



Compliance Spot Check Report Public Version

Entergy

(NCR01234)

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

Date of Spot Check: April 12, 2011

TABLE OF CONTENTS

Executive Summary	3
Spot Check Process.....	3
Objectives.....	3
Scope	4
Confidentiality and Conflict of Interest	4
Methodology.....	4
Company Profile	5
Spot Check Participants.....	5
Findings	6

Executive Summary

A compliance spot check of Entergy (NCR01234) was conducted on April 12, 2011. At the time of the spot check, Entergy was registered for the Balancing Authority (BA), Distribution Provider (DP), Generator Owner (GO), Generator Operator (GOP), Load-Serving Entity (LSE), Planning Authority (PA), Transmission Owner (TO), Transmission Planner (TP), Transmission Operator (TOP), and Transmission Service Provider (TSP) functions that apply to the NUC-001-2 standard.

The spot check team evaluated Entergy for compliance with two requirements in the 2011 NERC Compliance Monitoring and Enforcement Program (CMEP). The spot check team assessed compliance with one NERC Reliability Standard for the period of April 1, 2010 to April 12, 2011. Entergy submitted information and documentation for the spot check team's evaluation of compliance with requirements. The spot check team reviewed and evaluated all information provided by Entergy to assess compliance with the standard as applicable to Entergy.

The spot check team did not discover areas of non-compliance based on the evidence presented by the registered entity and reviewed by the spot check team.

These spot check results are further explained in the Spot Check Results Findings section of this report. This includes detailed information of the spot check team's findings of applicability and compliance for the NERC Reliability Standards within the scope of the compliance spot check. Any Possible Violations will be processed through the NERC and SERC Reliability Corporation (SERC) CMEP. There were no ongoing or recently completed mitigation plans concerning NUC-001 and therefore no mitigation plans were reviewed by the spot check team.

The SERC spot check team lead certifies that the spot check team adhered to all applicable requirements of the NERC Rules of Procedure (ROP) and Compliance Monitoring and Enforcement Program (CMEP) for spot checks.

Spot Check Process

The compliance spot check process steps are detailed in the SERC CMEP. The SERC 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 a spot check for compliance with any reliability standards applicable to the functions for which the registered entity is registered.¹ The spot check objectives are to:

¹ North American Electric Reliability Corporation CMEP, paragraph 3.1, Compliance Audits
Entergy Compliance Spot Check Report
May 9, 2011
Page 3 of 6

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

- Review compliance with the requirements of reliability standards that are applicable to Entergy, based on the functions that Entergy is registered to perform and identified in the spot check detail letter;
- Validate compliance with applicable reliability standards from the NERC 2011 Implementation Plan list of actively monitored standards, and additional NERC Reliability Standards selected by SERC;
- Validate compliance with applicable regional standards from the SERC 2011 Implementation Plan list of actively monitored standards;
- Review the status of mitigation plans for the standards in scope of the spot check.

Scope

The scope of the compliance spot check included one NERC Reliability Standard from the SERC 2011 Implementation Plan and identified as a NERC 2011 Actively Monitored Reliability Standard.

At the time of the spot check, Entergy was registered for the Balancing Authority (BA), Distribution Provider (DP), Generator Owner (GO), Generator Operator (GOP), Load-Serving Entity (LSE), Planning Authority (PA), Transmission Owner (TO), Transmission Planner (TP), Transmission Operator (TOP), and Transmission Service Provider (TSP) functions that apply to the NUC-001-2 standard. The spot check team evaluated Entergy for compliance during the period of the lesser of: 1) date of registration to date of audit exit presentation; 2) date of last audit or spot check to date of audit exit presentation; or, 3) mandatory effective date of the applicable standard to date of audit exit presentation.

Confidentiality and Conflict of Interest

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

Methodology

The spot check team reviewed the information, data, and evidence submitted by Entergy and assessed compliance with requirements of the applicable reliability standards. Submittal of information and data were sent to SERC 15 days before the scheduled date of the entity review. Additional information relevant to the spot check could be submitted until the conclusion of the spot check.

The spot check team reviewed documentation provided by Entergy. Data, information, and evidence submitted in the form of policies, procedures, emails, logs, studies, data sheets, etc. 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 electric system (BES).

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

Company Profile

Entergy Corporation is a utility holding company headquartered in New Orleans, Louisiana. Entergy owns and operates generation facilities and delivers electricity to customers in Arkansas, Mississippi, Texas, and Louisiana, including the City of New Orleans. The utility operating companies are Entergy Arkansas, Inc., Entergy Gulf States Louisiana, L.L.C., Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy New Orleans, Inc., and Entergy Texas, Inc.

The corporate structure also includes service companies, such as Entergy Services, Inc. (the retail utility electric system operator as well as provider of corporate support services), Entergy Operations, Inc. (utility nuclear plant operations), Entergy Enterprises, Inc. (non-nuclear wholesale assets business operations), and Entergy Nuclear Operations, Inc. (non-utility nuclear plant operations).

In addition, the corporate family includes non-utility nuclear plants ownership and operations located in the northern United States. Entergy also has a non-nuclear wholesale assets business (Entergy Wholesale Commodities).

For NERC Registration NCR01234 (Entergy) in the SERC Region, the vertical integration structure of the corporation means that the nuclear generator operators and the transmission operator functions operate under the same parent company.

Spot Check Participants

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

Spot Check Team Participants

Role	Title	Entity
Spot Check Team Lead	Senior Compliance Auditor	SERC
Team Member	Senior Compliance Auditor	SERC

Entergy Spot Check Participants

Title	Entity
Engineer I, Nuclear	Entergy
Mgr, Trans. Ops & Planning	Entergy
Mgr, Trans. Security Coord.	Entergy
Dir, T&D Planning	Entergy
Mgr, T&D Process Controls	Entergy
Manager, NERC Compliance	Entergy
Project Manager, NERC Compliance	Entergy

Spot Check Results

The spot check team evaluated Entergy for compliance with two requirements in the 2011 NERC Compliance Monitoring and Enforcement Program (CMEP). The spot check reviewed NERC Reliability Standard NUC-001-2 for the period of April 1, 2010 to April 12, 2011. Entergy submitted information and documentation for the spot check team's evaluation of compliance with requirements. The spot check team reviewed and evaluated all information provided by Entergy to assess compliance with standards applicable to Entergy at this time.

The spot check team did not discover areas of non-compliance based on the evidence presented by the registered entity and reviewed by the spot check team.

Findings

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

Reliability Std.	Req.	Finding
NUC-001-2	R1.	No Findings
NUC-001-2	R2.	No Findings