Attachment a

Source Document

FRCC Compliance Self Reporting Form

Registered Entity _New Smyrna Beach_____

Date of Violation: Month __12_____ Day ___18____ Year __2007___

Time of Violation _____
(As appropriate, based upon the time frame associated with the reliability standard)

For EACH violation, please provide the following:

1. The Reliability Standard and requirement violated.
   BAL-005-0 R8.1.

2. Violation Severity Level.

3. The specifics of the violation and the reliability impact of the violation to the bulk power system.
   NSB does not have automatic transfer of frequency metering in case of failure of primary frequency source. No reliability impact to the bulk power system.

4. Company contact persons name, title, and contact number(s).
   Tim Beyrle, Director of System Operations & Generation
   (386) 424-3160
5. Describe any confidentiality issues.
   None

6. Actions taken or to be taken (include timetable) to ensure violation is corrected. Attach completed Mitigation Plan if appropriate.
   ACE is transmitted to Progress Energy Florida (PEF) per contractual agreement. NSB will determine if PEF can receive only inadvertent (with no frequency component) and provide the required correction for frequency. This action will also require approval of FRCC. If this action is unacceptable, NSB SCADA will be modified to provide automatic failover of frequency source.

Additional Comments: ☐ Comments attached.

Submitted by: Tim Beyrle

Title: Director of System Operations & Generation

Please send your completed form to compliancemanager@frcc.com

Attachment b

Settlement Agreement(s)

FRCC
Florida Reliability Coordinating Council, Inc.

FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
1408 N. WESTSHORE BLVD., SUITE 1002
TAMPA, FLORIDA 33607-4512
PHONE 813.289.5644 • FAX 813.289.5646
WWW.FRCC.COM

VIA E-MAIL

August 31, 2009

Mr. Tim Beyrle
Director of System Operations and Generation
Utilities Commission, City of New Smyrna Beach
P.O. Box 100
New Smyrna Beach, FL 32170

Re: Notice of Proposed Expedited Disposition of Pending Violations or Alleged Violations

Dear Mr. Beyrle,

This letter is giving notice that Florida Reliability Coordinating Council, Inc. proposes expedited disposition of the pending violations or alleged violations listed in **Attachment B**. **Please review the information below and respond in writing no later than five (5) days from the date of this Notice.** Responses should be directed to Barry Pagel, Manager of Compliance, at compliancemanger@frcc.com. If you have questions, please call Richard Gilbert at 813-207-7991 or Barry Pagel at 813-207-7968.

Florida Reliability Coordinating Council, Inc. intends to submit to the North American Electric Reliability Corporation ("NERC") for filing with the Federal Energy Regulatory Commission ("FERC" or "Commission") a request to expedite resolution of the pending violations or alleged violations listed in **Attachment B** and to accept disposition of these violations or alleged violations under the terms of the Agreement in **Attachment A** hereto, based on the following factors:

- The violations did not pose a serious or substantial risk to system reliability.
- The violations occurred, and were reported to or identified by Florida Reliability Coordinating Council, Inc., prior to July 3. 2008.
- The violations have been mitigated with mitigation plan completion verified by Florida Reliability Coordinating Council, Inc. or the violations are being mitigated under the terms of a mitigation plan that has been approved by Florida Reliability Coordinating Council, Inc. and NERC.

This proposed expedited disposition will result in the assessment of the penalty identified for each of the respective violations listed in **Attachment B** if this disposition is accepted by Utilities Commission of New Smyrna Beach and approved by NERC and FERC.

