

January 31, 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 Silicon Valley Power,  
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 Silicon Valley Power (SNCL), NERC Registry ID# NCR05392,<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>

SNCL, a municipal utility, is the Electric Utility Department of the City of Santa Clara, California. SNCL operates about 479 miles of overhead and underground distribution and sub-transmission lines within the City of Santa Clara, serving approximately 51,000 customers with a peak load of about 490 MW and 2,800,000 kWh of energy sales. SNCL owns approximately four miles of 230 kV transmission lines and approximately one-quarter mile of 115 kV transmission lines.

<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 SNCL was included on the NERC Compliance Registry as a Distribution Provider (DP), Generator Operator (GOP), Generator Owner (GO), Load Serving Entity (LSE) and Purchase-Selling Entity (PSE) on June 17, 2007 and as a Transmission Operator (TOP) and Transmission Owner (TO) on May 27, 2011. As a TOP, SNCL is subject to the requirements of NERC Reliability Standards EOP-001-0 R3 and R5, EOP-005-1 R1 through R7, EOP-008-0 R1, PER-002-0 R1 through R3, PER-003-0 R1 and PRC-023-1 R1. As a TO, SNCL is subject to the requirements of NERC Reliability Standard FAC-001-0 R1 and R2.

<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 SNCL have entered into a Settlement Agreement to resolve all outstanding issues arising from WECC's determination and findings of the violations<sup>4</sup> of EOP-001-0 R3 and R5, <sup>5</sup> EOP-005-1 R1 through R7, EOP-008-0 R1, FAC-001-0 R1 and R2, PER-002-0 R1 through R3, PER-003-0 R1 and PRC-023-1 R1.<sup>6</sup> According to the Settlement Agreement, SNCL agrees and stipulates to the violations, and has agreed to the assessed penalty of one hundred fifty thousand dollars (\$150,000), in addition to other remedies and actions to mitigate the instant violations and facilitate future compliance under the terms and conditions of the Settlement Agreement.<sup>7</sup> Accordingly, the violations identified as NERC Violation Tracking Identification Numbers WECC2012009255, WECC2012009246, WECC2012009247, WECC2012009248, WECC2012009249, WECC2012009250, WECC2012009251, WECC2012009252, WECC2012009253, WECC2012009254, WECC2012009256, WECC2012009257, WECC201102838, WECC201102839, WECC201102849, WECC201102848 and WECC2012009262 are being filed in accordance with the NERC Rules of Procedure and the CMEP.

### Statement of Findings Underlying the Violations

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement executed on September 11, 2012, by and between WECC and SNCL, 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 (2012), NERC provides the following

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<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.

<sup>5</sup> At the time of SNCL's violations, Reliability Standard EOP-001-0 was effective through December 14, 2011. From December 15, 2011 through September 12, 2012, EOP-001-0b was the effective version of the Standard. As of September 13, 2012, the current version of the Standard is EOP-001-0.1b. The subsequent interpretations and errata do not change the meaning or language of the original NERC Reliability Standard and its requirements. For consistency in this filing, EOP-001-0 will be used throughout.

<sup>6</sup> Page 1 of the Settlement Agreement lists a violation of EOP-008-1, page 14 lists a violation of FAC-001-1, and page 22 lists a violation of PRC-023-0.

<sup>7</sup> On May 6, 2011, WECC notified SNCL that it owns certain transmission facilities meeting NERC criteria for Transmission Owner (TO) and Transmission Operator (TOP) registration, which were not covered under SNCL's registrations at that time. Accordingly, WECC requested SNCL to self-register for the TO and TOP functions on or before May 27, 2011. On May 26, 2011, SNCL responded to WECC's request and proposed to revise its NERC and WECC compliance registration to add the TO and TOP functions to its existing registration. On June 6, 2011, NERC issued a Notice of Listing of Current Status in NERC Compliance Registry to SNCL, providing notice to SNCL that its registration as a TO and TOP was effective May 27, 2011.

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
Western Electricity Coordinating Council	Silicon Valley Power	NOC-1647	WECC2012009255	EOP-001-0	R3	Medium	\$150,000
			WECC2012009246		R5	Medium	
			WECC2012009247	EOP-005-1	R1	Medium	
			WECC2012009248		R2	Medium	
			WECC2012009249		R3	Medium	
			WECC2012009250		R4	Medium	
			WECC2012009251		R5	Medium	
			WECC2012009252		R6	High	
			WECC2012009253		R7	High	
			WECC2012009254	EOP-008-0	R1	High	
			WECC2012009256	FAC-001-0	R1	Medium	
			WECC2012009257		R2	Medium	
			WECC201102838	PER-002-0	R1	High	
			WECC201102839		R2	High	
			WECC201102849		R3	High	
			WECC201102848	PER-003-0	R1	High	
			WECC2012009262	PRC-023-1	R1	High	

EOP-001-0 R3 (WECC2012009255)

The purpose statement of Reliability Standard EOP-001-0 provides: “Each Transmission Operator and Balancing Authority needs to develop, maintain, and implement a set of plans to mitigate operating emergencies. These plans need to be coordinated with other Transmission Operators and Balancing Authorities, and the Reliability Coordinator.”

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EOP-001-0 R3 provides:

R3. Each Transmission Operator and Balancing Authority shall:

R3.1. Develop, maintain, and implement a set of plans to mitigate operating emergencies for insufficient generating capacity.

R3.2. Develop, maintain, and implement a set of plans to mitigate operating emergencies on the transmission system.

R3.3. Develop, maintain, and implement a set of plans for load shedding.

R3.4. Develop, maintain, and implement a set of plans for system restoration.

EOP-001-0 R3 has a “Medium” Violation Risk Factor (VRF) and a “Severe” Violation Severity Level (VSL). The subject violation applies to SNCL’s Transmission Operator (TOP) function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-001-0 R3. On January 25, 2012, SNCL also submitted a Self-Report addressing its noncompliance with EOP-001-0 R3, as well as responses to subsequent supplemental data requests. Although SNCL self-reported this violation, because SNCL submitted its Self-Report five days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC determined that SNCL had a violation of EOP-001-0 R3 because of its failure to develop, maintain and implement a set of plans to mitigate operating emergencies for insufficient generating capacity, transmission system emergencies, load shedding and system restoration.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through October 15, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the bulk power system (BPS) because SNCL is a party to a Metered Subsystem Agreement (MSS Agreement) with the California Independent System Operator Corporation (CAISO) that provides procedures to mitigate operating emergencies for insufficient generating capacity and load shedding.

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EOP-001-0 R5 (WECC2012009246)

EOP-001-0 R5 provides: “Each Transmission Operator and Balancing Authority shall include the applicable elements in Attachment 1-EOP-001-0 when developing an emergency plan.”

EOP-001-0 R5 has a “Medium” VRF and a “Severe” VSL. The subject violation applies to SNCL’s TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-001-0 R5. On January 25, 2012, SNCL also submitted a Self-Report addressing its noncompliance with EOP-001-0 R5, as well as responses to subsequent supplemental data requests. Although SNCL self-reported this violation, because SNCL submitted its Self-Report six days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC determined that SNCL had a violation of EOP-001-0 R5 because SNCL did not have a set of plans to mitigate operating emergencies which included the fifteen applicable elements in Attachment 1-EOP-001-0 of the Standard.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through October 15, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a moderate risk to the reliability of the BPS, but did not pose a serious or substantial risk. Specifically, SNCL’s failure to have a set of plans meeting the requirements of the Standard may delay restoration of SNCL's load and generation in operating emergency situations. However, SNCL has an Electric Emergency Load Curtailment Plant and is a party to the MSS Agreement with CAISO, described above. These documents address certain operating emergencies and load-shedding.

EOP-005-1 R1 (WECC2012009247)

The purpose statement of Reliability Standard EOP-005-1 provides: “To ensure plans, procedures, and resources are available to restore the electric system to a normal condition in the event of a partial or total shut down of the system.”

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EOP-005-1 R1 provides:

R1. Each Transmission Operator shall have a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system, including necessary operating instructions and procedures to cover emergency conditions, and the loss of vital telecommunications channels. Each Transmission Operator shall include the applicable elements listed in Attachment 1-EOP-005 in developing a restoration plan.

EOP-005-1 R1 has a “Medium” VRF and a “Severe” VSL. The subject violation applies to SNCL’s TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-005-1 R1. On January 25, 2012,<sup>8</sup> SNCL also submitted a Self-Report, as well as information responsive to a data request, addressing its noncompliance with EOP-005-1 R1. Although SNCL self-reported this violation, because SNCL submitted its Self-Report five days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC reviewed SNCL’s MMS Agreement with the CAISO, which contains provisions for load restoration after a major system disturbance has occurred which could result in underfrequency load shedding in California. However, WECC determined that SNCL failed to have a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system, including necessary operating instructions and procedures to cover emergency conditions and the loss of vital telecommunications channels.

WECC determined that SNCL had a violation of EOP-005-1 R1 because it failed to have a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through September 21, 2012, when SNCL completed its Mitigation Plan.

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<sup>8</sup> Page 6 of the Settlement Agreement states that the Self-Reports for EOP-005-1 R1 through R7 were submitted on January 24, 2012.

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WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because the MSS Agreement referenced above contains load restoration procedures for instances when SNCL customers are impacted by the reliability of the CAISO-controlled grid, minimizing the risk to SNCL's customers in the event of a partial or total shutdown of the system. Furthermore, the MSS Agreement between SNCL and CAISO and the Interconnection Agreement between SNCL and Pacific Gas and Electric Company (PG&E) (SVP-PG&E Interconnection Agreement<sup>9</sup>) contain provisions to coordinate restoration with the CAISO, its Balancing Authority (BA), and PG&E, its neighboring Transmission Owner (TO).

EOP-005-1 R2 (WECC2012009248)

EOP-005-1 R2 provides: "Each Transmission Operator shall review and update its restoration plan at least annually and whenever it makes changes in the power system network, and shall correct deficiencies found during the simulated restoration exercises."

EOP-005-1 R2 has a "Medium" VRF and a "Severe" VSL. The subject violation applies to SNCL's TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-005-1 R2. On January 25, 2012, SNCL also submitted a Self-Report, as well as information responsive to a data request, addressing its noncompliance with EOP-005-1 R2. Although SNCL self-reported this violation, because SNCL submitted its Self-Report five days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC determined that SNCL had a violation of EOP-005-1 R2 because SNCL did not have a documented restoration plan, as required by R1, and therefore could not provide evidence that it had reviewed and updated its restoration plan at least annually, as required by R2.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through September 21, 2012, when SNCL completed its Mitigation Plan.

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<sup>9</sup> SNCL often refers to itself as SVP; therefore the agreement does not use the technically correct SNCL acronym.

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WECC determined that this violation posed a minimal and not serious or substantial risk to the reliability of the BPS because the MSS Agreement referenced above contains load restoration procedures for instances when SNCL customers are impacted by the reliability of the CAISO-controlled grid, minimizing the risk to SNCL's customers in the event of a partial or total shutdown of the system. Furthermore, the MSS Agreement between SNCL and CAISO and the SVP-PG&E Interconnection Agreement contain provisions to coordinate restoration with CAISO and PG&E.

EOP-005-1 R3 (WECC2012009249)

EOP-005-1 R3 provides: "Each Transmission Operator shall develop restoration plans with a priority of restoring the integrity of the Interconnection."

EOP-005-1 R3 has a "Medium" VRF and a "Severe" VSL.<sup>10</sup> The subject violation applies to SNCL's TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-005-1 R3. On January 25, 2012, SNCL also submitted a Self-Report, as well as information responsive to a data request, addressing its noncompliance with EOP-005-1 R3. Although SNCL self-reported this violation, because SNCL submitted its Self-Report five days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC determined that SNCL had a violation of EOP-005-1 R3 because SNCL did not have a documented restoration plan, as required by R1, and therefore could not develop a restoration plan with a priority of restoring the integrity of the Interconnection, as required by R3.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through September 21, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because the MSS Agreement referenced above contains load restoration procedures for instances when SNCL customers are impacted by the reliability of the CAISO-controlled grid, minimizing the risk to SNCL's customers in the event of a partial or total shutdown of the system.

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<sup>10</sup> EOP-005-1 R3 has an assigned VSL of "Severe." This is considered a binary requirement, where every violation is assigned a "Severe" VSL.



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Furthermore, the MSS Agreement between SNCL and CAISO and the SVP-PG&E Interconnection Agreement contain provisions to coordinate restoration with CAISO and PG&E.

EOP-005-1 R4 (WECC2012009250)

EOP-005-1 R4 provides: "Each Transmission Operator shall coordinate its restoration plans with the Generator Owners and Balancing Authorities within its area, its Reliability Coordinator, and neighboring Transmission Operators and Balancing Authorities."

EOP-005-1 R4 has a "Medium" VRF and a "Severe" VSL. The subject violation applies to SNCL's TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-005-1 R4. On January 25, 2012, SNCL also submitted a Self-Report, as well as information responsive to a data request, addressing its noncompliance with EOP-005-1 R4. Although SNCL self-reported this violation, because SNCL submitted its Self-Report five days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC determined that SNCL had a violation of EOP-005-1 R4 because SNCL did not have a documented restoration plan, as required by R1, and therefore could not coordinate its restoration plans with the Generator Owners (GOs), TOs, and BAs within its area or with its Reliability Coordinator (RC), as required by R4.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through September 21, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because the MSS Agreement referenced above contains load restoration procedures for instances when SNCL customers are impacted by the reliability of the CAISO-controlled grid, minimizing the risk to SNCL's customers in the event of a partial or total shutdown of the system. Furthermore, the MSS Agreement between SNCL and CAISO and the SVP-PG&E Interconnection Agreement contain provisions to coordinate restoration with CAISO and PG&E.

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EOP-005-1 R5 (WECC2012009251)

EOP-005-1 R5 provides: “Each Transmission Operator and Balancing Authority shall periodically test its telecommunication facilities needed to implement the restoration plan.”

EOP-005-1 R5 has a “Medium” VRF and a “Severe” VSL.<sup>11</sup> The subject violation applies to SNCL’s TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-005-1 R5. On January 25, 2012, SNCL also submitted a Self-Report, as well as information responsive to a data request, addressing its noncompliance with EOP-005-1 R5. Although SNCL self-reported this violation, because SNCL submitted its Self-Report five days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC determined that SNCL had a violation of EOP-005-1 R5 because it did not provide evidence that it periodically tests the telecommunication facilities needed to implement the restoration plan.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through September 21, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because SNCL and CAISO are parties to the MSS Agreement, minimizing the risk of load curtailment to SNCL’s customers. However, the Agreement does not contain telecommunication facility testing procedures. The risk was also mitigated by the fact that the telecommunications facilities SNCL would use for restoration are the same as those used in SNCL’s day-to-day operations.

EOP-005-1 R6 (WECC2012009252)

EOP-005-1 R6 provides: “Each Transmission Operator and Balancing Authority shall train its operating personnel in the implementation of the restoration plan. Such training shall include simulated exercises, if practicable.”

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<sup>11</sup> EOP-005-1 R5 has an assigned VSL of Severe. This is considered a binary requirement, where every violation is assigned a Severe VSL. The Settlement Agreement lists the VSL as “High.”

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EOP-005-1 R6 has a “Medium” VRF and a “Severe” VSL. The subject violation applies to SNCL’s TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-005-1 R6. On January 25, 2012, SNCL also submitted a Self-Report, as well as information responsive to a data request, addressing its noncompliance with EOP-005-1 R6. Although SNCL self-reported this violation, because SNCL submitted its Self-Report five days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC determined that SNCL had a violation of EOP-005-1 R6 because it did not have a satisfactory restoration plan, and therefore could not provide evidence that it trains its operating personnel in the implementation of the restoration plan.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through September 12, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because four of SNCL’s six transmission operators were NERC-certified at the time of the Self-Report. Furthermore, the MSS Agreement between SNCL and CAISO and the SVP-PG&E Interconnection Agreement contain provisions to coordinate restoration with CAISO and PG&E.

#### EOP-005-1 R7 (WECC2012009253)

EOP-005-1 R7 provides: “Each Transmission Operator and Balancing Authority shall verify the restoration procedure by actual testing or by simulation.”

EOP-005-1 R7 has a “High” VRF<sup>12</sup> and a “Severe” VSL. The subject violation applies to SNCL’s TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-005-1 R7. On January 25, 2012, SNCL also submitted a Self-Report,

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<sup>12</sup> The Settlement Agreement states that the VRF is “Medium.”

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as well as information responsive to a data request, addressing its noncompliance with EOP-005-1 R7. Although SNCL self-reported this violation, because SNCL submitted its Self-Report five days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC determined that SNCL had a violation of EOP-005-1 R7 because SNCL did not have a documented restoration plan, as required by R1, and therefore could not verify the restoration procedure by actual testing or by simulation, as required by R7.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through September 21, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because the MSS Agreement referenced above contains load restoration procedures for instances when SNCL customers are impacted by the reliability of the CAISO-controlled grid, minimizing the risk to SNCL's customers in the event of a partial or total shutdown of the system. Furthermore, the MSS Agreement between SNCL and CAISO and the SVP-PG&E Interconnection Agreement contain provisions to coordinate restoration with CAISO and PG&E.

#### EOP-008-0 R1 (WECC2012009254)

The purpose statement of Reliability Standard EOP-008-0 provides: "Each reliability entity must have a plan to continue reliability operations in the event its control center becomes inoperable."

EOP-008-0 R1 provides:

R1. Each Reliability Coordinator, Transmission Operator and Balancing Authority shall have a plan to continue reliability operations in the event its control center becomes inoperable. The contingency plan must meet the following requirements:

R1.1. The contingency plan shall not rely on data or voice communication from the primary control facility to be viable.

R1.2. The plan shall include procedures and responsibilities for providing basic tie line control and procedures and for maintaining the status of all inter-area schedules, such that there is an hourly accounting of all schedules.

R1.3. The contingency plan must address monitoring and control of critical transmission facilities, generation control, voltage control, time and frequency control, control of critical substation devices, and logging of significant power system events. The plan shall list the critical facilities.

R1.4. The plan shall include procedures and responsibilities for maintaining basic voice communication capabilities with other areas.

R1.5. The plan shall include procedures and responsibilities for conducting periodic tests, at least annually, to ensure viability of the plan.

R1.6. The plan shall include procedures and responsibilities for providing annual training to ensure that operating personnel are able to implement the contingency plans.

R1.7. The plan shall be reviewed and updated annually.

R1.8. Interim provisions must be included if it is expected to take more than one hour to implement the contingency plan for loss of primary control facility.

EOP-008-0 R1 has a “High” VRF<sup>13</sup> and a “Severe” VSL. The subject violation applies to SNCL’s TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with EOP-008-0 R1. On January 25, 2012, SNCL also submitted a Self-Report addressing its noncompliance with EOP-008-0 R1, as well as responses to a subsequent supplemental data request. Although SNCL self-reported this violation, because SNCL submitted its Self-Report six days after the Self-Certification submission period due date, the discovery method for this violation is Self-Certification.

WECC determined that SNCL had a violation of EOP-008-0 R1 because it failed to have a contingency plan to continue reliable operations in the event its control center becomes inoperable.

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<sup>13</sup> EOP-008-0 R1 and R1.4 each have a “High” VRF; the remaining subrequirements have a “Medium” VRF.

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WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through October 10, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a moderate risk to the reliability of the BPS, but did not pose a serious or substantial risk. Specifically, SNCL's failure to have a plan for the loss of its control center functionality would delay the monitoring and operation of the electrical equipment under its control to maintain BPS reliability. However, the risk was mitigated by the fact that SNCL has, since November 14, 2009, maintained a backup control center emergency bag that contains a cell phone, contact phone lists, and other necessary items for use to maintain continuous reliable operation in the event its control center becomes inoperable.

FAC-001-0 R1 (WECC2012009256)

The purpose statement of Reliability Standard FAC-001-0 provides: "To avoid adverse impacts on reliability, Transmission Owners must establish facility connection and performance requirements." FAC-001-0 R1 provides:

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

R1.1. Generation facilities,

R1.2. Transmission facilities, and

R1.3. End-user facilities.

FAC-001-0 R1 has a "Medium" VRF and a "High" VSL. The subject violation applies to SNCL's TO function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with FAC-001-0 R1.

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WECC determined that SNCL's facility connection requirements addressed only its generation facilities, and did not address its transmission and end-user facilities, as required by the Standard.

WECC determined that SNCL had a violation of FAC-001-0 R1 because it failed to document, maintain, and publish public facility connection requirements to ensure compliance with NERC Reliability Standards and applicable planning criteria and facility connections requirements for its transmission and end-user facilities.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TO, through July 17, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because the Santa Clara City Council Rules and Regulations prohibit connections to SNCL's transmission and end-user facilities over 60 kV. Further, SNCL has no end-use customers connected to its 115 kV or 230 kV facilities, and the only transmission connections it has are with its neighboring TO, PG&E, which are managed through the SVP-PG&E Interconnection Agreement, discussed above.

FAC-001-0 R2 (WECC2012009257)

FAC-001-0 R2 provides:

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

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

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

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

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

- R2.1.4. Breaker duty and surge protection.
- R2.1.5. System protection and coordination.
- R2.1.6. Metering and telecommunications.
- R2.1.7. Grounding and safety issues.
- R2.1.8. Insulation and insulation coordination.
- R2.1.9. Voltage, Reactive Power, and power factor control.
- R2.1.10. Power quality impacts.
- R2.1.11. Equipment Ratings.
- R2.1.12. Synchronizing of facilities.
- R2.1.13. Maintenance coordination.
- R2.1.14. Operational issues (abnormal frequency and voltages).
- R2.1.15. Inspection requirements for existing or new facilities.
- R2.1.16. Communications and procedures during normal and emergency operating conditions.

FAC-001-0 R2 has a “Medium” VRF and a “Severe” VSL. The subject violation applies to SNCL’s TO function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying noncompliance with FAC-001-0 R2.

WECC determined that SNCL’s facility connection requirements addressed only its generation facilities, and did not address its transmission and end-user facilities, as required by the Standard.



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WECC determined that SNCL had a violation of FAC-001-0 R2 because it failed to document, maintain, and publish facility connection requirements to ensure compliance with NERC Reliability Standards and applicable planning criteria and facility connections requirements for its transmission and end-user facilities.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TO, through July 17, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because the Santa Clara City Council Rules and Regulations prohibit connections to SNCL's transmission and end-user facilities over 60 kV. Further, SNCL has no end-use customers connected to its 115 kV or 230 kV facilities, and the only transmission connections it has are with its neighboring TO, PG&E, which are managed through the SVP-PG&E Interconnection Agreement.

PER-002-0 R1 (WECC201102838)

The purpose statement of Reliability Standard PER-002-0 provides: "Each Transmission Operator and Balancing Authority must provide their personnel with a coordinated training program that will ensure reliable system operation."

PER-002-0 R1 provides: "Each Transmission Operator and Balancing Authority shall be staffed with adequately trained operating personnel."

PER-002-0 R1 has a "High" VRF and a "Severe" VSL. The subject violation applies to SNCL's TOP function.

On June 1, 2011, SNCL submitted a Self-Report identifying a violation of PER-002-0 R1. WECC determined that four of SNCL's six transmission operators were NERC-certified, but SNCL did not demonstrate through a formal training program that it is staffed with adequately trained operating personnel.

WECC determined that SNCL had a violation of PER-002-0 R1 because SNCL failed to provide evidence that it has a coordinated training program that ensures it is staffed with adequately trained operating personnel.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through June 27, 2012, when SNCL completed its Mitigation Plan.

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WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because SNCL believed its operators to be well-trained, despite the lack of a formal training program. Additionally, four of SNCL's six transmission operators were NERC-certified at the time of the Self-Report, and the remaining two were in the process of being certified. SNCL provided evidence that 88% of the total hours worked by SNCL personnel in positions responsible for the reliable operation of the BPS during the period of the violation were staffed by NERC-certified operators. SNCL also provided evidence that only one new operator was hired during that period, and the new operator has spent each of his working hours on training. Further, SNCL provided budget records for 2005-2007 showing that its operators completed various technical, web-based transmission operations training related to operations at SNCL.

PER-002-0 R2 (WECC201102839)

PER-002-0 R2 provides:

R2. Each Transmission Operator and Balancing Authority shall have a training program for all operating personnel that are in:

R2.1. Positions that have the primary responsibility, either directly or through communications with others, for the real-time operation of the interconnected Bulk Electric System.

R2.2. Positions directly responsible for complying with NERC standards.

PER-002-0 R2 has a "High" VRF and a "Severe" VSL. The subject violation applies to SNCL's TOP function.

On June 1, 2011, SNCL submitted a Self-Report identifying a violation of PER-002-0 R2.

