPC
Control Center Technology Supervisor	EKPC

<b>Title</b>	<b>EKPC Organization</b>
Transmission Operations Supervisor	EKPC
Engineer	EKPC
Training Facilitator	EKPC
Senior Engineer	EKPC
Transmission Planning Manager	EKPC
Measurement Control Supervisor	EKPC
Senior Engineer	EKPC
PE., Senior Engineer-Telecom Operations	EKPC
Manager, Contingency Planning	EKPC
Telecom Supervisor –Telecom Operations	EKPC
Manager, Power Delivery Operations	EKPC
Manager, Power Supply Operation	EKPC
Manager, Maintenance	EKPC
Engineering Services Supervisor	EKPC
PE, Technical Services Supervisor, Power Delivery Maintenance	EKPC
Right-of-Way & Line Maintenance Improvement Coordinator	EKPC
Engineering Manager	EKPC
Senior Engineer	EKPC
Senior Engineer	EKPC
Maintenance Program Improvement Coordinator	EKPC
Transmission Line Design	EKPC
Senior Engineer, Substation Engineering	EKPC
Senior Engineer, Control Center Technology	EKPC
System Protection	EKPC
Senior Engineer, Transmission Planning	EKPC

## AUDIT RESULTS

The audit team reviewed documents provided by EKPC prior to the audit, as requested in the Documentation and Evidence Requirements section of EKPC's Compliance Audit Certification Letter. Review of these documents and of currently open or recently closed mitigation plans, pre-audit, helped to establish the audit team's focus during the audit.

The audit team reviewed the evidence provided by EKPC to substantiate compliance with each standard requirement. The team requested clarification and/or additional supporting and corroborating evidence, as required, to obtain sufficient and appropriate evidence to support a determination of compliance.

In instances where the evidence provided by EKPC represented multiple facilities and/or large quantities of equipment, the audit team haphazardly selected evidence samples, from the different facilities and/or equipment, to facilitate a consensus agreement of the team that EKPC is, in the team's professional judgment, satisfactorily meeting the requirements of the standard or is in possible violation of the requirement.

The audit team reviewed EKPC's status and progress of mitigation of all open and/or recently closed mitigation plans in conjunction with the review of each standard applicable to EKPC's currently registered functions.

If the audit team determined that the evidence provided by EKPC was insufficient or inappropriate to substantiate a determination of compliance, the team immediately informed EKPC's Subject Matter Experts (SME) of this fact. Additionally, the Audit Team Lead, through coordination with EKPC's audit coordinator, ensured that EKPC's management was made aware of the potential for a finding of a possible violation in each instance, and of the basis for the team's determination.

The Audit Team Lead clearly identified the team's findings of compliance and basis for their findings, areas of concern, and available remedies in an exit presentation to EKPC's management on completion of the audit.

The audit team documented their review and determination of compliance of each standard requirement on QRSAs. EKPC's policies, procedures, screenshots, operator logs, audio clips, correspondence and other evidence presented, as well as auditor comments and determinations of compliance documented on the QRSAs were used in formulating this report.

The audit team found EKPC to be in compliance with all of the NERC Reliability Standards in the audit scope. Please see Findings Table below.

Prior to being forwarded to SERC's Manager of Compliance Audits for review and approval as SERC's Final Confidential Non-Public Audit Report of EKPC, the content and accuracy of this report:

- Is reviewed and commented on by all audit team members
- Is reviewed by EKPC's management for correction and comment, and
- Is reviewed and approved by the Audit Team Lead.

Upon final disposition of any possible violations determined by the audit team, if any, and redaction of appropriate information contained herein, this report will be reviewed and approved by SERC's Vice President and Director of Compliance before being issued as SERC's Final Public Audit Report of EKPC.

