



Compliance Audit Report Public Version

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**Dominion Energy Kewaunee, Inc.
(DOM-K)
NERC ID# NCR10015**

Date of Audit: May 10 – 26, 2010

Created by: Will Smith

Approved by: Wayne VanOsdol

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Executive Summary

A compliance audit of the Dominion Energy Kewaunee, Inc, (DOM-K) NERC ID # - NCR10015 was conducted from May 10 – 26, 2010. At the time of the audit, DOM-K was registered for the Generator Owner (GO) and Generator Operator (GOP) functions.

The audit team evaluated DOM-K for compliance with 44 requirements in the 2010 NERC Compliance Monitoring and Enforcement Program (CMEP). The audit team reviewed the NERC Reliability Standards for the period of June 18, 2007 to May 26, 2010. DOM-K submitted information and documentation for the audit team's evaluation of compliance with requirements. The audit team reviewed and evaluated all information provided by DOM-K to assess compliance with standards applicable to DOM-K at this time.

Based on the information and documentation provided by DOM-K, the audit team did not find any Possible Violations with the 44 applicable requirements.

These audit results are further explained in the Audit Results Findings section of this report which includes detailed information of the audit team's findings of applicability and compliance for the NERC Reliability Standards within the scope of the compliance audit.

There are no ongoing or recently completed mitigation plans and therefore none were reviewed by the audit team.

Audit Process

The compliance audit process steps are detailed in the MRO CMEP. The MRO 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 an audit for compliance with all Reliability Standards applicable to the functions for which the Registered Entity is registered.* The audit objectives are to:

- Review compliance with the requirements of Reliability Standards that are applicable to DOM-K, based on the functions that DOM-K is registered to perform;
- Validate compliance with applicable Reliability Standards from the NERC 2010 Implementation Plan list of actively monitored standards, and additional NERC Reliability Standards selected by MRO;
- Validate compliance with applicable Regional Standards from the NERC 2010 Implementation Plan list of actively monitored standards;
- Validate evidence of self-reported violations and previous self-certifications;
- Observe and document DOM-K's compliance program and culture;
- Review the status of mitigation plans.

Scope

The scope of the compliance audit included the NERC Reliability Standards from the MRO 2010 Implementation Plan. In addition, this audit included any self-reports, self-certifications, outstanding mitigation plans or remedial action directives which have been completed or pending in the year of the compliance audit.

At the time of the audit, DOM-K was registered for the functions GO and GOP. The audit team evaluated DOM-K for compliance during the period of June 18, 2007 to May 26, 2010.

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

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Confidentiality and Conflict of Interest

Confidentiality and Conflict of Interest of the audit team are governed under the MRO Delegation Agreement with NERC, and Section 1500 of the NERC Rules of Procedure. DOM-K was informed of MRO's obligations and responsibilities under the agreement and procedures. The work history for each audit team member was provided to DOM-K. DOM-K was given an opportunity to object to an audit team member's participation on the basis of a possible conflict of interest or the existence of other circumstances that could interfere with an audit team member's impartial performance of duties. DOM-K had not submitted any objections by the stated fifteen day objection due date and accepted the audit team member participants without objection. There have been no denials of or access limitations placed upon this audit team by DOM-K.

Methodology

The audit team reviewed the information, data, and evidence submitted by DOM-K and assessed compliance with requirements of the applicable reliability standards. Submittal of information and data were sent to MRO thirty days before the scheduled date of the entity review. Additional information relevant to the audit could be submitted until the last day of the review at the audit site. After that date, only data or information which was relevant to the content of the report or its finding can be submitted upon agreement by the audit team lead.

The audit team requested and received additional information and sought clarification from subject matter experts during the audit.

The audit team reviewed documentation provided by DOM-K. Data, information and evidence submitted in the form of policies, procedures, emails, logs, studies, data sheets, etc. which were validated, substantiated and cross checked for accuracy as appropriate. Requirements which required a sampling to be conducted were developed based upon the significance of the sampling to the reliability of the Bulk Electrical System (BES).

Findings were based on the audit team's knowledge of the BES, the NERC Reliability Standards and their professional judgment. All findings were developed based upon the consensus of the audit team.

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Company Profile

Dominion Energy Kewaunee, Inc (DOM-K) is listed in the NERC registry under the NCR10015 and as such is registered as a GO/GOP. DOM-K is also known as Kewaunee or Kewaunee Nuclear Power Station (KPS). This single unit nuclear generation plant was purchased by the holding company, Dominion Resources, Inc. in 2005 and is operated as an Exempt Wholesale Generator.

