

October 30, 2013

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

**Re: NERC Full Notice of Penalty regarding Enerwise Global Technologies (Comverge, Inc.),
FERC Docket No. NP14-_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding Enerwise Global Technologies (Comverge, Inc.) (Enerwise), NERC Registry ID# NCR11024,² in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations and orders, as well as NERC's Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).³

Enerwise is a wholly-owned subsidiary of Comverge, Inc. Enerwise is an operating unit that typically focuses on providing energy management services, including demand response, to commercial and industrial customers across the country. Comverge, Inc. is a provider of intelligent energy management (IEM) solutions for residential and commercial and industrial customers across the nation, with 3,732 total megawatts of power under management, more than 500 utility customers, solutions in place at more than 2,100 commercial sites, and 5 million demand response control devices

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

² Texas Reliability Entity, Inc. (Texas RE) confirmed that Enerwise was included on the NERC Compliance Registry as a Load-Serving Entity (LSE) on April 12, 2010. As an LSE, Enerwise is subject to the requirements of NERC Reliability Standards IRO-001-1.1 and TOP-001-1. Enerwise is a participant in Coordinated Functional Registration (CFR) (formerly known as Type II Joint Registration Organization (JRO) Registration) JRO00061, originally dated February 10, 2010, for the LSE functions. Under the CFR, Enerwise is identified as a responsible entity for certain Reliability Standards and Requirements, including among others, TOP-001-1 R8 and TOP-001-1 R4.

³ See 18 C.F.R § 39.7(c)(2).

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NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 2

installed in residences. Enerwise is not a generating entity nor does it have any investment in or control of generating facilities in Texas at this time.

Enerwise is currently a provider of Emergency Response Service (ERS) 10 and ERS 30 services in the Electric Reliability Council of Texas (ERCOT) region, and it provides an operations center that runs 24 hours a day, seven days a week.

This Notice of Penalty is being filed with the Commission because Texas RE and Enerwise have entered into a Settlement Agreement to resolve all outstanding issues arising from Texas RE's determination and findings of the violations⁴ of IRO-001-1.1 R8 and TOP-001-1 R4. According to the Settlement Agreement, Enerwise neither admits nor denies the violations, but has agreed to the assessed penalty of nineteen thousand dollars (\$19,000), 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. Accordingly, the violations identified as NERC Violation Tracking Identification Numbers TRE2012009821 and TRE2012009822 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 October 14, 2013, by and between Texas RE and Enerwise, which is included as Attachment a. The details of the findings and basis for the penalty are set forth in the Settlement Agreement and herein. This Notice of Penalty filing contains the basis for approval of the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC BOTCC). In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7 (2013), NERC provides the following summary table identifying each violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

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

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Total Penalty
Texas Reliability Entity, Inc.	Enerwise Global Technologies (Comverge, Inc.)	NOC-2192	TRE2012009821	IRO-001-1.1	R8	High	\$19,000
			TRE2012009822	TOP-001-1	R4	High	

Conditions in ERCOT on the Day of the Violations

On the morning of February 2, 2011, reserve margins in the ERCOT region fell due to cold weather-related generating unit forced outages and de-ratings. This resulted in ERCOT, the Reliability Coordinator/Transmission Operator (RC/TOP), declaring an Energy Emergency Alert 3 (EEA 3)⁵ at 5:43 a.m. and making a hot-line call to inform entities in ERCOT of the EEA-3 and on-line reserve levels.

During the call, the RC/TOP issued the first directive to shed 1,000 MW of firm load. The RC/TOP also issued a directive at 5:49 a.m.⁶ to Emergency Interruptible Load Service (EILS) providers, including Enerwise, to interrupt the load they were responsible for shedding during the time frame designated Non-Business Hours in the EILS contracts. The firm load providers had 30 minutes to meet their load shed obligation, and the EILS providers had 10 minutes to meet their load shed obligation. At 6:04 a.m., 21 minutes after issuing its first order for 1,000 MW of firm load shed, the RC/TOP issued another directive to shed an additional 1,000 MW of firm load. At 6:23 a.m., 19 minutes after issuing the second order for 1,000 MW of firm load shed, the RC/TOP issued a third load shed directive for an additional 2,000 MW firm load (for 4,000 MW total).

At 8:53 a.m., the RC/TOP issued a second EILS directive, calling for the shedding of an additional block of load available during the time frame designated Business Hours 1 in the EILS contracts. The RC/TOP issued orders from 7:57 a.m. to 1:07 p.m. that gradually restored the firm load; the RC/TOP had the EILS providers hold their load shed until the next day at 10:00 a.m.

Enerwise was responsible for interrupting 35.2 MW of EILS load during Non-Business Hours, the time frame during which the first EILS reliability directive at 5:49 a.m. was issued. Enerwise was also

⁵ An EEA 3 is declared when there is difficulty in maintaining a system frequency of 59.8 Hz and firm load will need to be shed.

⁶ Several of the directive issuance times identified in Texas RE’s Spot Check reports for these violations (see Attachments b and c) differ from the times identified in this Notice of Penalty. The times identified in this Notice of Penalty reflect the times the relevant directives were issued according to ERCOT and Texas RE documentation and reports.

NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 4

obligated to have its load shed within 10 minutes of the issuance of the RC/TOP directive, or by 5:59 a.m. The RC/TOP's telephone logs show that at 5:44 a.m., a phone call was placed to the Enerwise network operations center. However, while Enerwise does not deny that the RC/TOP took the actions described above, Enerwise was unable to confirm receipt of the 5:49 a.m. directive or verify its response to the RC/TOP's actions.

