



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

March 30, 2011

Ms. Kimberly Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Re: NERC Abbreviated Notice of Penalty regarding Public Utility District No. 2 of Grant County, Washington, FERC Docket No. NP11-__-000

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Abbreviated Notice of Penalty (NOP) regarding Public Utility District No. 2 of Grant County, Washington (GCPD), with information and details regarding the nature and resolution of the violation¹ discussed in detail in the Disposition Document (Attachment a), in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations and orders, as well as NERC Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).²

This NOP is being filed with the Commission because GCPD does not dispute the violation of PRC-023-1 R1 and the assessed twenty-five thousand one hundred dollar (\$25,100) penalty. Accordingly, the violation identified as NERC Violation Tracking Identification Numbers WECC201002063³ is a Confirmed Violation, as that term is defined in the NERC Rules of Procedure and the CMEP.

Statement of Findings Underlying the Violation

This NOP incorporates the findings and justifications set forth in the Notice of Confirmed Violation and Proposed Penalty or Sanction (NOCV) issued on October 19, 2010, by the

¹ For purposes of this document, each violation at issue is described as a "violation," regardless of its procedural posture and whether it was a possible, alleged or confirmed violation.

² *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards* (Order No. 672), III FERC Stats. & Regs. ¶ 31,204 (2006); *Notice of New Docket Prefix "NP" for Notices of Penalty Filed by the North American Electric Reliability Corporation*, Docket No. RM05-30-000 (February 7, 2008). See also 18 C.F.R. Part 39 (2010). *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693), *reh'g denied*, 120 FERC ¶ 61,053 (2007) (Order No. 693-A). See 18 C.F.R. § 39.7(c)(2).

³ Section C.3 of the revised Mitigation Plan incorrectly lists the NERC violation ID as WECC200902063.

Western Electricity Coordinating Council (WECC). The details of the findings and the basis for the penalty are set forth in the Disposition Document. This NOP filing contains the basis for approval of this NOP by the NERC Board of Trustees Compliance Committee (BOTCC). In accordance with Section 39.7 of the Commission's Regulations, 18 C.F.R. § 39.7, NERC provides the following summary table identifying each violation of a Reliability Standard at issue in this NOP.

NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Duration	Total Penalty (\$)
NOC-703	WECC201002063	PRC-023-1	1	High	7/1/10-TBD ⁴	25,100

The text of the Reliability Standard at issue and further information on the subject violations are set forth in the Disposition Document.

PRC-023-1 R1 - OVERVIEW

As a result of a Self-Report submitted by GCPD on June 30, 2010, WECC determined that GCPD, as a Distribution Provider, Generator Owner, and Transmission Owner,⁵ did not use any one of the thirteen PRC-023-1 R1 criteria on Zone 3 distance relays and overcurrent elements found on its 21 transmission line circuit terminals.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed⁶

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines and the Commission's July 3, 2008, October 26, 2009 and August 27, 2010 Guidance Orders,⁷ the NERC BOTCC reviewed the NOCV and supporting documentation on March 11, 2011. The NERC BOTCC approved the NOCV and the assessment of a twenty-five thousand one hundred dollar (\$25,100) financial penalty against GCPD based upon WECC's findings and determinations, the NERC BOTCC's review of the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violation at issue.

In reaching this determination, the NERC BOTCC considered the following factors:

1. the violation constituted GCPD's first occurrence of violations of the subject NERC Reliability Standards;
2. GCPD self-reported the violation;

⁴ October 14, 2011 is the estimated completion date of the Mitigation Plan.

⁵ The Self-Report incorrectly states that GCPD was responsible for this violation as a Planning Authority.

⁶ See 18 C.F.R § 39.7(d)(4).

⁷ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); *North American Electric Reliability Corporation*, "Further Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009); *North American Electric Reliability Corporation*, "Notice of No Further Review and Guidance Order," 132 FERC ¶ 61,182 (2010).

3. WECC reported that GCPD was cooperative throughout the compliance enforcement process;
4. GCPD had a compliance program at the time of the violation which WECC considered a mitigating factor, as discussed in the Disposition Document;
5. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. WECC determined that the violation posed a minimal risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS), as discussed in the Disposition Document; and
7. WECC reported that there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

For the foregoing reasons, the NERC BOTCC believes that the assessed penalty of twenty-five thousand one hundred dollars (\$25,100) is appropriate for the violation and circumstances at issue, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

Pursuant to 18 C.F.R. § 39.7(e), the penalty will be effective upon expiration of the 30 day period following the filing of this NOP with the Commission, or, if the Commission decides to review the penalty, upon final determination by the Commission.

Attachments to be included as Part of this Notice of Penalty

The attachments to be included as part of this NOP are the following documents:

- a) Disposition of Violation dated March 11, 2011, included as Attachment a;
- b) GCPD's Response to the Notice of Alleged Violation and Proposed Penalty or Sanction dated October 15, 2010, included as Attachment b;
- c) GCPD's Self-Report dated June 30, 2010, included as Attachment c;
- d) GCPD's Mitigation Plan, MIT-10-2825, submitted June 30, 2010, included as Attachment d; and
- e) GCPD's Revised Mitigation Plan MIT-10-2825 submitted November 5, 2010,⁸ included as Attachment e.

A Form of Notice Suitable for Publication⁹

A copy of a notice suitable for publication is included in Attachment f.

⁸ The footer of the Mitigation Plan has a date of December 2, 2010.