If Utilities Commission of New Smyrna Beach accepts this proposed expedited disposition, sign the attached Agreement and return it to Florida Reliability Coordinating Council, Inc. within five **(5) days** after the date of this Notice. ***If Utilities Commission of New Smyrna Beach does not wish to accept this proposed expedited disposition, sign the attached OPT OUT ATTACHMENT A1 and return it to Florida Reliability Coordinating Council, Inc. within five (5) days after the date of this Notice.***

Sincerely,

Barry G. Pagel
Manager of Compliance

BP/rg

Attachments:
A – Agreement
A1– Decision to Opt Out
B – List of Violations and associated Penalties

ATTACHMENT A

AGREEMENT

Utilities Commission, City of New Smyrna Beach and Florida Reliability Coordinating Council, Inc. agree to the following:

1. Acceptance of this Agreement results in the assessment of $ 0.00 (zero dollars) for the violations listed in **Attachment B,** subject to approval by the North American Electric Reliability Corporation ("NERC") and the Federal Energy Regulatory Commission ("FERC" or "Commission"). For monetary penalty payments the Florida Reliability Coordinating Council, Inc. will send an invoice to the Utilities Commission, City of New Smyrna Beach within thirty-one (31) days after the Agreement is either approved by the Commission or is rendered effective by operation of law. Payment of this invoice must be made by check or by wire transfer to a Florida Reliability Coordinating Council, Inc. account outlined in the invoice within thirty-one (31) days after the receipt of the invoice. Florida Reliability Coordinating Council, Inc. shall notify NERC and NERC shall notify the Commission if the payment is not received.

2. The violations listed in **Attachment B** will be considered Confirmed Violations for all purposes and may be used as aggravating factors in accordance with the NERC Sanction Guidelines for determining appropriate monetary penalties or sanctions for future violations.

3. Utilities Commission, City of New Smyrna Beach attests there have been no repeat occurrences of the violations listed in **Attachment B** as of the date of this attestation.

4. If Utilities Commission, City of New Smyrna Beach does not make the monetary penalty payment above at the times agreed by the parties, interest payable to Florida Reliability Coordinating Council, Inc. will begin to accrue pursuant to the Commission's regulations at 18 C.F.R. § 35.19(a)(2)(iii) from the date that payment is due, in addition to the penalty specified above.

5. In the event Utilities Commission, City of New Smyrna Beach fails to make the monetary penalty payment set forth below, Florida Reliability Coordinating Council, Inc. will initiate enforcement, penalty, or sanction actions against Utilities Commission, City of New Smyrna Beach to the maximum extent allowed by the NERC Rules of Procedure, up to the maximum statutorily allowed penalty. Except as otherwise specified in this Disposition Agreement, Utilities Commission, City of New Smyrna Beach

shall retain all rights to defend against such enforcement actions, also according to the NERC Rules of Procedure.

6. The expedited disposition agreed to herein represents a full and final disposition of the violations listed in **Attachment B**, subject to approval by NERC and FERC.

Accepted:

Utilities Commission, City of New Smyrna Beach

By Timothy Beyrle

September 3, 2009
Date

Florida Reliability Coordinating Council, Inc.

By Linda D. Campbell
VP and Executive Director
Standards & Compliance

9/9/09
Date

OPT OUT ATTACHMENT A1

Decision to Opt Out

Utilities Commission of New Smyrna Beach declines to participate in the expedited resolution of the identified violations or alleged violations.

Utilities Commission of New Smyrna Beach

_____ _____

By Date

ATTACHMENT B

List of Violations

NERC Violation ID	REGISTERED ENTITY	Standard	Requirement	Penalty
FRCC200700051	Utilities Commission of New Smyrna Beach	BAL-005-0	R8.1	$0.00
FRCC200700028	Utilities Commission of New Smyrna Beach	COM-001-1	R5	$0.00
FRCC200700030	Utilities Commission of New Smyrna Beach	EOP-001-0	R6	$0.00
FRCC200700029	Utilities Commission of New Smyrna Beach	EOP-001-0	R4	$0.00
FRCC200700031	Utilities Commission of New Smyrna Beach	EOP-001-0	R7	$0.00
FRCC200700033	Utilities Commission of New Smyrna Beach	EOP-003-1	R7	$0.00
FRCC200700045	Utilities Commission of New Smyrna Beach	EOP-005-1	R1	$0.00
FRCC200700046	Utilities Commission of New Smyrna Beach	EOP-005-1	R7	$0.00
FRCC200700034	Utilities Commission of New Smyrna Beach	EOP-008-0	R1	$0.00
FRCC200700035	Utilities Commission of New Smyrna Beach	FAC-008-1	R1	$0.00
FRCC200700036	Utilities Commission of New Smyrna Beach	FAC-009-1	R1	$0.00
FRCC200700038	Utilities Commission of New Smyrna Beach	PRC-005-1	R1	$0.00
FRCC200700039	Utilities Commission of New Smyrna Beach	TOP-004-1	R6	$0.00

