



# **Compliance Audit Report Public Version**

**Mississippi Power Company  
NCR01273  
September 16-17, 2009**

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

**October 9, 2009**

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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.

Mississippi Power Company (Mississippi Power) was audited on September 16-17, 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 Mississippi Power's registered functions. Mississippi Power is registered with SERC Reliability Corporation (SERC) as a Distribution Provider (DP), Generator Owner (GO), Load-Serving Entity (LSE), and Transmission Owner (TO). Fifteen standards were selected and identified to Mississippi Power as subject to review during this audit. The audit focused on documents and other evidence provided to SERC by the staff of Mississippi Power, 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

Mississippi Power 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 Mississippi Power as subject to this audit. Mississippi Power staff responded by providing evidence in the form of reports, procedures, studies, and other documents. Mississippi Power's 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 Mississippi Power was judged to be compliant. Likewise, if any of the requirements or sub-requirements were not fully met, then Mississippi Power was judged to have a possible violation of the standard. A score of 100% is required for compliance.

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

Mississippi Power recently closed a mitigation plan regarding NERC Reliability Standard PRC-005-1, Requirement 2.1. The audit team reviewed the mitigation plan completion documentation to ensure compliance.

## 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 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 Mississippi Power's compliance with the requirements of the reliability standards that are applicable to Mississippi Power based on the Mississippi Power 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 Mississippi Power's compliance culture.

### **Scope**

The scope of the audit of Mississippi Power included all monitored standards that are in the NERC 2009 CMEP. Based on the confirmed registration of Mississippi Power, the 15 reliability standards previously identified were the focus of the compliance audit. 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 lesser of: 1) Date of registration to current date; 2) Date of last audit or spot check to current date; or, 3) June 18, 2007 to current date. 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 were provided to Mississippi Power in advance of the audit. Work history and conflict of interest forms submitted by each audit team member were provided to Mississippi Power 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. Mississippi Power 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. Mississippi Power accepted the audit team member participants with no objections.

### **On-site Audit**

Mississippi Power was contacted by letter on March 20, 2009 by SERC staff. The letter provided Mississippi Power 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 Mississippi Power both verify their currently registered functions and complete and return an attached Pre-Audit Survey within 30 days.

On June 17, 2009, SERC staff forwarded an Audit Detail Letter to Mississippi Power, again confirming the scheduled audit dates and confirming Mississippi Power's registered functions within SERC. The Audit Detail Letter also provided Mississippi Power with notice of the Standards in Audit Scope, Proposed Audit Schedule, Audit Team Roster (with industry affiliations), and requested that Mississippi Power 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, Mississippi Power 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 (QRSAs) 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 Mississippi Power. The standards were grouped and scheduled for review to make the most efficient use of Mississippi Power staff's time. The audit team moderator (ATL or designee) initiated dialogue on each standard requirement and requested compliance evidence. This evidence and Mississippi Power's staff response was documented. Mississippi Power staff was requested to show valid evidence of meeting each applicable requirement and sub-requirement contained in the 15 standards that had been previously identified by SERC to Mississippi Power as subject to this audit. Mississippi Power staff responded by providing evidence in the form of reports, procedures, studies, and other documents. Mississippi Power 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 Mississippi Power 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 Mississippi Power did not provide sufficient evidence to support a finding of compliance, then a possible violation was identified by the team and Mississippi Power staff was informed.

### ***Audit Overview***

The audit team arrived at the Mississippi Power offices at 2:45 PM, September 16, 2009. At 3:11 PM on September 16, 2009 the Mississippi Power System Operations Manager gave the assembled group a safety briefing. The staff of Mississippi Power was introduced, and general housekeeping matters explained. After the safety briefing at 3:19 PM the Audit Team Lead (ATL) began the session with an opening presentation. He reviewed the NERC compliance plan for 2009 in general, and how it applied to Mississippi Power specifically. The ATL introduced and reviewed the standards to be covered in the audit, and addressed both the expectations of Mississippi Power 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. Mississippi Power Vice President Customer Service and Retail Marketing made a brief presentation describing Mississippi Power's corporate structure and compliance program. The audit team left the Mississippi Power office at 5:00 PM, September 16, 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 Mississippi Power office at 7:45 AM, September 17, 2009. The audit team initially reviewed the registration status of Mississippi Power with entity staff to verify applicability of each standard. Each standard's audit began with a recitation of each requirement. Mississippi Power 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 Mississippi Power 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 QRSAs.

