NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

August 11, 2011

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

Re: NERC Abbreviated Notice of Penalty regarding Iberdrola Renewables, FERC Docket No. NP11-__-000

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Abbreviated Notice of Penalty (NOP) regarding Iberdrola Renewables (Iberdrola), with information and details regarding the nature and resolution of the violations[1] discussed in detail in the Settlement Agreement (Attachment a) and the Disposition Document attached thereto, 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 Texas Reliability Entity, Inc. (Texas RE) and Iberdrola have entered into a Settlement Agreement to resolve all outstanding issues arising from Texas RE's determination and findings of the violations of IRO-001-1.1 Requirement (R)8, TOP-001-1 R3, COM-002-2 R1 and PRC-005-1 R1. According to the Settlement Agreement, Iberdrola neither admits nor denies the violations, but has agreed to the assessed penalty of seven thousand dollars ($7,000), in addition to other remedies and actions to mitigate the instant violations and facilitate future compliance under the terms and conditions of the Settlement Agreement. Accordingly, the violations identified as NERC Violation Tracking Identification

[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 (2011). *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).

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Numbers TRE201000126, TRE201000127, TRE201000128, TRE201000129 are being filed in accordance with the NERC Rules of Procedure and the CMEP.

Statement of Findings Underlying the Violations

This NOP incorporates the findings and justifications set forth in the Settlement Agreement executed on May 6, 2011, by and between Texas RE and Iberdrola. 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 the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC 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 resolved by the Settlement Agreement, as discussed in greater detail below.

NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Duration	Total Penalty ($)
NOC-883	TRE201000126	IRO-001-1.1	8	High	12/21/08	$7,000
	TRE201000127	TOP-001-1	3			
	TRE201000128	COM-002-2	1			
	TRE201000129	PRC-005-1	1		7/14/08-12/22/10	

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

<u>IRO-001-1.1 R8, TOP-001-1 R3, and COM-002-2 R1- OVERVIEW</u>

Iberdrola was audited by Texas RE from October 26, 2010 through November 1, 2010. Texas RE found that on December 21, 2008, due to telemetry issues for Penascal wind facility and confusion about exact real power output from the wind farm, the Electric Reliability Council of Texas, Inc. Independent System Operator (ERCOT ISO) had issued a directive or Verbal Dispatch Instruction (VDI) at 12:30 to disconnect Penascal wind farm from the grid. Texas RE determined that Iberdrola, as a Generator Operator, was unable to provide sufficient evidence that it followed this directive of the ERCOT ISO.

<u>PRC-005-1 R1- OVERVIEW</u>

During the October 26, 2010 to November 1, 2010 audit, Texas RE found that Iberdrola's "Transmission and Generation Protection System Maintenance and Testing Procedure" dated June 27, 2008 states that all protective devices "will be tested and maintained every five years, plus an additional three month period to be used for unanticipated operating constraints that could delay maintenance and testing within the target maintenance and testing interval." Texas RE accordingly found that Ibedrola, as a Generator Owner, failed to provide documented basis behind testing intervals for station batteries, instrument transformers and associated communication devices. The document did provide the basis supporting testing intervals for protective relays and DC control circuitry.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed[3]

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines, the Commission's July 3, 2008, October 26, 2009 and August 27, 2010 Guidance Orders,[4] the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on May 9, 2011. The NERC BOTCC approved the Settlement Agreement, including Texas RE's assessment of a seven thousand dollar ($7,000) financial penalty against Iberdrola and other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violations at issue.

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

1. the violations constituted Iberdrola's first occurrence of violation of the subject NERC Reliability Standards;
2. Texas RE reported that Iberdrola was cooperative throughout the compliance enforcement process;
3. Iberdrola had a compliance program at the time of the violation which Texas RE considered a mitigating factor, as discussed in the Disposition Document;
4. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
5. Texas RE determined that the violations did not pose a serious or substantial risk to the reliability of the bulk power system (BPS), as discussed in the Disposition Documents; and
6. Texas RE 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 approved the Settlement Agreement and believes that the assessed penalty of seven thousand dollars ($7,000) is appropriate for the violations 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 FERC, or, if FERC decides to review the penalty, upon final determination by FERC.

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[3] *See* 18 C.F.R. § 39.7(d)(4).

[4] *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).

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) Settlement Agreement by and between Texas RE and Iberdrola executed May 6, 2011, included as Attachment a;

    i. Disposition Document, included as Addendum A to the Settlement Agreement

b) Texas RE's Iberdrola Initial Results Summaries for IRO-001-1.1, R8, TOP-001-1 R3, COM-002-2, R1 dated October 26, 2010, included as Attachment b;

c) Texas RE's Iberdrola Initial Results Summaries for PRC-005-1 R1 dated October 26, 2010, included as Attachment c;

d) Iberdrola's Mitigation Plan MIT-08-3439 for IRO-001-1.1 R8 submitted December 22, 2011, included as Attachment d;

e) Iberdrola's Mitigation Plan MIT-08-3441 for TOP-001-1 R3 submitted December 22, 2011, included as Attachment e;

f) Iberdrola's Mitigation Plan MIT-08-3448 for COM-002-2 R1 submitted December 22, 2011, included as Attachment f;

g) Iberdrola's Mitigation Plan MIT-08-3440 for PRC-005-1 R1 submitted December 22, 2011, included as Attachment g;

h) Iberdrola's Certification of Mitigation Plan MIT-08-3439 Completion for IRO-001-1.1 R8 dated February 22, 2011, included as Attachment h;

i) Iberdrola's Certification of Mitigation Plan MIT-08-3441 Completion TOP-001-1 R3 dated February 22, 2011, included as Attachment i;

j) Iberdrola's Certification of Mitigation Plan MIT-08-3448 Completion for COM-002-2 R1 dated February 22, 2011, included as Attachment j;

k) Iberdrola's Certification of Mitigation Plan MIT-08-3440 Completion PRC-005-1 dated February 22, 2011, included as Attachment k; and

l) Texas RE's Verification of Mitigation Plans Completion dated February 24, 2011, included as Attachment l.

A Form of Notice Suitable for Publication[5]

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

[5] *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:

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President and Chief Executive Officer
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*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.

Conclusion

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

Respectfully submitted,

/s/ *Rebecca J. Michael*

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cc: Iberdrola Renewables, Inc.
Texas Reliability Entity, Inc.

Attachments

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment a

Settlement Agreement by and between Texas RE and Iberdrola executed May 6, 2011

TEXAS RELIABILITY ENTITY

SETTLEMENT AGREEMENT

OF

TEXAS RELIABILITY ENTITY, INC.

AND

IBERDROLA RENEWABLES, INC.

I. INTRODUCTION

1. North American Electric Reliability Corporation (NERC) delegated authority to Texas Reliability Entity, Inc. to become the regional entity for the ERCOT region effective July 1, 2010, pursuant to Section 215(e)(4) of the Federal Power Act. NERC also delegated to Texas Reliability Entity, Inc. the authority and responsibility for the continuation of all compliance monitoring and enforcement activities that it had previously delegated to Texas Regional Entity (a division of Electric Reliability Council of Texas, Inc.). The term "Texas RE" is used herein to refer to both Texas Regional Entity and Texas Reliability Entity, Inc.

2. Texas RE and Iberdrola Renewables, Inc. ("Iberdrola") enter into this Settlement Agreement ("Settlement Agreement") to resolve all outstanding issues arising from a preliminary and non-public assessment resulting in Texas RE's determination and findings, pursuant to the North American Electric Reliability Corporation ("NERC") Rules of Procedure, of violations by Iberdrola of NERC Reliability Standards IRO-001-1.1, R8, TOP-001-1, R3 , COM-002-2, R1 and PRC-005-1, R1(NERC Violation ID No. TRE201000126, TRE201000127, TRE201000128 and TRE201000129).

3. Iberdrola neither admits nor denies the violations of NERC Reliability Standards IRO-001-1.1, R8, TOP-001-1, R3 and COM-002-2, R1 and PRC-005-1, R1 but has agreed to the proposed settlement amount of $7,000 to be assessed to Iberdrola, in addition to other remedies and mitigation actions to mitigate the instant alleged violations and facilitate future compliance under the terms and conditions of the Settlement Agreement.

II. STIPULATION

4. The facts stipulated herein are stipulated solely for the purpose of resolving, between Iberdrola and Texas RE, the matters discussed herein and do not constitute stipulations or admissions for any other purpose. The attached Disposition Document is incorporated herein in its entirety. Iberdrola and Texas RE hereby stipulate and agree to the following:

Background

5. See Section I of the Disposition Document for a description of Iberdrola.

Violations of NERC Reliability Standards IRO-001-1.1, R8, TOP-001-1, R3 and COM-002-2, R1 and PRC-005-1, R1

6. See Section II of the Disposition Document for the description of the violations.

III. PARTIES' SEPARATE REPRESENTATIONS

STATEMENT OF TEXAS RE AND SUMMARY OF FINDINGS

7. Iberdrola was audited by Texas RE on October 26, 2010 and it was found that on December 21, 2008, because of the telemetry issues for Penascal wind facility and confusion about exact real power output from the wind farm, ERCOT ISO issued a directive or Verbal Dispatch Instruction (VDI) at 12:30 to disconnect Penascal wind farm from the grid. Iberdrola was unable to provide sufficient evidence that this directive was followed in a timely manner and effectively staffed communication links were present to address this real time emergency condition. This constitutes possible violations of NERC Reliability Standard Requirements IRO-001-1.1, R8, TOP-001-1, R3 and COM-002-2, R1.

   Moreover, Iberdrola's "Transmission and Generation Protection System Maintenance and Testing Procedure" dated 06/27/2008 states that all protective devices "will be tested and maintained every five years, plus an additional three month period to be used for unanticipated operating constraints that could delay maintenance and testing within the target maintenance and testing interval". No documented basis was provided behind testing intervals for station batteries, instrument transformers and associated communication devices. This constitutes a possible violation of PRC-005-1, R1. Basis supporting testing intervals for protective relays and DC control circuitry was provided.

8. Texas RE agrees that this agreement is in the best interest of the parties and in the best interest of bulk power system reliability.

STATEMENT OF IBERDROLA

9. Iberdrola neither admits nor denies the violations of IRO-001-1.1, R8, TOP-001-1, R3, COM-002-2, R1 and PRC-005-1, R1. Iberdrola has implemented a strong compliance culture and is committed to full compliance with all applicable NERC reliability standards.

10. Iberdrola neither admits nor denies the violations. Iberdrola has agreed to enter into this Settlement Agreement with Texas RE to avoid extended litigation with respect to the matters described or referred to herein, to avoid uncertainty, and to effectuate a complete and final resolution of the issues set forth herein. Iberdrola agrees that this agreement is in the best interest of the parties and in the best interest of maintaining a reliable electric infrastructure.

IV. MITIGATING ACTIONS, REMEDIES AND SANCTIONS

11. Texas RE and Iberdrola agree that Iberdrola has completed and Texas RE has verified completion of the mitigating actions set forth in Section IV of the Disposition Document. Further, Texas RE has verified that Iberdrola has completed the additional actions addressed in Section IV of the Disposition Document. The Mitigating Actions, Remedies and Sanctions are discussed in detail in the Disposition Document.

12. For purposes of settling any and all disputes arising from Texas RE's assessment into the matters described in summary of findings, Texas RE and Iberdrola agree that on and after the effective date of this Agreement, Iberdrola shall take the following actions:

Activity	Dates to be completed
i. Full implementation of the state-of-the-art enterprise SCADA system that will enable Iberdrola Renewables to improve the control capability of all wind generation turbines.	5/31/11
ii. Continued support of education and awareness of applicable NERC standards and lessons learned to other similarly situated entities, including a willingness to participate in Regional Entity compliance meetings and conferences.	Ongoing
iii. Inclusion of the new plant checklist in the company's annual NERC Compliance refresher training.	6/30/11

13. In order to facilitate Texas RE's need to communicate the status and provide accountability to the ERO (NERC), Iberdrola will provide updates quarterly or more frequently, upon request by Texas RE. Iberdrola will submit these status updates to Texas RE in accordance with the confidentiality provisions of Section 1500 of the NERC Rules of Procedure.

14. It is understood that Texas RE staff shall audit the progress of mitigation plans and any other remedies of this Agreement, including, but not limited to site inspection, interviews, and request other documentation to validate progress and/or completion of the mitigation plans and any other remedies of this Agreement. Texas RE shall reasonably coordinate audits and information requests with Iberdrola related to this Agreement.

15. Texas RE Staff also considered the specific facts and circumstances of the violations and Iberdrola's actions in response to the violations in determining a proposed penalty that meets the requirement in Section 215 of the Federal Power Act that "[a]ny penalty imposed under this section shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of Iberdrola to remedy the violation in a timely manner."[1] The factors considered by Texas RE Staff in the determination of the appropriate penalty are set forth in Section V of the Disposition Document.

[1] 16 U.S.C. § 824o(e)(6).

16. Based on the above factors, as well as the mitigation actions and preventative measures taken, Iberdrola shall pay the monetary settlement amount of $7,000 to Texas RE, within thirty (30) days after the Agreement is either approved by the Federal Energy Regulatory Commission or by operation of law and Texas RE sends an invoice to Iberdrola for the settlement amount, and the Regional Entity shall notify the North American Electric Reliability Corporation if the payment is not received.

17. The estimated costs to Iberdrola to implement the agreed to actions beyond those necessary to come into compliance with the Standard, as discussed above, are in excess of $1,000,000. Texas RE may audit and inspect financial records to validate actual expenditures with estimates in this Settlement Agreement. Funding and programs associated with this Settlement Agreement will be above the original planned budget and programs.

18. Failure to make a timely penalty payment or to comply with any of the terms and conditions agreed to herein, or any other conditions of this Settlement Agreement, shall be deemed to be either the same alleged violations that initiated this Settlement and/or additional violation(s) and may subject Iberdrola to new or additional enforcement, penalty or sanction actions in accordance with the NERC Rules of Procedure.

19. If Iberdrola does not make the monetary penalty payment above at the times agreed by the parties, interest payable to Texas RE 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. Iberdrola shall retain all rights to defend against such additional enforcement actions in accordance with NERC Rules of Procedure.

V. ADDITIONAL TERMS

20. The signatories to the Settlement Agreement agree that they enter into the Settlement Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent or representative of Texas RE or Iberdrola has been made to induce the signatories or any other party to enter into the Settlement Agreement.

21. Texas RE shall report the terms of all settlements of compliance matters to NERC. NERC will review the settlement for the purpose of evaluating its consistency with other settlements entered into for similar violations or under other, similar circumstances. Based on this review, NERC will either approve the settlement or reject the settlement and notify Texas RE and Iberdrola of changes to the settlement that would result in approval. If NERC rejects the settlement, NERC will provide specific written reasons for such rejection and Texas RE will attempt to negotiate a revised settlement agreement with Iberdrola including any changes to the settlement specified by NERC. If a settlement cannot be reached, the enforcement process shall continue to conclusion. If NERC approves the settlement, NERC will (i) report the approved settlement to the Commission for the Commission's review and approval by order or operation of law and (ii) publicly post this Settlement Agreement.

22. This Settlement Agreement shall become effective upon the Commission's approval of the Settlement Agreement by order or operation of law as submitted to it or as modified in a manner acceptable to the parties.

23. Iberdrola agrees that this Settlement Agreement, when approved by NERC and the Commission, shall represent a final settlement of all matters set forth herein and Iberdrola waives its right to further hearings and appeal, unless and only to the extent that Iberdrola contends that any NERC or Commission action on the Settlement Agreement contains one or more material modifications to the Settlement Agreement. Texas RE reserves all rights to initiate enforcement, penalty or sanction actions against Iberdrola in accordance with the NERC Rules of Procedure in the event that Iberdrola fails to comply with the Mitigation Plan and compliance program agreed to in this Settlement Agreement. In the event Iberdrola fails to comply with any of the stipulations, remedies, sanctions or additional terms, as set forth in this Settlement Agreement, Texas RE will initiate enforcement, penalty, or sanction actions against Iberdrola to the maximum extent allowed by the NERC Rules of Procedure, up to the maximum statutorily allowed penalty. Except as otherwise specified in this Settlement Agreement, Iberdrola shall retain all rights to defend against such enforcement actions, also according to the NERC Rules of Procedure.

24. Iberdrola consents to the use of Texas RE's determinations, findings, and conclusions set forth in this Agreement for the purpose of assessing the factors, including the factor of determining the company's history of violations, in accordance with the NERC Sanction Guidelines and applicable Commission orders and policy statements. Such use may be in any enforcement action or compliance proceeding undertaken by NERC and/or any Regional Entity; provided, however, that Iberdrola does not consent to the use of the specific acts set forth in this Settlement Agreement as the sole basis for any other action or proceeding brought by NERC and/or Texas RE, nor does Iberdrola consent to the use of this Settlement Agreement by any other party in any other action or proceeding.

25. Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to bind such entity and accepts the Settlement Agreement on the entity's behalf.

26. The undersigned representative of each party affirms that he or she has read the Settlement Agreement, that all of the matters set forth in the Settlement Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that the Settlement Agreement is entered into by such party in express reliance on those representations.

27. The Settlement Agreement may be signed in counterparts.

28. This Settlement Agreement is executed in duplicate, each of which so executed shall be deemed to be an original.

Agreed to and accepted:

Larry D. Grimm
President & CEO
Texas Reliability Entity, Inc.

