NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

November 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 Forward Energy, LLC, FERC Docket No. NP11-__-000

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Deficiency Notice of Penalty (Deficiency NOP) and Disposition Document regarding Forward Energy, LLC (FWDE),[1] 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[2] addressed within a Deficiency NOP are administrative, minor or documentation in nature. Deficiency NOP treatment is appropriate in this case because the risk in this case was minimal. While FWDE failed to provide the scheduled outage information to its Transmission Operator, the outage information was provided to the Midwest Independent Transmission System Operator, Inc. outage scheduler. FWDE reported that it understood that all relevant parties had been notified of the outage; however, the Transmission Operator was not included in the outage e-mail notification list and was not directly informed of the outage.

FWDE does not dispute the violation of TOP-003-0 Requirement (R) 1 and the assessed zero dollar ($0) penalty.

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines and the Commission's July 3, 2008, October 26, 2009 and August 27, 2010 Guidance

[1] 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.
[2] 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.

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Princeton, NJ 08540
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Orders,[3] the NERC BOTCC reviewed the NOCV and supporting documentation on October 12, 2010. The NERC BOTCC approved the NOCV and the assessment of a zero dollar ($0) financial penalty against FWDE.

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.

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) FWDE's Response to the Deficiency NOCV dated July 28, 2010, included as Attachment a;

b) Disposition of Violation and Verification of Completion contained therein, included as Attachment b;

c) MRO's Annual Spot Check Assessment for TOP-003-0 R1 dated November 9, 2009, included as Attachment c;

d) FWDE's Mitigation Plan MIT-08-2718 for TOP-003-0 R1 submitted July 26, 2010[4], included as Attachment d; and

e) FWDE's Certification of Mitigation Completion for TOP-003-0 R1 dated July 13, 2010, included as Attachment e.

A Form of Notice Suitable for Publication[5]

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

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[3] *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).

[4] FWDE certified that its Mitigation Plan was complete prior to formal submission of the Mitigation Plan. The Mitigation Plan was completed as of June 25, 2009.

[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:

Gerald W. Cauley President and Chief Executive Officer David N. Cook* Sr. Vice President and General Counsel North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, NJ 08540-5721 (609)452-8060 (609) 452-9550 – facsimile david.cook@nerc.net	Rebecca J. Michael* Assistant General Counsel 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
Alex George* Vice President Forward Energy, LLC 1 South Wacker Drive Suite 1900 Chicago, IL 60606 (312) 582-1415 ageorge@invenergyllc.com	Daniel P. Skaar* President Midwest Reliability Organization 2774 Cleveland Avenue North Roseville, MN 55113 (651) 855-1731 dp.skaar@midwestreliability.org
Alan Beckham* NERC Compliance Manager Forward Energy, LLC 1 South Wacker Drive Suite 1900 Chicago, IL 60606 (312) 582-1497 abeckham@invenergyllc.com	Sara E. Patrick* Director of Regulatory Affairs and Enforcement Midwest Reliability Organization 2774 Cleveland Avenue North Roseville, MN 55113 (651) 855-1708 se.patrick@midwestreliability.org
*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 Deficiency NOP as compliant with its rules, regulations and orders.

Respectfully submitted,

/s/ *Rebecca J. Michael*

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

Rebecca J. Michael
Assistant General Counsel
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

cc: Forward Energy, LLC
Midwest Reliability Organization

Attachments

NERC
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Attachment a

FWDE's Response to the Deficiency NOCV dated July 28, 2010

Forward Energy LLC

Invenergy

July 28, 2010

Ms. Sara E. Patrick
Director of Regulatory Affairs and Enforcement
Midwest Reliability Organization
2774 Cleveland Avenue N
Roseville, MN 55113

RE: FWDE_Deficiency NOCV_MRO200900134_July 27 2010

Dear Ms. Patrick:

In accordance with Section IV of the *Deficiency Notice of Confirmed Violation: Reliability Standard TOP-003-1, R1* issued to Forward Energy LLC dated July 27, 2010, and Section 5.2 of the NERC CMEP, Forward Energy LLC provides the following response:

- Forward Energy LLC does not contest the alleged violation, MRO200900134.
- Forward Energy LLC does not contest the proposed penalty or sanction amount of $0 assigned to the violation designated MRO200900134.

Forward Energy LLC does not wish to include a statement to accompany the Deficiency Notice.

