

March 30, 2012

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

**Re: NERC Full Notice of Penalty regarding American Electric Power Service Corp. as agent for
Public Svc. Co. of Oklahoma & SW Electric Power Co.,
FERC Docket No. NP12-_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding American Electric Power Service Corp. as agent for Public Svc. Co. of Oklahoma & SW Electric Power Co. (AEP), NERC Registry ID# NCR01056,² in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations and orders, as well as NERC's Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).³

Headquartered in Columbus, Ohio, AEP is a large investor-owned electric utility with approximately 38,000 megawatts of generation capacity and 39,000 miles of transmission line. AEP operates in 11 eastern and central U.S. states and three NERC regions: ReliabilityFirst Corporation (RFC), Southwest Power Pool Regional Entity (SPP RE), and the Texas Reliability Entity, Inc. (TRE). In the SPP RE region, AEP affiliates Public Service Company of Oklahoma and Southwestern Electric Power Company operate collectively as AEP West Companies and are registered in the NERC Compliance Registry under

¹ *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards* (Order No. 672), III FERC Stats. & Regs. ¶ 31,204 (2006); *Notice of New Docket Prefix "NP" for Notices of Penalty Filed by the North American Electric Reliability Corporation*, Docket No. RM05-30-000 (February 7, 2008). See also 18 C.F.R. Part 39 (2011). *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693), *reh'g denied*, 120 FERC ¶ 61,053 (2007) (Order No. 693-A). See 18 C.F.R § 39.7(c)(2).

² SPP RE confirmed that AEP was included on the NERC Compliance Registry as a Balancing Authority (BA), Distribution Provider (DP), Generator Owner (GO), Generator Operator (GOP), Load-Serving Entity (LSE), Purchasing-Selling Entity (PSE), Resource Planner (RP), Transmission Owner (TO), Transmission Operator (TOP), and Transmission Provider (TP) on May 13, 2007. As a TO, AEP is subject to the requirements of NERC Reliability Standard FAC-003-1.

³ See 18 C.F.R § 39.7(c)(2).

3353 Peachtree Road NE
Suite 600, North Tower
Atlanta, GA 30326
404-446-2560 | www.nerc.com

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NCR01056. AEP West Companies operate in portions of Arkansas, Oklahoma, Louisiana and Texas. AEP serves approximately one million customers in the SPP RE region and has a peak load of more than 9,000 megawatts. Nationwide, the Forestry Operations group of AEP manages vegetation along approximately 8,600 miles of NERC-reportable transmission rights-of-way. In the SPP RE region, AEP has approximately 1,300 miles of transmission lines that are subject to the vegetation management requirements of the NERC Reliability Standards.

On August 2, 2010, AEP experienced a Category 1 vegetation outage on its Longwood – SW Shreveport 345 kV transmission line. The vegetation contact and accompanying outage of the transmission line did not cause a customer outage, property damage, system disturbance, or loss of generating capacity. Additionally, there were no Interconnection Reliability Operating Limit violations, generation re-dispatch or reduction of generation reserves. On August 6, 2010, AEP self-reported a violation⁴ of FAC-003-1 Requirement (R) 2 to SPP RE in connection with the outage.

SPP RE determined AEP had failed to effectively perform its aerial inspections of the Longwood – SW Shreveport 345 kV transmission line in accordance with its Transmission Vegetation Management Program (TVMP), and was therefore in violation of FAC-003-1 R2. Specifically, an American Elm tree had grown to within 2' to 2'6" of the "A" phase conductor of the Longwood – SW Shreveport 345 kV transmission line. Due to various factors described more fully below, the offending Elm tree was not identified by AEP for removal during its aerial patrols of the transmission line.

This Notice of Penalty is being filed with the Commission because SPP RE and AEP have entered into a Settlement Agreement to resolve all outstanding issues arising from SPP RE's determination and findings of the violation of FAC-003-1 R2. According to the Settlement Agreement, AEP neither admits nor denies the violation, but has agreed to the assessed penalty of ninety thousand dollars (\$90,000), in addition to other remedies and actions to mitigate the instant violation and facilitate future compliance under the terms and conditions of the Settlement Agreement. Accordingly, the violation identified as NERC Violation Tracking Identification Number SPP201000356 is being filed in accordance with the NERC Rules of Procedure and the CMEP.

Statement of Findings Underlying the Violation

⁴ 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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This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement executed on March 21, 2012, by and between SPP RE and AEP, which is included as Attachment a. The details of the findings and basis for the penalty are set forth in the Settlement Agreement and herein. This Notice of Penalty filing contains the basis for approval of the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC BOTCC). In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7 (2007), NERC provides the following summary table identifying each violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Total Penalty (\$)
Southwest Power Pool Regional Entity (SPP RE)	American Electric Power Service Corp. as agent for Public Svc. Co. of Oklahoma & SW Electric Power Co (AEP)	1121	SPP201000356	FAC-003-1	2	High	90,000

FAC-003-1 R2

The purpose statement of Reliability Standard FAC-003-1 provides:

To improve the reliability of the electric transmission systems by preventing outages from vegetation located on transmission rights-of-way (ROW) and minimizing outages from vegetation located adjacent to ROW, maintaining clearances between transmission lines and vegetation on and along transmission ROW, and reporting vegetation related outages of the transmission systems to the respective Regional Reliability Organizations (RRO) and the North American Electric Reliability Council (NERC).⁵

⁵ The North American Electric Reliability Council is the predecessor organization to the electric reliability organization (ERO), the North American Electric Reliability Corporation.

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FAC-003-1 R2 provides:

The Transmission Owner shall create and implement an annual plan for vegetation management work to ensure the reliability of the system. The plan shall describe the methods used, such as manual clearing, mechanical clearing, herbicide treatment, or other actions. The plan should be flexible enough to adjust to changing conditions, taking into consideration anticipated growth of vegetation and all other environmental factors that may have an impact on the reliability of the transmission systems. Adjustments to the plan shall be documented as they occur. The plan should take into consideration the time required to obtain permissions or permits from landowners or regulatory authorities. Each Transmission Owner shall have systems and procedures for documenting and tracking the planned vegetation management work and ensuring that the vegetation management work was completed according to work specifications.

FAC-003-1 R2 has a “High” Violation Risk Factor (VRF) and a “High” Violation Severity Level.⁶ The subject violation applies to AEP’s TO function.

On Monday, August 2, 2010, at 2:52 p.m., AEP’s Longwood – SW Shreveport 345 kV transmission line tripped and locked out.⁷ The Longwood – SW Shreveport 345 kV transmission line is approximately 19 miles long and is located southwest of Shreveport, Louisiana. The trip occurred on a clear day, with no suspect weather conditions and at a time when the circuit was loaded to approximately 250 MVA, or 25 percent of the transmission line’s capacity (1,012 MVA).

The reason for the Longwood – SW Shreveport outage was not immediately identifiable. Therefore, the AEP Transmission Dispatch Center ordered ground patrols of the transmission line to identify the reason for the trip. When the ground patrols, which were focused in areas identified by relay target information, did not identify the cause of the transmission line trip, AEP initiated an aerial patrol by helicopter. An aerial patrol of the Longwood - SW Shreveport 345 kV transmission line was performed

⁶ The VSL for the violation was determined from the “Levels of Non-Compliance” established in the FAC-003-1 Reliability Standard because the facts and circumstances of the violation do not support VSL determination from the NERC VSL Matrix. Level 3 Non-Compliance is appropriate when the Transmission Owner reported one Category 1 or multiple Category 2 transmission vegetation-related outages in a calendar year. A Level 3 Non-Compliance equates to a High VSL.

⁷ Both the Longwood and SW Shreveport terminal breakers tripped within three cycles due the initial fault. Breakers at Longwood and SW Shreveport terminals attempted unsuccessfully to reclose into the fault.

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from two directions, but the cause of the transmission line trip could not be identified. AEP returned the Longwood – SW Shreveport 345kV transmission line to service at 6:59 p.m. on August 2nd.

On August 3rd, AEP continued its ground patrols and on August 4th at 2:25 p.m., AEP identified a burnt tree mid-span between towers 40 and 41, in the vicinity of the Shreveport Regional Airport. The offending tree, an American Elm, approximately 26 feet tall and 3.5 inches⁸ in diameter had grown to within 2' to 2' 6" of the "A" phase conductor. The Elm tree was narrow for its height, not heavily foliated, and surrounded by brush 5 to 15 feet tall. Based on an examination of the growth rings, AEP determined the tree was five years-old. AEP continued its ground patrol to ensure the Elm tree was the cause of the transmission line outage.

On the afternoon of August 5th, AEP notified SPP RE that it had experienced a Category 1 vegetation outage⁹ on its Longwood – SW Shreveport 345 kV transmission line; that it was continuing its investigation to determine, with certainty, the cause of the outage; and that SPP RE should anticipate AEP filing a self-report for a vegetation outage. On August 6th, AEP submitted a self-report to SPP RE for a violation of FAC-003-1 R2 in connection with the Longwood – SW Shreveport 345 kV transmission line outage.

According to AEP, the vegetation contact and accompanying outage of the Longwood – SW Shreveport 345 kV transmission line did not cause a customer outage, property damage, system disturbance or loss of generating capacity. There were no Interconnection Reliability Operating Limit violations, generation re-dispatch or reduction of generation reserves. AEP claims that it was operating consistent with the Reliability Standards to withstand a single contingency. Therefore, the outage was within AEP's planned operating conditions. The transmission line outage was isolated to the Longwood – SW Shreveport 345 kV transmission line by breaker operation.

SPP RE determined that AEP had violated FAC-003-1 R2 because it failed to effectively perform its aerial inspections of the Longwood – SW Shreveport 345 kV transmission line in accordance with its TVMP. According to AEP's TVMP, AEP does not perform ROW vegetation maintenance on a fixed schedule, but determines the need for line clearing and other vegetation maintenance based on the results of routine transmission line inspections. Aerial inspections are performed on all of the AEP transmission circuits under the purview of FAC-003-1 two times a year. The aerial inspections are

⁸ This was measured at breast height.

⁹ A Category 1 vegetation outage is identified in FAC-003-1 R3.4.1 as an outage caused by vegetation growing into lines from vegetation inside and/or outside the ROW.

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performed by helicopter in one direction in the Fall and then in the opposite direction in the Spring. The aerial inspections are video recorded once per year, and an Aerial Patrol Log is kept for each patrol showing the inspection results. Any areas requiring immediate vegetation maintenance are generally addressed within 24 hours. Otherwise, vegetation maintenance concerns identified in the Fall aerial patrol are scheduled to be completed by March 1 of the next year, and any areas requiring vegetation maintenance identified in the Spring aerial patrol are scheduled to be completed by May 30 of the same year. Additionally, AEP line maintenance personnel perform climbing inspections and/or ground patrols on a periodic basis¹⁰ to identify problems with line structures, hardware, conductors, *etc.* Any vegetation concerns identified during these ground inspections are given to the AEP forestry personnel for further action.