⁹ See 18 C.F.R. § 39.7(d)(6).

Notices and Communications

Notices and communications with respect to this filing may be addressed to the following:

<p>Gerald W. Cauley President and Chief Executive Officer David N. Cook* Sr. Vice President and General Counsel North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, NJ 08540-5721 (609) 452-8060 (609) 452-9550 – facsimile david.cook@nerc.net</p> <p>Mark Maher* Chief Executive Officer Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (360) 713-9598 (801) 582-3918 – facsimile Mark@wecc.biz</p> <p>Constance White* Vice President of Compliance Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6855 (801) 883-6894 – facsimile CWhite@wecc.biz</p> <p>Sandy Mooy* Senior Legal Counsel Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 819-7658 (801) 883-6894 – facsimile SMooy@wecc.biz</p>	<p>Rebecca J. Michael* Associate General Counsel for Corporate and Regulatory Matters North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, DC 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net</p> <p>Christopher Luras* Manager of Compliance Enforcement Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6887 (801) 883-6894 – facsimile CLuras@wecc.biz</p> <p>Greg Lange* Manager of Reliability Policies and Compliance Public Utility District No. 2 of Grant County, Washington P.O. Box 878 Ephrata, WA 98823 509-754-5061 glange@gcpud.org</p> <p>*Persons to be included on the Commission’s service list are indicated with an asterisk. NERC requests waiver of the Commission’s rules and regulations to permit the inclusion of more than two people on the service list.</p>
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Conclusion

Accordingly, NERC respectfully requests that the Commission accept this NOP as compliant with its rules, regulations and orders.

Respectfully submitted,

Gerald W. Cauley
President and Chief Executive Officer
David N. Cook
Sr. Vice President and General Counsel
North American Electric Reliability Corporation
116-390 Village Boulevard
Princeton, NJ 08540-5721
(609) 452-8060
(609) 452-9550 – facsimile
david.cook@nerc.net

/s/ Rebecca J. Michael
Rebecca J. Michael
Associate General Counsel for Corporate
and Regulatory Matters
North American Electric Reliability
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1120 G Street, N.W.
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Washington, DC 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net

cc: Public Utility District No. 2 of Grant County, Washington
Western Electricity Coordinating Council

Attachments

Attachment a

Disposition of Violation dated March 11, 2011

DISPOSITION OF VIOLATION¹

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.	NOC#
WECC201002063²	WECC2010-610414	NOC-703

REGISTERED ENTITY	NERC REGISTRY ID
Public Utility District No. 2 of Grant County, Washington (GCPD)	NCR05342

REGIONAL ENTITY
Western Electricity Coordinating Council (WECC)

I. REGISTRATION INFORMATION

ENTITY IS REGISTERED FOR THE FOLLOWING FUNCTIONS (BOTTOM ROW INDICATES REGISTRATION DATE):³

BA	DP	GO	GOP	IA	LSE	PA	PSE	RC	RP	RSG	TO	TOP	TP	TSP
X	X	X	X		X	X	X		X		X	X	X	
6/17/07	6/17/07	6/17/07	6/17/07		6/17/07	5/18/10	6/17/07		6/17/07		6/17/07	6/17/07	6/17/07	

* VIOLATION APPLIES TO SHADED FUNCTIONS

DESCRIPTION OF THE REGISTERED ENTITY

GCPD is a Washington state municipal corporation that began electric service in 1942. Owned by the people it serves, GCPD generates and sells electricity to Grant County residents and millions of customers throughout central Washington and the Pacific Northwest. GCPD has a five-member board of commissioners made up of local citizens elected on a nonpartisan basis by the people of Grant County. The Priest Rapids Project, comprised of Priest Rapids and Wanapum dams, has the capacity to produce 2,000 MW of clean, renewable and reliable electricity.

¹ For purposes of this document and attachments hereto, each violation at issue is described as a "violation," regardless of its procedural posture and whether it was a possible, alleged or confirmed violation.

² Section C.3 of the revised Mitigation Plan incorrectly lists the NERC violation ID as WECC200902063.

³ The Self-Report incorrectly states that the violation applied to GCPD's Planning Authority function and does not include the Distribution Provider function. The violation did apply to GCPD's Distribution Provider function.

II. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
PRC-023-1	1		High	Severe

PURPOSE OF THE RELIABILITY STANDARD AND TEXT OF RELIABILITY STANDARD AND REQUIREMENT(S)/SUB-REQUIREMENT(S)

The purpose statement of PRC-023-1 provides: “Protective relay settings shall not limit transmission loadability; not interfere with system operators’ ability to take remedial action to protect system reliability and; be set to reliably detect all fault conditions and protect the electrical network from these faults.”

PRC-023-1 R1 provides:

- R1. Each Transmission Owner, Generator Owner, and Distribution Provider shall use any one of the following criteria (R1.1 through R1.13) for any specific circuit terminal to prevent its phase protective relay settings from limiting transmission system loadability while maintaining reliable protection of the Bulk Electric System for all fault conditions. Each Transmission Owner, Generator Owner, and Distribution Provider shall evaluate relay loadability at 0.85 per unit voltage and a power factor angle of 30 degrees: [Violation Risk Factor: High] [Mitigation Time Horizon: Long Term Planning].**
- R1.1. Set transmission line relays so they do not operate at or below 150% of the highest seasonal Facility Rating of a circuit, for the available defined loading duration nearest 4 hours (expressed in amperes).**
- R1.2. Set transmission line relays so they do not operate at or below 115% of the highest seasonal 15-minute Facility Rating⁴ of a circuit (expressed in amperes).**
- R1.3. Set transmission line relays so they do not operate at or below 115% of the maximum theoretical power transfer capability (using a 90-degree angle between the sending-end and receiving-end voltages and either reactance or complex impedance) of the circuit (expressed in amperes) using one of the following to perform the power transfer calculation:**
- R1.3.1. An infinite source (zero source impedance) with a 1.00 per unit bus voltage at each end of the line.**

⁴ When a 15-minute rating has been calculated and published for use in real-time operations, the 15-minute rating can be used to establish the loadability requirement for the protective relays.

