



Compliance Audit Report Public Version

**US Department of Energy
Richland Operations Office
NERC ID: NCR05442**

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

Date of Audit: February 23, 2011

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Executive Summary

A compliance audit of US Department of Energy Richland Operations Office (“DOERL”), NERC ID # - NCR05442 was conducted on February 23, 2011. At the time of the audit, DOERL was registered for the Distribution Provider (“DP”), Load Serving Entity (“LSE”), and Transmission Owner (“TO”) functions.

The audit team evaluated DOERL for compliance with fifty-three (53) Reliability standard requirements, which included fifty (50) requirements as directed by the 2011 NERC Compliance Monitoring and Enforcement Program Implementation Plan (“CMEP IP”) and three (3) of the WECC Regional Reliability Standards requirements. The evaluation was for the period of June 18, 2007 to February 23, 2011.

DOERL submitted information and documentation for the audit team’s evaluation of compliance with requirements. The audit team reviewed and evaluated all information provided by DOERL to assess compliance with standards applicable to DOERL at this time. Based on the information and documentation provided by DOERL, the audit team determined the following findings for DOERL, summarized in the table below:

	No Finding	Not Applicable	OEA*	Possible Violation	Total
Reliability Standard Requirements	18	32	0	0	50
WECC Regional Standard Requirements	0	3	0	0	3
Total	18	35	0	0	53

* Open Enforcement Action (see Findings section below for detailed explanation).

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, and applicable WECC Regional Reliability Standards, within the scope of the compliance audit. Any Possible Violations will be processed through the NERC and WECC CMEP. There were no ongoing or recently completed mitigation plans and therefore none were reviewed by the Audit Team.

The WECC audit team lead certifies that the audit team adhered to all applicable requirements of the NERC Rules of Procedure (“ROP”) and CMEP.¹

¹ This statement replaces the Regional Entity Self-Certification process.

Audit Process

The compliance audit process steps are detailed in the WECC CMEP. The WECC 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.² The audit objectives are to:

- Review compliance with the requirements of reliability standards that are applicable to DOERL, based on the functions that DOERL is registered to perform;
- Validate compliance with applicable reliability standards from the NERC 2011 Implementation Plan list of actively monitored standards, and additional NERC Reliability Standards selected by WECC;
- Validate compliance with applicable regional standards from the WECC 2011 Implementation Plan list of actively monitored standards;
- Validate evidence of self-reported violations and previous self-certifications;
- Observe and document DOERL's compliance program and culture; and
- Review the status of mitigation plans.

Scope

The scope of the compliance audit included the NERC Reliability Standards from the WECC 2011 Implementation Plan. In addition, this audit included a review of 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, DOERL was registered for the functions of Distribution Provider ("DP"), Load Serving Entity ("LSE"), and Transmission Owner ("TO"). The audit team evaluated DOERL for compliance during the period of June 18, 2007 to February 23, 2011.

² North American Electric Reliability Corporation CMEP, paragraph 3.1, Compliance Audits

Confidentiality and Conflict of Interest

Confidentiality and conflict of interest of the audit team are governed under the WECC Delegation Agreement with NERC, and Section 1500 of the NERC Rules of Procedure. DOERL was informed of WECC's obligations and responsibilities under the agreement and procedures. The work history for each audit team member was provided to DOERL. DOERL 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. DOERL 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 DOERL.

Methodology

The audit team reviewed the information, data, and evidence submitted by DOERL and assessed compliance with requirements of the applicable reliability standards. Submittal of information and data were sent to WECC twenty-six (26) days before the scheduled date of the entity review. Additional information relevant to the audit could be submitted until the conclusion of the exit briefing. 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 DOERL. Data, information and evidence submitted in the form of policies, procedures, e-mails, logs, studies, data sheets, etc. which were validated, substantiated and cross-checked for accuracy as appropriate. Where sampling is applicable to a requirement, the sample set is determined by a statistical methodology augmented with professional judgment to ensure that the sample set is representative of the requirement's significance 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.

Company Profile

The US Department of Energy Richland Operations Office (DOERL) is an operations office of DOE. The electrical system at DOERL is composed of 115 & 230kV, transmission lines, Distribution Substations and 13.8 kV distribution systems which serve the 586 square mile Hanford Site.

