



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

March 31, 2010

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

**Re: NERC Notice of Penalty regarding Utilities Commission of New Smyrna Beach
FERC Docket No. NP10-_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding Utilities Commission of New Smyrna Beach (UCNSB),² NERC Registry ID NCR00052,³ in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations and orders, as well as NERC Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).⁴

On December 8, 2008, UCNSB self-reported to Florida Reliability Coordinating Council, Inc. (FRCC) a possible violation of Reliability Standard FAC-010-1 Requirement (R) 1 for UCNSB's failure to document its System Operating Limits (SOLs) and its methodology for determining SOLs. This Notice of Penalty is being filed with the Commission because, based on information from FRCC, FRCC and UCNSB have entered into a Settlement Agreement to resolve all outstanding issues arising from a preliminary and non-public assessment resulting in FRCC's determination and findings of the enforceable alleged violation of FAC-010-1 R1. According to

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 (2009). *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).

² On October 14, 2009, NERC submitted an Omnibus filing which addressed violations for certain registered entities including UCNSB. On November 13, 2009, FERC issued an order stating it would not engage in further review of the violations addressed in the Omnibus Notice of Penalty.

³ Florida Reliability Coordinating Council, Inc. confirmed that UCNSB (included on the Compliance Registry as "New Smyrna Beach, Utilities Commission of") was included on the NERC Compliance Registry as a Balancing Authority, Distribution Provider, Load Serving Entity, Planning Authority, Purchasing-Selling Entity, Resource Planner, Transmission Operator and Transmission Owner as of May 29, 2007 and as an Interchange Authority as of June 2, 2008. As a Planning Authority, UCNSB is subject to the requirements of the NERC Reliability Standard FAC-010. The Settlement Agreement incorrectly states that UCNSB was registered as a Planning Authority beginning July 1, 2008.

⁴ See 18 C.F.R. § 39.7(c)(2).

the Settlement Agreement, UCNSB neither admits nor denies the alleged violation, but has agreed to the proposed penalty of one thousand five hundred dollars (\$1,500) to be assessed to UCNSB, in addition to other remedies and actions to mitigate the instant alleged violation and facilitate future compliance under the terms and conditions of the Settlement Agreement. Accordingly, the alleged violation identified as NERC Violation Tracking Identification Number FRCC200800129 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 December 14, 2009, by and between FRCC and UCNSB, which is included as Attachment b and the Supplemental Record of Information dated December 14, 2009. 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 alleged 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 (\$)
FRCC	Utilities Commission of New Smyrna Beach	NOC-147	FRCC200800129	FAC-010-1 ⁵	1	Lower	1,500

FAC-010-1

The purpose of Reliability Standard FAC-010-1 is to ensure that SOLs used in the reliable planning of the bulk power system (BPS) are determined based on an established methodology or methodologies.

FAC-010-1 R1 requires a Planning Authority, such as UCNSB, to have a documented SOL Methodology for use in developing SOLs within its Planning Authority Area. This SOL Methodology shall:

- R1.1. Be applicable for developing SOLs used in the planning horizon.
- R1.2. State that SOLs shall not exceed associated Facility Ratings.
- R1.3. Include a description of how to identify the subset of SOLs that qualify as Interconnected Reliability Operating Limits (IROLs).

FAC-010-1 R1 has a "Lower" Violation Risk Factor (VRF).

⁵ At the time the alleged violation was discovered, FAC-010-1 was the enforceable NERC Reliability Standard addressing System Operating Limits Methodology for the Planning Horizon effective as of July 1, 2007. FERC approved FAC-010-2 as of March 20, 2009 and issued a mandatory implementation date of April 29, 2009.

According to the Settlement Agreement, on December 8, 2008, UCNSB self-reported that it failed to document its SOLs and did not document its methodology for determining SOLs. UCNSB's facilities utilized SOLs based on manufacturer ratings, but UCNSB had not documented the SOLs and had not documented its methodology for determining the SOLs. In the Self-Report, UCNSB stated it had not performed the full stability analysis necessary to ensure that SOLs used in the reliable planning of the BPS were determined based on an established methodology.

After FRCC Enforcement verified the facts contained in UCNSB's Self-Report, FRCC confirmed that an alleged violation of FAC-010-1 R1 occurred. FRCC Enforcement determined the violation duration for FAC-010-1 R1 was from July 1, 2008, when the Standard and Requirement became effective and mandatory, until June 12, 2009, when UCNSB completed its Mitigation Plan for the violation.

Regional Entity's Basis for Penalty

FRCC has assessed a penalty of one thousand five hundred dollars (\$1,500) for the referenced alleged violation. In reaching this determination, FRCC considered the following factors:

- (1) The FRCC Enforcement Compliance Staff determined that the alleged violation did not pose a serious or substantial risk to the BPS because:
 - a. UCNSB was using the SOLs based on the manufacturer limits; and
 - b. although it had not documented SOLs properly, UCNSB was operating within the ratings provided by equipment manufacturers.
- (2) the alleged violation constituted UCNSB's first assessed violation of FAC-010-1 R1;
- (3) UCNSB self-reported the violation; and
- (4) UCNSB was cooperative throughout the enforcement process.