The review of all applicable standards was completed at 3:15 PM, September 17, 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 QRSAs.

### ***Exit Briefing***

The ATL presented an exit briefing to the assembled audit team and entity staff at 4:00 PM, September 17, 2009. This was followed by an informal response and questions from the Mississippi Power 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 Mississippi Power staff, along with requesting that they fill out formal feedback forms for submission to NERC and SERC.

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

The audit team left the Mississippi Power meeting room at 5:00 PM on September 17, 2009.

### ***Company Profile***

Mississippi Power is an investor-owned electric utility headquartered in Gulfport, Mississippi. Mississippi Power is a wholly-owned subsidiary of Southern Company, which is headquartered in Atlanta, Georgia. Mississippi Power directly serves, at retail, most of the cities, towns and communities within the 23 counties of southeast Mississippi. Mississippi Power's 186,570 customers are classified as residential, 152,280 commercial 33,589, industrial 518, and other 183. Mississippi Power also serves six REA-financed electric cooperatives (Coast EPA, Singing River EPA, Southern Pine EPA, Dixie EPA, Pearl River EPA, and East Mississippi EPA) and one municipality (City of Collins) with wholesale electric power which, in turn, they resell to customers in southeast Mississippi.

### ***Audit Specifics***

The compliance audit was conducted on September 16-17, 2009 at the Mississippi Power office in Gulfport, Mississippi

### **Audit Team**

<b>Audit Team Role</b>	<b>Title</b>	<b>Company</b>
Lead	Senior Compliance Auditor	SERC
Member	Senior Compliance Auditor	SERC
Member	SERC Industry Subject Matter Expert	E.ON U.S.

## Mississippi Power Audit Participants Title and Organization

Title	Mississippi Power Organization
V.P. Customer Service and Retail Marketing	Mississippi Power Company
Assistant to V.P. Customer Service and Retail Marketing (Compliance Manager)	Mississippi Power Company
Manager System Operations	Mississippi Power Company
Manager Transmission	Mississippi Power Company
Manager Transmission Lines and Planning	Mississippi Power Company
Manager Substations	Mississippi Power Company
Manager System Protection and Control	Mississippi Power Company
Plant Manager Chevron Cogenerating Plant	Mississippi Power Company
Manager Compliance Watson Electric Generating Plant	Mississippi Power Company
Plant Manager Daniel Electric Generating Plant	Mississippi Power Company
Senior I.T. Compliance Annalist	Mississippi Power Company
Forestry Specialist Staff	Mississippi Power Company
Plant Manager Watson Electric Generating Plant	Mississippi Power Company
Transmission Project Supervisor	Mississippi Power Company
Compliance Director	Southern Company Transmission
Compliance Director	Southern Company Generation
Compliance Coordinator	Southern Company Transmission
Manager Data and Compliance	Southern Company Generation
Senior Engineer Technical Services-Electrical & Controls	Southern Company Generation
Lead Engineer Technical Services-Electrical & Controls	Southern Company Generation
Principle Engineer	Southern Company Services
Manager System Operations	Southern Company Services

## AUDIT RESULTS

The audit team reviewed documents provided by Mississippi Power prior to the audit, as requested in the Documentation and Evidence Requirements section of Mississippi Power'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 Mississippi Power 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 Mississippi Power represented multiple facilities and/or large quantities of equipment, the audit team randomly selected evidence samples, from the different facilities and/or equipment, to facilitate a consensus agreement of the team that Mississippi Power 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 Mississippi Power’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 Mississippi Power’s currently registered functions.