FRCC200700040	Utilities Commission of New Smyrna Beach	TPL-001-0	R1	$0.00
FRCC200700041	Utilities Commission of New Smyrna Beach	TPL-002-0	R1	$0.00
FRCC200700042	Utilities Commission of New Smyrna Beach	TPL-003-0	R1	$0.00
FRCC200700043	Utilities Commission of New Smyrna Beach	TPL-004-0	R1	$0.00
FRCC200700044	Utilities Commission of New Smyrna Beach	VAR-001-1	R1	$0.00

Attachment c

Mitigation Plan

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/20/07

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review the notices and check this box ☒ to indicate that you have reviewed and understand the information provided therein**. This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: Utilities Commission, City of New Smyrna Beach
Company Address: P.O. Box 100, New Smyrna Beach, FL 32170
NERC Compliance Registry ID: NCR00052

B.2 Identify the individual in your organization (Reference: Part I.(1) of Attachment A) who will be the Entity Contact to FRCC regarding this Mitigation Plan.

Name: Tim Beyrle
Title: Director of System Operations & Generation
Email: tbeyrle@ucnsb.org
Phone: (386) 424-3160

Section C: Identity of Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the following violation(s) of the reliability standard listed below:

C.1 Standard: BAL-005-0

C.2 Requirement(s) violated and violation dates:

NERC Violation ID # [if known]	FRCC Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date(*)
		R8.1.	12/18/07

(*) Note: The Violation Date shall be: (i) the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date that the violation has been deemed to have occurred on by FRCC. Questions regarding the date to use should be directed to the FRCC.

C.3 Identify the cause of the violation(s) identified above:

NSB does not have a provision to automatically transfer from the primary frequency source to the backup frequency source in the calculation of ACE.

C.4 ***[Optional]*** Provide any relevant additional information regarding the violations associated with this Mitigation Plan:

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

NSB currently transmits its ACE directly to Progress Energy Florida (PEF) who provides overlap regulation per contractual obligation. NSB intends to determine if PEF can accept only the inadvertent of NSB (no frequency component) and apply the frequency component of ACE on its system. If this is possible, NSB will seek approval from FRCC for this action. If FRCC does not allow this option, NSB will seek modifications to its SCADA software to provide for failure recognition and automatic failover of frequency source.

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the violations associated with this Mitigation Plan are corrected: March 15, 2008

D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (shall not be more than 3 months apart)
Determine PEF ability to perform their requested action	1/15/08
Seek FRCC approval after PEF approval	2/1/08
Modify ACE calculation being transmitted to PEF to exclude frequency component.	2/15/08
Seek SCADA modifications if PEF or FRCC approval withheld.	3/1/08

(*) Note: Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

N/A

Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2 and E.3, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

E.1 While your organization is implementing the Mitigation Plan proposed in Part D of this form, the reliability of the Bulk Power System may remain at higher risk or be otherwise negatively impacted until the plan is successfully completed. To the extent they are, or may be, known or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take or is proposing as part of the Mitigation Plan to mitigate any increased risk to the reliability of the bulk power system while the Mitigation Plan is being implemented:

There is no material impact on the reliability of the Bulk Power System arising from this violation. No action is needed in the interim period.

Prevention of Future BPS Reliability Risk

E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

Using PEF frequency monitoring equipment in ACE calculation will provide more stable and reliable information on frequency due to the relative size of the PEF system and the opportunity for multiple frequency monitoring points.

