



NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

September 30, 2010

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

**Re: NERC Deficiency Notice of Penalty regarding Klickitat County PUD,  
FERC Docket No. NP10-\_\_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Deficiency Notice of Penalty (Deficiency NOP) regarding the Registered Entity listed in Attachment a,<sup>1</sup> 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)). Violations<sup>2</sup> addressed within a Deficiency NOP are administrative, minor or documentation in nature. Deficiency NOP treatment is appropriate in this case because the violations were minor and represented a low risk to the reliability of the bulk power system as discussed in the Disposition Document.

The Settlement Agreement resolves all outstanding issues arising from WECC's determination and findings of the enforceable violations of CIP-001-1 R4 and FAC-001-0 R1, R2 and R3. According to the Settlement Agreement, Klickitat County PUD (KCPD)<sup>3</sup> stipulates that the facts

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<sup>1</sup> The Disposition Document addresses: (1) all relevant facts, in sufficient detail, to indicate the nature of the violation cited and its duration; (2) sufficient information on whether an entity did not perform the action required by the relevant Reliability Standard or failed to document that the action had been performed; (3) a linkage between specific facts and the penalty factors listed as relevant to the penalty determination; (4) specific information in a mitigation plan how a registered entity will comply with the requirements it has violated; and (5) specific information on how a Regional Entity verified that a registered entity timely completed a mitigation plan.

<sup>2</sup> 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.

<sup>3</sup> Concurrently being filed is a Notice of Penalty designated as NOC-552 regarding a separate Settlement Agreement between Western Electricity Coordinating Council and KCPD for a violation of PRC-005-1 R2. WECC determined that the concurrently filed violation should not serve as a basis for aggravating the penalty because the subject violation of NOC-552 involved an unrelated standard and the Mitigation Plan in NOC-552 would not have resolved or prevented the instant violations. The two sets of violations entered the enforcement process at different times. The NOC-552 violation was self-reported in May 2007 and the violations in NOC-488 were self-certified in January 2008 and January 2009. The May 2007 violation became a post-June 18, 2007 violation when WECC determined

were sufficient to support a determination that there were violations of CIP-001-1 R4 and FAC-001-0 R1, R2 and R3 and has agreed to the assessed penalty of four thousand eight hundred dollars (\$4,800) 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.

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines and the Commission's July 3, 2008 and October 26, 2009 Guidance Orders,<sup>4</sup> the NERC BOTCC reviewed the findings and assessed penalty or sanction and approved the Settlement Agreement on August 3, 2010, including WECC's assessment of a four thousand eight hundred dollar (\$4,800) financial penalty against KCPD and other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement.

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 Deficiency NOP with the Commission, or, if the Commission decides to review the penalty, upon final determination by the Commission.

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that the Mitigation Plan was not timely completed. Moreover, there was nothing in the record to suggest that broader corporate issues were implicated.

<sup>4</sup> *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). See also *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 Deficiency NOP are the following documents:

- a) Disposition of Common Information, included as Attachment a;
  - a. Disposition Document for CIP-001-1 R4 included as Attachment a-1;
  - b. Disposition Document for FAC-001-0 R1, R2 and R3 included as Attachment a-2;
- b) Settlement Agreement by and between WECC and KCPD executed February 10, 2010, included as Attachment b;
- c) Record documents for CIP-001-1 R4 included as Attachment c:
  - a. WECC's Self-Certification Screenshot dated January 2, 2008;
  - b. KCPD's Mitigation Plan dated February 28, 2008;
  - c. KCPD's Certification of Mitigation Plan Completion dated May 27, 2008;
  - d. WECC's Verification of Mitigation Plan Completion dated September 30, 2008;<sup>5</sup>
- d) Record documents for FAC-001-0 R1, R2 and R3 included as Attachment d:
  - a. KCPD's Self-Certification dated January 9, 2009;
  - b. KCPD's Mitigation Plan dated January 14, 2009;
  - c. KCPD's Revised Mitigation Plan dated April 28, 2009;
  - d. KCPD's Certification of Mitigation Plan Completion dated August 26, 2009; and
  - e. WECC's Verification of Mitigation Plan Completion dated November 4, 2009.

**A Form of Notice Suitable for Publication<sup>6</sup>**

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

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<sup>5</sup> WECC's Verification of Completion includes KCPD's pre-June 18, 2007 violations of CIP-001-1 R1 through R3. It also includes violations of EOP-004-1 R2 and R3 and PRC-004-1 R1 and R3 which were resolved as pre-June 18, 2007 violations.

<sup>6</sup> See 18 C.F.R. § 39.7(d)(6).

## Notices and Communications

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

<p>Gerald W. Cauley* President and Chief Executive Officer David N. Cook* Sr. Vice President and General Counsel North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, NJ 08540-5721 (609)452-8060 (609) 452-9550 – facsimile gerry.cauley@nerc.net david.cook@nerc.net</p> <p>Jim Smith* General Manager Klickitat County PUD 1313 S. Columbus Ave. Goldendale, WA 98620 (509) 773-7617 JSmith@klickpud.com</p> <p>Christopher Luras* Manager of Compliance Enforcement Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6887 (801) 883-6894 – facsimile CLuras@wecc.biz</p> <p>*Persons to be included on the Commission’s service list are indicated with an asterisk. NERC requests waiver of the Commission’s rules and regulations to permit the inclusion of more than two people on the service list.</p>	<p>Rebecca J. Michael* Assistant General Counsel V. Davis Smith* Attorney (admitted in IN; not admitted in D.C. or NJ) North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, DC 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net davis.smith@nerc.net</p> <p>Louise McCarren* Chief Executive Officer Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6868 (801) 582-3918 – facsimile Louise@wecc.biz</p> <p>Sandy Mooy* Senior Legal Counsel Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-7658 (801) 883-6894 – facsimile SMooy@wecc.biz</p> <p>Constance White* Vice President of Compliance Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6885 (801) 883-6894 – facsimile CWhite@wecc.biz</p>
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## Conclusion

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

Respectfully submitted,

Gerald W. Cauley  
President and Chief Executive Officer  
David N. Cook  
Sr. Vice President and General Counsel  
North American Electric Reliability Corporation  
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(609) 452-8060  
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/s/ Rebecca J. Michael  
Rebecca J. Michael  
Assistant General Counsel  
V. Davis Smith  
Attorney (admitted in IN;  
not admitted in D.C. or NJ)  
North American Electric Reliability  
Corporation  
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(202) 393-3955 – facsimile  
rebecca.michael@nerc.net  
davis.smith@nerc.net

cc: Klickitat County PUD  
Western Electricity Coordinating Council

Attachments

## **Attachment a**

# **Disposition of Common Information**



## II. PENALTY INFORMATION

TOTAL ASSESSED PENALTY OR SANCTION OF **\$4,800 FOR FOUR (4)** VIOLATIONS OF RELIABILITY STANDARDS.

### (1) REGISTERED ENTITY'S COMPLIANCE HISTORY

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

YES ☐ NO ☒

LIST ANY CONFIRMED OR SETTLED VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

PRIOR VIOLATIONS OF OTHER RELIABILITY STANDARD(S) OR REQUIREMENTS THEREUNDER

YES ☐ NO ☐

LIST ANY PRIOR CONFIRMED OR SETTLED VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

**Concurrently being filed is a separate Settlement Agreement between WECC and KCPD designated as NOC-552 addressing a violation of PRC-005-1 R2 for KCPD.<sup>2</sup>**

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

FULL COOPERATION YES ☒ NO ☐  
IF NO, EXPLAIN

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<sup>2</sup> WECC determined that the concurrently filed violation should not serve as a basis for aggravating the penalty because the subject violation of NOC-552 involved an unrelated standard and the Mitigation Plan in NOC-552 would not have resolved or prevented the instant violations. The two sets of violations entered the enforcement process at different times. The NOC-552 violation was self-reported in May 2007 and the violations in NOC-488 were self-certified in January 2008 and January 2009. The May 2007 violation became a post-June 18, 2007 violation when WECC determined that the Mitigation Plan was not timely completed. Moreover, there was nothing in the record to suggest that broader corporate issues were implicated.