At 8:53 a.m., the RC/TOP issued the second EILS directive calling for the shedding of a block of Business Hours 1 load. Enerwise was responsible for shedding 39.2 MW of load and did shed the load. Enerwise also communicated to the RC/TOP that it had not shed the 35.2 MW of EILS load during the Non-Business Hour period in accordance with the first directive.

For the five contractual load shed service periods, other than the non-compliant period, the average Enerwise load reduction exceeded the Enerwise obligation by 40.6%, 49.3%, 50.9%, 68.3%, and 65.7%.

IRO-001-1.1 R8 and TOP-001-1 R4

The purpose statement of Reliability Standard IRO-001-1.1 provides:

Reliability Coordinators must have the authority, plans, and agreements in place to immediately direct reliability entities within their Reliability Coordinator Areas to re-dispatch generation, reconfigure transmission, or reduce load to mitigate critical conditions to return the system to a reliable state. If a Reliability Coordinator delegates tasks to others, the Reliability Coordinator retains its responsibilities for complying with NERC and regional standards. Standards of conduct are necessary to ensure the Reliability Coordinator does not act in a manner that favors one market participant over another.

IRO-001-1.1 R8 provides:

Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities shall comply with Reliability Coordinator directives unless such actions would violate safety, equipment, or regulatory or statutory requirements. Under these circumstances, the Transmission Operator, Balancing Authority, Generator Operator, Transmission Service Provider, Load-Serving Entity, or Purchasing-Selling Entity shall immediately inform the Reliability Coordinator of the inability to perform the directive so that the Reliability Coordinator may implement alternate remedial actions.

NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 5

IRO-001-1.1 R8 has a “High” Violation Risk Factor (VRF) and a “Lower” Violation Severity Level (VSL). The subject violation applies to Enerwise’s LSE function.

The purpose statement of Reliability Standard TOP-001-1 provides: “To ensure reliability entities have clear decision-making authority and capabilities to take appropriate actions or direct the actions of others to return the transmission system to normal conditions during an emergency.”

TOP-001-1 R4 provides:

Each Distribution Provider and Load Serving Entity shall comply with all reliability directives issued by the Transmission Operator, including shedding firm load, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances, the Distribution Provider or Load Serving Entity shall immediately inform the Transmission Operator of the inability to perform the directive so that the Transmission Operator can implement alternate remedial actions.

TOP-001-1 R4 has a “High VRF and a “Severe” VSL. The subject violation applies to Enerwise’s LSE function.

During a Spot Check, conducted from March 8, 2012 through March 9, 2012 (Spot Check), Texas RE discovered that Enerwise failed to comply with IRO-001-1.1 R8 and TOP-001-1 R4 because it failed to inform the RC/TOP of its inability to perform a directive on February 2, 2011. The RC/TOP issued a directive on February 2, 2011 at 5:49 a.m. to deploy EILS. Enerwise was responsible for interrupting 35.2 MW of load during Non-Business Hours and to have it shed within 10 minutes of the issuance of the directive, or by 5:59 a.m. Enerwise did not inform the RC/TOP that it did not shed the load until after the issuance of a second EILS directive from the RC/TOP at 8:53 a.m.

Texas RE determined that Enerwise had a violation of IRO-001-1.1 R8 because Enerwise failed to inform its RC of its inability to perform a directive. Enerwise failed to comply with a RC/TOP directive although compliance would not have violated safety, equipment, regulatory, or statutory requirements.

Texas RE determined that Enerwise had a violation of TOP-001-1 R4 because Enerwise failed to inform its TOP of its inability to perform a directive. Enerwise failed to comply with a RC/TOP directive although compliance would not have violated safety, equipment, regulatory, or statutory requirements.

NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 6

Texas RE determined the duration of the violations to be approximately three hours on February 2, 2011, from 5:59 a.m., the time by which Enerwise was obligated to have its EILS Non-Business Hours load shed in accordance with the RC/TOP's first directive, until the 15-minute interval ending at 9:15 a.m., by which time Enerwise shed EILS load in accordance with the RC/TOP's second directive and informed the RC/TOP of its failure to shed load in accordance with the first directive.

Texas RE determined that these violations posed a moderate risk to the reliability of the bulk power system (BPS), but did not pose a serious or substantial risk. Specifically, just prior to the issuance of the first EILS directive, an EEA 3 was declared in the ERCOT system. All resources were necessary to keep the curtailment of firm load to a minimum. However, the EILS load shed affected by the violations was 35.2 MW, compared to the 4,000 MW of firm load directed to be shed. It was delayed from service for approximately three hours and fifteen minutes. Therefore, Texas RE determined that these violations posed a moderate risk to the BPS, but not a serious or substantial risk.

Regional Entity's Basis for Penalty

According to the Settlement Agreement, Texas RE has assessed a penalty of nineteen thousand dollars (\$19,000) for the referenced violations.⁷ In reaching this determination, Texas RE considered the following factors:⁸

1. the violations constituted Enerwise's first occurrence of violations of the subject NERC Reliability Standards;
2. Enerwise was cooperative throughout the compliance enforcement process;
3. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
4. there was no evidence the violations were intentional;
5. Texas RE determined that the violations did not pose a serious or substantial risk to the reliability of the BPS, as discussed above; and

⁷ Texas RE reported that, although the facts and circumstances supported violations of both IRO-001-1.1 R8 and TOP-001-1 R4, Texas RE considered the facts and circumstances as one violation for purposes of calculating and assessing the penalty of nineteen thousand dollars (\$19,000).