Please contact either myself or Alan Beckham, NERC Compliance Manager (abeckham@invenergyllc.com; 312.582.1497), with any questions.

Respectfully submitted,

Forward Energy LLC

By: _____
Mr. Alex George
Vice President

One South Wacker Drive, Suite 1900, Chicago, IL 60606 T 312.224.1400 F 312.224.1444

Attachment b

Disposition of Violation and Verification of Completion contained therein

DISPOSITION OF VIOLATION[1]
Dated July 26, 2010

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.	NOC#
MRO200900134	**MRO200911232009_FWDE_TOP-003-0_R1**	**NOC-654**

REGISTERED ENTITY	NERC REGISTRY ID
Forward Energy, LLC (FWDE)	**NCR00334**

REGIONAL ENTITY
Midwest Reliability Organization (MRO)

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											
		6/23/08	**6/23/08**											

* VIOLATION APPLIES TO SHADED FUNCTIONS

DESCRIPTION OF THE REGISTERED ENTITY

FWDE is an affiliate of Invenergy, LLC, a diversified energy company based in Chicago, IL. FWDE is a wind farm project that became operational in 2008. The FWDE wind farm is comprised of GE SLE Wind Turbines and is located in Fond du Lac and Dodge Counties, Wisconsin. FWDE has a total capacity of 129 MW and is connected to the bulk power system (BPS) at 138 kV. FWDE began commercial operations in March 2008.

II. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
TOP-003-0	**1**	**1.1**	**Medium[2]**	**Severe[3]**

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

[2] When NERC filed Violation Risk Factors (VRF) it originally assigned TOP-003-0 R1 a Medium VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC

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

The purpose statement of TOP-003-0 provides: "Scheduled generator and transmission outages that may affect the reliability of interconnected operations must be planned and coordinated among Balancing Authorities, Transmission Operators, and Reliability Coordinators."

TOP-003-0 R1 provides in pertinent part:

> **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.**
> >
> > **…**

VIOLATION DESCRIPTION

In response to a Spot Check notification issued on June 4, 2009, FWDE provided its procedure titled *FEC-SP-TOP-0-F0 Forward Energy Center Specific Procedure for Planned Outage Coordination* which had an effective date of May 1, 2008. MRO responded to the FWDE submittal and asked if FWDE had taken a scheduled outage of the wind farm in the past 12 months.

FWDE responded to the MRO via phone on October 1, 2009 that it had discovered a scheduled outage which occurred on September 9, 2008 through September 11, 2008 for which outage information had not been provided to American Transmission Company (ATC), the Transmission Operator.

FWDE provides wind generation output to four utilities through separate power purchase agreements. These four utilities were notified of the outage six days in advance via e-mail. Each of these four utilities provides availability information to the Midwest Independent Transmission System Operator, Inc. (Midwest ISO). One of these utilities, Wisconsin Public Service Corporation (WPSC) provides outage information to the Midwest ISO outage scheduler. FWDE reported that it understood that all relevant parties had been notified of the outage, however, ATC

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submitted the modified TOP-003-0 R1 VRF and on August 9, 2007, the Commission approved the modified TOP-003-0 R1 VRF. Therefore, the Medium VRF for TOP-003-0 R1 was in effect from June 18, 2007 until August 9, 2007 when the TOP-003-0 R1 VRF became effective. TOP-003-0 R1.1, R1.2 and R1.3 each have a Medium VRF.

[3] The "Severe" VSL is assigned for those requirements identified as "binary." A Registered Entity is either compliant or non-compliant. In every instance where there is non-compliance, the VSL is "Severe."

was not included in the outage e-mail notification list and was not directly informed of the outage.

The September 9, 2008 outage was FWDE's first outage related to replacing the bladder on the main Generator Step-Up transformer. FWDE nameplate capacity of 129 MW exceeds the 50 MW requirement for providing daily outage information to the Transmission Operator pursuant to Reliability Standard TOP-003-0 R1.1. The outage began on September 9, 2008 at 5:00 am CDT and was completed on September 11, 2008 at 7:15 pm CDT.