E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

N/A

Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

a) Submits the Mitigation Plan, as laid out in Section D of this form, to Florida Reliability Coordinating Council for acceptance by FRCC and approval by NERC, and

b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and

c) Acknowledges:

1. I am Tim Beyrle of Utilities Commission, City of New Smyrna Beach.

2. I am qualified to sign this Mitigation Plan on behalf of Utilities Commission, City of New Smyrna Beach.

3. I have read and understand Utilities Commission, City of New Smyrna Beach's obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).

4. I have read and am familiar with the contents of the foregoing Mitigation Plan.

5. Utilities Commission, City of New Smyrna Beach agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by FRCC and approved by NERC.

Authorized Individual Signature _____

(Electronic signatures are acceptable; *see* CMEP)

Name (Print): Tim Beyrle
Title: Director of System Operations & Generation
Date: 12/20/07

Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Please direct any questions regarding completion of this form to:

[RE's assigned staff name and contact information]

Attachment A – Compliance Notices & Mitigation Plan Requirements

I. Section 6.2 of the CMEP1 sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:

(1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.

(2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.

(3) The cause of the Alleged or Confirmed Violation(s).

(4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).

(5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).

(6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.

(7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.

(8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.

(9) Any other information deemed necessary or appropriate.

(10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self-Certification or Self Reporting submittals.

II. This submittal form may be used to provide a required Mitigation Plan for review and approval by FRCC and NERC.

III. The Mitigation Plan shall be submitted to the regional entity(ies) and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.

---

[1] "*Uniform Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation*;" a copy of the current version approved by the Federal Energy Regulatory Commission is posted on NERC's website.

IV. This Mitigation Plan form may be used to address one or more related violations of one Reliability Standard. A separate mitigation plan is required to address violations with respect to each additional Reliability Standard, as applicable.

V. If the Mitigation Plan is approved by [Regional Entity acronym] and NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.

VI. FRCC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.

VII. Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/20/07

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: 5/8/2008

Section A: Compliance Notices & Mitigation Plan Requirements

A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review the notices and check this box ☒ to indicate that you have reviewed and understand the information provided therein**. This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: Utilities Commission, City of New Smyrna Beach
Company Address: P.O. Box 100, New Smyrna Beach, FL 32170
NERC Compliance Registry ID: NCR00052

B.2 Identify the individual in your organization (Reference: Part I.(1) of Attachment A) who will be the Entity Contact to FRCC regarding this Mitigation Plan.

Name: Tim Beyrle
Title: Director of System Operations & Generation
Email: tbeyrle@ucnsb.org
Phone: (386) 424-3160

Section C: Identity of Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the following violation(s) of the reliability standard listed below:

C.1 Standard: BAL-005-0

C.2 Requirement(s) violated and violation dates:

NERC Violation ID # [if known]	FRCC Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date(*)
		R8.1.	12/18/07

(*) Note: The Violation Date shall be: (i) the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date that the violation has been deemed to have occurred on by FRCC. Questions regarding the date to use should be directed to the FRCC.

C.3 Identify the cause of the violation(s) identified above:

NSB does not have a provision to automatically transfer from the primary frequency source to the backup frequency source in the calculation of ACE.

C.4 ***[Optional]*** Provide any relevant additional information regarding the violations associated with this Mitigation Plan:

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

NSB currently transmits its ACE directly to Progress Energy Florida (PEF) who provides overlap regulation per contractual obligation. NSB intends to determine if PEF can accept only the inadvertent of NSB (no frequency component) and apply the frequency component of ACE on its system. If this is possible, NSB will seek approval from FRCC for this action. If FRCC does not allow this option, NSB will seek modifications to its SCADA software to provide for failure recognition and automatic failover of frequency source.