⁸ Texas RE reported that since the time of the violations and the March 2012 Spot Check described herein, Enerwise documented and implemented a more formalized, comprehensive market compliance program, which is administered by Enerwise's director, market compliance. This program is supported by senior management. Among other things, the program provides substantive regulatory resources and materials which are part of the training process in which designated employees are required to participate. Enerwise did not have a documented internal compliance program in effect at the time of the violations.

NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 7

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

After consideration of the above factors, Texas RE determined that, in this instance, the penalty amount of nineteen thousand dollars (\$19,000) is appropriate and bears a reasonable relation to the seriousness and duration of the violations.

Status of Mitigation Plans⁹

IRO-001-1.1 R8 and TOP-001-1 R4¹⁰

Enerwise's Mitigation Plan to address its violation of IRO-001-1.1 R8 was submitted to Texas RE on July 19, 2013. The Mitigation Plan was accepted by Texas RE on July 22, 2013 and approved by NERC on July 25, 2013. The Mitigation Plan for this violation is designated as TREMIT008617-1 and was submitted as non-public information to FERC on September 18, 2013 in accordance with FERC orders.

Enerwise's Mitigation Plan to address its violation of TOP-001-1 R4 was submitted to Texas RE on July 19, 2013. The Mitigation Plan was accepted by Texas RE on July 22, 2013 and approved by NERC on July 25, 2013. The Mitigation Plan for this violation is designated as TREMIT008618-1 and was submitted as non-public information to FERC on July 25, 2013 in accordance with FERC orders.¹¹

Enerwise's Mitigation Plans required Enerwise to:

1. request permission from ERCOT to record the incoming ERCOT phone line and to route ERCOT calls to the Enerwise Cisco call manager (and implement changes once permission was received);
2. update training program to include formal, in-depth training on all open market programs that details what network operations center (NOC) operators should expect before, during, and after any called EILS event, and institute a policy requiring all NOC operators to pass a proficiency test following training on an annual basis;
3. update procedures to require each NOC operator to log into the Microsoft SharePoint platform manually during every call received from the ERCOT phone line and document the start time, stop time, and the exact repeat back ERCOT requests during each call;

⁹ See 18 C.F.R § 39.7(d)(7).

¹⁰ The Mitigation Plans for TRE2012009821 and TRE2012009822 are identical in content.

¹¹ On April 10, 2012, Enerwise submitted Mitigation Plans for IRO-001-1.1 R 8 and TOP-001-1 R4. Texas RE rejected the Mitigation Plans on July 12, 2013 because they did not reflect all of the actions taken by Enerwise to mitigate the violations.

NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 8

4. update standard operating procedures to notify the Enerwise command center manager via telephone when EEA 1 is initiated;
5. request that ERCOT implement a process requiring a positive confirmation of receipt of a Verbal Dispatch Instruction EILS deployment instruction;
6. request that ERCOT implement redundant communication mechanisms with both email blasts and back-up phone numbers so redundancy is built into the communication network in the event that one system of communication suffers a failure;
7. develop a script to copy the relevant operations messages from the ERCOT website and generate an email to an Enerwise internal distribution group, consisting of command center staff;
8. develop a Microsoft SharePoint NOC operator workbench to provide all NOC operators with well-organized instant access to all program-specific information, including the standard operating procedures for ERCOT and Enerwise, contact information, event logs, and links to relevant ERCOT systems and tools; and
9. harden the telephone infrastructure within the Enerwise NOC.

Enerwise certified on July 23, 2013 that the above Mitigation Plan requirements were completed on February 23, 2012. As evidence of completion of its Mitigation Plan, Enerwise submitted the following:

1. Corrective Action #1:
 - a. Document ERCOT Test Call 5-13-2013.mp3, dated May 14, 2013, contains the recording of an ERCOT call placed on the ERCOT wide area network (WAN) on May 13, 2013 at 08:41:18 EDT; this was the most recent recording that was available when Enerwise prepared its response;
 - b. Document ERCOT Call Recording Log.jpg, received during the audit on March 19, 2013, contains a screenshot of the 10 most recent calls that were placed to the Enerwise NOC and therefore recorded in the system;
2. Corrective Action #2:
 - a. Document Comverge NOC Operator Certification Test (Open Market) NO ANSWERS.docx and Document Comverge NOC Operator Certification Test (Utility Markets) NO ANSWERS.docx, both received during the audit on March 19, 2013, provide evidence of the Operator certification tests;