After consideration of the above factors, FRCC determined that, in this instance, the penalty amount of one thousand five hundred dollars (\$1,500) is appropriate and bears a reasonable relation to the seriousness and duration of the alleged violation.

Status of Mitigation Plan⁶

UCNSB's Mitigation Plan to address its alleged violation of FAC-010-1 R1 was submitted to FRCC on December 8, 2008⁷ with a proposed completion date of May 15, 2009. The Mitigation Plan was accepted by FRCC on January 16, 2009 and approved by NERC on March 3, 2009. The Mitigation Plan for this alleged violation is designated as MIT-08-1399 and was submitted as non-public information to FERC on March 9, 2009 in accordance with FERC orders. On May 7, 2009,⁸ UCNSB submitted a revised Mitigation Plan and requested an extension of time to complete its Mitigation Plan from the original completion date of May 15, 2009 to June 15, 2009. On May 8, 2009, FRCC accepted the request for an extension to the new completion date.

⁶ See 18 C.F.R. § 39.7(d)(7).

⁷ The Certification of Completion incorrectly states the Mitigation Plan was submitted on December 5, 2008. The Mitigation Plan is dated December 5, 2008 and it was signed on December 8, 2008.

⁸ The Settlement Agreement incorrectly states that UCNSB requested an extension of time to complete its Mitigation Plan on May 8, 2009. The Mitigation Plan extension request included other violations that were addressed in the Omnibus Filing.

UCNSB's Mitigation Plan required it to perform a complete stability analysis, either independently, or as part of a larger study being conducted for all of the Florida Municipal Power Agency (FMPA) members, to ensure that UCNSB's SOLs used in the reliable planning of the BPS are determined based on an established methodology.. The scope necessary for the study was to be determined by February 15, 2009 and the stability analysis was to be completed by June 15, 2009.

UCNSB's consultant performed the statistical analysis and concluded that the use of manufacturer ratings were appropriate. UCNSB adopted the use of manufacturer ratings as its method and incorporated them into its procedures.

UCNSB certified on June 12, 2009 that its Mitigation Plan was completed on June 12, 2009. As evidence of completion of its Mitigation Plan, UCNSB submitted the following:

- (1) *UCNSB-NERC FAC and TPL Standard Compliance_061109.doc* dated June 11, 2009; and
- (2) *FAC-010-1 System Operating Limits Methodology for the Planning Horizon* dated June 11, 2009.

On June 12, 2009, after reviewing UCNSB's submitted evidence, FRCC verified that UCNSB's Mitigation Plan was completed and notified UCNSB by letter on December 21, 2009.

Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed⁹

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 Guidance Order,¹⁰ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on February 10, 2010. The NERC BOTCC approved the Settlement Agreement, including FRCC's imposition of a financial penalty, assessing a penalty of one thousand five hundred dollars (\$1,500) against UCNSB 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 alleged violations at issue.

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

- (1) the alleged violation constituted UCNSB's first assessed violation of FAC-010-1 R1;
- (2) UCNSB is a small municipal utility with 72 MW of generation that represents 0.18% of FRCC's total transmission grid;
- (3) UCNSB self-reported the alleged violation;
- (4) FRCC reported UCNSB was cooperative throughout the enforcement process; and

⁹ See 18 C.F.R. § 39.7(d)(4).

¹⁰ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008).

- (5) FRCC determined that the alleged violation did not pose a serious or substantial risk to the BPS, as discussed above.

Therefore, NERC BOTCC believes that the proposed one thousand five hundred dollar (\$1,500) financial penalty is appropriate and consistent with NERC's goal to ensure reliability of the bulk power system.

Pursuant to Order No. 693, the penalty will be effective upon expiration of the thirty (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.

Attachments Included as Part of the Notice of Penalty

The attachments included as part of this Notice of Penalty are the following documents and material:

- a) UCNSB's Self-Report dated December 8, 2008, included as Attachment a;
- b) Settlement Agreement by and between FRCC and UCNSB executed December 14, 2009, included as Attachment b;
- c) Mitigation Plan designated as MIT-08-1399 submitted December 8, 2008, included as Attachment c;
- d) Revised Mitigation Plan submitted May 7, 2009, which changed the proposed completion date from May 15, 2009 to June 15, 2009 included as Attachment d;
- e) UCNSB's Certification of Completion of the Mitigation Plan dated June 12, 2009 included as Attachment e; and
- f) FRCC's Verification of Completion of the Mitigation Plan dated December 21, 2009, included as Attachment f.

A Form of Notice Suitable for Publication¹¹

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

¹¹ See 18 C.F.R § 39.7(d)(6).