MRO contacted ATC to determine whether it had exempted wind farms from reporting scheduled outages. After a review of ATC policies and interconnection agreements, ATC reported to the MRO that ATC has not issued any exemptions from reporting scheduled outages of generation facilities.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

MRO determined that this violation did not pose a serious or significant risk to the BPS. Although the required notice to the Transmission Operator was not provided, given the size and location of the variable generation, the outage of 129 MW posed minimal risk to BPS reliability. The wind farm is located in rural Wisconsin, generates 129 MW and is connected at 138 kV. Further, FWDE reported that based on wind speed records obtained from the regional airport, available generation output for the wind facility would not have exceeded 50 MW during the outage period. Given FWDE's size and location and the amount of generation output that would have been available, the outage did not pose a serious or significant threat to BPS reliability. Additionally, the failure to provide the outage information to the Transmission Operator did not result in any reports or concerns by the Transmission Operator.

IS THERE A SETTLEMENT AGREEMENT YES ☐ NO ☒

WITH RESPECT TO THE VIOLATION(S), REGISTERED ENTITY

NEITHER ADMITS NOR DENIES IT (SETTLEMENT ONLY) YES ☐
ADMITS TO IT YES ☐
DOES NOT CONTEST IT (INCLUDING WITHIN 30 DAYS) YES ☒

WITH RESPECT TO THE ASSESSED PENALTY OR SANCTION, REGISTERED ENTITY

ACCEPTS IT/ DOES NOT CONTEST IT YES ☒

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) **September 9, 2008 at 5:00 am CDT (when the scheduled outage began) through June 25, 2009 (Mitigation Plan completion).**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **10/1/09**

IS THE VIOLATION STILL OCCURRING YES ☐ NO ☒
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES ☐ NO ☒
PRE TO POST JUNE 18, 2007 VIOLATION YES ☐ NO ☒

IV. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	**MIT-08-2718**
DATE SUBMITTED TO REGIONAL ENTITY	**7/26/10**[4]
DATE ACCEPTED BY REGIONAL ENTITY	**7/26/10**
DATE APPROVED BY NERC	**8/26/10**
DATE PROVIDED TO FERC	**8/26/10**

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

N/A

MITIGATION PLAN COMPLETED YES ☒ NO ☐

EXPECTED COMPLETION DATE	**Submitted as complete**
EXTENSIONS GRANTED	**N/A**
ACTUAL COMPLETION DATE	**6/25/09**

[4] The Mitigation Plan was signed on July 13, 2010.

DATE OF CERTIFICATION LETTER	**7/13/10**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF	**6/25/09**
DATE OF VERIFICATION	**7/26/10**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF	**6/25/09**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

FWDE added the Transmission Owner/Transmission Operator representatives to its outage notification distribution list in its TOP-003 procedure. FWDE verified with its Transmission Operator that the contact information is correct. Additionally, FWDE provided training on its outage reporting process with its personnel responsible for compliance with the procedure.

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

1. **FWDE's TOP-003 Procedure, dated May 1, 2008**
2. **E-mail confirmation of correct contact information for ATC, dated June 11, 2009**
3. **Description of training on TOP-003 Procedure**
4. **Training sign-in sheets for TOP-003 Procedure, dated June 17, 2009 through June 25, 2009**

V. PENALTY INFORMATION

TOTAL ASSESSED PENALTY OR SANCTION OF **$0** FOR **ONE (1)** VIOLATION OF RELIABILITY STANDARDS.

(1) REGISTERED ENTITY'S COMPLIANCE HISTORY

PREVIOUSLY FILED VIOLATIONS OF ANY OF THE INSTANT RELIABILITY STANDARD(S) OR REQUIREMENT(S) THEREUNDER
YES ☐ NO ☒

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

PREVIOUSLY FILED VIOLATIONS OF OTHER RELIABILITY STANDARD(S) OR REQUIREMENTS THEREUNDER
YES ☐ NO ☒

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

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

FULL COOPERATION YES ☒ NO ☐
IF NO, EXPLAIN

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

IS THERE A DOCUMENTED COMPLIANCE PROGRAM
YES ☒ NO ☐ UNDETERMINED ☐
EXPLAIN

FWDE has a documented compliance program,[5] which was in effect at the time of the violation, and a dedicated full-time NERC Compliance Manager. The Manager is responsible for reviewing and approving FWDE's NERC Compliance Procedure and for ensuring that the Asset Managers and Plant Managers are trained and familiar with the procedure. The Manager evaluates FWDE's compliance with NERC Reliability Standards. The Manager also provides guidance on how to comply with Reliability Standards and provides corporate level guidance for FWDE. MRO gave consideration to the fact that FWDE had a documented program and determined that the program was a neutral factor in the determination of the penalty.

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.

[5] FWDE uses Invenergy, LLC's compliance program.