- R1.3.2. An impedance at each end of the line, which reflects the actual system source impedance with a 1.05 per unit voltage behind each source impedance.**
- R1.4. Set transmission line relays on series compensated transmission lines so they do not operate at or below the maximum power transfer capability of the line, determined as the greater of:**
- 115% of the highest emergency rating of the series capacitor.**
 - 115% of the maximum power transfer capability of the circuit (expressed in amperes), calculated in accordance with R1.3, using the full line inductive reactance.**
- R1.5. Set transmission line relays on weak source systems so they do not operate at or below 170% of the maximum end-of-line three-phase fault magnitude (expressed in amperes).**
- R1.6. Set transmission line relays applied on transmission lines connected to generation stations remote to load so they do not operate at or below 230% of the aggregated generation nameplate capability.**
- R1.7. Set transmission line relays applied at the load center terminal, remote from generation stations, so they do not operate at or below 115% of the maximum current flow from the load to the generation source under any system configuration.**
- R1.8. Set transmission line relays applied on the bulk system-end of transmission lines that serve load remote to the system so they do not operate at or below 115% of the maximum current flow from the system to the load under any system configuration.**
- R1.9. Set transmission line relays applied on the load-end of transmission lines that serve load remote to the bulk system so they do not operate at or below 115% of the maximum current flow from the load to the system under any system configuration.**
- R1.10. Set transformer fault protection relays and transmission line relays on transmission lines terminated only with a transformer so that they do not operate at or below the greater of:**
- 150% of the applicable maximum transformer nameplate rating (expressed in amperes), including the forced cooled ratings corresponding to all installed supplemental cooling equipment.**
 - 115% of the highest operator established emergency transformer rating.**

R1.11. For transformer overload protection relays that do not comply with R1.10 set the relays according to one of the following:

- Set the relays to allow the transformer to be operated at an overload level of at least 150% of the maximum applicable nameplate rating, or 115% of the highest operator established emergency transformer rating, whichever is greater. The protection must allow this overload for at least 15 minutes to allow for the operator to take controlled action to relieve the overload.
- Install supervision for the relays using either a top oil or simulated winding hot spot temperature element. The setting should be no less than 100° C for the top oil or 140° C for the winding hot spot temperature⁵.

R1.12. When the desired transmission line capability is limited by the requirement to adequately protect the transmission line, set the transmission line distance relays to a maximum of 125% of the apparent impedance (at the impedance angle of the transmission line) subject to the following constraints:

R1.12.1. Set the maximum torque angle (MTA) to 90 degrees or the highest supported by the manufacturer.

R1.12.2. Evaluate the relay loadability in amperes at the relay trip point at 0.85 per unit voltage and a power factor angle of 30 degrees.

R1.12.3. Include a relay setting component of 87% of the current calculated in R1.12.2 in the Facility Rating determination for the circuit.

R1.13. Where other situations present practical limitations on circuit capability, set the phase protection relays so they do not operate at or below 115% of such limitations.

VIOLATION DESCRIPTION

On June 30, 2010, GCPD submitted a Self-Report to WECC concerning a violation of PRC-023-1 R1 because GCPD identified 21 transmission line segments operating at 200 kV or above, that were non-compliant with the loadability requirements of PRC-023-1 R1.

On June 16, 2010, GCPD discovered the existing settings for its transmission line circuit terminals operating above 200 kV were compliant with previous NERC Standards, but they had not been brought into compliance with PRC-023-1 R1

⁵ IEEE standard C57.115, Table 3, specifies that transformers are to be designed to withstand a winding hot spot temperature of 180 degrees C, and cautions that bubble formation may occur above 140 degrees C.

III. DISCOVERY INFORMATION

METHOD OF DISCOVERY

SELF-REPORT	<input checked="" type="checkbox"/>
SELF-CERTIFICATION	<input type="checkbox"/>
COMPLIANCE AUDIT	<input type="checkbox"/>
COMPLIANCE VIOLATION INVESTIGATION	<input type="checkbox"/>
SPOT CHECK	<input type="checkbox"/>
COMPLAINT	<input type="checkbox"/>
PERIODIC DATA SUBMITTAL	<input type="checkbox"/>
EXCEPTION REPORTING	<input type="checkbox"/>

DURATION DATE(S) **7/1/10 (date the Standard became mandatory and enforceable) through 10/14/11 (estimated Mitigation Plan completion)**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **6/30/10**

IS THE VIOLATION STILL OCCURRING YES NO

IF YES, EXPLAIN

The Mitigation Plan has an expected completion date of October 14, 2011.