If during an aerial or ground inspection it is discovered that vegetation has grown to within the Trigger Distance¹¹ established in the AEP TVMP, vegetation maintenance is scheduled during the applicable Fall or Spring maintenance period. By scheduling maintenance on the basis of the Trigger Distance, encroaching vegetation is prevented from breaching the minimum approach distance,¹² also established in the AEP TVMP. Based on the criteria established in the AEP TVMP, the Longwood – SW Shreveport 345 kV transmission line is assigned a Trigger Distance of 13' 02" and a minimum approach distance of 7' 6". If during an inspection it is discovered that the Trigger Distance for the Longwood – SW Shreveport 345 kV transmission line has been breached by encroaching vegetation, the AEP TVMP requires that all woody stemmed vegetation be removed.¹³

The most recent aerial patrol of the Longwood – SW Shreveport 345 kV transmission line performed by AEP, prior to the August 2nd patrols, was on April 28, 2010. The offending Elm tree was not identified by AEP for maintenance during the April 28, 2010 aerial patrol or during any of AEP's three prior aerial patrols of the transmission line. AEP records indicate the Longwood – SW Shreveport 345 kV transmission line was cleared end to end in 2007; no vegetation maintenance work was performed on the transmission line in 2008, and danger trees and/or brush were removed or sprayed at other locations on the transmission line in 2009 and 2010.¹⁴

¹⁰ AEP's inspection cycle for steel and wooden pole structures is a 10-year cycle and 4-year cycle, respectively. The Longwood-Southwest Shreveport 345 kV circuit is a steel pole line and on a 10-year cycle.

¹¹ The Trigger Distance is the minimum approach distance from an energized conductor for qualified line-clearance arborists and qualified line-clearance arborist trainees as established in Table 1 of ANSI Z133.1 rev. 10/2000.

¹² This is identified as the NERC Clearance 2 distance between the conductor and vegetation in the AEP TVMP.

¹³ As identified in the AEP TVMP Clearance Table Guidelines for transmission lines with no restrictions and <100' vertical clearance between conductors at maximum sag and ground.

¹⁴ SPP RE staff confirmed the area between structures 40 and 41 was not identified for maintenance in 2009 and 2010.

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In response to an SPP RE inquiry regarding the reason AEP's aerial patrols failed to identify the offending Elm tree, AEP stated:

There are several factors that contributed to missing the tree during the April 2010 aerial patrol. The tree, while tall, was narrow and not heavily foliated. It was surrounded by brush of heights 5 to 15 feet tall. The tree blended into the background brush as viewed during the aerial patrol. In addition, there was the distraction caused by the required air traffic control communication. The pilot's conversation occurs while flying over this span and adjacent spans and prevents the observer from making comments as vegetation conditions are observed. The observations related to the span where the tree was located are delayed by several spans. Furthermore, the short spans and steel monopole construction combined with the background brush compromise the observer's ability to identify vegetation height via contrast or depth perception. Therefore, the tree was not identified during the aerial patrol. Similarly, the tree was missed again on August 2, 2010 in two fly-bys during the aerial patrol looking for the cause of the Longwood – Southwest Shreveport 345 kV circuit outage.

SPP RE staff reviewed the video of the April 28, 2010, aerial patrol of the Longwood – SW Shreveport 345 kV transmission line and photographs of the offending Elm tree and ROW. The ROW immediately before and after the span between structures 40 and 41 is generally clear of trees and covered in grass. Between structures 40 and 41 a creek crisscrosses the ROW, the land is low, appears to hold water, and is covered with small trees and brush. The height of this foliage is not discernable from the video. However, from AEP photographs taken from the ground of the offending Elm tree standing in the ROW, SPP RE staff observed that the small trees and brush surrounding the offending Elm tree were 10 or more feet tall. When viewing the aerial patrol video, SPP RE staff could not identify the offending Elm tree in the ROW, even with prior knowledge of its location. Because the helicopter flew directly over the ROW, it was difficult to accurately determine the height of the vegetation under the transmission line.

The Longwood – SW Shreveport 345 kV transmission line travels northwest from the SW Shreveport substation for about two miles before turning west. AEP located the offending Elm tree in the transmission line ROW approximately two and one-half miles after the turn. The SW Shreveport substation is located approximately three miles southwest of the Shreveport Regional Airport. The Longwood – SW Shreveport 345 kV transmission line between the SW Shreveport substation and the location of the offending Elm tree generally lies within five miles of the Shreveport Regional Airport,

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and SPP RE staff confirmed pilots flying in this area are required to maintain communications with the Shreveport Regional Airport.^{15, 16}

AEP estimated the offending Elm tree to be 26' tall and to have grown to within 2'– 2' 6" of the "A" phase conductor of the Longwood – SW Shreveport 345 kV transmission line. Thus, the offending Elm tree had breached the AEP minimum approach distance of 7' 6" established in the AEP TVMP for the Longwood – SW Shreveport 345 kV transmission line. Based on the growth rate of the offending Elm tree, it is likely the tree was in violation of the 13' 02" Trigger Distance established for the Longwood – SW Shreveport 345 kV transmission line for one or more years. Accordingly, the SPP RE staff has determined, notwithstanding the mitigating circumstances identified by AEP, AEP did not effectively perform its aerial inspections of the Longwood – SW Shreveport 345 kV transmission line in accordance with its TVMP and is in violation of FAC-003-1 R2.

SPP RE determined the duration of the violation to be from August 2, 2009, the date the tree is estimated to have breached the Clearance 2 distance established by AEP,¹⁷ through August 6, 2010, when AEP removed the offending tree and correctly implemented its TVMP by completing patrols of the transmission line.

SPP RE determined that this violation posed a moderate risk to the reliability of the bulk power system (BPS), but did not pose a serious or substantial risk. Specifically, AEP's protective systems operated to sectionalize the Longwood – SW Shreveport 345 kV transmission line and no customer outage, property damage, system disturbance, or generation outage resulted from the transmission line outage. Additionally, the line loading was 25 percent of capacity, and the AEP system operators were not required to take compensating measures to continue reliable operations. There were no Interconnection Reliability Operating Limit violations, generation re-dispatch, reduction of generation reserves, nor system-wide disturbances as a result of the event. AEP was operating consistent with the Reliability Standards to withstand a single contingency; therefore, the contact was within its planned

¹⁵ That airspace extending upward from the surface to and including 4,300 feet MSL within a five-mile radius of the Shreveport Regional Airport is designated as Class C airspace, requiring each person to establish two-way radio communications with the Air Traffic Control facility providing air traffic services prior to entering the airspace and thereafter maintain those communications while in the airspace.

¹⁶ The Barksdale Air Force Base and the Shreveport Downtown Airport are located within 10 miles of the SW Shreveport substation.

¹⁷ The offending tree was 5 years old and 26' tall, which equates to an approximate growth rate of 5' per year. The tree was approximately 2' 6" from the conductor. The tree was determined to have breached the Clearance 2 distance established by AEP approximately one year prior to the outage.

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operating conditions. All evidence reviewed by SPP RE staff indicated that this incident was related to site-specific conditions and not reflective of a systemic problem with AEP's TVMP. Lastly, when AEP completed its line inspections, it found no other encroachments into the minimum approach distance on its transmission system.

Regional Entity's Basis for Penalty

According to the Settlement Agreement, SPP RE has assessed a penalty of ninety thousand dollars (\$90,000) for the referenced violation. In reaching this determination, SPP RE considered the following factors:

1. The violation constituted AEP's first occurrence of violations of the subject NERC Reliability Standard;¹⁸
2. AEP self-reported the violation;
3. SPP RE reported that AEP was cooperative throughout the compliance enforcement process;
4. AEP had a compliance program at the time of the violation;
5. There was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. SPP RE determined that the violation did not pose a serious or substantial risk to the reliability of the BPS, as discussed above and in the Disposition Document;
7. SPP RE views AEP's "Blue Sky" initiative¹⁹ as indicative of AEP's extraordinary commitment to compliance with the NERC reliability standards, a successful transmission vegetation management program, and the reliable operation of its transmission system; and

¹⁸ AEP's other violations in the SPP RE region were not applied as an aggravating factor by SPP RE in assessing the penalty for the instant violation. A Settlement Agreement covering violations of PRC-016-0 R3, PRC-015-0 R2, PRC-015-0 R1, PRC-017-0 R1, PRC-005-1 R2.1, and PRC-016-0 R1 for American Electric Power Service Corporation as agent for Appalachian Power Company, Columbus Southern Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Ohio Power Company, and Wheeling Power Company (NOC-727) was filed with FERC under NP11-164-000 on April 29, 2011. On May 27, 2011, FERC issued an order stating it would not engage in further review of the Notice of Penalty.

¹⁹ In 2005, AEP established its "Blue Sky" initiative for the purpose of preparing its NERC reportable transmission line rights of way to meet the requirements of FAC-003. One of the primary goals of the initiative was the removal of all woody stemmed vegetation from all transmission line rights of ways where the transmission line conductor is less than 100' from the ground. This goal was targeted for completion in four years. However, clearing operations were completed in 2 ½ years. Another goal of the Blue Sky initiative was the clearing of rights of ways to their maximum width. This goal was also targeted for completion in four years and was completed in 2011.

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8. SPP RE reported that there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

After consideration of the above factors, SPP RE determined that, in this instance, the penalty amount of ninety thousand dollars (\$90,000) is appropriate and bears a reasonable relation to the seriousness and duration of the violation.

Status of Mitigation Plan²⁰

AEP's Mitigation Plan to address its violation of FAC-003-1 R2 was submitted to SPP RE on September 23, 2010 with a proposed completion date of May 31, 2011.²¹ The Mitigation Plan was accepted by SPP RE on October 20, 2010 and approved by NERC on November 17, 2010. The Mitigation Plan for this violation is designated as MIT-10-3007 and was submitted as non-public information to FERC on November 19, 2010, in accordance with FERC orders.

AEP's Mitigation Plan required AEP to:

1. Remove the offending Elm tree.
2. Conduct ground patrols on the entire Longwood-Southwest Shreveport 345 kV line and remove additional vegetation. None of the removed vegetation was at risk of encroachment.
3. AEP Forestry supervisor conducted a site visit to the Shreveport forestry area to review records in detail and to evaluate field conditions and forestry procedures.
4. Add scrutiny to the 2010 fall aerial patrols of NERC-reportable lines by:
 - a. Patrolling pre-2008 NERC-reportable lines first and limiting the flying speed to between 30 to 40 mph.
 - b. Completing the fall aerial patrol of all remaining NERC-reportable lines.
 - c. Conducting a ground inspection for noted conditions of any vegetation identified by aerial patrol to be at risk of encroachment on the NERC-reportable lines.
 - d. Completing all required vegetation clearing activities on conditions identified in items 4a, 4b and 4c.