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

IS THERE A DOCUMENTED COMPLIANCE PROGRAM

YES ☐ NO ☐ UNDETERMINED ☒

EXPLAIN

**WECC did not review KCPD's internal compliance program.**

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

**See above.**

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

YES ☐ NO ☒

IF YES, EXPLAIN

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

YES ☐ NO ☒

IF YES, EXPLAIN

(6) ANY OTHER MITIGATING FACTORS FOR CONSIDERATION

YES ☐ NO ☒

IF YES, EXPLAIN

(7) ANY OTHER AGGRAVATING FACTORS FOR CONSIDERATION

YES ☐ NO ☒

IF YES, EXPLAIN

(8) ANY OTHER EXTENUATING CIRCUMSTANCES

YES ☐ NO ☒  
IF YES, EXPLAIN

OTHER RELEVANT INFORMATION:

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR  
SANCTION ISSUED

DATE: OR N/A ☒

SETTLEMENT DISCUSSIONS COMMENCED

DATE: **7/24/09** 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 ☐ NO CONTEST ☒

HEARING REQUESTED

YES ☐ NO ☒

DATE

OUTCOME

APPEAL REQUESTED

## **Disposition Document for CIP-001-1 R4**

## **DISPOSITION OF VIOLATION**

**Dated August 3, 2010**

NERC TRACKING	REGIONAL ENTITY TRACKING
NO.	NO.
<b>WECC200800670</b>	<b>KCPD_WECC2008707</b>

### **I. VIOLATION INFORMATION**

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
<b>CIP-001-1</b>	<b>4</b>		<b>Medium</b>	<b>High</b>

VIOLATION APPLIES TO THE FOLLOWING FUNCTIONS:

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

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

**The purpose statement of CIP-001-1 provides: “Disturbances or unusual occurrences, suspected or determined to be caused by sabotage, shall be reported to the appropriate systems, governmental agencies, and regulatory bodies.”**

**CIP-001-1 R4 provides: “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.”**

VIOLATION DESCRIPTION

**KCPD discovered non-compliance with CIP-001-1 R4 on May 11, 2007.<sup>1</sup> On January 2, 2008, KCPD submitted a Self-Certification to WECC for its non-compliance with CIP-001-1 R4 because KCPD had failed to “develop reporting procedures as appropriate to its circumstances” as required under CIP-001-1 R4.**

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

**WECC determined the violation did not pose a serious or substantial risk to the reliability of the bulk power system because, while KCPD did not have documented**

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<sup>1</sup> KCPD also discovered violations of CIP-001-1 R1 through R3 on May 11, 2007 and reported them to WECC prior to June 18, 2007, therefore, these were considered pre- to post- June 18, 2007 violations, which were mitigated according to the Mitigation Plan and were not enforceable violations. Although KCPD discovered its violation of CIP-001-1 R4 before June 18, 2007, KCPD failed to report it to WECC prior to January 2, 2008.

reporting procedures under CIP-001-1 R4, KCPD provided the number for the FBI to its personnel and had established communications contacts with the FBI.

## II. DISCOVERY INFORMATION

### METHOD OF DISCOVERY

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

DURATION DATE(S) **6/18/07 (when the Standard became mandatory and enforceable) through 5/22/08 (Mitigation Plan completion)**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **1/2/08**

IS THE VIOLATION STILL OCCURRING

YES ☐ NO ☒

IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
PRE TO POST JUNE 18, 2007 VIOLATION	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>

## III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	<b>MIT-08-1700<sup>2</sup></b>
DATE SUBMITTED TO REGIONAL ENTITY	<b>2/28/08</b>
DATE ACCEPTED BY REGIONAL ENTITY	<b>12/4/08</b>
DATE APPROVED BY NERC	<b>11/19/09<sup>3</sup></b>
DATE PROVIDED TO FERC	<b>11/19/09</b>

<sup>2</sup> The Mitigation Plan also includes KCPD's violations of CIP-001-1 R1 through R3 and was submitted as a revised Mitigation Plan to add the violation of R4 (KCPD previously submitted a Mitigation Plan addressing CIP-001-1 R1 through R3). The violations of CIP-001-1 R1 through R3 were resolved as pre-June 18, 2007 violations.

<sup>3</sup> The Mitigation Plan was submitted without an expected completion date. WECC accepted the Mitigation Plan and submitted it to NERC on May 22, 2009. NERC rejected the Mitigation Plan because it did not include an expected completion date. As the Mitigation Plan had already been verified by WECC as complete, WECC did not request that KCPD submit a revised Mitigation Plan. Instead, WECC submitted its Reliability Standard Audit Worksheet (RSAW) to NERC which WECC used to verify completion of KCPD's Mitigation Plan. NERC submitted the RSAW to FERC in place of a Mitigation Plan.

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

**See footnote 3.**

MITIGATION PLAN COMPLETED      YES   ☒      NO   ☐

EXPECTED COMPLETION DATE   **See footnote 3**

EXTENSIONS GRANTED      **N/A**

ACTUAL COMPLETION DATE      **5/22/08**

DATE OF CERTIFICATION LETTER **5/27/08<sup>4</sup>**

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **5/22/08**

DATE OF VERIFICATION LETTER **9/30/08<sup>5</sup>**

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **5/22/08**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

**KCPD developed reporting procedures as appropriate to its circumstances.**

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

**KCPD submitted a copy of its *Policy Bulletin No. 39 Sabotage Reporting* dated December 18, 2007. KCPD also provided a copy of a form each employee must sign upon being hired or otherwise instructed on the details of KCPD's *Policy Bulletin No. 39 Sabotage Reporting*. This form included an overview of KCPD's sabotage reporting procedures and included communications contacts, including an FBI contact. Additionally, KCPD submitted the Power Point presentation, *WECC Sabotage Reporting*, it uses to train its employees. *WECC Sabotage Reporting* is a thorough training program covering the following major categories for all CIP-001 requirements:**

- **Sabotage Defined**
- **Who Could It Be?**
- **What Could Be a Target?**
- **How Could They Do It?**

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<sup>4</sup> The Certification of Completion includes KCPD's pre-June 18, 2007 violations of CIP-001-1 R1 through R3.

<sup>5</sup> WECC's Verification of Completion includes KCPD's pre-June 18, 2007 violations of CIP-001-1 R1 through R3. It also includes violations of EOP-004-1 R2 and R3 and PRC-004-1 R1 and R3 which were resolved as pre-June 18, 2007 violations.