5/6/11
Date

Donald Furman
Senior Vice President
Iberdrola Renewables, Inc.

4-15-2011
Date

Print Name: Doug Wilkinson
Title: Authorized Representative
Iberdrola Renewables, Inc.

4/18/11
Date

Disposition Document

Addendum A

DISPOSITION OF VIOLATION

NERC TRACKING NO.
TRE201000126
(IRO-001-1.1, R8)

TRE201000127
(TOP-001-1, R3)

TRE201000128
(COM-002-2, R1)

TRE201000129
(PRC-005-1, R1)

NOC#

REGISTERED ENTITY
Iberdrola Renewables, Inc.

NERC REGISTRY ID.
NCR10259

REGIONAL ENTITY
Texas Reliability Entity, Inc.("Texas RE")

I. REGISTRATION INFORMATION

ENTITY IS REGISTERED FOR THE FOLLOWING FUNCTIONS:

BA	DP	*GO*	*GOP*	IA	LSE	PA	PSE	RC	RP	RSG	TO	TOP	TP	TSP
		X	*X*											

Violation applies to italicized functions

DESCRIPTION OF THE REGISTERED ENTITY

Iberdrola is one of the largest developers, constructors and operators of wind power projects in North America with more than 4,000 MW of wind energy in operation. Iberdrola Renewables also owns more than 600 MW of thermal generation throughout the United States. Iberdrola is part of Iberdrola Renovables global group, the world's leading provider of wind power with more than 11,000 MW of renewable energy in operation around the world.

In the ERCOT region, Iberdrola owns and operates two wind generation facilities – the Penascal wind facility located in Kenedy County and the Barton Chapel wind facility located in Jack County.

II. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
IRO-001-1.1	R8		High	Moderate
TOP-001-1	R3		High	Severe
COM-002-2	R1		High	High
PRC-005-1	R1		High	Lower

The purpose of IRO-001-1.1 is

Reliability Coordination — Responsibilities and Authorities
Reliability Coordinators must have the authority, plans, and agreements in place to immediately direct reliability entities within their Reliability Coordinator Areas to re-dispatch generation, reconfigure transmission, or reduce load to mitigate critical conditions to return the system to a reliable state. If a Reliability Coordinator delegates tasks to others, the Reliability Coordinator retains its responsibilities for complying with NERC and regional standards. Standards of conduct are necessary to ensure the Reliability Coordinator does not act in a manner that favors one market participant over another.

The purpose of TOP-001-1 is

Reliability Responsibilities and Authorities
To ensure reliability entities have clear decision-making authority and capabilities to take appropriate actions or direct the actions of others to return the transmission system to normal conditions during an emergency.

The purpose of COM-002-2 is

Communication and Coordination
To ensure Balancing Authorities, Transmission Operators, and Generator Operators have adequate communications and that these communications capabilities are staffed and available for addressing a real-time emergency condition. To ensure communications by operating personnel are effective.

The purpose of PRC-005-1 is

Transmission and Generation Protection System Maintenance and Testing
To ensure all transmission and generation Protection Systems affecting the reliability of the Bulk Electric System (BES) are maintained and tested.

TEXT OF RELIABILITY STANDARD AND REQUIREMENTSUB-REQUIREMENT

IRO-001-1.1, R8: Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities shall comply with Reliability Coordinator directives unless such actions would violate

safety, equipment, or regulatory or statutory requirements. Under these circumstances, the Transmission Operator, Balancing Authority, Generator Operator, Transmission Service Provider, Load-Serving Entity, or Purchasing-Selling Entity shall immediately inform the Reliability Coordinator of the inability to perform the directive so that the Reliability Coordinator may implement alternate remedial actions.

TOP-001-1, R3: Each Transmission Operator, Balancing Authority, and Generator Operator shall comply with reliability directives issued by the Reliability Coordinator, and each Balancing Authority and Generator Operator shall comply with reliability directives issued by the Transmission Operator, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances the Transmission Operator, Balancing Authority or Generator Operator shall immediately inform the Reliability Coordinator or Transmission Operator of the inability to perform the directive so that the Reliability Coordinator or Transmission Operator can implement alternate remedial actions.

COM-002-2, R1: Each Transmission Operator, Balancing Authority, and Generator Operator shall have communications (voice and data links) with appropriate Reliability Coordinators, Balancing Authorities, and Transmission Operators. Such communications shall be staffed and available for addressing a real-time emergency condition.
R1.1. Each Balancing Authority and Transmission Operator shall notify its Reliability Coordinator, and all other potentially affected Balancing Authorities and Transmission Operators through predetermined communication paths of any condition that could threaten the reliability of its area or when firm load shedding is anticipated.

PRC-005-1, R1: Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall have a Protection System maintenance and testing program for Protection Systems that affect the reliability of the BES. The program shall include:
R1.1. Maintenance and testing intervals and their basis.
R1.2. Summary of maintenance and testing procedures.

VIOLATION DESCRIPTION

Iberdrola was audited by Texas RE on October 26, 2010 and it was found that on December 21, 2008, because of the telemetry issues for Penascal wind facility and confusion about exact real power output from the wind farm, ERCOT ISO issued a directive or Verbal Dispatch Instruction (VDI) at 12:30 to disconnect Penascal wind farm from the grid. Iberdrola was unable to provide sufficient evidence that this directive was followed in a timely manner and effectively staffed communication links were present to address this real time emergency condition. This constitutes possible violations of NERC Reliability Standard Requirements IRO-001-1.1, R8, TOP-001-1, R3 and COM-002-2, R1.

Moreover, Iberdrola's "Transmission and Generation Protection System Maintenance and Testing Procedure" dated 06/27/2008 states that all protective devices "will be tested and maintained every five years, plus an additional three month period to be used for unanticipated operating constraints that could delay maintenance and testing within

the target maintenance and testing interval". No documented basis was provided behind testing intervals for station batteries, instrument transformers and associated communication devices. This constitutes a possible violation of PRC-005-1, R1. Basis supporting testing intervals for protective relays and DC control circuitry was provided.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

The violation of NERC Reliability Standard Requirements IRO-001-1.1, R8, TOP-001-1, R3 and COM-002-2, R1 did not pose a serious or substantial risk to the bulk power system because the Penascal wind facility was exporting approximately 26 MW to the ERCOT grid at the time when the directive was issued by ERCOT. Moreover, this wind facility was in testing mode and the directive was issued by ERCOT because of confusion over the exact plant output due to telemetry issues for this facility.

The violation of NERC Reliability Standard Requirement PRC-005-1, R1 did not pose a serious or substantial risk to the bulk power system because actual maintenance and testing was being performed on all the devices in Iberdrola's protection system program at regular intervals.

REQUEST FOR SETTLEMENT AGREEMENT Yes ☒ No ☐

Date of request 12/22/2010

Is there a final Settlement Agreement Yes ☐ No ☒

Date Settlement Agreement signed

List any other alleged/confirmed violations included in the settlement agreement:

Tracking No.	Standard/ Requirement	Discovery Method	Date of Discovery

WITH RESPECT TO THE VIOLATION, REGISTERED ENTITY

Neither admits nor denies it (settlement only) ☒
Admits to it ☐
Does not contest it (Including within 30 days) ☐

WITH RESPECT TO THE PROPOSED SETTLEMENT AMOUNT, REGISTERED ENTITY

Accepts it/Does not contest it ☒

III. DISCOVERY INFORMATION

METHOD OF DISCOVERY

Self-Report	☐
Self-Certification	☐
Compliance Audit	☒
Compliance Violation Investigation	☐
Spot Check	☐
Complaint	☐
Periodic Data Submittal	☐
Exception Reporting	☐

DURATION DATE(S)

12/21/2008
(IRO-001-1.1, R8,
TOP-001-1, R3 and
COM-002-2, R1)

07/14/2008 to
12/22/2010
(PRC-005-1, R1)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY

11/01/2010*

*Date Audit Concluded

Is the alleged/confirmed violation still occurring Yes ☐ No ☒

Explain if yes

Remedial Action Directive issued Yes ☐ No ☒

Pre to post June 18, 2007 violation Yes ☐ No ☒

IV. MITIGATION INFORMATION

MITIGATION PLAN NO.

MIT-08-3438 (COM-002-2, R1)
MIT-08-3439 (IRO-001-1, R8)
MIT-08-3440 (PRC-005-1, R1)
MIT-08-3441 (TOP-001-1, R3)

Date of Mitigation Plan	12/22/2010
Date Accepted by Regional Entity	2/24/2011
Date approved by NERC	3/21/2011
Date provided to FERC	3/23/2011

Identify and explain any version that were rejected

MITIGATION PLAN COMPLETED Yes ☒ No ☐

Expected completion date	Submitted as Complete
Extensions granted	
Actual Completion Date	12/22/2010
Date of Certification Letter	2/22/2011
Certified as complete by Registered Entity as of	2/22/2011
Date of Verification Letter	2/24/2011
Verified complete by Regional Entity as of	12/22/2010

Actions taken to mitigate the issue and prevent recurrence

Iberdrola mitigated the IRO-001-1.1, R8, TOP-001-1, R3 and COM-002-2, R1 alleged violations by implementing a new procedure to address the alleged violations and to ensure improved communication during the period when generation facilities are in "test" energy mode. A pre-commercial operation directive response form ensures all real time directives are followed before the plant goes commercial and National Control Center has remote operational capability. In addition, the Asset Manager will direct all personnel at the generation facility site to immediately comply with all NERC reliability directives issued to the facility.

Iberdrola mitigated the PRC-005-1, R1 alleged violation by revising its protection system testing and maintenance program to include additional documentation basis for the stated intervals for all the protection system equipment throughout its fleet.

List of evidence reviewed by Regional Entity to evaluate completion of Mitigation Plan or Milestones (for cases in which mitigation is not yet completed)

1. Copy of NERC Reliability Directive Pre-Commercial Operation Communication Procedure dated December 22, 2010,
2. Copy of Pre-Commercial Operation Directive Response Form
3. Revised Transmission and Generation Protection System Maintenance and Testing Procedure dated December 22, 2010.

V. PENALTY INFORMATION

PROPOSED SETTLEMENT AMOUNT $7,000

ADDITIONAL SUPPORT FOR PROPOSED SETTLEMENT AMOUNT

According to the Base Penalty Table of the NERC Sanction Guidelines the ERO base penalty range for IRO-001-1.1 for a "High" Violation Risk Factor and a "Moderate" Violation Severity Level is $8,000 to $300,000. The ERO base penalty range for TOP-001-1 for a "High" Violation Risk Factor and a "Severe" Violation Severity Level is $20,000 to $1,000,000. The ERO base penalty range for COM-002-0 for a "High" Violation Risk Factor and a "High" Violation Severity Level is $12,000 to $625,000. The ERO base penalty range for PRC-005-1 for a "High" Violation Risk Factor and a "Lower" Violation Severity Level is $4,000 to $125,000.

Texas RE has determined that a settlement amount of $7,000 bears a reasonable relationship to the severity of the violation and considers the actions of Ibedrola. This determination is based on the following facts:

1. This is the first violation of NERC Reliability Standards by Iberdrola;
2. The violations were mitigated and mitigation plans submitted in a timely manner;
3. Texas RE determined the violation did not pose a serious or significant risk to the BPS as discussed above.

This proposed penalty or sanction is subject to review and possible revision by NERC and FERC. NERC will include its determination of the proposed penalty or sanction in a Notice of Proposed Penalty or Sanction to be filed with FERC.

(1) Registered Entity's compliance history

Prior violations of this Reliability Standard or Requirement(s) thereunder

Yes ☐ No ☒

Number of such violations

List any confirmed or settled violations and status

Prior violations of other Reliability Standard or Requirement(s) thereunder

Yes ☐ No ☒

Number of such violations

List any confirmed or settled violations and status

(2) The degree and quality of cooperation by the Registered Entity

Exemplary cooperation ☐
Full cooperation ☒
Partial cooperation ☐

Explain if partial or exemplary cooperation

(3) The presence and quality of the Registered Entity's Compliance Program

Is there a documented compliance program

Yes ☒ No ☐

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 factor in employee evaluations, or otherwise.

The status of the company's Internal Compliance Program (ICP) and any relevant NERC Compliance updates are included as a standing agenda item at Iberdrola Renewables' Senior Management team's semi-annual disclosure meetings. The inclusion of the ICP update at these meetings ensures the senior management is aware of the company's compliance activities and can appropriately address any issues relevant to their individual areas of the business. The company's overall ICP is also reviewed to ensure it is appropriately staffed and is being effectively managed. Sample copies of the most recent semi-annual Senior Management Disclosure meeting agendas were provided.

(4) Any attempt by the Registered Entity to conceal the violation or information needed to review, evaluate, or investigate the violation

Yes ☐ No ☒

Explain if Yes

(5) Any evidence this was an intentional violation

Yes ☐ No ☒

Explain if Yes

(6) Any other mitigating factors for consideration

Yes ☐ No ☒

Explain if Yes

(7) Any other aggravating factors for consideration

Yes ☐ No ☒

Explain if Yes

(8) Any other extenuating circumstances

Yes ☐ No ☒

Explain if Yes

OTHER RELEVANT INFORMATION

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR SANCTION ISSUED

Date
Or N/A ☒

NOTICE OF CONFIRMED VIOLATION ISSUED

Date
Or N/A ☒

SUPPLEMENTAL RECORD INFORMATION

Date(s)
Or N/A ☐

REGISTERED ENTITY RESPONSE CONTESTED

Findings ☐
Penalty ☐
Both ☐

HEARING REQUESTED Yes ☐ No ☐

Date

Outcome

Appeal Requested

EXHIBITS

a) October 26, 2010 – Initial Results Summary GO
b) October 26, 2010 – Initial Results Summary GOP
c) December 22, 2010 – Mitigation Plan Submittal by Iberdrola
d) February 22, 2011 – Mitigation Plan Completion Letter submitted by Iberdrola
e) February 24, 2011– Texas RE letter verifying completion of Iberdrola's Mitigation Plan

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Attachment b

Texas RE's Iberdrola Initial Results Summaries for IRO-001-1.1, R8, TOP-001-1 R3, COM-002-2, R1 dated October 26, 2010

Initial Results Summary - GOP

Entity Name:	**Iberdrola Renewables**
Audit Date:	**October 26 – November 1, 2010**
Audit Leader:	**Daniel Kueker**
Audit Team:	**Rick Gillean, Pat Moast**
Are there any Possible Violations?	**Yes** ☒ **No** ☐

Standard	Text of the Requirement	Full Compliance
CIP-001	**Sabotage Reporting**	
R1	Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall have procedures for the recognition of and for making their operating personnel aware of sabotage events on its facilities and multi-site sabotage affecting larger portions of the Interconnection.	Yes
RSAW	Review the evidence provided by the entity to verify that a method or procedure (either electronic or hard copy) exists for recognition of sabotage events described in Requirement 1. Determine if the procedures contain steps to make operating personnel aware of sabotage events.	
R2	Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall have procedures for the communication of information concerning sabotage events to appropriate parties in the Interconnection.	Yes
RSAW	Review the evidence provided by the entity to verify documented procedures exist for communicating information concerning sabotage events. Review the evidence provided by the entity to verify the list of appropriate parties in the Interconnection to be notified.	
R3	Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall provide its operating personnel with sabotage response guidelines, including personnel to contact, for reporting disturbances due to sabotage events.	Yes
RSAW	Review the evidence provided by the entity to verify that a documented sabotage response guideline exists, and that it includes personnel contacts for reporting disturbances due to sabotage events.	