## ***Findings***

<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
BAL-001-0	R1.	N/A
BAL-001-0	R2.	N/A
BAL-001-0	R3.	N/A
BAL-001-0	R4.	N/A
BAL-002-0	R1.	Compliant
BAL-002-0	R2.	Compliant
BAL-002-0	R3.	Compliant
BAL-002-0	R4.	N/A
BAL-002-0	R5.	N/A
BAL-002-0	R6.	N/A
BAL-003-0	R1.	N/A
BAL-003-0	R2.	N/A
BAL-003-0	R3.	N/A

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

<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
BAL-003-0	R4.	N/A
BAL-003-0	R5.	N/A
BAL-003-0	R6.	N/A
BAL-004-0	R1.	N/A
BAL-004-0	R2.	N/A
BAL-004-0	R3.	N/A
BAL-004-0	R4.	N/A
BAL-005-0	R1.	N/A
BAL-005-0	R2.	Compliant
BAL-005-0	R3.	N/A
BAL-005-0	R4.	N/A
BAL-005-0	R5.	N/A
BAL-005-0	R6.	N/A
BAL-005-0	R7.	N/A
BAL-005-0	R8.	N/A
BAL-005-0	R9.	N/A
BAL-005-0	R10.	Compliant
BAL-005-0	R11.	N/A
BAL-005-0	R12.	N/A
BAL-005-0	R13.	N/A
BAL-005-0	R14.	N/A
BAL-005-0	R15.	N/A
BAL-005-0	R16.	N/A
BAL-005-0	R17.	N/A
BAL-006-1	R1.	N/A
BAL-006-1	R2.	N/A
BAL-006-1	R3.	N/A
BAL-006-1	R4.	N/A
BAL-006-1	R5.	N/A
CIP-001-1	R1.	Compliant
CIP-001-1	R2.	Compliant
CIP-001-1	R3.	Compliant
CIP-001-1	R4.	Compliant
CIP-002-1	R1.	N/A
CIP-002-1	R2.	N/A
CIP-002-1	R3.	N/A
CIP-002-1	R4.	N/A
CIP-003-1	R1.	N/A
CIP-003-1	R2.	N/A
CIP-003-1	R3.	N/A
CIP-003-1	R4.	N/A
CIP-003-1	R5.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
CIP-003-1	R6.	N/A
CIP-004-1	R1.	N/A
CIP-004-1	R2.	N/A
CIP-004-1	R3.	N/A
CIP-004-1	R4.	N/A
CIP-005-1	R1.	N/A
CIP-005-1	R2.	N/A
CIP-005-1	R3.	N/A
CIP-005-1	R4.	N/A
CIP-005-1	R5.	N/A
CIP-006-1	R1.	N/A
CIP-006-1	R2.	N/A
CIP-006-1	R3.	N/A
CIP-006-1	R4.	N/A
CIP-006-1	R5.	N/A
CIP-006-1	R6.	N/A
CIP-007-1	R1.	N/A
CIP-007-1	R2.	N/A
CIP-007-1	R3.	N/A
CIP-007-1	R4.	N/A
CIP-007-1	R5.	N/A
CIP-007-1	R6.	N/A
CIP-007-1	R7.	N/A
CIP-007-1	R8.	N/A
CIP-007-1	R9.	N/A
CIP-008-1	R1.	N/A
CIP-008-1	R2.	N/A
CIP-009-1	R1.	N/A
CIP-009-1	R2.	N/A
CIP-009-1	R3.	N/A
CIP-009-1	R4.	N/A
CIP-009-1	R5.	N/A
COM-001-1	R1.	Compliant
COM-001-1	R2.	N/A
COM-001-1	R3.	N/A
COM-001-1	R4.	N/A
COM-001-1	R5.	N/A
COM-001-1	R6.	N/A
COM-002-2	R1.	Compliant
COM-002-2	R2.	N/A
EOP-001-0	R1.	Compliant
EOP-001-0	R2.	Compliant
EOP-001-0	R3.	Compliant