- **Where Could They Do It?**
- **Is it Sabotage, Vandalism or Theft?**
- **Procedure for Field Personnel**
- **Contacts: Immediate, Non-emergency, County Sheriff, State Patrol**

EXHIBITS (SEE ATTACHMENTS TO NOTICE OF PENALTY):

SOURCE DOCUMENT

**KCPD's Self-Certification dated January 2, 2008**

MITIGATION PLAN

**KCPD's Mitigation Plan dated February 28, 2008**

CERTIFICATION BY REGISTERED ENTITY

**KCPD's Certification of Mitigation Plan Completion dated May 27, 2008**

VERIFICATION BY REGIONAL ENTITY

**WECC's Verification of Mitigation Plan Completion dated September 30, 2008**

## **Disposition Document for FAC-001-0 R1, R2 and R3**



## **DISPOSITION OF VIOLATION**

**Dated August 3, 2010**

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
<b>WECC200901279</b>	<b>KCPD_WECC20091416</b>
<b>WECC200901280</b>	<b>KCPD_WECC20091417</b>
<b>WECC200901281</b>	<b>KCPD_WECC20091418</b>

### **I. VIOLATION INFORMATION<sup>1</sup>**

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S) <sup>2</sup>
<b>FAC-001-0</b>	<b>1</b>		<b>Medium</b>	<b>Severe</b>
<b>FAC-001-0</b>	<b>2</b>		<b>Medium</b>	<b>Severe</b>
<b>FAC-001-0</b>	<b>3</b>		<b>Medium</b>	<b>Severe</b>

VIOLATION APPLIES TO THE FOLLOWING FUNCTIONS:

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

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

**The purpose statement of FAC-001-0 provides: “To avoid adverse impacts on reliability, Transmission Owners must establish facility connection and performance requirements.”**

**FAC-001-0 R1, R2 and R3 provide:**

**R1. The Transmission Owner shall document, maintain, and publish facility connection requirements to ensure compliance with NERC Reliability Standards and applicable Regional [Entity], subregional, Power Pool, and individual Transmission Owner planning criteria and facility connection requirements. The Transmission Owner’s facility connection requirements shall address connection requirements for:**

- R1.1. Generation facilities,**
- R1.2. Transmission facilities, and**
- R1.3. End-user facilities**

**R2. The Transmission Owner’s facility connection requirements shall address, but are not limited to, the following items:**

<sup>1</sup> Based on the NERC Sanction Guidelines, WECC determined the violations of FAC-001-0 R1, R2 and R3 were “related to a single act or common incidence of non-compliance” for which WECC would assess “a single aggregate penalty.”

<sup>2</sup> The Self-Certification incorrectly states that the violations were each assigned a “Lower” VSL.

**R2.1. Provide a written summary of its plans to achieve the required system performance as described above throughout the planning horizon:**

- R2.1.1. Procedures for coordinated joint studies of new facilities and their impacts on the interconnected transmission systems.**
- R2.1.2. Procedures for notification of new or modified facilities to others (those responsible for the reliability of the interconnected transmission systems) as soon as feasible.**
- R2.1.3. Voltage level and MW and MVAR capacity or demand at point of connection.**
- R2.1.4. Breaker duty and surge protection.**
- R2.1.5. System protection and coordination.**
- R2.1.6. Metering and telecommunications.**
- R2.1.7. Grounding and safety issues.**
- R2.1.8. Insulation and insulation coordination.**
- R2.1.9. Voltage, Reactive Power, and power factor control.**
- R2.1.10. Power quality impacts.**
- R2.1.11. Equipment Ratings.**
- R2.1.12. Synchronizing of facilities.**
- R2.1.13. Maintenance coordination.**
- R2.1.14. Operational issues (abnormal frequency and voltages).**
- R2.1.15. Inspection requirements for existing or new facilities.**
- R2.1.16. Communications and procedures during normal and emergency operating conditions.**

**R3. The Transmission Owner shall maintain and update its facility connection requirements as required. The Transmission Owner shall make documentation of these requirements available to the users of the transmission system, the Regional [Entity], and NERC on request (five business days).**

#### **VIOLATION DESCRIPTION**

**While preparing for a self-certification on January 5, 2009, KCPD discovered it did not have documented facility connection requirements as required by FAC-001-0 R1. Therefore, KCPD also did not have facility connection requirements as required by R2. Additionally, KCPD could not have updated and maintained its facility connection requirements or provided such requirements upon request as required by R3. On January 9, 2009, KCPD submitted a self-certification for its non-compliance with FAC-001-0 R1, R2 and R3.**

## RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

**WECC determined that these violations did not pose a serious or substantial risk to the reliability of the bulk power system because KCPD did not foresee any entity interconnecting with KCPD's system and, therefore, KCPD did not have an immediate need to develop facility connection requirements. Additionally, KCPD's transmission lines are radial and are not looped into the grid.**

## **II. DISCOVERY INFORMATION**

## METHOD OF DISCOVERY

SELF-REPORT	<input type="checkbox"/>
SELF-CERTIFICATION <sup>3</sup>	<input checked="" type="checkbox"/>
COMPLIANCE AUDIT	<input type="checkbox"/>
COMPLIANCE VIOLATION INVESTIGATION	<input type="checkbox"/>
SPOT CHECK	<input type="checkbox"/>
COMPLAINT	<input type="checkbox"/>
PERIODIC DATA SUBMITTAL	<input type="checkbox"/>
EXCEPTION REPORTING	<input type="checkbox"/>

**DURATION DATE(S) 6/18/07 (when the Standard became mandatory and enforceable) through 8/25/09 (Mitigation Plan completion)<sup>4</sup>**

**DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY 1/9/09**

IS THE VIOLATION STILL OCCURRING

YES ☐ NO ☒

IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>
PRE TO POST JUNE 18, 2007 VIOLATION	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>

## **III. MITIGATION INFORMATION**

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. <b>MIT-07-2011</b>	
DATE SUBMITTED TO REGIONAL ENTITY	<b>4/28/09</b>
DATE ACCEPTED BY REGIONAL ENTITY	<b>5/28/09</b>
DATE APPROVED BY NERC	<b>8/13/10</b>
DATE PROVIDED TO FERC	<b>8/13/10</b>

<sup>3</sup> Although the Settlement Agreement states that KCPD submitted a Self-Report form, the method of discovery was KCPD's self certification. KCPD's self report was not a factor in determining the penalty amount of this violation.

<sup>4</sup> The Settlement Agreement incorrectly states that the duration ended on August 26, 2009.

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

**On January 14, 2009, KCPD submitted a Mitigation Plan with a proposed completion date of August 2009.<sup>5</sup> The Mitigation Plan was accepted by WECC on September 18, 2009 and approved by NERC on September 29, 2009. The Mitigation Plan for this violation is designated as MIT-07-2011 and was submitted as non-public information to FERC on September 29, 2009 in accordance with FERC orders.**

**On April 28, 2009, KCPD requested an extension of time to complete its Mitigation Plan because it would not be able to reach the August 2009 completion date. KCPD stated in its extension request that KCPD personnel were “reviewing the Facility Connection Requirements Standard” and working to establish a “facility connection and performance procedure.” Along with the extension request, KCPD submitted a revised Mitigation Plan (dates discussed above). The revised Mitigation Plan had a proposed completion date of August 31, 2009 and an added milestone for August 1, 2009.**

MITIGATION PLAN COMPLETED      YES   ☒      NO   ☐

EXPECTED COMPLETION DATE   **8/31/09**

EXTENSIONS GRANTED            **1 (see above)**

ACTUAL COMPLETION DATE       **8/25/09**

DATE OF CERTIFICATION LETTER   **8/26/09**

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **8/25/09**

DATE OF VERIFICATION LETTER   **11/4/09<sup>6</sup>**

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **8/25/09<sup>7</sup>**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

**KCPD documented, maintained and published facility connection requirements for generation facilities, transmission facilities and end-user facilities as required by R1. KCPD’s facility connection requirements addressed the items outlined in R2 KCPD can provide those requirements upon request as set forth in R3.**

<sup>5</sup> While KCPD intended “August 2009” to be August 1, 2009, WECC interpreted it to be August 31, 2009.

<sup>6</sup> The Settlement Agreement incorrectly states that WECC reviewed and accepted the Certification of Completion on September 19, 2008.

<sup>7</sup> The Settlement Agreement incorrectly states that WECC verified that KCPD completed its Mitigation Plan on August 26, 2009.

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

**WECC reviewed the following documents:**

- **KCPD's *Policy Bulletin No. 20* revised August 25, 2009;**
- **KCPD's *Policy Bulletin No. 21* revised August 25, 2009; and**
- **KCPD's *Policy Bulletin No. 43* revised August 25, 2009.**

EXHIBITS (SEE ATTACHMENTS TO NOTICE OF PENALTY):

SOURCE DOCUMENT

**KCPD's Self-Certification dated January 9, 2009**

MITIGATION PLAN

**KCPD's Mitigation Plan dated January 14, 2009**

**KCPD's Revised Mitigation Plan dated April 28, 2009**

CERTIFICATION BY REGISTERED ENTITY

**KCPD's Certification of Mitigation Plan Completion dated August 26, 2009**

VERIFICATION BY REGIONAL ENTITY

**WECC's Verification of Mitigation Plan Completion dated November 4, 2009**

## **Attachment b**

### **Settlement Agreement by and between WECC and KCPD executed February 10, 2010**

**SETTLEMENT AGREEMENT**  
**OF**  
**WESTERN ELECTRICITY COORDINATING COUNCIL**  
**AND**  
**KLICKITAT PUBLIC UTILITY DISTRICT**

The WESTERN ELECTRICITY COORDINATING COUNCIL ("WECC") and KLICKITAT PUBLIC UTILITY DISTRICT ("KCPD")(collectively the "Parties") hereby enter into this Settlement Agreement ("Agreement") on this 8 day of February, 2010.

**RECITALS**

A. The Parties desire to enter into this Agreement to resolve all outstanding issues between them arising from a non-public assessment of KCPD by WECC that resulted in certain WECC determinations and findings regarding four alleged KCPD violations of the following North American Electric Reliability Corporation ("NERC") Reliability Standards ("Reliability Standards"):

<i>NERC ID:</i>	<i>WECC200800670</i>	<i>CIP-001-1 R4</i>	<i>Sabotage Reporting</i>
<i>NERC ID:</i>	<i>WECC200901279</i>	<i>FAC-001-0 R1</i>	<i>Facility Connection Requirements</i>
<i>NERC ID:</i>	<i>WECC200901280</i>	<i>FAC-001-0 R2</i>	<i>Facility Connection Requirements</i>
<i>NERC ID:</i>	<i>WECC200901281</i>	<i>FAC-001-0 R3</i>	<i>Facility Connection Requirements</i>

B. KCPD is a public utility district. Its principal offices are located in Goldendale, Washington. KCPD owns one 10.5 MW gas-fired generating plant, fifty percent owner of one 10 MW hydroelectric project, and a thirteen percent stake in a wind-based generating facility. On April 10, 2007, KCPD was registered on the NERC Compliance Registry as a Distribution Provider, Load-Serving Entity, Purchase-Selling Entity, and Transmission Owner.

C. WECC was formed on April 18, 2002 by the merger of the Western Systems Coordinating Council, Southwest Regional Transmission Association and Western Regional Transmission Association. WECC is one of eight Regional Entities in the United States responsible for coordinating and promoting electric system reliability and enforcing the mandatory Reliability Standards created by NERC under the authority granted in Section 215 of the Federal Power Act. In addition, WECC supports efficient competitive power markets, assures open and non-discriminatory transmission access among members, provides a forum for resolving transmission access disputes, and provides an environment for coordinating the operating and planning activities of its members. WECC's region encompasses a vast area of nearly 1.8 million square miles extending from Canada to Mexico and including 14 western states. It is the largest and most diverse of the eight Regional Entities in the United States.

D. The Parties are entering into this Agreement to settle the disputed matters between them. It is in the Parties' and the public's best interests to resolve this matter efficiently without the delay and burden associated with a contested proceeding. Nothing contained in this Agreement shall be construed as an admission or waiver of either party's rights. Except, however, nothing in this Agreement shall limit or prevent WECC from evaluating KCPD for subsequent violations of the same Reliability Standards addressed herein and taking enforcement action, if necessary. Such enforcement action can include assessing penalties against KCPD for subsequent violations of the Reliability Standards addressed herein in accordance with NERC Rules of Procedure.

NOW, THEREFORE, in consideration of the terms set forth herein, including in the Recitals, WECC and KCPD hereby agree and stipulate to the following:

## **I. Representations of the Parties**

For purposes of this Agreement, KCPD stipulates to the facts contained herein. WECC has established sufficient facts, as set forth herein, to support its determination that KCPD has Confirmed Violations as this term is defined in the WECC Compliance and Monitoring Enforcement Program ("CMEP"), of the Reliability Standards described below in detail.

## **II. Confirmed Violations**

### **A. NERC Reliability Standard CIP-001-1, Requirement 4**

*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.*

KCPD is subject to this Standard because it was registered on the NERC Compliance Registry on June 17, 2007 as a Load Serving Entity. KCPD discovered possible noncompliance with this Standard on May 11, 2007. On January 2, 2008, KCPD submitted a Self-Certification Form ("Self-Certification") to WECC. KCPD reported a possible violation of CIP-001-1 R4 because KCPD had failed to develop reporting procedures as appropriate to its circumstances.

The WECC Compliance Enforcement Department ("Enforcement") reviewed the information in KCPD's Self-Certification and determined that KCPD had not developed reporting procedures appropriate to its circumstances. Accordingly, Enforcement determined that KCPD had an Alleged Violation of CIP-001-1 R4. Enforcement concluded that KCPD was in violation of CIP-001-1 R4 from June 18, 2007 to May 22, 2008, the date that KCPD completed its mitigation plan, as discussed below.

On February 28, 2008, KCPD submitted a mitigation plan to address this violation. This mitigation plan did not include an expected completion date. KCPD had a draft sabotage procedure, but it had not been finalized and did not include a reporting procedure. The mitigation plan stated KCPD "staff will review procedures during March Staff Meeting."



On February 28, 2008, KCPD submitted a mitigation plan to address this violation. This mitigation plan did not include an expected completion date. KCPD had a draft sabotage procedure, but it had not been finalized and did not include a reporting procedure. The mitigation plan stated KCPD "staff will review procedures during March Staff Meeting."

On May 27, 2008, KCPD submitted a completed mitigation plan certifying it was in compliance by May 22, 2008. KCPD submitted a copy of its *Policy Bulletin No. 39 Sabotage Reporting* (dated 12/18/07). KCPD also provided a copy of a form each employee must sign upon being hired or otherwise instructed on the details of KCPD's *Policy Bulletin No. 39 Sabotage Reporting*. This form included an overview of KCPD's sabotage reporting procedures and included communications contacts (including an FBI contact). Additionally, as part of the completed mitigation plan, KCPD submitted the Power Point presentation, *WECC Sabotage Reporting*, it uses to train its employees. *WECC Sabotage Reporting* is a thorough training program covering the following major categories:

- Sabotage Defined
- Who Could It Be?
- What Could Be a Target?
- How Could They Do It?
- Where Could They Do It?
- Is it Sabotage, Vandalism or Theft?
- Procedure for Field Personnel
- Contacts: Immediate, Non-emergency, County Sheriff, State Patrol

Finally, with its mitigation plan, KCPD included a letter from the FBI outlining the appropriate FBI field office to contact in the event of a sabotage event. The letter included an office phone number, a cell phone number, and a 24-hour phone number.

On September 3, 2008, WECC reviewed the completed mitigation plan. WECC determined that KCPD had established communications contacts with local FBI officials and local officials and developed reporting procedures as appropriate to its circumstances. WECC accepted the completed mitigation plan on September 3, 2008. In accepting this completed mitigation plan, WECC verified KCPD was in compliance with CIP-001 R4 by May 22, 2008.

**B. NERC Reliability Standard FAC-001-0 Requirements 1, 2, and 3**

**FAC-001-0 R1:** *The Transmission Owner shall document, maintain, and publish facility connection requirements to ensure compliance with NERC Reliability Standards and applicable Regional Reliability Organization, subregional, Power Pool, and individual Transmission Owner planning criteria and facility connection requirements. The Transmission Owner's facility connection requirements shall address connection requirements for:*

- R1.1:** *Generation facilities,*
- R1.2:** *Transmission facilities, and*
- R1.3** *End-user facilities*

**FAC-001-0 R2:** *The Transmission Owner's facility connection requirements shall address, but are not limited to, the following items:*

**R2.1:** *Provide a written summary of its plans to achieve the required system performance as described above throughout the planning horizon:*

**R2.1.1:** *Procedures for coordinated joint studies of new facilities and their impacts on the interconnected transmission systems.*

**R2.1.2:** *Procedures for notification of new or modified facilities to others (those responsible for the reliability of the interconnected transmission systems) as soon as feasible.*

**R2.1.3:** *Voltage level and MW and MVAR capacity or demand at point of connection.*

**R2.1.4:** *Breaker duty and surge protection.*

**R2.1.5:** *System protection and coordination.*

**R2.1.6:** *Metering and telecommunications.*

**R2.1.7:** *Grounding and safety issues.*

**R2.1.8:** *Insulation and insulation coordination.*

**R2.1.9:** *Voltage, Reactive Power, and power factor control.*

**R2.1.10:** *Power quality impacts.*

**R2.1.11:** *Equipment Ratings.*

**R2.1.12:** *Synchronizing of facilities.*

**R2.1.13:** *Maintenance coordination.*

**R2.1.14:** *Operational issues (abnormal frequency and voltages).*

**R2.1.15:** *Inspection requirements for existing or new facilities.*

**R2.1.16:** *Communications and procedures during normal and emergency operating conditions.*

**FAC-001-0 R3:** *The Transmission Owner shall maintain and update its facility connection requirements as required. The Transmission Owner shall make documentation of these requirements available to the users of the transmission system, the Regional Reliability Organization, and NERC on request (five business days).*

KCPD is subject to Requirements 1 through 3 of this Standard because KCPD was registered on the NERC Compliance Registry on June 17, 2007 as a Transmission Owner. While preparing for Self-Certification on January 5, 2009, KCPD discovered it did not have documented facility connection requirements. FAC-001-0 R1 explicitly requires KCPD to

document, maintain, and publish facility connection requirements to ensure compliance with NERC Reliability Standards.

FAC-001-0 R2 requires KCPD's facility connection requirements to address specific items addressed in the subrequirements of the Standard. As described above, KCPD did not have documented facility connections requirements and, therefore, could not have facility connection requirements addressing such subrequirements.

FAC-001-0 R3 requires KCPD to update and maintain its facility connection requirements as necessary. FAC-001-0 R3 also requires KCPD to provide its documented facility connection requirements at the request of users of the transmission system, WECC, and NERC. As described above, KCPD did not have documented facility connections requirements and, therefore, could not have updated and maintained its facility connection requirements or provided such requirements upon request.

On January 9, 2009, KCPD submitted its Self-Certification to WECC. KCPD noted it was non-compliant with FAC-001-0 R1, R2, and R3. On January 9, 2009, KCPD submitted a Self-Reporting Form ("Self-Report") addressing possible violations of FAC-001-0 R1, R2 and R3.

On January 22, 2009, WECC subject matter experts ("SMEs") reviewed KCPD's Self-Report. The SMEs determined that KCPD had not documented, maintained, or published facility connection requirements. The SMEs confirmed that KCPD had possible violations of FAC-001-0 R1, R2 and R3. They forwarded the Self-Report and their findings to Enforcement for its review and consideration.

Enforcement reviewed the Self-Report and SMEs' findings. Enforcement determined that KCPD did not have documented facility connection requirements and, therefore, could not comply with FAC-001-0 R1, R2, and R3. Accordingly, Enforcement concluded that KCPD had Alleged Violations of FAC-001-0 R1, R2, and R3. Enforcement determined that KCPD was in violation of FAC-001-0 R1, R2, and R3 from June 18, 2007 to August 26, 2009, the date that KCPD completed its mitigation plan, as discussed below.

KCPD submitted a mitigation plan to address this violation on January 14, 2009. The mitigation plan had an expected completion date of August 31, 2009. The mitigation plan stated that KCPD planned to adopt a Facility Connection Requirement procedure. The mitigation plan included the following milestone:

Complete by April 2009: Review policy and draft procedure with WECC consultant

On April 28, 2009, KCPD requested an extension of time to complete its mitigation plan. KCPD stated in its extension request that it would "not be able to reach the August 2009 Completion Date" and that KCPD personnel were "reviewing the Facility Connection Requirements Standard" and working to establish a "facility connection and performance procedure." Along with the extension request, KCPD submitted a revised mitigation plan. In the revised mitigation plan, KCPD retained the August 31, 2009 estimated completion date, but proposed an August 1, 2009 milestone update as follows:

Write draft procedure with KCPD staff and with Transmission/substation Design Engineers.

On July 21, 2009, KCPD submitted a milestone update form. On this milestone update form, KCPD stated that its personnel had completed a *Draft Procedure Bulletin Facility Connection Requirements*. On August 26, 2009, KCPD submitted its completed mitigation plan and certified that it had completed the actions outlined in the mitigation plan.

On September 19, 2008, WECC reviewed KCPD's completed mitigation plan, including KCPD's *Policy Bulletin No. 20* (revised 8/25/2009), *Policy Bulletin No. 21* (revised 8/25/2009), and *Policy Bulletin 43* (revised 8/25/2009). WECC verified that KCPD documented, maintained, and published facility connection requirements for Generation Facilities, Transmission Facilities, and End-user Facilities. WECC also verified that KCPD's facility connection requirements addressed the items outlined in R2 of this Standard, and that KCPD can provide those requirements upon request as set forth in R3. WECC determined that KCPD was in compliance with this Standard and accepted the completed mitigation plan on September 19, 2008. In accepting this mitigation plan, WECC verified that KCPD completed the actions outlined in mitigation plan by August 26, 2009.

### **III. Settlement Terms**

A. Payment. To settle this matter, KCPD hereby agrees to pay \$4,800 to WECC via wire transfer or cashier's check. KCPD shall make the funds payable to a WECC account identified in a Notice of Payment Due that WECC will send to KCPD upon approval of this Agreement by NERC and the Federal Energy Regulatory Commission ("FERC"). KCPD shall issue the payment to WECC no later than thirty days after receipt of the Notice of Payment Due.

The terms of this Agreement, including the agreed upon payment, are subject to review and possible revision by NERC and FERC. Upon NERC approval of the Agreement, NERC will file a Notice of Penalty with FERC. If FERC approves the Agreement, NERC will post the Agreement publicly. If either NERC or FERC rejects the Agreement, then WECC will attempt to negotiate a revised settlement agreement with KCPD that includes any changes to the Agreement specified by NERC or FERC. If the Parties cannot reach a settlement agreement, the CMEP governs the enforcement process.

B. Settlement Rationale. WECC's determination of penalties in an enforcement action is guided by the statutory requirement codified at 16 U.S.C. § 824o(e)(6) that any penalty imposed "shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of such user, owner, or operator to remedy the violation in a timely manner". Additionally, WECC considers the guidance provided by the NERC Sanction Guidelines and by the FERC in Order No. 693 and in its July 3, 2008 Guidance Order on Reliability Notices of Penalty.

Specifically, to determine penalty assessment, WECC considers the following factors: (1) the seriousness of the violation, including the applicable Violation Risk Factor ("VRF") and Violation Severity Level, and the risk to the reliability of the BPS; (2) the violation's duration; (3) the Registered Entity's compliance history; (4) the Registered Entity's self-reports and voluntary corrective action; (5) the degree and quality of cooperation by the Registered Entity in

the audit or investigation process, and in any remedial action; (6) the quality of the Registered Entity's compliance program; (7) any attempt by the Registered Entity to conceal the violation or any related information; (8) whether the violation was intentional; (9) any other relevant information or extenuating circumstances; and (10) the Registered Entity's ability to pay a penalty.

The following VRFs apply to KCPD's Alleged Violations in accordance with NERC's VRF Matrix dated February 3, 2009:

The violation of CIP-001-1 R4 has a "Medium" VRF. KCPD had established procedures for recognizing sabotage events on its system, for communicating information about such events to appropriate parties in the Interconnection, and for sabotage response guidelines, including operating personnel to contact. For these reasons, WECC determined that this violation posed minimal risk to the reliability of the BPS.

Each violation of FAC-001-0 (i.e., R1, R2 and R3) has a "Medium" VRF. KCPD has no plans for creating new facility connections and, therefore, KCPD did not have an immediate need to develop facility connection requirements. For these reasons, WECC determined these violations posed minimal risk to the reliability of the BPS.

In addition to the factors listed above, WECC considered several mitigating factors to reach an agreement with KCPD regarding the payment amount. First, the Alleged Violations addressed by this Agreement are KCPD's first assessed noncompliance with the applicable Reliability Standards. Second, KCPD mitigated all of the violations addressed herein. Third, KCPD was cooperative throughout WECC's evaluation of its compliance with the Reliability Standards and the enforcement process.

In reaching this Agreement, WECC considered that there were no aggravating factors warranting a higher payment amount. Specifically, KCPD did not have any negative compliance history. There was no failure by KCPD to comply with applicable compliance directives, nor any evidence of an attempt by KCPD to conceal a violation. Finally, there was no evidence that KCPD's violations were intentional.

#### **IV. Additional Terms**

A. Authority. The undersigned representative of each party warrants that he or she is authorized to represent and bind the designated party.

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

C. Review. Each party agrees that it has had the opportunity to consult with legal counsel regarding the Agreement and to review it carefully. Each party enters the Agreement voluntarily. No presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement.

D. Entire Agreement. The Agreement represents the entire agreement between the Parties. No tender, offer, or promise of any kind outside the terms of the Agreement by any member, employee, officer, director, agent, or representative of KCPD or WECC has been made to induce the signatories or the Parties to enter into the Agreement. No oral representations shall be considered a part of the Agreement.

E. Effective Date. The Agreement shall become effective upon FERC's approval of the Agreement by order or operation of law.

F. Waiver of Right to Further Proceedings. KCPD agrees that the Agreement, upon approval by NERC and FERC, is a final settlement of all matters set forth herein. KCPD waives its right to further hearings and appeal, unless and only to the extent that KCPD contends that any NERC or FERC action concerning the Agreement contains one or more material modifications to the Agreement.

G. Reservation of Rights. WECC reserves all of its rights to initiate enforcement, penalty or sanction actions against KCPD in accordance with the Agreement, the CMEP and the NERC Rules of Procedure. In the event that KCPD fails to comply with any of the terms of this Agreement, WECC shall have the right to pursue enforcement, penalty or sanction actions against KCPD up to the maximum penalty allowed by the NERC Rules of Procedure. KCPD shall retain all of its rights to defend against such enforcement actions in accordance with the CMEP and the NERC Rules of Procedure. Failure by WECC to enforce any provision hereof on occasion shall not constitute a waiver by WECC of its enforcement rights or be binding on WECC on any other occasion.

H. Consent. KCPD consents to the use of WECC'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 KCPD does not consent to the use of the specific acts set forth in this Agreement as the sole basis for any other action or proceeding brought by NERC and/or WECC, nor does KCPD consent to the use of this Agreement by any other party in any other action or proceeding.

I. Amendments. Any amendments to the Agreement shall be in writing. No amendment to the Agreement shall be effective unless it is in writing and executed by the Parties.

J. Successors and Assigns. The Agreement shall be binding on successors or assigns of the Parties.


K. Governing Law. The Agreement shall be governed by and construed under the laws of the State of Utah.

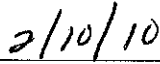
L. Captions. The Agreement's titles, headings and captions are for the purpose of convenience only and in no way define, describe or limit the scope or intent of the Agreement.

M. Counterparts and Facsimiles. The Agreement may be executed in counterparts, in which case each of the counterparts shall be deemed to be an original. Also, the Agreement may be executed via facsimile, in which case a facsimile shall be deemed to be an original.

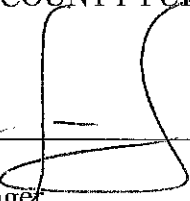
Agreed to and accepted:

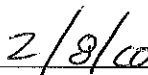
WESTERN ELECTRICITY COORDINATING COUNCIL

  
\_\_\_\_\_  
Constance B. White  
Vice President of Compliance

  
\_\_\_\_\_  
Date

KLICKITAT COUNTY PUBLIC UTILITY DISTRICT

  
\_\_\_\_\_  
Jim Smith  
General Manager

  
\_\_\_\_\_  
Date

## **Attachment c**

### **Record documents for CIP-001-1 R4**

- a. WECC's Self-Certification Screenshot  
dated January 2, 2008**
- b. KCPD's Mitigation Plan dated February  
28, 2008**
- c. KCPD's Certification of Mitigation Plan  
Completion dated May 27, 2008**
- d. WECC's Verification of Mitigation Plan  
Completion dated September 30, 2008**





## **Mitigation Plan Form**

Please complete an individual Mitigation Plan for each NERC Reliability Standard that indicates any level of non-compliance and return to [Compliance@WECC.biz](mailto:Compliance@WECC.biz).

New ☐ Revised ☒

**Registered Entity Name:** Public Utility District No.1 of Klickitat County

**Date noncompliance was discovered or reported:** 5/11/07

**Date Mitigation Plan submitted:** 2/28/08

**Standard Title:** SABOTAGE REPORTING

**Standard Number:** CIP-001-1

**Requirement / Measure Number:** R.1-R.4

**Level of Noncompliance:** ☒ Level 1 ☐ Level 2 ☐ Level 3 ☐ Level 4  
☐ Level not specified

**Provide an explanation of the noncompliance:**

District staff has written procedures to support Sabotage Reporting Policy we are waiting or procedures to be approved

**Designate a reliability impact (minimal, moderate, or severe) that the noncompliance had or could have had on the interconnection. Include an explanation for the designation.**

Minimal-Klickitat PUD has little to no impact on the bulk power system because we are a 35 aMW utility and our transmission lines are radial and are not looped into the grid.

**Describe any mitigating factors for this non-compliance (include supporting documentation).**

The cause for non-compliance is insufficient time to remedy the non-compliance between its discovery and the effective date of the mandatory standards.

**Describe your detailed plan to become compliant.**

KPUD Staff will review procedures during the March Staff Meeting

**Describe your detailed schedule to become compliant. (The Schedule should include regular status updates to WECC)**

**Are additional documents or information attached:** \_\_\_\_Yes      ☒ No

**Additional Notes or Comments:**

Point of contact for WECC follow-up:

Name: Greg Gallagher  
Title: Power Manager  
Phone: 509-773-7608  
Email: ggallagher@klickpud.com

---

**For WECC Use Only:**

WECC ID Number:

NERC ID Number:

Date Mitigation Plan was received at WECC:

Date Mitigation Plan was accepted by WECC:



**CONFIDENTIAL**

### Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to [Compliance@WECC.biz](mailto:Compliance@WECC.biz) along with the supporting evidence that confirms full compliance and Authorized Officer's signature.

Registered Entity Name: Public Utility District No.1 of Klickitat County

Standard Title: Sabotage Reporting

Standard Number: CIP-001-1

Requirement Number(s): R1,R2,R3,R4

Actual completion date of Mitigation Plan: 5/22/08

Check this box ☒ to indicate that you understand that the submittal of this Completion form is incomplete and cannot be reviewed for approval unless supporting documentation/evidence that confirms full compliance is attached.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

Attached is KPUD's Sabotage Reporting Policy, email from BPA with contact information, KPUD's power point used during Safety Meeting to educate employees on Sabotage Reporting, and a letter from, Special Agent [REDACTED] with the FBI - Yakima Resident Agency, supplying contact information in case of criminal activity including sabotage against KPUD.

Additional Notes or Comments pertaining to this violation:

By endorsement of this document I attest that [insert company name] is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature: \_\_\_\_\_

A handwritten signature in black ink, appearing to read 'Greg J. Gallagher', is written over a horizontal line.

Authorized Officer's Name: Greg Gallagher

Authorized Officer's Title: Power Manager

Date: 5/27/08

**CONFIDENTIAL**



**Bob Kiser**  
Manager of Audits and Investigations

360.980.2799  
bkiser@wecc.biz

September 30, 2008

Greg Gallagher  
Power Manager  
Klickitat County PUD  
1313 South Columbus Ave  
Goldendale, Washington 98620

Subject: Mitigation Plan Completion Review(s)

Dear Greg Gallagher,

The Western Electricity Coordinating Council (WECC) received Mitigation Plan Completion Form(s) and supporting evidence for each violation listed in Table 1 of Attachment A. The table indicates which plans have been completed and which remain incomplete. Attachment A also includes audit notes that detail the findings supporting this conclusion.

Each compliance violation associated with the incomplete Mitigation Plan(s) is now subject to sanctions and penalties under the Energy Policy Act of 2005. You will be receiving a letter from the WECC Compliance Department outlining the next steps in the penalty and sanction process regarding such violation(s).

Please submit a revised Mitigation Plan by October 14, 2008, including new proposed completion dates, for each unmitigated violation identified in Attachment A. The Mitigation Plan template form can be found on the WECC Compliance Manuals webpage, as Manual 03.03:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Upon review, the WECC Compliance Department will provide written notice of its acceptance or rejection of the newly submitted Mitigation Plan.

If you have any questions or concerns, please contact Mike Wells at (801) 883.6884 or [mike@wecc.biz](mailto:mike@wecc.biz). Thanks for your assistance in this effort.

**CONFIDENTIAL**

Sincerely,

*Bob Kiser*

Bob Kiser  
Manager of Audits and  
Investigations

BK:gc

Attachment

Cc: Holly Dohrman, KCPD Energy Services Manager  
Lisa Milanes, WECC Manager of Compliance Administration  
Ed Ruck, NERC Regional Compliance Program Coordinator



**Registered Entity:** Public Utility District No. 1 of Klickitat County

**Date:** September 30, 2008

	Standard Number	Requirement	Sufficient Evidence	Review Status
1	CIP-001-1	R1, R2, R3, R4	Yes	Compliant
2	EOP-004-1	R2, R3	Yes	Compliant
3	PRC-004-1	R1, R3	Yes	Compliant

## **Attachment d**

### **Record documents for FAC-001-0 R1, R2 and R3**

- a. KCPD's Self-Certification dated January 9, 2009**
- b. KCPD's Mitigation Plan dated January 14, 2009**
- c. KCPD's Revised Mitigation Plan dated April 28, 2009**
- d. KCPD's Certification of Mitigation Plan Completion dated August 26, 2009**
- e. WECC's Verification of Mitigation Plan Completion dated November 4, 2009**



Western Electricity Coordinating Council

# Compliance

## Member Portal

Klickitat County PUD

Logged in as:

PDF Conversion Service

Log Out

System Administration

Compliance

All Forms

Self-Certification Forms

Submittal Forms

Historical Forms

Certification Statements

Reports

File Upload

FAC-001-0 Self Certification - Facility Connection Requirements - January 1, 2008 - December 31, 2008 2009

Save PDF | Return To Search Results

Attachments (0)

This form was marked as ready for authorized signatory approval on 1/9/2009.

\* Required Fields

Status: Read Only

### Technical Contact

\* Billie Quantrell (bquantrell@klickpud.com) |

WECC will disclose this information to NERC and other third parties, only as required, and in accordance with established procedures pursuant to section 1500 of the NERC rules of procedure.

### Applicable Function(s): TO

As an authorized representative of Klickitat County PUD, I certify the following:

C NC N/A R1. The Transmission Owner shall document, maintain, and publish facility connection requirements to ensure compliance with NERC Reliability Standards and applicable Regional Reliability Organization, subregional, Power Pool, and individual Transmission Owner planning criteria and facility connection requirements. The Transmission Owner's facility connection requirements shall address connection requirements for:

R1.1. Generation facilities,

R1.2. Transmission facilities, and

R1.3. End-user facilities

Violation was previously self-reported or identified by Klickitat County PUD

Yes No

Violation Severity Level (Levels of Non-Compliance)

VSL - Lower

Provide a detailed explanation of non-compliance

After reviewing FAC-001-0 for Self Certification KPUD decided to file non compliant due to lack of documentation. KPUD will Submit a Self Report and then Mitigation plan

Reliability Impact to the Bulk Power System

Minimal

Describe the Reliability Impact of this Non-Compliance

KPUD feels there is no Reliability to the Bulk Power System

C NC N/A R2. The Transmission Owner's facility connection requirements shall address, but are not limited to, the following items:

R2.1. Provide a written summary of its plans to achieve the required system performance as described above throughout the planning horizon:

R2.1.1. Procedures for coordinated joint studies of new facilities and their impacts



on the interconnected transmission systems.

**R2.1.2.** Procedures for notification of new or modified facilities to others (those responsible for the reliability of the interconnected transmission systems) as soon as feasible.

**R2.1.3.** Voltage level and MW and MVAR capacity or demand at point of connection.

**R2.1.4.** Breaker duty and surge protection.

**R2.1.5.** System protection and coordination.

**R2.1.6.** Metering and telecommunications.

**R2.1.7.** Grounding and safety issues.

**R2.1.8.** Insulation and insulation coordination.

**R2.1.9.** Voltage, Reactive Power, and power factor control.

**R2.1.10.** Power quality impacts.

**R2.1.11.** Equipment Ratings.

**R2.1.12.** Synchronizing of facilities.

**R2.1.13.** Maintenance coordination.

**R2.1.14.** Operational issues (abnormal frequency and voltages).

**R2.1.15.** Inspection requirements for existing or new facilities.

**R2.1.16.** Communications and procedures during normal and emergency operating conditions.

Violation was previously self-reported or identified by Klickitat County PUD

☒ Yes ☐ No

Violation Severity Level (Levels of Non-Compliance)

VSL - Lower

Provide a detailed explanation of non-compliance

After reviewing FAC-001-0 for Self Certification KPUD decided to file non compliant due to lack of documentation

Reliability Impact to the Bulk Power System

Minimal

Describe the Reliability Impact of this Non-Compliance

KPUD feels there is no Reliability Impact to the Bulk Power System

C NC N/A ☒ ☐ ☐ **R3.** The Transmission Owner shall maintain and update its facility connection requirements as required. The Transmission Owner shall make documentation of these requirements available to the users of the transmission system, the Regional Reliability Organization, and NERC on request (five business days).