REMEDIAL ACTION DIRECTIVE ISSUED YES NO

PRE TO POST JUNE 18, 2007 VIOLATION YES NO

IV. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-10-2825
DATE SUBMITTED TO REGIONAL ENTITY	11/5/10⁷
DATE ACCEPTED BY REGIONAL ENTITY	12/21/10⁸
DATE APPROVED BY NERC	1/12/11
DATE PROVIDED TO FERC	1/13/11

IDENTIFY AND EXPLAIN ALL PRIOR VERSIONS THAT WERE ACCEPTED OR REJECTED, IF APPLICABLE

GCPD submitted a previous version of MIT-10-2825 on June 30, 2010 with an estimated completion date of December 31, 2010. The Mitigation Plan was accepted by WECC on September 2, 2010, approved by NERC on October 5, 2010 and submitted as non-public information to FERC on October 6, 2010 in accordance with FERC orders. On October 1, 2010, GCPD submitted a Certification of

⁷ As discussed below, GCPD previously submitted a Mitigation Plan and Certification of Completion. GCPD submitted the November 5, 2010 Mitigation Plan after WECC rejected GCPD's previously submitted Certification of Completion.

⁸ WECC formally notified GCPD of its acceptance on January 13, 2011.

Mitigation Plan Completion⁹ form to WECC stating that it had completed its Mitigation Plan on September 28, 2010. WECC rejected this Certification on November 3, 2010 because it discovered that the scope of the June 30, 2010 Mitigation Plan was insufficient to mitigate the violation. WECC determined that GCPD had to demonstrate its phase protective relays met the requirements of transmission system loadability while maintaining reliable protection of the BPS for all fault conditions. Therefore, GCPD submitted a revised Mitigation Plan on November 5, 2010 (dates discussed above).

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE	10/14/11
EXTENSIONS GRANTED	N/A
ACTUAL COMPLETION DATE	TBD
DATE OF CERTIFICATION LETTER	TBD
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF	TBD
DATE OF VERIFICATION LETTER	TBD
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF	TBD

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

As part of the initial Mitigation Plan which addressed the scope of the violation as self-reported on June 30, 2010, GCPD completed an engineering analysis of all transmission line segments and evaluated loadability of six of these transmission segments that are dedicated to FERC project Generation interconnection. Based on the initial engineering analysis, GCPD revised relay settings for 21 line segments.

WECC determined that the actions in GCPD's initial Mitigation Plan did not fully mitigate the violation and therefore, GCPD submitted a revised Mitigation Plan stating GCPD will work with its consulting engineering firm to determine what corrective actions will need to be conducted. Once this determination is received, work packages will be developed and work schedules will be formulated. The process of replacing protective relays will require the scheduling of transmission line outages and outages that will need to be coordinated with other entities.

LIST OF EVIDENCE REVIEWED BY REGIONAL ENTITY TO EVALUATE COMPLETION OF MITIGATION PLAN (FOR CASES IN WHICH MITIGATION IS NOT YET COMPLETED, LIST EVIDENCE REVIEWED FOR COMPLETED MILESTONES)
TBD

⁹ The Certification of Completion was dated September 30, 2010.

V. PENALTY INFORMATION

TOTAL ASSESSED PENALTY OR SANCTION OF **\$25,100** FOR **ONE** VIOLATION OF RELIABILITY STANDARDS.

(1) REGISTERED ENTITY'S COMPLIANCE HISTORY

PREVIOUSLY FILED VIOLATIONS OF ANY OF THE INSTANT RELIABILITY STANDARD(S) OR REQUIREMENT(S) THEREUNDER

YES NO

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

PREVIOUSLY FILED VIOLATIONS OF OTHER RELIABILITY STANDARD(S) OR REQUIREMENTS THEREUNDER

YES NO

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

(2) THE DEGREE AND QUALITY OF COOPERATION BY THE REGISTERED ENTITY (IF THE RESPONSE TO FULL COOPERATION IS "NO," THE ABBREVIATED NOP FORM MAY NOT BE USED.)

FULL COOPERATION YES NO
IF NO, EXPLAIN

(3) THE PRESENCE AND QUALITY OF THE REGISTERED ENTITY'S COMPLIANCE PROGRAM

IS THERE A DOCUMENTED COMPLIANCE PROGRAM
YES NO UNDETERMINED
EXPLAIN

GCPD had a documented internal compliance program (ICP) at the time of the violation. WECC determined that the GCPD ICP has been reviewed and approved by an Authorized Entity Officer or

equivalent, is fully documented, reviewed and approved by an Authorized Entity Officer or equivalent, and has an oversight position identified and staffed.

WECC considered GCPD's ICP a mitigating factor in determining GCPD's compliance.

EXPLAIN SENIOR MANAGEMENT'S ROLE AND INVOLVEMENT WITH RESPECT TO THE REGISTERED ENTITY'S COMPLIANCE PROGRAM, INCLUDING WHETHER SENIOR MANAGEMENT TAKES ACTIONS THAT SUPPORT THE COMPLIANCE PROGRAM, SUCH AS TRAINING, COMPLIANCE AS A FACTOR IN EMPLOYEE EVALUATIONS, OR OTHERWISE.

WECC determined that GCPD's ICP oversight position has direct access to the CEO and/or Board of Directors, is budgeted and fully staffed, is reviewed on an annual cycle, and includes disciplinary action for employees involved in Reliability Standard violations.

(4) ANY ATTEMPT BY THE REGISTERED ENTITY TO CONCEAL THE VIOLATION(S) OR INFORMATION NEEDED TO REVIEW, EVALUATE OR INVESTIGATE THE VIOLATION.