Notices and Communications

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

<p>Gerald W. Cauley* President and Chief Executive Officer David N. Cook* Vice President and General Counsel North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, N.J. 08540-5721 (609) 452-8060 (609) 452-9550 – facsimile gerry.cauley@nerc.net david.cook@nerc.net</p> <p>Tim Beyrle* Director of System Operations & Generation Utilities Commission of New Smyrna Beach P.O. Box 1000 New Smyrna Beach, FL 32170 (386) 424.3160 (386) 423-7103 – facsimile tbeyrle@ucnsb.org</p> <p>Richard Gilbert* Manager of Compliance Enforcement Florida Reliability Coordinating Council, Inc. 1408 N. Westshore Blvd., Suite 1002 Tampa, Florida 33607-4512 (813) 207-7991 (813) 289-5648 – facsimile rgilbert@frcc.com</p> <p>*Persons to be included on the Commission's service list are indicated with an asterisk. NERC requests waiver of the Commission's rules and regulations to permit the inclusion of more than two people on the service list.</p>	<p>Rebecca J. Michael* Assistant General Counsel Holly A. Hawkins* Attorney North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, D.C. 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net holly.hawkins@nerc.net</p> <p>Sarah Rogers* President and Chief Executive Officer Florida Reliability Coordinating Council, Inc. 1408 N. Westshore Blvd., Suite 1002 Tampa, Florida 33607-4512 (813) 289-5644 (813) 289-5646 – facsimile srogers@frcc.com</p> <p>Linda Campbell* VP and Executive Director Standards & Compliance Florida Reliability Coordinating Council, Inc. 1408 N. Westshore Blvd., Suite 1002 Tampa, Florida 33607-4512 (813) 289-5644 (813) 289-5646 – facsimile lcampbell@frcc.com</p> <p>Barry Pagel* Director of Compliance Florida Reliability Coordinating Council, Inc. 1408 N. Westshore Blvd., Suite 1002 Tampa, Florida 33607-4512 (813) 207-7968 (813) 289-5648 – facsimile bpagel@frcc.com</p>
--	--

Conclusion

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

Respectfully submitted,

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

/s/ Rebecca J. Michael
Rebecca J. Michael
Assistant General Counsel
Holly A. Hawkins
Attorney
North American Electric Reliability
Corporation
1120 G Street, N.W.
Suite 990
Washington, D.C. 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net
holly.hawkins@nerc.net

cc: Utilities Commission of New Smyrna Beach
Florida Reliability Coordinating Council, Inc.

Attachments

Attachment a

UCNSB's Self-Report dated December 8, 2008

FRCC Compliance Self Reporting Form

Registered Entity Utilities Commission, City of New Smyrna Beach

Date of Violation: Month 12 Day 08 Year 2008

Time of Violation _____

(As appropriate, based upon the time frame associated with the reliability standard)

For EACH violation, please provide the following:

1. The Reliability Standard and requirement violated.
FAC-010
2. Violation Severity Level.
3. The specifics of the violation and the reliability impact of the violation to the bulk power system. NSB has not performed the full stability analysis necessary to ensure that SOLs used in the reliable planning of the BES are determined based on an established methodology. No expected reliability impact on the BES.
4. Company contact persons name, title, and contact number(s).
Tim Beyrle
Director of System Operations and Generation
386-424-3160
5. Describe any confidentiality issues.
N/A
6. Actions taken or to be taken (include timetable) to ensure violation is corrected.
Attach completed Mitigation Plan if appropriate.
Determine scope necessary for RW Beck study by 1/15/09, complete stability analysis by 3/15/09. Mitigation Plan attached.

Additional Comments: ☒ Comments attached. (Mitigation Plan)

Submitted by: Tim Beyrle

Title: Director of System Operations and Generation

Please send your completed form to compliance@frcc.com

Attachment b

**Settlement Agreement by and between FRCC and
UCNSB executed December 14, 2009**



FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
1408 N. WESTSHORE BLVD., SUITE 1002
TAMPA, FLORIDA 33607-4512
PHONE 813.289.5644 • FAX 813.289.5646
WWW.FRCC.COM

**SETTLEMENT AGREEMENT
OF
FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
AND
UTILITIES COMMISSION, CITY OF NEW SMYRNA BEACH**

NERC Registry ID #: NCR00052

I. Introduction

1. Florida Reliability Coordinating Council, Inc. ("FRCC") and Utilities Commission, City of New Smyrna Beach ("UCNSB") enter into this Settlement Agreement ("Agreement") to resolve all outstanding issues arising from a preliminary and non-public assessment resulting in FRCC determination and findings, pursuant to the North American Electric Reliability Corporation ("NERC") Rules of Procedure, of violation by UCNSB of the following NERC Reliability Standard, FAC-010-1.