WECC determined that SNCL had a violation of PER-002-0 R2 because SNCL failed to have a training program for all operating personnel that are in positions that have primary responsibility for the real-time operation of the interconnected Bulk Electric System (BES) and positions directly responsible for complying with NERC Standards.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through June 27, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a moderate risk to the reliability of the BPS, but did not pose a serious or substantial risk. Specifically, SNCL's failure to have a training program for its operating personnel could have resulted in individuals operating the BES without adequate knowledge and training. However, the risk was mitigated by the fact that four of SNCL's six transmission operators were NERC-certified at the time of the Self-Report, and the remaining two were in the process of being certified. SNCL provided evidence that 88% of the total hours worked by SNCL personnel in positions responsible for the reliable operation of the BPS during the period of the violation were staffed by NERC-certified operators. SNCL also provided evidence that only one new operator was hired during that period, and the new operator has spent each of his working hours on training. Further, SNCL provided records that its operators completed web-based transmission operations training.

PER-002-0 R3 (WECC201102849)

PER-002-0 R3 provides:

R3. For personnel identified in Requirement R2, the Transmission Operator and Balancing Authority shall provide a training program meeting the following criteria:

R3.1. A set of training program objectives must be defined, based on NERC and Regional Reliability Organization standards, entity operating procedures, and applicable regulatory requirements. These objectives shall reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the Transmission Operator and Balancing Authority operating positions.

R3.2. The training program must include a plan for the initial and continuing training of Transmission Operator and Balancing Authority operating personnel. That plan shall address knowledge and competencies required for reliable system operations.

R3.3. The training program must include training time for all Transmission Operator and Balancing Authority operating personnel to ensure their operating proficiency.

R3.4. Training staff must be identified, and the staff must be competent in both knowledge of system operations and instructional capabilities.

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PER-002-0 R3 has a “High” VRF<sup>14</sup> and a “Severe” VSL.<sup>15</sup> The subject violation applies to SNCL’s TOP function.

On June 5, 2011, SNCL submitted a Self-Report identifying a violation of PER-002-0 R3.

WECC determined that SNCL had a violation of PER-002-0 R3 because SNCL failed to: 1) provide a training program that includes a defined set of training program objectives; 2) develop a plan for the initial and continuing training of operating personnel; 3) implement a training program that includes training time for all operating personnel; and 4) identify a competent training staff.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through June 27, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a moderate risk to the reliability of the BPS, but did not pose a serious or substantial risk. Specifically, the failures of SNCL’s training program could have resulted in individuals operating the BES without adequate knowledge or training. However, the risk was mitigated by the fact that four of SNCL’s six transmission operators were NERC-certified at the time of the Self-Report, and the remaining two were in the process of being certified. SNCL provided evidence that 88% of the total hours worked by SNCL personnel in positions responsible for the reliable operation of the BPS during the period of the violation were staffed by NERC-certified operators. SNCL also provided evidence that only one new operator was hired during that period, and the new operator has spent each of his working hours on training. Further, SNCL provided records that its operators completed web-based transmission operations training.

#### PER-003-0 R1 (WECC201102848)

The purpose statement of Reliability Standard PER-003-0 provides: “Certification of operating personnel is necessary to ensure minimum competencies for operating a reliable Bulk Electric System.”

PER-003-0 R1 provides:

R1. Each Transmission Operator, Balancing Authority, and Reliability Coordinator shall staff all operating positions that meet both of the following criteria with personnel that are NERC-certified for the applicable functions:

<sup>14</sup> PER-002-0 R3 has a VRF of “High;” PER-002-0 R3.1 and R3.2 each have a VRF of “Medium;” and the remaining subrequirements have a “Lower” VRF.

<sup>15</sup> The Settlement Agreement lists the VSL as “High.”

R1.1. Positions that have the primary responsibility, either directly or through communications with others, for the real-time operation of the interconnected Bulk Electric System.

R1.2. Positions directly responsible for complying with NERC standards.

PER-003-0 R1 has a “High” VRF and a “Severe” VSL. The subject violation applies to SNCL’s TOP function.

On June 6, 2011, SNCL submitted a Self-Report addressing its violation of PER-003-0 R1. WECC determined that only four of six SNCL transmission operators were NERC-certified at the time of its TOP registration.

WECC determined that SNCL had a violation of PER-003-0 R1 because SNCL failed to staff all operating positions that have the primary responsibility for the real-time operation of the interconnected BES with personnel that are NERC-certified.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through May 27, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not a serious or substantial risk to the reliability of the BPS because four of six transmission operators were NERC-certified, with the remaining two in the process of being certified, at the time of the Self-Report. Additionally, 88% of the hours worked in the electric control center since SNCL was registered as TOP were worked by SNCL NERC-certified operators. Lastly, SNCL typically staffs its operations desk with experienced operators.

PRC-023-1 R1 (WECC2012009262)

The purpose statement of Reliability Standard PRC-023-1 provides: “Protective relay settings shall not limit transmission loadability; not interfere with system operators’ ability to take remedial action to protect system reliability and; be set to reliably detect all fault conditions and protect the electrical network from these faults.”

PRC-023-1 R1 provides:

R1. Each Transmission Owner, Generator Owner, and Distribution Provider shall use any one of the following criteria (R1.1 through R1.13) for any specific circuit terminal to

prevent its phase protective relay settings from limiting transmission system loadability while maintaining reliable protection of the Bulk Electric System for all fault conditions. Each Transmission Owner, Generator Owner, and Distribution Provider shall evaluate relay loadability at 0.85 per unit voltage and a power factor angle of 30 degrees: [Violation Risk Factor: High] [Mitigation Time Horizon: Long Term Planning].

R1.1. Set transmission line relays so they do not operate at or below 150% of the highest seasonal Facility Rating of a circuit, for the available defined loading duration nearest 4 hours (expressed in amperes).

R1.2. Set transmission line relays so they do not operate at or below 115% of the highest seasonal 15-minute Facility Rating of a circuit (expressed in amperes).

R1.3. Set transmission line relays so they do not operate at or below 115% of the maximum theoretical power transfer capability (using a 90-degree angle between the sending-end and receiving-end voltages and either reactance or complex impedance) of the circuit (expressed in amperes) using one of the following to perform the power transfer calculation:

R1.3.1. An infinite source (zero source impedance) with a 1.00 per unit bus voltage at each end of the line.

R1.3.2. An impedance at each end of the line, which reflects the actual system source impedance with a 1.05 per unit voltage behind each source impedance.

R1.4. Set transmission line relays on series compensated transmission lines so they do not operate at or below the maximum power transfer capability of the line, determined as the greater of:

- 115% of the highest emergency rating of the series capacitor.
- 115% of the maximum power transfer capability of the circuit (expressed in amperes), calculated in accordance with R1.3, using the full line inductive reactance.

R1.5. Set transmission line relays on weak source systems so they do not operate at or below 170% of the maximum end-of-line three-phase fault magnitude (expressed in amperes).

R1.6. Set transmission line relays applied on transmission lines connected to generation stations remote to load so they do not operate at or below 230% of the aggregated generation nameplate capability.

R1.7. Set transmission line relays applied at the load center terminal, remote from generation stations, so they do not operate at or below 115% of the maximum current flow from the load to the generation source under any system configuration.

R1.8. Set transmission line relays applied on the bulk system-end of transmission lines that serve load remote to the system so they do not operate at or below 115% of the maximum current flow from the system to the load under any system configuration.

R1.9. Set transmission line relays applied on the load-end of transmission lines that serve load remote to the bulk system so they do not operate at or below 115% of the maximum current flow from the load to the system under any system configuration.

R1.10. Set transformer fault protection relays and transmission line relays on transmission lines terminated only with a transformer so that they do not operate at or below the greater of:

- 150% of the applicable maximum transformer nameplate rating (expressed in amperes), including the forced cooled ratings corresponding to all installed supplemental cooling equipment.
- 115% of the highest operator established emergency transformer rating.

R1.11. For transformer overload protection relays that do not comply with R1.10 set the relays according to one of the following:

- Set the relays to allow the transformer to be operated at an overload level of at least 150% of the maximum applicable nameplate rating, or 115% of the highest operator established emergency transformer rating, whichever is greater. The protection must allow this overload for at least 15 minutes to allow for the operator to take controlled action to relieve the overload.

- Install supervision for the relays using either a top oil or simulated winding hot spot temperature element. The setting should be no less than 100° C for the top oil or 140° C for the winding hot spot temperature.

R1.12. When the desired transmission line capability is limited by the requirement to adequately protect the transmission line, set the transmission line distance relays to a maximum of 125% of the apparent impedance (at the impedance angle of the transmission line) subject to the following constraints:

R1.12.1. Set the maximum torque angle (MTA) to 90 degrees or the highest supported by the manufacturer.

R1.12.2. Evaluate the relay loadability in amperes at the relay trip point at 0.85 per unit voltage and a power factor angle of 30 degrees.

R1.12.3. Include a relay setting component of 87% of the current calculated in R1.12.2 in the Facility Rating determination for the circuit.

R1.13. Where other situations present practical limitations on circuit capability, set the phase protection relays so they do not operate at or below 115% of such limitations.

PRC-023-1 R1 has a "High" VRF and a "Severe" VSL. The subject violation applies to SNCL's TOP function.

On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification,



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certifying noncompliance with PRC-023-1 R1, as well as information provided subsequently in response to supplemental data requests.

WECC determined that SNCL had a violation of PRC-023-1 R1 because SNCL failed to use one of the criteria set forth in the Standard for any specific circuit terminal, to prevent its phase protective relay settings from limiting transmission system loadability while maintaining reliable protection of the BES for all fault conditions.

WECC determined that the duration of the violation was from May 27, 2011, the date SNCL was registered as a TOP, through June 29, 2012, when SNCL completed its Mitigation Plan.

WECC determined that this violation posed a moderate risk to the reliability of the BPS, but did not pose a serious or substantial risk. Specifically, SNCL may not have been prepared to maintain reliable protection of the BES for all fault conditions. However, the risk was mitigated by the fact that through its subsequent assessment, SNCL determined that its protective relay settings were appropriate and met the criteria of the Standard, despite their not being timely documented.

#### Regional Entity's Basis for Penalty

According to the Settlement Agreement, WECC has assessed a penalty of one hundred fifty thousand dollars (\$150,000) for the referenced violations. In reaching this determination, WECC considered the following factors:

1. The violations constituted SNCL's first occurrence of violations of the subject NERC Reliability Standards;<sup>16</sup>
2. SNCL self-reported four of the violations;
3. SNCL was cooperative throughout the compliance enforcement process;
4. SNCL took voluntary corrective action to remediate the violations;
5. There was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. WECC determined that the violations of EOP-001-0 R3, EOP-005-1 R1 through R7, FAC-001-0 R1 and R2, PER-002-0 R1 and PER-003-0 R1 posed a minimal risk and did not pose a serious or substantial risk to the reliability of the BPS, and that the violations of EOP-001-0 R5, EOP-008-0

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<sup>16</sup> A Settlement Agreement covering violations of FAC-008-1 R1; VAR-002-1 R1 and R2; PRC-008-0 R1 and R2; PRC-007-0 R2 and R3; PRC-005-1 R1 and R2; and CIP-001-1 R1, R2, R3 and R4 for SNCL (NOC-531) was filed with FERC under NP11-130-000 on February 28, 2011. On March 25, 2011, FERC issued an order stating it would not engage in further review of the Notice of Penalty. WECC determined that these prior violations should not serve as a basis for aggravating the penalty because they involved standards that are not the same or similar to the instant standards. Moreover, there was nothing in the record to suggest that broader corporate issues were implicated.

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R1, PER-002-0 R2 and R3, and PRC-023-1 R1 posed a moderate risk and did not pose a serious or substantial risk to the reliability of the BPS, as discussed above; and

7. There were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

After consideration of the above factors, WECC determined that, in this instance, the penalty amount of one hundred fifty thousand dollars (\$150,000) is appropriate and bears a reasonable relation to the seriousness and duration of the violations.

### **Status of Mitigation Plans<sup>17</sup>**

#### EOP-001-0 R3 (WECC2012009255)

SNCL's Mitigation Plan to address its violation of EOP-001-0 R3 was submitted to WECC on January 25, 2012 with a proposed completion date of October 15, 2012. The Mitigation Plan was accepted by WECC on April 24, 2012 and approved by NERC on May 9, 2012. The Mitigation Plan for this violation is designated as WECCMIT006616 and was submitted as non-public information to FERC on May 11, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Create a draft set of plans for insufficient generating capacity, operating emergencies on the transmission system, and system restoration;
2. Review and update SNCL's load shedding plan;
3. Publish and distribute final plans; and
4. Complete training for all SNCL personnel that are involved in the implementation of these plans.

SNCL certified on October 15, 2012 that the above Mitigation Plan requirements were completed on October 15, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *SVP S-0054 v1 0 EOP-001 Emergency Plan.pdf*;
2. *S0056- Load Shedding Plan 15oct12.pdf*;
3. SNCL's emergency and load shedding plan, effective October 15, 2012;
4. *EMO Training 8-8-12 Signature Sheets.pdf*;

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<sup>17</sup> See 18 C.F.R § 39.7(d)(7).

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5. *EWSO Training Agenda 4-30-5-24-12.pdf*;
6. *EWSO Training Log.pdf*; and
7. *Training Signature Sheet-9-12-12.pdf*.

On November 21, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on October 15, 2012.

EOP-001-0 R5 (WECC2012009246)

SNCL's Mitigation Plan to address its violation of EOP-001-0 R5 was submitted to WECC on January 25, 2012. On May 25, 2012, WECC rejected this version of the Mitigation Plan. SNCL submitted a revised Mitigation Plan on June 18, 2012, with a proposed completion date of October 15, 2012. The Mitigation Plan was accepted by WECC on July 10, 2012 and approved by NERC on July 24, 2012. The Mitigation Plan for this violation is designated as WECCMIT006615-1 and was submitted as non-public information to FERC on July 24, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Develop and publish an emergency plan which includes the applicable elements of the fifteen elements in Attachment 1-EOP-001-0; and
2. Train all applicable employees on the emergency plan.

SNCL certified on October 15, 2012 that the above Mitigation Plan requirements were completed on October 15, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *SVP S-0054 v1 0 EOP-001 Emergency Plan.pdf*;
2. *S0056- Load Shedding Plan 15oct12.pdf*;
3. *EMO Training 8-8-12 Signature Sheets.pdf*;
4. *EWSO Training Agenda 4-30-5-24-12.pdf*;
5. *EWSO Training Log.pdf*; and
6. *Training Signature Sheet-9-12-12.pdf*.

On November 21, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on October 15, 2012.

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EOP-005-1 R1 (WECC2012009247)

SNCL's Mitigation Plan to address its violation of EOP-005-1 R1 was submitted to WECC on January 25, 2012. On May 25, 2012, WECC rejected this version of the Mitigation Plan. SNCL submitted a revised Mitigation Plan on June 18, 2012, with a proposed completion date of September 29, 2012. The Mitigation Plan was accepted by WECC on July 10, 2012 and approved by NERC on July 25, 2012. The Mitigation Plan for this violation is designated as WECCMIT006614 and was submitted as non-public information to FERC on July 26, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Draft and publish an electric system restoration plan, which includes the applicable elements listed in Attachment 1-EOP-005; and
2. Train all applicable employees on SNCL's restoration plan.

SNCL certified on September 19, 2012 that the above Mitigation Plan requirements were completed on April 27, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *S-0050 v2 0 SVP System Restoration Plan.pdf*, dated July 27, 2012;
2. *SVP System Restoration Simulation SignIn 9-21-12.pdf*;
3. *System Restoration Simulation Sept 2012.pdf*;
4. *SVP System Restoration Simulation - Staging.pdf*, dated September 21, 2012;
5. *Email PGE Confirms Receipt of System Restoration Plan V2.pdf*;
6. *Email to CAISO Re System Restoration Plan.pdf*;
7. *WECC Confirms Receiving System Restoration Plan.pdf*;
8. Email confirmations from PG&E, CAISO and WECC about receiving SNCL's restoration plan, dated September 5, 2012;
9. *Email PGE Confirms Receipt of System Restoration Plan V2.pdf*;
10. *Email to CAISO Re System Restoration Plan.pdf*;
11. *WECC Confirms Receiving System Restoration Plan.pdf*;
12. Email confirmations from PG&E, CAISO and WECC about receiving SNCL's restoration plan, dated September 5, 2012;
13. *EMO Training 8-8-12 Signature Sheets.pdf*;

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14. *EWSO Training Agenda 4-30-5-24-12.pdf*;
15. *EWSO Training Log.pdf*;
16. *Training Signature Sheet-9-12-12.pdf*;
17. Training logs and agenda pertaining to training all SNCL's employees about the restoration plan, dated September 12, 2012;
18. *SVP System Restoration Simulation SignIn 9-21-12.pdf*;
19. *System Restoration Simulation Sept 2012.pdf*;
20. *SVP System Restoration Simulation - Staging.pdf*; and
21. Training simulation and training sign-in for compliance with Attachment 1-EOP-005 #7 and EOP-005 R7, dated September 21, 2012.

On October 8, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on September 21, 2012.

EOP-005-1 R2 (WECC2012009248)

SNCL's Mitigation Plan to address its violation of EOP-005-1 R2 was submitted to WECC on January 25, 2012. On May 25, 2012, WECC rejected this version of the Mitigation Plan. SNCL submitted a revised Mitigation Plan on June 18, 2012, with a proposed completion date of September 29, 2012. The Mitigation Plan was accepted by WECC on July 10, 2012 and approved by NERC on July 25, 2012. The Mitigation Plan for this violation is designated as WECCMIT006613 and was submitted as non-public information to FERC on July 26, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Draft and publish an electric system restoration plan, which includes provisions to update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises; and
2. Train all applicable employees on SNCL's restoration plan.

SNCL certified on September 19, 2012 that the above Mitigation Plan requirements were completed on April 27, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *S-0050 v2 0 SVP System Restoration Plan.pdf*, dated July 27, 2012;
2. *SVP System Restoration Simulation SignIn 9-21-12.pdf*;

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3. *System Restoration Simulation Sept 2012.pdf*;
4. *SVP System Restoration Simulation - Staging.pdf*, dated September 21, 2012;
5. *Email PGE Confirms Receipt of System Restoration Plan V2.pdf*;
6. *Email to CAISO Re System Restoration Plan.pdf*;
7. *WECC Confirms Receiving System Restoration Plan.pdf*; and
8. Email confirmations from PG&E, CAISO and WECC about receiving SNCL's restoration plan, dated September 5, 2012.

On October 8, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on September 21, 2012.

EOP-005-1 R3 (WECC2012009249)

SNCL's Mitigation Plan to address its violation of EOP-005-1 R3 was submitted to WECC on January 25, 2012. On May 25, 2012, WECC rejected this version of the Mitigation Plan. SNCL submitted a revised Mitigation Plan on June 18, 2012, with a proposed completion date of September 29, 2012. The Mitigation Plan was accepted by WECC on July 10, 2012 and approved by NERC on July 25, 2012. The Mitigation Plan for this violation is designated as WECCMIT006612 and was submitted as non-public information to FERC on July 26, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Draft and publish an electric system restoration plan, which includes a priority of restoring the integrity of the Interconnection; and
2. Train all applicable employees on SNCL's restoration plan.

SNCL certified on September 19, 2012 that the above Mitigation Plan requirements were completed on April 27, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *S-0050 v2 0 SVP System Restoration Plan.pdf*, dated July 27, 2012;
2. *SVP System Restoration Simulation SignIn 9-21-12.pdf*;
3. *System Restoration Simulation Sept 2012.pdf*;
4. *SVP System Restoration Simulation - Staging.pdf*, dated September 21, 2012;
5. *Email PGE Confirms Receipt of System Restoration Plan V2.pdf*;
6. *Email to CAISO Re System Restoration Plan.pdf*;

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7. *WECC Confirms Receiving System Restoration Plan.pdf*; and
8. Email confirmations from PG&E, CAISO and WECC about receiving SNCL's restoration plan, dated September 5, 2012.

On October 8, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on September 21, 2012.

EOP-005-1 R4 (WECC2012009250)

SNCL's Mitigation Plan to address its violation of EOP-005-1 R4 was submitted to WECC on January 25, 2012. On May 25, 2012, WECC rejected this version of the Mitigation Plan. SNCL submitted a revised Mitigation Plan on June 18, 2012, with a proposed completion date of September 29, 2012. The Mitigation Plan was accepted by WECC on July 10, 2012 and approved by NERC on July 25, 2012. The Mitigation Plan for this violation is designated as WECCMIT006611 and was submitted as non-public information to FERC on July 26, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Draft and publish an electric system restoration plan, which includes a plan to coordinate the restoration plan with SNCL generation, CAISO, the WECC RC and PG&E;
2. Coordinate its restoration plan with SNCL generation, CAISO, the WECC RC and PG&E; and
3. Train all applicable employees on SNCL's restoration plan.

SNCL certified on September 28, 2012 that the above Mitigation Plan requirements were completed on September 28, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *S-0050 v2 0 SVP System Restoration Plan.pdf*, dated July 27, 2012;
2. *SVP System Restoration Simulation SignIn 9-21-12.pdf*;
3. *System Restoration Simulation Sept 2012.pdf*;
4. *SVP System Restoration Simulation - Staging.pdf*, dated September 21, 2012;
5. *Email PGE Confirms Receipt of System Restoration Plan V2.pdf*;
6. *Email to CAISO Re System Restoration Plan.pdf*;
7. *WECC Confirms Receiving System Restoration Plan.pdf*; and
8. Email confirmations from PG&E, CAISO and WECC about receiving SNCL's restoration plan, dated September 5, 2012.

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On October 8, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on September 21, 2012.

EOP-005-1 R5 (WECC2012009251)

SNCL's Mitigation Plan to address its violation of EOP-005-1 R5 was submitted to WECC on January 25, 2012. On May 25, 2012, WECC rejected this version of the Mitigation Plan. SNCL submitted a revised Mitigation Plan on June 18, 2012, with a proposed completion date of September 29, 2012. The Mitigation Plan was accepted by WECC on July 10, 2012 and approved by NERC on July 25, 2012. The Mitigation Plan for this violation is designated as WECCMIT006610 and was submitted as non-public information to FERC on July 26, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Draft and publish an electric system restoration plan, which includes a plan to test the telecommunication facilities needed to implement the restoration plan; and
2. Train all applicable employees on SNCL's restoration plan.

SNCL certified on September 20, 2012 that the above Mitigation Plan requirements were completed on July 27, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *S-0050 v2 0 SVP System Restoration Plan.pdf*, dated July 27, 2012;
2. *SVP System Restoration Simulation SignIn 9-21-12.pdf*;
3. *System Restoration Simulation Sept 2012.pdf*;
4. *SVP System Restoration Simulation - Staging.pdf*, dated September 21, 2012;
5. *Email PGE Confirms Receipt of System Restoration Plan V2.pdf*;
6. *Email to CAISO Re System Restoration Plan.pdf*;
7. *WECC Confirms Receiving System Restoration Plan.pdf*; and
8. Email confirmations from PG&E, CAISO and WECC about receiving SNCL's restoration plan, dated September 5, 2012.

On October 8, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on September 21, 2012.



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EOP-005-1 R6 (WECC2012009252)

SNCL's Mitigation Plan to address its violation of EOP-005-1 R6 was submitted to WECC on January 25, 2012 with a proposed completion date of August 15, 2012. The Mitigation Plan was accepted by WECC on April 30, 2012 and approved by NERC on May 22, 2012.<sup>18</sup> The Mitigation Plan for this violation is designated as WECCMIT006609 and was submitted as non-public information to FERC on May 25, 2012 in accordance with FERC orders. On September 11, 2012, WECC accepted SNCL's Mitigation Plan Extension Request to change the proposed completion date to September 29, 2012.

SNCL's Mitigation Plan required SNCL to:

1. Create a draft plan for system restoration;
2. Publish and distribute the final restoration plan; and
3. Complete training for all SNCL personnel involved in the implementation of the restoration plan.

SNCL certified on September 26, 2012 that the above Mitigation Plan requirements were completed on September 24, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *S-0050 v2 0 SVP System Restoration Plan.pdf*, dated July 27, 2012;
2. *SVP System Restoration Simulation SignIn 9-21-12.pdf*;
3. *System Restoration Simulation Sept 2012.pdf*;
4. *SVP System Restoration Simulation - Staging.pdf*, dated September 21, 2012;
5. *Email PGE Confirms Receipt of System Restoration Plan V2.pdf*;
6. *Email to CAISO Re System Restoration Plan.pdf*;
7. *WECC Confirms Receiving System Restoration Plan.pdf*;
8. Email confirmations from PG&E, CAISO and WECC about receiving SNCL's restoration plan, dated September 5, 2012;
9. *EMO Training 8-8-12 Signature Sheets.pdf*;
10. *EWSO Training Agenda 4-30-5-24-12.pdf*;
11. *EWSO Training Log.pdf*;
12. *Training Signature Sheet-9-12-12.pdf*; and

<sup>18</sup> On May 25, 2012, WECC issued a Notice of Mitigation Plan Acceptance for EOP-005-1 R6.

13. Training logs and agenda about training all SNCL's employees about the restoration plan, dated September 12, 2012.

On October 8, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on September 12, 2012, the date training was completed.