	Review the evidence provided by the entity to verify that a documented sabotage response guideline was provided to operating personnel for reporting disturbances due to sabotage events	
R4	Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall establish communications contacts, as applicable, with local Federal Bureau of Investigation (FBI) or Royal Canadian Mounted Police (RCMP) officials and develop reporting procedures as appropriate to their circumstances.	Yes
RSAW	Review the evidence provided by the entity to confirm that the audited entity has established a list identifying, as applicable communication contacts with the appropriate entities identified in Requirement 4. Review the evidence provided by the entity to verify the audited entity has developed reporting procedures as appropriate to their circumstances.	
Audit Notes:	**Iberdrola provided its operating personnel with sabotage response guidelines, including personnel to contact, for reporting disturbances due to sabotage events. The audit team reviewed Iberdrola Renewables Sabotage Reporting Procedure, training materials and attendance records for the Barton Chapel Facility and the Penascal Facility**	

Standard	Text of the Requirement	Full Compliance
COM-002	**Communications and Coordination**	
R1	. Each Transmission Operator, Balancing Authority, and Generator Operator shall have communications (voice and data links) with appropriate Reliability Coordinators, Balancing Authorities, and Transmission Operators. Such communications shall be staffed and available for addressing a real-time emergency condition. R1.1. Each Balancing Authority and Transmission Operator shall notify its Reliability Coordinator, and all other potentially affected Balancing Authorities and Transmission Operators through predetermined communication paths of any condition that could threaten the reliability of its area or when firm load shedding is anticipated.	Possible Violation
RSAW	Determine if the entity has voice and data links with appropriate Reliability Coordinators, Balancing Authorities, and Transmission Operators Determine if those communications facilities have staff available to initiate, receive, and/or monitor those communications to address a real-time emergency condition	

	Determine if the entity notified its Reliability Coordinator and all other potentially affected Balancing Authorities and Transmission Operators of any condition that could threaten the reliability of its area, or when firm load shedding is anticipated, through predetermined communications paths	
R2	Each Reliability Coordinator, Transmission Operator, and Balancing Authority shall issue directives in a clear, concise, and definitive manner; shall ensure the recipient of the directive repeats the information back correctly; and shall acknowledge the response as correct or repeat the original statement to resolve any misunderstandings.	Not Applicable
RSAW	Determine if the entity issued directives in a clear, concise, and definitive manner Determine that the entity ensured the recipient of the directive repeated the information back correctly Determine if the entity acknowledged the response as correct, or repeated the original statement to resolve any misunderstandings	
Audit Notes:	**Iberdrola provided documentation of voice and data links, and staffing information, with ERCOT ISO (RC, BA, TOP) through multiple Qualified Scheduling Entities who are jointly responsible for scheduling the Barton Chapel and Penascal facilities. These documents show that voice and data links have been established between Iberdrola and ERCOT ISO during the audit period.** **However, the audit team requested evidence showing that Iberdrola complied with a Verbal Dispatch Instruction directive from ERCOT ISO which was issued on December 21, 2008 to disconnect the Penascal wind facility from the interconnection. Iberdrola provided written logs and voice recordings associated with this directive and the evidence shows that Iberdrola did not comply with the directive in a timely manner. Based upon the evidence reviewed in the audit, the audit team concluded that one of the reasons that Iberdrola was unable to respond to the ERCOT ISO directive in a timely manner was that Iberdrola's process and/or communication paths for delivering verbal dispatch directives to the Penascal wind farm site were not appropriate to address a real-time emergency condition or were not properly staffed to respond to this directive in a timely manner. In addition, Iberdrola did not provide evidence of any notification to ERCOT ISO that following the directive would violate safety, equipment, or regulatory or statutory requirements.**	

Standard	Text of the Requirement	Full Compliance
IRO-001	**Reliability Coordination - Responsibilities & Authorities**	
R1	Each Regional Reliability Organization, subregion, or interregional coordinating group shall establish one or more Reliability Coordinators to continuously assess transmission reliability and coordinate emergency	Not Applicable

	operations among the operating entities within the region and across the regional boundaries.	
RSAW	Review the evidence provided by the entity to verify that each Regional Reliability Organization, subregion, or interregional coordinating group has evidence of signed agreements or other equivalent evidence that it established one or more Reliability Coordinators to continuously assess transmission reliability and coordinate emergency operations among the operating entities within the region and across the regional boundaries per the Requirement R1 above.	
R2	The Reliability Coordinator shall comply with a regional reliability plan approved by the NERC Operating Committee.	Not Applicable
RSAW	Review the regional reliability plan approved by the NERC Operating Committee for the Reliability Coordinator being reviewed Review the evidence provided by the entity to confirm that the Reliability Coordinator's actions/plans/processes/etc has complied with the approved regional reliability plan.	
R3	The Reliability Coordinator shall have clear decision-making authority to act and to direct actions to be taken by Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities within its Reliability Coordinator Area to preserve the integrity and reliability of the Bulk Electric System. These actions shall be taken without delay, but no longer than 30 minutes.	Not Applicable
RSAW	Review the evidence provided by the entity to confirm the Reliability Coordinator has clear decision-making authority as may be evidenced in its job descriptions, signed agreements, authority letter signed by an officer of the company, or other equivalent evidence over the entities listed in R3. Review the evidence provided by the entity to confirm that any directives issued by the Reliability Coordinator to entities listed in R3 have been implemented by those entities within 30 minutes.	
R4	Reliability Coordinators that delegate tasks to other entities shall have formal operating agreements with each entity to which tasks are delegated. The Reliability Coordinator shall verify that all delegated tasks are understood, communicated, and addressed within its Reliability Coordinator Area. All responsibilities for complying with NERC and regional standards applicable to Reliability Coordinators shall remain with the Reliability Coordinator.	Not Applicable
RSAW	Determine if any Reliability Coordinator tasks have been delegated to other entities. If so: Review the evidence provided by the entity to verify that the Reliability Coordinator have current formal	

	operating agreements in place with the entities to which Reliability Coordinator tasks are delegated. Review the evidence provided by the entity to determine if and how the Reliability Coordinator has verified that all delegated tasks are: understood, communicated and addressed within the Reliability Coordinator Area	
R5	The Reliability Coordinator shall list within its reliability plan all entities to which the Reliability Coordinator has delegated required tasks.	Not Applicable
RSAW	If the auditor determined in their review of R4 that the Reliability Coordinator had delegated tasks to another entity: Review the evidence provided by the entity to verify that the Reliability Coordinator has listed within its documented reliability plan all entities to which the Reliability Coordinator has delegated required tasks.	
R6	The Reliability Coordinator shall verify that all delegated tasks are carried out by NERC-certified Reliability Coordinator operating personnel.	Not Applicable
RSAW	Request evidence from the Reliability Coordinator that it has verified that all delegated tasks are carried out by NERC-Certified Reliability Coordinator operating personnel.	
R7	The Reliability Coordinator shall have clear, comprehensive coordination agreements with adjacent Reliability Coordinators to ensure that System Operating Limit or Interconnection Reliability Operating Limit violation mitigation requiring actions in adjacent Reliability Coordinator Areas are coordinated.	Not Applicable
RSAW	Verify which Reliability Coordinator Areas are adjacent to the Reliability Coordinator being audited. Review the evidence provided by the entity to verify that the Reliability Coordinator has signed coordination agreements with adjacent Reliability Coordinators to coordinate corrective actions in the event SOL and IROL mitigation actions within neighboring areas must be taken. If no agreements exist, there is a strong indication that there may be a violation of this requirement in the adjacent Reliability Coordinator that may require investigation. Review the evidence provided by the entity to verify that the coordination agreements with adjacent Reliability Coordinators are: Clear, Comprehensive and Executed	
R8	Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities shall comply with	Possible Violation

	Reliability Coordinator directives unless such actions would violate safety, equipment, or regulatory or statutory requirements. Under these circumstances, the Transmission Operator, Balancing Authority, Generator Operator, Transmission Service Provider, Load-Serving Entity, or Purchasing-Selling Entity shall immediately inform the Reliability Coordinator of the inability to perform the directive so that the Reliability Coordinator may implement alternate remedial actions.	
RSAW	Review the evidence provided by the entity to verify that the entities listed in R8 have operator logs, voice recordings or transcripts of voice recordings, or other equivalent evidence that will be used to confirm that it: Complied with the Reliability Coordinator's directives OR If for safety, equipment, regulatory or statutory requirements it could not comply, it informed the Reliability Coordinator immediately.	
R9	The Reliability Coordinator shall act in the interests of reliability for the overall Reliability Coordinator Area and the Interconnection before the interests of any other entity.	Not Applicable
RSAW	Determine if any evidence presented shows that the Reliability Coordinator acted in the interests of another entity over the interests of reliability for the overall Reliability Coordinator Area and the Interconnection.	
Audit Notes:	**The audit team sampled two directives which were issued to Iberdrola from ERCOT ISO during the audit period. The first was a 3/20/2010 verbal Out-of-Merit Energy dispatch instruction, and Iberdrola provided evidence that it complied with this directive.** **The audit team also requested evidence showing that Iberdrola complied with a Verbal Dispatch Instruction directive from ERCOT ISO which was issued on December 21, 2008 to disconnect the Penascal wind facility from the interconnection. Iberdrola provided written logs and voice recordings associated with this directive and the evidence shows that Iberdrola did not comply with the directive in a timely manner. Based upon the evidence reviewed in the audit, the audit team concluded that one of the reasons that Iberdrola was unable to respond to the ERCOT ISO directive in a timely manner was that Iberdrola's process and/or communication paths for delivering verbal dispatch directives to the Penascal wind farm site were not appropriate to address a real-time emergency condition or were not properly staffed to respond to this directive in a timely manner. In addition, Iberdrola did not provide evidence of any notification to ERCOT ISO that following the directive would violate safety, equipment, or regulatory or statutory requirements.** **The audit team concluded that Iberdrola is in Possible Violation of IRO-001-1.1 R8 because Iberdrola did not comply with the 12/21/2008 directive in a timely manner.**	

Standard	Text of the Requirement	Full Compliance

IRO-004	Reliability Coordination - Operations Planning	
R1	Each Reliability Coordinator shall conduct next-day reliability analyses for its Reliability Coordinator Area to ensure that the Bulk Electric System can be operated reliably in anticipated normal and Contingency event conditions. The Reliability Coordinator shall conduct Contingency analysis studies to identify potential interface and other SOL and IROL violations, including overloaded transmission lines and transformers, voltage and stability limits, etc.	Not Applicable
RSAW	Verify that the Reliability Coordinator conducts next-day reliability analyses for the Reliability Coordinator Area to ensure that the Bulk Electric System can be operated reliably in anticipated normal and Contingency event conditions. Verify that the Reliability Coordinator conducts contingency analysis studies to identify potential interface and other SOL and IROL violations, including those listed in R1.	
R2	Each Reliability Coordinator shall pay particular attention to parallel flows to ensure one Reliability Coordinator Area does not place an unacceptable or undue Burden on an adjacent Reliability Coordinator Area.	Not Applicable
RSAW	Verify that the next-day reliability analysis methodology includes evaluation of any parallel flows to ensure it does not place an unacceptable or undue burden on an adjacent Reliability Coordinator Area.	
R3	Each Reliability Coordinator shall, in conjunction with its Transmission Operators and Balancing Authorities, develop action plans that may be required, including reconfiguration of the transmission system, re-dispatching of generation, reduction or curtailment of Interchange Transactions, or reducing load to return transmission loading to within acceptable SOLs or IROLs.	Not Applicable
RSAW	Verify or spot check that the Reliability Coordinator has action plans as may be required to return transmission loading to within acceptable System Operating Limits or Interconnection Reliability Operating Limits when required. Review to confirm that the Reliability Coordinator developed these action plans in conjunction with its Transmission Operators and Balancing Authorities.	
R4	Each Transmission Operator, Balancing Authority, Transmission Owner, Generator Owner, Generator Operator, and Load-Serving Entity in the Reliability Coordinator Area shall provide information required for system studies, such as critical facility status, Load, generation, operating reserve projections, and known Interchange Transactions. This information shall be available by 1200 Central Standard Time for the Eastern Interconnection and 1200 Pacific Standard Time for the	Yes

	Western Interconnection.	
RSAW	Verify that each Transmission Operator, Balancing Authority, Transmission Owner, Generator Owner, Generator Operator, and Load-Serving Entity in the Reliability Coordinator Area have provided the following required information: Critical facility status Load Generation Operating reserve projections Known Interchange Transactions Review the evidence provided by the entity that demonstrates the information was submitted by 1200 CST for the Eastern Interconnection and 1200 PST for Western Interconnection.	
R5	Each Reliability Coordinator shall share the results of its system studies, when conditions warrant or upon request, with other Reliability Coordinators and with Transmission Operators, Balancing Authorities, and Transmission Service Providers within its Reliability Coordinator Area. The Reliability Coordinator shall make study results available no later than 1500 Central Standard Time for the Eastern Interconnection and 1500 Pacific Standard Time for the Western Interconnection, unless circumstances warrant otherwise.	Not Applicable
RSAW	Verify that there is a process/procedure used in determining when it is warranted to share results of its system studies with other Reliability Coordinators, Transmission Operators, Balancing Authorities, and Transmission Service Providers within its Reliability Coordinator Area. Confirm that the Reliability Coordinator has shared the results of its system studies when warranted or upon request. Review the evidence provided by the entity that shows the Reliability Coordinator made the study results available no later than 1500 CST for the Eastern Interconnection and 1500 PST for the Western Interconnection unless circumstances warrant otherwise.	
R6	If the results of these studies indicate potential SOL or IROL violations, the Reliability Coordinator shall direct its Transmission Operators, Balancing Authorities, and Transmission Service Providers to take any necessary Action the Reliability Coordinator deems appropriate to address the potential SOL or IROL violation	Not Applicable
RSAW	Review the evidence provided by the entity to verify that the Reliability Coordinator has directed its Transmission Operators, Balancing Authorities and Transmission Service Providers to take necessary actions to address the potential SOL or IROL violations when study results	

	indicate them. When study results indicate potential SOL or IROL violation(s), verify by reviewing the evidence provided by the entity that the Reliability Coordinator specified the appropriate actions to address potential violation.	
R7	Each Transmission Operator, Balancing Authority, and Transmission Service Provider shall comply with the directives of its Reliability Coordinator based on the next day assessments in the same manner in which it would comply during real time operating events.	Not Applicable
RSAW	Review the evidence provided by the entity to verify that when directives were issued under R6, the Transmission Operator, Balancing Authority, or Transmission Service Provider complied with the directives. If the directives were not followed, please review IRO-003-1_R8 to see if the entity that did not follow the directive would have encountered similar issues and performed in a similar way.	
Audit Notes:	**The audit team reviewed evidence, including day-ahead resource plans and outage schedules, provided by Iberdrola. The evidence shows that Iberdrola has provided information required for system studies to ERCOT ISO regarding critical facility status and generation. The audit team also reviewed CPS and STEC resources plans to show coordination with ERCOT ISO. Iberdrola, STEC and CPS share responsibility of scheduling the Penascal facility in the interconnection.**	

Standard	Text of the Requirement	Full Compliance
IRO-005	**Reliability Coordination - Current Day Operations**	
R1	Each Reliability Coordinator shall monitor its Reliability Coordinator Area parameters, including but not limited to the following: R1.1. Current status of Bulk Electric System elements (transmission or generation including critical auxiliaries such as Automatic Voltage Regulators and Special Protection Systems) and system loading. R1.2. Current pre-contingency element conditions (voltage, thermal, or stability), including any applicable mitigation plans to alleviate SOL or IROL violations, including the plan's viability and scope. R1.3. Current post-contingency element conditions (voltage, thermal, or stability), including any applicable mitigation plans to alleviate SOL or IROL violations, including the plan's viability and scope. R1.4. System real and reactive reserves (actual versus required). R1.5. Capacity and energy adequacy conditions. R1.6. Current ACE for all its Balancing Authorities. R1.7. Current local or Transmission Loading Relief	Not Applicable

	procedures in effect. R1.8. Planned generation dispatches. R1.9. Planned transmission or generation outages. R1.10. Contingency events.	
RSAW	Determine if the Reliability Coordinator monitors the following parameters within its Reliability Coordinator Area at a minimum: Current status of Bulk Electric System elements (transmission or generation including critical auxiliaries such as Automatic Voltage Regulators and Special Protection Systems) and system loading. Current pre-contingency element conditions (voltage, thermal, or stability), including any applicable mitigation plans to alleviate SOL or IROL violations, including the plan's viability and scope. Current post-contingency element conditions (voltage, thermal, or stability), including any applicable mitigation plans to alleviate SOL or IROL violations, including the plan's viability and scope. System real and reactive reserves (actual versus required). Capacity and energy adequacy conditions. Current ACE for all its Balancing Authorities. Current local or Transmission Loading Relief procedures in effect. Planned generation dispatches. Planned transmission or generation outages. Contingency events.	
R2	Each Reliability Coordinator shall be aware of all Interchange Transactions that wheel through, source, or sink in its Reliability Coordinator Area, and make that Interchange Transaction information available to all Reliability Coordinators in the Interconnection.	Not Applicable
RSAW	Determine if the Reliability Coordinator is aware of all Interchange Transactions that wheel through, source, or sink in its Reliability Coordinator Area. Determine if the Reliability Coordinator makes that Interchange Transaction information available to all Reliability Coordinators in the Interconnection.	
R3	As portions of the transmission system approach or exceed SOLs or IROLs, the Reliability Coordinator shall work with its Transmission Operators and Balancing Authorities to evaluate and assess any additional Interchange Schedules that would violate those limits. If a potential or actual IROL violation cannot be avoided through proactive intervention, the Reliability Coordinator shall initiate control actions or emergency procedures to relieve the violation without delay, and no longer than 30 minutes. The Reliability Coordinator shall ensure all resources, including load shedding, are available to address a potential or actual IROL violation.	Not Applicable
RSAW	Determine if the Reliability Coordinator worked with its	

