

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



Compliance Audit Report Public Version

**Turlock Irrigation District
NERC ID# NCR05435**

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

**Date of Audit: September 06-16, 2011
Date of Report: November 07, 2011**

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Executive Summary

A compliance audit of Turlock Irrigation District TID, NERC ID # - NCR05435 was conducted from September 06-16, 2011. At the time of the audit, TID was registered for the Balancing Authority (BA), Distribution Provider (DP), Generator Owner (GO), Generator Operator (GOP), Load-Serving Entity (LSE), Planning Authority (PA) Purchasing-Selling Entity (PSE), Resource Planner, Transmission Owner (TO), Transmission Operator (TOP) functions, Transmission Planner, and Transmission Service Provider.

The audit team evaluated TID for compliance with one hundred twenty-four (124) requirements in the 2011 NERC Compliance Monitoring and Enforcement Program (CMEP). The audit team assessed compliance with the NERC Reliability Standards, and applicable Regional Reliability Standards, for the period of October 10, 2008 to September 16, 2011. TID submitted information and documentation for the audit team's evaluation of compliance with requirements. The audit team reviewed and evaluated all information provided by TID to assess compliance with standards applicable to TID at this time. Based on the information and documentation provided by TID, the audit team determined the following findings for TID, summarized in the table below:

	No Finding	Not Applicable	OEA*	Possible Violation	Total
Reliability Standard Requirements	71	53	0	0	124
WECC Regional Standard Requirements	10	7	0	0	17
Total	81	60	0	0	141

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

The audit team notified TID of zero Areas of Concern* or Recommendations.

The 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 to the NERC Reliability Standards, and Applicable Regional Reliability Standards, within the scope of the compliance audit. Possible Violations will be processed as outlined in 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.†

* Per FERC Guidance Order on Compliance Audits Conducted by the Electric Reliability Organization and Regional Entities, dated January 15, 2009.

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.[‡] The audit objectives are to:

- Review compliance with the requirements of reliability standards that are applicable to TID, based on the functions that TID 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 TID'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 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, TID was registered for the functions of BA, DP, GO, GOP, LSE, PA, PSE, RP, TO, TOP, TP, and TSP. The audit team evaluated TID for compliance during the period of October 10, 2008 to September 16, 2011.

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 ROP. TID was informed of WECC's obligations and responsibilities under the agreement and procedures. The work history for each audit team member was provided to TID. TID was given an opportunity to object to an audit team member's participation on the basis

[†] This statement replaces the Regional Entity Self-Certification process.

[‡] North American Electric Reliability Corporation CMEP, paragraph 3.1, Compliance Audits

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. TID 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 TID.

Methodology

The audit team reviewed the information, data, and evidence submitted by TID and assessed compliance with requirements of the applicable reliability standards. Submittal of information and data were sent to WECC 21 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 TID. 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 Electric 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

TID is an irrigation district organized in 1887 under the provisions of the Wright Act (California Water Code). TID supplies water for irrigation as well as electricity for the TID service area. TID has a 5-member Board of Directors elected by the voters in the TID service area. A General Manager oversees the irrigation and electric business from TID's general office located in Turlock, California. TID provides electric service to a 625 square mile service area which includes portions of Stanislaus, Merced and Tuolumne counties in central California. TID has 32 miles of 230 kV, 123 miles of 115 kV and 180 miles of 69 kV transmission lines. Distribution voltage is 12 kV. The TID Balancing Authority interconnects with the California Independent System Operator and the Balancing Authority of Northern California (BANC). TID as a Transmission Operator Interconnects with Pacific Gas and Electric Company, Modesto Irrigation District, California Independent System Operator and the City and County of San Francisco.

Audit Participants

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

Audit Team Participants

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

TID Audit Participants

Title	Entity
Maintenance and Operations Dept. Manager of Security and CIP	TID
Electrical Engineering and Operations Department Manager	TID
Electrical Engineering Department Manager	TID
Sr. Electrical Engineer	TID
Transmission Planning Engineer	TID
Electrical Engineering and Operations Department	TID
Line Department Manager	TID
Senior Electrical Engineer	TID
Administrative Assistant	TID

Audit Results

The audit team evaluated TID for compliance with one hundred twenty-four (124) requirements in the 2011 NERC Compliance Monitoring and Enforcement Program (CMEP). The audit team assessed compliance with the NERC Reliability Standards, and applicable Regional Reliability Standards, for the period of October 10, 2008 to September 16, 2011. TID submitted information and documentation for the audit team's evaluation of compliance with requirements. The audit team reviewed and evaluated all information provided by TID to assess compliance with standards applicable to TID at this time. Based on the information and documentation provided by

TID, the audit team determined the following findings for TID, summarized in the table below:

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The audit team did not identify any Areas of Concern[§] or Recommendations.

The 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 to the NERC Reliability Standards, and Applicable Regional Reliability Standards, within the scope of the compliance audit. Possible Violations will be processed as outlined in the NERC and WECC CMEP. There were no ongoing or recently completed mitigation plans and therefore none were reviewed by the audit team.

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 functions for which the entity is registered.
- 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. Examples could be that the entity does not possess black start units, SPS, or UVLS.

[§] Per FERC Guidance Order on Compliance Audits Conducted by the Electric Reliability Organization and Regional Entities, dated January 15, 2009.