²⁰ See 18 C.F.R § 39.7(d)(7).

²¹ The Mitigation Plan was signed on September 22, 2010.

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5. Perform a review of the aerial patrol techniques of its forestry observers and provide observers additional training in aerial patrol techniques.
 - a. A supervisor and/or a trainer flew with AEP forestry observers to sample and validate observers' technique and performance during the 2010 fall patrols.
 - b. AEP improved its aerial patrol training materials based on supervisor/trainer observations and recommendations.
 - c. Provided forestry observers additional training using the material developed in 5b.
 - d. Implemented the improved aerial patrol techniques starting with the Spring 2011 patrol.
6. In order to enhance vegetation management practices for NERC-reportable lines, develop practices that identify the risk associated with identified vegetation encroachments.
 - a. AEP developed a training document that defines risk mitigation procedures associated with the risk categories.
 - b. AEP reviewed the results of the patrols conducted in item 4 utilizing the risk categories developed.
 - c. AEP provided forestry observers additional training using the material developed in 6a.
 - d. AEP implemented the improved procedures developed in 6a during the spring 2011 aerial patrol.

AEP certified on July 11, 2011 that the above Mitigation Plan requirements were completed on May 31, 2011.²² As evidence of completion of its Mitigation Plan, AEP submitted the following:

1. September 9, 2010 response to SPP RE RFI providing information regarding the location, size and actions to remove the offending Elm tree;
2. Timesheets supporting the patrolling following the outage;
3. Documentation supporting the Forestry Supervisor visit to Shreveport;
4. 2010 Fall Patrol Logs;
5. 2010 Fall Patrol Notes;
6. 2010 Fall Patrol Hotspot Tickets;

²² The completion date identified in the CDMS-generated Notice of Mitigation Plan Completion is July 11, 2011 and is incorrect. The Notice was amended on November 3, 2011 to reflect the correct date of May 31, 2011.

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7. 2010 Fall Patrol Timesheets;
8. 2010 Fall 345 kV Aerial Patrol data;
9. AEP Aerial Patrol Critiques;
10. AEP Forestry Aerial Patrol Training Program;
11. Forestry Supervisor documentation on completion of Aerial Patrol Training;
12. 2011 Aerial Patrol Verification Documentation;
13. AEP Forestry Risk Assessment and Procedures Card;
14. AEP Forestry Aerial Patrol Training Roster.

On August 24, 2011, after reviewing AEP's submitted evidence, SPP RE verified that AEP's Mitigation Plan was completed on July 11, 2011. On November 3, 2011, SPP RE amended the Notice of Mitigation Plan Completion to reflect the actual completion date of May 31, 2011.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed²³

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines and the Commission's July 3, 2008, October 26, 2009 and August 27, 2010 Guidance Orders,²⁴ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on March 12, 2012. The NERC BOTCC approved the Settlement Agreement, including SPP RE's assessment of a ninety thousand dollar (\$90,000) financial penalty against AEP and other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violation at issue.

²³ See 18 C.F.R. § 39.7(d)(4).

²⁴ *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).

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

1. The violation constituted AEP's first occurrence of violations of the subject NERC Reliability Standards;²⁵
2. AEP self-reported the violation;
3. SPP RE reported that AEP was cooperative throughout the compliance enforcement process;
4. AEP had a compliance program at the time of the violation which SPP RE considered a mitigating factor, as discussed in the Disposition Document;
5. There was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. SPP RE determined that the violation did not pose a serious or substantial risk to the reliability of the BPS, as discussed above and in the Disposition Document; and
7. SPP RE reported that there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

For the foregoing reasons, the NERC BOTCC approved the Settlement Agreement and believes that the assessed penalty of ninety thousand dollars (\$90,000) is appropriate for the violation and circumstances at issue, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

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

²⁵ See n.18 *supra*.

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Attachments to be Included as Part of this Notice of Penalty

The following documents are to be included as attachments as part of this Notice of Penalty:

- a) Settlement Agreement by and between SPP RE and AEP executed March 21, 2012, included as Attachment a;
 - a. SPP RE's Disposition Document, included as Attachment 1 to the Settlement Agreement;
 - b. AEP's Self-Report for FAC-003-1 R2 dated August 6, 2010, included as Exhibit A to the Settlement Agreement;
 - c. AEP's Mitigation Plan designated as MIT-10-3007 for FAC-003-1 R2 submitted September 23, 2010, included as Exhibit B to the Settlement Agreement;
 - d. AEP's Certification of Mitigation Plan Completion for FAC-003-1 R2 submitted July 11, 2011, included as Exhibit C to the Settlement Agreement;
 - e. SPP RE's Verification of Mitigation Plan Completion for FAC-003-1 R2 dated August 24, 2011, included as Exhibit D to the Settlement Agreement, and
 - f. SPP RE's amended Verification of Mitigation Plan Completion for FAC-003-1 R2 dated November 3, 2011, included as Exhibit E to the Settlement Agreement.

A Form of Notice Suitable for Publication²⁶

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

²⁶ See 18 C.F.R § 39.7(d)(6).

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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 North American Electric Reliability Corporation 3353 Peachtree Road NE Suite 600, North Tower Atlanta, GA 30326-1001 (404) 446-2560</p> <p>David N. Cook* Senior Vice President and General Counsel North American Electric Reliability Corporation 1325 G Street N.W., Suite 600 Washington, D.C. 20005 david.cook@nerc.net</p> <p>Thad Ness* Reliability Compliance Manager American Electric Power Service Corp. as Agent for Public Svc. Co. of Oklahoma & SW Electric Power Co. 1 Riverside Plaza Columbus, OH 43215 (614) 716-2053 (614) 716-2372 – facsimile tkness@aep.com</p>	<p>Rebecca J. Michael* Associate General Counsel for Corporate and Regulatory Matters North American Electric Reliability Corporation 1325 G Street N.W., Suite 600 Washington, D.C. 20005 (202) 644-8052 (202) 644-8099 – facsimile rebecca.michael@nerc.net</p> <p>Stacy Dochoda* General Manager Southwest Power Pool Regional Entity 16101 St. Vincent Way, Ste 103 Little Rock, AR 72223 (501) 688-1730 (501) 821-8726 – facsimile Sdochoda.re@spp.org</p> <p>Joe Gertsch* Manager of Enforcement Southwest Power Pool Regional Entity 16101 St. Vincent Way, Ste 103 Little Rock, AR 72223 (501) 688-1672 (501) 821-8726 – facsimile Jgertsch.re@spp.org</p>
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NERC Notice of Penalty

American Electric Power Service Corp. as agent for Public Svc. Co. of Oklahoma & SW Electric Power Co.

March 30, 2012

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Michael DeLoach*

Director NERC Regulatory Compliance
American Electric Power Service Corp. as Agent
for Public Svc. Co. of Oklahoma & SW Electric
Power Co.

1 Riverside Plaza
Columbus, OH 43215
(614) 716-2370
(614) 716-2372 – facsimile
medeloach@aep.com

Richard Munczinski**

SVP Regulatory Services
American Electric Power Service Corp. as Agent
for Public Svc. Co. of Oklahoma & SW Electric
Power Co.

1 Riverside Plaza
Columbus, OH 43215
(614) 716-2810
(614) 000-000 – facsimile
remunczinski@aep.com

*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.

**Send Only Settlement Agreement or Invoice
only

Machelle Smith*

Paralegal & SPP RE File Clerk
Southwest Power Pool Regional Entity
16101 St. Vincent Way, Ste 103
Little Rock, AR 72223
(501) 688-1681
(501) 821-8726 – facsimile
Spprefileclerk.re@spp.org

NERC Notice of Penalty

American Electric Power Service Corp. as agent for Public Svc. Co. of Oklahoma & SW Electric Power Co.

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Conclusion

NERC respectfully requests that the Commission accept this Notice of Penalty as compliant with its rules, regulations and orders.

Respectfully submitted,

/s/ Rebecca J. Michael

Rebecca J. Michael
Associate General Counsel for Corporate
and Regulatory Matters
North American Electric Reliability
Corporation
1325 G Street N.W., Suite 600
Washington, D.C. 20005
(202) 644-8052
rebecca.michael@nerc.net

Gerald W. Cauley
President and Chief Executive Officer
North American Electric Reliability
Corporation
3353 Peachtree Road NE
Suite 600, North Tower
Atlanta, GA 30326-1001
(404) 446-2560

David N. Cook
Senior Vice President and General Counsel
North American Electric Reliability
Corporation
1325 G Street N.W., Suite 600
Washington, D.C. 20005
(202) 400-3000
david.cook@nerc.net

cc: American Electric Power Service Corp. as agent for Public Svc. Co.
of Oklahoma & SW Electric Power Co.
Southwest Power Pool Regional Entity

Attachments

Attachment a

Settlement Agreement by and between SPP RE and AEP executed March 21, 2012

**SETTLEMENT AGREEMENT
OF
SOUTHWEST POWER POOL REGIONAL ENTITY
AND
AMERICAN ELECTRIC POWER SERVICE CORP.
as agent for
PUBLIC SVC. CO. OF OKLAHOMA AND SW ELETRIC POWER CO.**

I. INTRODUCTION

1. The Southwest Power Pool Regional Entity ("SPP RE") and American Electric Power Service Corp. as agent for Public Svc. Co. of Oklahoma & SW Ele Pwr Co. ("AEP") (hereinafter referred to individually as "Party" and collectively as the "Parties") enter into this Settlement Agreement ("Agreement") to resolve all outstanding issues arising from the non-public determination by SPP RE, pursuant to the North American Electric Reliability Corporation ("NERC") Rules of Procedure, of the violation by the AEP of the NERC Reliability Standard, FAC-003-1 R2 ("Violation"¹).

2. AEP neither admits nor denies the Violation and has agreed to the proposed penalty of \$90,000 to be assessed by SPP RE for the purpose of resolving all outstanding issues relating to the Violation pursuant to the terms and conditions of this Agreement.

II. STIPULATIONS

3. The Parties enter into this Agreement and agree to the facts stipulated herein in order to avoid uncertainty and to effectuate a complete and final resolution of the Violation. The facts stipulated herein are stipulated solely for the purpose of resolving the Violation and do not represent stipulations or admissions, by either Party, for any other purpose. In consideration of the terms set forth herein, SPP RE and AEP hereby stipulate and agree to the following:

A. Background

4. See Section I of the Disposition Document, Attachment 1 for a description of AEP.

B. Violation of NERC Reliability Standard FAC-003-1, Requirement 2

5. See Section II of the Disposition Document, Attachment 1 for a description of the Violation.

III. PARTIES' SEPARATE REPRESENTATIONS

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

A. STATEMENT OF SPP RE AND SUMMARY OF FINDINGS

6. As a result of SPP RE's investigation of the Category 1 vegetation outage occurring on the AEP Longwood – SW Shreveport 345 kV transmission line on August 2, 2010, SPP RE has established sufficient facts to reasonably support the Violation.

7. SPP RE has determined that AEP has completed a Mitigation Plan for the Violation.

8. SPP RE agrees that this Agreement is in the best interest of the Parties and is in the best interest of the Bulk Power System ("BPS") reliability.

B. STATEMENT OF AEP

9. AEP neither admits nor denies that the facts set forth and agreed to by the Parties for purposes of this Agreement constitute a violation of NERC Reliability Standards.

10. AEP has agreed to enter into this Agreement with SPP RE to avoid extended litigation with respect to this matter, to avoid uncertainty, and to effectuate a complete and final resolution of the issues set forth herein.

11. AEP agrees that this Agreement is in the best interest of the Parties and in the best interest of BPS reliability.

IV. MITIGATING ACTIONS, REMEDIES AND SANCTIONS

12. SPP RE and AEP agree that AEP has completed and SPP RE has verified completion of the mitigating actions set forth in Section IV of the Disposition Document, Attachment 1. Such Mitigating Actions, Remedies and Sanctions are discussed in detail in the Disposition Document, Attachment 1.

13. The SPP RE Staff considered the specific facts and circumstances of the Violation, including AEP's actions in mitigation thereof, in determining a penalty satisfying the requirement in Section 215 of the Federal Power Act that "[a]ny penalty imposed under this section shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of the Registered Entity to remedy the violation in a timely manner." The factors considered by the SPP RE Staff in the determination of an appropriate penalty are set forth in Section V of Disposition Document, Attachment 1.

14. In settlement of all outstanding issues related to the Violation, the Parties agree that AEP shall pay a total penalty amount of \$90,000 ("Penalty") to SPP RE via wire transfer or cashier's check payable to a SPP RE account that will be outlined in a Notice of Payment sent to AEP upon approval or acceptance of this Agreement by the NERC Board of Trustees and by the Federal Energy Regulatory Commission ("FERC" or the "Commission"), either by order or by

operation of law. Payment to SPP RE shall be made within forty-five (45) days after the receipt of the Notice of Payment. SPP RE shall inform NERC if the payment is not timely received.

15. Failure to make a timely Penalty payment or to comply with any other conditions of this Agreement shall be deemed either a continuation of the Violation and/or an additional violation and may subject AEP to new or additional enforcement, penalty or sanction actions in accordance with the NERC Rules of Procedure. AEP shall retain all rights to defend against such renewed or additional enforcement actions in accordance with the NERC Rules of Procedure.

16. If AEP fails to make the Penalty payment described above on the date agreed to by the Parties, then interest on the Penalty will begin to accrue at the rate(s) specified in the Commissions regulations at 18 C.F.R. § 35.19(a)(2)(iii) commencing on the date that payment is due. Such interest shall be payable to SPP RE in addition to the Penalty.

V. ADDITIONAL TERMS

17. The Parties agree that they enter into this Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent, or representative of AEP or SPP RE has been made to induce the Parties to enter into this Agreement.

18. SPP RE shall report the terms of this Agreement to NERC. NERC will review the Agreement for the purpose of evaluating its consistency with other settlements entered into for similar violations or involving similar circumstances. Based on this review, NERC will either approve or reject the Agreement. If NERC rejects the Agreement, NERC will provide specific written reasons for such rejection and shall notify SPP RE and AEP of changes to the terms of the Agreement that would result in its approval, and SPP RE will attempt to negotiate a revised settlement agreement with AEP that will reflect any changes to the original Agreement specified by NERC. If a revised settlement cannot be reached, settlement discussions will be terminated and the enforcement process shall continue to conclusion. If NERC approves the Agreement, NERC will, upon execution by the Parties (i) report the approved Agreement to the Commission for the Commission's review and acceptance or approval by order or operation of law and (ii) publicly post this Agreement.

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

20. AEP agrees that this Agreement, when approved or accepted by NERC and the Commission, shall represent a final settlement of all matters set forth herein and AEP waives its right to further hearings and appeal of such matters, unless and only to the extent that AEP contends that any NERC or Commission action on the Agreement contains one or more material modifications to the Agreement. SPP RE reserves all rights to initiate enforcement, penalty or sanction actions against AEP in accordance with the NERC Rules of Procedure in the event that AEP fails to comply with the terms of this Agreement. In the event AEP fails to comply with such terms,

SPP RE will initiate enforcement, penalty, or sanction actions against AEP to the maximum extent allowed by the NERC Rules of Procedure and up to the maximum statutorily allowed penalty. Except as otherwise specified in this Agreement, AEP shall retain all rights to defend against such enforcement actions according to the NERC Rules of Procedure.

21. AEP consents to the use of SPP RE's determinations, findings, and conclusions set forth in this Agreement for the purpose of assessing AEP's history of violations of the NERC Reliability Standards, 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 involving the Reliability Standard described herein; provided, however, that AEP does not consent to the use of the specific acts set forth in this Settlement Agreement as the sole basis for any other action or proceeding brought by NERC and/or SPP RE, nor does AEP consent to the use of this Agreement by any other party in any other action or proceeding.

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

23. The undersigned representative of each Party affirms that he or she has read the Agreement; that all of the matters set forth in the Agreement are true and correct to the best of his or her knowledge, information and belief; and, that he or she understands that the Agreement is entered into by such Party in express reliance on those representations; provided, however, that such affirmation by each Party's representative shall not apply to the other Party's statements of position set forth in Section III of this Settlement Agreement.

24. The Settlement Agreement may be signed in counterparts.

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

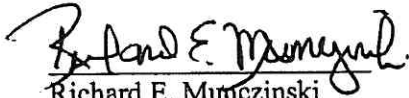
*Remainder of page intentionally blank.
Signatures to be affixed to the following page.*

Agreed to and accepted:



Stacy Dochoda
General Manager
Southwest Power Pool Regional Entity

3/21/12
Date



Richard E. Munczinski
Senior Vice President – Regulatory Services
American Electric Power Service Corporation

3/21/12
Date

DISPOSITION OF VIOLATION¹**Dated March 3, 2012****NERC
TRACKING NO.**

SPP201000356

**REGIONAL ENTITY TRACKING
NO.**

2010-162

NOC#

NOC-1121

REGISTERED ENTITYAmerican Electric Power Service Corp. As Agent for Public
Svc. Co. of Oklahoma & SW Ele Pwr Co.(AEP)**NERC REGISTRY ID**

NCR01056

REGIONAL ENTITY

Southwest Power Pool Regional Entity (SPP RE)

I. REGISTRATION INFORMATION

ENTITY IS REGISTERED FOR THE FOLLOWING FUNCTIONS:

BA	DP	GO	GOP	IA	LSE	PA	PSE	RC	RP	RSG	TO	TOP	TP	TSP
x	x	x	x		x		x		x		x	x	x	
5/31/2007	5/31/2007	5/31/2007	5/31/2007		5/31/2007		5/31/2007		5/31/2007		5/31/2007	5/31/2007	5/31/2007	

* VIOLATION APPLIES TO SHADED FUNCTIONS

DESCRIPTION OF THE REGISTERED ENTITY

Headquartered in Columbus, Ohio, American Electric Power (AEP) is a large investor owned electric utility with approximately 38,000 megawatts of generation capacity and 39,000 miles of transmission line. AEP operates in 11 eastern and central U.S. states and three NERC regions, Reliability First Corporation (RFC), Southwest Power Pool Regional Entity (SPP RE), and the Texas Reliability Entity (TRE). In the SPP RE region, AEP affiliates, Public Service Company of Oklahoma and Southwestern Electric Power Company operate collectively as AEP West Companies and are registered in the NERC Compliance Registry under NCR01056. AEP West Companies operate in portions of Arkansas, Oklahoma, Louisiana and Texas. AEP serves approximately one million customers in the SPP region and has a peak load of more than 9,000 megawatts.

Nationwide, the Forestry Operations group of AEP manages vegetation along approximately 8,600 miles of NERC-reportable transmission rights-of-way. In the SPP

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.

region, AEP has approximately 1,300 miles of transmission lines that are subject to the vegetation management requirements of the NERC Reliability Standards.

II. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
FAC-003-1	R2		High	High²

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

The purpose statement of FAC-003-1 provides:

To improve the reliability of the electric transmission systems by preventing outages from vegetation located on transmission rights-of-way (ROW) and minimizing outages from vegetation located adjacent to ROW, maintaining clearances between transmission lines and vegetation on and along transmission ROW, and reporting vegetation related outages of the transmission systems to the respective Regional Reliability Organizations (RRO) and the North American Electric Reliability Council (NERC).

FAC-003-1 Requirement 2 provides:

The Transmission Owner shall create and implement an annual plan for vegetation management work to ensure the reliability of the system. The plan shall describe the methods used, such as manual clearing, mechanical clearing, herbicide treatment, or other actions. The plan should be flexible enough to adjust to changing conditions, taking into consideration anticipated growth of vegetation and all other environmental factors that may have an impact on the reliability of the transmission systems. Adjustments to the plan shall be documented as they occur. The plan should take into consideration the time required to obtain permissions or permits from landowners or regulatory authorities. Each Transmission Owner shall have systems and procedures for documenting and tracking the planned vegetation management work and ensuring that the vegetation management work was completed according to work specifications.

VIOLATION DESCRIPTION

² The VSL for the violation was determined from the “Levels of Non-Compliance” established in the FAC-003-1 Reliability Standard because the facts and circumstances of the violation do not support VSL determination from the NERC VSL Matrix. Level 3 Non-Compliance is appropriate when the Transmission Owner reported one Category 1 or multiple Category 2 transmission vegetation-related outages in a calendar year. A Level 3 Non-Compliance equates to a High VSL.

On Monday, August 2, 2010, at 2:52 p.m. AEP's Longwood – SW Shreveport 345 kV transmission line tripped and locked out.³ The Longwood – SW Shreveport 345 kV transmission line is approximately 19 miles long and is located southwest of Shreveport, Louisiana. The trip occurred on a clear day, with no suspect weather conditions and at a time when the circuit was loaded to approximately 250 MVA or 25% of the transmission line's capacity (1,012 MVA).

The reason for the Longwood – SW Shreveport outage was not immediately identifiable. Therefore, the AEP Transmission Dispatch Center ordered ground patrols of the transmission line to identify the reason for the trip. When the ground patrols, which were focused in areas identified by relay target information, did not identify the cause of the transmission line trip, AEP initiated an aerial patrol by helicopter. An aerial patrol of the Longwood - SW Shreveport 345 kV transmission line was performed from two directions, but the cause of the transmission line trip could not be identified. AEP returned the Longwood – SW Shreveport 345kV transmission line to service at 6:59 p.m. on August 2nd.

On August 3rd, AEP continued its ground patrols and on August 4th at 2:25 p.m. AEP identified a burnt tree mid span between towers 40 and 41, in the vicinity of the Shreveport Regional Airport. The offending tree, an American Elm, approximately 26 feet tall and 3.5 inches⁴ in diameter had grown to within 2' to 2' 6" of the "A" phase conductor. The Elm tree was narrow for its height, not heavily foliated and surrounded by brush 5 to 15 feet tall. Based on an examination of the growth rings, AEP determined the tree was five years old. AEP continued its ground patrol to ensure the Elm tree was the cause of the transmission line outage.

On the afternoon of August 5th, AEP notified SPP RE that it had experienced a Category 1 vegetation outage⁵ on its Longwood – SW Shreveport 345 kV transmission line; that it was continuing its investigation to determine, with certainty, the cause of the outage; and that SPP RE should anticipate AEP filing a self report for a vegetation outage. On August 6th, AEP submitted a self report to SPP RE for a violation of FAC-003-1 R2 in connection with the Longwood – SW Shreveport 345 kV transmission line outage.

According to AEP, the vegetation contact and accompanying outage of the Longwood – SW Shreveport 345 kV transmission line did not cause a customer outage, property damage, system disturbance or loss of generating capacity. There were no Interconnection Reliability Operating Limit violations, generation re-dispatch or reduction of generation reserves. AEP was operating consistent with the Reliability Standards to withstand a single contingency. Therefore, the outage was within AEP's planned operating conditions. The transmission line outage was isolated to the Longwood – SW Shreveport 345 kV transmission line by breaker operation.

³ Both the Longwood and SW Shreveport terminal breakers tripped within three cycles due the initial fault. Breakers at Longwood and SW Shreveport terminals attempted unsuccessfully to reclose into the fault.

⁴ Measured at breast height.

⁵ A Category 1 vegetation outage is identified in FAC-003-1 R3.4.1 as an outage caused by vegetation growing into lines from vegetation inside and /or outside the ROW.

As to AEP's Transmission Vegetation Management Program (TVMP), AEP does not perform ROW vegetation maintenance on a fixed schedule, but determines the need for line clearing and other vegetation maintenance based on the results of routine transmission line inspections. Aerial inspections are performed on all of the AEP transmission circuits under the purview of FAC-003-1 two times a year. The aerial inspections are performed by helicopter in one direction in the Fall and then in the opposite direction in the Spring. The aerial inspections are video recorded once per year and an Aerial Patrol Log is kept for each patrol showing the inspection results. Any areas requiring immediate vegetation maintenance are generally addressed within 24 hours. Otherwise, vegetation maintenance concerns identified in the Fall aerial patrol are scheduled to be completed by March 1 of the next year and any areas requiring vegetation maintenance identified in the Spring aerial patrol are scheduled to be completed by May 30 of the same year. Additionally, AEP line maintenance personnel perform climbing inspections and/or ground patrols on a periodic basis⁶ to identify problems with line structures, hardware, conductors, etc. Any vegetation concerns identified during these ground inspections are given to the AEP forestry personnel for further action.

If during an aerial or ground inspection it is discovered that vegetation has grown to within the Trigger Distance⁷ established in the AEP TVMP, vegetation maintenance is scheduled during the applicable Fall or Spring maintenance period. By scheduling maintenance on the basis of the Trigger Distance, encroaching vegetation is prevented from breaching the minimum approach distance,⁸ also established in the AEP TVMP. Based on the criteria established in the AEP TVMP, the Longwood – SW Shreveport 345 kV transmission line is assigned a Trigger Distance of 13' 02" and a minimum approach distance of 7' 6". If during an inspection it is discovered that the Trigger Distance for the Longwood – SW Shreveport 345 kV transmission line has been breached by encroaching vegetation, the AEP TVMP requires that all woody stemmed vegetation be removed.⁹

The most recent aerial patrol of the Longwood – SW Shreveport 345 kV transmission line performed by AEP, prior to the August 2nd patrols, was on April 28, 2010. The offending Elm tree was not identified by AEP for maintenance during the April 28, 2010, aerial patrol or during any of AEP's three prior aerial patrols of the transmission line. AEP records indicate the Longwood – SW Shreveport 345 kV transmission line was cleared end to end in 2007; no vegetation maintenance work was performed on the

⁶ AEP's inspection cycle for steel and wooden pole structures is a 10-year cycle and 4-year cycle respectively. The Longwood-Southwest Shreveport 345 kV circuit is a steel pole line and on a 10-year cycle.

⁷ The Trigger Distance is the minimum approach distance from an energized conductor for qualified line-clearance arborist and qualified line-clearance arborist trainees as established in Table 1 of ANSI Z133.1 rev. 10/2000.

⁸ Identified as the NERC Clearance 2 distance between the conductor and vegetation in the AEP TVMP.

⁹ As identified in the AEP TVMP Clearance Table Guidelines for transmission lines with no restrictions and <100' vertical clearance between conductors at maximum sag and ground.

transmission line in 2008 and danger trees and/or brush were removed or sprayed, at other locations on the transmission line in 2009 and 2010.¹⁰

In response to an SPP RE inquiry regarding the reason AEP's aerial patrols failed to identify the offending Elm tree, AEP stated:

There are several factors that contributed to missing the tree during the April 2010 aerial patrol. The tree, while tall, was narrow and not heavily foliated. It was surrounded by brush of heights 5 to 15 feet tall. The tree blended into the background brush as viewed during the aerial patrol. In addition, there was the distraction caused by the required air traffic control communication. The pilot's conversation occurs while flying over this span and adjacent spans and prevents the observer from making comments as vegetation conditions are observed. The observations related to the span where the tree was located are delayed by several spans. Furthermore, the short spans and steel monopole construction combined with the background brush compromise the observer's ability to identify vegetation height via contrast or depth perception. Therefore, the tree was not identified during the aerial patrol. Similarly, the tree was missed again on August 2, 2010 in two fly-bys during the aerial patrol looking for the cause of the Longwood – Southwest Shreveport 345 kV circuit outage.

SPP RE staff reviewed the video of the April 28, 2010, aerial patrol of the Longwood – SW Shreveport 345 kV transmission line and photographs of the offending Elm tree and ROW. The ROW immediately before and after the span between structures 40 and 41 is generally clear of trees and covered in grass. Between structures 40 and 41 a creek crisscrosses the ROW; the land is low; appears to hold water; and is covered with small trees and brush. The height of this foliage is not discernable from the video. However, from AEP photographs, taken from the ground, of the offending Elm tree standing in the ROW, SPP RE staff observed that the small trees and brush surrounding the offending Elm tree were ten or more feet tall. When viewing the aerial patrol video, SPP RE staff could not identify the offending Elm tree in the ROW, even with prior knowledge of its location. Because the helicopter flew directly over the ROW, it was difficult to accurately determine the height of the vegetation under the transmission line.

The Longwood – SW Shreveport 345 kV transmission line travels northwest from the SW Shreveport substation for about two miles before turning west. AEP located the offending Elm tree in the transmission line ROW approximately two and one-half miles after the turn. The SW Shreveport substation is located approximately three miles southwest of the Shreveport Regional Airport. The Longwood – SW Shreveport 345 kV transmission line between the SW Shreveport substation and the location of the offending Elm tree generally lies within five miles of the Shreveport Regional Airport and SPP RE

¹⁰ SPP RE staff confirmed the area between structures 40 and 41 was not identified for maintenance in 2009 and 2010.

staff confirmed pilots flying in this area are required to maintain communications with the Shreveport Regional Airport.^{11,12}

AEP estimated the offending Elm tree to be 26' tall and to have grown to within 2' – 2' 6" of the "A" phase conductor of the Longwood – SW Shreveport 345 kV transmission line. Thus, the offending Elm tree had breached the AEP minimum approach distance of 7' 6" established in the AEP TVMP for the Longwood – SW Shreveport 345 kV transmission line. Based on the growth rate of the offending Elm tree it is likely the tree was in violation of the 13' 02" Trigger Distance established for the Longwood – SW Shreveport 345 kV transmission line for one or more years. Accordingly, the SPP RE staff has determined, notwithstanding the mitigating circumstances identified by AEP, that AEP did not effectively perform its aerial inspections of the Longwood – SW Shreveport 345 kV transmission line in accordance with its TVMP and is in violation of FAC-003-1 R2.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

The SPP RE staff has determined the actual risk to the reliability of the Bulk Electric System due to this violation was minimal because AEP's protective systems operated to sectionalize the Longwood – SW Shreveport 345 kV transmission line and no customer outage, property damage, system disturbance or generation outage resulted from the transmission line outage. The SPP RE staff determined this violation posed a moderate potential risk to the reliability of the Bulk Power System (BPS) because:

- The line loading was 25% of capacity and the AEP system operators were not required to take compensating measures to continue reliable operations;
- There were no Interconnection Reliability Operating Limit violations, generation re-dispatch, reduction of generation reserves, nor system-wide disturbances as a result of the event;
- AEP was operating consistent with the Reliability Standards to withstand a single contingency; therefore, the contact was within its planned operating conditions;
- All evidence reviewed by SPP RE staff indicated that this incident was related to site-specific conditions and not reflective of a systemic problem with AEP's TVMP; and,
- When AEP completed its line inspections, it found no other encroachments into the minimum approach distance on its transmission system.

IS THERE A SETTLEMENT AGREEMENT YES ☒ NO ☐

WITH RESPECT TO THE VIOLATION(S), REGISTERED ENTITY

¹¹ That airspace extending upward from the surface to and including 4,300 feet MSL within a five mile radius of the Shreveport Regional Airport is designated as Class C airspace, requiring each person to establish two-way radio communications with the Air Traffic Control facility providing air traffic services prior to entering the airspace and thereafter maintain those communications while in the airspace.

¹² The Barksdale Air Force Base and the Shreveport Downtown Airport are located within 10 miles of the SW Shreveport substation.

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

DURATION DATE(S) 8/2/09 - 8/6/10¹³

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY 8/5/10¹⁴

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"/>

IV. MITIGATION INFORMATION

¹³ The offending tree was 5 years old and 26' tall, which equates to an approximate growth rate of 5' per year. The tree was approximately 2' 6" from the conductor. The tree was determined to have breached the Clearance 2 distance established by AEP approximately one year prior to the outage. SPP RE staff determined the violation ended when AEP removed the offending tree and correctly implemented it TVMP by completing inspection of the transmission line.

¹⁴ On the afternoon of August 5th, AEP notified SPP RE that it believed it had experienced a Category 1 vegetation outage on its Longwood – SW Shreveport 345 kV transmission line; that it was continuing its investigation to determine, with certainty, the cause of the outage; and that SPP RE should anticipate AEP filing a self report for a vegetation outage. On August 6th, AEP submitted a self report to SPP RE for violation of FAC-003-1 R2 in connection with the Longwood – SW Shreveport transmission line outage.

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-10-3007
DATE SUBMITTED TO REGIONAL ENTITY	9/23/10
DATE ACCEPTED BY REGIONAL ENTITY	10/20/10
DATE APPROVED BY NERC	11/17/10
DATE PROVIDED TO FERC	11/19/10

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

N/A

MITIGATION PLAN COMPLETED **YES** ☒ **NO** ☐

EXPECTED COMPLETION DATE	May 31, 2011
EXTENSIONS GRANTED	N/A
ACTUAL COMPLETION DATE	May 31, 2011 ¹⁵

DATE OF CERTIFICATION LETTER July 11, 2011
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF
 May 31, 2011

DATE OF VERIFICATION LETTER August 24, 2011
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF May 31, 2011

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

1. On August 5, 2010, AEP removed the offending Elm tree.
2. On August 5-6, 2010, AEP conducted ground patrols on the entire Longwood-Southwest Shreveport 345 kV line. Removal of additional vegetation was completed by August 18, 2010. None of the removed vegetation was at risk of encroachment.
3. On August 16-17, 2010, the AEP Forestry supervisor conducted a site visit to the Shreveport forestry area to review records in detail and to evaluate field conditions and forestry procedures.
4. AEP added scrutiny to the 2010 fall aerial patrols of NERC-reportable lines by:
 - a. Patrolling pre-2008 NERC-reportable lines first and limiting the flying speed to between 30 to 40 mph.
 - b. Completing the fall aerial patrol of all remaining NERC-reportable lines.

¹⁵ The completion date identified in the CDMS generated Notice of Mitigation Plan Completion is July 11, 2011 and is incorrect. The Notice was amended on November 3, 2011 to reflect the correct date of May 31, 2011.

- c. Conducting a ground inspection for noted conditions of any vegetation identified by aerial patrol to be at risk of encroachment on the NERC-reportable lines.
 - d. Completing all required vegetation clearing activities on conditions identified in items 4a, 4b and 4c.
- 5. AEP performed a review of the aerial patrol techniques of its forestry observers and provided observers additional training in aerial patrol techniques.
 - a. A supervisor and/or a trainer flew with AEP forestry observers to sample and validate observers' technique and performance during the 2010 fall patrols.
 - b. AEP improved its aerial patrol training materials based on supervisor/trainer observations and recommendations.
 - c. Provided forestry observers additional training using the material developed in 5b.
 - d. Implemented the improved aerial patrol techniques starting with the Spring 2011 patrol.
- 6. To enhance vegetation management practices for NERC-reportable lines AEP developed practices that identify the risk associated with identified vegetation encroachments.
 - a. AEP developed a training document that defines risk mitigation procedures associated with the risk categories.
 - b. AEP reviewed the results of the patrols conducted in item 4 utilizing the risk categories developed.
 - c. AEP provided forestry observers additional training using the material developed in 6a.
 - d. AEP implemented the improved procedures developed in 6a during the spring 2011 aerial patrol.

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)

- a) AEP September 9, 201 response to SPP RE RFI providing information regarding the location, size and actions to remove the offending Elm tree
- b) Timesheets supporting the patrolling following the outage
- c) Documentation supporting the Forestry Supervisor visit to Shreveport
- d) 2010 Fall Patrol Logs
- e) 2010 Fall Patrol Notes
- f) 2010 Fall Patrol Hotspot Tickets
- g) 2010 Fall Patrol Timesheets
- h) 2010 Fall 345 kV Aerial Patrol data
- i) AEP Aerial Patrol Critiques
- j) AEP Forestry Aerial Patrol Training Program
- k) Forestry Supervisor documentation on completion of Aerial Patrol Training

- l) 2011 Aerial Patrol Verification Documentation
- m) AEP Forestry Risk Assessment and Procedures Card
- n) AEP Forestry Aerial Patrol Training Roster

V. PENALTY INFORMATION

TOTAL ASSESSED PENALTY OR SANCTION OF \$90,000 FOR ONE (1) VIOLATION OF THE NERC RELIABILITY STANDARDS.

(1) DOCUMENTATION ☐ PERFORMANCE ☒ BOTH ☐

EXPLAIN (FOR DOCUMENTATION-TYPE VIOLATIONS, INCLUDE A DESCRIPTION OF HOW THE REGIONAL ENTITY VERIFIED THAT THE REGISTERED ENTITY HAD PERFORMED IN ACCORDANCE WITH THE RELIABILITY STANDARD(S)/REQUIREMENT(S))

(2) 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

A Settlement Agreement covering violations of PRC-016-0 R3, PRC-015-0 R2, PRC-015-0 R1, PRC-017-0 R1, PRC-005-1 R2.1, and PRC-016-0 R1 for American Electric Power Service Corporation as agent for Appalachian Power Company, Columbus Southern Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Ohio Power Company, and Wheeling Power Company (NOC-0727) was filed with FERC under NP11-164-000 on April 29, 2011. On May 27, 2011, FERC issued an order stating it would not engage in further review of the Notice of Penalty.

ADDITIONAL COMMENTS

The SPP RE staff did not judge the unrelated prior violations of the NERC reliability standards by AEP affiliates to be an aggravating factor in its determination of an appropriate penalty for the instant violation.

(3) 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

(4) THE PRESENCE AND QUALITY OF THE REGISTERED ENTITY’S COMPLIANCE PROGRAM

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

AEP has established a Reliability Compliance Committee that:

- a. tracks implementation of FERC-approved applicable reliability standards to meet compliance requirements,
- b. actively monitors and tracks compliance to the FERC-approved applicable reliability standards,

- c. actively participates in the review and comments on NERC/Regional draft standards,
- d. performs impact assessments of new or revised standards, and
- e. ensures that adequate internal resources, policies and procedures are in place to comply with the reliability standards.

The Reliability Compliance Committee is a cross-functional team of executives representing the several business units. Representatives from both Audit Services and Ethics & Compliance serve on the committee in an oversight roles. The Committee is chaired by the Senior VP of Regulatory Services, who is independent of affected Business Units that are responsible for compliance. The Reliability Compliance Committee is responsible for ensuring the implementation and oversight of AEP's program to comply with the NERC and regional reliability standards.

The Reliability Compliance Committee approved the formation of the NERC Compliance Steering Committee (NCSC) as a cross-functional steering committee of leaders directly involved in NERC reliability, standards and compliance matter. The vision of the NCSC is:

- Commitment to outstanding system reliability, achieved in part by full compliance with NERC reliability standards across AEP, achieved in a manner that is transparent, consistent, sustainable, objective and efficient;
- Sustained culture of compliance that ensures that everyone knows what is expected and holds each other accountable; and,
- Reliability policies and procedures tightly integrated into the way AEP personnel get their work done on a daily basis with auditable evidence generated as a by-product.

AEP's program provides an annual schedule of standards to review and internal assessments of the compliance by each affected Business Unit and independent staff, such as Internal Audits and Regulatory Services. AEP is actively involved in NERC and Regional Entity committees, working groups and drafting teams, as well as industry forums.

AEP's compliance program is communicated throughout the organization through a variety of media. AEP has developed a reliability compliance intranet site providing key background, news and process-related documents. The intranet site is available to all employees throughout the AEP system.

The Reliability Standards Compliance Manager reports to the Director NERC Regulatory Compliance. This Director reports to the Managing Director TRO & NERC/CIP Compliance who reports to the Senior VP of

Regulatory Services. Regulatory Services is responsible for all corporate regulatory matters. The Senior VP Regulatory Services reports to the AEP Chief Operating Officer who in turn reports directly to the President and Chief Executive Officer of American Electric Power.

The Compliance Officer, as a member of the AEP Executive Council, has independent access to the CEO, Executive Council, and Board of Directors. In addition, AEP maintains an employee-concerns hotline that is available 7 days a week, 24 hours a day, to which employees may report concerns on an anonymous basis.

AEP's Reliability Compliance Program is administered by a central corporate group within the Regulatory Services department which is independent of all Business Units responsible for NERC Compliance. Specifically, the Reliability Standards Compliance Manager is a part of the Regulatory Services department and does not report to any of the functional Business Units involved in the planning, operation, or maintenance of the Bulk Electric System.

Additional independent staff, such as internal auditors, also assists in reviews and assessments. Functional Business Units also have staff that serve on a corporate cross-functional team facilitating the responsibilities and duties of the reliability compliance program.

AEP has dedicated resources across all affected functional Business Units and central corporate roles, focusing on compliance activities to ensure compliance with the applicable NERC and Regional reliability standards. Subject matter experts provide support to AEP's reliability standards compliance program on an as required basis. The Reliability Compliance Committee is responsible for providing adequate resources to ensure compliance with all applicable NERC/regional reliability standards.

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.

YES ☒ NO ☐

EXPLAIN

AEP's top management is committed to compliance with the NERC reliability standards. AEP has established a senior executive-level

Reliability Compliance Committee responsible for ensuring the implementation and oversight of AEP's reliability compliance program.

AEP regularly reviews and, as required, modifies the internal Reliability Compliance program. AEP maintains and updates a schedule of activities regarding the reliability standards compliance program. Updates to the overall compliance schedule are posted on the Intranet site.

AEP provides training to all staff directly involved in reliability compliance activities. Training is accomplished through larger group presentations on the FERC/NERC and Regional compliance programs, AEP's compliance program and related processes. In addition, targeted focus group training by each of the Business Units is routinely conducted.

Internal auditors perform spot checks on a random basis. The Reliability Compliance Program at AEP includes self-assessments and self-enforcement of internal controls. Compliance self-assessment is prepared and reviewed by subject matter experts within the applicable functional Business Units. Further, staff not directly involved in compliance activities, routinely performs independent reviews of internal controls of the functional Business Units.

The Reliability Compliance Program at AEP includes self-assessments and self-enforcement of internal controls. Compliance self-assessments are prepared and reviewed by subject matter experts within the applicable functional Business Units. The supporting evidence for each Standard is then compiled, reviewed, and archived by Business Unit compliance staff, and presented to the responsible Business Unit officer for approval. Further, Internal Audit staff, not directly involved in compliance activities, randomly perform independent reviews.

(5) 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

(6) 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

(7) ANY OTHER MITIGATING FACTORS FOR CONSIDERATION

YES ☒ NO ☐
 IF YES, EXPLAIN

In 2005, AEP established its “Blue Sky” initiative for the purpose of preparing its NERC reportable transmission line rights of ways to meet the requirements of FAC-003. One of the primary goals of the initiative was the removal of all woody stemmed vegetation from all transmission line rights of ways where the transmission line conductor is less than 100’ from the ground. This goal was targeted for completion in four years. However, clearing operations were completed in 2 ½ years. Another goal of the Blue Sky initiative was the clearing of rights of ways to their maximum width. This goal was also targeted for completion in four years and will be completed in 2011. SPP RE staff views the Blue Sky initiative as indicative of AEP’s extraordinary commitment to: compliance with the NERC reliability standards; a successful transmission vegetation management program; and the reliable operation of its transmission system.

(8) ANY OTHER AGGRAVATING FACTORS FOR CONSIDERATION

YES ☐ NO ☒
 IF YES, EXPLAIN

(9) 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: November 4, 2011 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

EXHIBITS:

- A. American Electric Power Self Report, August 6, 2010
- B. AEP Mitigation Plan, September 23, 2010
- C. Certification of Mitigation Plan Completion, July 11, 2011
- D. SPP RE Mitigation Plan Completion Notice, August 24, 2011
- E. Amended Mitigation Plan Completion Notice, November 3, 2011

Self Report - 2010

Entity Name: American Electric Power Service Corp. As Agent For Public Svc. Co. Of Oklahoma & SW Ele

Address: 1 Riverside Plaza
Columbus OH 43215

NERC Registry ID: NCR01056

Standard Requirement: FAC-003-1 R2

The Transmission Owner shall create and implement an annual plan for vegetation management work to ensure the reliability of the system. The plan shall describe the methods used, such as manual clearing, mechanical clearing, herbicide treatment, or other actions. The plan should be flexible enough to adjust to changing conditions, taking into consideration anticipated growth of vegetation and all other environmental factors that may have an impact on the reliability of the transmission systems. Adjustments to the plan shall be documented as they occur. The plan should take into consideration the time required to obtain permissions or permits from landowners or regulatory authorities. Each Transmission Owner shall have systems and procedures for documenting and tracking the planned vegetation management work and ensuring that the vegetation management work was completed according to work specifications.

Date of Alleged Violation: August 02, 2010

Date Submitted: August 06, 2010

Self Report Status: Self Report has been submitted

Description and Cause: On August 2, 2010 at 14:52 hrs., American Electric Power's Longwood - SW. Shreveport 345 kV circuit locked out of service. The transmission line is located in AEP's Southwestern Electric Power Co. (SWEPCO) service area near Shreveport, LA. Transmission line crews patrolled this 345 kV line and found burn marks on the 345 kV conductor above a distribution circuit that was located mid-span between tower structures #100 and #101. This patrol led to the conclusion that this distribution line was the cause of the outage. Immediately, the distribution line conductor was lowered to give proper clearance. The 345 kV line was restored back to service after four hours and seven minutes.

The transmission line crews continued the ground based patrol, and a tree was found on August 5th, growing in the Transmission ROW under the A-phase conductor approximately 2 to 2.5 feet from the conductor between tower structures #40 and #41. The top of the tree was found to be burned. The tree was removed on August 5, 2010 while the line was energized. A formal internal investigation of this incident has been initiated.

The SPP RE was informed of this event by telephone on August 5 within 48 hours of confirming the occurrence.

Potential Impact to the Bulk Power System: No customer outage, property damage, system disturbance or generation outage resulted from this line trip.

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	AEP_FAC-003_8-5-2010	AEP FAC-003 8-5-2010 Incident	172,169

Self Report - 2010

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	Incident_Self Report.pdf	AEP FAC-003 8-5-2010 Incident	172,169

Mitigation Plan

Registered Entity: **American Electric Power Service Corp. As Agent For Public**

<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>
SPP201000356	FAC-003-1 R2	October 29, 2009

Mitigation Plan Submitted On: **September 23, 2010**

Mitigation Plan Accepted On: **October 20, 2010**

Mitigation Plan Proposed Completion Date: **May 31, 2011**

Actual Completion Date of Mitigation Plan: **May 31, 2011**

Mitigation Plan Certified Complete by AEPW On: **July 12, 2011**

Mitigation Plan Completion Validated by SPP On: **August 24, 2011**

Mitigation Plan Completed? (Yes/No): **Yes**

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.

Section B: Registered Entity Information

B.1 Identify your organization:

Entity Name:

NERC Compliance Registry ID: **NCR01056**

Address: **1 Riverside Plaza
Columbus OH 43215**

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

Name: **Thad Ness**

Title: **Reliability Standards Compliance Manager**

Email:

Phone: **614-716-2053**

Section C: Identification of Reliability Standard Violation(s) Associated with this Mitigation Plan

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

Violation ID	Date of Violation	Requirement
Requirement Description		
SPP201000356	08/02/2010	FAC-003-1 R2
The Transmission Owner shall create and implement an annual plan for vegetation management work to ensure the reliability of the system. The plan shall describe the methods used, such as manual clearing, mechanical clearing, herbicide treatment, or other actions. The plan should be flexible enough to adjust to changing conditions, taking into consideration anticipated growth of vegetation and all other environmental factors that may have an impact on the reliability of the transmission systems. Adjustments to the plan shall be documented as they occur. The plan should take into consideration the time required to obtain permissions or permits from landowners or regulatory authorities. Each Transmission Owner shall have systems and procedures for documenting and tracking the planned vegetation management work and ensuring that the vegetation management work was completed according to work specifications.		

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

On Monday August 2, 2010, the Longwood 1 1/2 Southwest Shreveport 345 kV circuit operated and locked out at 14:52 CDT. The subject circuit was restored to service within approximately four hours. The outage was later determined to have been caused by an American elm growing into the line from inside of the right-of-way (ROW). No customer outages were caused by this vegetation related outage. No other facilities were outaged due to this event.

C.3 Provide any relevant information regarding the violation(s) associated with this Mitigation Plan: [If known]

AEP's response to SPP RE's first set of data requests submitted on 9/9/2010.

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:

The proposed mitigation plan to address this incident is described below in detail. AEP has completed the first three mitigation items and plans to implement three more items in its mitigation plan as shown below. The mitigation items #4 and #5 apply to all of AEP's system. Item 6 applies only to the SPP region.

All AEP NERC-reportable lines are on a four-year clearing cycle. In any given year, approximately one fourth of NERC-reportable lines are included in the annual work plan. The mitigation plan uses a short hand to refer to when in the four-year clearing cycle the right-of-way was last cleared. For example, pre-2008 refers to rights-of-way that were last cleared in a year prior to 2008. So, in general, pre-2008 lines are associated with the 2011 work plan. The development of the work plan for any given year begins in the previous year. AEP's rights-of-way for NERC-reportable lines are subject to aerial patrols in the spring and fall of every year.

1. On August 5, 2010, AEP removed the offending tree.
2. On August 5-6, 2010, AEP conducted ground patrols on the entire Longwood-Southwest Shreveport 345 kV line. Removal of additional vegetation was completed by August 18, 2010. None of the removed vegetation was at risk of encroachment.
3. On August 16-17, 2010, the Forestry supervisor conducted a site visit to the Shreveport forestry area to review records in detail and to evaluate field conditions and forestry procedures.
4. As a near term action, AEP added scrutiny to the 2010 fall aerial patrols of NERC-reportable lines. Fall patrols started on August 16, 2010
 - a. Patrol pre-2008 NERC-reportable lines first and limit the flying speed to between 30 to 40 mph.
 - b. Complete fall aerial patrol of all remaining NERC-reportable lines.
 - c. Conduct a ground inspection for noted conditions of any vegetation suspected by aerial patrol to be at risk of encroachment on the NERC-reportable lines.
 - d. Complete all required vegetation clearing activities on conditions identified in items 4a, 4b and 4c.
5. AEP will conduct a review of the aerial patrol techniques of AEP's forestry observers and provide observers additional training in aerial patrol techniques.
 - a. A supervisor and/or a trainer will fly with AEP forestry observers to sample and validate observer's technique and performance during the 2010 fall patrol.
 - b. Improve aerial patrol training material based on supervisor/trainer observations and recommendations.
 - c. Provide forestry observers additional training using the material developed in 5b.
 - d. Implement the improved aerial patrol techniques starting with the Spring 2011 patrol.
6. To enhance vegetation management practices for NERC-reportable lines in the SPP region, AEP will pilot improved practices that reduce the risk associated with identifying vegetation encroachments.
 - a. In the SPP region, review the results of the patrols conducted in item 4. Develop and classify risk categories that may be associated with potential vegetation encroachments. Produce a training document that defines risk mitigation procedures associated with the risk categories. The procedures should provide guidance to the forester, improve knowledge and minimize risk.
 - b. In the SPP region, provide forestry observers additional training using the material developed in 6a.
 - c. In the SPP region, implement the improved procedures developed in 6a during the spring 2011 aerial patrol.

- 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: **May 31, 2011**

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

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
1. Remove the offending tree	Remove the offending tree	08/05/2010	August 05, 2010
3. Forestry supervisor to conduct site visit to the Shreveport forestry area	Forestry supervisor to conduct site visit to the Shreveport forestry area	08/17/2010	August 17, 2010
2. Conduct ground patrols on the entire Longwood-Southwest Shreveport 345 kV line and remove additional vegetation.	Conduct ground patrols on the entire Longwood-Southwest Shreveport 345 kV line and remove additional vegetation.	08/18/2010	August 18, 2010
4a. Complete 2010 fall aerial patrol on pre-2008 ROWs of NERC-reportable lines	Complete 2010 fall aerial patrol on pre-2008 ROWs of NERC-reportable lines	10/15/2010	September 28, 2010
4b. Complete 2010 fall aerial patrol of all remaining ROWs of NERC-reportable lines	Complete 2010 fall aerial patrol of all remaining ROWs of NERC-reportable lines	11/30/2010	November 29, 2010
5a. Review of aerial patrol techniques	Review of aerial patrol techniques	11/30/2010	November 29, 2010
4c. Complete ground patrol of spans with suspected risk	Complete ground patrol of spans with suspected risk	01/31/2011	January 31, 2011
5b. Improve aerial patrol training material	Improve aerial patrol training material	01/31/2011	January 31, 2011
6a. In the SPP region, develop risk characterization and associated procedures	In the SPP region, develop risk characterization and associated procedures	01/31/2011	January 31, 2011
5c. Train forestry observers in aerial patrol technique developed in item 5b.	Train forestry observers in aerial patrol technique developed in item 5b.	02/28/2011	February 28, 2011
6b. In the SPP Region, train forestry observers in risk procedures developed in item 6a	In the SPP Region, train forestry observers in risk procedures developed in item 6a	02/28/2011	February 28, 2011
5d. Implement improved aerial patrol techniques	Implement improved aerial patrol techniques	05/31/2011	May 31, 2011
6c. In the SPP region, implement improved risk procedures in spring 2011 patrols	In the SPP region, implement improved risk procedures in spring 2011 patrols	05/31/2011	May 31, 2011
4d. Complete clearing activities associated with conditions found in 4a, 4b and 4c.	Complete clearing activities associated with conditions found in 4a, 4b and 4c.	05/31/2011	May 31, 2011

D.4 Additional Relevant Information (Optional)

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:

As stated above, AEP has removed the offending vegetation immediately following the discovery by the ground patrol team, thus, eliminating any immediate risk to the reliability of the BPS in that area. AEP's mitigation plan has steps that address the near-term risks. Transmission lines that have the longest time period elapsed since they were last cleared will also have the greatest potential for encroachment due to vegetation growth. Since AEP NERC-reportable lines are on a four-year clearing cycle, the transmission lines that were cleared prior to 2008 have a greater risk of vegetation encroachment. Therefore, AEP is inspecting these lines first in the 2010 fall aerial patrol. AEP is also subjecting these lines to additional scrutiny by using a slower aerial patrol speed between 30 to 40 mph. Since there is a possibility of misidentifying underlying vegetation's height, during the 2010 fall patrols, AEP is instituting ground patrols to verify clearing requirements for any spans where vegetation encroachment is suspected. To validate and improve AEP's practices, AEP will improve aerial patrol training material based on supervisor/trainer observations of the 2010 fall patrol. AEP will conduct training using this new material with its foresters prior to the 2011 spring patrol. The improved techniques will be used in future patrols.

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:

AEP believes that this violation is not the result of a failure of our vegetation management program. The root causes of not identifying the offending vegetation were: a) consistent distractions during aerial patrols because of required air-traffic control communication which continued while passing the span in question; b) incorrectly characterizing the risks associated with un-mowed brush including optimal growing conditions, lack of contrast and perspective to identify tall vegetation; and c) not verifying the assumed vegetation conditions on the ground for the span with the offending vegetation.

The enhanced practices proposed in the mitigation plan will improve knowledge of vegetation conditions on the right-of-way. The root cause of this event was that the risk associated with this span was not accurately classified and thus did not trigger appropriate follow-up action. Our mitigation will develop and classify risk categories. The categories will include risks such as: lines on the 3rd (or greater) year of the clearing cycle, observer distraction, optimal growing conditions, lack of contrast or perspective, etc. Specific procedures to mitigate risk associated with these classifications will be developed. These procedures will be implemented during our annual patrols. Thus, the mitigation plan as outlined addresses the root causes and prevents or minimizes the probability of further risk. This program will be piloted in the SPP region.

AEP takes the vegetation management on the transmission line ROW very seriously. AEP has engaged in a substantial effort to address vegetation management of NERC-reportable lines. Beginning in 2006, AEP embarked on a concentrated program to clear the rights-of-way of all woody stemmed vegetation on lines that are part of the national grid. This effort, dubbed the "Blue Sky Program", had the goal to get all NERC-reportable lines on a 4-year clearing cycle. By summer 2008, AEP had effectively completed the "Blue Sky Program". In comparison to the 2005 budget, AEP incrementally spent \$40.1 million in capital and \$43.3 million in O&M during the period of 2007 to 2010.

Furthermore, concurrent with the "Blue Sky Program", AEP initiated an effort to widen rights-of-way to the full extent consistent with the easement rights to reduce vegetation related outage risk from inside of the ROWs. This initiative addressed ROWs not cleared to full easement width at the time of line

construction and is projected to be completed by December 2012. AEP also has an aggressive effort to establish full rights on easements of NERC-reportable lines that have landowner imposed easement restrictions related to vegetation management with special emphasis on the 4.9 miles of ROW with no access.

In compliance with the NERC Vegetation Management Standard (FAC-003-1), AEP maintains a Transmission Vegetation Management Program (TVMP) document. Within the last one and a half years, all three Regional Entities (RFC, SPP RE, and TRE) in the AEP's service area have conducted formal audits of the TVMP. No violations of FAC-003-1 were found in any of the audits.

- 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:

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:

I am Senior VP Transmission of American Electric Power Service Corp. As Agent For Public Svc. Co. Of

2. I am qualified to sign this Mitigation Plan on behalf of American Electric Power Service Corp. As Agent

3.

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.

American Electric Power Service Corp. As Agent For Public Svc. Co. Of Oklahoma & SW Ele Pwr Co.

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

Name: **Michael Heyeck**

Authorized On: **September 22, 2010**

CONFIDENTIAL NON-PUBLIC INFORMATION

Certification of a Completed Mitigation Plan

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

Registered Entity Information

Company Name: American Electric Power Service Corp as Agent for Public Service Corp of Oklahoma and Southwestern Electric Power Company

Company Address: 1 Riverside Plaza, Columbus, OH 43215

NERC Compliance Registry ID: NCR 01056

Date Original Mitigation Plan was submitted to SPP RE: 9/23/2010

Date Mitigation Plan was completed: 5/31/2011

List below the NERC Standard and Requirement covered under the accepted Mitigation Plan

Standard and Requirement Number: FAC-003-1 R.2

NERC Violation Number: SPP201000356

Date of Certification: 7/11 /2011


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

Name: Michael Heyeck

Title: Senior VP-Transmission

Email: mheyeck@aep.com

Phone: 614-552-1700

Authorized Signature: 

Date Signed: 7 /11/2011

The completed and signed Certification of a Completed Mitigation Plan should be submitted to the SPP RE via the CDMS Mitigation Plan Entity Document function. Once submitted, please notify the SPP RE by emailing the spprefileclerk@spp.org.

Machelle Smith

From: noreply@oati.net
Sent: Wednesday, August 24, 2011 10:31 AM
To: SPP RE Mitigation Plan
Subject: Mitigation Plan has been Completed: American Electric Power Service Corp. As Agent For Public Svc. Co. Of Oklahoma & SW Ele Pwr Co. SPP201000356/ SPP RE RESTRICTED CONFIDENTIAL NON-PUBLIC

Please do not REPLY to this message. It was sent from an unattended mailbox and replies are not monitored.

Note: This is a webCDMS application generated message. Please Do NOT respond to this email. If you have questions, please contact breyolds.re@spp.org.

Entity: American Electric Power Service Corp. As Agent For Public Svc. Co. Of Oklahoma & SW Ele Pwr Co. - NCR01056

NERC Violation ID: **SPP201000356**
Standard and Requirement: **FAC-003-1 R2**
Proposed Completion Date: **05/31/2011**
Mitigation Plan Submitted: **09/23/2010**
Mitigation Plan Completed: **07/11/2011**
Mitigation Plan Verified: **08/24/2011**
Program Year: **2010**

On 07/11/2011, the Southwest Power Pool Regional Entity (SPP RE) received American Electric Power Service Corp. As Agent For Public Svc. Co. Of Oklahoma & SW Ele Pwr Co.'s Certification of Completion for the subject Mitigation Plan. The SPP RE Enforcement Staff has completed its review of the evidence in support of the mitigation plan completion. The SPP RE Enforcement Staff finds American Electric Power Service Corp. As Agent For Public Svc. Co. Of Oklahoma & SW Ele Pwr Co. has successfully completed the subject mitigation plan on 07/11/2011.

Please note that, in accordance with the NERC Rules of Procedures, Appendix 4C (NERC CMEP), Section 6.5, the SPP RE Enforcement Staff's acceptance of the Mitigation Plan is provisional if the Mitigation Plan was submitted prior to the completion of the SPP RE's assessment of the underlying possible violation (i.e., the issuance of a Notice of Confirmed Violation (NOCV) or the execution of a settlement agreement). If upon the completion of its assessment of the underlying Possible Violation, the SPP RE Enforcement Staff determines that the facts and circumstances are different than those on which the accepted Mitigation Plan was based, the SPP RE Enforcement Staff will require the Registered Entity to submit a revised Mitigation Plan that fully addresses the facts and circumstances. The Mitigation Plan's acceptance will become final when the SPP RE issues a Notice of Confirmed Violation or enters into a settlement with the Registered Entity.

If you have any questions regarding this Mitigation Plan, please contact:

SPP RE Contact: **Bob Reynolds**
Phone: **(501) 688-8227**
E-mail: breyolds.re@spp.org

CONFIDENTIAL INFORMATION: This email and any attachment(s) contain confidential and/or proprietary information of Open Access Technology International, Inc. Do not copy or distribute without the prior written consent of OATI. If you are not a named recipient to the message, please notify the sender immediately and do not retain the message in any form, printed or electronic.

[OATI Information - Email Template: MitPlan_Completed]

Bob Reynolds

From: Bob Reynolds
Sent: Thursday, November 03, 2011 11:20 AM
To: Ness, Thad
Cc: Joe Gertsch; Machelie Porter
Subject: Re: CONFIDENTIAL NONPUBLIC INFORMATION

Tracking:	Recipient	Read
	Ness, Thad	
	Joe Gertsch	
	Machelie Porter	Read: 11/3/2011 11:20 AM

Thad,

We wanted to inform you know of some changes we have made to SPP201000356.

The email notice of Mitigation Plan Completion transmitted by WebCDMS for SPP201000356 on August 24, 2011 incorrectly cited July 11, 2011 as the mitigation plan completion date. This email is notice that the correct date should be May 31, 2011. SPP RE is making the correction in CDMS and reporting the correction to NERC. If you have any questions, please contact me at the contact information below.

Thanks,

Bob Reynolds, PE, CEM

Lead Compliance Engineer

Southwest Power Pool RE

501-688-8227

Attachment b

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

American Electric Power Service Corp.
as agent for Public Svc. Co. of Oklahoma &
SW Electric Power Co.

Docket No. NP12-____-000

NOTICE OF FILING
March 30, 2012

Take notice that on March 30, 2012, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding American Electric Power Service Corp. as agent for Public Svc. Co. of Oklahoma & SW Electric Power Co. in the Southwest Power Pool Regional Entity 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