YES NO
IF YES, EXPLAIN

(5) ANY EVIDENCE THE VIOLATION(S) WERE INTENTIONAL (IF THE RESPONSE IS "YES," THE ABBREVIATED NOP FORM MAY NOT BE USED.)

YES NO
IF YES, EXPLAIN

(6) ANY OTHER MITIGATING FACTORS FOR CONSIDERATION

YES NO
IF YES, EXPLAIN

(7) ANY OTHER AGGRAVATING FACTORS FOR CONSIDERATION

YES NO
IF YES, EXPLAIN

(8) ANY OTHER EXTENUATING CIRCUMSTANCES

YES NO
IF YES, EXPLAIN

EXHIBITS:

SOURCE DOCUMENT
GCPD's Self-Report submitted June 30, 2010

MITIGATION PLAN
GCPD's Mitigation Plan, MIT-10-2825, submitted June 30, 2010
GCPD's Revised Mitigation Plan, MIT-10-2825, submitted November 5, 2010

CERTIFICATION BY REGISTERED ENTITY

VERIFICATION BY REGIONAL ENTITY

OTHER RELEVANT INFORMATION:

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR
SANCTION ISSUED

DATE: **9/20/10** OR N/A

SETTLEMENT DISCUSSIONS COMMENCED

DATE: OR N/A

NOTICE OF CONFIRMED VIOLATION ISSUED

DATE: **10/19/10** OR N/A

SUPPLEMENTAL RECORD INFORMATION

DATE(S) OR N/A

REGISTERED ENTITY RESPONSE CONTESTED

FINDINGS PENALTY BOTH DID NOT CONTEST

HEARING REQUESTED

YES NO

DATE

OUTCOME

APPEAL REQUESTED

Attachment b

GCPD's Response to the Notice of Alleged Violation and Proposed Penalty or Sanction dated October 15, 2010



Grant County
PUBLIC UTILITY DISTRICT
Excellence in Service and Leadership

October 15, 2010

Letter sent via upload through WECC Portal Miscellaneous Submittal

WECC Compliance Enforcement
615 Arapeen Drive, Suite 210
Salt Lake City, UT 84108-1262

Re: GCPD Response to Notice of Alleged Violation and Proposed Penalty or Sanction Dated September 20, 2010

Ladies and Gentlemen:

This letter is being submitted as the formal response to the Notice of Alleged Violation and Proposed Penalty or Sanction received on September 20, 2010 by the Public Utility District No. 2 of Grant County (GCPD), NERC Compliance Registry # NCR05342. We are selecting option 1 listed in section 5.2 of the WECC CMEP for the Alleged Violation and Proposed Penalty or Sanction with the reference NERC Violation Tracking Identification Number: WECC200902063 and WECC Tracking Identification Number: WECC2010-610414. GCPD does not contest the Alleged Violation and proposed penalty or sanction and agrees to submit and implement a mitigation plan to correct the violation and underlying causes.

GCPD agreed to submit a mitigation plan and completed it as follows. Mitigation Plan has been submitted through the compliance portal on June 30, 2010, WECC acceptance of the Mitigation Plan was received on 9/10/10, milestone updates were submitted on 8/26/10 and 10/1/10 and completion forms and evidence were submitted on 10/1/10 via the Compliance Portal.

GCPD designates Kevin Nordt, Director of Power Management, 509-754-5699, knordt@gcpud.org, primary contact person who will be the responsible party to respond to questions regarding the Alleged Violation and Proposed Penalty or Sanction.

Respectfully,

Kevin Nordt
Director of Power Management
Public Utility District No. 2 of Grant County
30 C Street SW
Ephrata, Wa. 98823

Attachment c

GCPD's Self-Report dated June 30, 2010



Western Electricity Coordinating Council

Self-Reporting Form

Date Submitted by Registered Entity: 6/30/10

NERC Registry ID: NCR05342

Joint Registration Organization (JRO) ID: N/A

Registered Entity: Public Utility District No. 2 of Grant County

Registered Entity Contact: Jeff Shupe, T&D Engineering Manager 509 793 1476

Function(s) Applicable to Self-Report:

- BA TOP TO GO GOP LSE
- DP PSE TSP PA RP TP
- RSG RC IA RRO

Standard: PRC-023-1

Requirement: R1

Has this violation previously been reported or discovered: Yes No
If Yes selected: Provide NERC Violation ID (if known):

Date violation occurred: 7/1/10

Date violation discovered: 6/16/10

Is the violation still occurring? Yes No

Detailed explanation and cause of violation: GCPUD reviewed and implemented the NERC 2006 "Beyond Zone 3" exercise addressing relay loadability. System changes in the past five years and also adoption of specific reliability Standard based facility ratings, FAC008-1, FAC009-1, have rendered some settings non-compliant with the newly adopted April 2010 loadability requirements in R1. The new Standard effective date for R1 (200kV or greater) lines is 7/1/10. Minor adjustment to Zone 3 distance relay settings and some overcurrent elements are needed on 21 GCPUD transmission line segments exceeding 200 kV.

Potential Impact to the Bulk Power System (minimal, moderate, or severe): Minimal

Detailed explanation of Potential Impact: Existing settings meet the 2006 NERC criteria for relay loadability. Only minor adjustment of settings are required on 21 line segments to meet new R1 criteria in this standard. The District is applying the R1.1 criteria of 150% of facility rating to most transmission segments. If certain faults were to occur that test the



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Western Electricity Coordinating Council

system to near the 150% limit, a premature trip could occur. No line cascade tripping will occur with the existing non compliant settings. GCPUD has only short distance line segments, typically less than 30 miles in length, that the R1 requirements only have a minor affect on. The District does not own long mileage lines that can be more severely affected by the requirements. Also the District's Generation dedicated transmission lines are power transfer limited and will also only require minor setting adjustment. As such we expect only minimal BES impact until the new setttings are in place.