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
EOP-001-0	R4.	Compliant
EOP-001-0	R5.	Compliant
EOP-001-0	R6.	Compliant
EOP-001-0	R7.	Compliant
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	R7.	Compliant
EOP-002-2	R8.	N/A
EOP-002-2	R9.	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-004-1	R1.	N/A
EOP-004-1	R2.	N/A
EOP-004-1	R3.	N/A
EOP-004-1	R4.	N/A
EOP-004-1	R5.	N/A
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.	Compliant
EOP-005-1	R8.	Compliant
EOP-005-1	R9.	Compliant
EOP-005-1	R10.	Compliant
EOP-005-1	R11.	Compliant
EOP-006-1	R1.	N/A
EOP-006-1	R2.	N/A
EOP-006-1	R3.	N/A
EOP-006-1	R4.	N/A
EOP-006-1	R5.	N/A
EOP-006-1	R6.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
EOP-008-0	R1.	Compliant
EOP-009-0	R1.	N/A
EOP-009-0	R2.	N/A
FAC-001-0	R1.	Compliant
FAC-001-0	R2.	Compliant
FAC-001-0	R3.	Compliant
FAC-002-0	R1.	N/A
FAC-002-0	R2.	N/A
FAC-003-1	R1.	Compliant
FAC-003-1	R2.	Compliant
FAC-003-1	R3.	N/A
FAC-003-1	R4.	N/A
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
FAC-010-1	R1.	N/A
FAC-010-1	R2.	Compliant
FAC-010-1	R3.	N/A
FAC-010-1	R4.	N/A
FAC-010-1	R5.	N/A
FAC-011-1	R1.	N/A
FAC-011-1	R2.	N/A
FAC-011-1	R3.	N/A
FAC-011-1	R4.	N/A
FAC-011-1	R5.	N/A
FAC-013-1	R1.	N/A
FAC-013-1	R2.	N/A
FAC-014-1	R1.	N/A
FAC-014-1	R2.	N/A
FAC-014-1	R3.	N/A
FAC-014-1	R4.	N/A
FAC-014-1	R5.	Compliant
FAC-014-1	R6.	N/A
INT-001-3	R1.	N/A
INT-001-3	R2.	N/A
INT-003-2	R1.	N/A
INT-004-2	R1.	N/A
INT-004-2	R2.	N/A
INT-005-1	R1.	N/A
INT-006-2	R1.	N/A
INT-007-1	R1.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
INT-008-2	R1.	N/A
INT-009-1	R1.	N/A
INT-010-1	R1.	N/A
INT-010-1	R2.	N/A
INT-010-1	R3.	N/A
IRO-001-1	R1.	N/A
IRO-001-1	R2.	N/A
IRO-001-1	R3.	N/A
IRO-001-1	R4.	N/A
IRO-001-1	R5.	N/A
IRO-001-1	R6.	N/A
IRO-001-1	R7.	N/A
IRO-001-1	R8.	Compliant
IRO-001-1	R9.	N/A
IRO-002-1	R1.	N/A
IRO-002-1	R2.	N/A
IRO-002-1	R3.	N/A
IRO-002-1	R4.	N/A
IRO-002-1	R5.	N/A
IRO-002-1	R6.	N/A
IRO-002-1	R7.	N/A
IRO-002-1	R8.	N/A
IRO-002-1	R9.	N/A
IRO-003-2	R1.	N/A
IRO-003-2	R2.	N/A
IRO-004-1	R1.	N/A
IRO-004-1	R2.	N/A
IRO-004-1	R3.	Compliant
IRO-004-1	R4.	Compliant
IRO-004-1	R5.	N/A
IRO-004-1	R6.	N/A
IRO-004-1	R7.	Compliant
IRO-005-1	R1.	N/A
IRO-005-1	R2.	N/A
IRO-005-1	R3.	N/A
IRO-005-1	R4.	N/A
IRO-005-1	R5.	N/A
IRO-005-1	R6.	N/A
IRO-005-1	R7.	N/A
IRO-005-1	R8.	Compliant
IRO-005-1	R9.	N/A
IRO-005-1	R10.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
IRO-005-1	R11.	N/A
IRO-005-1	R12.	N/A
IRO-005-1	R13.	Compliant
IRO-005-1	R14.	N/A
IRO-005-1	R15.	N/A
IRO-005-1	R16.	N/A
IRO-005-1	R17.	N/A
IRO-006-3	R1.	N/A
IRO-006-3	R2.	N/A
IRO-006-3	R3.	N/A
IRO-006-3	R4.	N/A
IRO-006-3	R5.	N/A
IRO-006-3	R6.	Compliant
IRO-014-1	R1.	N/A
IRO-014-1	R2.	N/A
IRO-014-1	R3.	N/A
IRO-014-1	R4.	N/A
IRO-015-1	R1.	N/A
IRO-015-1	R2.	N/A
IRO-015-1	R3.	N/A
IRO-016-1	R1.	N/A
IRO-016-1	R2.	N/A
MOD-006-0	R1.	N/A
MOD-006-0	R2.	N/A
MOD-007-0	R1.	N/A
MOD-007-0	R2.	N/A
MOD-010-0	R1.	N/A
MOD-010-0	R2.	N/A
MOD-012-0	R1.	N/A
MOD-012-0	R2.	N/A
MOD-016-1	R1.	N/A
MOD-016-1	R2.	N/A
MOD-016-1	R3.	N/A
MOD-017-0	R1.	N/A
MOD-018-0	R1.	N/A
MOD-018-0	R2.	N/A
MOD-019-0	R1.	N/A
MOD-020-0	R1.	N/A
MOD-021-0	R1.	N/A
MOD-021-0	R2.	N/A
MOD-021-0	R3.	N/A
NUC-001-1	R1.	N/A