Check this box ☒ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the violations associated with this Mitigation Plan are corrected: March 15, 2008

D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (shall not be more than 3 months apart)
Determine PEF ability to perform their requested action	1/15/08
Seek FRCC approval after PEF approval	2/1/08
Modify ACE calculation being transmitted to PEF to exclude frequency component.	2/15/08
Seek SCADA modifications if PEF or FRCC approval withheld.	3/1/08

(*) Note: Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

Section E: Interim and Future Reliability Risk

Check this box ☒ and proceed and respond to Part E.2 and E.3, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

E.1 While your organization is implementing the Mitigation Plan proposed in Part D of this form, the reliability of the Bulk Power System may remain at higher risk or be otherwise negatively impacted until the plan is successfully completed. To the extent they are, or may be, known or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take or is proposing as part of the Mitigation Plan to mitigate any increased risk to the reliability of the bulk power system while the Mitigation Plan is being implemented:

There is no material impact on the reliability of the Bulk Power System arising from this violation. No action is needed in the interim period.

Prevention of Future BPS Reliability Risk

E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

Using PEF frequency monitoring equipment in ACE calculation will provide more stable and reliable information on frequency due to the relative size of the PEF system and the opportunity for multiple frequency monitoring points.

E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

N/A

Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

a) Submits the Mitigation Plan, as laid out in Section D of this form, to Florida Reliability Coordinating Council for acceptance by FRCC and approval by NERC, and

b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and

c) Acknowledges:

1. I am Tim Beyrle of Utilities Commission, City of New Smyrna Beach.

2. I am qualified to sign this Mitigation Plan on behalf of Utilities Commission, City of New Smyrna Beach.

3. I have read and understand Utilities Commission, City of New Smyrna Beach's obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).

4. I have read and am familiar with the contents of the foregoing Mitigation Plan.

5. Utilities Commission, City of New Smyrna Beach agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by FRCC and approved by NERC.

Authorized Individual Signature _____

(Electronic signatures are acceptable; *see* CMEP)

Name (Print): Tim Beyrle
Title: Director of System Operations & Generation
Date: 12/20/07

Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

Progress Energy was unable to accommodate our request. We implemented the alternative plan and modified our SCADA to automatically switch frequency sources as needed. Text file of new calculation is attached.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Please direct any questions regarding completion of this form to:

[RE's assigned staff name and contact information]

Attachment A – Compliance Notices & Mitigation Plan Requirements

I. Section 6.2 of the CMEP1 sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:

(1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.

(2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.

(3) The cause of the Alleged or Confirmed Violation(s).

(4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).

(5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).

(6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.

(7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.

(8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.

(9) Any other information deemed necessary or appropriate.

(10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self-Certification or Self Reporting submittals.

II. This submittal form may be used to provide a required Mitigation Plan for review and approval by FRCC and NERC.

III. The Mitigation Plan shall be submitted to the regional entity(ies) and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.

---

[1] "*Uniform Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation*;" a copy of the current version approved by the Federal Energy Regulatory Commission is posted on NERC's website.

IV. This Mitigation Plan form may be used to address one or more related violations of one Reliability Standard. A separate mitigation plan is required to address violations with respect to each additional Reliability Standard, as applicable.

V. If the Mitigation Plan is approved by [Regional Entity acronym] and NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.

VI. FRCC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.

VII. Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

Attachment d

Registered Entity's Certification of Completion

FRCC Mitigation Plan Completion Form

Certification of a Completed Mitigation Plan

All Mitigation Plan Completion Certification submittals shall include data or information sufficient for FRCC to verify completion of the Mitigation Plan. FRCC may request such additional data or information and conduct follow-up assessments, on-site or other Spot Checking, or Compliance Audits as it deems necessary to verify that all required actions in the Mitigation Plan have been completed and the Registered Entity is in compliance with the subject Reliability Standard. (CMEP Section 6.6)

Registered Entity Information
Company Name: Utilities Commission, City of New Smyrna Beach
Company Address: P.O. Box 100, New Smyrna Beach, FL 32170
NERC Compliance Registry ID (*if known*): NCR00052

Date Original Mitigation Plan was submitted to FRCC: 12/20/07

Date Mitigation Plan was completed: 5/8/2008

Name of Standard and the Requirement(s) covered under the accepted Mitigation Plan: BAL-005-0

NERC Violation ID # (*if known*)**:**

Date of Certification: May 30, 2008

I certify that the mitigation plan for the above named alleged or confirmed violation has been completed on the date shown above, and that all information submitted information is complete and correct to the best of my knowledge.