II. Stipulation

2. The facts stipulated herein are stipulated solely for the purpose of resolving between UCNSB and FRCC the matters discussed herein and do not constitute stipulations or admissions for any other purpose. UCNSB and FRCC hereby stipulate and agree to the following:

Background

3. UCNSB is a municipal utility that serves approximately 24,000 electric customers, engaged in operation in New Smyrna Beach, Florida. UCNSB owns approximately 12 miles of bulk electric system 115 kV transmission lines which represents approximately 0.18% (point 18 percent) of the FRCC regional transmission grid. UCNSB owns and operates 72 MW of generation. UCNSB is currently registered on the NERC Compliance Registry (NCR00052) with the following designated functions: Balancing Authority, Distribution Provider, Interchange Authority, Load Serving Entity, Planning Authority, Purchasing

Selling Entity, Resource Planner, Transmission Operator and Transmission Owner.

4. UCNSB generates, distributes and sells energy services. UCNSB maintains transmission and distribution services to provide a reliable source of energy.
5. UCNSB self-reported a violation of FAC-010-1 Requirement 1 to FRCC on December 8, 2008. FRCC Compliance Staff confirmed that UCNSB was listed on the NERC Compliance Registry as a Planning Authority, among other things as noted above. As a Planning Authority, UCNSB was subject to the requirements of FAC-010-1 Requirement 1.

Alleged Violation

FAC-010-1 — System Operating Limits Methodology for the Planning Horizon

Requirement 1

R1 states: “The Planning Authority shall have a documented SOL (System Operating Limit) Methodology for use in developing SOLs within its Planning Authority Area. This SOL Methodology shall:

R1.1. Be applicable for developing SOLs used in the planning horizon.

R1.2. State that SOLs shall not exceed associated Facility Ratings.

R1.3. Include a description of how to identify the subset of SOLs that qualify as IROLs.”

6. While UCNSB’s facilities had System Operating Limits (SOLs) based on manufacturer ratings, UCNSB had not documented the SOLs and had not documented its methodology for determining SOLs. With respect to FAC-010-1 R1, UCNSB self-reported that it had not performed the full stability analysis necessary to ensure that SOLs used in the reliable planning of the bulk power system are determined based on an established methodology.
7. *Duration of Violation:* FRCC Compliance Enforcement Staff determined the duration of the violation for FAC-010-1 Requirement 1 was from July 1, 2008 (date the Standard and Requirement became effective and mandatory / enforceable) to June 12, 2009 (date UCNSB completed the Mitigation Plan for this violation).
8. *VRF:* R1 has a “Lower” Violation Risk Factor (VRF).
9. *Impact to the Bulk Electric System:* The FRCC Enforcement Compliance Staff determined that the impact of the violation of R1 to be a violation that did not constitute a serious or substantial risk to the bulk power system because: (i) UCNSB was using the manufacturer limits; and (ii) although it had not documented them properly, UCNSB was operating within the ratings provided

by equipment manufacturers.

III. PARTIES' SEPARATE REPRESENTATIONS

STATEMENT OF FLORIDA RELIABILITY COORDINATING COUNCIL AND SUMMARY OF FINDINGS

10. UCNSB was registered as a Planning Authority during the period from July 1, 2008 through to June 12, 2009, and was subject to the requirements of FAC-010-1 R1.
11. Based on the evidence ultimately provided by UCNSB, FRCC determined that there was a possible violation of FAC-010-1 R1.
12. FRCC agrees that this Settlement Agreement is in the best interest of the Parties and in the best interest of bulk power system reliability.

STATEMENT OF UTILITIES COMMISSION, CITY OF NEW SMYRNA BEACH

13. UCNSB neither admits nor denies that the facts set forth and agreed to by the parties for purposes of this Agreement constitute a possible violation of FAC-010-1.
14. UCNSB has agreed to enter into this Settlement Agreement with FRCC to avoid extended litigation with respect to the matters described or referred to herein, to avoid uncertainty, and to effectuate a complete and final resolution of the issues set forth herein. UCNSB agrees that this agreement is in the best interest of the parties and in the best interest of maintaining a reliable electric infrastructure.

IV. MITIGATING ACTIONS, REMEDIES AND SANCTIONS

15. FAC-010-1 R1: UCNSB submitted to the FRCC a Mitigation Plan on December 8, 2008. UCNSB's Mitigation Plan included hiring a consultant to perform a complete stability analysis to ensure that UCNSB's SOLs used in the reliable planning of the bulk power system are determined based on an established methodology. On May 8, 2009, UCNSB requested an extension of time to complete its Mitigation Plan from the original completion date of May 15, 2009 to June 15, 2009. FRCC approved the requested extension of time. UCNSB certified completion of its Mitigation Plan on June 12, 2009. FRCC reviewed the following evidence submitted by UCNSB to determine completion: (i) the document 'UCNSB-NERC FAC and TPL Standard Compliance_061109.doc' dated June 11, 2009; and (ii) UCNSB's document 'FAC-010-1 System Operating Limits Methodology for the Planning Horizon' dated June 11, 2009. FRCC verified UCNSB completed its Mitigation Plan on June 12, 2009. Specifically, UCNSB's consultant performed the statistical analysis and concluded that the

use of manufacturer ratings were appropriate. UCNSB adopted the use of manufacturer ratings as its method and incorporated them into its procedures.