Violation was previously self-reported or identified by Klickitat County PUD

☒ Yes ☐ No

Violation Severity Level (Levels of Non-Compliance)

VSL - Lower

Provide a detailed explanation of non-compliance

After reviewing FAC-001-0 for Self Certification KPUD decided to file non compliant due to lack of documentation

Reliability Impact to the Bulk Power System

Minimal

Describe the Reliability Impact of this Non-Compliance

KPUD feels there is no Reliability Impact to the Bulk Power System

Summary of Self Certification Submittal [Auto Populated from responses]:

Klickitat County PUD is Non-Compliant with NERC Reliability Standard  
FAC-001-0 Requirement(s): R1,R2,R3

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 Ready for Authorized Signatory Approval

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## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 1/14/09

If this Mitigation Plan has already been completed:

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

### Section A: Compliance Notices & Mitigation Plan Requirements

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

### Section B: Registered Entity Information

- B.1 Identify your organization:

Registered Entity Name: Public Utility District No.1 of Klickitat County

Registered Entity Address: 1313 S Columbus Goldendale WA  
NERC Compliance Registry ID: NCR05206

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

Name: Greg Gallagher  
Title: Power Manager  
Email: ggallagher@klickpud.com

<sup>1</sup> A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.



Western Electricity Coordinating Council

Phone: 509-773-7605



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

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

C.1 Standard: FAC-001-00  
[Identify by Standard Acronym (e.g. FAC-001-1)]

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

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date <sup>(*)</sup> (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1		1/9/09	REVIEWING STANDARD FOR SELF CERTIFICATION
		R2		1/9/09	REVIEWING STANDARD FOR SELF CERTIFICATION
		R3		1/9/09	REVIEWING STANDARD FOR SELF CERTIFICATION

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

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



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Klickitat County PUD Provides facility connection requirements for End-User Facilities, but has no documentation that address all of the requirements for FAC-001-0 R2

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

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

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

## **Section D: Details of Proposed Mitigation Plan**

### **Mitigation Plan Contents**

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

Klickitat County PUD plans to adopt a Facility Connection Requirement procedure that will address KPUD generation, transmission, and end-user facilities, and include (but are not limited) all requirements in FAC-001-0 R2.

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

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

### **Mitigation Plan Timeline and Milestones**

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected:
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:



Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Review Policy 12 and Draft a procedure with WECC Consultant	April 2009
Review Draft procedures with KPUD staff and with Transmission/substation Design Engineers	August 2009

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

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

#### **Additional Relevant Information (Optional)**

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

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



## Section E: Interim and Future Reliability Risk

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

### Abatement of Interim BPS Reliability Risk

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

Klickitat County PUD feels there is no risk or impact to the reliability of the bulk power system while we are implementing the mitigation plan. Klickitat County PUD is working towards compliance

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

### Prevention of Future BPS Reliability Risk

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

When Klickitat County PUD submits Self Certification; all documents will be reviewed thoroughly to ensure all standard requirements have a proper mitigation plan

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

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or



*Western Electricity Coordinating Council*



similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

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





## Section F: Authorization

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

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC and approval by NERC, and
- b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
  1. I am Power Manager of Klickitat County PUD.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Klickitat County PUD.
  3. I understand Klickitat County PUD obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
  4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
  5. Klickitat County PUD agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

**Authorized Signature:**

(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Greg Gallagher

Title: Power Manager

Date: 1/14/09



### **Section G: Comments and Additional Information**

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

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

### **Section H: WECC Contact and Instructions for Submission**

Please direct any questions regarding completion of this form to:

Jim Stuart, Sr. Compliance Engineer

Email: [JStuart@wecc.biz](mailto:JStuart@wecc.biz)

Phone: (801) 883-6887

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>



## **Attachment A – Compliance Notices & Mitigation Plan Requirements**

- I. Section 6.2 of the WECC CMEP sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
  - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.
  - (2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.
  - (3) The cause of the Alleged or Confirmed Violation(s).
  - (4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).
  - (5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).
  - (6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.
  - (7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.
  - (8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission.
  - (9) Any other information deemed necessary or appropriate.
  - (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self-Certification or Self Reporting submittals.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



*Western Electricity Coordinating Council*



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



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## **Mitigation Plan Extension Request Form**

### **Section A: Registered Entity Information**

Company Name: Public Utility Distrist No. 1 of Klicitat County

Standard: FAC-001-0

*[Identify by Standard Acronym (e.g. FAC-001-1)]*

Requirement Number(s): R1,R2,R3

*[Identify by Sub-Requirements (e.g. R1.1, R1.2)]*

Date original Mitigation Plan was accepted: 1/13/09

Date original Mitigation Plan was scheduled to be complete: 8/1/09

Date this request is being submitted: 4/28/09

### **Section B: Extension Request Requirements**

Check this box ☒ to indicate that you understand that this Extension Request is incomplete and cannot be reviewed for approval unless a Revised Mitigation Plan is attached.

Identify the reason an extension is being requested:

KPUD will not be able to reach the August 2009 Completion Date

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

Provide detailed information as to why the original completion date will not be met:

KPUD Staff is reviewing Facility Connection Requirments Standard then will establish facility connection and performanace procedure.

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



**Non-Public and CONFIDENTIAL**

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## **Certification of Mitigation Plan Completion Form**

Submittal of a Certification of Mitigation Plan Completion shall include data or information sufficient for Western Electricity Coordinating Council (WECC) to verify completion of the Mitigation Plan. WECC 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:** Klickitat County PUD

**NERC Registry ID:** NCR05206

**Date of Submittal of Certification:** 8/26/09

**NERC Violation ID No(s) (if known):**

**Standard:** FAC-001-0

**Requirement(s):** R1, R2,R3

**Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan (if applicable):** 8/31/09

**Date Mitigation Plan was actually completed:** 8/25/09

**Additional Comments (or List of Documents Attached):** Policy Bulletin No. 20, Policy Bulletin 21, and Policy Bulletin 43

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:** Greg Gallagher

**Title:** Power Manager

**Email:** ggallagher@hotmail.com

**Phone:** 509-733-7605

**Authorized Signature:** 

**Date:** 8/26/09

**CONFIDENTIAL**



**Laura Scholl**  
Managing Director of Compliance

801.819.7619  
[lscholl@wecc.biz](mailto:lscholl@wecc.biz)

November 4, 2009

Greg Gallagher  
Power Manager  
Klickitat County PUD  
1313 South Columbus Ave  
Goldendale, Washington 98620

NERC Registration ID: NCR05206

Subject: Certification of Completion Response Letter

Dear Greg,

The Western Electricity Coordinating Council (WECC) received the Certification of Completion and supporting evidence of Klickitat County PUD (KCPD) on 8/26/2009 for the alleged violation of Reliability Standard FAC-001-0 Requirements 1, 2 and 3.

WECC has accepted the Certification of Completion for Requirements 1, 2 and 3 of the Reliability Standard FAC-001-0 and has found these requirements to be fully mitigated. No further mitigation of these requirements will be required at this time.

If you have any questions or concerns, please contact Jay Look at [jay@wecc.biz](mailto:jay@wecc.biz). Thank you for your assistance in this effort.

Sincerely,



Laura Scholl  
Managing Director of Compliance

LS:rh

cc: Holly Dohrman, KCPD Energy Services Manager  
Lisa Milanes, WECC Manager of Compliance Program Administration  
Jay Look, WECC Senior Compliance Engineer

**Attachment e**

**Notice of Filing**



UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Klickitat County PUD

Docket No. NP10-\_\_\_\_-000

NOTICE OF FILING  
September 30, 2010

Take notice that on September 30, 2010, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Klickitat County PUD in the Western Electricity Coordinating Council region.

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

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

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

Comment Date: [BLANK]

Kimberly D. Bose,  
Secretary