Reliability Standard	Req.	Finding
BAL-004-WECC-1	R1.	No Finding
BAL-004-WECC-1	R2.	No Finding
BAL-004-WECC-1	R3.	No Finding
BAL-004-WECC-1	R4.	No 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
COM-001-1.1	R1.	No Finding
COM-001-1.1	R2.	No Finding
COM-001-1.1	R3.	No Finding
COM-001-1.1	R4.	No Finding
COM-001-1.1	R5.	No Finding
COM-001-1.1	R6.	Not Applicable
COM-002-2	R1.	No Finding
COM-002-2	R2.	No Finding
EOP-001-0	R2.	No Finding
EOP-001-0	R3.	No Finding
EOP-001-0	R5.	No Finding
EOP-002-2.1	R7.	No Finding
EOP-002-2.1	R8.	Not Applicable
EOP-003-1	R2.	No Finding
EOP-003-1	R3.	No Finding
EOP-003-1	R4.	No Finding
EOP-003-1	R8.	No Finding
EOP-005-1	R1.	No Finding
EOP-005-1	R2.	No Finding
EOP-005-1	R3.	No Finding
EOP-005-1	R4.	No Finding
EOP-005-1	R5.	No Finding
EOP-005-1	R6.	No Finding
EOP-005-1	R7.	No Finding
EOP-005-1	R9.	No Finding
EOP-005-1	R10.	No Finding
EOP-008-0	R1.	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
FAC-501-WECC-1	R1.	Not Applicable
FAC-501-WECC-1	R2.	Not Applicable
FAC-501-WECC-1	R3.	Not Applicable
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
IRO-004-1	R7.	No Finding
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.	No Finding
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
MOD-001-1	R1.	Not Applicable
MOD-001-1	R2.	Not Applicable
MOD-001-1	R3.	Not Applicable
MOD-001-1	R4.	Not Applicable
MOD-001-1	R5.	Not Applicable
MOD-001-1	R6.	Not Applicable
MOD-001-1	R7.	Not Applicable
MOD-001-1	R8.	Not Applicable
MOD-001-1	R9.	Not Applicable
MOD-004-1	R1.	Not Applicable

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MOD-004-1	R2.	Not Applicable
MOD-004-1	R3.	Not Applicable
MOD-004-1	R4.	Not Applicable
MOD-004-1	R5.	Not Applicable
MOD-004-1	R6.	Not Applicable
MOD-004-1	R7.	Not Applicable
MOD-004-1	R8.	Not Applicable
MOD-004-1	R9.	Not Applicable
MOD-004-1	R10.	Not Applicable
MOD-004-1	R11.	Not Applicable
MOD-004-1	R12.	Not Applicable
MOD-008-1	R1.	Not Applicable
MOD-008-1	R2.	Not Applicable
MOD-008-1	R3.	Not Applicable
MOD-008-1	R4.	Not Applicable
MOD-008-1	R5.	Not Applicable
PER-002-0	R1.	No Finding
PER-002-0	R2.	No Finding
PER-002-0	R3.	No Finding
PER-002-0	R4.	No Finding
PRC-001-1	R1.	Not Applicable
PRC-001-1	R2.	No Finding
PRC-001-1	R3.	No Finding
PRC-001-1	R4.	No Finding
PRC-001-1	R5.	No Finding
PRC-001-1	R6.	Not Applicable
PRC-STD-003-1	WR1.	Not Applicable
PRC-004-1	R1.	No Finding
PRC-004-1	R2.	No Finding
PRC-005-1	R1.	No Finding
PRC-005-1	R2.	No Finding
PRC-008-1	R1.	No Finding
PRC-008-1	R2.	No Finding
PRC-011-0	R1.	Not Applicable
PRC-017-1	R1.	Not Applicable
PRC-017-1	R2.	Not Applicable
PRC-023-1	R1.	No Finding
TOP-002-2a	R3.	No Finding
TOP-002-2a	R6.	No Finding
TOP-002-2a	R11.	No Finding
TOP-002-2a	R18.	No Finding

TOP-004-2	R6.	No Finding
TOP-STD-007-0	WR1	Not Applicable
TOP-007-WECC-1	R1.	Not Applicable
TOP-007-WECC-1	R2.	Not Applicable
TPL-002-0a	R1.	No Finding
TPL-002-0a	R2.	No Finding
TPL-003-0a	R1.	No Finding
VAR-001-1	R1.	No Finding
VAR-001-1	R2.	No Finding
VAR-001-1	R3.	No Finding
VAR-001-1	R4.	No Finding
VAR-001-1	R6.	No Finding
VAR-001-1	R9.	No Finding
VAR-002-1.1b	R1.	No Finding
VAR-002-1.1b	R2.	No Finding
VAR-002-1.1b	R3.	No Finding
VAR-STD-002a-1	WR1	No Finding
VAR-002-WECC-1	R1	No Finding
VAR-002-WECC-1	R2	No Finding
VAR-STD-002b-1	WR1	No Finding
VAR-501-WECC-1	R1.	No Finding
VAR-501-WECC-1	R2.	No Finding

Compliance Culture

TID's compliance culture was reviewed by the audit team.

Additional information pertaining to the compliance culture of TID can found in the Internal Compliance Survey

Areas of Concern & Recommendations

The audit team did not identify any Area of Concern for TID.

The audit team did not identify any Recommendations for TID.

Exit Briefing

To conclude the audit, the Audit Team leader gave a slide presentation for TID'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 TID on November 02, 2011 for review and comment. On November 07, 2011, TID 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 November 17th, 2011.