- b. Document Operator Certification Results.xlsx, received during the audit on March 19, 2013 , provides the results of the tests administered;
 - c. Document ERCOT NOC Training Deck 02222013.pptx, dated February 22, 2013, contains the most current training presentation;
 - d. Document RE Completion Certification needed for TRE2012009821 and TRE2012009822, dated July 22, 2013, contains the statement that the February 23, 2012 training was the last mitigation activity completed for TRE2012009821 and TRE2012009822;
 - e. Document ERCOT Market Training Meeting, dated February 23, 2012, contains the calendar announcement of the February 23, 2012 training and testing, and demonstrates that operators must pass this test to remain operators;
3. Corrective Action #3: Document ERCOT SharePoint Call Log.jpg contains a screenshot of the call log the NOC Operators use for logging calls received on the ERCOT WAN from May 6, 2013 through May 13, 2013;
4. Corrective Action #4: Document ERCOT NOC Training Deck 02222013.pptx, dated February 22, 2013 , contains the most recent training version, updated on February 22, 2013;
5. Corrective Action #5: Document CONFIDENTIAL Statement of Events for EILS Deployment February 2-3 2011.pdf, dated March 21, 2011, contains the file that was submitted to ERCOT on March 21, 2011, in which Enerwise formally requested that ERCOT implement a process requiring a positive confirmation of receipt of a VDI EILS deployment instruction;
6. Corrective Action #7:
 - a. Document CONFIDENTIAL Statement of Events for EILS Deployment February 2-3 2011.pdf, dated March 21, 2011 , contains the formal request asking ERCOT to implement redundant communication mechanisms with both email blasts and back-up phone numbers so redundancy is built into the communication network in the event that one system of communication suffers a failure;
 - b. Document ERCOT ERS 30 Minute Test Event for Group Number 1.msg, dated October 30, 2012 , is an example of one of the emails that are generated and sent to or Command Center (NOC) as a result of this implementation;
7. Corrective Action #7: Document ERCOT Operations Message.msg, dated August 4, 2011 , contains a message that is generated as a result of this service;

NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 10

8. Corrective Action #8: Document ERCOT SharePoint Dashboard Page.jpg, dated May 14, 2013, contains a screen shot of the main dashboard page for the ERCOT market; and
9. Corrective Action #9: Document ERCOT Infrastructure, delivered July 18, 2013, contains the network diagram of the hardened phone system.

On July 23, 2013, after reviewing Enerwise's submitted evidence, Texas RE verified that Enerwise's Mitigation Plans were completed on February 23, 2012.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed¹²

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,¹³ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on October 8, 2013. The NERC BOTCC approved the Settlement Agreement, including Texas RE's assessment of a nineteen thousand dollar (\$19,000) financial penalty against Enerwise 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:¹⁴

1. the violations constituted Enerwise's first occurrence of violations of the subject NERC Reliability Standards;
2. Texas RE reported that Enerwise was cooperative throughout the compliance enforcement process;
3. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
4. there was no evidence the violations were intentional;

¹² See 18 C.F.R. § 39.7(d)(4).

¹³ *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).

¹⁴ Texas RE considered Enerwise's internal compliance program a neutral factor in determining the penalty, as discussed above.

NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 11

5. Texas RE determined that the violations did not pose a serious or substantial risk to the reliability of the BPS, as discussed above; and
6. Texas RE reported that there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

For the foregoing reasons, the NERC BOTCC approved the Settlement Agreement and believes that the assessed penalty of nineteen thousand dollars (\$19,000) 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 Texas RE and Enerwise executed October 14, 2013, included as Attachment a;
 1. Addendum A – Disposition of Violation for TRE2012009821 and TRE2012009822;
- b) Record documents for the violation of IRO-001-1.1 R8, included as Attachment b;
 1. Texas RE's Spot Check Report for IRO-001-1.1 R8 dated March 12, 2012;
 2. Enerwise's Mitigation Plan designated as TREMIT008617-1 for IRO-001-1.1 R8 submitted July 19, 2013;
 3. Enerwise's Certification of Mitigation Plan Completion for IRO-001-1.1 R8 submitted July 23, 2013;
 4. Texas RE's Verification of Mitigation Plan Completion for IRO-001-1.1 R8 dated July 23, 2013;
- c) Record documents for the violation of TOP-001-1 R4, included as Attachment c;
 1. Texas RE's Spot Check Report for TOP-001-1 R4 dated March 12, 2012;
 2. Enerwise's Mitigation Plan designated as TREMIT008618-1 for TOP-001-1 R4 submitted July 19, 2013;

NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 12

3. Enerwise's Certification of Mitigation Plan Completion for TOP-001-1 R4 submitted July 23, 2013; and
4. Texas RE's Verification of Mitigation Plan Completion for TOP-001-1 R4 dated July 23, 2013.

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

NERC Notice of Penalty
 Enerwise Global Technologies (Comverge, Inc.)
 October 30, 2013
 Page 13

<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>Sonia C. Mendonça* Assistant General Counsel and Director of Enforcement North American Electric Reliability Corporation 1325 G Street N.W. Suite 600 Washington, DC 20005 (202) 400-3000 (202) 644-8099 – facsimile sonia.mendonca@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>Edwin G. Kichline* North American Electric Reliability Corporation Senior Counsel and Associate Director, Enforcement Processing 1325 G Street N.W. Suite 600 Washington, DC 20005 (202) 400-3000 (202) 644-8099 – facsimile edwin.kichline@nerc.net</p>
<p>Tracy Caswell* General Counsel Comverge, Inc. 5390 Triangle Parkway Suite 300 Norcross, GA 30092 678-823-6781 tcaswell@comverge.com</p>	<p>Frank Lacey* VP, Regulatory and Market Strategy Comverge, Inc. 415 McFarlan Road Suite 201 Kennett Square, PA 19348 484-734-2206 flacey@comverge.com</p>
<p>Derrick Davis* Director, Enforcement, Reliability Standards & Registration Texas Reliability Entity, Inc. 805 Las Cimas Parkway Suite 200 Austin, TX 78746 (512) 583-4923 (512) 233-2233 – facsimile derrick.davis@texasre.org</p>	<p>*Persons to be included on the Commission’s service list are indicated with an asterisk. NERC requests waiver of the Commission’s rules and regulations to permit the inclusion of more than two people on the service list.</p>

NERC Notice of Penalty
Enerwise Global Technologies (Comverge, Inc.)
October 30, 2013
Page 14

Conclusion

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

Respectfully submitted,

/s/ Sonia Mendonça

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cc: Enerwise Global Technologies (Comverge, Inc.)
Texas Reliability Entity, Inc.