16. For purposes of settling any and all disputes arising from FRCC Compliance Staff's assessment into the matters Self-Reported by UCNSB, FRCC and UCNSB agree that on and after the effective date of this Agreement, UCNSB shall take the following action:
 - i. UCNSB shall pay a monetary penalty of **\$1,500.00** (fifteen hundred dollars) to FRCC; via wire transfer to a FRCC account that will be outlined in an invoice sent to UCNSB within 20 (twenty) days after the Agreement is either approved by the Federal Energy Regulatory Commission or by operation of law. FRCC shall notify NERC if the payment is not received.
17. As discussed above, FRCC concluded that UCNSB violation did not pose a serious or substantial risk to Bulk Electric System reliability. FRCC determined this penalty was appropriate taking into account the nature of the violation, the possible violation did not pose a serious or substantial risk to the bulk power system as discussed above, and UCNSB's willingness to cooperate by providing timely information to the FRCC Compliance Staff as requested.
18. Failure to make a timely penalty payment or to comply with any of the terms and conditions agreed to herein, or any other conditions of this Settlement Agreement, shall be deemed to be either the same alleged violation that initiated this Settlement and/or additional violation(s) and may subject UCNSB to new or additional enforcement, penalty or sanction actions in accordance with the NERC Rules of Procedure. However, FRCC shall retain all rights to defend against such additional enforcement actions in accordance with NERC Rules of Procedure.
19. If UCNSB does not make the monetary penalty payment above at the times agreed by the parties, interest payable to FRCC will begin to accrue pursuant to the Commission's regulations at 18 C.F.R. § 35.19(a)(2)(iii) from the date that payment is due, in addition to the penalty specified above.

V. ADDITIONAL TERMS

20. UCNSB consents to the use of FRCC'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 UCNSB 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 FRCC, nor does UCNSB consent to the use of this Agreement by any other party in any other action or proceeding.

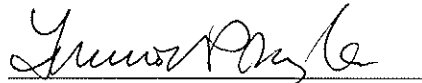
21. The signatories to the Agreement agree that they enter into the Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent or representative of FRCC or UCNSB has been made to induce the signatories or any other party to enter into the Agreement.
22. The FRCC shall report the terms of all settlements of compliance matters to NERC. NERC will review the settlement for the purpose of evaluating its consistency with other settlements entered into for similar violation or under other, similar circumstances. Based on this review, NERC will either approve the settlement or reject the settlement. If NERC rejects the settlement, NERC will provide specific written reasons for such rejection and the FRCC will attempt to negotiate a revised settlement agreement with the UCNSB including any changes to the settlement specified by NERC. If a settlement cannot be reached, the enforcement process shall continue to conclusion. If NERC approves the settlement, NERC will (i) report the approved settlement to the Commission for the Commission's review and approval by order or operation of law and (ii) publicly post the alleged violation and the terms provided for in the settlement.
23. This Agreement shall become effective upon the Commission's approval of the Agreement by order or operation of law as submitted to it or as modified in a manner acceptable to the parties.
24. UCNSB agrees that this Agreement, when approved by NERC and the Commission, shall represent a final settlement of all matters set forth herein and UCNSB waives its right to further hearings and appeal, unless and only to the extent that UCNSB contends that any NERC or Commission action on the Agreement contains one or more material modifications to the Agreement. FRCC reserves all rights to initiate enforcement, penalty or sanction actions against UCNSB in accordance with the NERC Rules of Procedure in the event that UCNSB fails to comply with the mitigation plan and compliance program agreed to in this Agreement. In the event UCNSB fails to comply with any of the stipulations, remedies, sanctions or additional terms, as set forth in this Agreement, FRCC will initiate enforcement, penalty, or sanction actions against UCNSB to the maximum extent allowed by the NERC Rules of Procedure, up to the maximum statutorily allowed penalty. UCNSB shall retain all rights to defend against such enforcement actions, also according to the NERC Rules of Procedure.
25. Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to bind such entity and accepts the Agreement on the entity's behalf.

26. 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 Agreement.
27. The Agreement may be signed in counterparts.
28. This Agreement is executed in duplicate, each of which so executed shall be deemed to be an original.

Agreed to and accepted:


Linda D. Campbell
VP and Executive Director Standards &
Compliance
Florida Reliability Coordinating Council, Inc.

12/14/09
Date


Timothy P. Beyrle
Director of System Operations & Generation
Utilities Commission, City of New Smyrna Beach

12 /14/2009
Date

Attachment c

**Mitigation Plan designated as MIT-08-1399
submitted December 8, 2008**



Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/5/08

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Attachment A - Compliance Notices & Mitigation Plan Requirements" to this form.
- A.2 ☒ I have reviewed Attachment A and understand that this Mitigation Plan Submittal Form will not be accepted unless this box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Company Name: Utilities Commission, City of New Smyrna Beach
Company Address: P.O. Box 100, New Smyrna Beach, Florida 32170
NERC Compliance Registry ID: NCR00052

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan.