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

<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
NUC-001-1	R2.	N/A
NUC-001-1	R3.	N/A
NUC-001-1	R4.	N/A
NUC-001-1	R5.	N/A
NUC-001-1	R6.	N/A
NUC-001-1	R7.	N/A
NUC-001-1	R8.	N/A
NUC-001-1	R9.	N/A
PER-001-0	R1.	Compliant
PER-002-0	R1.	Compliant
PER-002-0	R2.	Compliant
PER-002-0	R3.	Compliant
PER-002-0	R4.	Compliant
PER-003-0	R1.	Compliant
PER-004-1	R1.	N/A
PER-004-1	R2.	N/A
PER-004-1	R3.	N/A
PER-004-1	R4.	N/A
PER-004-1	R5.	N/A
PRC-001-1	R1.	Compliant
PRC-001-1	R2.	Compliant
PRC-001-1	R3.	Compliant
PRC-001-1	R4.	Compliant
PRC-001-1	R5.	Compliant
PRC-001-1	R6.	Compliant
PRC-004-1	R1.	Compliant
PRC-004-1	R2.	Compliant
PRC-004-1	R3.	Compliant
PRC-005-1	R1.	Compliant
PRC-005-1	R2.	Compliant
PRC-007-0	R1.	N/A
PRC-007-0	R2.	N/A
PRC-007-0	R3.	N/A
PRC-008-0	R1.	Compliant
PRC-008-0	R2.	Compliant
PRC-009-0	R1.	N/A
PRC-009-0	R2.	N/A
PRC-010-0	R1.	N/A
PRC-010-0	R2.	N/A
PRC-011-0	R1.	N/A
PRC-011-0	R2.	N/A
PRC-015-0	R1.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
PRC-015-0	R2.	N/A
PRC-015-0	R3.	N/A
PRC-016-0	R1.	N/A
PRC-016-0	R2.	N/A
PRC-016-0	R3.	N/A
PRC-017-0	R1.	N/A
PRC-017-0	R2.	N/A
PRC-018-1	R1.	N/A
PRC-018-1	R2.	N/A
PRC-018-1	R3.	N/A
PRC-018-1	R4.	N/A
PRC-018-1	R5.	N/A
PRC-018-1	R6.	N/A
PRC-021-1	R1.	N/A
PRC-021-1	R2.	N/A
PRC-022-1	R1.	N/A
PRC-022-1	R2.	N/A
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
TOP-001-1	R6.	Compliant
TOP-001-1	R7.	Compliant
TOP-001-1	R8.	Compliant
TOP-002-2	R1.	Compliant
TOP-002-2	R2.	N/A
TOP-002-2	R3.	Compliant
TOP-002-2	R4.	Compliant
TOP-002-2	R5.	N/A
TOP-002-2	R6.	N/A
TOP-002-2	R7.	N/A
TOP-002-2	R8.	N/A
TOP-002-2	R9.	Compliant
TOP-002-2	R10.	N/A
TOP-002-2	R11.	Compliant
TOP-002-2	R12.	N/A
TOP-002-2	R13.	Compliant
TOP-002-2	R14.	Compliant
TOP-002-2	R15.	Compliant
TOP-002-2	R16.	Compliant
TOP-002-2	R17.	Compliant