FWDE's Authorized Compliance Officer, a senior management position, directly supervises FWDE's NERC Compliance Manager. The NERC Compliance Manager reports routine matters to the Authorized Officer during scheduled monthly meetings and reports more urgent matters immediately.

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

YES ☐ NO ☒
IF YES, EXPLAIN

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

YES ☐ NO ☒
IF YES, EXPLAIN

(6) ANY OTHER MITIGATING FACTORS FOR CONSIDERATION

YES ☐ NO ☒
IF YES, EXPLAIN

(7) ANY OTHER AGGRAVATING FACTORS FOR CONSIDERATION

YES ☐ NO ☒
IF YES, EXPLAIN

(8) ANY OTHER EXTENUATING CIRCUMSTANCES

YES ☐ NO ☒
IF YES, EXPLAIN

EXHIBITS:

SOURCE DOCUMENT
MRO's Annual Spot Check Assessment for TOP-003-0 R1 dated November 9, 2009

MITIGATION PLAN
FWDE's Mitigation Plan MIT-08-2718 for TOP-003-0 R1 submitted July 26, 2010

CERTIFICATION BY REGISTERED ENTITY
FWDE's Certification of Mitigation Completion for TOP-003-0 R1 dated July 13, 2010

OTHER RELEVANT INFORMATION:

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR SANCTION ISSUED
DATE: OR N/A ☒

SETTLEMENT DISCUSSIONS COMMENCED
DATE: OR N/A ☒

NOTICE OF CONFIRMED VIOLATION ISSUED
DATE: **7/27/10** 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

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Attachment c

MRO's Annual Spot Check Assessment for TOP-003-0 R1 dated November 9, 2009

FOR PUBLIC RELEASE - NOVEMBER 30, 2010

MIDWEST RELIABILITY ORGANIZATION

CONFIDENTIAL

November 9, 2009

Forward Energy, LLC (FWDE)
1 South Wacker Drive
Chicago, IL 60606

Attention: Mr. Laura Miner, Primary Compliance Contact
Mr. Alex George, Authorized Officer

Subject: Draft Annual Spot Check Assessment for NCR00334

Thank you for your timely response to the annual Spot Check initiated on June 4, 2009 pursuant to the 2009 NERC Implementation Plan. Based upon the Reliability Standards designated for Spot Check in the NERC plan and the functions for which FWDE is registered, evidence of compliance for the requirements listed in the table below was submitted for MRO's review. The MRO Compliance Department has determined the compliance status for the following Standards and Requirements to be:

Standard / Requirement	Compliant	Findings
EOP-009-0 R1	Yes	PER the MRO document-2009 Blackstart Acknowledgement form EOP-009-0, Forward Energy, LLC does not own or operate Blackstart units that are a part of a restoration plan.
EOP-009-0 R2	Yes	PER the MRO document-2009 Blackstart Acknowledgement form EOP-009-0, Forward Energy, LLC does not own or operate Blackstart units that are a part of a restoration plan.
TOP-003-0 R1	No	Forward Energy provided their outage coordination procedure FEC-SP-TOP-0-F0 Forward Energy Center Specific Procedure for Planned Outage Coordination. The MRO requested evidence showing that Forward Energy has notified their TOP of scheduled outages as stated in the Planned Outage Coordination Procedure. Forward Energy discovered a scheduled outage which took place starting September 9, 2008 that was not scheduled with their TOP, American Transmission Company. This outage was to replace the bladder on the main GSU at the substation; this caused an outage of 129MW. Forward Energy notified the MRO once discovering this discrepancy. In September 2009 Forward Energy scheduled an outage of the wind farm and provided the MRO supporting documentation which exhibits the scheduling of the planned outage per their procedure.

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TOP-003-0 R2	Yes	Forward Energy provided their outage coordination procedure FEC-SP-TOP-0-F0 Forward Energy Center Specific Procedure for Planned Outage Coordination. Per a supplemental submittal to the MRO on 9/28/09, Forward Energy LLC has not been required to schedule an outage of voltage regulating equipment during the audit period.
TOP-003-0 R3	Yes	Forward Energy provided their outage coordination procedure FEC-SP TOP 0 F0 Forward Energy Center Specific Procedure for Planned Outage Coordination. Per a supplemental submittal to the MRO on 9/28/09, Forward Energy LLC has not been required to schedule an outage of telemetering and control equipment during the audit period.