	Transmission Operators and Balancing Authorities during times when portions of the transmission system approached or exceeded SOLs or IROLs to evaluate and assess any additional Interchange Schedules that would violate those limits. Determine if the Reliability Coordinator initiated control actions or emergency procedures to relieve the violation if one can not be avoided though proactive intervention. Determine if the reliability Coordinator initiated these actions within 30 minutes. Determine if the Reliability Coordinator verified that all resources, including load shedding, were available to address a potential or actual IROL violation.	
R4	Each Reliability Coordinator shall monitor its Balancing Authorities' parameters to ensure that the required amount of operating reserves is provided and available as required to meet the Control Performance Standard and Disturbance Control Standard requirements. If necessary, the Reliability Coordinator shall direct the Balancing Authorities in the Reliability Coordinator Area to arrange for assistance from neighboring Balancing Authorities. The Reliability Coordinator shall issue Energy Emergency Alerts as needed and at the request of its Balancing Authorities and Load-Serving Entities.	Not Applicable
RSAW	Determine if the Reliability Coordinator monitored its Balancing Authorities' parameters to ensure the required amount of operating reserves was provided and available. Determine if the Reliability Coordinator directed the Balancing Authorities in the Reliability Coordinator Area to arrange for assistance from neighboring Balancing Authorities if necessary. Determine if the Reliability Coordinator issued Energy Emergency Alerts as needed, and at the request of its Balancing Authorities and Load-Serving Entities.	
R5	Each Reliability Coordinator shall identify the cause of any potential or actual SOL or IROL violations. The Reliability Coordinator shall initiate the control action or emergency procedure to relieve the potential or actual IROL violation without delay, and no longer than 30 minutes. The Reliability Coordinator shall be able to utilize all resources, including load shedding, to address an IROL violation.	Not Applicable
RSAW	Determine if the Reliability Coordinator had any potential or actual SOL or IROL violations Determine if the Reliability Coordinator identified the cause of all potential or actual SOL or IROL violations. Determine if the Reliability Coordinator initiated control actions or emergency procedures to relieve the potential	

	or actual IROL violation within 30 minutes. Determine if the Reliability Coordinator used all resources, including load shedding, needed to address an IROL violation.	
R6	Each Reliability Coordinator shall ensure its Transmission Operators and Balancing Authorities are aware of Geo-Magnetic Disturbance (GMD) forecast information and assist as needed in the development of any required response plans.	Not Applicable
RSAW	Determine if the Reliability Coordinator confirmed its Transmission Operators and Balancing Authorities were aware of Geo-Magnetic Disturbance (GMD) forecast information. Determine if the Reliability Coordinator assisted, as needed, in the development of any required response plans.	
R7	The Reliability Coordinator shall disseminate information within its Reliability Coordinator Area, as required.	Not Applicable
RSAW	Determine if the Reliability Coordinator disseminated information within its Reliability Coordinator Area as required.	
R8	Each Reliability Coordinator shall monitor system frequency and its Balancing Authorities' performance and direct any necessary rebalancing to return to CPS and DCS compliance. The Transmission Operators and Balancing Authorities shall utilize all resources, including firm load shedding, as directed by its Reliability Coordinator to relieve the emergent condition.	Not Applicable
RSAW	Determine if the Reliability Coordinator monitored system frequency and its Balancing Authorities performance. Determine if the Reliability Coordinator directed any necessary rebalancing to return to CPS and DCS compliance. Determine if the Transmission Operators and Balancing Authorities utilized all resources, including firm load shedding, as directed by its Reliability Coordinator to relieve emergent conditions.	
R9	The Reliability Coordinator shall coordinate with Transmission Operators, Balancing Authorities, and Generator Operators as needed to develop and implement action plans to mitigate potential or actual SOL, IROL, CPS, or DCS violations. The Reliability Coordinator shall coordinate pending generation and transmission maintenance outages with Transmission Operators, Balancing Authorities, and Generator Operators as needed in both the real time and next-day reliability analysis timeframes.	Not Applicable
RSAW	Determine if the Reliability Coordinator assisted the	

	Balancing Authorities in its Reliability Coordinator Area in arranging for assistance from neighboring Reliability Coordinator Areas or Balancing Authorities.	
R10	As necessary, the Reliability Coordinator shall assist the Balancing Authorities in its Reliability Coordinator Area in arranging for assistance from neighboring Reliability Coordinator Areas or Balancing Authorities.	Not Applicable
RSAW	Determine if the Reliability Coordinator assisted the Balancing Authorities in its Reliability Coordinator Area in arranging for assistance from neighboring Reliability Coordinator Areas or Balancing Authorities.	
R11	The Reliability Coordinator shall identify sources of large Area Control Errors that may be contributing to Frequency Error, Time Error, or Inadvertent Interchange and shall discuss corrective actions with the appropriate Balancing Authority. The Reliability Coordinator shall direct its Balancing Authority to comply with CPS and DCS.	Not Applicable
RSAW	Determine if the Reliability Coordinator identified sources of large Area Control Errors that may be contributing to Frequency Error, Time Error, or Inadvertent Interchange. Determine if the Reliability Coordinator discussed corrective actions with the appropriate Balancing Authority. Determine if the Reliability Coordinator directed its Balancing Authorities to comply with CPS and DCS.	
R12	Whenever a Special Protection System that may have an inter-Balancing Authority, or inter- Transmission Operator impact (e.g., could potentially affect transmission flows resulting in a SOL or IROL violation) is armed, the Reliability Coordinators shall be aware of the impact of the operation of that Special Protection System on inter-area flows. The Transmission Operator shall immediately inform the Reliability Coordinator of the status of the Special Protection System including any degradation or potential failure to operate as expected.	Not Applicable
RSAW	Determine if there is a Special Protection System that may have an inter-Balancing Authority, or inter-Transmission Operator impact. Determine if the Reliability Coordinator is aware of the status of the Special Protection System. Determine of the Reliability Coordinator is aware of the impact of the operation of the Special Protection System on inter-area flows. Determine if the Transmission Operator immediately informed the Reliability Coordinator of the status of the Special Protection System, including any degradation or potential failure to operate as expected	
R13	Each Reliability Coordinator shall ensure that all	Yes

	Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities operate to prevent the likelihood that a disturbance, action, or nonaction in its Reliability Coordinator Area will result in a SOL or IROL violation in another area of the Interconnection. In instances where there is a difference in derived limits, the Reliability Coordinator and its Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities shall always operate the Bulk Electric System to the most limiting parameter.	
RSAW	Determine if the Reliability Coordinator verified that all Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities operate to prevent the likelihood that a disturbance, action, or non-action in its Reliability Coordinator Area will result in a SOL or IROL violation in another area of the Interconnection. Determine if the Reliability Coordinator and its Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities always operate the Bulk Electric System to the most limiting parameter in instances where there is a difference in derived limits.	
R14	Each Reliability Coordinator shall make known to Transmission Service Providers within its Reliability Coordinator Area, SOLs or IROLs within its wide-area view. The Transmission Service Providers shall respect these SOLs or IROLs in accordance with filed tariffs and regional Total Transfer Calculation and Available Transfer Calculation processes.	Not Applicable
RSAW	Determine if the Reliability Coordinator made known to Transmission Service Providers within its Reliability Coordinator Area, SOLs or IROLs within its wide-area view. Determine if the Transmission Service Providers respected these SOLs or IROLs in accordance with filed tariffs and regional Total Transfer Calculation and Available Transfer Calculation processes.	
R15	Each Reliability Coordinator who foresees a transmission problem (such as an SOL or IROL violation, loss of reactive reserves, etc.) within its Reliability Coordinator Area shall issue an alert to all impacted Transmission Operators and Balancing Authorities in its Reliability Coordinator Area without delay. The receiving Reliability Coordinator shall disseminate this information to its impacted Transmission Operators and Balancing Authorities. The Reliability Coordinator shall notify all	Not Applicable

	impacted Transmission Operators, Balancing Authorities, when the transmission problem has been mitigated.	
RSAW	Determine if the Reliability Coordinator foresaw a transmission problem within its Reliability Coordinator Area. If yes, Determine if the Reliability Coordinator issued an alert to all impacted Transmission Operators and Balancing Authorities within its Reliability Coordinator Area without delay. Determine if the receiving Reliability Coordinator disseminated this information to its impacted Transmission Operators and Balancing Authorities. Determine if the Reliability Coordinator notified all impacted Transmission Operators, Balancing Authorities, when the transmission problem had been mitigated.	
R16	Each Reliability Coordinator shall confirm reliability assessment results and determine the effects within its own and adjacent Reliability Coordinator Areas. The Reliability Coordinator shall discuss options to mitigate potential or actual SOL or IROL violations and take actions as necessary to always act in the best interests of the Interconnection at all times.	Not Applicable
RSAW	Determine if the Reliability Coordinator confirmed the reliability assessment results. Determine if the Reliability Coordinator determined the effects within its own and adjacent Reliability Coordinator Areas. Determine if the Reliability Coordinator discussed options to mitigate potential or actual SOL or IROL violations. Determine if the Reliability Coordinator took the actions necessary. Determine if the Reliability Coordinator acted in the best interests of the Interconnection at all times.	
R17	When an IROL or SOL is exceeded, the Reliability Coordinator shall evaluate the local and wide-area impacts, both real-time and post-contingency, and determine if the actions being taken are appropriate and sufficient to return the system to within IROL in thirty minutes. If the actions being taken are not appropriate or sufficient, the Reliability Coordinator shall direct the Transmission Operator, Balancing Authority, Generator Operator, or Load-Serving Entity to return the system to within IROL or SOL.	Not Applicable
RSAW	Determine if the Reliability Coordinator evaluated the local and wide-area impacts, both real-time and post-	

	contingency, when an IROL or SOL is exceeded. Verify that the Reliability Coordinator determined the actions being taken to alleviate the condition were appropriate and sufficient to return the system to normal within IROL in 30 minutes. Verify that if the actions were not appropriate or sufficient, the Reliability Coordinator directed the Transmission Operator, Balancing Authority, Generator Operator, or Load-Service Entity to return the system to within IROL or SOL.	
Audit Notes:	**Iberdrola operates its Bulk Electric System elements within the established facility ratings. The audit team has not found any evidence that there has been a difference in derived limits between ERCOT ISO and Iberdrola during the audit period. ERCOT ISO is the only registered RC, BA, TOP in the interconnection.**	

Standard	Text of the Requirement	Full Compliance
PRC-001	**System Protection Coordination**	
R1	Each Transmission Operator, Balancing Authority, and Generator Operator shall be familiar with the purpose and limitations of protection system schemes applied in its area.	Yes
RSAW	Verify the operator is familiar with relay protection schemes deployed on their system via one of the following: Operator training records indicating training in basic relaying, including any Special Protection Systems within their system Interview operator(s) to ensure basic knowledge of relaying, including any Special Protection Systems within their system	
R2	Each Generator Operator and Transmission Operator shall notify reliability entities of relay or equipment failures as follows: R2.1. If a protective relay or equipment failure reduces system reliability, the Generator Operator shall notify its Transmission Operator and Host Balancing Authority. The Generator Operator shall take corrective action as soon as possible. R2.2. If a protective relay or equipment failure reduces system reliability, the Transmission Operator shall notify its Reliability Coordinator and affected Transmission Operators and Balancing Authorities. The Transmission Operator shall take corrective action as soon as possible.	Yes
RSAW	Verify the entity notified reliability entities of relay or equipment failure as follows: Verify that if a protective relay or equipment failure	

	reduces system reliability, the Generator Operator notified its Transmission Operator and Host Balancing Authority. Verify the Generator Operator took corrective action as soon as possible. Verify the Transmission Operator took corrective action as soon as possible. Verify that if a protective relay or equipment failure reduces system reliability, the Transmission Operator notified its Reliability Coordinator and affected Transmission Operators and Balancing Authorities.	
R3	. A Generator Operator or Transmission Operator shall coordinate new protective systems and changes as follows. R3.1. Each Generator Operator shall coordinate all new protective systems and all protective system changes with its Transmission Operator and Host Balancing Authority. R3.2. Each Transmission Operator shall coordinate all new protective systems and all protective system changes with neighboring Transmission Operators and Balancing Authorities.	Yes
RSAW	Verify the entity coordinated new and protective systems and changes to protective systems as follows: Verify each Generator Operator coordinated all new protective systems and all protective system changes with its Transmission Operator and Host Balancing Authority. Verify each Transmission Operator coordinated all new protective systems and all protective system changes with neighboring Transmission Operators and Balancing Authorities.	
R4	Each Transmission Operator shall coordinate protection systems on major transmission lines and interconnections with neighboring Generator Operators, Transmission Operators, and Balancing Authorities.	Not Applicable
RSAW	Verify each TOP coordinated protection systems on major transmission lines and interconnections with neighboring Generator Operators, Transmission Operators, and Balancing Authorities.	
R5	A Generator Operator or Transmission Operator shall coordinate changes in generation, transmission, load or operating conditions that could require changes in the protection systems of others: Standard PRC-001-1 — System Protection Coordination Adopted by Board of Trustees: November 1, 2007 Page 2 of 4 Effective Date: January 1, 2007 R5.1. Each Generator Operator shall notify its Transmission Operator in advance of changes in	Yes

	generation or operating conditions that could require changes in the Transmission Operator's protection systems. R5.2. Each Transmission Operator shall notify neighboring Transmission Operators in advance of changes in generation, transmission, load, or operating conditions that could require changes in the other Transmission Operators' protection systems.	
RSAW	Verify each GOP or TOP coordinated changes in generation, transmission, load or operating conditions that could require changes in the protection systems of others: Verify the GOP notified its TOP in advance of changes in generation or operating conditions that could require changes in the Transmission Operator's protection systems. Verify the TOP notified neighboring Transmission Operators in advance of changes in generation, transmission, load, or operating conditions that could require changes in the other Transmission Operators' protection systems.	
R6	Each Transmission Operator and Balancing Authority shall monitor the status of each Special Protection System in their area, and shall notify affected Transmission Operators and Balancing Authorities of each change in status.	Not Applicable
RSAW	Verify the entity monitors the status of each SPS in its area. Verify the entity notified affected TOPs and BAs of each change in status.	
Audit Notes:	**The audit team review training materials regarding protection systems, and also performed a telephone interview of an Iberdrola operator to determine that operations personnel are familiar with relay schemes. Iberdrola does not own or connect to any Special Protection Systems.** **The audit team reviewed interconnection agreements, interconnection studies, and meeting minutes with local transmission entities which show that Iberdrola coordinated new protection systems for the Penascal Wind facility with ERCOT ISO (TOP, BA).**	

Standard	Text of the Requirement	Full Compliance
TOP-001	**Reliability Responsibilities and Authorities**	
R1	Each Transmission Operator shall have the responsibility and clear decision-making authority to take whatever actions are needed to ensure the reliability of its area and shall exercise specific authority to alleviate operating emergencies.	Not Applicable
RSAW	Verify the TOP has the responsibility and clear decision making authority to take What ever actions are needed to ensure the reliability	

	of its area. Verify the TOP has exercised that specific authority to alleviate operating emergencies if such an event occurred.	
R2	Each Transmission Operator shall take immediate actions to alleviate operating emergencies including curtailing transmission service or energy schedules, operating equipment (e.g., generators, phase shifters, breakers), shedding firm load, etc.	Not Applicable
RSAW	Verify the TOP took immediate action to alleviate operating emergencies including curtailing transmission service or energy schedules, operating equipment (e.g., generators, phase shifters, breakers), shedding firm load, or other actions to maintain the integrity of the BES if such an event occurred.	
R3	Each Transmission Operator, Balancing Authority, and Generator Operator shall comply with reliability directives issued by the Reliability Coordinator, and each Balancing Authority and Generator Operator shall comply with reliability directives issued by the Transmission Operator, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances the Transmission Operator, Balancing Authority or Generator Operator shall immediately inform the Reliability Coordinator or Transmission Operator of the inability to perform the directive so that the Reliability Coordinator or Transmission Operator can implement alternate remedial actions.	Possible Violation
RSAW	Verify the entity complied with all reliability directives issued by the RC. Verify the entity complied with all directives issued by the TOP. Note: if in the opinion of the entity, such actions would violate safety, equipment, regulatory or statutory requirements, they do not have to comply with the directive . Under these circumstances review the following: Verify the Transmission Operator, Balancing Authority, or Generator Operator shall immediately inform the Reliability Coordinator or Transmission Operator of the inability to perform the directive so that the Reliability Coordinator or Transmission Operator can implement alternate remedial actions.	
R4	Each Distribution Provider and Load Serving Entity shall comply with all reliability directives issued by the Transmission Operator, including shedding firm load, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances, the Distribution Provider or Load Serving Entity shall immediately inform the Transmission Operator of the inability to perform the directive so that the Transmission Operator can implement alternate remedial actions.	Not Applicable

RSAW	Verify the DP and LSE complied with all reliability directives issued by the TOP unless such actions would violate safety, equipment, regulatory or statutory requirements. If it would violate the safety, equipment, etc. Verify Distribution Provider or Load Serving Entity immediately informed the Transmission Operator of the inability to perform the directive so that the Transmission Operator can implement alternate remedial actions.	
R5	Each Transmission Operator shall inform its Reliability Coordinator and any other potentially affected Transmission Operators of real time or anticipated emergency conditions, and take actions to avoid, when possible, or mitigate the emergency. Standard TOP-001-1 — Reliability Responsibilities and Authorities, Adopted by Board of Trustees: November 1, 2006 Page 2 of 6, Effective Date: January 1, 2007	Not Applicable
RSAW	Verify the TOP informed its RC and any other potentially affected Transmission Operators of real time or anticipated emergency conditions. Verify the entity took actions to avoid, when possible, or mitigate the emergency.	
R6	Each Transmission Operator, Balancing Authority, and Generator Operator shall render all available emergency assistance to others as requested, provided that the requesting entity has implemented its comparable emergency procedures, unless such actions would violate safety, equipment, or regulatory or statutory requirements.	Yes
RSAW	Verify the entity rendered all available emergency assistance to others as requested unless it would violate safety, equipment, or regulatory or statutory requirements. Note: Emergency assistance only needs to be rendered if the entity has implemented its comparable emergency procedures	
R7	Each Transmission Operator and Generator Operator shall not remove Bulk Electric System facilities from service if removing those facilities would burden neighboring systems unless: R7.1. For a generator outage, the Generator Operator shall notify and coordinate with the Transmission Operator. The Transmission Operator shall notify the Reliability Coordinator and other affected Transmission Operators, and coordinate the impact of removing the Bulk Electric System facility. R7.2. For a transmission facility, the Transmission Operator shall notify and coordinate with its Reliability Coordinator. The Transmission Operator shall notify other affected Transmission Operators, and coordinate the impact of removing the Bulk Electric System facility. R7.3. When time does not permit such notifications	Yes

	and coordination, or when immediate action is required to prevent a hazard to the public, lengthy customer service interruption, or damage to facilities, the Generator Operator shall notify the Transmission Operator, and the Transmission Operator shall notify its Reliability Coordinator and adjacent Transmission Operators, at the earliest possible time.	
RSAW	Verify the entity did not remove BES facilities if removing those facilities would burden neighboring systems unless: (R7.1) For a generator outage, the Generator Operator shall notify and coordinate with the Transmission Operator. The Transmission Operator shall notify the Reliability Coordinator and other affected Transmission Operators, and coordinate the impact of removing the Bulk Electric System facility. (R7.2) For a transmission facility, the Transmission Operator shall notify and coordinate with its Reliability Coordinator. The Transmission Operator shall notify other affected Transmission Operators, and coordinate the impact of removing the Bulk Electric System facility. (R7.3) When time does not permit such notifications and coordination, or when immediate action is required to prevent a hazard to the public, lengthy customer service interruption, or damage to facilities, the Generator Operator shall notify the Transmission Operator, and the Transmission Operator shall notify its Reliability	
R8	During a system emergency, the Balancing Authority and Transmission Operator shall immediately take action to restore the Real and Reactive Power Balance. If the Balancing Authority or Transmission Operator is unable to restore Real and Reactive Power Balance it shall request emergency assistance from the Reliability Coordinator. If corrective action or emergency assistance is not adequate to mitigate the Real and Reactive Power Balance, then the Reliability Coordinator, Balancing Authority, and Transmission Operator shall implement firm load shedding.	Not Applicable
RSAW	Verify that during a system emergency, the BA and TOP took immediate action to restore real and Reactive Power Balance. Verify that if the BA or TOP is unable to restore Real and Reactive Power Balance, it requested emergency assistance from the RC. Verify that if the requested emergency assistance was not adequate, the RC, BA, and TOP implemented firm load shedding.	