Dominion Resources is one of the nation's largest producers and transporters of energy, with a portfolio of more than 27,500 megawatts of generation, 1.2 trillion cubic feet equivalent of proved natural gas and oil reserves, 14,000 miles of natural gas transmission, gathering and storage pipeline and 6,000 miles of electric transmission lines.

Dominion operates the nation's largest natural gas storage system with 975 billion cubic feet of storage capacity and serves retail energy customers in 12 states. Dominion Resources is segmented into four operating groups: Dominion Virginia Power is the regulated vertically integrated utility that primarily serves 2.4 million electric customers in VA and NC, Dominion Energy is the gas transmission business and serves 1.2 million natural gas customers in OH and has 1.8 million non regulated retail customers in 12 states and Dominion Generation includes both regulated and market base generation and Dominion Corporate provides the common business functions.

Audit Participants

The following is a listing of all personnel from the Audit Team and DOM-K who were present during the meetings or interviews.

Audit Team Participants

Title	Entity
Compliance Audit Manager	MRO
Compliance Principal	MRO
Sr. Engineer	MRO
Compliance Principal	MRO

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DOM-K Audit Participants

Title	Entity
Project Manager	DOM-K
VP –Support Services - Nuclear	DOM-K
Dir. Lic & Ops Support	DOM-K
Nuclear Ops. Support/Nuclear Tech. Spec. III	DOM-K
Director of Engineering	DOM-K
System Engineering – Substation	DOM-K
Electrical Maint. Supervisor	DOM-K
Electrical Maint. First-line Supervisor	DOM-K
Elec. Engineering Tech. Specialist III	DOM-K
Component Engineer – XFMR's & Relays	DOM-K
System/Comp Engineer	DOM-K
Supervisor Operations Support/Shift Manager	DOM-K
Outage Coordinator	DOM-K
Scheduling Supervisor	DOM-K
Elec./I&C Design Engineering Supervisor	DOM-K

Audit Results

The audit team evaluated DOM-K for compliance with 44 requirements in the 2010 NERC Compliance Monitoring and Enforcement Program (CMEP). The audit reviewed NERC Reliability Standards for the period of June 18, 2007 through February 4, 2010. DOM-K submitted information and documentation for the audit team's evaluation of compliance with requirements. The audit team reviewed and evaluated all information provided by DOM-K to assess compliance with standards applicable to DOM-K at this time.

Based on the information and documentation provided by DOM-K, the audit team found DOM-K to be compliant with 44 applicable requirements.

Findings

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The following table details the findings for compliance for the scope identified for this audit.

Evidence Supporting Finding

Conducted On: **May 25, 2010**

Entity: **Dominion Energy Kewaunee, Inc. (DOM-K)**

Address: **490 N Hwy 42, Kewaunee, Wisconsin 54216, United States**

NERC Compliance Registry ID: **NCR10015**

Standard Requirement	Compliant
CIP-001-1 R1	Yes
CIP-001-1 R2	Yes
CIP-001-1 R3	Yes
CIP-001-1 R4	Yes
COM-002-2 R1	Yes
FAC-002-0 R1	Yes
FAC-008-1 R1	Yes
FAC-008-1 R2	Yes
FAC-008-1 R3	Yes
FAC-009-1 R1	Yes
FAC-009-1 R2	Yes
IRO-001-1.1 R8	Yes
IRO-004-1 R4	Yes
IRO-005-2 R13	Yes
NUC-001-1 R3	Yes
NUC-001-1 R4	Yes
NUC-001-1 R5	Yes
NUC-001-1 R6	Yes
NUC-001-1 R7	Yes
NUC-001-1 R8	Yes
PRC-001-1 R1	Yes
PRC-001-1 R2	Yes
PRC-001-1 R3	Yes
PRC-001-1 R5	Yes
PRC-004-1 R2	Yes
PRC-005-1 R1	Yes
PRC-005-1 R2	Yes
PRC-017-0 R1	Yes
TOP-001-1 R3	Yes
TOP-001-1 R6	Yes
TOP-001-1 R7	Yes
TOP-002-2A R13	Yes
TOP-002-2A R14	Yes
TOP-002-2A R15	Yes
TOP-002-2A R18	Yes

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Standard Requirement	Compliant
TOP-002-2A R3	Yes
TOP-003-0 R1	Yes
TOP-003-0 R2	Yes
TOP-003-0 R3	Yes
VAR-002-1.1A R1	Yes
VAR-002-1.1A R2	Yes
VAR-002-1.1A R3	Yes
VAR-002-1.1A R4	Yes
VAR-002-1.1A R5	Yes

Compliance Culture

DOM-K compliance culture was not reviewed by the audit team.

Additional information pertaining to the compliance culture of DOM-K can be found in the Internal Compliance Survey.