The MRO spot check procedure in conjunction with the NERC Compliance Monitoring and Enforcement Program allows the Registered Entity the opportunity to comment on this assessment. FWDE is allowed ten business days from receipt of this report to submit comments regarding this matter. The MRO will consider all comments and may make revisions to this draft assessment report. The MRO will complete and document the assessment, and will provide a final assessment report to the FWDE indicating the results of this spot check. If there are no comments submitted, FWDE and MRO shall consider this to be the final assessment report. The MRO considers this spot check to be completed and closed unless indicated otherwise by FWDE.

If the MRO has identified any item of non-compliance in the above table, the MRO Compliance department will notify the MRO Enforcement department, which will then perform a second and independent review of the data submitted. Upon verification of an alleged violation of the Standard(s) and Requirement(s), the MRO Enforcement department will issue a Notice of Alleged Violation, and FWDE will have 30 days to respond. At that time, if FWDE contests the findings, FWDE shall submit to the MRO a response explaining its position. If the MRO does not receive a response within 30 days it shall be deemed that FWDE has accepted the findings. Details regarding due process can be found in the CMEP. Please contact the MRO staff with any questions or concerns.

Sincerely,

Wayne VanOscol

Wayne VanOscol

Vice President – Compliance

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Attachment d

FWDE's Mitigation Plan MIT-08-2718 for TOP-003-0 R1 submitted July 26, 2010

FOR PUBLIC RELEASE - NOVEMBER 30, 2010

Mitigation Plan

Registered Entity:	Forward Energy, LLC
NERC Violation ID:	MRO200900134
Requirement:	TOP-003-0 R1
Mitigation Plan Completed? (Yes/No):	Yes
Mitigation Plan Accepted On:	July 26, 2010
Mitigation Plan Completed On:	July 26, 2010

FOR PUBLIC RELEASE - NOVEMBER 30, 2010

Section A: Compliance Notices

Section 6.2 of the NERC 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 B.
(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 or recommended to the applicable governmental authorities 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.
(11) This submittal form may be used to provide a required Mitigation Plan for review and approval by regional entity(ies) and NERC.

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

• 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 alleged or confirmed violations with respect to each additional Reliability Standard, as applicable.

• If the Mitigation Plan is accepted by regional entity(ies) and approved by NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission or filed with the applicable governmental authorities for approval in Canada.

• Regional Entity(ies) 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.

• The user has read and accepts the conditions set forth in these Compliance Notices.

FOR PUBLIC RELEASE - NOVEMBER 30, 2010

Section B: Registered Entity Information

B.1 Identify your organization:

Entity Name: Forward Energy, LLC
NERC Compliance Registry ID: NCR00334
Address: 1 South Wacker Drive
Suite 1900
Chicago IL 60606

B.2 Identify the individual in your organization who will serve as the Contact to the Regional Entity regarding

Name: Alan Beckham
Title: NERC Compliance Manager
Email: abeckham@invenergyllc.com
Phone: 312-582-1497

FOR PUBLIC RELEASE - NOVEMBER 30, 2010

Section C: Identitiy of Reliability Standard Violation Associated with this Mitigation Plan

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

Standard Requirement: TOP-003-0 R1

Description: Generator Operators and Transmission Operators shall provide planned outage information.

Violation Date:

C.2 Identify the cause of the violation(s) identified above:

Forward Energy failed to notify its Transmission Operator (TOP), American Transmission Company (ATCo) of a planned outage in excess of 50 MW taken on September 9, 2008. The outage was necessary to repair an issue with the site Generator Step-Up Transformer (GSU). The GSU is the single interface point for all Forward Energy generation output.

The failure to notify the TOP was identified during a spot check of TOP-003 R1 by the MRO initiated on November 9, 2009.

C.3 Provide any relevant information regarding the violations associated with this Mitigation Plan: [If known]

Forward Energy provides wind generation output to four (4) off-takers through separate power purchase agreements (PPA's). These four utilities, Madison Gas & Electric, Wisconsin Public Power, Alliant Energy, and Wisconsin Public Service, were notified of the outage six days in advance via email. Each off-taker serves as the Market Participant for their allotted portion of the park and is the conduit of availability information to the Midwest ISO portal. WPS provides outage information into the Midwest ISO scheduler. The Facility understood all relevant parties were notified however the Transmission Owner and Operator representative from ATCo was not included on the outage email notification list and was thus not directly informed of the outage.