Audit Notes:	**The audit team sampled two directives which were issued to Iberdrola from ERCOT ISO during the audit period. The first was a 3/20/2010 verbal Out-of-Merit Energy dispatch instruction, and Iberdrola provided evidence that it complied with this directive.** **The audit team also requested evidence showing that Iberdrola complied with a Verbal Dispatch Instruction directive from ERCOT ISO which was issued on December 21, 2008 to disconnect the Penascal wind facility from the interconnection. Iberdrola provided written logs and voice recordings associated with this directive and the evidence shows that Iberdrola did not comply with the directive in a timely manner. Based upon the evidence reviewed in the audit, the audit team concluded that one of the reasons that Iberdrola was unable to respond to the ERCOT ISO directive in a timely manner was that Iberdrola's process and/or communication paths for delivering verbal dispatch directives to the Penascal wind farm site were not appropriate to address a real-time emergency condition or were not properly staffed to respond to this directive in a timely manner. In addition, Iberdrola did not provide evidence of any notification to ERCOT ISO that following the directive would violate safety, equipment, or regulatory or statutory requirements.** **The audit team concluded that Iberdrola is in Possible Violation of TOP-001-1 R3 because Iberdrola did not comply with the 12/21/2008 directive in a timely manner.**

Standard	Text of the Requirement	Full Compliance
TOP-002	**Normal Operations Planning**	
R1	Each Balancing Authority and Transmission Operator shall maintain a set of current plans that are designed to evaluate options and set procedures for reliable operation through a reasonable future time period. In addition, each Balancing Authority and Transmission Operator shall be responsible for using available personnel and system equipment to implement these plans to ensure that interconnected system reliability will be maintained.	Not Applicable
RSAW	Determine if the entity maintained a set of current plans designed to evaluate options and set procedures for reliable operation through a reasonable future time period. Determine if the entity used available personnel and system equipment to implement these plans to ensure the interconnected system reliability was maintained.	
R2	Each Balancing Authority and Transmission Operator shall ensure its operating personnel participate in the system planning and design study processes, so that these studies contain the operating personnel perspective and system operating personnel are aware of the planning purpose.	Not Applicable
RSAW	Determine if the entities' operating personnel participated in the system planning and design study process.	
R3	Each Load Serving Entity and Generator Operator shall	Yes

	coordinate (where confidentiality agreements allow) its current-day, next-day, and seasonal operations with its Host Balancing Authority and Transmission Service Provider. Each Balancing Authority and Transmission Service Provider shall coordinate its current-day, next-day, and seasonal operations with its Transmission Operator.	
RSAW	Determine if the entity coordinated (where confidentiality agreements allow) its current-day, next-day, and seasonal operations with its Host-Balancing Authority and Transmission Service Provider. Determine if the entity coordinated its current-day, next-day and seasonal operations with its Transmission Operator.	
R4	Each Balancing Authority and Transmission Operator shall coordinate (where confidentiality agreements allow) its current-day, next-day, and seasonal planning and operations with neighboring Balancing Authorities and Transmission Operators and with its Reliability Coordinator, so that normal Interconnection operation will proceed in an orderly and consistent manner.	Not Applicable
RSAW	Determine if the entity coordinated (where confidentiality agreements allow) its current-day, next-day, and seasonal planning and operations with neighboring Balancing Authorities and Transmission Operators and with its Reliability Coordinator.	
R5	Each Balancing Authority and Transmission Operator shall plan to meet scheduled system configuration, generation dispatch, interchange scheduling and demand patterns.	Not Applicable
RSAW	Determine if the entity planned to meet scheduled system configuration, generation dispatch, interchange scheduling, and demand patterns.	
R6	Each Balancing Authority and Transmission Operator shall plan to meet unscheduled changes in system configuration and generation dispatch (at a minimum N-1 Contingency planning) in accordance with NERC, Regional Reliability Organization, subregional, and local reliability requirements.	Not Applicable
RSAW	Determine if the entity planned to meet unscheduled changes in system configuration and generation dispatch (at a minimum N-1 Contingency planning) in accordance with NERC, Regional Reliability Organization, subregional, and local reliability requirements.	
R7	Each Balancing Authority shall plan to meet capacity and energy reserve requirements, including the deliverability/capability for any single Contingency.	Not Applicable
RSAW	Determine if the Balancing Authority planned to meet capacity and energy reserve requirements, including the deliverability/capability for any single Contingency	
R8	Each Balancing Authority shall plan to meet voltage and/or reactive limits, including the deliverability/capability for any single contingency.	Not Applicable
RSAW	Determine if the Balancing Authority planned to meet	

	voltage and/or reactive limits, including the deliverability/capability for any single contingency	
R9	Each Balancing Authority shall plan to meet Interchange Schedules and ramps.	Not Applicable
RSAW	Determine if the Balancing Authority planned to meet Interchange Schedules and ramps.	
R10	Each Balancing Authority and Transmission Operator shall plan to meet all System Operating Limits (SOLs) and Interconnection Reliability Operating Limits (IROLs).	Not Applicable
RSAW	Determine if the entity planned to meet all SOLs and IROLs.	
R11	The Transmission Operator shall perform seasonal, next-day, and current-day Bulk Electric System studies to determine SOLs. Neighboring Transmission Operators shall utilize identical SOLs for common facilities. The Transmission Operator shall update these Bulk Electric System studies as necessary to reflect current system conditions; and shall make the results of Bulk Electric System studies available to the Transmission Operators, Balancing Authorities (subject to confidentiality requirements), and to its Reliability Coordinator.	Not Applicable
RSAW	Determine if the Transmission Operator performed seasonal, next-day, and current-day Bulk Electric System studies to determine SOLs. Determine if the Transmission Operator utilized neighboring identical SOLs for common facilities. Determine if the Transmission Operator updated the Bulk Electric System studies as necessary to reflect current system conditions. Determine if the Transmission Operator made the results of the Bulk Electric System studies available to the Transmission Operators, Balancing Authorities (subject to confidentiality requirements), and to its Reliability Coordinator.	
R12	The Transmission Service Provider shall include known SOLs or IROLs within its area and neighboring areas in the determination of transfer capabilities, in accordance with filed tariffs and/or regional Total Transfer Capability and Available Transfer Capability calculation processes.	Not Applicable
RSAW	Determine if the Transmission Service Provider included known SOLs or IROLs within its area and neighboring areas in the determination of transfer capabilities, in accordance with filed tariffs and/or regional Total Transfer Capability and Available Transfer Capability calculation processes.	
R13	At the request of the Balancing Authority or Transmission Operator, a Generator Operator shall perform generating real and reactive capability verification that shall include, among other variables, weather, ambient air and water conditions, and fuel quality and quantity, and provide the	Yes

	results to the Balancing Authority or Transmission Operator operating personnel as requested.	
RSAW	Determine if the Generator Operator, upon request of the Balancing Authority or Transmission Operator, performed generating and reactive capability verification that included: Weather Ambient air and water conditions Fuel quality and quantity Determine if the Generator Operator provided the results of the test to the Balancing Authority or Transmission Operator operating personnel as requested.	
R14	Generator Operators shall, without any intentional time delay, notify their Balancing Authority and Transmission Operator of changes in capabilities and characteristics including but not limited to: R14.1. Changes in real output capabilities.	Yes
RSAW	Determine if the Generator Operator notified its Balancing Authority and Transmission Operator, without intentional time delay, of changes in capabilities and characteristics including but not limited to: Changes in real output capabilities.	
R15	Generation Operators shall, at the request of the Balancing Authority or Transmission Operator, provide a forecast of expected real power output to assist in operations planning (e.g., a seven-day forecast of real output).	Yes
RSAW	Determine if the Generator Operator provided a forecast of expected real power output at the request of the Balancing Authority or Transmission Operator.	
R16	Subject to standards of conduct and confidentiality agreements, Transmission Operators shall, without any intentional time delay, notify their Reliability Coordinator and Balancing Authority of changes in capabilities and characteristics including but not limited to: R16.1. Changes in transmission facility status. R16.2. Changes in transmission facility rating.	Not Applicable
RSAW	Determine if the Transmission Operator notified, subject to standards of conduct and confidentiality agreements, and without any intentional time delay, its Reliability Coordinators and Balancing Authorities of changes in capabilities and characteristics including but not limited to: Changes in transmission facility status. Changes in transmission facility rating.	
R17	Balancing Authorities and Transmission Operators shall, without any intentional time delay, communicate the information described in the requirements R1 to R16 above to their Reliability Coordinator.	Not Applicable
RSAW	Determine if the entity communicated the information described in R1 through R16 in TOP-002-2 to its Reliability Coordinator without any intentional time delay.	
R18	Neighboring Balancing Authorities, Transmission Operators, Generator Operators, Transmission Service	Yes

	Providers and Load Serving Entities shall use uniform line identifiers when referring to transmission facilities of an interconnected network.	
RSAW	Determine if the entity used uniform line identifiers when referring to transmission facilities of an interconnected network.	
R19	Each Balancing Authority and Transmission Operator shall maintain accurate computer models utilized for analyzing and planning system operations.	Not Applicable
RSAW	Determine if the entity maintained accurate computer models utilized for analyzing and planning system operations.	
Audit Notes:	**Iberdrola has not removed BES facilities from service during the audit period without prior notification to and approval from ERCOT ISO. The audit team reviewed ERCOT ISO operations logs to verify that there were no events where Iberdrola had removed facilities from service without prior notification to ERCOT ISO.** **The audit team reviewed samples of Iberdrola next day and intra-day Resource Plans, and ERCOT ISO Control Desk Operator Logs regarding Iberdrola's coordination with ERCOT regarding current day and next day operations. The audit team also reviewed CPS and STEC resources plans to show coordination with ERCOT ISO. Iberdrola, STEC and CPS share responsibility of scheduling the Penascal facility in the interconnection.** **The audit team reviewed forced outages and deratings of Iberdrola's facilities as noted in ERCOT ISO operations logs. The logs indicated that Iberdrola notified ERCOT ISO of outages in a timely manner, and the audit team requested and received samples of intra-day resource plans and outage scheduler entries from Iberdrola corresponding to changes in real output capability.**	

Standard	Text of the Requirement	Full Compliance
TOP-003	**Planned Outage Coordination**	
R1	Generator Operators and Transmission Operators shall provide planned outage information. R1.1. Each Generator Operator shall provide outage information daily to its Transmission Operator for scheduled generator outages planned for the next day (any foreseen outage of a generator greater than 50 MW). The Transmission Operator shall establish the outage reporting requirements. R1.2. Each Transmission Operator shall provide outage information daily to its Reliability Coordinator, and to affected Balancing Authorities and Transmission Operators for scheduled generator and bulk transmission outages planned for the next day (any foreseen outage of a transmission line or	Yes

	transformer greater than 100 kV or generator greater than 50 MW) that may collectively cause or contribute to an SOL or IROL violation or a regional operating area limitation. The Reliability Coordinator shall establish the outage reporting requirements. R1.3. Such information shall be available by 1200 Central Standard Time for the Eastern Interconnection and 1200 Pacific Standard Time for the Western Interconnection.	
RSAW	Review data submittals and confirm that they conform to established reporting requirements. (R1.1 and R1.2): Review the evidence provided to verify that the Reliability Coordinator and/or the Transmission Operator have established documented outage reporting procedures. Review outage schedules for transmission and/or generation as applicable and compare to outage submissions. (R1.2.):Review methodology or criteria of determining if a transmission or generation element does not need to be reported because it does not cause or contribute to an SOL or IROL. (R1.3.):Review logs of data submittal times Review any applicable software applications that are used for requesting, tracking, performing, or transmitting outages.	
R2	Each Transmission Operator, Balancing Authority, and Generator Operator shall plan and coordinate scheduled outages of system voltage regulating equipment, such as automatic voltage regulators on generators, supplementary excitation control, synchronous condensers, shunt and series capacitors, reactors, etc., among affected Balancing Authorities and Transmission Operators as required.	Yes
RSAW	Review coordination methods or procedures. Review communications, logs, or other evidence to confirm that coordination occurred.	
R3	Each Transmission Operator, Balancing Authority, and Generator Operator shall plan and coordinate scheduled outages of telemetering and control equipment and associated communication channels between the affected areas.	Yes
RSAW	Review coordination methods or procedures. Review communications or logs indicating that coordination occurred.	
R4	Each Reliability Coordinator shall resolve any scheduling of potential reliability conflicts.	Not Applicable
RSAW	Identify reliability conflict resolution process, procedures, or empowerment agreements that verify the Reliability	

	Coordinator has the authority to resolve scheduling conflicts. Review logs or decisions of any scheduling conflicts	
Audit Notes:	**The audit team reviewed Iberdrola evidence responses and has confirmed its personnel follow ERCOT ISO outage procedures for entering planned outages into the ERCOT outage scheduler.**	

Standard	Text of the Requirement	Full Compliance
VAR-002	**Generator Operation for Maintaining Network Voltage Schedules**	
R1	The Generator Operator shall operate each generator connected to the interconnected transmission system in the automatic voltage control mode (automatic voltage regulator in service and controlling voltage) unless the Generator Operator has notified the Transmission Operator.	Yes
RSAW	Determine if the Generator Operator operated each generator connected to the interconnected transmission system in the automatic voltage control mode (automatic voltage regulator in service and controlling voltage). If the Generator Operator did not: Determine if the Generator Operator notified the Transmission Operator that it was not operating in automatic voltage control mode.	
R2	Unless exempted by the Transmission Operator, each Generator Operator shall maintain the generator voltage or Reactive Power output (within applicable Facility Ratings1) as directed by the Transmission Operator. R2.1. When a generator's automatic voltage regulator is out of service, the Generator Operator shall use an alternative method to control the generator voltage and reactive output to meet the voltage or Reactive Power schedule directed by the Transmission Operator. R2.2. When directed to modify voltage, the Generator Operator shall comply or provide an explanation of why the schedule cannot be met.	Yes
RSAW	Determine if the Generator Operator has been exempted by the Transmission Operator from maintaining its generator voltage or Reactive Power output requirement. If the Generator Operator was not exempted: Determine if the Generator Operator maintained the generator voltage or Reactive Power output as directed by the Transmission Operator (within applicable Facility Ratings). Determine if the Generator Operator used an alternative method to control the generator voltage and reactive power output to meet the voltage or	