Name: Tim Beyrle
Title: Director of System Operations & Generation
Email: tbeyrle@ucnsb.org
Phone: (386) 424-3160
Authorized Individual Signature _____

To close out a completed Mitigation Plan, fill out this form, save and email it to compliancemanager@frcc.com.

Attachment e

Regional Entity's Verification of Completion

FRCC
Florida Reliability Coordinating Council, Inc.

FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
1408 N. WESTSHORE BLVD., SUITE 1002
TAMPA, FLORIDA 33607-4512
PHONE 813.289.5644 • FAX 813.289.5646
WWW.FRCC.COM

Sent Via Email

August 15, 2008

Tim Beyrle
Director of System Operations & Generation
Utilities Commission, City of New Smyrna Beach
P.O. Box 100
New Smyrna Beach, FL 32170

Re: Utilities Commission, City of New Smyrna Beach
Mitigation Plan – Self-Reported violation of NERC Standard BAL-005-0, R 8.1

Dear Mr. Beyrle,

The mitigation plan evidence of compliance submitted by the Utilities Commission, City of New Smyrna Beach (NSB) for the above referenced self-reported violation has been received by the Florida Reliability Coordinating Council, Inc. (FRCC). After review, the FRCC finds this mitigation plan to be completed. The FRCC will notify the North American Electric Reliability Corporation (NERC) accordingly.

I would like to also acknowledge you and the NSB organization for completing this mitigation plan as it is an indication of your commitment to complying with the NERC reliability standards that are designed to protect the reliability of the bulk electric system.

If you have any questions you may reach me at 813-207-7968.

Respectfully,

Barry G. Pagel
Manager of Compliance
bpagel@frcc.com

BP/ma

FRCC Compliance and Enforcement Program
Mitigation Plan Disposition and Completion Steps

Entity: **City of New Smyrna Beach, Utilities Commission**
Date Submitted: **12/20/2007**
Standard: **BAL-005-0**
Requirement(s): **8.1**

Disposition Steps

FRCC acceptance	Yes	☒	No	☐
Date reviewed	01/03/2008			
(Within 30 days of receipt)				
Within 10 days of re-submittal				
Submit to NERC	Yes	☒	No	☐
Date submitted				
(Within 5 days of mitigation plan acceptance)				
NERC Approved	Yes	☐	No	☐
Resend to Entity to correct deficiencies	Yes	☐	No	☒
Date retuned to Entity				
Describe deficiencies				
Tickle for milestone	Yes	☐	No	☐
(10 days before completion date)				
Date for milestone				
Milestone dates from Mitigation Plan				
	01/15/2008			
	02/01/2008			
	02/15/2008			
Proposed Completion date from Mitigation Plan	3/15/2008			
Milestone date extended/modified	Yes	☐	No	☒
Date NERC notified:				
(Within 5 business days)				
Quarterly updates required from Entity	Yes	☐	No	☒
Quarterly updates required to NERC	Yes	☐	No	☒

Reviewed by: 01/03/2008
Date reviewed: James Dodge

FRCC Compliance and Enforcement Program
Mitigation Plan Disposition and Completion Steps

Completion Steps

Entity submitted certification signed by the registered Entity's officer or equivalent for the plan, that all required actions described in the mitigation plan have been completed or information sufficient for the FRCC to verify completion.	Yes	☒	No	☐
Does FRCC require supporting information by conducting follow-up assessments, on-site or other Spot Checking, or Compliance Audits necessary to verify that all required actions in the Mitigation Plan have been completed?	Yes	☐	No	☒
Supporting information required. Date request sent to Entity	Yes	☐	No	☒
Mitigation Plan completed on time If not, describe further action required	Yes	☐	No	☒

Actual Mitigation Plan Completion Date: 05/08/2008

Reviewed by: **James Dodge**
Date reviewed: **06/04/2008**

Notes: