

May 30, 2013

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

**Re: NERC Full Notice of Penalty regarding Salt River Project Agricultural Improvement and Power District,  
FERC Docket No. NP13-\_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty<sup>1</sup> regarding Salt River Project Agricultural Improvement and Power District (SRP), NERC Registry ID# NCR05372,<sup>2</sup> 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)).<sup>3</sup>

SRP is an agricultural improvement district organized under the law of the State of Arizona. Its principal offices are located in Tempe, Arizona. SRP provides electricity to nearly 934,000 retail customers in the Phoenix area and has a peak load of 6,590 MW. It operates or participates in 11 major power plants and numerous generating stations, including thermal, nuclear, natural gas and hydroelectric sources.

<sup>1</sup> *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).

<sup>2</sup> Western Electricity Coordinating Council (WECC) confirmed that SRP was included on the NERC Compliance Registry as a Generator Operator (GOP), Balancing Authority (BA), Transmission Operator (TOP), Transmission Owner (TO), Generator Owner (GO), Distribution Provider (DP), Load Serving Entity (LSE), Transmission Service Provider (TSP), Purchasing-Selling Entity (PSE), Planning Authority (PA), Transmission Planner (TP) and Resource Planner (RP) on June 17, 2007. As a BA and TOP, SRP is subject to the requirements of NERC Reliability Standard COM-002-2 R2. The Settlement Agreement states SRP was included on the NERC Compliance Registry on May 14, 2008.

<sup>3</sup> See 18 C.F.R § 39.7(c)(2).

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This Notice of Penalty is being filed with the Commission because Western Electricity Coordinating Council (WECC) and SRP have entered into a Settlement Agreement to resolve all outstanding issues arising from WECC’s determination and findings of the violation<sup>4</sup> of COM-002-2 R2. According to the Settlement Agreement, SRP has agreed to the assessed penalty of ten thousand dollars (\$10,000), 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 WECC201102634 is being filed in accordance with the NERC Rules of Procedure and the CMEP.

**Statement of Findings Underlying the Violation**

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement executed on May 7, 2012, by and between WECC and SRP, 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 (2013), 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
WECC	SRP	NOC-1414	WECC201102634	COM-002-2	2	Medium	10,000

COM-002-2 R2

The purpose statement of COM-002-2 provides: “To ensure Balancing Authorities, Transmission Operators, and Generator Operators have adequate communications and that these communications capabilities are staffed and available for addressing a real-time emergency condition. To ensure communications by operating personnel are effective.”

<sup>4</sup> For purposes of this document, each violation at issue is described as a “violation,” regardless of its procedural posture and whether it was a possible, alleged or confirmed violation.

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COM-002-2 R2 provides: “Each Reliability Coordinator, Transmission Operator, and Balancing Authority shall issue directives in a clear, concise, and definitive manner; shall ensure the recipient of the directive repeats the information back correctly; and shall acknowledge the response as correct or repeat the original statement to resolve any misunderstandings.”

COM-002-2 R2 has a “Medium” Violation Risk Factor (VRF) and a “High” Violation Severity Level (VSL). The subject violation applies to SRP’s BA and TOP functions.

On April 1, 2011, SRP submitted a Self-Report to WECC stating that it had a violation of COM-002-2 R2. SRP discovered the violation on February 18, 2011 when performing an Event Analysis (EA), which was triggered by a load shedding event that occurred on February 2, 2011 due to extreme weather. As a result of the EA, SRP determined that three-part communication was not adequately performed between the SRP BA and the SRP GOP. The SRP BA experienced several generator outages during the cold weather event, which affected its ability to serve load. On February 1, 2011 and February 2, 2011, SRP lost a total of 7 units, three of them due to weather. Due to this, SRP shed 300 MW of load on February 2, 2011, affecting 65,000 customers.<sup>5</sup> WECC determined that SRP violated COM-002-2 R2 in two instances:

1. On February 2, 2011 at 5:31 a.m., SRP’s BA system operator requested that the generation operator at Central Arizona Water Conservation District – Central Arizona Project (CAP) reduce CAP’s pump load by 100 MW. SRP’s BA system operator issued this directive in a clear, concise, and definitive manner but failed to ensure that the CAP generation operator repeated the information back correctly, and failed to acknowledge the response as correct or repeat the original statement to resolve any misunderstandings, as required by COM-002-2 R2.
2. On February 2, 2011 at 7:05 a.m., SRP’s BA system operator requested that an SRP generator operator move generation. The BA system operator issued this directive in a clear, concise, and definitive manner but failed to ensure that the SRP generation operator repeated the information back correctly, and failed to acknowledge the response as correct or repeat the original statement to resolve any misunderstandings, as required by COM-002-2 R2.

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<sup>5</sup> The Federal Energy Regulatory Commission and the North American Electric Reliability Corporation, Report on Outages and Curtailment During the Southwest Cold Weather Event of February 1-5, 2011 Causes and Recommendations, August 2011.

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WECC determined the duration of the violation to be from February 2, 2011, when the violation first occurred during the load shedding event, through February 2, 2011, when the load shedding event ended.

WECC determined the violation posed a moderate risk to the reliability of the bulk power system (BPS), but did not pose a serious or substantial risk because there were compensating measures in place. First, the SRP BA provided a clear directive in a concise and definitive manner, thus reducing the risk to the BPS. Second, the BA issued a total of 82 directives during the load shedding event, and in only two of these instances the full three-part communication was not employed. If the recipients of the directives had failed to follow the directives, the SRP BA had ready options to reduce generation elsewhere. Third, the directives that did not follow three-part communications issued by the SRP BA system operator were promptly and accurately implemented, thus reducing the risk to the BPS. Therefore, the lack of three-part communication in these instances did not contribute to the size and duration of the load shedding event.

#### Regional Entity's Basis for Penalty

According to the Settlement Agreement, WECC has assessed a penalty of ten thousand dollars (\$10,000) for the referenced violation. In reaching this determination, WECC considered the following factors:

1. The violation constituted SRP's first occurrence of violation of the subject NERC Reliability Standard;
2. At the time of the violation, SRP had an internal compliance program (ICP),<sup>6</sup> which was considered a mitigating factor when determining the penalty amount;
3. SRP self-reported the violation;
4. SRP was cooperative throughout the compliance enforcement process;
5. There was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. SRP's compliance history was not an aggravating factor in determining the penalty amount; and

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<sup>6</sup> WECC reviewed SRP's ICP and found that: SRP's ICP is documented; it is disseminated throughout its operations staff; ICP oversight staff is supervised at a high level in the organization; that ICP is allocated sufficient resources; ICP has the support and participation of senior management; SRP reviews and modifies its ICP regularly; and that SRP's ICP includes disciplinary action for employees involved in violations of Reliability Standards, when applicable.

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7. WECC determined that the violation posed a moderate risk to the reliability of the BPS and did not pose a serious or substantial risk to the reliability of the BPS, as discussed above.

After consideration of the above factors, WECC determined that, in this instance, the penalty amount of ten thousand dollars (\$10,000) is appropriate and bears a reasonable relation to the seriousness and duration of the violation.

### **Status of Mitigation Plan<sup>7</sup>**

SRP's Mitigation Plan to address its violation of COM-002-2 R2 was submitted as complete to WECC on August 23, 2011. The Mitigation Plan was accepted by WECC on November 9, 2011 and approved by NERC on December 20, 2011. The Mitigation Plan for this violation is designated as WECCMIT005389 and was submitted as non-public information to FERC on December 22, 2011 in accordance with FERC orders.

According to its Mitigation Plan, SRP:

1. Directed all generation operators that they must use three-part communication and completed mandatory training;
2. Updated its procedures to ensure that operators use three-part communication; both when three-part communications must be used and how to effectively engage in three-part communications;
3. Gave its operators a formal comprehensive presentation on proper and effective uses for three-part communication;
4. Implemented training and practice on the use of effective three-part communication during table top drills for operators;
5. Performed random monitoring and screening of voice recordings of operators and effective use of three-part communication to ensure compliance with applicable Reliability Standards on communication; and
6. Discussed with each individual operator the results of their randomly selected voice recordings and how the three-part communication can be improved.

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<sup>7</sup> See 18 C.F.R § 39.7(d)(7).

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SRP certified on November 22, 2011 that the above Mitigation Plan requirements were completed on July 31, 2011. As evidence of completion of its Mitigation Plan, SRP submitted the following:

1. Email from the SRP Manager of Grid Operations, Power Dispatch Office (PDO), to SRP System Operators stating that they must comply with 3-part communication requirements, dated April 6, 2011;
2. Email from the SRP Manager of Grid Operations, Automatic Generation Control (AGC), to SRP System Operators stating that they must comply with 3-part communication requirement, dated April 4, 2011;
3. Critical communication sent to AGC dispatchers to read and acknowledge the new Operating Procedure prior to 4/22/2011; and
4. AGC Directives and 3-part Communications Completed Scorecard.pdf, dated April 22, 2011.

On April 20, 2012, after WECC's review of SRP's submitted evidence, WECC verified that SRP's Mitigation Plan was completed on July 31, 2011.

### **Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed<sup>8</sup>**

#### **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,<sup>9</sup> the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on June 10, 2012. The NERC BOTCC approved the Settlement Agreement, including WECC's assessment of a ten thousand dollar (\$10,000) financial penalty against SRP 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.

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<sup>8</sup> See 18 C.F.R. § 39.7(d)(4).

<sup>9</sup> *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); *North American Electric Reliability Corporation*, "Further Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009); *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 SRP's first occurrence of violation of the subject NERC Reliability Standard;<sup>10</sup>
2. SRP self-reported the violation;
3. WECC reported that SRP was cooperative throughout the compliance enforcement process;
4. SRP had an ICP at the time of the violation which WECC considered a mitigating factor, as discussed above;
5. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. WECC considered SRP's compliance history and determined that it should not serve as a basis for aggravating the penalty because it did not involve same or similar Reliability Standards; and
7. WECC determined that the violation posed a moderate risk and did not pose a serious or substantial risk to the reliability of the BPS, as discussed above.

For the foregoing reasons, the NERC BOTCC approved the Settlement Agreement and believes that the assessed penalty of ten thousand dollars (\$10,000) 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.

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<sup>10</sup> SRP's other violations did not involve the same or similar NERC Reliability Standards.

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**Attachments to be Included as Part of this Notice of Penalty**

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

- a) Settlement Agreement by and between WECC and SRP executed May 7, 2012 included as Attachment a;
- b) SRP's Self-Report for COM-002-2 R2 dated April 1, 2011, included as Attachment b;
- c) SRP's Mitigation Plan submitted August 23, 2011, included as Attachment c;
- d) SRP's Certification of Mitigation Plan Completion for COM-002-2 R2 submitted November 22, 2011, included as Attachment d; and
- e) WECC's Verification of Mitigation Plan Completion for COM-002-2 R2 dated April 20, 2012 included as Attachment e.

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



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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>Charles A. Berardesco*                  Senior Vice President and General Counsel                  North American Electric Reliability Corporation                  1325 G Street N.W., Suite 600                  Washington, D.C. 20005                  charles.berardesco@nerc.net</p> <p>Mark Maher*                  Chief Executive Officer                  Western Electricity Coordinating Council                  155 North 400 West, Suite 200                  Salt Lake City, UT 84103                  (360) 713-9598                  (801) 582-3918 – facsimile                  Mark@wecc.biz</p> <p>Constance White*                  Vice President of Compliance                  Western Electricity Coordinating Council                  155 North 400 West, Suite 200                  Salt Lake City, UT 84103                  (801) 883-6855                  (801) 883-6894 – facsimile                  CWhite@wecc.biz</p>	<p>Rebecca J. Michael*                  Associate General Counsel for Corporate and Regulatory Matters                  North American Electric Reliability Corporation                  1325 G Street, N.W.                  Suite 600                  Washington, DC 20005                  (202) 400-3000                  (202) 644-8099 – facsimile                  rebecca.michael@nerc.net</p> <p>Edwin G. Kichline*                  Senior Counsel and Associate Director of Enforcement                  North American Electric Reliability Corporation                  1325 G Street, N.W.                  Suite 600                  Washington, DC 20005                  (202) 400-3000                  (202) 644-8099 – facsimile                  edwin.kichline@nerc.net</p> <p>Christopher Luras*                  Director of Enforcement                  Western Electricity Coordinating Council                  155 North 400 West, Suite 200                  Salt Lake City, UT 84103                  (801) 883-6887                  (801) 883-6894 – facsimile                  CLuras@wecc.biz</p>
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\*Persons to be included on the Commission’s service list are indicated with an asterisk. NERC requests waiver of the Commission’s rules and regulations to permit the inclusion of more than two people on the service list.

Michael Hummel\*  
Compliance Executive - AGM/Chief Power System Executive  
Salt River Project Agricultural Improvement and Power District  
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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

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cc: Salt River Project Agricultural Improvement and Power District  
Western Electric Coordinating Council

Attachments

**Attachment a**

**Settlement Agreement by and between WECC  
and SRP executed May 7, 2012**

**SETTLEMENT AGREEMENT  
OF  
WESTERN ELECTRICITY COORDINATING COUNCIL  
AND  
SALT RIVER PROJECT**

Western Electricity Coordinating Council ("WECC") and Salt River Project ("SRP") (collectively the "Parties") hereby enter into this Settlement Agreement ("Agreement") on this 7 day of MAY, 2012.

**RECITALS**

A. The Parties desire to enter into this Agreement to resolve all outstanding issues between them arising from a non-public, preliminary assessment of SRP by WECC that resulted in certain WECC determinations and findings regarding what was a SRP Alleged Violation of the following North American Electric Reliability Corporation ("NERC") Reliability Standard ("Reliability Standard" or "Standard"):

*WECC201102634: COM-002-2 R2, Communications and Coordination*

B. SRP is an agricultural improvement district organized under the law of the State of Arizona. Its principal offices are located in Tempe, Arizona. SRP provides electricity to nearly 934,000 retail customers in the Phoenix area and has a peak load of 6,590 MW. It operates or participates in 11 major power plants and numerous other generating stations, including thermal, nuclear, natural gas, and hydroelectric sources. SRP was registered on the NERC Compliance Registry on May 14, 2008 as a Balancing Authority, Transmission Planner, Transmission Owner, Distribution Provider, Generator Operator, Purchase-Selling Entity, Transmission Operator, Planning Authority, Transmission Service Provider, Resource Planner, Generator Owner, and as a Load Serving Entity.

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

D. The Parties are entering into this Agreement to settle the disputed matters between them. It is in the Parties' and the public's best interests to resolve this matter efficiently without the delay and burden associated with a contested proceeding. Thus, for the purposes of this agreement, SRP agrees that the violation addressed hereby may be treated as a Confirmed Violation as set forth in the NERC Rules of Procedure.

Nothing contained in this Agreement shall be construed as a waiver of either party's rights, except as otherwise contained herein. Except, however, nothing in this Agreement shall limit or prevent WECC from evaluating SRP for subsequent violations of the same Reliability Standards addressed herein and taking enforcement action, if necessary. Such enforcement action can include assessing penalties against SRP for subsequent violations of the Reliability Standards addressed herein in accordance with NERC Rules of Procedure, which can include consideration of the violations resolved herein as prior non-compliance with Reliability Standards.

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

**I. Stipulated Violation Facts**

**A. NERC RELIABILITY STANDARD COM-002-2 REQUIREMENT 2**

NERC VIOLATION ID: WECC201102634  
WECC VIOLATION ID: WECC2011-611233

1. NERC Reliability Standard COM-002-2 Requirement 2 states:

Each Reliability Coordinator, Transmission Operator, and Balancing Authority shall issue directives in a clear, concise, and definitive manner; shall ensure the recipient of the directive repeats the information back correctly; and shall acknowledge the response as correct or repeat the original statement to resolve any misunderstandings.

**SUMMARY**

2. SRP, in two instances, failed to use three-part communication

**APPLICABILITY**

3. SRP is registered on the NERC Compliance Registry as a Balancing Authority and as a Transmission Operator.

## VIOLATION FACTS

4. On April 1, 2011, SRP self-reported a potential violation of COM-002-2 R2. SRP's self-report stated that on February 2, 2011, SRP experienced a load shedding event that led to an Event Analysis (EA). As a result of the EA, SRP determined that three-part communication was not adequately performed between the SRP balancing authority and the SRP generator operator. Subsequently, a WECC Subject Matter Expert (SME) reviewed SRP's self-report. The WECC SME concluded there were two instances where SRP failed to use three-part communication. The first instance occurred on February 2, 2011, at 5:31AM when SRP's balancing authority requested that the Central Arizona Water Conservation District – Central Arizona Project ("CAP") reduce CAP pump load. The second instance occurred at 7:05AM when SRP's balancing authority requested that a SRP generator operator move generation. In both instances, the SRP balancing authority provided a clear directive in a concise and definitive manner, but did not require the recipient to repeat the directive, thus failing to use three-part communication. The WECC SME concluded that SRP was in violation of COM-002-2 R2 and referred the matter to Enforcement.

5. Enforcement has reviewed the WECC SME's findings, as well as SRP's self-report. Enforcement has determined that SRP is in violation of COM-002-2 for failing to use three-part communication. Enforcement has further determined that SRP is in violation of COM-002-2 R2 on February 2, 2011, the date it failed to use three-part communication.

## DESCRIPTION OF MITIGATION ACTIVITY

6. On August 23, 2011, SRP submitted a mitigation plan for this violation. SRP's mitigation plan requires it to provide direction to all its operators that they must use three-part communication and complete mandatory training. In addition, SRP will update its procedures to ensure that its operators use three-part communication. Finally, SRP will give its operators a formal comprehensive presentation on proper three part communication. WECC has accepted SRP's mitigation plan and, on November 22, 2011, SRP submitted its certification of completion. On April 17, 2012, WECC verified that SRP completed its mitigation plan. As evidence that SRP completed its mitigation plan, WECC reviewed SRP emails, memos and training documents.

## RELIABILITY IMPACT STATEMENT

7. Failure to use three-part communication could result in operators taking inappropriate action when operating the grid because that operator did not understand a specific directive. This could cause cascading outages because operator actions might not coincide with other operator actions. In this instance, during a load shedding event, on two occasions, SRP operators did not use three-part communication. As a compensating measure, in both instances, the SRP balancing authority provided a clear

directive in a concise and definitive manner. Accordingly, Enforcement determined that this violation posed a moderate risk to the BES.

### **PROPOSED PENALTY OR SANCTION**

8. **Violation Risk Factor ("VRF") and Violation Severity Level ("VSL"):** According to the NERC VRF Matrix of October 4, 2011, this violation has a "Medium" VRF. Enforcement determined that this violation warranted a "High" VSL. Enforcement assesses VSLs based on NERC's VSL Matrix of December 20, 2011. In this case, Enforcement assessed a "High" VSL because SRP provided a clear directive in a clear, concise and definitive manner, but did not require the recipient to repeat the directive.

9. Based on the above-described VRF and VSL, the Base Penalty Table of the NERC Sanction Guidelines sets forth a Base Penalty Range for this violation of **\$6,000 to \$200,000**.

10. **Penalty Rationale:** Enforcement determined that the proposed penalty is appropriate for the following reasons:

- The VRF is "Medium" and the VSL is "High" for this violation.
- WECC determined this violation posed Moderate risk to the reliability of the BES.
- The violation duration is as described above.

11. Enforcement applied a mitigating factor for the following reason(s):

- Upon undertaking the actions outlined in the mitigation plan, SRP took voluntary corrective action to remediate this violation.
- WECC reviewed SRP's Internal Compliance Program ("ICP"). WECC found that: SRP's ICP is documented; the ICP is disseminated throughout its operations staff; SRP has ICP oversight staff; ICP oversight staff is supervised at a high level in the organization; SRP has allocated sufficient resources to its ICP; the ICP has the support and participation of senior management; SRP reviews and modifies its ICP regularly; and SRP's ICP includes disciplinary action for employees involved in violations of the Reliability Standards, when applicable.
- SRP self-reported this violation.

12. Enforcement determined there were no aggravating factors warranting a penalty higher than the proposed penalty.

- SRP was cooperative throughout the process.
- SRP did not fail to complete any applicable compliance directives.



- There was no evidence of any attempt by SRP to conceal the violation.
- There was no evidence that SRP's violation was intentional.
- WECC is not aware of any violations of this Reliability Standard by SRP affiliates or any involvement in SRP's activities such that this violation by SRP should be treated as recurring conduct.
- Enforcement considered SRP's compliance history and determined SRP did not have any relevant negative compliance history.

## II. Settlement Terms

A. **Payment.** To settle this matter, SRP hereby agrees to pay \$10,000 to WECC via wire transfer or cashier's check. SRP shall make the funds payable to a WECC account identified in a Notice of Payment Due that WECC will send to SRP upon approval of this Agreement by NERC and the Federal Energy Regulatory Commission ("FERC"). SRP shall issue the payment to WECC no later than thirty days after receipt of the Notice of Payment Due. If this payment is not timely received, WECC shall assess, and SRP agrees to pay, an interest charge calculated according to the method set forth at 18 CFR §35.19(a)(2)(iii) beginning on the 31<sup>st</sup> day following issuance of the Notice of Payment Due.

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

B. **Settlement Rationale.** WECC's determination of any penalty and sanction included in this settlement agreement is guided by the statutory requirement codified at 16 U.S.C. § 824o(e)(6) that any penalty imposed "shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of [the Registered Entity] to remedy the violation in a timely manner." In addition, WECC considers the direction of the Commission provided in Order No. 693, the NERC Sanction Guidelines, the Commission's Policy Statement on Enforcement, the Commission's July 3, 2008 Guidance Order, the Commission's August 27, 2010 Guidance Order, and all other applicable guidance from NERC and FERC.

To determine a penalty or sanction, WECC considers various factors including, but not limited to: (1) Violation Risk Factor; (2) Violation Severity Level, (3) risk to the reliability of the Bulk Power System ("BPS"), including the seriousness of the violation; (4)

Violation Time Horizon (5) the violation's duration; (6) the Registered Entity's compliance history; (7) the Registered Entity's self-reports and voluntary corrective action; (8) the degree and quality of cooperation by the Registered Entity in the audit or investigation process, and in any remedial action; (9) the quality of the Registered Entity's compliance program; (10) any attempt by the Registered Entity to conceal the violation or any related information; (11) whether the violation was intentional; (12) any other relevant information or extenuating circumstances; and (13) the Registered Entity's ability to pay a penalty, as applicable.

WECC determined the penalty is appropriate in light of the specific violation facts and penalty considerations described above.

### III. Additional Terms

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

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

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

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

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

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

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

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

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

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

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

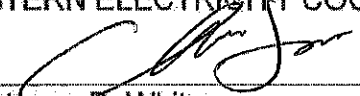
L. Captions. The Agreement's titles, headings and captions are for the purpose of convenience only and in no way define, describe or limit the scope or intent of the Agreement.


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

***[Remainder of page intentionally left blank -  
signatures affixed to following page]***

Agreed to and accepted:

WESTERN ELECTRICITY COORDINATING COUNCIL

 For Constance White  
\_\_\_\_\_  
Constance B. White Date 5/7/2012  
Vice President of Compliance

SALT RIVER PROJECT  
\_\_\_\_\_  
Michael Hummel Date 5/1/12  
Associate General Manager and Chief Power System Executive

**Attachment b**

**SRP's Self report for COM-002-2 R2 dated  
April 1, 2011**

- Logged in as:  
**Kim Israelsson**  
Log Out
- System Administration
  - Compliance
  - Self Reports
  - Complaints
  - TFE Request
  - Mitigation Plans
  - Violation Retractions
  - File Upload

### Self Report Form - 2011

Save PDF | Return To Search Results

New Mitigation Plan | Attachments (0)

**This form has been locked due to an expired lockout date.  
If you need to edit data contained in this form, please contact your WECC Administrator.**

**This form was submitted by Steven Cobb (Steven.Cobb@srpnet.com) on 4/1/2011.**

*Required Fields		Status: Read Only
Region:	WECC	
NERC Registry ID:	NCR05372	
Joint Registration Organization (JRO) ID:		
Registered Entity:	Salt River Project Agricultural Improvement and Power District	
Registered Entity Contact Information:		
* Steven Cobb (Steven.Cobb@srpnet.com) (602) 236-3965		
Standard Applicable to Self-Report:	COM-002-2	
Requirement Applicable to Self-Report:	R2.	
Sub Requirements Applicable to Self-Report:		
Function Applicable to Self-Report:	BA	
Date violation occurred:	* 2/2/2011	▼
Date violation discovered:	* 2/18/2011	▼
Is the violation still occurring?	* <input type="radio"/> Yes <input checked="" type="radio"/> No	
Detail explanation and cause of violation:	*	
<p>On February 2, 2011, SRP experienced a load shedding event that led to an Event Analysis investigation. As a result of that investigation, SRP has determined that 3-part communication was not adequately performed between the SRP Balancing Authority Operator and the SRP Generator Operator.</p>		
Reliability Impact:	* Minimal	▼
Reliability Impact Description:	*	
<p>Although 3-part communication was not explicitly used at all times, no directives issued by the SRP Balancing Authority Operator were disregarded or misunderstood. As a result, actions taken by the SRP Generator Operator did not result in any negative impacts to the Bulk Electric System.</p>		
Additional Comments:		
<p>NOTE: While submittal of a mitigation plan is not required until after a determination of a violation is confirmed, early submittal of a mitigation plan to address and remedy an identified deficiency is encouraged. Submittal of a mitigation plan shall not be deemed an admission of a violation. (See NERC Rules of Procedure, Appendix 4C, Section 6.4.)</p>		

Submit Self Report

**Attachment c**

**SRP's Mitigation Plan submitted August 23,  
2011**

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## Mitigation Plan

Registered Entity: Salt River Project Agricultural Improvement and Power

<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>
WECC201102634	COM-002-2 R2	11/08/2011

Mitigation Plan Submitted On: August 23, 2011

Mitigation Plan Accepted On: November 09, 2011

Mitigation Plan Proposed Completion Date: July 31, 2011

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SRP On:

Mitigation Plan Completion Validated by WECC On:

Mitigation Plan Completed? (Yes/No): No



## 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: Salt River Project Agricultural Improvement and Power District  
NERC Compliance Registry ID: NCR05372  
Address: P.O. Box 52025  
Phoenix AZ 85072-2025

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: Steven Cobb  
Title: Manager, Electric Reliability Compliance  
Email: steven.cobb@srpnet.com  
Phone: 602-236-3965

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		
WECC201102634	02/02/2011	COM-002-2 R2
Each Reliability Coordinator, Transmission Operator, and Balancing Authority shall issue directives in a clear, concise, and definitive manner; shall ensure the recipient of the directive repeats the information back correctly; and shall acknowledge the response as correct or repeat the original statement to resolve any misunderstandings.		

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

On February 2, 2011, SRP experienced a load shedding event that led to an Event Analysis investigation. As a result of that investigation, SRP has determined that three-part communication was not adequately performed between the SRP Balancing Authority Operator and the SRP Generator Operator.

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

Although three-part communication was not explicitly used at all times, no directives issued by the SRP Balancing Authority Operator were disregarded or misunderstood. As a result, actions taken by the SRP Generator Operator did not result in any negative impacts to the Bulk Electric System.

## 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:

SRP will provide both refresher and regular on-going training to ensure System Operators consistently employ proper three-part communication and to conduct practice sessions to improve their three-part communication skills. All SRP System Operators have completed a training session on three-part communication in January and February 2011 as a part of annual Emergency Operating Procedures training with SRP's neighboring System Operators and the WECC Reliability Coordinator. SRP will continue participation in this annual training event and will request more formal training material that focuses on three-part communication.

1. SRP has specifically provided direction to all SRP System Operators that they must comply with requirements for three-part communications when issuing any directives that affect the Bulk Electric System. The SRP communication on compliance includes references to appropriate existing Operating Practices and previous mandatory training.

Completed

2. SRP will update the appropriate Operating Procedure to clearly detail both when three-part communication must be used and how to effectively engage in three-part communication. Every SRP System Operator must review and confirm their understanding of the Operating Procedure.

To be completed by April 22, 2011

3. SRP will provide System Operators with a formal and comprehensive presentation on the proper and effective uses of three-part communication. The training will focus on the appropriate times when three-part communication is required. The training will include samples of System Operators' voice recordings to highlight and distinguish between examples of effective and poor three-part communications. The training will be presented at the next quarterly meeting of the System Operators.

To be completed by April 30, 2011

4. SRP will implement training and practice on the use of effective three-part communication during table top drills for System Operators.

To be completed by May 31, 2011

5. SRP will perform random monitoring and screening of voice recording of System Operators to ensure proper and effective use of three-part communication to ensure compliance with applicable Reliability Standards on communication. The monitoring and screening will include a review of randomly selected voice recordings for each SRP System Operator.

To be completed by July 31, 2011

6. SRP will discuss with each individual System Operator the results of the review of their randomly selected voice recordings. Each System Operator will listen to selections of their own voice recordings in which they properly and effectively used three-part communication. The review will include a discussion on how the three-part communication can be improved. Each review will include one-on-one practice sessions for effective three-part communication.

To be completed by July 31, 2011.

- 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: July 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
3-Part Communication Email	SRP has specifically provided direction to all SRP System Operators that they must comply with requirements for three-part communications when using any directives that affect the Bulk Electric System. The SRP communication on compliance includes references to appropriate existing Operating Practices and previous mandatory training.	04/04/2011	April 04, 2011
Updated Operating Procedure	SRP will update the appropriate Operating Procedure to clearly detail both when three-part communication must be used and how to effectively engage in three-part communication. Every Operator must review and confirm their understanding of the Operating Procedure.	04/22/2011	April 22, 2011
System Operator Training	SRP will provide System Operators with a formal and comprehensive presentation on the proper and effective uses of three-part communication. The training will focus on the appropriate times when three-part communication is required. The training will include samples of System Operators' voice recordings to highlight and distinguish between examples of effective and poor three-part communications. The training will be presented at the next quarterly meeting of the System Operators.	04/30/2011	April 27, 2011
Table Top Drills	SRP will implement training and practice on the use of effective three-part communication during table top drills for System Operators.	05/31/2011	May 25, 2011
Monitoring and Screening of Voice Recordings	SRP will perform random monitoring and screening of voice recording of System Operators to ensure proper and effective use of three-part communication to ensure compliance with applicable Reliability Standards on communication. The monitoring and screening will include a review of randomly selected voice recordings for each SRP System Operator.	07/31/2011	July 31, 2011
Feedback of Voice Recording	SRP will discuss with each individual	07/31/2011	July 31, 2011

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
Findings to System Operators	System Operator the results of the review of their randomly selected voice recordings. Each System Operator will listen to selections of their own voice recordings in which they properly and effectively used three-part communication. The review will include a discussion on how the three-part communication can be improved. Each review will include one-on-one practice sessions for effective three-part communication.		

## 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 in paragraph C.3, at no time did the actions taken by the SRP Generator Operator result in any negative impacts to the Bulk Electric System. In conjunction, #1 of the proposed mitigation plan outlined in paragraph D.1 has been completed in order to mitigate possible risks to the reliability of the BPS.

### E.2 Prevention of Future BES Reliability Risk

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

The proposed mitigation plan will prevent or minimize the probability of future violations by revising both Operating Procedures and System Operator's Training. Included in this mitigation plan is the additional steps of random monitoring and feedback directly to the System Operators. These mitigation plan steps reinforce SRP's Reliability Compliance Program use of processes to monitor, assess, and enforce compliance with Reliability Standards.

### 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:

1. I am Manager, Electric reliability Compliance of Salt River Project Agricultural Improvement and Power
2. I am qualified to sign this Mitigation Plan on behalf of Salt River Project Agricultural Improvement and
3. I have read and understand Salt River Project Agricultural Improvement and Power District's obligations to with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure and the NERC CMEP currently in effect or the NERC CMEP-Province of Manitoba, Schedule B currently in effect, whichever is applicable.
4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
5. Salt River Project Agricultural Improvement and Power District Agrees to be bound by, and comply with, Plan, including the timetable completion date, as accepted by the Regional Entity, NERC, and if required, the applicable governmental authorities in Canada.

Authorized Individual Signature: \_\_\_\_\_

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

Name: Steven C Cobb

Title: Manager, Electric reliability Compliance

Authorized On: August 23, 2011



**Attachment d**

**SRP's Certification of Mitigation Plan  
Completion for COM-0002-2 R2 submitted  
November 22, 2011**

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## Certification of Mitigation Plan Completion

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

Registered Entity Name: Salt River Project Agricultural Improvement and Power District

NERC Registry ID: NCR05372

NERC Violation ID(s): WECC201102634

Mitigated Standard Requirement(s): COM-002-2 R2,

Scheduled Completion as per Accepted Mitigation Plan: July 31, 2011

Date Mitigation Plan completed: July 31, 2011

Submission Date of Completion Certification: November 22, 2011

Entity Comment: Please see the attached "Entity Documents" for the evidence of completion.

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	Cover Letter_COM-002-2 R2 MP Completion 112211.pdf	Cover Letter from Sara McCoy, manager of Electric Reliability Compliance.	17,619
Entity	PDF Portfolio Instructions.pdf	Instructions for navigating the pdf portfolio.	674,558
Entity	SRP Evidence of Mitigation Plan Completion Portfolio_COM-002-2 R2.pdf	Evidence of Mitigation Plan completion	12,876,118

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

Name: Sara McCoy

Title: Manager, Electric Reliability Co

Email: sara.mccoy@srpnet.com

Phone: 1 (602) 236-3965

Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_

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

## **Attachment e**

# **WECC's Verification of Mitigation Plan Completion for COM-002-2 R2 dated April 20, 2012**

---

**CONFIDENTIAL**



Chris Luras  
Manager of Compliance Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

April 20, 2012

Sara McCoy  
Director Electric Reliability Compliance  
Salt River Project Agricultural Improvement and Power District  
Mail Station POB300  
P.O. Box 52025  
Phoenix, Arizona 85072-2025

NERC Registration ID: NCR05372  
NERC Violation ID: WECC201102634

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard COM-002-2 Requirement 2

Sara,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Salt River Project Agricultural Improvement and Power District (SRP) on November 22, 2011 for the violation of Reliability Standard COM-002-2 Requirement 2. After a thorough review, WECC has accepted the Certification of Mitigation Plan Completion.

If you have any questions or concerns, please contact Tim Reynolds at [treynolds@wecc.biz](mailto:treynolds@wecc.biz).

Sincerely,

A handwritten signature in blue ink, appearing to read "CL", is placed above the name of the sender.

Chris Luras  
Manager of Compliance Enforcement

CL:rph

cc: Brenton Lopez, SRP Alternate Compliance Contact  
Tim Reynolds, WECC Compliance Engineer - Enforcement

**Attachment f**  
**Notice of Filing**

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Salt River Project Agricultural Improvement  
and Power District

Docket No. NP13-\_\_\_\_-000

NOTICE OF FILING  
May 30, 2013

Take notice that on May 30, 2013, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Salt River Project Agricultural Improvement and Power District in the Western Electric Coordinating Council region.

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

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

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

Comment Date: [BLANK]

Kimberly D. Bose,  
Secretary