EOP-005-1 R7 (WECC2012009253)

SNCL's Mitigation Plan to address its violation of EOP-005-1 R7 was submitted to WECC on January 25, 2012. On May 25, 2012, WECC rejected this version of the Mitigation Plan. SNCL submitted a revised Mitigation Plan on June 18, 2012, with a proposed completion date of September 29, 2012. The Mitigation Plan was accepted by WECC on July 10, 2012 and approved by NERC on July 25, 2012. The Mitigation Plan for this violation is designated as WECCMIT006619 and was submitted as non-public information to FERC on July 26, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Draft and publish an electric system restoration plan, which includes plans to verify the restoration procedure by actual testing or simulation;
2. Train all applicable employees on SNCL's restoration plan; and
3. Verify the restoration procedure by actual testing or simulation.

SNCL certified on September 28, 2012 that the above Mitigation Plan requirements were completed on September 25, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *S-0050 v2 0 SVP System Restoration Plan.pdf*, dated July 27, 2012;
2. *SVP System Restoration Simulation SignIn 9-21-12.pdf*;
3. *System Restoration Simulation Sept 2012.pdf*;
4. *SVP System Restoration Simulation - Staging.pdf*, dated September 21, 2012;
5. *Email PGE Confirms Receipt of System Restoration Plan V2.pdf*;
6. *Email to CAISO Re System Restoration Plan.pdf*;
7. *WECC Confirms Receiving System Restoration Plan.pdf*;
8. Email confirmations from PG&E, CAISO and WECC about receiving SNCL's restoration plan, dated September 5, 2012;
9. *SVP System Restoration Simulation SignIn 9-21-12.pdf*;

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10. *System Restoration Simulation Sept 2012.pdf*; and
11. *SVP System Restoration Simulation - Staging.pdf*.

On October 8, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on September 21, 2012, the date the training and restoration plan simulation was completed.

EOP-008-0 R1 (WECC2012009254)

SNCL's Mitigation Plan to address its violation of EOP-008-0 R1 was submitted to WECC on January 26, 2012 with a proposed completion date of October 15, 2012. The Mitigation Plan was accepted by WECC on April 24, 2012 and approved by NERC on May 16, 2012. The Mitigation Plan for this violation is designated as WECCMIT006618 and was submitted as non-public information to FERC on May 18, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Review and formalize a plan for a backup control center;
2. Test its draft plan;
3. Publish and distribute its final plan; and
4. Complete training for all SNCL personnel that are involved in the implementation of this plan.

SNCL certified on September 18, 2012 that the above Mitigation Plan requirements were completed on May 16, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted *S-0051 Version 2 0 ECC Back-up Facilities.pdf*, dated October 10, 2012.

On October 25, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on October 10, 2012.

FAC-001-0 R1 (WECC2012009256)

SNCL's Mitigation Plan to address its violation of FAC-001-0 R1 was submitted to WECC on February 2, 2012<sup>19</sup> with a proposed completion date of October 15, 2012. The Mitigation Plan was accepted by WECC on March 9, 2012 and approved by NERC on April 2, 2012. The Mitigation Plan for this violation is designated as WECCMIT006645 and was submitted as non-public information to FERC on April 3, 2012 in accordance with FERC orders.

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<sup>19</sup> Page 15 of the Settlement Agreement states that the Mitigation Plan was submitted to WECC on January 19, 2012.

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SNCL's Mitigation Plan required SNCL to:

1. Review and compare SNCL's standards, rules and regulations with the R1 subrequirements of FAC-001-0;
2. Draft revisions to SNCL's standards, rules and regulations as necessary;
3. Finalize any revised SNCL standards, rules and regulations; and
4. Publish and distribute final standards, rules and regulations.

SNCL certified on July 24, 2012 that the above Mitigation Plan requirements were completed on July 17, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *S-0053 Facility Connection Requirements Version 1.0*, dated June 29, 2012;
2. *SVP Standard S-0053 Facility Connection Requirements - EMail 7-13-12.pdf*;
3. Internal email dated July 13, 2012 issuing new *SVP Standard S-0053 Facility Connection Requirements*;
4. *S-0053 Facility Connection Requirements - Web Page 7-17-12.pdf*; and
5. Screen shot of *Silicon Valley Power - Rules and Regulations Webpage* showing new *SVP Standard S-0053 Facility Connection Requirements*, dated July 17, 2012.

On August 8, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on July 17, 2012.

#### FAC-001-0 R2 (WECC2012009257)

SNCL's Mitigation Plan to address its violation of FAC-001-0 R2 was submitted to WECC on February 2, 2012<sup>20</sup> with a proposed completion date of October 15, 2012. The Mitigation Plan was accepted by WECC on March 9, 2012 and approved by NERC on April 2, 2012. The Mitigation Plan for this violation is designated as WECCMIT006646 and was submitted as non-public information to FERC on April 3, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Review and compare SNCL's standards, rules and regulations with the R2 subrequirements of FAC-001-0;

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<sup>20</sup> Page 15 of the Settlement Agreement states that the Mitigation Plan was submitted to WECC on January 19, 2012.

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2. Draft revisions to SNCL's standards, rules and regulations as necessary;
3. Finalize any revised SNCL standards, rules and regulations; and
4. Publish and distribute final standards, rules and regulations.

SNCL certified on July 25, 2012 that the above Mitigation Plan requirements were completed on July 17, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *S-0053 Facility Connection Requirements Version 1.0*, dated June 29, 2012;
2. *SVP Standard S-0053 Facility Connection Requirements - EMail 7-13-12.pdf*;
3. Internal email dated July 13, 2012 issuing new *SVP Standard S-0053 Facility Connection Requirements*;
4. *S-0053 Facility Connection Requirements - Web Page 7-17-12.pdf*; and
5. Screen shot of *Silicon Valley Power - Rules and Regulations Webpage* showing new *SVP Standard S-0053 Facility Connection Requirements*, dated July 17, 2012.

On August 8, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on July 17, 2012.

PER-002-0 R1 (WECC201102838)

SNCL's Mitigation Plan to address its violation of PER-002-0 R1 was submitted to WECC on June 27, 2012<sup>21</sup> with a proposed completion date of July 15, 2012.<sup>22</sup> The Mitigation Plan was accepted by WECC on July 5, 2012 and approved by NERC on August 7, 2012. The Mitigation Plan for this violation is designated as WECCMIT007680 and was submitted as non-public information to FERC on August 7, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to create a training program for all its operating personnel with the primary responsibility for the real-time operation of the interconnected BES, and operating personnel that are in positions directly responsible for complying with NERC Standards.

SNCL certified on June 28, 2012 that the above Mitigation Plan requirements were completed on June 27, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the *SVP System Operator Certification and Training Program Ver 1.pdf*, dated June 27, 2012.

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<sup>21</sup> The Settlement Agreement states that the Mitigation Plan was submitted on June 2, 2011.

<sup>22</sup> The Settlement Agreement states that the proposed completion date was July 1, 2012.

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On July 5, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on June 27, 2012.

PER-002-0 R2 (WECC201102839)

SNCL's Mitigation Plan to address its violation of PER-002-0 R2 was submitted to WECC on June 27, 2012<sup>23</sup> with a proposed completion date of July 15, 2012.<sup>24</sup> The Mitigation Plan was accepted by WECC on July 5, 2012 and approved by NERC on August 7, 2012. The Mitigation Plan for this violation is designated as WECCMIT007681 and was submitted as non-public information to FERC on August 7, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to create a training program for all its operating personnel with the primary responsibility for the real-time operation of the interconnected BES, as well as operating personnel directly responsible for complying with NERC Standards. The training program includes a set of defined training program objectives, based on NERC and WECC standards, entity operating procedures, and applicable regulatory requirements. These objectives reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the TOP function.

SNCL certified on June 28, 2012 that the above Mitigation Plan requirements were completed on June 27, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the *SVP System Operator Certification and Training Program Ver 1.pdf*, dated June 27, 2012.

On July 5, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on June 27, 2012.

PER-002-0 R3 (WECC201102849)

SNCL's Mitigation Plan to address its violation of PER-002-0 R3 was submitted to WECC on June 27, 2012<sup>25</sup> with a proposed completion date of July 15, 2012.<sup>26</sup> The Mitigation Plan was accepted by WECC on July 5, 2012 and approved by NERC on August 7, 2012. The Mitigation Plan for this violation is designated as WECCMIT007682 and was submitted as non-public information to FERC on August 7, 2012 in accordance with FERC orders.

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<sup>23</sup> The Settlement Agreement states that the Mitigation Plan was submitted on June 2, 2011.

<sup>24</sup> The Settlement Agreement states that the proposed completion date was July 1, 2012.

<sup>25</sup> The Settlement Agreement states that the Mitigation Plan was submitted on June 2, 2011.

<sup>26</sup> The Settlement Agreement states that the proposed completion date was July 1, 2012.

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SNCL's Mitigation Plan required SNCL to create a training program for all its operating personnel with the primary responsibility for the real-time operation of the interconnected BES, as well as operating personnel directly responsible for complying with NERC Standards. The program includes a set of defined training program objectives, based on NERC and WECC standards, entity operating procedures, and applicable regulatory requirements. These objectives reference (1) the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the TOP function; (2) a plan for the initial and continuing training of TOP personnel, which shall also address knowledge and competencies required for reliable system operations; (3) training time for all TOP personnel to ensure their operating proficiency; and (4) identification of training staff competent in both knowledge of system operations and instructional capabilities.

SNCL certified on June 28, 2012 that the above Mitigation Plan requirements were completed on June 27, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the *SVP System Operator Certification and Training Program Ver 1.pdf*, dated June 27, 2012.

On July 5, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on June 27, 2012.

#### PER-003-0 R1 (WECC201102848)

SNCL's Mitigation Plan to address its violation of PER-003-0 R1 was submitted to WECC on June 27, 2012 with a proposed completion date of June 1, 2012.<sup>27</sup> The Mitigation Plan was accepted by WECC on July 10, 2012 and approved by NERC on August 7, 2012. The Mitigation Plan for this violation is designated as WECCMIT007679 and was submitted as non-public information to FERC on August 7, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Complete negotiations with SNCL's union, the International Brotherhood of Electrical Workers, on a change to SNCL's Electric & Water System Operator (EWSO) job description to include a NERC Transmission Operator Certification requirement;
2. Submit the new EWSO job description to the Santa Clara City Council for approval; and
3. Adjust its EWSO shift schedules such that at least one NERC-certified operator is on duty for each shift.

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<sup>27</sup> The Settlement Agreement states that the proposed completion date was July 1, 2012.

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SNCL certified on July 2, 2012 that the above Mitigation Plan requirements were completed on May 27, 2012. As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *Council SUMMARY OF ACTIONS TAKEN 5-22-12.docx*, a summary of actions taken from the Santa Clara City Council to approve a pay increase of 6% to NERC-certified operators, dated May 27, 2012;
2. *EWSO Job Description.docx*, the job description for operators to have a NERC certification showing that the requirement is mandatory after being hired, dated May 22, 2012; and
3. May 2012 and June 2012 operator schedules, showing that a NERC-certified operator is always on duty.

On July 10, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on May 27, 2012.

PRC-023-1 R1 (WECC2012009262)

SNCL's Mitigation Plan to address its violation of PRC-023-1 R1 was submitted to WECC on March 20, 2012 with a proposed completion date of November 15, 2012. The Mitigation Plan was accepted by WECC on April 24, 2012 and approved by NERC on May 16, 2012. The Mitigation Plan for this violation is designated as WECCMIT006990 and was submitted as non-public information to FERC on May 18, 2012 in accordance with FERC orders.

SNCL's Mitigation Plan required SNCL to:

1. Perform detailed engineering analysis and review of SNCL's 115 kV and 230 kV transmission Protection Systems;
2. Determine if any Protection System changes are necessary;
3. Make any necessary Protection System changes; and
4. Formally document engineering analysis and Protection System setting changes.

SNCL certified on July 10, 2012 that the above Mitigation Plan requirements were completed on June 29, 2012.<sup>28</sup> As evidence of completion of its Mitigation Plan, SNCL submitted the following:

1. *SVP Transmission Relay Loadability Assessment Report 629-12.pdf*, a formal report documenting the results of an internal evaluation of the relay settings, dated June 29, 2012.

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<sup>28</sup> The certification document contains a typographical error stating that the Mitigation Plan was completed on July 29, 2012.



On August 18, 2012, after reviewing SNCL's submitted evidence, WECC verified that SNCL's Mitigation Plan was completed on June 29, 2012.

### Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed<sup>29</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>30</sup> the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on November 5, 2012. The NERC BOTCC approved the Settlement Agreement, including WECC's assessment of a one hundred fifty thousand dollar (\$150,000) financial penalty against SNCL 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 violations at issue.

In reaching this determination, the NERC BOTCC considered the following factors:<sup>31</sup>

1. the violations constituted SNCL's first occurrence of violations of the subject NERC Reliability Standards;<sup>32</sup>
2. SNCL self-reported four of the violations;
3. WECC reported that SNCL was cooperative throughout the compliance enforcement process;
4. SNCL took voluntary corrective action to remediate the violations;
5. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. WECC determined that the violations of EOP-001-0 R3, EOP-005-1 R1 through R7, FAC-001-0 R1 and R2, PER-002-0 R1 and PER-003-0 R1 posed a minimal risk and did not pose a serious or substantial risk to the reliability of the BPS, and that the violations of EOP-001-0 R5, EOP-008-0

<sup>29</sup> See 18 C.F.R. § 39.7(d)(4).

<sup>30</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).

<sup>31</sup> SNCL did not receive credit for having a compliance program because it was not reviewed by WECC.

<sup>32</sup> *Supra* n. 16.

R1, PER-002-0 R2 and R3, and PRC-023-1 R1 posed a moderate risk and did not pose a serious or substantial risk to the reliability of the BPS, as discussed above; and

7. WECC reported that there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

For the foregoing reasons, the NERC BOTCC approved the Settlement Agreement and believes that the assessed penalty of one hundred fifty thousand dollars (\$150,000) is appropriate for the violations 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.

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

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

- a) Settlement Agreement by and between WECC and SNCL executed September 11, 2012, included as Attachment a;
- b) SNCL's Self-Certification (Public Version) dated January 19, 2012 covering violations of WECC2012009255 (EOP-001-0 R3), WECC2012009246 (EOP-001-0 R5), WECC2012009247 (EOP-005-1 R1), WECC2012009248 (EOP-005-1 R2), WECC2012009249 (EOP-005-1 R3), WECC2012009250 (EOP-005-1 R4), WECC2012009251 (EOP-005-1 R5), WECC2012009252 (EOP-005-1 R6), WECC2012009253 (EOP-005-1 R7), WECC2012009254 (EOP-008-0 R1), WECC2012009256 (FAC-001-0 R1), WECC2012009257 (FAC-001-0 R2) and WECC2012009262 (PRC-023-1 R1), included as Attachment b;
- c) Record documents for WECC2012009255 (EOP-001-0 R3), included as Attachment c:
  1. SNCL's Mitigation Plan designated as WECCMIT006616 submitted January 25, 2012;
  2. SNCL's Certification of Mitigation Plan Completion dated October 15, 2012;
  3. WECC's Verification of Mitigation Plan Completion dated November 21, 2012;
- d) Record documents for WECC2012009246 (EOP-001-0 R5), included as Attachment d:
  1. SNCL's Mitigation Plan designated as WECCMIT006615-1 submitted June 18, 2012;
  2. SNCL's Certification of Mitigation Plan Completion dated October 15, 2012;
  3. WECC's Verification of Mitigation Plan Completion dated November 21, 2012;

- e) Record documents for WECC2012009247 (EOP-005-1 R1), included as Attachment e:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006614 submitted June 18, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated September 19, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012;
- f) Record documents for WECC2012009248 (EOP-005-1 R2), included as Attachment f:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006613 submitted June 18, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated September 19, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012;
- g) Record documents for WECC2012009249 (EOP-005-1 R3), included as Attachment g:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006612 submitted June 18, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated September 19, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012;
- h) Record documents for WECC2012009250 (EOP-005-1 R4), included as Attachment h:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006611 submitted June 18, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated September 28, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012;
- i) Record documents for WECC2012009251 (EOP-005-1 R5), included as Attachment i:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006610 submitted June 18, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated September 20, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012;
- j) Record documents for WECC2012009252 (EOP-005-1 R6), included as Attachment j:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006609 submitted January 25, 2012;
  - 2. SNCL's Mitigation Plan Extension Request submitted September 11, 2012;
  - 3. SNCL's Certification of Mitigation Plan Completion dated September 26, 2012;
  - 4. WECC's Verification of Mitigation Plan Completion dated October 8, 2012;

- k) Record documents for WECC2012009253 (EOP-005-1 R7), included as Attachment k:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006619 submitted June 18, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated September 28, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012;
- l) Record documents for WECC2012009254 (EOP-008-0 R1), included as Attachment l:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006618 submitted January 26, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated September 18, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated October 25, 2012;
- m) Record documents for WECC2012009256 (FAC-001-0 R1), included as Attachment m:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006645 submitted February 2, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated July 24, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated August 8, 2012;
- n) Record documents for WECC2012009257 (FAC-001-0 R2), included as Attachment n:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006646 submitted February 2, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated July 25, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated August 8, 2012;
- o) Record documents for WECC201102838 (PER-002-0 R1), included as Attachment o:
  - 1. SNCL's Self-Report dated June 2, 2011;
  - 2. SNCL's Mitigation Plan designated as WECCMIT007680 submitted June 27, 2012;
  - 3. SNCL's Certification of Mitigation Plan Completion dated June 28, 2012;
  - 4. WECC's Verification of Mitigation Plan Completion dated July 5, 2012;
- p) Record documents for WECC201102839 (PER-002-0 R2), included as Attachment p:
  - 1. SNCL's Self-Report dated June 2, 2011;
  - 2. SNCL's Mitigation Plan designated as WECCMIT007681 submitted June 27, 2012;
  - 3. SNCL's Certification of Mitigation Plan Completion dated June 28, 2012;
  - 4. WECC's Verification of Mitigation Plan Completion dated July 5, 2012;

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- q) Record documents for WECC201102849 (PER-002-0 R3), included as Attachment q:
  - 1. SNCL's Self-Report dated June 5, 2012;
  - 2. SNCL's Mitigation Plan designated as WECCMIT007682 submitted June 27, 2012;
  - 3. SNCL's Certification of Mitigation Plan Completion dated June 28, 2012;
  - 4. WECC's Verification of Mitigation Plan Completion dated July 5, 2012;
- r) Record documents for WECC201102848 (PER-003-0 R1), included as Attachment r:
  - 1. SNCL's Self-Report dated June 6, 2011;
  - 2. SNCL's Mitigation Plan designated as WECCMIT007679 submitted June 27, 2012;
  - 3. SNCL's Certification of Mitigation Plan Completion dated July 2, 2012;
  - 4. WECC's Verification of Mitigation Plan Completion dated July 10, 2012;
- s) Record documents for WECC2012009262 (PRC-023-1 R1), included as Attachment s:
  - 1. SNCL's Mitigation Plan designated as WECCMIT006990 submitted March 20, 2012;
  - 2. SNCL's Certification of Mitigation Plan Completion dated July 10, 2012;
  - 3. WECC's Verification of Mitigation Plan Completion dated August 18, 2012;

**A Form of Notice Suitable for Publication**<sup>33</sup>

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

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<sup>33</sup> See 18 C.F.R § 39.7(d)(6).

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

<p>Gerald W. Cauley                  President and Chief Executive Officer                  North American Electric Reliability Corporation                  3353 Peachtree Road NE                  Suite 600, North Tower                  Atlanta, GA 30326                  (404) 446-2560</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>Charles A. Berardesco*                  Senior Vice President and General Counsel                  North American Electric Reliability Corporation                  1325 G Street N.W., Suite 600                  Washington, DC 20005                  (202) 400-3000                  (202) 644-8099 – facsimile                  charles.berardesco@nerc.net</p>	<p>Ruben Arredondo*                  Senior Legal Counsel                  Western Electricity Coordinating Council                  155 North 400 West, Suite 200                  Salt Lake City, UT 84103                  (801) 819-7674                  (801) 883-6894 – facsimile                  RArredondo@wecc.biz</p>
<p>Mark Maher*                  Chief Executive Officer                  Western Electricity Coordinating Council                  155 North 400 West, Suite 200                  Salt Lake City, UT 84103                  (360) 213-2673                  (801) 582-3918 – facsimile                  Mark@wecc.biz</p>	<p>Christopher Luras*                  Director of Compliance Enforcement                  Western Electricity Coordinating Council                  155 North 400 West, Suite 200                  Salt Lake City, UT 84103                  (801) 883-6887                  (801) 883-6894 – facsimile                  CLuras@wecc.biz</p>
<p>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>	

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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.

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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: Silicon Valley Power  
Western Electricity Coordinating Council

Attachments



## **Attachment a**

# **Settlement Agreement by and between WECC and SNCL executed September 11, 2012**

**CONFIDENTIAL**

**SETTLEMENT AGREEMENT  
OF  
WESTERN ELECTRICITY COORDINATING COUNCIL  
AND  
SILICON VALLEY POWER**

Western Electricity Coordinating Council ("WECC") and Silicon Valley Power ("SNCL") (collectively the "Parties") hereby enter into this Settlement Agreement ("Agreement") on this 11 day of Sept, 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 SNCL by WECC that resulted in certain WECC determinations and findings regarding what were seventeen SNCL Alleged Violations of the following North American Electric Reliability Corporation ("NERC") Reliability Standards ("Reliability Standards" or "Standards"):

<i>WECC Violation ID #</i>	<i>Reliability Standards and Descriptions</i>
WECC2012009255	EOP-001-0 R3 <i>Emergency Operations Planning</i>
WECC2012009246	EOP-001-0 R5 <i>Emergency Operations Planning</i>
WECC2012009247	EOP-005-1 R1 <i>System Restoration Plans</i>
WECC2012009248	EOP-005-1 R2 <i>System Restoration Plans</i>
WECC2012009249	EOP-005-1 R3 <i>System Restoration Plans</i>
WECC2012009250	EOP-005-1 R4 <i>System Restoration Plans</i>
WECC2012009251	EOP-005-1 R5 <i>System Restoration Plans</i>
WECC2012009252	EOP-005-1 R6 <i>System Restoration Plans</i>
WECC2012009253	EOP-005-1 R7 <i>System Restoration Plans</i>
WECC2012009254	EOP-008-1 R1 <i>Plans for Loss of Control Center Functionality</i>
WECC2012009256	FAC-001-0 R1 <i>Facility Connection Requirements</i>
WECC2012009257	FAC-001-0 R2 <i>Facility Connection Requirements</i>
WECC201102838	PER-002-0 R1 <i>Operating Personnel Responsibility and Authority</i>
WECC201102839	PER-002-0 R2 <i>Operating Personnel Responsibility and Authority</i>
WECC201102849	PER-002-0 R3 <i>Operating Personnel Responsibility and Authority</i>
WECC201102848	PER-003-0 R1 <i>Operating Personnel Credentials</i>
WECC2012009262	PRC-023-1 R1 <i>Transmission Relay Loadability</i>

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B. SNCL, a municipal utility, is the Electric Utility Department of the City of Santa Clara California. SNCL operates about 479 miles of overhead and underground distribution and sub-transmission lines service within the City of Santa Clara, serving approximately 51,000 customers with a peak load of about 490 MW and 2,800,000 kWh of energy sales. SNCL owns approximately four miles of 230 kV transmission and approximately one-quarter mile of 115 kV transmission.

SNCL was registered on the NERC Compliance Registry on June 17, 2007 as a Distribution Provider ("DP"), Generator Owner ("GO"), Generator Operator ("GOP"), Load-Serving Entity ("LSE") and Purchasing-Selling Entity ("PSE"). On May 27, 2011, pursuant to a May 6, 2011 WECC request SNCL was also registered as a Transmission Owner ("TO") and Transmission Operator ("TOP").

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, SNCL agrees that the violations addressed hereby may be treated as Confirmed Violations 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 SNCL for subsequent violations of the same Reliability Standards addressed herein and taking enforcement action, if necessary. Such enforcement action can include assessing penalties against SNCL 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 SNCL hereby agree and stipulate to the following:

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## I. Stipulated Violation Facts

Background. On June 17, 2007, SNCL was registered on the NERC Compliance Registry as a Distribution Provider ("DP"), Generator Owner ("GO"), Generator Operator ("GOP"), Load-Serving Entity ("LSE") and Purchasing-Selling Entity ("PSE"). On May 6, 2011, WECC notified SNCL that it owns certain transmission facilities meeting NERC criteria for Transmission Owner ("TO") and Transmission Operator ("TOP") registration, which were not covered under a TO or TOP registration. Accordingly, WECC requested SNCL to self-register for the TO and TOP functions on or before May 27, 2011. On May 26, 2011, SNCL responded to WECC's request and proposed to revise its NERC and WECC compliance registration to add the TO and TOP functions to its existing registration. On June 6, 2011, NERC issued a *Notice of Listing of Current Status in NERC Compliance Registry* to SNCL, providing notice to SNCL that its registration as a TO and TOP was effective May 27, 2011.