Attachments

Attachment a

Settlement Agreement by and between Texas RE and Enerwise executed October 14, 2013

1. Disposition of Violation, Addendum A to Settlement Agreement



SETTLEMENT AGREEMENT

OF

TEXAS RELIABILITY ENTITY, INC.

AND

ENERWISE GLOBAL TECHNOLOGIES (COMVERGE, INC.)

I. INTRODUCTION

1. North American Electric Reliability Corporation (NERC) delegated authority to Texas Reliability Entity, Inc. to become the regional entity for the ERCOT region effective July 1, 2010, pursuant to Section 215(e)(4) of the Federal Power Act. NERC also delegated to Texas Reliability Entity, Inc. the authority and responsibility for the continuation of all compliance monitoring and enforcement activities that it had previously delegated to Texas Regional Entity (a division of Electric Reliability Council of Texas, Inc.). The term "Texas RE" is used herein to refer to both Texas Regional Entity and Texas Reliability Entity, Inc.
2. Texas RE and Enerwise Global Technologies (Comverge, Inc.) ("Enerwise") enter into this Settlement Agreement ("Settlement Agreement") to resolve all outstanding issues arising from a preliminary and non-public assessment resulting in Texas RE's determination and findings, pursuant to the North American Electric Reliability Corporation ("NERC") Rules of Procedure, of two alleged violations by Enerwise of NERC Reliability Standard IRO-001-1.1 R8 (NERC Violation ID No. TRE2012009821) and Reliability Standard TOP-001-1 R4 (NERC Violation ID No. TRE2012009822).
3. Enerwise neither admits nor denies the violations of NERC Reliability Standard IRO-001-1.1 R8 and Reliability Standard TOP-001-1 R4 and has agreed to the proposed penalty of \$19,000 to be assessed to Enerwise, in addition to other remedies and mitigation actions to mitigate the instant alleged violations and facilitate future compliance under the terms and conditions of the Settlement Agreement.

II. STIPULATION

4. The facts stipulated herein are stipulated solely for the purpose of resolving, between Enerwise and Texas RE, the matters discussed herein and do not constitute stipulations or admissions for any other purpose. The attached Disposition Document is incorporated herein in its entirety. Enerwise and Texas RE hereby stipulate and agree to the following:

Background

5. See Section I of the Disposition Document for a description of Enerwise.

Violations of NERC Reliability Standard IRO-001-1.1 R8 and Reliability Standard TOP-001-1 R4

6. See Section II of the Disposition Document for the description of the violations.

III. PARTIES' SEPARATE REPRESENTATIONS**STATEMENT OF TEXAS RE AND SUMMARY OF FINDINGS**

7. Conditions in the ERCOT Region on February 2, 2011: Reserve margins in ERCOT fell during the morning of February 2, 2011 due to cold weather related generating unit forced outages and de-ratings. This resulted in Reliability Coordinator/Transmission Operator (RC/TOP) declaring an Energy Emergency Alert - 3 (EEA-3) at 05:43 that morning and making a hot-line call to inform entities in ERCOT of the EEA-3 and on-line reserve levels. An EEA-3 is declared when there is difficulty in maintaining a system frequency of 59.8 Hz and firm load will need to be shed. During the call, the RC/TOP issued the first directive to shed 1000 MW of firm load. The RC/TOP also issued the directive to Emergency Interruptible Load Service (EILS) providers (including Enerwise) at 05:49 to interrupt their non-business hour load. The firm load had 30 minutes to meet their load shed obligation and the EILS providers had 10 minutes to meet their load shed obligation. At 06:04, 21 minutes after issuing its first order for 1000 MW of firm load shed, The RC/TOP issued another directive shedding an additional 1000 MW of firm load. At 06:23, 19 minutes after issuing the second order for 1000 MW of firm load shed, the RC/TOP issued a third load shed directive for an additional 2000 MW firm load (4000 MW total). The RC/TOP issued orders from 07:57 to 13:07 that gradually restored the firm load. At 08:53 the RC/TOP issued a directive for EILS providers to shed their business hours load in addition to the earlier non-business hours load shed. The RC/TOP had the EILS providers hold their load shed until the next day at 10:00.
8. Texas RE agrees that this Settlement Agreement is in the best interest of the parties and in the best interest of bulk power system reliability.

STATEMENT OF ENERWISE

9. Enerwise neither admits nor denies that the facts set forth and agreed to by the parties for purposes of this Settlement Agreement constitute violations of NERC Reliability Standard IRO-001-1.1 R8 (NERC Violation ID No. TRE2012009821) and Reliability Standard TOP-001-1 R4 (NERC Violation ID No. TRE2012009822). Enerwise does not deny that the RC/TOP took the actions outlined in Paragraph 7 above. Enerwise cannot confirm that it received the 5:49 instruction to interrupt its

EILS customers. Enerwise can confirm that it received the 8:50 instruction to shed business hour load from its EILS customers. Enerwise's performance factor for the entire event, inclusive of the hours between 5:49 and 8:50 was in excess of 100% of its load reduction obligation.