Audit Participants

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

Audit Team Participants

Role	Title	Entity
Audit Team Lead	Senior Compliance Engineer	WECC
Team Member	Consultant	WECC

DOERL Audit Participants

Title	Entity
Engineer	DOERL
Manager of Electric Utilities	Mission Support Alliance, LLC
Operations Specialist	Mission Support Alliance, LLC
Administrative Assistant	Mission Support Alliance, LLC.

Audit Results

The audit team evaluated DOERL for compliance with fifty-three (53) Reliability standard requirements, which included fifty (50) requirements as directed by the 2011 NERC Compliance Monitoring and Enforcement Program Implementation Plan (“CMEP IP”) and three (3) of the WECC Regional Reliability Standards requirements. The evaluation was for the period of June 18, 2007 to February 23, 2011.

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Findings

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

No Finding: The audit team did not discover areas of non-compliance based on the evidence presented by the Registered Entity and reviewed by the audit team.

Not Applicable:

- The Requirement does not apply to the Registered Entity based on the entity's registered functions.
- The Requirement applies to the Registered Entity based on their functional registration but the entity does not possess the system(s) referenced in the Requirement.

Standard	Req.	Finding
CIP-001-1	R1.	No Finding
CIP-001-1	R2.	No Finding
CIP-001-1	R3.	No Finding
CIP-001-1	R4.	No Finding
FAC-003-1	R1.	No Finding
FAC-003-1	R2.	No Finding
FAC-008-1	R1.	No Finding
FAC-008-1	R2.	No Finding
FAC-009-1	R1.	No Finding
FAC-009-1	R2.	No Finding
IRO-004-1	R1.	Not Applicable
IRO-004-1	R2.	Not Applicable
IRO-004-1	R3.	Not Applicable
IRO-004-1	R4.	No Finding
IRO-004-1	R5.	Not Applicable
IRO-004-1	R6.	Not Applicable

Standard	Req.	Finding
IRO-004-1	R7.	Not Applicable
IRO-005-2	R1.	Not Applicable
IRO-005-2	R2.	Not Applicable
IRO-005-2	R3.	Not Applicable
IRO-005-2	R4.	Not Applicable
IRO-005-2	R5.	Not Applicable
IRO-005-2	R6.	Not Applicable
IRO-005-2	R7.	Not Applicable
IRO-005-2	R8.	Not Applicable
IRO-005-2	R9.	Not Applicable
IRO-005-2	R10.	Not Applicable
IRO-005-2	R11.	Not Applicable
IRO-005-2	R12.	Not Applicable
IRO-005-2	R13.	No Finding
IRO-005-2	R14.	Not Applicable
IRO-005-2	R15.	Not Applicable
IRO-005-2	R16.	Not Applicable
IRO-005-2	R17.	Not Applicable
IRO-STD-006-0	WR1.	Not Applicable
PRC-STD-003-0	WR1.	Not Applicable
PRC-004-1	R1.	No Finding
PRC-004-1	R2.	Not Applicable
PRC-005-1	R1.	No Finding
PRC-005-1	R2.	No Finding
PRC-STD-005-1	WR1.	Not Applicable
PRC-008-0	R1.	Not Applicable
PRC-008-0	R2.	Not Applicable
PRC-011-0	R1.	Not Applicable
PRC-001-0	R2.	Not Applicable
PRC-017-0	R1.	Not Applicable
PRC-017-0	R2.	Not Applicable
PRC-023-1	R1.	No Finding
PRC-023-1	R2.	Not Applicable
TOP-002-2a	R3.	No Finding
TOP-002-2a	R6.	Not Applicable
TOP-002-2a	R11.	Not Applicable
TOP-002-2a	R18.	No Finding

Compliance Culture

DOERL compliance culture was not reviewed by the audit team.

Exit Briefing

To conclude the audit, the Audit Team leader gave a PowerPoint presentation for DOERL's personnel summarizing the Audit Team's preliminary findings. The Audit Team leader also explained the next steps in the audit process and how WECC handles possible violations under the CMEP.

In Accordance with WECC CMEP Section 3.1.6:

WECC provided the draft of this audit report and an Entity Comment Form to DOERL on March 18, 2011 for review and comment. On March 28, 2011, DOERL provided comments. The Entity Comment Form on file in the WECC Compliance Department provides record of these comments and WECC's consideration of them for inclusion in this final report.

Management Approval

This report was reviewed and approved by John McGhee, WECC Director of Compliance Audits and Investigations on April 15, 2011.