Name: Tim Beyrle
Title: Director of System Operations & Generation
Email: tbeyrle@ucnsb.org
Phone: (386) 424-3160

Section C: Identification of Alleged or Confirmed Violation(s) Associated with this Mitigation Plan

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



Applicable Standard, Requirement(s) and dates:

NERC Violation ID #	Reliability Standard	Requirement Number	Violation Risk Factor	Alleged or Confirmed Violation Date ^(*)	Method of Detection (e.g., Audit, Self-report, Investigation)
N/A	FAC-010-1	R1		12/8/08	Self Report

(*) Note: The Alleged or Confirmed Violation Date shall be expressly specified by Registered Entity, and subject to modification by the FRCC, as: (i) the date the Alleged or Confirmed violation occurred; (ii) the date that the Alleged or Confirmed violation was self-reported; or (iii) the date that the Alleged or Confirmed violation has been deemed to have occurred on by the FRCC. Questions regarding the date to use should be directed to the FRCC contact identified in Section G of this form.

- C.2 Identify the cause of the Alleged or Confirmed violation(s) identified above. Additional detailed information may be provided as an attachment: NSB has not performed the full stability analysis necessary to ensure that SOLs used in the reliable planning of the BES are determined based on an established methodology.
- C.3 Provide any additional relevant information regarding the Alleged or Confirmed violations associated with this Mitigation Plan. Additional detailed information may be provided as an attachment:

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the Alleged or Confirmed violations identified above in Part C.1 of this form. Additional detailed information may be provided as an attachment:



NSB is currently in discussions with RW Beck to perform a complete stability analysis either independently, or as part of a larger study being conducted for all of the Florida Municipal Power Agency (FMPA) members.

Mitigation Plan Timeline and Milestones

D.2 Provide the date by which full implementation of the Mitigation Plan will be, or has been, completed with respect to the Alleged or Confirmed violations identified above. State whether the Mitigation Plan has been fully implemented:

D.3 Enter Milestone Activities, with due dates, that your organization is proposing, or has completed, for this Mitigation Plan:

Milestone Activity	Proposed/Actual Completion Date* (shall not be more than 3 months apart)
Determine scope necessary for RW Beck study	2/15/09
Complete stability analysis	5/15/09

(*) Note: Implementation milestones no more than three (3) months apart are permissible only for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.



Section E: Interim and Future Reliability Risk

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing this Mitigation Plan the reliability of the Bulk Power System (BPS) 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 to mitigate this increased risk to the reliability of the BPS. Additional detailed information may be provided as an attachment:

No expected impact to the reliability of the BPS

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of this Mitigation Plan will prevent or minimize the probability that your organization incurs further risk or Alleged violations of the same or similar reliability standards requirements in the future. Additional detailed information may be provided as an attachment:

The studies undertaken by FMPA for the All Requirements Participants (ARP) include data that is relevant to the NSB system. As such, we feel it would be a more productive solution to be included in any studies they perform, and eliminate duplication of services.



Section F: Authorization

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

- a) Submits this Mitigation Plan for acceptance by the FRCC and approval by NERC, and
- b) If applicable, certifies that this Mitigation Plan was completed on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
 - 1. I am Director of System Operations and Generation of Utilities Commission, City of New Smyrna Beach.
 - 2. I am qualified to sign this Mitigation Plan on behalf of Utilities Commission, City of New Smyrna Beach.
 - 3. I understand Utilities Commission, City of New Smyrna Beach's obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).
 - 3. I have read and am familiar with the contents of this Mitigation Plan.
 - 4. Utilities Commission, City of New Smyrna Beach agrees to comply with, this Mitigation Plan, including the timetable completion date, as accepted by the FRCC and approved by NERC.

Authorized Individual Signature

A handwritten signature in black ink, which appears to read "Tim Beyrle", is written over a horizontal line.

Name (Print): Tim Beyrle

Title: Director of System Operations and Generation

Date: 12/8/08



Section G: Regional Entity Contact

Please direct any questions regarding completion of this form to:

Madeline Alba, FRCC Compliance Program Administrator
813-207-7965
malba@frcc.com



Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the CMEP¹ sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
- (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.
 - (2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.
 - (3) The cause of the Alleged or Confirmed Violation(s).
 - (4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).
 - (5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).
 - (6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.
 - (7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.
 - (8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.
 - (9) Any other information deemed necessary or appropriate.
 - (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self-Certification or Self Reporting submittals.
- II. This submittal form must be used to provide a required Mitigation Plan for review and acceptance by the FRCC and approval by NERC.
- III. This Mitigation Plan is submitted to the FRCC and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.

¹ "Uniform Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation;" a copy of the current version approved by the Federal Energy Regulatory Commission is posted on NERC's website.



- IV. This Mitigation Plan Submittal 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.
- V. If the Mitigation Plan is accepted by the FRCC and approved by NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. The FRCC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- VII. Remedial action directives also may be issued as necessary to ensure reliability of the BPS.