Additional Comments: A Mitigation Plan will be submitted subsequent to this self report. Manpower constraints and outage planning will drive the length of the Mitigation Plan.

***NOTE:** While submittal of a mitigation plan is not required until after a determination of a violation is confirmed, early submittal of a mitigation plan to address and remedy an identified deficiency is encouraged. Submittal of a mitigation plan shall not be deemed an admission of a violation. (See NERC Rules of Procedure, Appendix 4C, Section 6.4.)*

Attachment d

**GCPD's Mitigation Plan, MIT-10-2825, submitted
June 30, 2010**



Mitigation Plan Submittal Form

New or Revised

Date this Mitigation Plan is being submitted: 6/30/10

If this Mitigation Plan has already been completed:

- Check this box and
- Provide the Date of Completion of the Mitigation Plan:
- Submit Certification of Mitigation Plan Completion Form
- Submit evidence supporting Mitigation Plan completion

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Attachment A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Attachment A 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:

Registered Entity Name: Public Utility District No. 2 of Grant County
 Registered Entity Address: P.O. Box 878, Ephrata, WA 98823
 NERC Compliance Registry ID: NCR05342

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Jeff Shupe
 Title: T & D Engineering Manager

¹ A copy of the WECC CMEP is posted on WECC's website at:

<http://compliance.wecc.biz/Application/Documents/Home/20090101%20-%20CMEP.pdf>

Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.



Western Electricity Coordinating Council

Email: jshupe@gcpud.org

Phone: (509) 793-1476



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

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: PRC-023-1
[Identify by Standard Acronym (e.g. FAC-001-1)]

C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1	Minimal	07/1/10	Self Report

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

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

GCPUD reviewed and implemented the NERC 2006 “Beyond Zone 3” exercise addressing relay loadability. System changes in the past five years and also adoption of specific reliability Standard based facility ratings, FAC008-1, FAC009-1, have rendered some settings non-compliant with the newly adopted April 2010 loadability requirements in R1. The new Standard effective date for R1 (200kV or greater) lines is 7/1/10. Minor adjustment to Zone 3 distance relay settings and overcurrent elements are needed on 21 GCPUD transmission lines segments exceeding 200 kV.

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



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

Existing settings meet the 2006 NERC criteria for relay loadability. Only minor adjustment of settings are required on 21 line segments to meet new R1 criteria in this standard. The District is applying the R1.1 criteria of 150% of facility rating to most transmission segments. If certain faults were to occur that test the system to near the 150% limit, a premature trip could occur. No line cascade tripping will occur with the existing non compliant settings. GCPUD has only short distance line segments, typically less than 30 miles in length, that the R1 requirements only have a minor affect on. The District does not own long mileage lines that can be more severely affected by the requirements. Also the District's Generation dedicated transmission lines are power transfer limited and will also only require minor setting adjustment. As such, we expect only minimal BES impact until the new settings are in place.

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

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:

The District has completed an engineering analysis of all transmission line segments and is in the process of evaluating six transmission segments dedicated to FERC project Generation interconnection.

Revised relay settings have been identified for 21 line segments. See the attachment for a matrix of revised relay settings and associated line segments. Manpower limits and the availability of transmission maintenance windows for outages and or terminal breaker outages that are needed to implement the revised settings determine the mitigation plan duration.

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



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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 alleged or confirmed violations associated with this Mitigation Plan corrected: 12/31/2010
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Complete engineering evaluation of Generation dedicated transmission lines (6 lines)	8/27/10
Implement 10 relay setting changes	10/1/10
Implement remaining 11 relay setting changes	12/31/10

(* Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[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:

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



Section E: Interim and Future Reliability Risk

Check this box and proceed and respond to Part E.2, 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 known, reasonably suspected 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:

Existing settings meet the 2006 NERC criteria for relay loadability. Only minor adjustment of settings are required on 21 line segments to meet new R1 criteria in this standard. The District is applying the R1.1 criteria of 150% of facility rating to most transmission segments. If certain faults were to occur that test the system to near the 150% limit, a premature trip could occur. No line cascade tripping will occur with the existing non compliant settings. GCPUD has only short distance line segments, typically less than 30 miles in length, that the R1 requirements only have a minor affect on. The District does not own long mileage lines that can be more severely affected by the requirements. Also the District's Generation dedicated transmission lines are power transfer limited and will also only require minor setting adjustment. As such, we expect only minimal BES impact until the new settings are in place.

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

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 will incur further violations of the same or similar reliability standards requirements in the future:



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Once this mitigation plan is completed , it will serve as the basis for maintaining relay settings indefinitely. When new lines are built or significant line changes occur new settings, if needed, will be implemented prior to the changes or new lines being placed into service.

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

- 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:

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

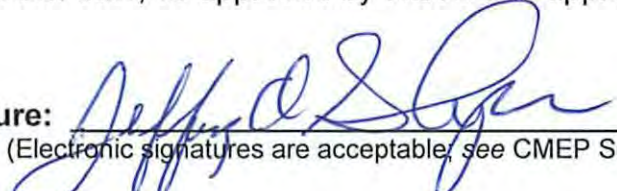


Section F: Authorization

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 WECC for acceptance by WECC 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 the T & D Engineering Manager of Public Utility District No. 2 of Grant County, WA.
 - 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Public Utility District No. 2 of Grant County, WA.
 - 3. I understand Public Utility District No. 2 of Grant County, WA obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 - 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 - 5. Public Utility District No. 2 of Grant County, WA agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:


(Electronic signatures are acceptable, see CMEP Section 3.0)

Name (Print): Jeff Shupe
Title: T & D Engineering Manager
Date: 6/30/10



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]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:
Duane Cooke, Compliance Process Analyst
Email: dcooke@wecc.biz
Phone: (801) 819-7639

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the WECC Compliance Website at:

<http://compliance.wecc.biz/Documents/2%20-%20WECC%20-%20Reporting%20Forms/00.00%20-%20WECC%20Compliance%20Data%20Submittal%20Policy.pdf>



Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC CMEP 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.
 - (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 WECC and NERC.



Western Electricity Coordinating Council



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. This Mitigation Plan form may be used to address one or more related Alleged or Confirmed 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 WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

**WECC PRC-023 COMPLIANCE CHANGES
FOR GRANT COUNTY PUD**

6/30/2010

230 kV Line Description	Required WECC PRC-023 Setting Changes
COL-AL-WAN, AL Terminal, GB69 BKR	Line Loading Over Current Relay Setting
COL-AL-WAN, WAN Terminal, A344 BKR	Line Loading Over Current Relay Setting
FH-POT-SD, SD Terminal, GC1302 BKR	Line Loading Over Current Relay Setting
FH-POT-SD, FH Terminal, GC2104 BKR	Line Loading Over Current Relay & Distance Element Reach Settings
FH-PR-MW, FH Terminal, GC2102 BKR	Line Loading Over Current Relay Setting
FH-PR-MW, PR Terminal, P1280 BKR	Line Loading Over Current Relay Setting
LAR-WHLR, LAR Terminal, GC1510 BKR	Line Loading Over Current Relay Setting
LAR-WHLR, WHLR Terminal, GC1702 BKR	Line Loading Over Current Relay Setting
SD-WHLR, SD Terminal, GC1306	Line Loading Over Current Relay Setting
SD-WHLR, WHLR Terminal, GC1704	Line Loading Over Current Relay Setting
RF-LAR, RF Terminal, GC1906 BKR	Line Loading Over Current Relay Setting
RF-LAR, LAR Terminal, GC1502 BKR	Line Loading Over Current Relay Setting
WAN-PH LINE 2, WAN Terminal, A1148 BKR	Line Loading Over Current Relay Setting
WAN-PH LINE 3, WAN Terminal, A1158 BKR	Line Loading Over Current Relay Setting
WAN-PR LINE 3, WAN Terminal, W5682 BKR	Line Loading Over Current Relay Setting
Generation dedicated Transmission Lines	
WAN PH - WAN #1	Evaluation in progress see Mitigation plan
WAN PH - WAN #2	Evaluation in progress see Mitigation plan
WAN PH - WAN #3	Evaluation in progress see Mitigation plan
PR PH - MW #1	Evaluation in progress see Mitigation plan
PR PH - MW #2	Evaluation in progress see Mitigation plan
PR PH - MW #3	Evaluation in progress see Mitigation plan

Attachment e

**GCPD's Revised Mitigation Plan MIT-10-2825
submitted November 5, 2010**

Logged in as:
Janis Weddle

Log Out

- ▶ System Administration
- ▶ Compliance
- ▶ Self Reports
- ▶ Complaints
- ▶ TFE Request
- ▶ Mitigation Plans
- ▶ Violation Retractions
- ▶ File Upload

Edit - Mitigation Plan

Save Item | Delete Item | Cancel Changes | Save PDF | Return to Mit Plan Search

* Required Fields

Status: Saved

All Milestones have been Completed

Section A: Compliance Notices & Mitigation Plan Requirements

A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Attachment A - Compliance Notices & Mitigation Plan Requirements" to this form.

A.2 I have reviewed Attachment A and understand that this Mitigation Plan Submittal Form will not be accepted unless this box is checked.

Section B: Registered Entity Information

B.1 Identify your organization

Company Name: Public Utility District No. 2 of Grant County, Washington
 Company Address: P.O. Box 878
 Ephrata, Washington
 98823
 NERC Compliance Registry ID: NCR05342

B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan.

Name: * Find | Clear

Section C: Identification of Alleged or Confirmed Violation(s) Associated with this Mitigation Plan

C.1 This Mitigation Plan is associated with the following Alleged or Confirmed violation(s) of the reliability standard listed below.

Applicable Standard, Requirement(s) and Violation Date:

Standard:
 PRC-023-1 R1.[PRC-023-1 R1.1.] (06/30/2010)

C.2 Identify the cause of the Alleged or Confirmed violation(s) identified above. Additional detailed information may be provided as an attachment:

On 6/30/10, GCPUD filed a self-report and Mitigation Plan for PRC-023-1, R1. After answering some of WECC's clarifying questions, PRC-023 was approved. GCPUD mitigation plan identified a plan to comply with R1. This original mitigation plan was completed prior to the approved mitigation plan deadline and completion uploaded to the portal on 10/1/10. On 11/3/2010, WECC rejected GCPUD's Mitigation Plan Completion.