10. Although Enerwise does not admit to, nor does it deny, the alleged violation, Enerwise has agreed to enter into this Settlement Agreement with Texas RE to avoid extended litigation with respect to the matters described or referred to herein, to avoid uncertainty, and to effectuate a complete and final resolution of the issues set forth herein. Enerwise agrees that this Settlement Agreement is in the best interest of the parties and in the best interest of maintaining a reliable electric infrastructure.

IV. MITIGATING ACTIONS, REMEDIES AND SANCTIONS

11. Texas RE and Enerwise agree that Enerwise has completed and Texas RE has verified completion of the mitigating actions set forth in Section IV of the Disposition Document. Further, Texas RE has verified that Enerwise has completed the additional actions addressed in Section IV of the Disposition Document (if any). The Mitigating Actions, Remedies and Sanctions are discussed in detail in the Disposition Document.
12. Texas RE staff also consider the specific facts and circumstances of the violations and Enerwise's actions in response to the violations in determining a proposed penalty that meets the requirement in Section 215 of the Federal Power Act that "[a]ny penalty imposed under this section shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of such user, owner, or operator to remedy the violation in a timely manner."¹ The factors considered by Texas RE staff in the determination of the appropriate penalty are set forth in Section V of the Disposition Document.
13. Based on the above factors, as well as the mitigation actions and preventative measures taken, Enerwise shall pay the monetary penalty of \$19,000 to Texas RE, via electronic funds transfer (ACH Transaction) within thirty days after the Settlement Agreement is either approved by the Federal Energy Regulatory Commission or by operation of law, and Texas RE shall notify NERC if the payment is not received. Texas RE agrees to provide to Enerwise the necessary banking information to facilitate the electronic transaction.
14. Failure to make a timely penalty payment or to comply with any of the terms and conditions agreed to herein, or any other conditions of this Settlement Agreement, shall be deemed to be either the same alleged violations that initiated this Settlement Agreement and/or additional violation(s) and may subject Enerwise to new or additional enforcement, penalty or sanction actions in accordance with the NERC Rules of Procedure.

¹ 16 U.S.C. § 824o(e)(6).

15. If Enerwise does not make the monetary penalty payment above at the times agreed by the parties, interest payable to Texas RE will begin to accrue pursuant to the Commission's regulations at 18 C.F.R. § 35.19(a)(2)(iii) from the date that payment is due, in addition to the penalty specified above. Enerwise shall retain all rights to defend against such additional enforcement actions in accordance with NERC Rules of Procedure.

V. ADDITIONAL TERMS

16. The signatories to the Settlement Agreement agree that they enter into the Settlement Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent or representative of Texas RE or Enerwise has been made to induce the signatories or any other party to enter into the Settlement Agreement.
17. Texas RE shall report the terms of all settlements of compliance matters to NERC. NERC will review the settlement for the purpose of evaluating its consistency with other settlements entered into for similar violations or under other, similar circumstances. Based on this review, NERC will either approve the settlement or reject the settlement and notify Texas RE and Enerwise of changes to the settlement that would result in approval. If NERC rejects the settlement, NERC will provide specific written reasons for such rejection and Texas RE will attempt to negotiate a revised settlement agreement with Enerwise including any changes to the settlement specified by NERC. If a settlement cannot be reached, the enforcement process shall continue to conclusion. If NERC approves the settlement, NERC will (i) report the approved settlement to the Commission for the Commission's review and approval by order or operation of law and (ii) publicly post this Settlement Agreement.
18. This Settlement Agreement shall become effective upon the Commission's approval of the Settlement Agreement by order or operation of law as submitted to it or as modified in a manner acceptable to the parties.
19. Enerwise agrees that this Settlement Agreement, when approved by NERC and the Commission, shall represent a final settlement of all matters set forth herein and Enerwise waives its right to further hearings and appeal, unless and only to the extent that Enerwise contends that any NERC or Commission action on the Settlement Agreement contains one or more material modifications to the Settlement Agreement. Texas RE reserves all rights to initiate enforcement, penalty or sanction actions against Enerwise in accordance with the NERC Rules of Procedure in the event that Enerwise fails to comply with the Mitigation Plan and compliance program agreed to in this Settlement Agreement. In the event Enerwise fails to comply with any of the stipulations, remedies, sanctions or additional terms, as set forth in this Settlement Agreement, Texas RE will initiate enforcement, penalty, or sanction actions against Enerwise to the maximum extent allowed by the NERC Rules of Procedure, up to the maximum statutorily allowed penalty. Except as otherwise specified in this Settlement Agreement, Enerwise shall retain all rights

to defend against such enforcement actions, also according to the NERC Rules of Procedure.

20. Enerwise consents to the use of Texas RE's determinations, findings, and conclusions set forth in this Agreement for the purpose of assessing the factors, including the factor of determining the company's history of violations, in accordance with the NERC Sanction Guidelines and applicable Commission orders and policy statements. Such use may be in any enforcement action or compliance proceeding undertaken by NERC and/or any Regional Entity; provided, however, that Enerwise does not consent to the use of the specific acts set forth in this Settlement Agreement as the sole basis for any other action or proceeding brought by NERC and/or Texas RE, nor does Enerwise consent to the use of this Settlement Agreement by any other party in any other action or proceeding.
21. Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to bind such entity and accepts the Settlement Agreement on the entity's behalf.
22. The undersigned representative of each party affirms that he or she has read the Settlement Agreement, that all of the matters set forth in the Settlement Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that the Settlement Agreement is entered into by such party in express reliance on those representations, provided, however, that such affirmation by each party's representative shall not apply to the other party's statements of position set forth in Section III of this Settlement Agreement.
23. The Settlement Agreement may be signed in counterparts.
24. This Settlement Agreement is executed in duplicate, each of which so executed shall be deemed to be an original.