If the audit team determined that the evidence provided by Mississippi Power was insufficient or inappropriate to substantiate a determination of compliance, the team immediately informed Mississippi Power’s Subject Matter Experts (SME) of this fact. Additionally, the Audit Team Lead, through coordination with Mississippi Power’s audit coordinator, ensured that Mississippi Power’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 Mississippi Power’s management on completion of the audit.

The audit team documented their review and determination of compliance of each standard requirement on QRS AW. Mississippi Power’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 QRS AW’s were used in formulating this report.

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 Mississippi Power, the content and accuracy of this report:

- Is reviewed and commented on by all audit team members
- Is reviewed by Mississippi Power’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 Mississippi Power.

***Findings***

<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
BAL-001-0a	R1.	N/A
BAL-001-0a	R2.	N/A
BAL-001-0a	R3.	N/A
BAL-001-0a	R4.	N/A
BAL-002-0	R1.	N/A
BAL-002-0	R2.	N/A
BAL-002-0	R3.	N/A
BAL-002-0	R4.	N/A
BAL-002-0	R5.	N/A
BAL-002-0	R6.	N/A
BAL-003-0a	R1.	N/A
BAL-003-0a	R2.	N/A
BAL-003-0a	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-003-0a	R4.	N/A
BAL-003-0a	R5.	N/A
BAL-003-0a	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-005-0b	R1.	N/A
BAL-005-0b	R2.	N/A
BAL-005-0b	R3.	N/A
BAL-005-0b	R4.	N/A
BAL-005-0b	R5.	N/A
BAL-005-0b	R6.	N/A
BAL-005-0b	R7.	N/A
BAL-005-0b	R8.	N/A
BAL-005-0b	R9.	N/A
BAL-005-0b	R10.	N/A
BAL-005-0b	R11.	N/A
BAL-005-0b	R12.	N/A
BAL-005-0b	R13.	N/A
BAL-005-0b	R14.	N/A
BAL-005-0b	R15.	N/A
BAL-005-0b	R16.	N/A
BAL-005-0b	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 through CIP-009-1		N/A
COM-001-1	R1.	N/A
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.	N/A
COM-002-2	R2.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
EOP-001-0	R1.	N/A
EOP-001-0	R2.	N/A
EOP-001-0	R3.	N/A
EOP-001-0	R4.	N/A
EOP-001-0	R5.	N/A
EOP-001-0	R6.	N/A
EOP-001-0	R7.	N/A
EOP-002-2	R1.	N/A
EOP-002-2	R2.	N/A
EOP-002-2	R3.	N/A
EOP-002-2	R4.	N/A
EOP-002-2	R5.	N/A
EOP-002-2	R6.	N/A
EOP-002-2	R7.	N/A
EOP-002-2	R8.	N/A
EOP-002-2	R9.	Compliant
EOP-003-1	R1.	N/A
EOP-003-1	R2.	N/A
EOP-003-1	R3.	N/A
EOP-003-1	R4.	N/A
EOP-003-1	R5.	N/A
EOP-003-1	R6.	N/A
EOP-003-1	R7.	N/A
EOP-003-1	R8.	N/A
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.	N/A
EOP-005-1	R2.	N/A
EOP-005-1	R3.	N/A
EOP-005-1	R4.	N/A
EOP-005-1	R5.	N/A
EOP-005-1	R6.	N/A
EOP-005-1	R7.	N/A
EOP-005-1	R8.	N/A
EOP-005-1	R9.	N/A
EOP-005-1	R10.	N/A
EOP-005-1	R11.	N/A
EOP-006-1	R1.	N/A
EOP-006-1	R2.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
EOP-006-1	R3.	N/A
EOP-006-1	R4.	N/A
EOP-006-1	R5.	N/A
EOP-006-1	R6.	N/A
EOP-008-0	R1.	N/A
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.	N/A
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.	N/A
FAC-014-1	R6.	N/A
INT-001-3	R1.	N/A
INT-001-3	R2.	N/A
INT-003-2	R1.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
INT-004-2	R1.	N/A
INT-004-2	R2.	N/A
INT-005-2	R1.	N/A
INT-006-2	R1.	N/A
INT-007-1	R1.	N/A
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.	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
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