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
TOP-002-2	R18.	Compliant
TOP-002-2	R19.	Compliant
TOP-003-0	R1.	N/A
TOP-003-0	R2.	N/A
TOP-003-0	R3.	N/A
TOP-003-0	R4.	N/A
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-004-1	R6.	N/A
TOP-005-1	R1.	N/A
TOP-005-1	R2.	N/A
TOP-005-1	R3.	N/A
TOP-005-1	R4.	N/A
TOP-006-1	R1.	N/A
TOP-006-1	R2.	Compliant
TOP-006-1	R3.	N/A
TOP-006-1	R4.	N/A
TOP-006-1	R5.	N/A
TOP-006-1	R6.	Compliant
TOP-006-1	R7.	Compliant
TOP-007-0	R1.	Compliant
TOP-007-0	R2.	N/A
TOP-007-0	R3.	Compliant
TOP-007-0	R4.	N/A
TOP-008-1	R1.	Compliant
TOP-008-1	R2.	Compliant
TOP-008-1	R3.	Compliant
TOP-008-1	R4.	N/A
TPL-001-0	R1.	Compliant
TPL-001-0	R2.	N/A
TPL-001-0	R3.	N/A
TPL-002-0	R1.	Compliant
TPL-002-0	R2.	N/A
TPL-002-0	R3.	N/A
TPL-003-0	R1.	Compliant
TPL-003-0	R2.	N/A
TPL-003-0	R3.	N/A
TPL-004-0	R1.	N/A
TPL-004-0	R2.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
VAR-001-1	R1.	Compliant
VAR-001-1	R2.	Compliant
VAR-001-1	R3.	N/A
VAR-001-1	R4.	N/A
VAR-001-1	R5.	Compliant
VAR-001-1	R6.	N/A
VAR-001-1	R7.	Compliant
VAR-001-1	R8.	Compliant
VAR-001-1	R9.	Compliant
VAR-001-1	R10.	Compliant
VAR-001-1	R11.	N/A
VAR-001-1	R12.	Compliant
VAR-002-1	R1.	N/A
VAR-002-1	R2.	N/A
VAR-002-1	R3.	N/A
VAR-002-1	R4.	N/A
VAR-002-1	R5.	N/A

### **Compliance Culture**

The audit team assessed EKPC’s Internal Compliance Program in conjunction with the audit. Evidence reviewed in assessing the program included: EKPC’s Compliance Pre-Audit Survey, compliance staff organizational charts, interviews with EKPC staff, and observation of staff responses in preparation for and during the audit.

Four factors that characterize a vigorous and effective compliance program are: active engagement and leadership by a company’s senior management; preventive measures appropriate to the individual circumstances of the company; promptly detecting, stopping, and reporting a violation; and, ultimately fixing the problem and working to avoid future possible violations.

SERC recognizes that there isn’t one standard formula for an effective compliance program, and that there will be variations in each company’s program and culture based on countless factors, including the size and age of the company, as well as the nature and extent of its business. Ultimately what matters are the results, and whether the compliance program worked as it should. The audit team determined through the audit and the Pre-Audit Compliance Culture WebEx that EKPC has an acceptable compliance program and is in the process of documenting and improving it.