Agreed to and accepted:



W. Lane Lanford
President & CEO
Texas Reliability Entity, Inc.

10/14/13
Date



Steven K. Moffitt
Executive Vice President and
Chief Operating Officer
Enerwise Global Technologies (Comverge, Inc.)

10/10/2013
Date



Addendum A

DISPOSITION OF VIOLATION¹

NERC TRACKING NO.

TRE2012009821 – IRO-001-1.1 R8
 TRE2012009822 – TOP-001-1 R4

NOC#

REGISTERED ENTITY

Enerwise Global Technologies (Comverge, Inc.)

NERC REGISTRY ID.

NCR11024

REGIONAL ENTITY

Texas Reliability Entity, Inc. (“Texas RE”)

I. REGISTRATION INFORMATION

ENTITY IS REGISTERED FOR THE FOLLOWING FUNCTIONS (BOTTOM ROW INDICATES REGISTRATION DATE):

BA	DP	GO	GOP	IA	LSE	PA	PSE	RC	RP	RSG	TO	TOP	TP	TSP
					X									
					04/12/2010									

* Violation applies to shaded functions

DESCRIPTION OF THE REGISTERED ENTITY

Enerwise Global Technologies is a wholly-owned subsidiary of Comverge, Inc. Comverge, Inc. is privately owned (100%) by Peak Holding Corp. Enerwise is the operating unit that typically focuses on providing energy management services, including Demand Response to commercial and industrial customers across the country. Comverge is a leading provider of intelligent energy management (IEM) solutions for residential and commercial & industrial customers. Comverge’s intelligent energy management solutions are in widespread use across the nation, with 3,732 total megawatts of power under management, more than 500 utility customers,

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

solutions in place at more than 2,100 commercial sites, and 5 million demand response control devices installed in residences.

Enerwise is currently a provider of ERCOT ERS 10 and ERS 30 services in the ERCOT region. Enerwise provides a 24/7 operations center to comply with all the rules and regulations of TX Sub rule 25.507. Enerwise is not a generating entity nor does it have any investment in or control of generating facilities in Texas at this time.

II. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
IRO-001-1.1	R8		High	Lower
TOP-001-1	R4		High	Severe

Purpose of Reliability Standard IRO-001-1.1: Reliability Coordinators must have the authority, plans, and agreements in place to immediately direct reliability entities within their Reliability Coordinator areas to re-dispatch generation, reconfigure transmission, or reduce load to mitigate critical conditions to return the system to a reliable state. If a Reliability Coordinator delegates tasks to others, the Reliability Coordinator retains its responsibilities for complying with NERC and regional standards. Standards of conduct are necessary to ensure the Reliability Coordinator does not act in a manner that favors one market participant over another.

Purpose of Reliability Standard TOP-001-1: To ensure reliability entities have clear decision-making authority and capabilities to take appropriate actions or direct the actions of others to return the transmission system to normal conditions during an emergency.

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

Reliability Standard IRO-001-1.1 R8: Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities shall comply with Reliability Coordinator directives unless such actions would violate safety, equipment, or regulatory or statutory requirements. Under these circumstances, the Transmission Operator, Balancing Authority, Generator Operator, Transmission Service Provider, Load-Serving Entity, or Purchasing-Selling Entity shall immediately inform the Reliability Coordinator of the inability to perform the directive so that the Reliability Coordinator may implement alternate remedial actions.

Reliability Standard TOP-001-1 R4: Each Distribution Provider and Load Serving Entity shall comply with all reliability directives issued by the Transmission Operator, including shedding firm load, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances, the Distribution Provider or Load Serving Entity shall immediately inform the Transmission Operator of the inability to perform the directive so that the Transmission Operator can implement alternate remedial actions.

VIOLATION DESCRIPTION²:

During a spot check Texas RE conducted of Enerwise from March 8-9, 2012, Texas RE discovered non-compliance with two Reliability Standards. Specifically, Enerwise violated Reliability Standard IRO-001-1.1, R8 for failing to inform its Reliability Coordinator (RC) of its inability to perform a directive. Enerwise also violated TOP-001-1.1, R4 for failing to inform its Transmission Operator (TOP) of its inability to perform a directive. Enerwise, as a registered LSE, were issued two directives by its RC/TOP and did not immediately inform the RC/TOP of its inability to perform the directives.

Enerwise failed to comply with a RC/TOP directive, to shed Emergency Interruptible Load Service (EILS) load within 10 minutes of the directive when such action would not have resulted in actions that would violate safety, equipment, regulatory or statutory requirements.

The RC/TOP directive that Enerwise did not comply with was issued by the RC/TOP on February 2, 2011 at 5:49 AM CST. This RC/TOP directive was a Verbal Dispatch Instruction to Enerwise and the other EILS customers to interrupt the Non-Business Hour load they were responsible for shedding. The RC/TOP telephone logs show that at 5:44 AM CST on February 2, 2011, a phone call was placed to the Enerwise Network Operations Center ("NOC"). The NOC operator on duty denied answering the phone and Enerwise was unable to verify receipt of this call. Enerwise does not deny that the RC/TOP took the actions described, but cannot verify its response to those actions.