	Reactive Power Schedule directed by the Transmission Operator when the generator's automatic voltage regulator was out of service. Determine if the Generator Operator complied or provided an explanation of why a voltage schedule cannot be met when directed to modify voltage.	
R3	Each Generator Operator shall notify its associated Transmission Operator as soon as practical, but within 30 minutes of any of the following: R3.1. A status or capability change on any generator Reactive Power resource, including the status of each automatic voltage regulator and power system stabilizer and the expected duration of the change in status or capability. R3.2. A status or capability change on any other Reactive Power resources under the Generator Operator's control and the expected duration of the change in status or capability.	Yes
RSAW	Determine if the Generator Operator notified its associated Transmission Operator within 30 minutes of any of the following: A status or capability change on any generator Reactive Power resource, including the status of each automatic voltage regulator and power system stabilizer and the expected duration of the change in status or capability. A status or capability change on any other Reactive Power resources under the Generator Operator's control and the expected duration of the change in status or capability.	
R4	The Generator Owner shall provide the following to its associated Transmission Operator and Transmission Planner within 30 calendar days of a request. R4.1. For generator step-up transformers and auxiliary transformers with primary voltages equal to or greater than the generator terminal voltage: R4.1.1. Tap settings. R4.1.2. Available fixed tap ranges. 1 When a Generator is operating in manual control, reactive power capability may change based on stability considerations and this will lead to a change in the associated Facility Ratings. R4.1.3. Impedance data. R4.1.4. The +/- voltage range with step-change in % for load-tap changing transformers.	Not Applicable
RSAW	Determine if the Generator Owner received a request for the following information for generator step-up transformers and auxiliary transformers with primary voltages equal to or greater than the generator terminal voltage:	

	Tap settings Available fixed tap ranges Impedance data The +/- voltage range with step-change in % for load-tap changing transformers Determine if the Generator Owner provided the requested information to its associated Transmission Operator and Transmission Planner within 30 calendar days.	
R5	After consultation with the Transmission Operator regarding necessary step-up transformer tap changes, the Generator Owner shall ensure that transformer tap positions are changed according to the specifications provided by the Transmission Operator, unless such action would violate safety, an equipment rating, a regulatory requirement, or a statutory requirement. R5.1. If the Generator Operator can't comply with the Transmission Operator's specifications, the Generator Operator shall notify the Transmission Operator and shall provide the technical justification.	Not Applicable
RSAW	Determine if the Generator Owner changed the transformer tap positions according to the specification provided by the Transmission Operator. If the Generator Owner did not: Determine if the changes would have violated safety, an equipment rating, a regulatory requirement, or a statutory requirement. Determine if the Generator Operator notified the Transmission Operator and provided the technical justification if it could not comply with the Transmission Operator's specifications.	
Audit Notes:	**Iberdrola currently operates its two wind farms in power factor control mode because the turbines are not capable of automatic voltage control mode. Iberdrola has notified its Transmission Operators of this operational parameter.** **Based upon review of ERCOT ISO operations logs, the audit team did not discover any instances during the audit period where Iberdrola operated its facilities outside of directed voltage limits.** **During the audit period, Iberdrola added capacitor banks were added at the Penascal facility when Phase II was placed into service, and ERCOT ISO was notified of this change in reactive capability.**	

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Attachment c

Texas RE's Iberdrola Initial Results Summaries for PRC-005-1 R1 dated October 26, 2010

Initial Results Summary - GO

Entity Name:	**Iberdrola Renewables**
Audit Date:	**October 26 – November 1, 2010**
Audit Leader:	**Daniel Kueker**
Audit Team:	**Rick Gillean, Pat Moast**
Are there any Possible Violations?	**Yes** ☒ **No** ☐

Standard	Text of the Requirement	Full Compliance
FAC-002	**Coordination of Plans for New Generation, Transmission, and End-User**	
R1	The Generator Owner, Transmission Owner, Distribution Provider, and Load-Serving Entity seeking to integrate generation facilities, transmission facilities, and electricity end-user facilities shall each coordinate and cooperate on its assessments with its Transmission Planner and Planning Authority. The assessment shall include: R1.1. Evaluation of the reliability impact of the new facilities and their connections on the interconnected transmission systems. R1.2. Ensurance of compliance with NERC Reliability Standards and applicable Regional, subregional, Power Pool, and individual system planning criteria and facility connection requirements. R1.3. Evidence that the parties involved in the assessment have coordinated and cooperated on the assessment of the reliability impacts of new facilities on the interconnected transmission systems. While these studies may be performed independently, the results shall be jointly evaluated and coordinated by the entities involved. R1.4. Evidence that the assessment included steady-state, short-circuit, and dynamics studies as necessary to evaluate system performance in accordance with Reliability Standard TPL-001-0. R1.5. Documentation that the assessment included study assumptions, system performance, alternatives considered, and jointly coordinated recommendations.	Yes
RSAW	Verify the assessments include:	

	Evaluation of the reliability impact of the new facilities and their connections on the interconnected transmission systems. Ensurance of compliance with NERC Reliability Standards and applicable Regional,subregional, Power Pool, and individual system planning criteria and facility connection requirements. Evidence that the parties involved in the assessment have coordinated and cooperated on the assessment of the reliability impacts of new facilities on the interconnected transmission systems. Evidence that the assessment included steady-state, short-circuit, and dynamics studies as necessary to evaluate system performance in accordance with Reliability Standard TPL-001-0. Documentation that the assessment included study assumptions, system performance, alternatives considered, and jointly coordinated recommendations.	
R2	The Planning Authority, Transmission Planner, Generator Owner, Transmission Owner, Load-Serving Entity, and Distribution Provider shall each retain its documentation (of its evaluation of the reliability impact of the new facilities and their connections on the interconnected transmission systems) for three years and shall provide the documentation to the Regional Reliability Organization(s) and NERC on request (within 30 calendar days).	Yes
RSAW	Verify the entity retained its documentation of its evaluation of the reliability impact of the new facilities and their connections on the interconnected transmission systems for three years.	
Audit Notes:	**Iberdrola Renewables integrated one generation facility, its Penascal Wind Generation facility, in the ERCOT foot print and presented as evidence,(Penascal Large Generator Interconnection Agreement, Dated 8/28/2007), (Penascal Full Interconnection Study Agreement, Dated 6/5/2005) and Penascal Interconnection Study (006INR0022) Dated 12/4/2007.**	

Standard	Text of the Requirement	Full Compliance
FAC-008	**Facility Ratings Methodology**	
R1	The Transmission Owner and Generator Owner shall each document its current methodology used for developing Facility Ratings (Facility Ratings Methodology) of its solely and jointly owned Facilities. The methodology shall include all of the following:	Yes

	R1.1. A statement that a Facility Rating shall equal the most limiting applicable Equipment Rating of the individual equipment that comprises that Facility. R1.2. The method by which the Rating (of major BES equipment that comprises a Facility) is determined. R1.2.1. The scope of equipment addressed shall include, but not be limited to, generators, transmission conductors, transformers, relay protective devices, terminal equipment, and series and shunt compensation devices. R1.2.2. The scope of Ratings addressed shall include, as a minimum, both Normal and Emergency Ratings. R1.3. Consideration of the following: R1.3.1. Ratings provided by equipment manufacturers. R1.3.2. Design criteria (e.g., including applicable references to industry Rating practices such as manufacturer's warranty, IEEE, ANSI or other standards). R1.3.3. Ambient conditions. R1.3.4. Operating limitations. R1.3.5. Other assumptions.	
RSAW	Review the evidence provided by the entity to verify that Transmission Owner and Generator Owner have a documented methodology(ies) for use in developing Facility Ratings for solely and jointly owned facilities. Review the evidence provided by the entity to verify that the methodology include all of the following: (R1.1.):A statement that the Facility Rating shall equal the most limiting applicable Equipment Rating of all the individual equipment that comprises the Facility. (R1.2.):Method by which the rating is determined. (R1.2.1):The scope of equipment addressed. (R1.2.2):The scope of Ratings includes both Normal and Emergency Ratings. (R1.3.):Consideration of the following: (R1.3.1.):Ratings provided by equipment manufacturers. (R1.3.2.):Design criteria. (R1.3.3.):Ambient conditions. (R1.3.4.):Operating limitations. (R1.3.5.):Other assumptions.	
R2	The Transmission Owner and Generator Owner shall each make its Facility Ratings Methodology available for inspection and technical review by those Reliability Coordinators, Transmission Operators, Transmission Planners, and Planning Authorities that have responsibility for the area in which the associated Facilities are located,	Yes

	within 15 business days of receipt of a request.	
RSAW	Review all requests received by the entity to determine the receipt date of the request. This can originate from the requesting entity if this is part of an investigation, from neighbor's questionnaire, or from the records of the entity being audited. If from a requesting entity, allowances will need to be made regarding timing of receipt of the request based on the method of request. Review the evidence provided by the entity to verify that the date Facility Ratings Methodology was made available to the requester was within 15 business days of receipt of request.	
R3	If a Reliability Coordinator, Transmission Operator, Transmission Planner, or Planning Authority provides written comments on its technical review of a Transmission Owner's or Generator Owner's Facility Ratings Methodology, the Transmission Owner or Generator Owner shall provide a written response to that commenting entity within 45 calendar days of receipt of those comments. The response shall indicate whether a change will be made to the Facility Ratings Methodology and, if no change will be made to that Facility Ratings Methodology, the reason why.	Yes
RSAW	Review the date received by the Transmission owner or Generator owner of all documented comments on its Ratings Methodology from a technical review by a Reliability Coordinator, Transmission Operator, Transmission Planner, or Planning Authority (now Planning Coordinator). Review the evidence provided by the entity to verify evidence that the written response to the comments: Was provided within 45 calendar days of comment receipt by the entity. Indicated whether a change will be made to that Facility Ratings Methodology and, if no change will be made, a reason why not was supplied.	
Audit Notes:	**Iberdrola provided the audit team with their Facility Ratings Methodology. The audit team verified that this methodology covered the entire audit period. The audit team also verified that this methodology stated that the facility ratings shall equal the most limiting applicable component. The audit team also verified that the methodology documentation addresses the sub-requirements of R1.2 and R1.3.** **Iberdrola has not received any requests from Reliability Coordinators, Transmission Operators, Transmission Planners, or Planning Authorities to make its Facility Ratings Methodology available for inspection and technical review.**	

Standard	Text of the Requirement	Full Compliance

FAC-009	Establish and Communicate Facility Ratings	
R1	The Transmission Owner and Generator Owner shall each establish Facility Ratings for its solely and jointly owned Facilities that are consistent with the associated Facility Ratings Methodology.	Yes
RSAW	Review the evidence provided by the entity to verify that the entity's Facility Ratings were developed consistent with its Facility Ratings Methodology. Review the evidence provided by the entity to verify that the entity has Facility Ratings for its solely and jointly owned Facilities including: New Facilities Existing Facilities Modifications to existing Facilities Re-ratings of existing Facilities.	
R2	The Transmission Owner and Generator Owner shall each provide Facility Ratings for its solely and jointly owned Facilities that are existing Facilities, new Facilities, modifications to existing Facilities and re-ratings of existing Facilities to its associated Reliability Coordinator(s), Planning Authority(ies), Transmission Planner(s), and Transmission Operator(s) as scheduled by such requesting entities.	Yes
RSAW	Determine the requesting entity schedule for providing Facility Ratings to the entities listed in R2. Review the evidence provided by the entity to verify evidence that the entity provided its Facility Ratings to its associated Reliability Coordinator(s), Planning Authority(ies), Transmission Planner(s), and Transmission Operator(s) as scheduled by the requesting entities for: Existing Facilities New Facilities Modifications to existing Facilities Re-ratings of existing Facilities (this could include seasonal ratings)	
Audit Notes:	**Iberdrola provided the audit team with evidence of established facility ratings that were consistent with its Facility Ratings Methodology. Iberdrola Renewables provided the audit team with its facility ratings for the Penascal Wind Generation facility and its Barton Chapel Wind Generation facility.**	

Standard	Text of the Requirement	Full Compliance
IRO-004	**Reliability Coordination - Operations Planning**	
R1	Each Reliability Coordinator shall conduct next-day reliability analyses for its Reliability Coordinator Area to ensure that the Bulk Electric System can be operated reliably in anticipated normal and Contingency event conditions. The Reliability Coordinator shall conduct	Not Applicable

	Contingency analysis studies to identify potential interface and other SOL and IROL violations, including overloaded transmission lines and transformers, voltage and stability limits, etc.	
RSAW	Verify that the Reliability Coordinator conducts next-day reliability analyses for the Reliability Coordinator Area to ensure that the Bulk Electric System can be operated reliably in anticipated normal and Contingency event conditions. Verify that the Reliability Coordinator conducts contingency analysis studies to identify potential interface and other SOL and IROL violations, including those listed in R1.	
R2	Each Reliability Coordinator shall pay particular attention to parallel flows to ensure one Reliability Coordinator Area does not place an unacceptable or undue Burden on an adjacent Reliability Coordinator Area.	Not Applicable
RSAW	Verify that the next-day reliability analysis methodology includes evaluation of any parallel flows to ensure it does not place an unacceptable or undue burden on an adjacent Reliability Coordinator Area.	
R3	Each Reliability Coordinator shall, in conjunction with its Transmission Operators and Balancing Authorities, develop action plans that may be required, including reconfiguration of the transmission system, re-dispatching of generation, reduction or curtailment of Interchange Transactions, or reducing load to return transmission loading to within acceptable SOLs or IROLs.	Not Applicable
RSAW	Verify or spot check that the Reliability Coordinator has action plans as may be required to return transmission loading to within acceptable System Operating Limits or Interconnection Reliability Operating Limits when required. Review to confirm that the Reliability Coordinator developed these action plans in conjunction with its Transmission Operators and Balancing Authorities.	
R4	Each Transmission Operator, Balancing Authority, Transmission Owner, Generator Owner, Generator Operator, and Load-Serving Entity in the Reliability Coordinator Area shall provide information required for system studies, such as critical facility status, Load, generation, operating reserve projections, and known Interchange Transactions. This information shall be available by 1200 Central Standard Time for the Eastern Interconnection and 1200 Pacific Standard Time for the Western Interconnection.	Yes
RSAW	Verify that each Transmission Operator, Balancing Authority, Transmission Owner, Generator Owner, Generator Operator, and Load-Serving Entity in the Reliability Coordinator Area have provided the following required information: Critical facility status	

	Load Generation Operating reserve projections Known Interchange Transactions Review the evidence provided by the entity that demonstrates the information was submitted by 1200 CST for the Eastern Interconnection and 1200 PST for Western Interconnection.	
R5	Each Reliability Coordinator shall share the results of its system studies, when conditions warrant or upon request, with other Reliability Coordinators and with Transmission Operators, Balancing Authorities, and Transmission Service Providers within its Reliability Coordinator Area. The Reliability Coordinator shall make study results available no later than 1500 Central Standard Time for the Eastern Interconnection and 1500 Pacific Standard Time for the Western Interconnection, unless circumstances warrant otherwise.	Not Applicable
RSAW	Verify that there is a process/procedure used in determining when it is warranted to share results of its system studies with other Reliability Coordinators, Transmission Operators, Balancing Authorities, and Transmission Service Providers within its Reliability Coordinator Area. Confirm that the Reliability Coordinator has shared the results of its system studies when warranted or upon request. Review the evidence provided by the entity that shows the Reliability Coordinator made the study results available no later than 1500 CST for the Eastern Interconnection and 1500 PST for the Western Interconnection unless circumstances warrant otherwise.	
R6	If the results of these studies indicate potential SOL or IROL violations, the Reliability Coordinator shall direct its Transmission Operators, Balancing Authorities, and Transmission Service Providers to take any necessary Action the Reliability Coordinator deems appropriate to address the potential SOL or IROL violation	Not Applicable
RSAW	Review the evidence provided by the entity to verify that the Reliability Coordinator has directed its Transmission Operators, Balancing Authorities and Transmission Service Providers to take necessary actions to address the potential SOL or IROL violations when study results indicate them. When study results indicate potential SOL or IROL violation(s), verify by reviewing the evidence provided by the entity that the Reliability Coordinator specified the appropriate actions to address potential violation.	
R7	Each Transmission Operator, Balancing Authority, and	Not Applicable

	Transmission Service Provider shall comply with the directives of its Reliability Coordinator based on the next day assessments in the same manner in which it would comply during real time operating events.	
RSAW	Review the evidence provided by the entity to verify that when directives were issued under R6, the Transmission Operator, Balancing Authority, or Transmission Service Provider complied with the directives. If the directives were not followed, please review IRO-003-1_R8 to see if the entity that did not follow the directive would have encountered similar issues and performed in a similar way.	
Audit Notes:	**The audit team reviewed evidence, including day-ahead resource plans and outage schedules, provided by Iberdrola. The evidence shows that Iberdrola has provided information required for system studies to ERCOT ISO regarding critical facility status and generation. The audit team also reviewed CPS and STEC resources plans to show coordination with ERCOT ISO. Iberdrola, STEC and CPS share responsibility of scheduling the Penascal facility in the interconnection.**	

Standard	Text of the Requirement	Full Compliance
PRC-004	**Analysis and Mitigation of Transmission and Generation Protection System Misoperations**	
R1	The Transmission Owner and any Distribution Provider that owns a transmission Protection System shall each analyze its transmission Protection System misoperations and shall develop and implement a Corrective Action Plan to avoid future misoperations of a similar nature according to the Regional Reliability Organization's procedures developed for Reliability Standard PRC-003 Requirement 1.	Not Applicable
RSAW	Verify the entity has a method to determine if a transmission Protection System misoperated*. Review the evidence provided by the entity to determine if the entity has had any transmission Protection System misoperations on its transmission Protection System.. If yes: Determine if the entity developed and implemented a Corrective Action Plan to avoid future Misoperations of a similar nature in accordance with Regional Reliability Organization Procedures specified in Reliability Standards PRC-003-0_R1 Review the evidence provided by the entity to verify that the entity has maintained a record of all transmission Protection System misoperations in accordance with Regional Reliability Organization Procedures specified in Reliability Standards PRC-003-0_R1	