Attachment d

**Revised Mitigation Plan submitted May 7, 2009,
which changed the proposed completion date from
May 15, 2009 to June 15, 2009**

UTILITIES COMMISSION

CITY OF NEW SMYRNA BEACH
ELECTRIC, WATER, POLLUTION CONTROL

Post Office Box 100 – 200 Canal Street
New Smyrna Beach, Florida 32170-0100
(386) 427-1361



May 7, 2009

Barry G. Pagel
Manager of Compliance
Florida Reliability Coordinating Council, Inc.
1408 N. Westshore Blvd., Suite 1002
Tampa, FL 33607-4512

RE: Request for extension of milestones in existing Mitigation Plans

Dear Mr. Pagel:

The Utilities Commission, City of New Smyrna Beach is requesting an extension of the final milestone for Mitigation Plans for the following standards:

TPL-001-0 R1 (FRCC Tracking Number NSB_2007_19)
TPL-002-0 R1 (FRCC Tracking Number NSB_2007_20)
TPL-003-0 R1 (FRCC Tracking Number NSB_2007_21)
TPL-004-0 R1 (FRCC Tracking Number NSB_2007_22)
FAC-010-1 R1 (FRCC Tracking Number NSB_2008_1)

The date of expected completion outlined in the Mitigation Plans was May 15, 2009, based on the timeline of our consultant, R.W. Beck, to complete their stability analysis. Due to required coordination efforts with adjacent Transmission Operators (PEF and FPL), and data requests to those TOPs, R.W. Beck has requested an additional 30 days to provide a completed stability analysis to demonstrate compliance with those standards.

I am including revised Mitigation Plans for these standards. Please let me know if there is additional information I can provide as part of this request. Thank you for your consideration in this matter.

Sincerely,

Timothy P. Beyrle
Director of System Operations and Generation



Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 05/07/2009

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Attachment A - Compliance Notices & Mitigation Plan Requirements" to this form.
- A.2 ☒ I have reviewed Attachment A and understand that this Mitigation Plan Submittal Form will not be accepted unless this box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Company Name: Utilities Commission, City of New Smyrna Beach
Company Address: P.O. Box 100, New Smyrna Beach, Florida 32170
NERC Compliance Registry ID: NCR00052

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan.

Name: Tim Beyrle
Title: Director of System Operations & Generation
Email: tbeyrle@ucnsb.org
Phone: (386) 424-3160

Section C: Identification of Alleged or Confirmed Violation(s) Associated with this Mitigation Plan

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



Applicable Standard, Requirement(s) and dates:

NERC Violation ID #	Reliability Standard	Requirement Number	Violation Risk Factor	Alleged or Confirmed Violation Date ^(*)	Method of Detection (e.g., Audit, Self-report, Investigation)
N/A	FAC-010-1	R1		12/8/08	Self Report

(*) Note: The Alleged or Confirmed Violation Date shall be expressly specified by Registered Entity, and subject to modification by the FRCC, as: (i) the date the Alleged or Confirmed violation occurred; (ii) the date that the Alleged or Confirmed violation was self-reported; or (iii) the date that the Alleged or Confirmed violation has been deemed to have occurred on by the FRCC. Questions regarding the date to use should be directed to the FRCC contact identified in Section G of this form.

- C.2 Identify the cause of the Alleged or Confirmed violation(s) identified above. Additional detailed information may be provided as an attachment: NSB has not performed the full stability analysis necessary to ensure that SOLs used in the reliable planning of the BES are determined based on an established methodology.
- C.3 Provide any additional relevant information regarding the Alleged or Confirmed violations associated with this Mitigation Plan. Additional detailed information may be provided as an attachment:

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the Alleged or Confirmed violations identified above in Part C.1 of this form. Additional detailed information may be provided as an attachment:
- NSB is currently in discussions with RW Beck to perform a complete stability analysis either independently, or as part of a larger study being conducted for all of the Florida Municipal Power Agency (FMPA) members.



Mitigation Plan Timeline and Milestones

- D.2 Provide the date by which full implementation of the Mitigation Plan will be, or has been, completed with respect to the Alleged or Confirmed violations identified above. State whether the Mitigation Plan has been fully implemented: **6/15/09**
- D.3 Enter Milestone Activities, with due dates, that your organization is proposing, or has completed, for this Mitigation Plan:

Milestone Activity	Proposed/Actual Completion Date* (shall not be more than 3 months apart)
Determine scope necessary for RW Beck study	2/15/09
Complete stability analysis	6/15/09

(*) Note: Implementation milestones no more than three (3) months apart are permissible only for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.



Section E: Interim and Future Reliability Risk

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing this Mitigation Plan the reliability of the Bulk Power System (BPS) 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 to mitigate this increased risk to the reliability of the BPS. Additional detailed information may be provided as an attachment:

No expected impact to the reliability of the BPS

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of this Mitigation Plan will prevent or minimize the probability that your organization incurs further risk or Alleged violations of the same or similar reliability standards requirements in the future. Additional detailed information may be provided as an attachment:

The studies undertaken by FMPA for the All Requirements Participants (ARP) include data that is relevant to the NSB system. As such, we feel it would be a more productive solution to be included in any studies they perform, and eliminate duplication of services.