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, a NERC/WECC Certification Team conducted an on-site visit of SNCL's facilities, to review SNCL's ability to meet the standards and requirements of a TOP. On June 19, 2012, NERC confirmed the certification of SNCL (NCR05392) as a NERC certified TOP for SNCL's facilities.

### A. NERC Reliability Standard EOP-001-0 R3 and R5

*R3. Each Transmission Operator and Balancing Authority shall:*

*R3.1. Develop, maintain, and implement a set of plans to mitigate operating emergencies for insufficient generating capacity.*

*R3.2. Develop, maintain, and implement a set of plans to mitigate operating emergencies on the transmission system.*

*R3.3. Develop, maintain, and implement a set of plans for load shedding.*

*R3.4. Develop, maintain, and implement a set of plans for system restoration.*

*R5. Each Transmission Operator and Balancing Authority shall include the applicable elements in Attachment 1-EOP-001-0 when developing an emergency plan.*

### APPLICABILITY

SNCL is subject to this Standard because it was registered on the NERC Compliance Registry as a TOP, effective May 27, 2011. On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying non-compliance with EOP-001-0 R3 and R5. On January 25, 2012, SNCL also submitted Self-Reports addressing its possible noncompliance with EOP-001-0 R3 and R5, as well as responses to subsequent supplemental data requests. Although SNCL self-reported these possible violations, because SNCL

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submitted its self-reports six days after the Self-Certification submission period, the discovery method for these violations is Self-Certification.

### **VIOLATION FACTS**

A WECC subject matter expert ("SME") reviewed the Self-Certifications, Self-Reports and data requests, and determined that related to R3, at the time of SNCL's registration as a TOP, SNCL did not have plans to mitigate operating emergencies for insufficient generating capacity, to mitigate operating emergencies on the transmission system, and for system restoration. In addition, related to R5, SNCL did not have a set of plans to mitigate operating emergencies which included the fifteen applicable elements in Attachment 1-EOP-001-0 of the Standard. The SME forwarded the findings to the WECC Enforcement Department ("Enforcement").

Enforcement reviewed the Self-Reports, the supplemental data requests, and the SME's findings and determined that SNCL had alleged violations of EOP-001-0 R3 and R5 for its failure to develop, maintain and implement a set of plans to mitigate operating emergencies for insufficient generating capacity, for transmission system emergencies, for load shedding and for system restoration. Because it had not developed a set of plans to mitigate operating emergencies, SNCL could not include the applicable elements in Attachment 1-EOP-001-0, to comply with R5.

### **MITIGATION PLAN DETAILS**

On January 25, 2012, SNCL submitted mitigation plans for the alleged violations of R3 and R5 with a proposed completion date of October 15, 2012. In its plan, SNCL proposed to create a draft set of plans for insufficient generating capacity, operating emergencies on the transmission system, and system restoration by April 15, 2012; to review and update SNCL's load shedding plan by May 15, 2012; to publish and distribute final plans by July 15, 2012; and to complete training for all SNCL personnel that are involved in the implementation of these plans by October 15, 2012. On April 24, 2012, WECC issued a Notice of Mitigation Plan Acceptance for R3.

On May 25, 2012, WECC issued a Notice of Mitigation Plan Rejection for R5, because the actions proposed in the plan did not address the specific elements in Attachment 1-EOP-001-0. On June 18, 2012, SNCL submitted a revised mitigation plan for R5, with a proposed completion date of October 15, 2012. WECC accepted the revised mitigation plan for R5 on July 10, 2012. In the revised plan, SNCL proposed to develop and publish an emergency plan which includes the applicable elements of the fifteen elements in Attachment 1-EOP-001 by July 15, 2012, and to train all applicable employees on the emergency plan by October 15, 2012.

Enforcement determined the duration of these violations from May 27, 2011, the date SNCL was registered as a TOP, to the present.

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## RELIABILITY IMPACT STATEMENT

The purpose of EOP-001-0 R3 is to ensure that SNCL, as the TOP, develops, maintains and implements a set of plans to mitigate operating emergencies. SNCL's failure to have plans to mitigate operating emergencies (R3.2) and implement system restoration (R3.4) will delay restoration of SNCL's load and generation. As compensating measures, WECC has determined that SNCL is a party to a Metered Subsystem Agreement (MSS Agreement) with the CAISO that provides procedures to mitigate operating emergencies for insufficient generating capacity (R3.1) and load shedding (R3.3). However, because SNCL does not have sufficiently formalized plans to comply with all sub-requirements of the Standard, WECC determined this violation of R3 posed a Minimal risk to the reliability of the BES.

For R5, SNCL failed to include all applicable elements in Attachment 1-EOP-001-0 when developing an emergency plan. However, as compensating measures, SNCL has an Electric Emergency Load Curtailment Plan, and is also a party to the MSS Agreement with the CAISO described above. These documents do address certain operating emergencies and load-shedding. For these reasons, WECC determined this violation of R5 posed a Moderate risk to the reliability of the BES.

## PENALTY CONSIDERATIONS

The Violation Risk Factor ("VRF") is Medium and the Violation Severity Level ("VSL") is Severe for each of these violations. The violation of R3 posed a Minimal risk, and the violation of R5 posed a Moderate risk to the reliability of the BES. The violation duration is as described above.

Enforcement applied a mitigating factor for the following reasons:

- Upon undertaking the actions outlined in the mitigation plan, SNCL took voluntary corrective action to remediate this violation.

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

SNCL was cooperative throughout the process.

SNCL did not fail to complete any applicable compliance directives.

There was no evidence of any attempt by SNCL to conceal the violations.

There was no evidence that SNCL's violation was intentional.

WECC is not aware of any violations of this Reliability Standard by SNCL affiliates or any involvement in SNCL's activities such that this violation by SNCL should be treated as recurring conduct.

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Enforcement considered SNCL's compliance history and determined SNCL did not have any relevant negative compliance history.

**B. NERC Reliability Standard EOP-005-1 R1 through R7**

*R1. Each Transmission Operator shall have a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system, including necessary operating instructions and procedures to cover emergency conditions, and the loss of vital telecommunications channels. Each Transmission Operator shall include the applicable elements listed in Attachment 1-EOP-005 in developing a restoration plan.*

*R2. Each Transmission Operator shall review and update its restoration plan at least annually and whenever it makes changes in the power system network, and shall correct deficiencies found during the simulated restoration exercises.*

*R3. Each Transmission Operator shall develop restoration plans with a priority of restoring the integrity of the Interconnection.*

*R4. Each Transmission Operator shall coordinate its restoration plans with the Generator Owners and Balancing Authorities within its area, its Reliability Coordinator, and neighboring Transmission Operators and Balancing Authorities.*

*R5. Each Transmission Operator and Balancing Authority shall periodically test its telecommunication facilities needed to implement the restoration plan.*

*R6. Each Transmission Operator and Balancing Authority shall train its operating personnel in the implementation of the restoration plan. Such training shall include simulated exercises, if practicable.*

*R7. Each Transmission Operator and Balancing Authority shall verify the restoration procedure by actual testing or by simulation.*

**APPLICABILITY**

SNCL is subject to this Standard because it was registered on the NERC Compliance Registry as a TOP, effective May 27, 2011. On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying non-compliance with EOP-005-1 R1 through R7. On January 24, 2012, SNCL also submitted Self-Reports addressing its possible noncompliance with EOP-005-1 R1 through R7. Although SNCL self-reported these possible violations, because SNCL submitted the self-reports six days after the Self-Certification submission period, the discovery method for these violations is Self-Certification.

**VIOLATION FACTS**

With respect to R1, a WECC SME reviewed the Self-Certification, the Self-Report, and issued a data request to SNCL for additional information. Based on this review, the

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SME determined that SNCL had a possible violation of EOP-005-1 R1, for its failure to have a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system. The SME forwarded the findings to Enforcement.

Enforcement reviewed the SME's findings and SNCL's *Metered Subsystem Agreement* with the California Independent System Operator Corporation ("CAISO"). The Agreement contains provisions for load restoration after a major system disturbance has occurred which could result in Underfrequency Load Shedding in California. However, Enforcement determined SNCL had an alleged violation of EOP-005-1 R1, for its failure to have a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system, including necessary operating instructions and procedures to cover emergency conditions, and the loss of vital telecommunications channels.

With respect to R2, a WECC SME reviewed the Self-Certification, the Self-Report and issued a data request to SNCL for additional information. Based on this review, the SME determined that SNCL had a possible violation of EOP-005-1 R2, for its failure to review and update its restoration plan at least annually. The SME forwarded the findings to Enforcement.

Enforcement reviewed the SME's findings and determined SNCL had an alleged violation of EOP-005-1 R2. Because SNCL did not have a documented restoration plan to comply with R1, it could not provide evidence that it had reviewed and updated its restoration plan at least annually and whenever it makes changes in the power system network, and correct deficiencies found during simulated restoration exercises, to comply with R2.

With respect to R3, a WECC SME reviewed the Self-Certification, the Self-Report and issued a data request to SNCL for additional information. Based on this review, the SME determined that SNCL had a possible violation of EOP-005-1 R3, for its failure to develop a restoration plan with a priority of restoring the integrity of the Interconnection. The SME forwarded the findings to Enforcement.

Enforcement reviewed the SME's findings and determined SNCL had an alleged violation of EOP-005-1 R3. Because SNCL did not have a documented restoration plan to comply with R1, it could not develop a restoration plan with a priority of restoring the integrity of the Interconnection, to comply with R3.

With respect to R4, a WECC SME reviewed the Self-Certification, the Self-Report and issued a data request to SNCL for additional information. Based on this review, the SME determined that SNCL had a possible violation of EOP-005-1 R4, for its failure to coordinate its restoration plans with neighboring GOs, BAs, TOPs and its Reliability Coordinator ("RC").



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Enforcement reviewed the SME's findings and determined SNCL had an alleged violation of EOP-005-1 R4. Because SNCL did not have a documented restoration plan to comply with R1, it could not coordinate its restoration plans with the GOs, TOs and BAs within its area, or with its RC, to comply with R4.

With respect to R5, a WECC SME reviewed the Self-Certification, the Self-Report and issued a data request to SNCL for additional information. Based on this review, the SME determined that SNCL had a possible violation of EOP-005-1 R5, for its failure to periodically test the telecommunication facilities needed to implement the restoration plan.

Enforcement reviewed the SME's findings and determined SNCL had an alleged violation of EOP-005-1 R5, because SNCL did not provide evidence that it periodically tests the telecommunication facilities needed to implement the restoration plan.

With respect to R6, a WECC SME reviewed the Self-Certification, the Self-Report and issued a data request to SNCL for additional information. Based on this review, the SME determined that SNCL had a possible violation of EOP-005-1 R6, for its failure to train its operating personnel in the implementation of the restoration plan.

Enforcement reviewed the SME's findings and determined SNCL had an alleged violation of EOP-005-1 R6, because SNCL did not provide evidence that it trains its operating personnel in the implementation of the restoration plan.

With respect to R7, a WECC SME reviewed the Self-Certification, the Self-Report and issued a data request to SNCL for additional information. Based on this review, the SME determined that SNCL had a possible violation of EOP-005-1 R7, for its failure to verify the restoration procedure by actual testing or by simulation.

Enforcement reviewed the SME's findings and determined SNCL had an alleged violation of EOP-005-1 R7. Because SNCL did not have a documented restoration plan to comply with R1, it could not verify the restoration procedure by actual testing or by simulation, to comply with R7.

### **MITIGATION PLAN DETAILS**

On January 25, 2012, SNCL submitted mitigation plans addressing its possible violations of EOP-005-1 R1 through R7, with a proposed completion date of August 15, 2012. In the plans, SNCL proposed to create a draft plan for system restoration by April 15, 2012; publish and distribute the final restoration plan by June 15, 2012; and complete training for all SNCL personnel involved in the implementation of the restoration plan by August 15, 2012. On May 25, 2012, WECC issued a Notice of Mitigation Plan Acceptance for R6. Also on May 25, 2012, WECC issued separate Notices of Mitigation Plan Rejection for R1, R2, R3, R4, R5, and R7.

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For R1, on June 18, 2012, SNCL submitted a revised mitigation plan with a proposed completion date of September 29, 2012. In its plan, as a milestone, SNCL proposed to draft and publish an electric system restoration plan by July 15, 2012. On July 10, 2012, WECC issued a Notice of Revised Mitigation Plan Acceptance to SNCL.

For R2, on June 18, 2012, SNCL submitted a revised mitigation plan with a proposed completion date of September 29, 2012. In its plan, as a milestone, SNCL proposed to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises by July 15, 2012. On July 10, 2012, WECC issued a Notice of Revised Mitigation Plan Acceptance to SNCL.

For R3, on June 18, 2012, SNCL submitted a revised mitigation plan with a proposed completion date of September 29, 2012. As a milestone, SNCL proposed to develop the restoration plan with a priority of restoring the integrity of the Interconnection by July 15, 2012. On July 10, 2012, WECC issued a Notice of Revised Mitigation Plan Acceptance to SNCL.

For R4, on June 18, 2012, SNCL submitted a revised mitigation plan with a proposed completion date of September 29, 2012. As milestones, SNCL proposed to develop that section of the restoration plan coordinating with SNCL generation, the CAISO, the WECC RC and PG&E by July 15, 2012; and then to coordinate with those entities by August 1, 2012. On July 10, 2012, WECC issued a Notice of Revised Mitigation Plan Acceptance to SNCL.

For R5, on June 18, 2012, SNCL submitted a revised mitigation plan with a proposed completion date of September 29, 2012. As a milestone, SNCL proposed to develop that section of the restoration plan addressing the telecommunication facilities needed to implement the restoration plan by July 15, 2012. On July 10, 2012, WECC issued a Notice of Revised Mitigation Plan Acceptance to SNCL.

For R7, on June 18, 2012, SNCL submitted a revised mitigation plan with a proposed completion date of September 29, 2012. As milestones, SNCL proposed to develop that section of the restoration plan dealing with actual testing or simulation by July 15, 2012; and to verify the restoration procedure by actual testing or simulation by September 29, 2012. On July 10, 2012, WECC issued a Notice of Revised Mitigation Plan Acceptance to SNCL.

Enforcement has determined the duration of these alleged violations is from May 27, 2011, the date SNCL was registered as a TOP, to the present.

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## RELIABILITY IMPACT STATEMENT

The purpose of EOP-005-1 is to ensure plans, procedures and resources are available to restore the electric system to a normal condition in the event of a partial or total shut down of the system.

Related to R1, SNCL's failure to have a formal restoration plan document in place could delay the restoration of its load and generation, in the event of a partial or total shut down of its system. Because SNCL failed to have a documented restoration plan, it could not update and review the plan (R2), could not ensure the plan included the priority of restoring the integrity of the Interconnection (R3), could not coordinate the plan with neighboring GOs, BAs, TOs and its RC (R4); and could not verify the restoration procedure by testing or simulation (R7). However, as a compensating measure, the *Metered Subsystem Agreement* referenced above contains load restoration procedures for instances where SNCL customers are impacted by the reliability of the CAISO Controlled Grid, minimizing the risk to SNCL's customers in the event of a partial or total shut down of the system. Furthermore, the MSS Agreement between SNCL and the CAISO, and the Interconnection Agreement between SNCL and PG&E, contains provisions to coordinate restoration with the CAISO (its BA) and PG&E (its neighboring TO). For these reasons, WECC determined the alleged violations of R1, R2, R3, R4, and R7 are related, and together pose a Minimal risk to the reliability of the BES.

Related to R5, SNCL's failure to periodically test its telecommunication facilities needed to implement the restoration plan could delay the restoration of its system if the telecommunication facilities do not perform in the event of a partial or total shut down of its system. As a compensation measure, SNCL and the CAISO are parties to the *Metered Subsystem Agreement*, minimizing the risk of load curtailment to SNCL's customers. However, the Agreement does not contain telecommunication facility testing procedures. Moreover, SNCL maintains that the telecommunications facilities it would use for restoration are the same used in SNCL's day-to-day operations. For these reasons, WECC determined the alleged violation of R5 poses a Minimal risk to the reliability of the BES

Related to R6, SNCL's failure to train its operating personnel in the implementation of the restoration plan could result in its personnel's failure to respond appropriately in the event of a partial or total shut down. However, as a compensating measure, four of its six transmission operators were NERC-certified at the time of the Self-Report. For these reasons, WECC determined the alleged violation of R6 poses a Minimal risk to the reliability of the BES.

## PENALTY CONSIDERATIONS

For R1, R2, R3, R4, R6, and R7; the VRF is Medium, the VSL is Severe, and these violations posed Minimal risk to the reliability of the BES.

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For R5, the VRF is Medium, the VSL is High, and this violation posed Minimal risk to the reliability of the BES.

The violation duration is as described above.

Enforcement applied a mitigating factor for the following reason:

- Upon undertaking the actions outlined in the mitigation plan, SNCL took voluntary corrective action to remediate these violations.

Enforcement determined there were no aggravating factors warranting a penalty higher SNCL was cooperative throughout the process.

SNCL did not fail to complete any applicable compliance directives.

There was no evidence of any attempt by SNCL to conceal the violation.

There was no evidence that SNCL's violation was intentional.

WECC is not aware of any violations of this Reliability Standard by SNCL affiliates or any involvement in SNCL's activities such that this violation by SNCL should be treated as recurring conduct.

Enforcement considered SNCL's compliance history and determined SNCL did not have any relevant negative compliance history.

### **C. NERC Reliability Standard EOP-008-0 R1**

*R1. Each Reliability Coordinator, Transmission Operator and Balancing Authority shall have a plan to continue reliability operations in the event its control center becomes inoperable. The contingency plan must meet the following requirements:*

*R1.1. The contingency plan shall not rely on data or voice communication from the primary control facility to be viable.*

*R1.2. The plan shall include procedures and responsibilities for providing basic tie line control and procedures and for maintaining the status of all inter-area schedules, such that there is an hourly accounting of all schedules.*

*R1.3. The contingency plan must address monitoring and control of critical transmission facilities, generation control, voltage control, time and frequency control, control of critical substation devices, and logging of significant power system events. The plan shall list the critical facilities.*

*R1.4. The plan shall include procedures and responsibilities for maintaining basic voice communication capabilities with other areas.*

*R1.5. The plan shall include procedures and responsibilities for conducting periodic tests, at least annually, to ensure viability of the plan.*

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*R1.6. The plan shall include procedures and responsibilities for providing annual training to ensure that operating personnel are able to implement the contingency plans.*

*R1.7. The plan shall be reviewed and updated annually.*

*R1.8. Interim provisions must be included if it is expected to take more than one hour to implement the contingency plan for loss of primary control facility.*

### **APPLICABILITY**

SNCL is subject to this Standard because it was registered on the NERC Compliance Registry as a TOP, effective May 27, 2011. On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying non-compliance with EOP-008-0 R1. On January 25, 2012, SNCL also submitted a Self-Report addressing its possible noncompliance with FAC-014-2 R2, as well as a supplemental data request. Although SNCL self-reported this possible violation, because SNCL submitted the Self-Report six days after the Self-Certification submission period, the discovery method for this violation is Self-Certification.

### **VIOLATION FACTS**

A WECC SME reviewed the Self-Certification, Self-Report and supplemental data and determined that SNCL had an alleged violation of EOP-008-0 R1 because it did not have plans to continue reliability operations in the event its control center became inoperable. The SME forwarded the findings to Enforcement.

Enforcement reviewed the Self-Reports, the supplemental data requests, the SME's findings and issued a follow-up data request. In response to Enforcement's data request, SNCL provided its *Transmission Operating Procedure Policy* related to plans for loss of Control Center functionality, dated November 28, 2011. Based on its review, Enforcement determined that SNCL had an alleged violation of EOP-008-0 R1, for its failure to have a plan to continue reliable operations in the event its control center become inoperable.

### **DESCRIPTION OF MITIGATION ACTIVITY**

On January 26, 2012, SNCL submitted a mitigation plan addressing this possible violation, with a proposed completion date of October 15, 2012. In the mitigation plan, SNCL proposed to review and formalize a plan for a backup control center by April 15, 2012; test its draft plan by May 15, 2012; publish and distribute its final plan by July 15, 2012; and complete training for all SNCL personnel that are involved in the implementation of this plan by October 15, 2012. On April 24, 2012 WECC issued a Notice of Mitigation Plan Acceptance to SNCL.

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Enforcement determined the duration of the violation from May 27, 2011, the date SNCL was registered as a TOP, to the present.

### RELIABILITY IMPACT STATEMENT

The purpose of EOP-008-0 is to ensure that SNCL has a plan to continue reliability operations in the event its control center becomes inoperable. SNCL's failure to have a plan for the loss of its control center functionality will delay the monitoring and operation of the electrical equipment under its control to maintain BES reliability. As compensating measures, SNCL explained that, since November 14, 2009, it has maintained a backup control center emergency bag that contains a cell phone, contact phone lists as well as other necessary items for use to maintain continuous reliable operation in the event its control center becomes inoperable. Because SNCL does not have sufficiently formalized plans in compliance with EOP-008-0 R1, WECC determined this violation posed Moderate risk to the reliability of the BES.

### PENALTY CONSIDERATIONS

The VRF is High, the VSL is Severe, and this violation posed Moderate risk to the reliability of the BES.

The violation duration is as described above.

Enforcement applied a mitigating factor for the following reasons:

- Upon undertaking the actions outlined in the mitigation plan, SNCL took voluntary corrective action to remediate this violation.

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

SNCL was cooperative throughout the process.

SNCL did not fail to complete any applicable compliance directives.

There was no evidence of any attempt by SNCL to conceal the violation.

There was no evidence that SNCL's violation was intentional.

WECC is not aware of any violations of this Reliability Standard by SNCL affiliates or any involvement in SNCL's activities such that this violation by SNCL should be treated as recurring conduct.

Enforcement considered SNCL's compliance history and determined SNCL did not have any relevant negative compliance history.

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**D. NERC Reliability Standard FAC-001-1 R1 and R2**

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

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

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

- R2.1. Provide a written summary of its plans to achieve the required system performance as described above throughout the planning horizon:*
  - R2.1.1. Procedures for coordinated joint studies of new facilities and their impacts on the interconnected transmission systems.*
  - R2.1.2. Procedures for notification of new or modified facilities to others (those responsible for the reliability of the interconnected transmission systems) as soon as feasible.*
  - R2.1.3. Voltage level and MW and MVA capacity or demand at point of connection.*
  - R2.1.4. Breaker duty and surge protection.*
  - R2.1.5. System protection and coordination.*
  - R2.1.6. Metering and telecommunications.*
  - R2.1.7. Grounding and safety issues.*
  - R2.1.8. Insulation and insulation coordination.*
  - R2.1.9. Voltage, Reactive Power, and power factor control.*
  - R2.1.10. Power quality impacts.*
  - R2.1.11. Equipment Ratings.*
  - R2.1.12. Synchronizing of facilities.*
  - R2.1.13. Maintenance coordination.*
  - R2.1.14. Operational issues (abnormal frequency and voltages).*
  - R2.1.15. Inspection requirements for existing or new facilities.*
  - R2.1.16. Communications and procedures during normal and emergency operating conditions.*

**APPLICABILITY**

SNCL is subject to this Standard because it was registered on the NERC Compliance Registry as a TOP, effective May 27, 2011. On November 1, 2011, WECC notified SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying non-compliance with FAC-001-0 R1 and R2.

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### **VIOLATION FACTS**

A WECC SME reviewed the Self-Certification documents and issued follow-up data requests to SNCL. Based on this review, the SME determined that SNCL had possible violations of FAC-001-0 R1 and R2, because its existing facility connection requirements only address its generation facilities, and do not address its transmission and end-user facilities. The SME forwarded the findings to Enforcement.

Enforcement reviewed the Self-Reports, the supplemental data requests, and the SME's findings, and determined that SNCL had alleged violations of FAC-001-0 R1 and R2 for its failure to document, maintain and publish facility connection requirements to ensure compliance with NERC Reliability Standards and applicable planning criteria and facility connection requirements for its transmission and end-user facilities.

### **DESCRIPTION OF MITIGATION ACTIVITY**

On January 19, 2012, SNCL submitted a mitigation plan addressing its possible violations of FAC-001-0 R1 and R2, with a proposed completion date of October 15, 2012. In the plan, SNCL proposed to review and compare SNCL's standards, rules, and regulations with the sub-requirements of FAC-001-0 by May 1, 2012; draft revisions to SNCL's standard, rules and regulations as necessary by August 1, 2012; finalize any revised SNCL standards, rules, and regulations by September 1, 2012; and publish and distribute final standards, rules, and regulations by October 15, 2012. On March 9, 2012, WECC issued a Notice of Mitigation Plan Acceptance to SNCL.

For these reasons, WECC determined the duration of these violations is from May 27, 2011 to the present.