R2	The Generator Owner shall analyze its generator Protection System misoperations, and shall develop and implement a Corrective Action Plan to avoid future misoperations of a similar nature according to the Regional Reliability Organization's procedures developed for PRC-003 R1.	Yes
RSAW	Verify the entity has a method to determine if a generator Protection System misoperated*. Review the evidence provided by the entity to determine if the entity has had any generator Protection System misoperations on its generator Protection System. If yes: Determine if the entity developed and implemented a Corrective Action Plan to avoid future Misoperations of a similar nature in in accordance with Regional Reliability Organization Procedures specified in Reliability Standards PRC-003-0_R1 Review the evidence provided by the entity to verify that the entity has maintained a record of all generator Protection System misoperations in in accordance with Regional Reliability Organization Procedures specified in Reliability Standards PRC-003-0_R1	
R3	The Transmission Owner, any Distribution Provider that owns a transmission Protection System, and the Generator Owner shall each provide to its Regional Reliability Organization, documentation of its Misoperations analyses and Corrective Action Plans according to the Regional Reliability Organization's procedures developed for PRC-003 R1.	Yes
RSAW	If the entity had any misoperations and/or corrective action plans as determined in R1 Determine if the Entity supplied the required documentation of misoperations analyses and Corrective Action Plans to the Regional Reliability Organization as per the Regional Reliability Organization's procedures developed for PRC-003-1	
Audit Notes:	**The audit team reviewed samples of Internal Disturbance Analysis Forms which are used by Iberdrola personnel to record and analyze relay operations. Iberdrola has not experienced any relay misoperations at its generation facilities during the audit period.**	

Standard	Text of the Requirement	Full Compliance
PRC-005		
R1	Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall have a Protection System maintenance and testing program for Protection Systems that affect the	Possible Violation

	reliability of the BES. The program shall include: R1.1. Maintenance and testing intervals and their basis. R1.2. Summary of maintenance and testing procedures.	
RSAW	Review the evidence provided by the entity to determine if the entity has a transmission Protection System and/or a generation Protection System (see R2). If yes: Review the evidence provided by the entity to verify the entity has a maintenance and testing program for the Protection System. The maintenance and testing program should include (see note on page 2): Protective relays Associated communication systems Voltage and current sensing devices Station batteries DC control circuitry Review the program and determine if it has the following (R1.1.):Maintenance and testing intervals (R1.1.):Basis for those intervals (R1.2.):Summary of Maintenance and Testing procedures	
R2	Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include: R2.1. Evidence Protection System devices were maintained and tested within the defined intervals R2.2. Date each Protection System device was last tested/maintained	Yes
RSAW	Review the evidence provided by the entity to determine if the entity is required to have a Protection System maintenance and testing program. If yes: Review the evidence provided by the entity to determine if the entity's Regional Reliability Organization requested documentation of its Protection System maintenance and testing program and the implementation of that program (if the RRO did not, this requirement is N/A at this time) Review the evidence provided by the entity to determine if the entity provided the above information to its Regional Reliability Organization within 30 calendar days of the request and that the documentation included:	

	Evidence Protection System devices were maintained and tested within the defined intervals Date when each Protection System device was last tested/maintained.	
Audit Notes:	**The audit team reviewed Iberdrola's maintenance and testing program documentation for its generation protection systems. The program documentation addresses the five protection system equipment types defined in the NERC Glossary, and established maintenance and testing intervals for all equipment.** **The program documentation and Iberdrola testimony during the audit states that the basis for maintenance intervals is a compilation of "manufacturer's requirements, design engineer's requirements, the requirements of the Interconnection Agreement, and discussions with other Generator Owners who operate comparable Protection System equipment." The audit team requested documented evidence to support this assertion, and Iberdrola provided manufacturer documentation supporting intervals for protective relays and DC control circuitry.** **The Iberdrola protection system maintenance and testing program does not include a documented basis for maintenance and testing intervals on batteries, associated communication systems, and voltage and current sensing devices.** **The audit team reviewed samples of commissioning records for protective relays. Iberdrola has not reached the first maintenance interval for protection system maintenance at either of its two wind facilities.**	

Standard	Text of the Requirement	Full Compliance
PRC-017	**Special Protection System Maintenance and Testing**	
R1	The Transmission Owner, Generator Owner, and Distribution Provider that owns an SPS shall have a system maintenance and testing program(s) in place. The program(s) shall include: R1.1. SPS identification shall include but is not limited to: R1.1.1. Relays. R1.1.2. Instrument transformers. R1.1.3. Communications systems, where appropriate. R1.1.4. Batteries. R1.2. Documentation of maintenance and testing intervals and their basis. R1.3. Summary of testing procedure. R1.4. Schedule for system testing.	Not Applicable

	R1.5. Schedule for system maintenance. R1.6. Date last tested/maintained.	
RSAW	Determine if the entity has an SPS system maintenance and testing program Review the evidence provided by the entity to determine if the following items are included at a minimum: (R1.1.):The SPS program identifies at least the following: (R1.1.1.) Relays. (R1.1.2.) Instrument transformers. (R1.1.3.) Communications systems, where appropriate. (R1.1.4.) Batteries. (R1.2.) Documentation of maintenance and testing intervals and their basis. (R1.3.) Summary of testing procedure. (R1.4.) Schedule for system testing. (R1.5.) Schedule for system maintenance. (R1.6.) Date last tested/maintained.	
R2	The Transmission Owner, Generator Owner, and Distribution Provider that owns an SPS shall provide documentation of the program and its implementation to the appropriate Regional Reliability Organizations and NERC on request (within 30 calendar days).	Not Applicable
RSAW	Determine if the RRO or NERC requested documentation of the entities SPS program and implementation. Determine if the entity provided the documentation to NERC or the RRO within 30 calendar days. Review the evidence provided by the entity to determine if the entity has implemented its SPS equipment maintenance and testing program as per the schedule defined in their program.	
Audit Notes:	**Iberdrola does not own any Special Protection Systems.**	

Standard	Text of the Requirement	Full Compliance
VAR-002	**Generator Operation for Maintaining Network Voltage Schedules**	
R1	The Generator Operator shall operate each generator connected to the interconnected transmission system in the automatic voltage control mode (automatic voltage regulator in service and controlling voltage) unless the Generator Operator has notified the Transmission Operator.	Not Applicable
RSAW	Determine if the Generator Operator operated each generator connected to the interconnected transmission	

	system in the automatic voltage control mode (automatic voltage regulator in service and controlling voltage). If the Generator Operator did not: Determine if the Generator Operator notified the Transmission Operator that it was not operating in automatic voltage control mode.	
R2	Unless exempted by the Transmission Operator, each Generator Operator shall maintain the generator voltage or Reactive Power output (within applicable Facility Ratings1) as directed by the Transmission Operator. R2.1. When a generator's automatic voltage regulator is out of service, the Generator Operator shall use an alternative method to control the generator voltage and reactive output to meet the voltage or Reactive Power schedule directed by the Transmission Operator. R2.2. When directed to modify voltage, the Generator Operator shall comply or provide an explanation of why the schedule cannot be met.	Not Applicable
RSAW	Determine if the Generator Operator has been exempted by the Transmission Operator from maintaining its generator voltage or Reactive Power output requirement. If the Generator Operator was not exempted: Determine if the Generator Operator maintained the generator voltage or Reactive Power output as directed by the Transmission Operator (within applicable Facility Ratings). Determine if the Generator Operator used an alternative method to control the generator voltage and reactive power output to meet the voltage or Reactive Power Schedule directed by the Transmission Operator when the generator's automatic voltage regulator was out of service. Determine if the Generator Operator complied or provided an explanation of why a voltage schedule cannot be met when directed to modify voltage.	
R3	Each Generator Operator shall notify its associated Transmission Operator as soon as practical, but within 30 minutes of any of the following: R3.1. A status or capability change on any generator Reactive Power resource, including the status of each automatic voltage regulator and power system stabilizer and the expected duration of the change in status or capability. R3.2. A status or capability change on any other Reactive Power resources under the Generator Operator's control and the expected duration of the change in status or capability.	Not Applicable
RSAW	Determine if the Generator Operator notified its associated Transmission Operator within 30 minutes of any of the	

	following: A status or capability change on any generator Reactive Power resource, including the status of each automatic voltage regulator and power system stabilizer and the expected duration of the change in status or capability. A status or capability change on any other Reactive Power resources under the Generator Operator's control and the expected duration of the change in status or capability.	
R4	The Generator Owner shall provide the following to its associated Transmission Operator and Transmission Planner within 30 calendar days of a request. R4.1. For generator step-up transformers and auxiliary transformers with primary voltages equal to or greater than the generator terminal voltage: R4.1.1. Tap settings. R4.1.2. Available fixed tap ranges. 1 When a Generator is operating in manual control, reactive power capability may change based on stability considerations and this will lead to a change in the associated Facility Ratings. R4.1.3. Impedance data. R4.1.4. The +/- voltage range with step-change in % for load-tap changing transformers.	Yes
RSAW	Determine if the Generator Owner received a request for the following information for generator step-up transformers and auxiliary transformers with primary voltages equal to or greater than the generator terminal voltage: Tap settings Available fixed tap ranges Impedance data The +/- voltage range with step-change in % for load-tap changing transformers Determine if the Generator Owner provided the requested information to its associated Transmission Operator and Transmission Planner within 30 calendar days.	
R5	After consultation with the Transmission Operator regarding necessary step-up transformer tap changes, the Generator Owner shall ensure that transformer tap positions are changed according to the specifications provided by the Transmission Operator, unless such action would violate safety, an equipment rating, a regulatory requirement, or a statutory requirement. R5.1. If the Generator Operator can't comply with the Transmission Operator's specifications, the Generator Operator shall notify the Transmission Operator and shall provide the technical justification.	Yes
RSAW	Determine if the Generator Owner changed the	

	transformer tap positions according to the specification provided by the Transmission Operator. If the Generator Owner did not: Determine if the changes would have violated safety, an equipment rating, a regulatory requirement, or a statutory requirement. Determine if the Generator Operator notified the Transmission Operator and provided the technical justification if it could not comply with the Transmission Operator's specifications.	
Audit Notes:	**Iberdrola provided step-up transformer data to ERCOT ISO via the Resource Asset Registration Form (RARF), which ERCOT requires generation entities to submit.**	

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Attachment d

Iberdrola's Mitigation Plan MIT-08-3439 for IRO-001-1.1 R8 submitted December 22, 2011

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/22/2010

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: 12/22/2010

Section A: Compliance Notices

- Section 6.2 of the CMEP[1] 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.

- This submittal form may be used to provide a required Mitigation Plan for review and approval by Texas Reliability Entity (Texas RE) and NERC.
- The Mitigation Plan shall be submitted to the Texas RE 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.

- 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.
- If the Mitigation Plan is approved by Texas RE 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.
- Texas RE or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: Iberdrola Renewables Inc.
Company Address: 1125 NW Couch Street, Suite 700, Portland, OR 97209
NERC Compliance Registry ID: NCR10259

B.2 Identify the individual in your organization who will serve as the Contact to Texas RE regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Texas RE regarding this Mitigation Plan.

Name: Laura Beane
Title: Market Structure Manager
Email: laura.beane@iberdrolaren.com
Phone: 503-478-6306

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: IRO-001-1
[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]	Texas RE Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date(*)
	TRE201000126	R8	12/21/08

(*) 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 Texas RE. Questions regarding the date to use should be directed to the Texas RE.

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

The Penascal wind generation facility was in "test" energy mode and had not yet been placed into service. As such, the wind generation facility had to be manually disconnected from the grid.

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

The Penascal wind generation facility was producing small amounts of test energy on December 21, 2008 when the ERCOT issued a VDI to disconnect from the grid. Because the facility was not yet placed into service, the wind facility had to be manually disconnected which required a turbine vendor engineer to physically open a breaker at the site. Iberdrola Renewables' designated QSE communicated with the ERCOT dispatchers regarding the facility status until such time as the facility could be physically disconnected.

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:

Iberdrola Renewables has a robust NERC compliance program in place and is fully committed to compliance with all applicable NERC reliability standards. Iberdrola Renewables has a strong track record of compliance with reliability directives issued to its NERC registered generation facilities. In response to the TRE auditor's findings,

the company immediately took steps to implement a new procedure to address the alleged violation and to ensure improved communication during the period when generation facilities are in "test" energy mode. This procedure has been attached to this mitigation plan. It is worth noting that Iberdrola Renewables' NERC Compliance program has resulted in successful compliance with all issued reliability directives for its 43 operational wind farms as well as its 600+ MW thermal generation facilities. The alleged violation that occurred at the Penascal wind facility in 2008 was an isolated incident that has not recurred.

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:

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)

(*) 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:

[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 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:

[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 incurs further violations of the same or similar reliability standards requirements in the future:

Iberdrola Renewables' NERC Compliance program has resulted in successful compliance with all issued reliability directives for its 43 operational wind farms as well as its 600+ MW thermal generation facilities. The alleged violation that occurred at the Penascal wind facility in 2008 was an isolated incident that has not recurred. Nevertheless, Iberdrola Renewables has implemented a new procedure to prevent any future issues related to communication of directives at its generation facilities during the "test" period.

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:

Iberdrola Renewables will add a new section to its 2011 annual NERC Compliance training program to ensure improved awareness of the company's new procedures in response to the TRE auditor recommendations.

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 Texas RE for acceptance by Texas RE 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 Senior Vice President of Iberdrola Renewables.

2. I am qualified to sign this Mitigation Plan on behalf of Iberdrola Renewables.

3. I have read and understand Iberdrola Renewables' 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. Iberdrola Renewables agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by Texas RE and approved by NERC.

Authorized Individual Signature

(Electronic signatures are acceptable; *see* CMEP)

Name (Print): Donald Furman
Title: Senior Vice President
Date: 12/22/2010

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.

Iberdrola Renewables has a robust NERC compliance program in place and is fully committed to compliance with all applicable NERC reliability standards. Iberdrola Renewables has revised its policies and procedures to further strengthen its NERC Compliance Program in response to the TRE audit team's recommendations.

Submit completed and signed forms to mitigation@texasre.org

Please direct any questions regarding completion of this form to:

Texas Reliability Entity
Rashida Caraway
512-583-4977
rashida.caraway@texasre.org

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment e

Iberdrola's Mitigation Plan MIT-08-3441 for TOP-001-1 R3 submitted December 22, 2011

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/22/2010

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: 12/22/2010

Section A: Compliance Notices

- Section 6.2 of the CMEP[1] 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.

- This submittal form may be used to provide a required Mitigation Plan for review and approval by Texas Reliability Entity (Texas RE) and NERC.
- The Mitigation Plan shall be submitted to the Texas RE 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.

- 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.
- If the Mitigation Plan is approved by Texas RE 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.
- Texas RE or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: Iberdrola Renewables Inc.
Company Address: 1125 NW Couch Street, Suite 700, Portland, OR 97209
NERC Compliance Registry ID: NCR10259

B.2 Identify the individual in your organization who will serve as the Contact to Texas RE regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Texas RE regarding this Mitigation Plan.

Name: Laura Beane
Title: Market Structure Manager
Email: laura.beane@iberdrolaren.com
Phone: 503-478-6306

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: TOP-001-1
[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]	Texas RE Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date(*)
	TRE201000127	R3	12/21/08

(*) 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 Texas RE. Questions regarding the date to use should be directed to the Texas RE.

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

The Penascal wind generation facility was in "test" energy mode and had not yet been placed into service. As such, the wind generation facility had to be manually disconnected from the grid.

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

The Penascal wind generation facility was producing small amounts of test energy on December 21, 2008 when the ERCOT issued a VDI to disconnect from the grid. Because the facility was not yet placed into service, the wind facility had to be manually disconnected which required a turbine vendor engineer to physically open a breaker at the site. Iberdrola Renewables' designated QSE communicated with the ERCOT dispatchers regarding the facility status until such time as the facility could be physically disconnected.

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:

Iberdrola Renewables has a robust NERC compliance program in place and is fully committed to compliance with all applicable NERC reliability standards. Iberdrola Renewables has a strong track record of compliance with reliability directives issued to its NERC registered generation facilities. In response to the TRE auditor's findings,

the company immediately took steps to implement a new procedure to address the alleged violation and to ensure improved communication during the period when generation facilities are in "test" energy mode. This procedure has been attached to this mitigation plan. It is worth noting that Iberdrola Renewables' NERC Compliance program has resulted in successful compliance with all issued reliability directives for its 43 operational wind farms as well as its 600+ MW thermal generation facilities. The alleged violation that occurred at the Penascal wind facility in 2008 was an isolated incident that has not recurred.

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:

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)

(*) 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:

[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 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:

[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 incurs further violations of the same or similar reliability standards requirements in the future:

Iberdrola Renewables' NERC Compliance program has resulted in successful compliance with all issued reliability directives for its 43 operational wind farms as well as its 600+ MW thermal generation facilities. The alleged violation that occurred at the Penascal wind facility in 2008 was an isolated incident that has not recurred Nevertheless, Iberdrola Renewables has implemented a new procedure to prevent any future issues related to communication of directives at its generation facilities during the "test" period.

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:

Iberdrola Renewables will add a new section to its 2011 annual NERC Compliance training program to ensure improved awareness of the company's new procedures in response to the TRE auditor recommendations.