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
IRO-005-1	R6.	N/A
IRO-005-1	R7.	N/A
IRO-005-1	R8.	N/A
IRO-005-1	R9.	N/A
IRO-005-1	R10.	N/A
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.	N/A
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

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
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
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.	N/A
PER-002-0	R1.	N/A
PER-002-0	R2.	N/A
PER-002-0	R3.	N/A
PER-002-0	R4.	N/A
PER-003-0	R1.	N/A
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.	N/A
PRC-001-1	R2.	N/A
PRC-001-1	R3.	N/A
PRC-001-1	R4.	N/A
PRC-001-1	R5.	N/A
PRC-001-1	R6.	N/A
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

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

<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
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
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.	Compliant
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.	N/A
TOP-001-1	R2.	N/A
TOP-001-1	R3.	N/A
TOP-001-1	R4.	Compliant
TOP-001-1	R5.	N/A
TOP-001-1	R6.	N/A
TOP-001-1	R7.	N/A
TOP-001-1	R8.	N/A
TOP-002-2	R1.	N/A
TOP-002-2	R2.	N/A
TOP-002-2	R3.	Compliant
TOP-002-2	R4.	N/A
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.	N/A
TOP-002-2	R10.	N/A
TOP-002-2	R11.	N/A
TOP-002-2	R12.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
TOP-002-2	R13.	N/A
TOP-002-2	R14.	N/A
TOP-002-2	R15.	N/A
TOP-002-2	R16.	N/A
TOP-002-2	R17.	N/A
TOP-002-2	R18.	Compliant
TOP-002-2	R19.	N/A
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.	N/A
TOP-004-1	R2.	N/A
TOP-004-1	R3.	N/A
TOP-004-1	R4.	N/A
TOP-004-1	R5.	N/A
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.	N/A
TOP-006-1	R3.	N/A
TOP-006-1	R4.	N/A
TOP-006-1	R5.	N/A
TOP-006-1	R6.	N/A
TOP-006-1	R7.	N/A
TOP-007-0	R1.	N/A
TOP-007-0	R2.	N/A
TOP-007-0	R3.	N/A
TOP-007-0	R4.	N/A
TOP-008-1	R1.	N/A
TOP-008-1	R2.	N/A
TOP-008-1	R3.	N/A
TOP-008-1	R4.	N/A
TPL-001-0	R1.	N/A
TPL-001-0	R2.	N/A
TPL-001-0	R3.	N/A
TPL-002-0	R1.	N/A
TPL-002-0	R2.	N/A
TPL-002-0	R3.	N/A

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<b>Reliability Standard</b>	<b>Requirement</b>	<b>Finding</b>
TPL-003-0	R1.	N/A
TPL-003-0	R2.	N/A
TPL-003-0	R3.	N/A
TPL-004-0	R1.	N/A
TPL-004-0	R2.	N/A
VAR-001-1	R1.	N/A
VAR-001-1	R2.	N/A
VAR-001-1	R3.	N/A
VAR-001-1	R4.	N/A
VAR-001-1	R5.	N/A
VAR-001-1	R6.	N/A
VAR-001-1	R7.	N/A
VAR-001-1	R8.	N/A
VAR-001-1	R9.	N/A
VAR-001-1	R10.	N/A
VAR-001-1	R11.	N/A
VAR-001-1	R12.	N/A
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 Mississippi Power Internal Compliance Program in conjunction with the audit. Evidence reviewed in assessing the program included: Mississippi Power's Compliance Pre-Audit Survey, Ethics Southern Style program document, compliance staff organizational charts, interviews with Mississippi Power 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 that Mississippi Power's Internal Compliance Program documents and their staff's demonstrated compliance culture indicate a very effective compliance program.