FOR PUBLIC RELEASE - NOVEMBER 30, 2010

Section D: Details of Proposed Mitigation Plan

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

Add TO/TOP representative to the outage notification distribution list in the facility TOP-003 procedure [Complete as of 6/11/09]
Review outage reporting process with Forward Energy personnel. [Complete as of 6/17/09]

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:

Proposed Completion date of Mitigation Plan:June 25, 2009

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

Milestone Activity	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
Generate formal outage notification list which	June 11, 2009	June 11, 2009
Review outage notification process.	June 25, 2009	June 25, 2009

D.4 Additional Relevant Information (Optional)

Forward Energy had been commercially operating for a period of less than six months at the time the outage reporting issue occurred. This was the first instance the facility had to exercise its outage reporting process. Subsequent outage plans were reported to the Transmission Operator as required.

The Facility outage began on 9/9/08 at 0500 (wind turbines began coming off-line) and was totally complete on 9/11/08 at 1915 (82 of 86 wind turbines on-line with 4 remaining off-line for repair work).

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Section E: Interim and Future Reliability Risk

E.1 Abatement of Interim BES Reliability Risk

While your organization is implementing the Mitigation Plan proposed in Section 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:

The mitigation plan action items are complete: the risk to bulk power system during the occurrence of the event was minimal:
The utilities contracted to receive the generator output were notified the facility was unavailable.
The nameplate capacity of the facility is 129 MW; available facility output during the outage based on wind speed records obtained from the regional airport reveal that estimated park output would not have exceeded 50 MW during the duration of the outage period. Further examination of those records reveal only 2-3 hours in the full 72 hour period had sufficient wind speed to generate output that would have approached 50 MW.

E.2 Prevention of Future BES Reliability Risk

Describe how successful completion of the Mitigation Plan as laid out in Section 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:

The Facility routinely schedules items using its outage notification distribution list. The routine use of the notification list minimizes the likelihood of a re-occurrence of this event since the list contains multiple email addresses for each entity. The inclusion of multiple addresses also serves to lessen the likelihood that an affected entity would be unaware of an outage due to a single individual/group overlooking the notification email.

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

None

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Section F: Authorization

An authorized individual must sign and date the signature page. By doing so, this individual, on behalf of your organization:

(a) Submits the Mitigation Plan, as laid out in Section D, to the Regional Entity for acceptance 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 Manager, NERC Compliance of Forward Energy, LLC
2. I am qualified to sign this Mitigation Plan on behalf of Forward Energy, LLC
3. I have read and understand Forward Energy, LLC's obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure and the NERC CMEP currently in effect or the NERC CMEP-Province of Manitoba, Schedule B currently in effect, whichever is applicable.
4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
5. Forward Energy, LLC Agrees to be bound by, and comply with, this Mitigation Plan, including the timetable completion date, as accepted by the Regional Entity, NERC, and if required, the applicable governmental authorities in Canada.

Authorized Individual Signature: _____

(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Name: Alan Beckham

Title: Manager, NERC Compliance

Authorized On: July 13, 2010

NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment e

FWDE's Certification of Mitigation Completion for TOP-003-0 R1 dated July 13, 2010

MIDWEST
RELIABILITY
ORGANIZATION

Certification of Mitigation Plan Completion

Submittal of a Certification of Mitigation Plan Completion shall include data or information sufficient for Midwest Reliability Organization to verify completion of the Mitigation Plan. Midwest Reliability Organization 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: Forward Energy, LLC

NERC Registry ID: NCR00334

Date of Submittal of Certification: 7/13/2010

NERC Violation ID No(s): MRO200900134

Reliability Standard and the Requirement(s) of which a violation was mitigated: TOP-003 R1

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan: 6/25/2009

Date Mitigation Plan was actually completed: 6/25/2009

Additional Comments (or List of Documents Attached) : none

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: Alan Beckham

Title: Manager, NERC Compliance

Email: abeckham@invenergyllc.com

Phone: 312.582.1497 or 608.719.8318

Authorized Signature _____ Date 7/13/10

When completed, please submit by adding this document into the CDMS application at www.midwestreliability.org and sending a notification email to enforcement@midwestreliability.org that the document has been uploaded.

Questions regarding completion of this form can be sent to enforcement@midwestreliability.org.

Attachment f

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Forward Energy, LLC Docket No. NP11-___-000

NOTICE OF FILING
November 30, 2010

Take notice that on November 30, 2010, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Forward Energy, LLC in the Midwest Reliability Organization 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