### **RELIABILITY IMPACT STATEMENT**

The purpose of FAC-001-0 is to require TOPs to establish facility connection and performance requirements to avoid adverse impacts on reliability. In this case, SNCL could only provide its current facility connection requirements for its generation facilities. SNCL did not have facility connection requirements for its transmission and end-user facilities. Without accurate facility connection requirements, SNCL cannot provide accurate data for planning purposes, or for coordinated joint studies of new facilities and their impacts on the interconnected transmission systems. However, the Santa Clara City Council Rules and Regulations prohibit connections to SNCL's transmission and end-user facilities over 60 kV. Moreover, SNCL has no end-use customers connected to its 115 kV or 230 kV facilities, and the only transmission connections it has are with its neighboring TO, PG&E, which are managed through the SVP-PG&E Interconnection Agreement. For these reasons, WECC determined these violations posed Minimal risk to the reliability of the BES.



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**PENALTY CONSIDERATIONS**

For R1, the VRF is Medium, the VSL is High, and this violation posed Minimal risk to the reliability of the BES.

For R2, the VRF is Medium, the VSL is Severe, and this violation posed Minimal risk to the reliability of the BES.

The violation duration is as described above.

Enforcement applied a mitigating factor for the following reason:

- Upon undertaking the actions outlined in the mitigation plan, SNCL took voluntary corrective action to remediate this violation.

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

SNCL was cooperative throughout the process.

SNCL did not fail to complete any applicable compliance directives.

There was no evidence of any attempt by SNCL to conceal the violation.

There was no evidence that SNCL's violation was intentional.

WECC is not aware of any violations of this Reliability Standard by SNCL affiliates or any involvement in SNCL's activities such that this violation by SNCL should be treated as recurring conduct.

Enforcement considered SNCL's compliance history and determined SNCL did not have any relevant negative compliance history.

**E. NERC Reliability Standard PER-002-0 R1 through R3**

*R1. Each Transmission Operator and Balancing Authority shall be staffed with adequately trained operating personnel.*

*R2. Each Transmission Operator and Balancing Authority shall have a training program for all operating personnel that are in:*

*R2.1. Positions that have the primary responsibility, either directly or through communications with others, for the real-time operation of the interconnected Bulk Electric System.*

*R2.2. Positions directly responsible for complying with NERC standards.*

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*R3. For personnel identified in Requirement R2, the Transmission Operator and Balancing Authority shall provide a training program meeting the following criteria:*

*R3.1. A set of training program objectives must be defined, based on NERC and Regional Reliability Organization standards, entity operating procedures, and applicable regulatory requirements. These objectives shall reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the Transmission Operator and Balancing Authority operating positions.*

*R3.2. The training program must include a plan for the initial and continuing training of Transmission Operator and Balancing Authority operating personnel. That plan shall address knowledge and competencies required for reliable system operations.*

*R3.3. The training program must include training time for all Transmission Operator and Balancing Authority operating personnel to ensure their operating proficiency.*

*R3.4. Training staff must be identified, and the staff must be competent in both knowledge of system operations and instructional capabilities.*

### APPLICABILITY

SNCL is subject to these Standards because it was registered on the NERC Compliance Registry as a TOP, effective May 27, 2011.

### VIOLATION FACTS

On June 1, 2011, SNCL submitted a Self-Report for a possible violation of PER-002-0 R1. According to the Self-Report, at the time of its TOP registration, SNCL did not have a coordinated training program in place for its operators. A WECC SME reviewed the Self-Report and determined that related to its recent registration as a TOP, SNCL noted that four of its six Transmission operators are NERC-certified, but SNCL did not demonstrate through a formal training program that it is staffed with adequately trained operating personnel. The SME determined that SNCL had a possible violation of PER-002-0 R1, for its failure to have a formal training program of its transmission operators in compliance with the Standard. The SME forwarded the findings to Enforcement.

Enforcement reviewed the Self-Report and the SME's findings and determined that SNCL failed to provide evidence that it has a coordinated training program that ensures it is staffed with adequately trained operating personnel. For these reasons, Enforcement determined that SNCL had an alleged violation of PER-002-0 R1.

On June 1, 2011, SNCL submitted a Self-Report for a possible violation of PER-002-0 R2. According to the Self-Report, at the time of its TOP registration, SNCL failed to

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have a formal training program in place. A WECC SME reviewed the Self-Report and determined that SNCL had a possible violation of PER-002-0 R2, for its failure to have a formal training program in place for all its operating personnel. The SME forwarded the findings to Enforcement.

Enforcement reviewed the Self-Report and the SME's findings and determined that SNCL failed to have a training program for all operating personnel that are in positions that have the primary responsibility for the real-time operation of the interconnected BES, and positions directly responsible for complying with NERC standards. For these reasons, Enforcement determined that SNCL had an alleged violation of PER-002-0 R2.

On June 5, 2011, SNCL submitted a Self-Report for a possible violation of PER-002-0 R3. According to the Self-Report, at the time of its TOP registration, SNCL did not have a formal training program in place. A WECC SME reviewed the Self-Report and determined that SNCL had a possible violation of PER-002-0 R3, for its failure to provide a training program meeting the criteria of the Standard. The SME forwarded the findings to Enforcement.

Enforcement reviewed the Self-Report and the SME's findings and determined that SNCL failed to provide a training program that includes a defined a set of training program objectives; a plan for the initial and continuing training of operating personnel; a training program that includes training time for all operating personnel; and identifies competent training staff. For these reasons, Enforcement determined that SNCL had an alleged violation of PER-002-0 R3.

### **DESCRIPTION OF MITIGATION ACTIVITY**

On June 2, 2011, SNCL submitted a mitigation plan addressing the possible violations of PER-002-0 R1, R2 and R3, with a proposed completion date of July 1, 2012. In the plan, SNCL proposed to develop a training program and train SNCL transmission operators pursuant to the training program by September 1, 2011; test and interview SNCL transmission operators to determine gaps in training based on the training program objectives by October 1, 2011; implement the training program by January 1, 2012; and certify those SNCL transmission operators who are not yet NERC-certified by July 1, 2012. On June 28, 2012, SNCL submitted a Certification of Mitigation Plan Completion for R1, R2 and R3. A WECC SME reviewed a training program document submitted as evidence, *SVP System Operator Certification and Training Program Ver 1.pdf*, and determined that the mitigation plans for R1, R2 and R3 were completed as of June 27, 2012. On July 5, 2012, WECC issued a Notice of Mitigation Plan and Completed Mitigation Plan Acceptance for R1, R2 and R3.

Enforcement has determined the duration of these violations is from May 27, 2011, the date SNCL was registered as a TOP, to June 27, 2012.

### **RELIABILITY IMPACT STATEMENT**

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The purpose of PER-002-0 is to ensure that SNCL, as a TOP, provides its personnel with a coordinated training program that will ensure reliable system operation.

Related to R1, although SNCL believed its operators were well trained, SNCL failed to demonstrate through a formal training program that it staffs its operation with adequately trained operating personnel. Related to R2, SNCL failed to have a formal training program for all operating personnel that are in positions that have primary responsibility for the real-time operation of the BES, and positions directly responsible for complying with NERC standards. And related to R3, SNCL failed to provide a formal training program that includes a defined set of training program objectives; a plan for the initial and continuing training of operating personnel; a training program that includes training time for all operating personnel; and identifies competent training staff.

As compensating measures, four of SNCL's six transmission operators were NERC-certified at the time of the Self-Report, and the remaining two were in the process of being certified. Additionally, SNCL provided evidence that 88% of the total hours worked by SNCL personnel in positions responsible for the reliable operation of the BES between May 27, 2011 and January 25, 2012, were staffed by NERC-certified operators. SNCL also provided evidence that only one new operator was hired during that period and has spent each of his working hours on training. Further, SNCL also provided records that its Operators completed web-based transmission operations training. WECC determined SNCL's operators had received some training, and therefore the violation of R1 posed a Minimal risk to the reliability of the BES. However, although SNCL believed that its operators were well trained, because SNCL did not have a formal training program for its operating personnel that contained the objectives set out in the Standard, WECC determined the violations of R2 and R3 posed a Moderate risk to the reliability of the BES.

### PENALTY CONSIDERATIONS

For R1, the VRF is High, the VSL is Severe, and this violation posed a Minimum risk to the reliability of the BES.

For R2, the VRF is High, the VSL is Severe, and this violation posed a Moderate risk to the reliability of the BES.

For R3, the VRF is High, the VSL is High, and this violation posed a Moderate risk to the reliability of the BES.

The violation duration is as described above.

Enforcement applied a mitigating factor for the following reasons:

- Upon undertaking the actions outlined in the mitigation plan, SNCL took voluntary corrective action to remediate these violations.

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- SNCL self-reported these possible violations.

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

SNCL was cooperative throughout the process.

SNCL did not fail to complete any applicable compliance directives.

There was no evidence of any attempt by SNCL to conceal the violation.

There was no evidence that SNCL's violation was intentional.

WECC is not aware of any violations of this Reliability Standard by SNCL affiliates or any involvement in SNCL's activities such that this violation by SNCL should be treated as recurring conduct.

Enforcement considered SNCL's compliance history and determined SNCL did not have any relevant negative compliance history.

#### **F. NERC Reliability Standard PER-003-0 R1**

*R1. Each Transmission Operator, Balancing Authority, and Reliability Coordinator shall staff all operating positions that meet both of the following criteria with personnel that are NERC-certified for the applicable functions:*

*R1.1. Positions that have the primary responsibility, either directly or through communications with others, for the real-time operation of the interconnected Bulk Electric System.*

*R1.2. Positions directly responsible for complying with NERC standards.*

#### **APPLICABILITY**

SNCL is subject to this Standard because it was registered on the NERC Compliance Registry as a TOP, effective May 27, 2011.

#### **VIOLATION FACTS**

On June 6, 2011, SNCL submitted a Self-Report addressing a possible violation of PER-003-0 R1. A WECC SME reviewed the Self-Report and determined that only four of six SNCL transmission operators were NERC-certified at the time of its TOP registration. The SME forwarded the findings to Enforcement.

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Enforcement reviewed the Self-Report and the SME's findings and determined that SNCL had an alleged violation of PER-003-0 R1 for its failure to staff all operating positions that have the primary responsibility for the real-time operation of the interconnected BES with personnel that are NERC-certified for the applicable functions.

### DESCRIPTION OF MITIGATION ACTIVITY

On June 27, 2012, SNCL filed a mitigation plan addressing PER-003-0 R1, with a proposed completion date of July 1, 2012. In its plan, SNCL proposed to complete negotiations with the International Brotherhood of Electrical Workers on a change to SNCL's Electric & Water System Operator (EWSO) Job Description to include a NERC Transmission Operator Certification requirement by May 22, 2012. Also, in the mitigation plan SNCL proposed to submit the new EWSO Job Description to the Santa Clara City Council for approval by May 22, 2012. In addition, in its mitigation plan SNCL proposed to adjust its EWSO shift schedules such that at least one NERC-certified Transmission Operator is on duty for each shift by June 1, 2012.

On July 2, 2012, SNCL submitted a Certification of Mitigation Plan Completion, certifying completion on May 27, 2012. A WECC SME reviewed the following documents showing compliance: *Council SUMMARY OF ACTIONS TAKEN 5-22-12.docx*, (a summary of actions taken from the City Council of Santa Clara to approve a pay increase of 6% to NERC certified operators, dated May 27, 2012; *EWSO JobDescription.docx*, (the job description for operators to have a NERC certification showing that the requirement is mandatory after being hired) dated May 22, 2012. In addition, SNCL has adjusted its EWSO shift schedules such that at least one NERC-certified Transmission Operator is on duty for each shift, providing its Operator Schedule for May and June of 2012 to show that a NERC certified operator is always on duty, as of May 27, 2012.

According to the WECC SME, as of May 27, 2012, SNCL has completed all actions outlined in the plan. On July 10, 2012, WECC issued a Notice of Mitigation Plan and Completed Mitigation Plan Acceptance to SNCL. Enforcement determined the duration of this alleged violation is from May 27, 2011, the date SNCL was registered as a TOP, to May 27, 2012.

### RELIABILITY IMPACT STATEMENT

The purpose of PER-003-0 is to ensure that operating personnel are certified to ensure minimum competencies for operating a reliable BES. At the time of its Self-Report, four of six transmission operators were NERC-certified, with the remaining two in the process of being certified. As a compensating measure, SNCL provided evidence that 88% of the hours worked in the Electric Control Center since SNCL was registered as a TOP were worked by SNCL NERC-certified operators, and SNCL's operations desk has always been staffed with highly experienced operators. For these reasons, WECC determined this violation posed Minimal risk to the reliability of the BES.

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**PENALTY CONSIDERATIONS**

The VRF is High, VSL is Severe, and this violation posed Minimal risk to the reliability of the BES.

The violation duration is as described above.

Enforcement applied a mitigating factor for the following reasons:

- Upon undertaking the actions outlined in the mitigation plan, SNCL took voluntary corrective action to remediate this violation.
- SNCL self-reported this alleged violation.

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

SNCL was cooperative throughout the process.

SNCL did not fail to complete any applicable compliance directives.

There was no evidence of any attempt by SNCL to conceal the violation.

There was no evidence that SNCL's violation was intentional.

WECC is not aware of any violations of this Reliability Standard by SNCL affiliates or any involvement in SNCL's activities such that this violation by SNCL should be treated as recurring conduct.

Enforcement considered SNCL's compliance history and determined SNCL did not have any relevant negative compliance history.

**G. NERC Reliability Standard PRC-023-0 R1**

*R1. Each Transmission Owner, Generator Owner, and Distribution Provider shall use any one of the following criteria (R1.1 through R1.13) for any specific circuit terminal to prevent its phase protective relay settings from limiting transmission system loadability while maintaining reliable protection of the Bulk Electric System for all fault conditions. Each Transmission Owner, Generator Owner, and Distribution Provider shall evaluate relay loadability at 0.85 per unit voltage and a power factor angle of 30 degrees.*

**APPLICABILITY**

SNCL is subject to this Standard because it was registered on the NERC Compliance Registry as a TOP, effective May 27, 2011. On November 1, 2011, WECC notified

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SNCL that WECC was initiating the Self-Certification process for the period from January 1, 2011 to December 31, 2011. Under this process, SNCL's Self-Certification submittal was due by January 20, 2012. On January 19, 2012, SNCL submitted its Self-Certification, certifying non-compliance with PRC-023-1 R1, with supplemental data requests.

## VIOLATION FACTS

A WECC SME reviewed the Self-Certification and supplemental data requests and determined that SNCL had a possible violation of PRC-023-1 R1 for its failure to use one of the criteria from the Standard for any specific circuit terminal, to prevent its phase protective relay settings from limiting transmission system loadability while maintaining reliable protection of the BES for all fault conditions (R1). The SME forwarded the findings to Enforcement.

Enforcement reviewed the Self-Certification, the supplemental data requests, and the SME's findings. Enforcement also submitted a follow-up data request to SNCL. Based on its review, Enforcement determined that SNCL had an alleged violation of PRC-023-1 R1, for its failure to use one of the criteria set forth in the Standard for any specific circuit terminal, to prevent its phase protective relay settings from limiting transmission system loadability while maintaining reliable protection of the BES for all fault conditions.

## DESCRIPTION OF MITIGATION ACTIVITY

On March 20, 2012, SNCL submitted a mitigation plan addressing the possible violation of PRC-023-1 R1, with a proposed completion date of November 15, 2012. In its plan, SNCL proposed to perform detailed engineering analysis and review of SNCL's 115kV and 230 kV transmission protection systems by June 15, 2012; determine if any protection system changes are necessary by July 15, 2012; Make any necessary protection system changes by September 15, 2012, and formally document engineering analysis and protection system setting changes by November 15, 2012. On April 24, 2012, WECC issued a Notice of Mitigation Plan Acceptance to SNCL. On July 10, 2012, SNCL submitted a Certification of Mitigation Plan Completion with evidence of its completion. A WECC SME reviewed the document titled *SVP Transmission Relay Loadability Assessment Report 6-29-12.pdf*, a formal report documenting the results of an internal evaluation of the relay settings, dated June 29, 2012. Because this assessment was completed on June 29, 2012, WECC determined the plan was completed on June 29, 2012.

Enforcement determined the duration of the violations to be from May 27, 2011, the date SNCL was registered as a TOP, to June 29, 2012.



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## RELIABILITY IMPACT STATEMENT

The purpose of this Standard is to ensure that SNCL, as a TOP, does not have protective relay settings that limit transmission loadability, and that interfere with system operators' ability to take remedial action to protect system reliability; and, that its protective relays are set to reliably detect all fault conditions and protect the electrical network from these faults. As a compensating measure, through its subsequent assessment, SNCL determined that its protective relay settings were appropriate and met the criteria of the Standard, However, SNCL did not timely document that its protective relay settings met the loadability criteria. For these reasons, WECC determined this violation posed Moderate risk to the reliability of the BES.

## PENALTY CONSIDERATIONS

The VRF is High, the VSL is Severe, and this violation posed Moderate risk to the reliability of the BES.

The violation duration is as described above.

Enforcement applied a mitigating factor for the following reason:

- Upon undertaking the actions outlined in the mitigation plan, SNCL took voluntary corrective action to remediate this violation.

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

SNCL was cooperative throughout the process.

SNCL did not fail to complete any applicable compliance directives.

There was no evidence of any attempt by SNCL to conceal the violation.

There was no evidence that SNCL's violation was intentional.

WECC is not aware of any violations of this Reliability Standard by SNCL affiliates or any involvement in SNCL's activities such that this violation by SNCL should be treated as recurring conduct.

Enforcement considered SNCL's compliance history and determined SNCL did not have any relevant negative compliance history.

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## **II. Settlement Terms**

A. **Payment.** To settle this matter, SNCL hereby agrees to pay \$150,000 to WECC via wire transfer or cashier's check. SNCL shall make the funds payable to a WECC account identified in a Notice of Payment Due that WECC will send to SNCL upon approval of this Agreement by NERC and the Federal Energy Regulatory Commission ("FERC"). SNCL 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 SNCL 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 SNCL 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.

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### 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 SNCL 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. SNCL agrees that the Agreement, upon approval by NERC and FERC, is a final settlement of all matters set forth herein. SNCL waives its right to further hearings and appeal, unless and only to the extent that SNCL 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 SNCL in accordance with the Agreement, the CMEP and the NERC Rules of Procedure. In the event that SNCL fails to comply with any of the terms of this Agreement, WECC shall have the right to pursue enforcement, penalty or sanction actions against SNCL up to the maximum penalty allowed by the NERC Rules of Procedure. SNCL 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. SNCL consents to the use of WECC's determinations, findings, and conclusions set forth in this Agreement for the purpose of assessing the factors,

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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 SNCL 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]***



## Attachment b

**SNCL's Self-Certification (Public Version)  
dated January 19, 2012 for the violations of  
WECC2012009255 (EOP-001-0 R3),  
WECC2012009246 (EOP-001-0 R5),  
WECC2012009247 (EOP-005-1 R1),  
WECC2012009248 (EOP-005-1 R2),  
WECC2012009249 (EOP-005-1 R3),  
WECC2012009250 (EOP-005-1 R4),  
WECC2012009251 (EOP-005-1 R5),  
WECC2012009252 (EOP-005-1 R6),  
WECC2012009253 (EOP-005-1 R7),  
WECC2012009254 (EOP-008-0 R1),  
WECC2012009256 (FAC-001-0 R1),  
WECC2012009257 (FAC-001-0 R2)  
and WECC2012009262 (PRC-023-1 R1)**

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**Self-Certification - 2011**  
**WECC Notice of Requirement to Self-Certify - 2011**

**Entity:** Silicon Valley Power

**NERC Registry ID:** NCR05392

**Address:** 1500 Warburton Ave  
 Santa Clara CA 95050

**Start Date:** November 01, 2011

**Due Date:** January 20, 2012

**Submitted On:** January 19, 2012

**General Entity Comment:**

Standard Requirement	Compliance Status	OEA Status	Entity Requirement Comment
CIP-001-1 R1	Compliant	N/A	
CIP-001-1 R2	Compliant	N/A	
CIP-001-1 R3	Compliant	N/A	
CIP-001-1 R4	Compliant	N/A	
CIP-001-1a R1	Compliant	N/A	
CIP-001-1a R2	Compliant	N/A	
CIP-001-1a R3	Compliant	N/A	
CIP-001-1a R4	Compliant	N/A	
CIP-001-2a R1	Compliant	N/A	
CIP-001-2a R2	Compliant	N/A	
CIP-001-2a R3	Compliant	N/A	
CIP-001-2a R4	Compliant	N/A	
COM-001-1.1 R1	Compliant	N/A	
COM-001-1.1 R2	Compliant	N/A	
COM-001-1.1 R3	Compliant	N/A	
COM-001-1.1 R4	Compliant	N/A	
COM-001-1.1 R5	Compliant	N/A	
COM-001-1.1 R6	Not Applicable	N/A	Not on NERCNet
COM-002-2 R1	Compliant	N/A	
COM-002-2 R2	Compliant	N/A	

Standard Requirement	Compliance Status	OEA Status	Entity Requirement Comment
EOP-001-0 R2	Compliant	N/A	
EOP-001-0 R3	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-001-0 R5	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-003-1 R2	Compliant	N/A	
EOP-003-1 R3	Compliant	N/A	
EOP-003-1 R4	Compliant	N/A	
EOP-003-1 R8	Compliant	N/A	
EOP-004-1 R3	Compliant	N/A	
EOP-005-1 R1	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-005-1 R2	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-005-1 R3	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-005-1 R4	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-005-1 R5	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-005-1 R6	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-005-1 R7	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-005-1 R9	Do Not Own	N/A	No Blackstart Units
EOP-005-1 R10	Do Not Own	N/A	No Blackstart Units
EOP-008-0 R1	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
EOP-009-0 R1	Do Not Own	N/A	No Blackstart Units
EOP-009-0 R2	Do Not Own	N/A	No Blackstart Units
FAC-001-0 R1	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
FAC-001-0 R2	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
FAC-001-0 R3 *	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
FAC-003-1 R1	Compliant	N/A	
FAC-003-1 R2	Compliant	N/A	
FAC-003-1 R3	Compliant	N/A	
FAC-008-1 R1	Compliant	N/A	
FAC-008-1 R2	Compliant	N/A	
FAC-009-1 R1	Compliant	N/A	
FAC-009-1 R2	Compliant	N/A	
FAC-014-2 R2 *	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
FAC-014-2 R5 *	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
FAC-501-WECC-1 R1	Do Not Own	N/A	NoPaths
INT-001-3 R1	Not Applicable	N/A	No Dynamic Schedules
IRO-STD-006-0 WR1	Compliant	N/A	



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Standard Requirement	Compliance Status	OEA Status	Entity Requirement Comment
IRO-004-2 R1	Compliant	N/A	
IRO-005-2 R8	Compliant	N/A	
IRO-005-2 R12	Do Not Own	N/A	No Special Protection Systems
IRO-005-2 R13	Compliant	N/A	
IRO-005-2a R8	Compliant	N/A	
IRO-005-2a R12	Do Not Own	N/A	No SPS
IRO-005-2a R13	Compliant	N/A	
IRO-005-3a R5	Compliant	N/A	
IRO-005-3a R9	Do Not Own	N/A	No Special Protection Systems
IRO-005-3a R10	Compliant	N/A	
MOD-001-1a R1	Do Not Own	N/A	No ATC Paths
MOD-001-1a R6	Do Not Own	N/A	No ATC Paths
MOD-004-1 R3	Not Applicable	N/A	No CBM
MOD-004-1 R10	Not Applicable	N/A	No CBM
MOD-008-1 R1	Do Not Own	N/A	No Paths
MOD-008-1 R2	Do Not Own	N/A	No Paths
MOD-008-1 R3	Do Not Own	N/A	No Paths
MOD-008-1 R4	Do Not Own	N/A	No Paths
MOD-008-1 R5	Do Not Own	N/A	No Paths
MOD-010-0 R2	Compliant	N/A	
MOD-012-0 R2	Compliant	N/A	
MOD-028-1 R2	Compliant	N/A	
MOD-028-1 R3	Do Not Own	N/A	No ATC Paths
MOD-028-1 R4	Do Not Own	N/A	No ATC Paths
MOD-028-1 R5	Do Not Own	N/A	No ATC Paths
MOD-028-1 R6	Do Not Own	N/A	No ATC Paths
MOD-028-1 R7	Do Not Own	N/A	No ATC Paths
MOD-029-1a R1	Do Not Own	N/A	No ATC Paths
MOD-029-1a R2	Do Not Own	N/A	No ATC Paths
MOD-029-1a R3	Do Not Own	N/A	No ATC Paths
MOD-029-1a R4	Do Not Own	N/A	No ATC Paths
MOD-030-2 R2	Do Not Own	N/A	No Paths
MOD-030-2 R3	Do Not Own	N/A	No Paths
NUC-001-2 R2	Not Applicable	N/A	No Nuclear Plants
NUC-001-2 R3	Not Applicable	N/A	No Nuclear Plants
NUC-001-2 R4	Not Applicable	N/A	No Nuclear Plants
NUC-001-2 R5	Not Applicable	N/A	No Nuclear Plants