Section F: Authorization

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

- a) Submits this Mitigation Plan for acceptance by the FRCC and approval by NERC, and
- b) If applicable, certifies that this Mitigation Plan was completed on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
 - 1. I am Director of System Operations and Generation of Utilities Commission, City of New Smyrna Beach.
 - 2. I am qualified to sign this Mitigation Plan on behalf of Utilities Commission, City of New Smyrna Beach.
 - 3. I understand Utilities Commission, City of New Smyrna Beach's obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).
 - 3. I have read and am familiar with the contents of this Mitigation Plan.
 - 4. Utilities Commission, City of New Smyrna Beach agrees to comply with, this Mitigation Plan, including the timetable completion date, as accepted by the FRCC and approved by NERC.

Authorized Individual Signature

Name (Print): Tim Beyrle

Title: Director of System Operations and Generation

Date: 5/7/2009



Section G: Regional Entity Contact

Please direct any questions regarding completion of this form to:

Madeline Alba, FRCC Compliance Program Administrator
813-207-7965
malba@frcc.com



Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the CMEP¹ sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
- (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.
 - (2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.
 - (3) The cause of the Alleged or Confirmed Violation(s).
 - (4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).
 - (5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).
 - (6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.
 - (7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.
 - (8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.
 - (9) Any other information deemed necessary or appropriate.
 - (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self-Certification or Self Reporting submittals.
- II. This submittal form must be used to provide a required Mitigation Plan for review and acceptance by the FRCC and approval by NERC.
- III. This Mitigation Plan is submitted to the FRCC and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.

¹ "Uniform Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation;" a copy of the current version approved by the Federal Energy Regulatory Commission is posted on NERC's website.



- IV. This Mitigation Plan Submittal 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.
- V. If the Mitigation Plan is accepted by the FRCC and approved by NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. The FRCC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- VII. Remedial action directives also may be issued as necessary to ensure reliability of the BPS.

Attachment e

UCNSB's Certification of Completion of the Mitigation Plan dated June 12, 2009



FRCC Mitigation Plan Completion Form

Certification of a Completed Mitigation Plan

All Mitigation Plan Completion Certification submittals shall include data or information sufficient for FRCC to verify completion of the Mitigation Plan. FRCC 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: Utilities Commission, City of New Smyrna Beach
Company Address: P.O. Box 100, New Smyrna Beach, FL 32170
NERC Compliance Registry ID: NCR00052

Date Original Mitigation Plan was submitted to FRCC: 12/5/2008

Date Mitigation Plan was completed: 6/12/2009

Name of Standard and the Requirement(s) covered under the accepted Mitigation Plan: [FAC-010-1 R1](#)

NERC Violation ID # (if known): FRCC200800129

Date of Certification: [6/12/2009](#)

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 information is complete and correct to the best of my knowledge.

Name: Tim Beyrle

Title: [Director of System Operations & Generation](#)

Email: tbeyrle@ucnsb.org

Phone: (386) 424-3160

Authorized Individual Signature

To close out a completed Mitigation Plan, fill out this form, save and email it to compliancemanager@frcc.com.

Attachment f

FRCC's Verification of Completion of the Mitigation Plan dated December 21, 2009



FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
1408 N. WESTSHORE BLVD., SUITE 1002
TAMPA, FLORIDA 33607-4512
PHONE 813.289.5644 • FAX 813.289.5646
WWW.FRCC.COM

VIA EMAIL

December 21, 2009

Mr. Tim Beyrle
Director of System Operations and Generation
Utilities Commission, City of New Smyrna Beach
P.O. Box 100
New Smyrna Beach, FL. 32170

Re: NSB - Mitigation Plan – Completion:
FAC-010-1 R1 – FRCC200800129

Dear Mr. Beyrle,

The Florida Reliability Coordinating Council, Inc. (FRCC) compliance staff has performed a review of the evidence of completion for the submitted mitigation plan for The City of New Smyrna Beach (NSB) regarding the standard listed above and after review, the FRCC finds this mitigation plan to be **completed**. The FRCC will notify the North American Electric Reliability Corporation (NERC) that NSB has completed its mitigation plan.

If you have any questions you may reach me at 813-207-7968.

Respectfully,

Barry Pagel
FRCC Manager of Compliance
bpagel@frcc.com

BP: gw

Attachment g

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Utilities Commission of New Smyrna Beach

Docket No. NP10-____-000

NOTICE OF FILING
March 31, 2010

Take notice that on March 31, 2010, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Utilities Commission of New Smyrna Beach in the Florida Reliability Coordinating Council, Inc. region.

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

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

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

Comment Date: [BLANK]

Kimberly D. Bose,
Secretary