Upon further review, GCPUD determined that although the engineering studies and corrective actions addressed the R1.1 through R1.13 loadability requirements, they may not have addressed the "...reliable protection of the Bulk Electric System for all fault conditions," thus requiring GCPUD to proactively submit this new mitigation plan.

C.3 Provide any additional relevant information regarding the Alleged or Confirmed violations associated with this Mitigation Plan. Additional detailed information may be provided as an attachment:

Self Report submitted 6/30/10
 NERC Violation ID #: 200902063; WECC Violation ID#: 2010-610414

GCPUD employed a consulting engineer firm to review its transmission settings to ensure compliance with PRC-023. Miscommunication between GCPUD and its consulting firm resulted in corrective actions that, although compliant with the loadability requirements stated in R1, may have omitted the requirement to "...maintain reliable protection of the Bulk Electric System for all fault conditions." Further analysis has revealed that some protective relays will need to be replaced to ensure adequate protection as desired by NERC.

Section D: Details of Proposed Mitigation Plan

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 Alleged or Confirmed violations identified above in Part C.1 of this form.

Additional detailed information may be provided as an attachment:

GCPUD will work with its consulting engineering firm to determine what corrective actions will need to be conducted. Once this determination is received, work packages will be developed and work schedules will be formulated. The process of replacing protective relays will require the scheduling of transmission line outages and outages that will need to be coordinated with other entities. Such coordinated outages may also be dependent on transmission system conditions. Outages are also dependent upon river conditions during fish migration and/or high river flows that may require operations to minimize water spilled through the spill gates as a FERC license requirement to limit total dissolved gasses in the water. GCPD projects that window, once all preliminary work is complete, will be the first two weeks of October 2011. GCPD will look for any opportunity to expedite the completion given changes in water and weather forecasts that may provide an outage window sooner for both line 1 and line 3.

Note - This Mitigation Plan is being submitted as a result of our original Mitigation Plan Completion being rejected by WECC on 11/3/10.

D.2 Provide the date by which full implementation of the Mitigation Plan will be, or has been, completed with respect to the Alleged or Confirmed violations identified above. State whether the Mitigation Plan has been fully implemented:

10/14/2011

D.3 Enter Milestone Activities, with due dates, that your organization is proposing, or has completed, for this Mitigation Plan:

Milestone	Status	Due Date	Completed Date
Procurement, Engineering Preparation	Milestone Pending	2/3/2011	Detail
Prepare work package - Line 1	Milestone Pending	4/4/2011	Detail
Prepare work package for OUTAGE work	Milestone Pending	6/13/2011	Detail
Prepare work package for NON-OUTAGE work	Milestone Pending	8/15/2011	Detail
Completion - Outage Work Line 1 and Line 3	Milestone Pending	10/14/2011	Detail

[Add New Mitigation Plan Milestone](#)

Section E: Interim and Future Reliability Risk

Abatement of Interim BPS Reliability Risk

E.1 While your organization is implementing this Mitigation Plan the reliability of the Bulk Power System (BPS) 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 to mitigate this increased risk to the reliability of the BPS.

Additional detailed information may be provided as an attachment:

The existing relays and respective settings pose minimal to no risk to the Bulk Electric System. The transmission lines in question all have redundant protection schemes that will ensure operation if a condition should exist. Grant PUD also believes it to be prudent engineering and operations to restore the relay setting on the 51L relays in question to cover normal load conditions which will provide a more realistic fault protection scheme while the relays are being replaced. However, if WECC compliance engineers do not concur we will leave the relay settings alone.

Prevention of Future BPS Reliability Risk

E.2 Describe how successful completion of this Mitigation Plan will prevent or minimize the probability that your organization incurs further risk of Alleged violations of the same or similar reliability standards requirements in the future.

Additional detailed information may be provided as an attachment:

Once this mitigation plan is completed, it will serve as the basis for maintaining relay settings. All new construction and planning will incorporate these settings to ensure reliable operation of the transmission system.

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 this Mitigation Plan for acceptance by **WECC** and approval by NERC, and
- b) If applicable, certifies that this Mitigation Plan was completed on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
 1. I am **Janis Weddle of Public Utility District No. 2 of Grant County, Washington**
 2. I am qualified to sign this Mitigation Plan on behalf of **Public Utility District No. 2 of Grant County, Washington**
 3. I understand **Public Utility District No. 2 of Grant County, Washington'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 this Mitigation Plan
 5. **Public Utility District No. 2 of Grant County, Washington** agrees to comply with, this Mitigation Plan, including the timetable completion date, as accepted by **WECC** and approved by NERC

Authorized Individual Signature [Sign](#)

Section G: Regional Entity Contact

Please direct any questions regarding completion of this form to:

Duane Cook
Compliance Process Analyst
WECC
801-819-7639
dcooke@wecc.biz

 Save Item |  Delete Item | Cancel Changes |  Save PDF | [Return to Mit Plan Search](#)

Attachment f

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Public Utility District No. 2
of Grant County, Washington

Docket No. NP11-____-000

NOTICE OF FILING
March 30, 2011

Take notice that on March 30, 2011, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Public Utility District No. 2 of Grant County, Washington in the Western Electricity Coordinating Council region.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed on or before the comment date. On or before the comment date, it is not necessary to serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the "eFiling" link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the "eLibrary" link and is available for review in the Commission's Public Reference Room in Washington, D.C. There is an "eSubscription" link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: [BLANK]

Kimberly D. Bose,
Secretary