Standard Requirement	Compliance Status	OEA Status	Entity Requirement Comment
NUC-001-2 R6	Not Applicable	N/A	No Nuclear Plants
NUC-001-2 R8	Not Applicable	N/A	No Nuclear Plants
NUC-001-2 R9	Not Applicable	N/A	No Nuclear Plants
PER-001-0.1 R1	Compliant	N/A	
PER-002-0 R1	Compliant	N/A	
PER-002-0 R2	Not Compliant	No	Active Mitigation Plan
PER-002-0 R3	Not Compliant	No	Active Mitigation Plan
PER-002-0 R4 *	Not Compliant	No	Active Mitigation Plan
PER-003-0 R1	Not Compliant	No	Active Mitigation Plan
PRC-STD-001-1 WR1	Do Not Own	N/A	No Paths
PRC-STD-003-1 WR1	Not Applicable	N/A	No Paths
PRC-STD-005-1 WR1	Do Not Own	N/A	No Paths
PRC-001-1 R1	Compliant	N/A	
PRC-001-1 R2	Compliant	N/A	
PRC-001-1 R3	Compliant	N/A	
PRC-001-1 R4	Compliant	N/A	
PRC-001-1 R5	Compliant	N/A	
PRC-001-1 R6	Compliant	N/A	
PRC-004-1 R1	Compliant	N/A	
PRC-004-1 R2	Compliant	N/A	
PRC-004-WECC-1 R1	Do Not Own	N/A	No listed transmission systems or RAS
PRC-004-WECC-1 R2	Do Not Own	N/A	No listed transmission systems or RAS
PRC-004-WECC-1 R3	Do Not Own	N/A	No listed transmission systems or RAS
PRC-005-1 R1	Compliant	N/A	
PRC-005-1 R2	Compliant	N/A	
PRC-007-0 R2	Compliant	N/A	
PRC-008-0 R1	Compliant	N/A	
PRC-008-0 R2	Compliant	N/A	
PRC-011-0 R1	Do Not Own	N/A	No UVLS
PRC-016-0.1 R3	Do Not Own	N/A	No SPS
PRC-017-0 R1	Do Not Own	N/A	No SPS
PRC-017-0 R2	Do Not Own	N/A	No SPS

## Confidential Non-Public Information

Standard Requirement	Compliance Status	OEA Status	Entity Requirement Comment
PRC-021-1 R1	Do Not Own	N/A	No UVLS
PRC-023-1 R1	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
PRC-023-1 R2 *	Not Compliant	No	SNCL will be submitting a self-report and Mitigation Plan
TOP-STD-007-0 WR1	Do Not Own	N/A	No interconnection or transfer path
TOP-001-1 R1	Compliant	N/A	
TOP-001-1 R3	Not Applicable	N/A	No directives issued to SNCL
TOP-001-1 R4	Not Applicable	N/A	No directives issued to SNCL
TOP-001-1 R5	Not Applicable	N/A	No emergency conditions to report
TOP-001-1 R8	Compliant	N/A	
TOP-002-2a R1	Compliant	N/A	
TOP-002-2a R3	Compliant	N/A	
TOP-002-2a R6	Compliant	N/A	
TOP-002-2a R11	Compliant	N/A	
TOP-002-2a R18	Compliant	N/A	
TOP-004-2 R6	Compliant	N/A	
TOP-005-1.1 R1	Compliant	N/A	
TOP-005-1.1 R2	Not Applicable	N/A	Not on ISN
TOP-005-1.1 R3	Compliant	N/A	
TOP-005-1.1 R4	Compliant	N/A	
TOP-005-1.1a R1	Compliant	N/A	
TOP-005-1.1a R2	Not Applicable	N/A	Not on ISN
TOP-005-1.1a R3	Compliant	N/A	
TOP-005-1.1a R4	Compliant	N/A	
TOP-005-2a R1	Not Applicable	N/A	Not on ISN
TOP-005-2a R2	Compliant	N/A	
TOP-005-2a R3	Compliant	N/A	
TOP-006-1 R1	Compliant	N/A	
TOP-006-1 R2	Compliant	N/A	
TOP-006-1 R4	Compliant	N/A	
TOP-006-1 R5	Compliant	N/A	
TOP-006-1 R6	Compliant	N/A	
TOP-006-1 R7	Compliant	N/A	
TOP-006-2 R1	Compliant	N/A	
TOP-006-2 R2	Compliant	N/A	
TOP-006-2 R4	Compliant	N/A	
TOP-006-2 R5	Compliant	N/A	

Standard Requirement	Compliance Status	OEA Status	Entity Requirement Comment
TOP-006-2 R6	Compliant	N/A	
TOP-006-2 R7	Compliant	N/A	
TOP-007-0 R1	Compliant	N/A	No IROL or SOL exceeded
TOP-007-0 R2	Compliant	N/A	No contingency or other events
TOP-007-WECC-1 R1	Not Applicable	N/A	No Paths
VAR-STD-002a-1 WR1	Compliant	N/A	
VAR-STD-002b-1 WR1	Compliant	N/A	
VAR-001-1 R1	Compliant	N/A	
VAR-001-1 R2	Compliant	N/A	
VAR-001-1 R3	Not Applicable	N/A	No exempt generators
VAR-001-1 R4	Compliant	N/A	
VAR-001-1 R6	Compliant	N/A	
VAR-001-1 R9	Compliant	N/A	
VAR-001-2 R1	Compliant	N/A	
VAR-001-2 R2	Compliant	N/A	
VAR-001-2 R3	Not Applicable	N/A	No exempt generators
VAR-001-2 R4	Compliant	N/A	
VAR-001-2 R6	Compliant	N/A	
VAR-001-2 R9	Compliant	N/A	
VAR-002-1.1b R1	Compliant	N/A	
VAR-002-1.1b R2	Compliant	N/A	
VAR-002-1.1b R3	Compliant	N/A	
VAR-002-1.1b R4	Compliant	N/A	
VAR-002-1.1b R5	Compliant	N/A	
VAR-002-WECC-1 R1	Compliant	N/A	
VAR-002-WECC-1 R2	Compliant	N/A	
VAR-501-WECC-1 R1	Compliant	N/A	
VAR-501-WECC-1 R2	Compliant	N/A	

## **Attachment c**

### **Record documents for WECC2012009255 (EOP-001-0 R3)**

**c-1. SNCL's Mitigation Plan designated as WECCMIT006616 submitted January 25, 2012**

**c-2. SNCL's Certification of Mitigation Plan Completion dated October 15, 2012**

**c-3. WECC's Verification of Mitigation Plan Completion dated November 21, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>
WECC2012009255	EOP-001-0 R3	null

Mitigation Plan Submitted On: January 25, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: October 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL 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: Silicon Valley Power

NERC Compliance Registry ID: NCR05392

Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth

Title: Electric Division Manager-Compliance

Email: jlauth@svpower.com

Phone: 408-739-3946



**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		
WECC2012009255	12/14/2011	EOP-001-0 R3
Each Transmission Operator and Balancing Authority shall:		

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

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-001 R3 & R5. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet this requirement. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with this requirement

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

Identified on December 12, 2011 & December 13, 2011

**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:

Task 1.1- Create a draft set of plans for insufficient generating capacity(R3.1), operating emergencies on the transmission system(R3.2), and system restoration(R3.4).

Task 1.2- Review and update SNCL's Load Shedding Plan as needed(R3.3).

Task 1.3-Publish and distribute final plans.

Task 1.4 Complete training for all SNCL personnel that are involved in the implementation of these plans.

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:October 15, 2012

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
Task 1.1	Task 1.1- Create a draft set of plans for insufficient generating capacity(R3.1), operating emergencies on the transmission system(R3.2), and system restoration(R3.4).	04/15/2012	
Task 1.2	Task 1.2- Review and update SNCL's Load Shedding Plan as needed(R3.3).	05/15/2012	
Task 1.3	Task 1.3-Publish and distribute final plans.	07/15/2012	
Task 1.4	Task 1.4 Complete training for all SNCL personnel that are involved in the implementation of these plans.	10/15/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BES Reliability Risk

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

SNCL is unaware of any BPS reliability risk, as it has it does have emergency operating procedures

### 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

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

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

Name: Jim Lauth

Title: Electric Division Manager- Compliance

Authorized On: January 25, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009255

Mitigated Standard Requirement(s): EOP-001-0 R3,

Scheduled Completion as per Accepted Mitigation Plan: October 15, 2012

Date Mitigation Plan completed: October 15, 2012

WECC Notified of Completion on Date: October 15, 2012

Entity Comment: see S0054 for Emergency Plan  
and S0056 for Load Shedding Plan  
and S0054 for Restoration Plan

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	S-0050 v2 0 SVP System Restoration Plan.pdf		388,211
Entity	S0056- Load Shedding Plan 15oct12.pdf		587,379
Entity	SVP S-0054 v1 0 EOP-001 Emergency Plan.pdf		459,336

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: Jim Lauth

Title: Electric Division Manager- Compliance

Email: jlauth@svpower.com

Phone:

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

---

VIA WECC ENHANCED FILE TRANSFER SERVER

November 21, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009255

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-001-0 Requirement 3

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on October 15, 2012 for the violation of Reliability Standard EOP-001-0 Requirement 3. After a thorough review, WECC has accepted the Certification of Mitigation Plan Completion.

If you have any questions or concerns, please contact Keshav Sarin at [ksarin@wecc.biz](mailto:ksarin@wecc.biz).

Sincerely,



Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Keshav Sarin, WECC Manager, O&P and CIP

## **Attachment d**

### **Record documents for WECC2012009246 (EOP-001-0 R5)**

**d-1. SNCL's Mitigation Plan designated as WECCMIT006615-1 submitted June 18, 2012**

**d-2. SNCL's Certification of Mitigation Plan Completion dated October 15, 2012**

**d-3. WECC's Verification of Mitigation Plan Completion dated November 21, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC2012009246	EOP-001-0 R5	03/19/2012	2

Mitigation Plan Submitted On: June 18, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: October 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On:

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager-Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009246	12/14/2011	EOP-001-0 R5
Each Transmission Operator and Balancing Authority shall include the applicable elements in Attachment 1-EOP-001-0 when developing an emergency plan.		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-001 R3 & R5. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet this requirement. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with this requirement

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

Identified on December 12,2011 & December 13, 2011.

**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:

Task 1: By 7/15/12, SNCL shall develop and publish an emergency plan which includes the applicable elements of the fifteen(15) "Elements for Consideration in the Development of Emergency Plans" in Attachment 1-EOP-001.

Task 2: By 10/15/12, SNCL shall train all applicable employees on its emergency plan.

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: October 15, 2012

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
Task 1	Task 1- develop and publish an emergency plan which includes the applicable elements of the fifteen(15) "Elements for Consideration in the Development of Emergency Plans" in Attachment 1-EOP-001.	07/15/2012	
Task 2	Task 2-train all applicable employees on the emergency plan	10/15/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has it does have emergency operating procedures

### E.2 Prevention of Future BPS 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division Manager-Compliance

Authorized On: January 25, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009246

Mitigated Standard Requirement(s): EOP-001-0 R5,

Scheduled Completion as per Accepted Mitigation Plan: October 15, 2012

Date Mitigation Plan completed: October 15, 2012

WECC Notified of Completion on Date: October 15, 2012

Entity Comment:

Additional Comments		
From	Comment	User Name
Entity	Revising per WECC's instructions in rejecting previously submitted Mitigation Plan	Jim Lauth

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	SVP S-0054 v1 0 EOP-001 Emergency Plan.pdf		459,336

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: Jim Lauth

Title: Electric Division Manager-Compliance

Email: jlauth@svpower.com

Phone:

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

---

VIA WECC ENHANCED FILE TRANSFER SERVER

November 21, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009246

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-001-0 Requirement 5

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on October 15, 2012 for the violation of Reliability Standard EOP-001-0 Requirement 5. After a thorough review, WECC has accepted the Certification of Mitigation Plan Completion.

If you have any questions or concerns, please contact Keshav Sarin at [ksarin@wecc.biz](mailto:ksarin@wecc.biz).

Sincerely,

A handwritten signature in blue ink, appearing to be "CL", is written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Keshav Sarin, WECC Manager, O&P and CIP



## **Attachment e**

### **Record documents for WECC2012009247 (EOP-005-1 R1)**

**e-1. SNCL's Mitigation Plan designated as WECCMIT006614 submitted June 18, 2012**

**e-2. SNCL's Certification of Mitigation Plan Completion dated September 19, 2012**

**e-3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC2012009247	EOP-005-1 R1	02/15/2012	2

Mitigation Plan Submitted On: June 18, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: September 29, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On:

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager-Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009247	01/19/2012	EOP-005-1 R1
Each Transmission Operator shall have a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system, including necessary operating instructions and procedures to cover emergency conditions, and the loss of vital telecommunications channels. Each Transmission Operator shall include the applicable elements listed in Attachment 1-EOP-005 in developing a restoration plan.  See NERC Standard for Attachment.		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-005 R1 thru R7. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet these requirements. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with these requirements.

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:  
Identified on December 12, 2011 & December 13, 2011.

**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:

Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.

Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.

Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted by 8/15/12.

Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.

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: September 29, 2012

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
Task 1: Draft Restoration Plan	Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to	07/15/2012	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.		
Task 2: Coordinate restoration plan	Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.	08/01/2012	
Task 3: Train on Restoration Plan	Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted	08/15/2012	
Task 4: Testing/Simulation	Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.	09/29/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has it does have operating procedures to coordinate with its neighboring TOP & BA for system restoration

### E.2 Prevention of Future BPS 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division Manager-Compliance

Authorized On: June 18, 2012

### 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009247

Mitigated Standard Requirement(s): EOP-005-1 R1,

Scheduled Completion as per Accepted Mitigation Plan: September 29, 2012

Date Mitigation Plan completed: April 27, 2012

WECC Notified of Completion on Date: September 18, 2012

Entity Comment: SVP Standard S0050 Transmission System Restoration Plan" was effective on 4/27/2012

Additional Comments		
From	Comment	User Name
Entity	Revising per WECC's instructions in its May 25, 2012 Mitigation Plan Rejection letter	Jim Lauth

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	S0050 SVP System Restoration v1 0.pdf		352,523

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: Jim Lauth

Title: Electric Division Manager-Compliance

Email: jlauth@svpower.com

Phone:

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

---

VIA WECC ENHANCED FILE TRANSFER SERVER

October 8, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009247

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-005-1 Requirement 1

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on September 18, 2012 for the violation of Reliability Standard EOP-005-1 Requirement 1. 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 be "CL", is written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment f**

### **Record documents for WECC2012009248 (EOP-005-1 R2)**

**f-1. SNCL's Mitigation Plan designated as WECCMIT006613 submitted June 18, 2012**

**f-2. SNCL's Certification of Mitigation Plan Completion dated September 19, 2012**

**f-3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC2012009248	EOP-005-1 R2	02/15/2012	4

Mitigation Plan Submitted On: June 18, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: September 29, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On:

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009248	01/19/2012	EOP-005-1 R2
Each Transmission Operator shall review and update its restoration plan at least annually and whenever it makes changes in the power system network, and shall correct deficiencies found during the simulated restoration exercises.		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-005 R1 thru R7. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet these requirements. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with these requirements.

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

Identified on December 12, 2011 & December 13, 2011



**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:

Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.

Task 2: Coordinate SNCL’s restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.

Task 3: Train all applicable employees on SNCL’s electric system restoration plan (R6”already accepted by WECC). As per SNCL’s 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted by 8/15/12.

Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.

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: September 29, 2012

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
Task 1: Draft Restoration Plan	Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the	07/15/2012	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	WECC RC, and PG&E (R4); plans to test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.		
Task 2: Coordinate Restoration Plan	Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.	08/01/2012	
Task 3: Train on Restoration Plan	Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted	08/15/2012	
Task 4: Testing/Simulation	Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.	09/29/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has it does have operating procedures to coordinate with its neighboring TOP & BA for system restoration

### E.2 Prevention of Future BPS 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division Manager

Authorized On: June 18, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009248

Mitigated Standard Requirement(s): EOP-005-1 R2,

Scheduled Completion as per Accepted Mitigation Plan: September 29, 2012

Date Mitigation Plan completed: April 27, 2012

WECC Notified of Completion on Date: September 18, 2012

Entity Comment: SVP Standard S0050 Transmission System Restoration Plan" was effective on 4/27/2012

Additional Comments		
From	Comment	User Name
Entity	Revising per WECC's instructions in its May 25, 2012 Mitigation Plan Rejection letter	Jim Lauth

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	S0050 SVP System Restoration v1 0.pdf		352,523

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: Jim Lauth

Title: Electric Division Manager

Email: jlauth@svpower.com

Phone:

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

October 8, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009248

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-005-1 Requirement 2

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on September 18, 2012 for the violation of Reliability Standard EOP-005-1 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 be "CL", is placed above the name of the sender.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment g**

### **Record documents for WECC2012009249 (EOP-005-1 R3)**

**g-1. SNCL's Mitigation Plan designated as WECCMIT006612 submitted June 18, 2012**

**g-2. SNCL's Certification of Mitigation Plan Completion dated September 19, 2012**

**g-3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC2012009249	EOP-005-1 R3	02/15/2012	2

Mitigation Plan Submitted On: June 18, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: September 29, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On:

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager-Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009249	01/19/2012	EOP-005-1 R3
Each Transmission Operator shall develop restoration plans with a priority of restoring the integrity of the Interconnection.		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-005 R1 thru R7. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet these requirements. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with these requirements.

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

As noted above, this violation was identified on December 12, 2011 & December 13, 2011

**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:

Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.

Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.

Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted by 8/15/12.

Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.

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: September 29, 2012

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
Task 1: Draft a Restoration Plan	Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to	07/15/2012	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.		
Task 2: Coordinate Restoration Plan	Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.	08/01/2012	
Task 3: Train on Restoration Plan	Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted	08/15/2012	
Task 4: Testing/Simulation	Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.	09/29/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has it does have operating procedures to coordinate with its neighboring TOP & BA for system restoration

### E.2 Prevention of Future BPS 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division Manager-Compliance

Authorized On: June 18, 2012

### 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009249

Mitigated Standard Requirement(s): EOP-005-1 R3,

Scheduled Completion as per Accepted Mitigation Plan: September 29, 2012

Date Mitigation Plan completed: April 27, 2012

WECC Notified of Completion on Date: September 18, 2012

Entity Comment: SVP Standard S0050 Transmission System Restoration Plan" was effective on 4/27/2012

Additional Comments		
From	Comment	User Name
Entity	Revising per WECC's instructions in its May 25, 2012 Mitigation Plan Rejection letter	Jim Lauth

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	S0050 SVP System Restoration v1 0.pdf		352,523

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: Jim Lauth

Title: Electric Division Manager-Compliance

Email: jlauth@svpower.com

Phone:

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

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





Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

October 8, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009249

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-005-1 Requirement 3

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on September 18, 2012 for the violation of Reliability Standard EOP-005-1 Requirement 3. 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 be "CL", is written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment h**

### **Record documents for WECC2012009250 (EOP-005-1 R4)**

**h-1. SNCL's Mitigation Plan designated as WECCMIT006611 submitted June 18, 2012**

**h-2. SNCL's Certification of Mitigation Plan Completion dated September 28, 2012**

**h-3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC2012009250	EOP-005-1 R4	02/15/2012	2

Mitigation Plan Submitted On: June 18, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: September 29, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On:

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager-Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009250	01/19/2012	EOP-005-1 R4
Each Transmission Operator shall coordinate its restoration plans with the Generator Owners and Balancing Authorities within its area, its Reliability Coordinator, and neighboring Transmission Operators and Balancing Authorities.		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-005 R1 thru R7. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet these requirements. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with these requirements.

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

As noted above, this violation was identified on December 12,2011 & December 13,2011.

**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:

Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.

Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.

Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted by 8/15/12.

Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.

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: September 29, 2012

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
Task 1: Draft a Restoration Plan	Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to	07/15/2012	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.		
Task 2: Coordinate Restoration Plan	Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.	08/01/2012	
Task 3: Train on Restoration Plan	Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6) already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted	08/15/2012	
Task 4: Testing/Simulation	Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.	09/29/2012	

D.4 Additional Relevant Information (Optional)



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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has it does have operating procedures to coordinate with its neighboring TOP & BA for system restoration

### E.2 Prevention of Future BPS 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: im Lauth

Title: Electric Division Manager-Compliance

Authorized On: June 18, 2012

### 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009250

Mitigated Standard Requirement(s): EOP-005-1 R4,

Scheduled Completion as per Accepted Mitigation Plan: September 29, 2012

Date Mitigation Plan completed: September 28, 2012

WECC Notified of Completion on Date: September 28, 2012

Entity Comment: Confirmation received from WECC (RC), CAISO (BA & adjacent TOP), and PG&E (adjacent TO) that they have received copy of SVP System Restoration Plan V2.0

Additional Comments		
From	Comment	User Name
Entity	Revising per WECC's instructions in its May 25, 2012 Mitigation Plan Rejection letter	Jim Lauth

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	WECC Confirms Receiving System Restoration Plan.pdf	Email Notification from WECC of receipt of SVP System Restoration Plan v2.0	330,609
Entity	Email PGE Confirms Receipt of System Restoration Plan V2.pdf	Email Notification from PG&E of receipt of SVP System Restoration Plan v2.0	190,771
Entity	Email to CAISO Re System Restoration Plan.pdf	Email Notification from CAISO of receipt of SVP System Restoration Plan v2.0	145,479

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: Orville Plum

Title: Acting Sr. Division Manager

Email: OPlum@SVPower.com

Phone: 1 (408) 261-5470

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

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





Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

October 8, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009250

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-005-1 Requirement 4

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on September 28, 2012 for the violation of Reliability Standard EOP-005-1 Requirement 4. 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 be "CL", is written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment i**

### **Record documents for WECC2012009251 (EOP-005-1 R5)**

**i-1. SNCL's Mitigation Plan designated as WECCMIT006610 submitted June 18, 2012**

**i-2. SNCL's Certification of Mitigation Plan Completion dated September 20, 2012**

**i-3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

<u>Mit Plan Code</u>	<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>	<u>Mit Plan Version</u>
WECCMIT006610-	WECC2012009251	EOP-005-1 R5	02/15/2012	2

Mitigation Plan Submitted On: June 18, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: September 29, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On:

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager-Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009251	01/19/2012	EOP-005-1 R5
Each Transmission Operator and Balancing Authority shall periodically test its telecommunication facilities needed to implement the restoration plan.		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-005 R1 thru R7. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet these requirements. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with these requirements.

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

As noted above, this violation was identified on December 12, 2011 & December 13, 2011

**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:

Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.

Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.

Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted by 8/15/12.

Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.

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: September 29, 2012

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
Task 1: Draft a Restoration Plan	Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to	07/15/2012	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.		
Task 2: Coordinate Restoration Plan	Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.	08/01/2012	
Task 3: Train on Restoration Plan	Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted	08/15/2012	
Task 4: Testing/Simulation	Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.	09/29/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has it does have operating procedures to coordinate with its neighboring TOP & BA for system restoration

### E.2 Prevention of Future BPS 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division Manager

Authorized On: June 18, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009251

Mitigated Standard Requirement(s): EOP-005-1 R5,

Scheduled Completion as per Accepted Mitigation Plan: September 29, 2012

Date Mitigation Plan completed: July 27, 2012

WECC Notified of Completion on Date: September 20, 2012

Entity Comment: SVP's revised Standard S0050 v2.0 addresses testing of telecommunication facilities

Additional Comments		
From	Comment	User Name
Entity	Revising per WECC's instructions in its May 25, 2012 Mitigation Plan Rejection letter	Jim Lauth

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	S-0050 v2 0 SVP System Restoration Plan.pdf		388,211

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: Jim Lauth

Title: Electric Division Manager

Email: jlauth@comcast.net

Phone:

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

October 8, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009251

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-005-1 Requirement 5

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on September 20, 2012 for the violation of Reliability Standard EOP-005-1 Requirement 5. 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 be "CL", is written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Tim Reynolds, WECC Compliance Engineer - Enforcement



## **Attachment j**

### **Record documents for WECC2012009252 (EOP-005-1 R6)**

**j-1. SNCL's Mitigation Plan designated as WECCMIT006609 submitted January 25, 2012**

**j-2. SNCL's Mitigation Plan Extension Request submitted September 11, 2012**

**j-3. SNCL's Certification of Mitigation Plan Completion dated September 26, 2012**

**j-4. WECC's Verification of Mitigation Plan Completion dated October 8, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>
WECC2012009252	EOP-005-1 R6	null

Mitigation Plan Submitted On: January 25, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: August 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager-Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009252	01/19/2012	EOP-005-1 R6
Each Transmission Operator and Balancing Authority shall train its operating personnel in the implementation of the restoration plan. Such training shall include simulated exercises, if practicable.		