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 Texas RE for acceptance by Texas RE 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 Senior Vice President of Iberdrola Renewables.

2. I am qualified to sign this Mitigation Plan on behalf of Iberdrola Renewables.

3. I have read and understand Iberdrola Renewables' 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. Iberdrola Renewables agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by Texas RE and approved by NERC.

Authorized Individual Signature

(Electronic signatures are acceptable; *see* CMEP)

Name (Print): Donald Furman
Title: Senior Vice President
Date: 12/22/2010

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.

Iberdrola Renewables has a robust NERC compliance program in place and is fully committed to compliance with all applicable NERC reliability standards. Iberdrola Renewables has revised its policies and procedures to further strengthen its NERC Compliance Program in response to the TRE audit team's recommendations.

Submit completed and signed forms to mitigation@texasre.org

Please direct any questions regarding completion of this form to:

Texas Reliability Entity
Rashida Caraway
512-583-4977
rashida.caraway@texasre.org

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment f

Iberdrola's Mitigation Plan MIT-08-3448 for COM-002-2 R1 submitted December 22, 2011

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/22/2010

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: 12/22/2010

Section A: Compliance Notices

- Section 6.2 of the CMEP[1] 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.

- This submittal form may be used to provide a required Mitigation Plan for review and approval by Texas Reliability Entity (Texas RE) and NERC.
- The Mitigation Plan shall be submitted to the Texas RE 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.

- 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.
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- Texas RE or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: Iberdrola Renewables Inc.
Company Address: 1125 NW Couch Street, Suite 700, Portland, OR 97209
NERC Compliance Registry ID: NCR 10259

B.2 Identify the individual in your organization who will serve as the Contact to Texas RE regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Texas RE regarding this Mitigation Plan.

Name: Laura Beane
Title: Market Structure Manager
Email: laura.beane@iberdrolaren.com
Phone: 503-478-6306

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: COM-002-2
[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]	Texas RE Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date(*)
	TRE201000128	R1	12/21/08

(*) 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 Texas RE. Questions regarding the date to use should be directed to the Texas RE.

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

The Penascal wind generation facility was in "test" energy mode and had not yet been placed into service. As such, the wind generation facility had to be manually disconnected from the grid.

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

The Penascal wind generation facility was producing small amounts of test energy on December 21, 2008 when the ERCOT issued a VDI to disconnect from the grid. Because the facility was not yet placed into service, the wind facility had to be manually disconnected which required a turbine vendor engineer to physically open a breaker at the site. Iberdrola Renewables' designated QSE communicated with the ERCOT dispatchers regarding the facility status until such time as the facility could be physically disconnected.

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:

Iberdrola Renewables has a robust NERC compliance program in place and is fully committed to compliance with all applicable NERC reliability standards. Iberdrola Renewables has a strong track record of compliance with reliability directives issued to

its NERC registered generation facilities. In response to the TRE auditor's findings, the company immediately took steps to implement a new procedure to address the alleged violation and to ensure improved communication during the period when generation facilities are in "test" energy mode. This procedure has been attached to this mitigation plan. It is worth noting that Iberdrola Renewables' NERC Compliance program has resulted in successful compliance with all issued reliability directives for its 43 operational wind farms as well as its 600+ MW thermal generation facilities. The alleged violation that occurred at the Penascal wind facility in 2008 was an isolated incident that has not recurred.

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:

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)

(*) 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:

[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 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:

[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 incurs further violations of the same or similar reliability standards requirements in the future:

Iberdrola Renewables' NERC Compliance program has resulted in successful compliance with all issued reliability directives for its 43 operational wind farms as well as its 600+ MW thermal generation facilities. The alleged violation that occurred at the Penascal wind facility in 2008 was an isolated incident that has not recurred. Nevertheless, Iberdrola Renewables has implemented a new procedure to prevent any future issues related to communication of directives at its generation facilities during the "test" period.

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:

Iberdrola Renewables will add a new section to its 2011 annual NERC Compliance training program to ensure improved awareness of the company's new procedures in response to the TRE auditor recommendations.

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 Texas RE for acceptance by Texas RE 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 Senior Vice President of Iberdrola Renewables.

2. I am qualified to sign this Mitigation Plan on behalf of Iberdrola Renewables.

3. I have read and understand Iberdrola Renewables' 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. Iberdrola Renewables agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by Texas RE and approved by NERC.

Authorized Individual Signature

(Electronic signatures are acceptable; *see* CMEP)

Name (Print): Donald Furman
Title: Senior Vice President
Date: 12/22/2010

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.

Iberdrola Renewables has a robust NERC compliance program in place and is fully committed to compliance with all applicable NERC reliability standards. Iberdrola Renewables has revised its policies and procedures to further strengthen its NERC Compliance Program in response to the TRE audit team's recommendations.

Submit completed and signed forms to mitigation@texasre.org

Please direct any questions regarding completion of this form to:

Texas Reliability Entity
Rashida Caraway
512-583-4977
rashida.caraway@texasre.org

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment g

Iberdrola's Mitigation Plan MIT-08-3440 for PRC-005-1 R1 submitted December 22, 2011

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/22/2010

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: 12/22/2010

Section A: Compliance Notices

- Section 6.2 of the CMEP[1] 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.

- This submittal form may be used to provide a required Mitigation Plan for review and approval by Texas Reliability Entity (Texas RE) and NERC.
- The Mitigation Plan shall be submitted to the Texas RE 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.

- 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.
- If the Mitigation Plan is approved by Texas RE 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.
- Texas RE or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: Iberdrola Renewables Inc.
Company Address: 1125 NW Couch Street, Suite 700, Portland, OR 97209
NERC Compliance Registry ID: NCR10259

B.2 Identify the individual in your organization who will serve as the Contact to Texas RE regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Texas RE regarding this Mitigation Plan.

Name: Laura Beane
Title: Market Structure Manager
Email: laura.beane@iberdrolaren.com
Phone: 503-478-6306

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: PRC-005-1
[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]	Texas RE Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date(*)
	TRE201000129	R1	07/14/08

(*) 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 Texas RE. Questions regarding the date to use should be directed to the Texas RE.

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

Documentation of testing intervals for station batteries, instrument transformers and associated communication devices was deemed insufficient by the TRE.

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

The TRE audit team's findings with regard to our PRC-005 procedure were surprising given the MRO, WECC, and SPP auditors all agreed the same procedure audited by the TRE met the requirements of the NERC PRC-005 standard. As such, Iberdrola Renewables previously had no basis to review or modify its PRC-005 procedure given three previous NERC audits had indicated the procedure was sufficient. In response to the TRE audit team's indication of a possible violation, the company immediately updated its PRC-005 procedure to include additional documentation of its stated maintenance and testing intervals.

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:

Iberdrola Renewables has a robust NERC compliance program in place and is fully committed to compliance with all applicable NERC reliability standards. Iberdrola Renewables has a strong track record of compliance, including clean audit results from the WECC, SPP, and MRO. In response to the TRE audit team's findings, Iberdrola

Renewables has revised its PRC-005 procedure to include additional documentation of its stated maintenance and testing intervals. The revised procedure has been attached to this mitigation plan.

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:

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)

(*) 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:

[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 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:

[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 incurs further violations of the same or similar reliability standards requirements in the future:

Iberdrola Renewables has revised its PRC-005 procedure to include additional documentation of the stated maintenance intervals for all NERC registered facilities.

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:

Iberdrola Renewables will add a new section to its 2011 annual NERC Compliance training program to ensure improved awareness of the company's new procedures in response to the TRE auditor recommendations.

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 Texas RE for acceptance by Texas RE 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 Senior Vice President of Iberdrola Renewables.

2. I am qualified to sign this Mitigation Plan on behalf of Iberdrola Renewables.

3. I have read and understand Iberdrola Renewables' 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. Iberdrola Renewables agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by Texas RE and approved by NERC.

Authorized Individual Signature

(Electronic signatures are acceptable; *see* CMEP)

Name (Print): Donald Furman
Title: Senior Vice President
Date: 12/22/2010

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.

Iberdrola Renewables has a robust NERC compliance program in place and is fully committed to compliance with all applicable NERC reliability standards. Iberdrola Renewables has revised its policies and procedures to further strengthen its NERC Compliance Program in response to the TRE audit team's recommendations.

Submit completed and signed forms to mitigation@texasre.org

Please direct any questions regarding completion of this form to:

Texas Reliability Entity
Rashida Caraway
512-583-4977
rashida.caraway@texasre.org

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment h

Iberdrola's Certification of Mitigation Plan MIT-08-3439 Completion for IRO-001-1.1 R8 dated February 22, 2011

TEXAS RELIABILITY ENTITY

Mitigation Plan Completion Certification

Submittal of a Mitigation Plan Completion Certification shall include data or information sufficient for Texas Reliability Entity to verify completion of the Mitigation Plan. Texas Reliability Entity may request 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 Name: Iberdrola Renewables Inc.

NERC Registry ID:10259

Date of Submittal of Certification:2/22/2011

NERC Violation ID No(s):TRE201000126

Reliability Standard and the Requirement(s) of which a violation was mitigated:IRO-001-1 R8

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan:12/22/2010

Date Mitigation Plan was actually completed:12/22/2010

Additional Comments (or List of Documents Attached):

I certify that the Mitigation Plan for the above named violation has been completed on the date shown above and that all submitted information is complete and correct to the best of my knowledge.

Name:Donald Furman

Title:Senior Vice President

Email:donald.furman@iberdrolaren.com

Phone:503-796-7723

2700 Via Fortuna, Suite 225
Austin, Texas 78746
Tel: (512) 583-4900
Fax: (512) 583-4903

Authorized Signature _____ Date 2/22/2011

Please submit completed forms or any questions regarding completion of this form to the **mitigation@texasre.org**.

Please indicate the company name and reference the NERC Violation ID # (if known) in the subject line of the e-mail.

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment i

Iberdrola's Certification of Mitigation Plan MIT-08-3441 Completion TOP-001-1 R3 dated February 22, 2011

TEXAS RELIABILITY ENTITY

Mitigation Plan Completion Certification

Submittal of a Mitigation Plan Completion Certification shall include data or information sufficient for Texas Reliability Entity to verify completion of the Mitigation Plan. Texas Reliability Entity may request 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 Name: Iberdrola Renewables Inc.

NERC Registry ID:10259

Date of Submittal of Certification:2/22/2011

NERC Violation ID No(s):TRE201000127

Reliability Standard and the Requirement(s) of which a violation was mitigated:TOP-001-1 R3

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan:12/22/2010

Date Mitigation Plan was actually completed:12/22/2010

Additional Comments (or List of Documents Attached):

I certify that the Mitigation Plan for the above named violation has been completed on the date shown above and that all submitted information is complete and correct to the best of my knowledge.

Name:Donald Furman

Title:Senior Vice President

Email:donald.furman@iberdrolaren.com

Phone:503-796-7723

2700 Via Fortuna, Suite 225
Austin, Texas 78746
Tel: (512) 583-4900
Fax: (512) 583-4903

Authorized Signature_____ Date 2/22/2011

Please submit completed forms or any questions regarding completion of this form to the **mitigation@texasre.org**.

Please indicate the company name and reference the NERC Violation ID # (if known) in the subject line of the e-mail.

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment j

Iberdrola's Certification of Mitigation Plan MIT-08-3448 Completion for COM-002-2 R1 dated February 22, 2011

TEXAS RELIABILITY ENTITY

Mitigation Plan Completion Certification

Submittal of a Mitigation Plan Completion Certification shall include data or information sufficient for Texas Reliability Entity to verify completion of the Mitigation Plan. Texas Reliability Entity may request 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 Name: Iberdrola Renewables Inc.

NERC Registry ID:10259

Date of Submittal of Certification:2/22/2011

NERC Violation ID No(s):TRE201000128

Reliability Standard and the Requirement(s) of which a violation was mitigated:COM-002-2 R1

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan:12/22/2010

Date Mitigation Plan was actually completed:12/22/2010

Additional Comments (or List of Documents Attached):

I certify that the Mitigation Plan for the above named violation has been completed on the date shown above and that all submitted information is complete and correct to the best of my knowledge.

Name:Donald Furman

Title:Senior Vice President

Email:donald.furman@iberdrolaren.com

Phone:503-796-7723

2700 Via Fortuna, Suite 225
Austin, Texas 78746
Tel: (512) 583-4900
Fax: (512) 583-4903

Authorized Signature_____ Date 2/22/2011

Please submit completed forms or any questions regarding completion of this form to the **mitigation@texasre.org**.

Please indicate the company name and reference the NERC Violation ID # (if known) in the subject line of the e-mail.

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment k

Iberdrola's Certification of Mitigation Plan MIT-08-3440 Completion PRC-005-1 dated February 22, 2011

TEXAS RELIABILITY ENTITY

Mitigation Plan Completion Certification

Submittal of a Mitigation Plan Completion Certification shall include data or information sufficient for Texas Reliability Entity to verify completion of the Mitigation Plan. Texas Reliability Entity may request 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 Name: Iberdrola Renewables Inc.

NERC Registry ID:10259

Date of Submittal of Certification:2/22/2011

NERC Violation ID No(s):TRE201000129

Reliability Standard and the Requirement(s) of which a violation was mitigated:PRC-005-1 R1

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan:12/22/2010

Date Mitigation Plan was actually completed:12/22/2010

Additional Comments (or List of Documents Attached):

I certify that the Mitigation Plan for the above named violation has been completed on the date shown above and that all submitted information is complete and correct to the best of my knowledge.

Name:Donald Furman

Title:Senior Vice President

Email:donald.furman@iberdrolaren.com

Phone:503-796-7723

2700 Via Fortuna, Suite 225
Austin, Texas 78746
Tel: (512) 583-4900
Fax: (512) 583-4903

Authorized Signature_____ Date 2/22/2011

Please submit completed forms or any questions regarding completion of this form to the **mitigation@texasre.org**.

Please indicate the company name and reference the NERC Violation ID # (if known) in the subject line of the e-mail.

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment l

Texas RE's Verification of Mitigation Plans Completion dated February 24, 2011

February 24, 2011

Laura Beane
Market Structure Manager
Laura.Beane@iberdrolaren.com

Iberdrola Renewables

NERC ID#:	NCR10259
Violation Number:	TRE201000126 (IRO-001-1.1, R8)
	TRE201000127 (TOP-001-1, R3)
	TRE201000128 (COM-002-2, R1)
	TRE201000129 (PRC-005-1, R1)

Re: Texas Reliability Entity Inc. ("Texas RE") Mitigation Plans Verification of Completion

As a result of Texas RE's findings from an off-site audit conducted October 26, 2010 to November 1, 2010, Texas RE has determined there is a sufficient basis for finding that Iberdrola Renewables ("Iberdrola") may not be or may not have been in compliance with the above Reliability Standards Requirements.

Texas RE found that:

1. On 12/21/2008, because of the telemetry issues for Penascal wind facility and confusion about exact real power output from the wind farm, ERCOT ISO issued a directive or Verbal Dispatch Instruction (VDI) at 12:30 to disconnect Penascal wind farm from the grid. Iberdrola was unable to provide sufficient evidence that this directive was followed in a timely manner. Effectively staffed communication links were absent to address this real time emergency condition.
2. Iberdrola's "Transmission and Generation Protection System Maintenance and Testing Procedure" dated 06/27/2008 states that all protective devices "will be tested and maintained every five years, plus an additional three month period to be used for unanticipated operating constraints that could delay maintenance and testing within the target maintenance and testing interval". No documented basis was provided behind testing intervals for station batteries, instrument transformers and associated communication devices. Basis supporting testing intervals for protective relays and DC control circuitry was provided.

Iberdrola mitigated the IRO-001-1.1, R8, TOP-001-1, R3 and COM-002-2, R1 alleged violations by implementing a new procedure to address the alleged violations and to ensure improved communication during the period when generation facilities are in "test" energy mode. A pre-commercial operation directive response form ensures all real time directives are followed before the plant goes commercial and National Control Center has remote operational capability. In addition, the Asset Manager will direct all personnel at the generation facility site to immediately comply with all NERC reliability directives issued to the facility.

Iberdrola mitigated the PRC-005-1, R1 alleged violation by revising its protection system testing and maintenance program to include additional documentation of stated intervals for all the protection system equipment throughout their fleet.

As detailed in their Mitigation Plan, Iberdrola submitted to Texas RE a copy of NERC Reliability Directive Pre-Commercial Operation Communication Procedure dated December 22, 2010, a copy of Pre-Commercial Operation Directive Response Form and revised Transmission and Generation Protection System Maintenance and Testing Procedure dated December 22, 2010. Based on evidence presented by Iberdrola and reviewed by Texas RE, this letter confirms the above mentioned mitigation plan is complete. If you have any questions, please feel free to contact Shivaz Chopra at (512)583-4975 or via e-mail at Shivaz.Chopra@TexasRE.org

Respectfully submitted,

Rashida Caraway
Texas Reliability Entity, Inc.
Manager, Compliance Enforcement
(512) 583-4977
Email: Rashida.Caraway@TexasRE.org

Attachment m

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Iberdrola Renewables, Inc. Docket No. NP11-___-000

NOTICE OF FILING
August 11, 2011

Take notice that on August 11, 2011, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Iberdrola Renewables, Inc. in the Texas Reliability Entity, Inc. 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