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

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-005 R1 thru R7. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet these requirements. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with these requirements.

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

As noted above, this violation was identified on December 12, 20-11 December 13, 2011

**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:

Task 1.1- Create a draft plan for system restoration

Task 1.2- -Publish and distribute final plan.

Task 1.3 -Complete training for all SNCL personnel that are involved in the implementation of this plan.

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: August 15, 2012

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
Task 1.1	Task 1.1- Create a draft plan for system restoration	04/15/2012	
Task 1.2	Task 1.2- -Publish and distribute final plan.	06/15/2012	
Task 1.3	Task 1.3 -Complete training for all SNCL personnel that are involved in the implementation of this plan.	08/15/2012	

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:

SNCL is unaware of any BPS reliability risk, as it has it does have operating procedures to coordinate with its neighboring TOP & BA for system restoration

### 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

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

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

Name: Jim Lauth

Title: Electric Division Manager

Authorized On: January 25, 2012



OATI webCDMS WECC Beauchamp, Rachel - (us\_rbeauchamp)

Audit Alarming Administration Compliance Enforcement Logout Help Window

Dashboard x Mitigation Plan x Region Contact x Notification Audit Trail x E-Mail Notification De... x

Tue 9/11 5:07 PM CPT

OATI E-Mail Notification Detail

**From:** noreply@oati.net  
**Sent:** 09/11/2012 11:52:49  
**To:** enforcement@wecc.biz; compliancesupport@wecc.biz;ksarin@wecc.biz  
**Subject:** An Extension Request has been Submitted by: Silicon Valley Power - EOP-005-1 R6 - CONFIDENTIAL NON-PUBLIC

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A Due Date extension has been requested for the following Mitigation Plan:

Original Completion Date: **08/15/2012**  
Proposed Completion Date: **09/29/2012**

Entity: **Silicon Valley Power - NCR05392**  
NERC Violation ID: **WECC2012009252**  
Standard Requirement: **EOP-005-1 R6**  
Mitigation Plan submitted on: **01/25/2012 (Version 1)**, for Program Year: **2011**.

If you have any questions regarding this Mitigation Plan, please contact:  
Entity Contact: **Jim Lauth**  
Phone: **408-615-6685**  
E-mail: [jlauth@svpower.com](mailto:jlauth@svpower.com)

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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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009252

Mitigated Standard Requirement(s): EOP-005-1 R6,

Scheduled Completion as per Accepted Mitigation Plan: September 29, 2012

Date Mitigation Plan completed: September 24, 2012

WECC Notified of Completion on Date: September 26, 2012

Entity Comment: All employees trained by 9/24/12

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	EWSO Training Agenda 4-30-5-24-12.pdf	System Operator Training Agenda	563,468
Entity	EWSO Training Log.pdf	System Operator Training Log	531,369
Entity	EMO Training 8-8-12 Signature Sheets.pdf	Emergency Management Organization(EMO) training	654,360
Entity	EMO Signature Sheet - Make up-9-12-12.pdf	EMO Make-Up Session Training Log	1,082,395
Entity	Meeting Notice Re Training 8-10-12.pdf	EMO Training Agenda Notice	320,047

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: Jim Lauth

Title: Electric Division Manager

Email: jlauth@svpower.com

Phone:

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

---

VIA WECC ENHANCED FILE TRANSFER SERVER

October 8, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009252

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-005-1 Requirement 6

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on September 26, 2012 for the violation of Reliability Standard EOP-005-1 Requirement 6. 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 be "CL", written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment k**

### **Record documents for WECC2012009253 (EOP-005-1 R7)**

**k-1. SNCL's Mitigation Plan designated as WECCMIT006619 submitted June 18, 2012**

**k-2. SNCL's Certification of Mitigation Plan Completion dated September 28, 2012**

**k-3. WECC's Verification of Mitigation Plan Completion dated October 8, 2012**

---

## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC2012009253	EOP-005-1 R7	02/15/2012	2

Mitigation Plan Submitted On: June 18, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: September 29, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On:

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager-Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009253	01/19/2012	EOP-005-1 R7
Each Transmission Operator and Balancing Authority shall verify the restoration procedure by actual testing or by simulation.		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-005 R1 thru R7. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet these requirements. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with these requirements.

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

As noted above, SNCL identified this potential violation on December 12, 2011 & December 13, 2011.



**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:

Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.

Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.

Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted by 8/15/12.

Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.

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: September 29, 2012

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
Task 1: Draft A Restoration Plan	Task 1: Draft and publish an electric system restoration plan which includes the following: the applicable elements listed in Attachment 1-EOP-005 (R1); a plan to review and update the restoration plan at least annually and whenever it makes changes in the power system network, and to correct deficiencies found during simulated restoration exercises (R2); a priority of restoring the integrity of the Interconnection (R3); plans to coordinate the restoration plan with the SNCL generation, the CAISO, the WECC RC, and PG&E (R4); plans to	07/15/2012	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	test its telecommunication facilities needed to implement the restoration plan (R5); and plans to verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 1 is completed will be submitted by 7/15/12.		
Task 2: Coordinate Restoration Plan;an	Task 2: Coordinate SNCL's restoration plan with the SNCL generation (GO), the CAISO (BA), the WECC RC (RC), and PG&E (neighboring TOP) (R4). Evidence that Task 2 is completed will be submitted by 8/1/12.	08/01/2012	
Task 3: Train on Restoration Plan	Task 3: Train all applicable employees on SNCL's electric system restoration plan (R6"already accepted by WECC). As per SNCL's 1/25/12 mitigation plan, approved by WECC, evidence that Task 3 is completed will be submitted	08/15/2012	
Testing/Simulation	Task 4: Verify the restoration procedure by actual testing or simulation (R7). Evidence that Task 4 is completed will be submitted by 9/29/12.	09/29/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has it does have operating procedures to coordinate with its neighboring TOP & BA for system restoration

### E.2 Prevention of Future BPS 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division Manager- Compliance

Authorized On: June 18, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009253

Mitigated Standard Requirement(s): EOP-005-1 R7,

Scheduled Completion as per Accepted Mitigation Plan: September 29, 2012

Date Mitigation Plan completed: September 25, 2012

WECC Notified of Completion on Date: September 28, 2012

Entity Comment:

Additional Comments		
From	Comment	User Name
Entity	Revising per WECC's instructions in its May 25, 2012 Mitigation Plan Rejection letter	Jim Lauth

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	Email PGE Confirms Receipt of System Restoration Plan V2.pdf		190,767
Entity	Email to CAISO Re System Restoration Plan.pdf		145,476
Entity	WECC Confirms Receiving System Restoration Plan.pdf		330,606
Entity	System Restoration Simulation Sept 2012.pdf	Description of SVP System Restoration Simulation Scenerio.	66,402
Entity	SVP System Restoration Simulation SignIn 9-21-12.pdf	SVP System Restoration Simulation Sign In Sheet	364,190

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: Jim Lauth

Title: Electric Division Manager- Compliance

Email: jlauth@svpower.net

Phone:

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

October 8, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009253

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-005-1 Requirement 7

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on September 27, 2012 for the violation of Reliability Standard EOP-005-1 Requirement 7. 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 be "CL", is written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment I**

### **Record documents for WECC2012009254 (EOP-008-0 R1)**

**I-1. SNCL's Mitigation Plan designated as WECCMIT006618 submitted January 26, 2012**

**I-2. SNCL's Certification of Mitigation Plan Completion dated September 18, 2012;**

**I-3. WECC's Verification of Mitigation Plan Completion dated October 25, 2012**

---



## Mitigation Plan

Registered Entity: Silicon Valley Power

<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>
WECC2012009254	EOP-008-0 R1	null

Mitigation Plan Submitted On: January 26, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: October 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager- Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009254	01/19/2012	EOP-008-0 R1
Each Reliability Coordinator, Transmission Operator and Balancing Authority shall have a plan to continue reliability operations in the event its control center becomes inoperable. The contingency plan must meet the following requirements:		

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

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with EOP-008 R1, R2 & R3. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its operating procedures were sufficient to meet these requirements. Upon further review, SNCL now believes that its operating procedures are not sufficiently formalized and fully documented in compliance with these requirements.

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

As noted above, SNCL identified this potential violation on December 12, 2011 & ZDecember 13, 2011.

**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:

Task 1.1- Review and formalize plan for a backup control center

Task 1.2 - Test draft plan

Task 1.3- -Publish and distribute final plan.

Task 1.4 -Complete training for all SNCL personnel that are involved in the implementation of this plan.

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:October 15, 2012

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
Task 1.1	Task 1.1- Review and formalize plan for a backup control center	04/15/2012	
Task 1.2	Task 1.2 - Test draft plan	05/15/2012	
Task 1.3	Task 1.3- -Publish and distribute final plan.	07/15/2012	
Task 1.4	Task 1.4 -Complete training for all SNCL personnel that are involved in the implementation of this plan.	10/15/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BES Reliability Risk

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

SNCL is unaware of any BPS reliability risk, as it has it does have operating procedures to coordinate with its neighboring TOP & BA and to establish a temporary backup control center

### 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:

SNCL will formalize and fully document its procedures to meet this requirement.

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

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

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

Name: Jim Lauth

Title: Electric Division Manager- Compliance

Authorized On: January 26, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009254

Mitigated Standard Requirement(s): EOP-008-0 R1,

Scheduled Completion as per Accepted Mitigation Plan: October 15, 2012

Date Mitigation Plan completed: May 16, 2012

WECC Notified of Completion on Date: September 18, 2012

Entity Comment: SVP Standard S0051 became effective on 5/16/12

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	S0051 Electric Control Center-Backup Functionality Operating Plan.pdf		3,039,339

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: Jim Lauth

Title: Electric Division Manager- Compliance

Email: jlauth@svpower.com

Phone:

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

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





Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

October 25, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009254

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard EOP-008-0 Requirement 1

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on September 18, 2012 for the violation of Reliability Standard EOP-008-0 Requirement 1. After a thorough review, WECC has accepted the Certification of Mitigation Plan Completion.

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

Sincerely,

A handwritten signature in blue ink, appearing to be "CL", is written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager - Trading and S  
Keshav Sarin, WECC Manager, O&P and CIP

## **Attachment m**

### **Record documents for WECC2012009256 (FAC-001-0 R1)**

**m-1. SNCL's Mitigation Plan designated as WECCMIT006645 submitted February 2, 2012**

**m-2. SNCL's Certification of Mitigation Plan Completion dated July 24, 2012**

**m-3. WECC's Verification of Mitigation Plan Completion dated August 8, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>
WECC2012009256	FAC-001-0 R1	null

Mitigation Plan Submitted On: February 02, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: October 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009256	01/19/2012	FAC-001-0 R1
The Transmission Owner shall document, maintain, and publish facility connection requirements to ensure compliance with NERC Reliability Standards and applicable Regional Reliability Organization, subregional, Power Pool, and individual Transmission Owner planning criteria and facility connection requirements. The Transmission Owner's facility connection requirements shall address connection requirements for:		

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

During January, 2012, in order to submit its self-certification, SNCL internally reviewed its compliance with Reliability Standards applicable to TOP entities. During this review, SNCL discovered deficiencies in its compliance with FAC-001 R1, R2 & R3. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its interconnection standards, rules, and regulations were sufficient to meet these requirements. Upon review, SNCL is unsure as to whether its documentation is sufficient to meet the requirements and sub-requirements of FAC-001, and submitted a self-report and this mitigation plan out of an abundance of caution.

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

As noted above, alleged violation was identified on December 12 & 13, 2011

**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:

- Task 1.1- Review and compare SNCL's standards, rules, and regulations with FAC-001's subrequirements
- Task 1.2 - Draft revisions to SNCL's standards, rules, and regulations as necessary.
- Task 1.3 Finalize any revised SNCL standards, rules, and regulations
- Task 1.4 Publish and distribute final standards, rules, and regulations

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: October 15, 2012

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
Task 1.1	Task 1.1- Review and compare SNCL's standards, rules, and regulations with FAC-001's subrequirements	05/01/2012	
Task 1.2	Task 1.2 - Draft revisions to SNCL's standards, rules, and regulations as necessary.	08/01/2012	
Task 1.3	Task 1.3 Finalize any revised SNCL standards, rules, and regulations	09/01/2012	
Task 1.4	Task 1.4 Publish and distribute final standards, rules, and regulations	10/15/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BES Reliability Risk

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

SNCL is unaware of any BPS reliability risk, as it does have interconnection standards and policies

### 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:

SNCL will update and revise its interconnection standards and policies in accordance with these requirements.

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

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

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

Name: Jim Lauth

Title: Electric Division Manager- Compliance

Authorized On: February 02, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009256

Mitigated Standard Requirement(s): FAC-001-0 R1,

Scheduled Completion as per Accepted Mitigation Plan: October 15, 2012

Date Mitigation Plan completed: July 17, 2012

WECC Notified of Completion on Date: July 24, 2012

Entity Comment: All tasks associated with the SNCL Mitigation Plan for FAC-001 R1 have been completed as of 7-17-12. Attached are documents supporting the completion of the Mitigation Plan Tasks.

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	S-0053 Facility Connection Requirements Version 1.0.pdf	SVP Standard S-0053 "Facility Connection Requirements" dated June 29, 2012.	2,792,448
Entity	SVP Standard S-0053 _Facility Connection Requirements - EMail 7-13-12.pdf	Internal Email dated 7-13-12 issuing new SVP Standard S-0053 "Facility Connection Requirements".	2,355,919
Entity	S-0053 Facility Connection Requirements - Web Page 7-17-12.pdf	Screen Shot of Silicon Valley Power - Rules and Regulations Webpage showing new SVP Standard S-0053 "Facility Connection Requirements" are published to the website.	58,499

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: Orville Plum

Title: Acting Senior Electric Division Manager

Email: OPlum@SVPower.com

Phone: 1 (408) 261-5470

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

August 8, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009256

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard FAC-001-0 Requirement 1

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on July 24, 2012 for the violation of Reliability Standard FAC-001-0 Requirement 1. 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 be "CL", is written over a light blue circular watermark or background.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment n**

### **Record documents for WECC2012009257 (FAC-001-0 R2)**

**n-1. SNCL's Mitigation Plan designated as WECCMIT006646 submitted February 2, 2012**

**n-2. SNCL's Certification of Mitigation Plan Completion dated July 25, 2012**

**n-3. WECC's Verification of Mitigation Plan Completion dated August 8, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>
WECC2012009257	FAC-001-0 R2	null

Mitigation Plan Submitted On: February 02, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: October 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager- Compliance  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC2012009257	01/19/2012	FAC-001-0 R2
The Transmission Owner's facility connection requirements shall address, but are not limited to, the following items:		

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

During January, 2012, in order to submit its self-certification, SNCL internally reviewed its compliance with Reliability Standards applicable to TOP entities. During this review, SNCL discovered deficiencies in its compliance with FAC-001 R1, R2 & R3. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its interconnection standards, rules, and regulations were sufficient to meet these requirements. Upon review, SNCL is unsure as to whether its documentation is sufficient to meet the requirements and sub-requirements of FAC-001, and submitted a self-report and this mitigation plan out of an abundance of caution.

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

SNCL identified these potential violations on January 19, 2012



**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:

- Task 1.1- Review and compare SNCL's standards, rules, and regulations with FAC-001's subrequirements
- Task 1.2 - Draft revisions to SNCL's standards, rules, and regulations as necessary.
- Task 1.3 Finalize any revised SNCL standards, rules, and regulations
- Task 1.4 Publish and distribute final standards, rules, and regulations

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: October 15, 2012

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
Task 1.1	Task 1.1- Review and compare SNCL's standards, rules, and regulations with FAC-001's subrequirements	05/01/2012	
Task 1.2	Task 1.2 - Draft revisions to SNCL's standards, rules, and regulations as necessary.	08/01/2012	
Task 1.3	Task 1.3 Finalize any revised SNCL standards, rules, and regulations	09/01/2012	
Task 1.4	Task 1.4 Publish and distribute final standards, rules, and regulations	10/15/2012	

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:

SNCL is unaware of any BPS reliability risk, as it does have interconnection standards and policies

### 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:

SNCL will update and revise its interconnection standards and policies in accordance with these requirements.

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

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

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

Name: Jim Lauth

Title: Electric Division Manager-Compliance

Authorized On: February 02, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009257

Mitigated Standard Requirement(s): FAC-001-0 R2,

Scheduled Completion as per Accepted Mitigation Plan: October 15, 2012

Date Mitigation Plan completed: July 17, 2012

WECC Notified of Completion on Date: July 25, 2012

Entity Comment: All tasks associated with the SNCL Mitigation Plan for FAC-001 R2 have been completed as of 7-17-12. Attached are documents supporting the completion of the Mitigation Plan Tasks.

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	S-0053 Facility Connection Requirements Version 1.0.pdf	SVP Standard S-0053 "Facility Connection Requirements" dated June 29, 2012.	2,792,448
Entity	SVP Standard S-0053 _Facility Connection Requirements - EMail 7-13-12.pdf	Internal Email dated 7-13-12 issuing new SVP Standard S-0053 "Facility Connection Requirements".	2,355,919
Entity	S-0053 Facility Connection Requirements - Web Page 7-17-12.pdf	Screen Shot of Silicon Valley Power - Rules and Regulations Webpage showing new SVP Standard S-0053 "Facility Connection Requirements" are published to the website.	58,499

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: Orville Plum

Title: Acting Senior Electric Division Manager

Email: OPlum@SVPower.com

Phone: 1 (408) 261-5470

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

---

VIA WECC ENHANCED FILE TRANSFER SERVER

August 8, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, CA 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009257

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard FAC-001-0 Requirement 2

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on July 25, 2012 for the violation of Reliability Standard FAC-001-0 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 be "CL", is placed above the name of the sender.

Chris Luras  
Director of Enforcement

CL:dlc

cc: Chris Cervelli, SNCL Division Manager  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment o**

### **Record documents for WECC201102838 (PER-002-0 R1)**

- o-1. SNCL's Self-Report dated June 2, 2012**
  - o-2. SNCL's Mitigation Plan designated as WECCMIT007680 submitted June 27, 2012**
  - o-3. SNCL's Certification of Mitigation Plan Completion dated June 28, 2012**
  - o-4. WECC's Verification of Mitigation Plan Completion dated July 5, 2012**
-



# Compliance

## Member Portal

Silicon Valley Power

- Logged in as:  
**Rob Kielar**
- 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 Paul Foster (pfoster@svpower.com) on 6/2/2011.**

* Required Fields		Status: Read Only
Region:	WECC	
NERC Registry ID:	NCR05392	
Joint Registration Organization (JRO) ID:		
Registered Entity:	Silicon Valley Power	
Registered Entity Contact Information:		
* Paul Foster (pfoster@svpower.com) 408-615-5601		
Standard Applicable to Self-Report:	PER-002-0	
Requirement Applicable to Self-Report:	R1.	
Sub Requirements Applicable to Self-Report:		
Function Applicable to Self-Report:	TOP	
Date violation occurred:	* 6/27/2011	▼
Date violation discovered:	* 6/2/2011	▼
Is the violation still occurring?	* <input checked="" type="radio"/> Yes <input type="radio"/> No	
Detail explanation and cause of violation:		
* On May 27, 2011, SNCL modified its registration with WECC to add TO and TOP to the functions for which it was already registered. Therefore, as of May 27, 2011, SNCL was obligated to be in compliance with PER-002-0 R1. Due to the short time frame between May 6, 2011, when SNCL was made aware by a letter from WECC that it would be required to modify its registration to add the TO and TOP functions, and May 27, 2011, the day SNCL was required to (and did) amend its registration and add TO and TOP, SNCL was unable to develop a formal training program meeting the criteria of PER-002-0 R1.		
Reliability Impact:	* Minimal ▼	
Reliability Impact Description:		
* Although SNCL does not yet have a formal training program meeting the requirements of PER-002-0, SNCL utilizes the NERC approved SOS Int1 (System Operations Success, Int1) training program to prepare its transmission operators for NERC certification, four of SNCL's six transmission operators are NERC certified, and the other two are in the beginning stages of preparing to take the examination. For these reasons, there is only a minimal impact on the Bulk Power System from SNCL's failure to have a formal training program in place for its transmission operators.		
Additional Comments:		
SNCL is pursuing two options in parallel to become compliant with this requirement as soon as possible, see attached mitigation plan.		
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.)		
<input checked="" type="checkbox"/> Submit Self Report		

## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC201102838	PER-002-0 R1	10/11/2011	1

Mitigation Plan Submitted On: June 27, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: July 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On: June 28, 2012

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC201102838	05/27/2011	PER-002-0 R1
Each Transmission Operator and Balancing Authority shall be staffed with adequately trained operating personnel.		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

SNCL had first registered as a TOP on May 27, 2011, at which time it began working on a Mitigation Plan to address these requirements.

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

Self-Report: Mitigation Plan work began in June 2011; however, due to a clerical error, the original Mitigation Plan was left in the "Work in Progress" status and never submitted.

**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:

R1- SNCL believes it has always been staffed with adequately trained personnel (R1); however it will complete the following task:

Task 1: By July 15, 2012, SNCL will create a training program for all its operating personnel that are in positions that have the primary responsibility for the real-time operation of the interconnected Bulk Electric System, and operating personnel that are in positions directly responsible for complying with NERC standards (R2) that includes: a set of defined training program objectives, based on NERC and WECC standards, entity operating procedures, and applicable regulatory requirements. These objectives shall reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the Transmission Operator (R3.1); a plan for the initial and continuing training of Transmission Operator personnel, which shall also address knowledge and competencies required for reliable system operations (R3.2); training time for all Transmission Operator personnel to ensure their operating proficiency (R3.3); and identification of training staff competent in both knowledge of system operations and instructional capabilities (R3.4).

Update: Evidence that Task 1 is completed will be available by July 15, 2012.

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 15, 2012

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
Task 1	R1- SNCL believes it has always been staffed with adequately trained personnel (R1); however it will complete the following task:  Task 1: By July 15, 2012, SNCL will create a training program for all its operating personnel that are in positions that have the primary responsibility for the real-time operation of the interconnected Bulk Electric System, and operating personnel that are in positions directly responsible for complying with NERC standards (R2) that includes: a set of defined training program objectives, based on NERC and WECC standards, entity operating procedures, and applicable regulatory requirements. These objectives shall	07/15/2012	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	<p>reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the Transmission Operator (R3.1); a plan for the initial and continuing training of Transmission Operator personnel, which shall also address knowledge and competencies required for reliable system operations (R3.2); training time for all Transmission Operator personnel to ensure their operating proficiency (R3.3); and identification of training staff competent in both knowledge of system operations and instructional capabilities (R3.4).</p> <p>Update: Evidence that Task 1 is completed will be available by July 15, 2012.</p>		

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has always been staffed with highly experienced and trained Operators.

### E.2 Prevention of Future BPS 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:

Upon completion of this Mitigation Plan, SNCL will have a formally documented training program for its Operators.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division Manager- Compliance

Authorized On: June 27, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC201102838

Mitigated Standard Requirement(s): PER-002-0 R1,

Scheduled Completion as per Accepted Mitigation Plan: July 15, 2012

Date Mitigation Plan completed: June 27, 2012

WECC Notified of Completion on Date: June 28, 2012

Entity Comment:

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	Milestone_Update_PER-002R1-R4 12-8-11 PF.doc	Milestone Report 12/12/2011	83,968
Entity	SVP System Operator Certification and Training Program Ver 1.pdf		296,441

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: Jim Lauth

Title: Electric Division Manager- Compliance

Email: jlauth@svpower.com

Phone: 1 (408) 615-6685

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

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





Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

---

VIA WECC ENHANCED FILE TRANSFER SERVER

July 5, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, California 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC201102838, WECC201102839, and WECC201102849

Subject: Notice of Mitigation Plan and Completed Mitigation Plan Acceptance  
Reliability Standard PER-002-0 Requirements 1, 2, and 3

Jim,

The Western Electricity Coordinating Council (WECC) received the Mitigation Plan and the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on June 27, 2012 and June 28, 2012 respectively for the violation of Reliability Standard PER-002-0 Requirements 1, 2, and 3. After a thorough review, WECC has accepted the Mitigation Plan and 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 be "CL", written over a light blue circular scribble.

Chris Luras  
Director of Enforcement

CL:rph

cc: Chris Cervelli, SNCL Alternate Compliance Contact  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment p**

### **Record documents for WECC201102839 (PER-002-0 R2)**

**p-1. SNCL's Self-Report dated June 2, 2011**

**p-2. SNCL's Mitigation Plan designated as WECCMIT007681 submitted June 27, 2012**

**p-3. SNCL's Certification of Mitigation Plan Completion dated June 28, 2012**

**p-4. WECC's Verification of Mitigation Plan Completion dated July 5, 2012**

---



# Compliance

## Member Portal

Silicon Valley Power

- Logged in as:  
**Rob Kielar**
- 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 logout date. If you need to edit data contained in this form, please contact your WECC Administrator.**

**This form was submitted by Paul Foster (pfoster@svpower.com) on 6/2/2011.**

* Required Fields		Status: Read Only
Region:	WECC	
NERC Registry ID:	NCR05392	
Joint Registration Organization (JRO) ID:		
Registered Entity:	Silicon Valley Power	
Registered Entity Contact Information:		
* Paul Foster (pfoster@svpower.com) 408-615-5601		
Standard Applicable to Self-Report:	PER-002-0	
Requirement Applicable to Self-Report:	R2	
Sub Requirements Applicable to Self-Report:	R2.1 ,R2.2	
Function Applicable to Self-Report:	TOP	
Date violation occurred:	* 6/27/2011	▼
Date violation discovered:	* 5/27/2011	▼
Is the violation still occurring?	* <input checked="" type="radio"/> Yes <input type="radio"/> No	
Detail explanation and cause of violation:	*	
<p>On May 27, 2011, SNCL modified its registration with WECC to add TO and TOP to the functions for which it was already registered. Therefore, as of May 27, 2011, SNCL was obligated to be in compliance with PER-002-0 R2. Due to the short time frame between May 6, 2011, when SNCL was made aware by a letter from WECC that it would be required to modify its registration to add the TO and TOP functions, and May 27, 2011, the day SNCL was required to (and did) amend its registration and add TO and TOP, SNCL was unable to develop a formal training program meeting the criteria of PER-002-0 R2.</p>		
Reliability Impact:	* Minimal ▼	
Reliability Impact Description:	*	
<p>Although SNCL does not yet have a formal training program meeting the requirements of PER-002-0, SNCL utilizes the NERC approved SOS Int1 (System Operations Success, Int1) training program to prepare its transmission operators for NERC certification, four of SNCL's six transmission operators are NERC certified, and the other two are in the beginning stages of preparing to take the examination. For these reasons, there is only a minimal impact on the Bulk Power System from SNCL's failure to have a formal training program in place for its transmission operators.</p>		
Additional Comments:		
<p>SNCL is pursuing two options in parallel to become compliant with this requirement as soon as possible, see attached mitigation plan.</p>		
<p><b>NOTE:</b> 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>		
<input checked="" type="checkbox"/> Submit Self Report		

## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC201102839	PER-002-0 R2	10/11/2011	1

Mitigation Plan Submitted On: June 27, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: July 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On: June 28, 2012

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC201102839	05/27/2011	PER-002-0 R2
Each Transmission Operator and Balancing Authority shall have a training program for all operating personnel that are in:		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

SNCL had first registered as a TOP on May 27, 2011, at which time it began working on a Mitigation Plan to address these requirements.

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

Self- Report: Mitigation Plan work began in June 2011; however, due to a clerical error, the original Mitigation Plan was left in the "Work in Progress" status and never submitted.

**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:

R1- SNCL believes it has always been staffed with adequately trained personnel (R1); however it will complete the following task:

Task 1: By July 15, 2012, SNCL will create a training program for all its operating personnel that are in positions that have the primary responsibility for the real-time operation of the interconnected Bulk Electric System, and operating personnel that are in positions directly responsible for complying with NERC standards (R2) that includes: a set of defined training program objectives, based on NERC and WECC standards, entity operating procedures, and applicable regulatory requirements. These objectives shall reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the Transmission Operator (R3.1); a plan for the initial and continuing training of Transmission Operator personnel, which shall also address knowledge and competencies required for reliable system operations (R3.2); training time for all Transmission Operator personnel to ensure their operating proficiency (R3.3); and identification of training staff competent in both knowledge of system operations and instructional capabilities (R3.4).

Update: Evidence that Task 1 is completed will be available by July 15, 2012.

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 15, 2012

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
Task 1	R1- SNCL believes it has always been staffed with adequately trained personnel (R1); however it will complete the following task:  Task 1: By July 15, 2012, SNCL will create a training program for all its operating personnel that are in positions that have the primary responsibility for the real-time operation of the interconnected Bulk Electric System, and operating personnel that are in positions directly responsible for complying with NERC standards (R2) that includes: a set of defined training program objectives, based on NERC and WECC standards, entity operating procedures, and applicable regulatory requirements. These objectives shall	07/15/2012	



Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	<p>reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the Transmission Operator (R3.1); a plan for the initial and continuing training of Transmission Operator personnel, which shall also address knowledge and competencies required for reliable system operations (R3.2); training time for all Transmission Operator personnel to ensure their operating proficiency (R3.3); and identification of training staff competent in both knowledge of system operations and instructional capabilities (R3.4).</p> <p>Update: Evidence that Task 1 is completed will be available by July 15, 2012.</p>		

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has always been staffed with highly experienced and trained Operators.

### E.2 Prevention of Future BPS 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:

Upon completion of this Mitigation Plan, SNCL will have a formally documented training program for its Operators

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division anager-Compliance

Authorized On: June 27, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC201102839

Mitigated Standard Requirement(s): PER-002-0 R2,

Scheduled Completion as per Accepted Mitigation Plan: July 15, 2012

Date Mitigation Plan completed: June 27, 2012

WECC Notified of Completion on Date: June 28, 2012

Entity Comment:

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	Milestone_Update_PER-002R1-R4 12-8-11 PF.doc	Milestone Report 12/12/2011	83,968
Entity	SVP System Operator Certification and Training Program Ver 1.pdf		296,441

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: Jim Lauth

Title: Electric Division anager-Compliance

Email: jlauth@svpower.com

Phone: 1 (408) 615-6685

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

---

VIA WECC ENHANCED FILE TRANSFER SERVER

July 5, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, California 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC201102838, WECC201102839, and WECC201102849

Subject: Notice of Mitigation Plan and Completed Mitigation Plan Acceptance  
Reliability Standard PER-002-0 Requirements 1, 2, and 3

Jim,

The Western Electricity Coordinating Council (WECC) received the Mitigation Plan and the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on June 27, 2012 and June 28, 2012 respectively for the violation of Reliability Standard PER-002-0 Requirements 1, 2, and 3. After a thorough review, WECC has accepted the Mitigation Plan and 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 be "CL", is written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:rph

cc: Chris Cervelli, SNCL Alternate Compliance Contact  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment q**

### **Record documents for WECC201102849 (PER-002-0 R3)**

**q-1. SNCL's Self-Report dated June 5, 2012**

**q-2. SNCL's Mitigation Plan designated as WECCMIT007682 submitted June 27, 2012**

**q-3. SNCL's Certification of Mitigation Plan Completion dated June 28, 2012;**

**q-4. WECC's Verification of Mitigation Plan Completion dated July 5, 2012;**

---

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 Item | Delete Item | Cancel Changes | Save PDF | Return To Search Results

New Mitigation Plan | Attachments (0)

\*Required Fields

Status: Saved

Region: WECC

NERC Registry ID: NCR05392

Joint Registration Organization (JRO) ID:

Registered Entity: Silicon Valley Power

Registered Entity Contact Information:

\* Jim Lauth (jlauth@sypower.com) 408-615-6685 Find | Clear

Standard Applicable to Self-Report: PER-002-0

Requirement Applicable to Self-Report: R3.

Sub Requirements Applicable to Self-Report: R3.1.,R3.2.,R3.3.,R3.4.

Function Applicable to Self-Report: TOP

Date violation occurred: \* 5/27/2011

Date violation discovered: \* 6/2/2011

Is the violation still occurring? \*  Yes  No

Detail explanation and cause of violation: \*

On May 27, 2011, SNCL modified its registration with WECC to add TO and TOP to the functions for which it was already registered. Therefore, as of May 27, 2011, SNCL was obligated to be in compliance with PER-002-0 R3. Due to the short time frame between May 6, 2011, when SNCL was made aware by a letter from WECC that it would be required to modify its registration to add the TO and TOP functions, and May 27, 2011, the day SNCL was required to (and did) amend its registration and add TO and TOP, SNCL was unable to develop a formal training program meeting the criteria of PER-002-0 R3.

Reliability Impact: \* Minimal

Reliability Impact Description: \*

Although SNCL does not yet have a formal training program meeting the requirements of PER-002-0, SNCL utilizes the NERC approved SOS Int'l (System Operations Success, Int'l.) training program to prepare its transmission operators for NERC certification, four of SNCL's six transmission operators are NERC certified, and the other two are in the beginning stages of preparing to take the examination. For these reasons, there is only a minimal impact on the Bulk Power System from SNCL's failure to have a formal training program in place for its transmission operators.

Additional Comments:

SNCL is pursuing two options in parallel to become compliant with this requirement as soon as possible, see attached mitigation plan.

**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 5.4.)

Submit Self Report

## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC201102849	PER-002-0 R3	10/11/2011	1

Mitigation Plan Submitted On: June 27, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: July 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On: June 28, 2012

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC201102849	05/27/2011	PER-002-0 R3
For personnel identified in Requirement R2, the Transmission Operator and Balancing Authority shall provide a training program meeting the following criteria		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

SNCL had first registered as a TOP on May 27, 2011, at which time it began working on a Mitigation Plan to address these requirements.

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

Self-Report: Mitigation Plan work began in June 2011; however, due to a clerical error, the original Mitigation Plan was left in the "Work in Progress" status and never submitted.

**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:

R1- SNCL believes it has always been staffed with adequately trained personnel (R1); however it will complete the following task:

Task 1: By July 15, 2012, SNCL will create a training program for all its operating personnel that are in positions that have the primary responsibility for the real-time operation of the interconnected Bulk Electric System, and operating personnel that are in positions directly responsible for complying with NERC standards (R2) that includes: a set of defined training program objectives, based on NERC and WECC standards, entity operating procedures, and applicable regulatory requirements. These objectives shall reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the Transmission Operator (R3.1); a plan for the initial and continuing training of Transmission Operator personnel, which shall also address knowledge and competencies required for reliable system operations (R3.2); training time for all Transmission Operator personnel to ensure their operating proficiency (R3.3); and identification of training staff competent in both knowledge of system operations and instructional capabilities (R3.4).

Update: Evidence that Task 1 is completed will be available by July 15, 2012.

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 15, 2012

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
Task 1	R1- SNCL believes it has always been staffed with adequately trained personnel (R1); however it will complete the following task:  Task 1: By July 15, 2012, SNCL will create a training program for all its operating personnel that are in positions that have the primary responsibility for the real-time operation of the interconnected Bulk Electric System, and operating personnel that are in positions directly responsible for complying with NERC standards (R2) that includes: a set of defined training program objectives, based on NERC and WECC standards, entity operating procedures, and applicable regulatory	07/15/2012	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	<p>requirements. These objectives shall reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the Transmission Operator (R3.1); a plan for the initial and continuing training of Transmission Operator personnel, which shall also address knowledge and competencies required for reliable system operations (R3.2); training time for all Transmission Operator personnel to ensure their operating proficiency (R3.3); and identification of training staff competent in both knowledge of system operations and instructional capabilities (R3.4).</p> <p>Update: Evidence that Task 1 is completed will be available by July 15, 2012.</p>		

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it has always been staffed with highly experienced and trained Operators.

### E.2 Prevention of Future BPS 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:

Upon completion of this Mitigation Plan, SNCL will have a formally documented training program for its Operators.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division Manager-Compliance

Authorized On: June 27, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC201102849

Mitigated Standard Requirement(s): PER-002-0 R3,

Scheduled Completion as per Accepted Mitigation Plan: July 15, 2012

Date Mitigation Plan completed: June 27, 2012

WECC Notified of Completion on Date: June 28, 2012

Entity Comment:

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	Milestone_Update_PER-002R1-R4 12-8-11 PF.doc		83,968
Entity	SVP System Operator Certification and Training Program Ver 1.pdf		296,441

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: Jim Lauth

Title: Electric Division Manager-Compliance

Email: jlauth@svpower.com

Phone: 1 (408) 615-6685

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

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





Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

---

VIA WECC ENHANCED FILE TRANSFER SERVER

July 5, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, California 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC201102838, WECC201102839, and WECC201102849

Subject: Notice of Mitigation Plan and Completed Mitigation Plan Acceptance  
Reliability Standard PER-002-0 Requirements 1, 2, and 3

Jim,

The Western Electricity Coordinating Council (WECC) received the Mitigation Plan and the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on June 27, 2012 and June 28, 2012 respectively for the violation of Reliability Standard PER-002-0 Requirements 1, 2, and 3. After a thorough review, WECC has accepted the Mitigation Plan and 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 be "CL", is written over a light blue circular stamp or watermark.

Chris Luras  
Director of Enforcement

CL:rph

cc: Chris Cervelli, SNCL Alternate Compliance Contact  
Tim Reynolds, WECC Compliance Engineer - Enforcement

## **Attachment r**

### **Record documents for WECC201102848 (PER-003-0 R1)**

**r-1. SNCL's Self-Report dated June 6,  
2011**

**r-2. SNCL's Mitigation Plan designated as  
WECCMIT007679 submitted June 27,  
2012**

**r-3. SNCL's Certification of Mitigation Plan  
Completion dated July 2, 2012**

**r-4. WECC's Verification of Mitigation Plan  
Completion dated July 10, 2012**

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Public Homepage | Portal Homepage



# Compliance

## Member Portal

Silicon Valley Power

- Logged in as:  
**Rob Kielar**
- [Log Out](#)
- ▶ System Administration
  - ▶ Compliance
  - ▶ Self Reports
  - ▶ Complaints
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  - ▶ Violation Retractions
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**Self Report Form - 2011**

[Save PDF](#) | [Return To Search Results](#)

New Mitigation Plan | Attachments (0)

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

**This form was submitted by Jim Lauth (jlauth@svpower.com) on 6/6/2011.**

\* Required Fields Status: Read Only

Region:	WECC
NERC Registry ID:	NCR05392
Joint Registration Organization (JRO) ID:	
Registered Entity:	Silicon Valley Power
Registered Entity Contact Information:	
* Jim Lauth (jlauth@svpower.com) 408-615-6685	
Standard Applicable to Self-Report:	PER-003-0
Requirement Applicable to Self-Report:	R1.
Sub Requirements Applicable to Self-Report:	
Function Applicable to Self-Report:	TOP

Date violation occurred:	* 6/27/2011
Date violation discovered:	* 6/6/2011
Is the violation still occurring?	* <input checked="" type="radio"/> Yes <input type="radio"/> No

**Detail explanation and cause of violation:** \*

On May 27, 2011, SNCL modified its registration with WECC to add TO and TOP to the functions for which it was already registered. Therefore, as of May 27, 2011, SNCL was obligated to be in compliance with PER-003-0 R1. Due to the short time frame between May 6, 2011, when SNCL was made aware by a letter from WECC that it would be required to modify its registration to add the TO and TOP functions, and May 27, 2011, the day SNCL was required to (and did) amend its registration and add TO and TOP, SNCL was unable to fully staff all of its operating positions to meet the criteria of PER-003-0 R1.

Reliability Impact:	* Minimal
---------------------	-----------

**Reliability Impact Description:** \*

Although SNCL does not yet have NERC certified personnel to cover all operating shifts, four of SNCL's six transmission operators are NERC certified, and the other two are in the beginning stages of preparing to take the examination utilizing the NERC approved SOS Int'l (System Operations Success, Int'l) training program. SNCL has always staffed its Operations desk with highly experienced operators. For these reasons, there is only a minimal impact on the Bulk Power System from SNCL's failure to have all operator shift positions filled with NERC certified personnel.

**Additional Comments:**

SNCL is pursuing two options in parallel to become compliant with this requirement as soon as possible, see attached mitigation plan

**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.)

Submit Self Report

## Mitigation Plan

Registered Entity: Silicon Valley Power

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC201102848	PER-003-0 R1	10/12/2011	1

Mitigation Plan Submitted On: June 27, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: June 01, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL On:

Mitigation Plan Completion Verified 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: Jim Lauth  
Title: Electric Division Manager  
Email: jlauth@svpower.com  
Phone: 408-615-6685

**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		
WECC201102848	05/27/2011	PER-003-0 R1
Each Transmission Operator, Balancing Authority, and Reliability Coordinator shall staff all operating positions that meet both of the following criteria with personnel that are NERC-certified for the applicable functions:		

C.2 Brief summary including the cause of the violation(s) and mechanism in which it was identified above:

SNCL had first registered as a TOP on May 27, 2011, at which time it began working on a Mitigation Plan to address these requirements

C.3 Provide any relevant information regarding the identification of the violation(s) associated with this Mitigation Plan:

Self-Reported

**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:

Task 1: By May 22, 2012, SNCL will complete negotiations with the International Brotherhood of Electrical Workers (IBEW) on a change to SNCL's Electric & Water System Operator (EWSO) Job Description to include a NERC Transmission Operator Certification requirement. Also by May 22, 2012, SNCL will submit the new EWSO Job Description to the Santa Clara City Council for approval.

Task 2: By June 1, 2012, SNCL will adjust its EWSO shift schedules such that at least one NERC-certified Transmission Operator is on duty for each shift.

D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the violations associated with this Mitigation Plan are corrected:

Proposed Completion date of Mitigation Plan: June 01, 2012

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
Task 1	Task 1: By May 22, 2012, SNCL will complete negotiations with the International Brotherhood of Electrical Workers (IBEW) on a change to SNCL's Electric & Water System Operator (EWSO) Job Description to include a NERC Transmission Operator Certification requirement. Also by May 22, 2012, SNCL will submit the new EWSO Job Description to the Santa Clara City Council for approval.	05/22/2012	
Task 2	Task 2: By June 1, 2012, SNCL will adjust its EWSO shift schedules such that at least one NERC-certified Transmission Operator is on duty for each shift.	06/01/2012	

D.4 Additional Relevant Information (Optional)



## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BPS 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:

SNCL is unaware of any BPS reliability risk, as it is staffed with highly experienced and trained Operators

### E.2 Prevention of Future BPS 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:

Five of SNCL's Operators are currently NERC-certified. SNCL will change its shift schedule to ensure that at least one NERC-certified Operator is on duty at all times. SNCL's two remaining Operators are in training to become NERC-certified, such that all seven of SNCL's Operators will be NERC-certified.

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

Authorized Individual Signature: \_\_\_\_\_  
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jim Lauth

Title: Electric Division manager Compliance

Authorized On: June 27, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC201102848

Mitigated Standard Requirement(s): PER-003-0 R1,

Scheduled Completion as per Accepted Mitigation Plan: June 01, 2012

Date Mitigation Plan completed: May 27, 2012

WECC Notified of Completion on Date: July 02, 2012

Entity Comment: Task 1 completed 5/22/12 ((see attached Summary of Actions taken by Santa Clara City Council May 22, 2012 Consent Calendar -Departmental Reports- item 8 and Boards and Commissions for Action item 9B and attached EWSO and SEWSO Job descriptions effective May 22, 2012).  
Task 2- completed May 27, 2012(see attached Operator Schedule for June 2012).

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	Milestone_Update_PER-003R112-8-11 PF.doc		83,456
Entity	Council SUMMARY OF ACTIONS TAKEN 5-22-12.docx		41,593
Entity	EWSO JobDescription.docx		26,971
Entity	SEWSO Job Description.docx		26,368
Entity	OpSchedule June 2012.pdf		1,991,460

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: Jim Lauth

Title: Electric Division anager Compliance

Email: jlauth@svpower.com

Phone: 1 (408) 615-6685

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

July 10, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, California 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC201102848

Subject: Notice of Mitigation Plan and Completed Mitigation Plan Acceptance  
Reliability Standard PER-003-0 Requirement 1

Jim,

The Western Electricity Coordinating Council (WECC) received the Mitigation Plan and the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on June 27, 2012 and July 2, 2012 respectively for the violation of Reliability Standard PER-003-0 Requirement 1. After a thorough review, WECC has accepted the Mitigation Plan and 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,



Chris Luras  
Director of Enforcement

CL:rph

cc: Chris Cervelli, SNCL Alternate Compliance Contact  
Tim Reynolds, WECC CIP Enforcement Analyst

## **Attachment s**

### **Record documents for WECC2012009262 (PRC-023-1 R1)**

**s-1. SNCL's Mitigation Plan designated as WECCMIT006990 submitted March 20, 2012**

**s-2. SNCL's Certification of Mitigation Plan Completion dated July 10, 2012**

**s-3. WECC's Verification of Mitigation Plan Completion dated August 18, 2012**

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## Mitigation Plan

Registered Entity: Silicon Valley Power

<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>
WECC2012009262	PRC-023-1 R1	null

Mitigation Plan Submitted On: March 20, 2012

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: November 15, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by SNCL 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: Silicon Valley Power  
NERC Compliance Registry ID: NCR05392  
Address: 1500 Warburton Ave  
Santa Clara CA 95050

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: James Lauth  
Title: Electric Division Manager  
Email: jlauth@#svpower.com  
Phone: 408-615-6685

**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		
WECC2012009262	01/19/2012	PRC-023-1 R1
Each Transmission Owner, Generator Owner, and Distribution Provider shall use any one of the following criteria (R1.1 through R1.13) for any specific circuit terminal to prevent its phase protective relay settings from limiting transmission system loadability while maintaining reliable protection of the Bulk Electric System for all fault conditions. Each Transmission Owner, Generator Owner, and Distribution Provider shall evaluate relay loadability at 0.85 per unit voltage and a power factor angle of 30 degrees: [Violation Risk Factor: High] [Mitigation Time Horizon: Long Term Planning].		

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

On December 12 and 13, 2011, pursuant to NERC Rules of Procedure Section 500 and Appendix A, SNCL had an on-site visit with a NERC/WECC Certification Team to review SNCL's ability to meet the standards and requirements of a TOP. During this review, SNCL, in conjunction with the Certification Team, discovered deficiencies in its compliance with PR-023 R1, R2, & R3. SNCL had first registered as a TOP on May 27, 2011, at which time it believed that its protection system setup was sufficient to meet this requirement. Upon further review, SNCL now believes that its documentation is insufficient for compliance to these requirements.

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

As noted above, SNCL identified these potential violations on December 12, 2011 & December 13, 2011.

**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:

Task 1.1- Perform detailed engineering analysis and review of SNCL's 115 kv and 230 kv transmission protection systems.

Task 1.2 - Determine if any protection system changes are necessary

Task 1.3 Make any necessary protection system changes

Task 1.4 Formally document engineering analysis and protection system setting changes.

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: November 15, 2012

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
Task 1.1	Task 1.1- Perform detailed engineering analysis and review of SNCL's 115 kv and 230 kv transmission protection systems.	06/15/2012	
Task 1.2	Task 1.2 - Determine if any protection system changes are necessary	07/15/2012	
Task 1.3	Task 1.3 Make any necessary protection system changes	09/15/2012	
Task 1.4	Task 1.4 Formally document engineering analysis and protection system setting changes.	11/15/2012	

D.4 Additional Relevant Information (Optional)

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## Section E: Interim and Future Reliability Risk

### E.1 Abatement of Interim BES Reliability Risk

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

SNCL is unaware of any BPS reliability risk, as a preliminary review of its protection systems revealed that its protection systems likely met these requirements.

### 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:

SNCL will fully document its engineering analysis and protection system changes in accordance with these requirements.

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

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

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

Name: James Lauth

Title: Electric Division Manager-Compliance

Authorized On: March 20, 2012

## 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: Silicon Valley Power

NERC Registry ID: NCR05392

NERC Violation ID(s): WECC2012009262

Mitigated Standard Requirement(s): PRC-023-1 R1,

Scheduled Completion as per Accepted Mitigation Plan: November 15, 2012

Date Mitigation Plan completed: July 29, 2012

WECC Notified of Completion on Date: July 10, 2012

Entity Comment: SNCL completed a detailed engineering analysis on the loadability of applicable relay settings. The settings were found to be consistent with PRC-023's requirement and thus, no changes in the settings needed to be made.

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	SVP Transmission Relay Loadability Assessment Report 6-29-12.pdf		136,416

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: James Lauth

Title: Electric Division Manager-Compliance

Email: jlauth@svpower.com

Phone: 1 (408) 615-6685

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

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



Chris Luras  
Director of Enforcement

(801) 883-6887  
cluras@wecc.biz

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VIA WECC ENHANCED FILE TRANSFER SERVER

August 18, 2012

Jim Lauth  
Division Manager  
Silicon Valley Power  
1500 Warburton Ave  
Santa Clara, California 95050

NERC Registration ID: NCR05392  
NERC Violation ID: WECC2012009262

Subject: Notice of Completed Mitigation Plan Acceptance  
Reliability Standard PRC-023-1 Requirement 1

Jim,

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Silicon Valley Power (SNCL) on July 10, 2012 for the violation of Reliability Standard PRC-023-1 Requirement 1. 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,



Chris Luras  
Director of Enforcement

CL:rph

cc: Chris Cervelli, SNCL Alternate Compliance Contact  
Tim Reynolds, WECC Compliance Engineer - Enforcement

**Attachment t**

**Notice of Filing**

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UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Silicon Valley Power

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

NOTICE OF FILING  
January 31, 2013

Take notice that on January 31, 2013, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Silicon Valley Power in the Western Electricity Coordinating Council region.

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

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

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

Comment Date: [BLANK]

Kimberly D. Bose,  
Secretary