Enerwise was responsible for interrupting 35.2 MW of load during Non-Business Hours, the time during which the reliability directive was issued. Enerwise also was obligated to have its load shed within 10 minutes of the issuance of the RC/TOP directive (by 5:59 AM CST) but did not shed it until the 15 minute interval ending at 9:15 AM CST.

At 8:53 AM CST the RC/TOP issued a second RC/TOP EILS directive by way of a Verbal Dispatch Instruction calling for the shedding of an additional block of load available during the

² At the time of the violation, Enerwise was registered through a Coordinated Functional Registration (CFR) agreement. The CFR includes the following additional language which identifies the allocation of compliance responsibilities for the parties of the CFR:

- “1. If directed by the Reliability Coordinator [Transmission Operator], Entity B will inform its LaaR and EILS resources that the Reliability Coordinator has issued a directive that requires the EILS or LaaR to deploy unless such action would violate safety, equipment, or regulatory or statutory requirements. Entity B will have documentation (e.g. contract, attestation, etc.) that the LaaR or EILS will deploy when such a directive is issued.
2. If the LaaR or EILS resource is unable to deploy and communicates this to Entity B, Entity B will immediately inform the Reliability Coordinator.”
3. If Entity B complies with Part 1 and 2 above, Entity B is not responsible under this Standard if a LaaR or EILS fails to deploy.”

Enerwise did not inform its LaaR and EILS resources that the Reliability Coordinator had issued a directive that requires the EILS or LaaR to deploy.

time frame designated Business Hours 1 in the EILS contracts. Enerwise was responsible for shedding 39.2 MW of load in the Business Hours and did shed that load.

After the second RC/TOP directive, Enerwise communicated to the RC/TOP that it had not shed the earlier 35.2 MW of EILS load during the Non-Business Hour period. Enerwise shed its Business Hours 1 load as directed by the RC/TOP in its second EILS directive and was compliant from the 15 minute interval ending at 9:15 AM until it was allowed to restore the load 25 hours later at 10:00 AM CST on February 3, 2011. Therefore, the violation, which lasted approximately three hours, affected 35.2 MWs of load shed.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

Texas RE determined that these violations did not pose a serious or substantial risk to the bulk power system, but did have a moderate impact because the ERCOT system had just declared an EEA3 (unable to maintain 59.8 Hz, firm load to be shed) condition and all resources were necessary to keep the curtailment of firm load to a minimum. However, this resource was only 35.2 MW and was delayed from service for three hours and fifteen minutes.

IS THERE A SETTLEMENT AGREEMENT

Yes No

WITH RESPECT TO THE ALLEGED/CONFIRMED VIOLATION, REGISTERED ENTITY

Neither admits nor denies it (settlement only)
 Admits to it
 Does not contest it (Including within 30 days)

WITH RESPECT TO THE ASSESSED PENALTY OR SANCTION, REGISTERED ENTITY

Accepts it/Does not contest it

III. DISCOVERY INFORMATION

METHOD OF DISCOVERY

Self-Report
 Self-Certification
 Compliance Audit
 Compliance Violation Investigation
 Spot Check
 Complaint
 Periodic Data Submittal
 Exception Reporting

DURATION DATE(S)

02/02/2011

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY

03/09/2012

Is the violation still occurring Yes No
Explain if yes
Remedial Action Directive issued Yes No

IV. MITIGATION INFORMATION

MITIGATION PLAN NO. TREMIT008617-1 (IRO-001-1.1 R8) and
TREMIT008618-1 (TOP-001-1 R4)³
Date Submitted to Regional Entity 07/19/2013

Date Accepted by Regional Entity 07/22/2013

Date approved by NERC 07/25/2013

Date provided to FERC
 09/18/2013 - TREMIT008617-1 (IRO-001-1.1 R8)
 07/25/2013 - TREMIT008618-1 (TOP-001-1 R4)

Identify and explain all prior versions that were accepted or rejected, if applicable
 On April 10, 2012, Enerwise submitted mitigation plans for both Reliability Standard IRO-001-1.1 R8 and TOP-001-1 R4. Texas RE rejected the plans on July 12, 2013 because they did not include all of the actions taken by Enerwise to mitigate the violations.

MITIGATION PLAN COMPLETED Yes No
Expected completion date 02/23/2012
Extensions granted N/A

Date of Certification Letter 07/23/2013
Certified as complete by Registered Entity as of 02/23/2012

Date of Verification Letter 07/23/2013
Verified actually complete by Regional Entity as of 02/23/2012

³ The Mitigation Plans for both violations, TRE2012009821 and TRE2012009822, are identical in content and timeline.

Actions taken to mitigate the issue and prevent recurrence

1. ERCOT granted Enerwise permission to record the incoming ERCOT phone line and to route ERCOT calls to the Enerwise Cisco call manager.
2. Updated training program to include a formal in depth training on all open market programs which details what NOC Operators should expect before, during and after any called EILS event. Additionally, instituted policy requiring all NOC Operators to pass a proficiency test following training on an annual basis.
3. Updated procedures to require each NOC Operator to manually log into the SharePoint platform during every call received from the ERCOT phone line and document the start time, stop time, and the exact repeat back ERCOT requests during each call.
4. Updated Standard Operating Procedures to notify the Enerwise Command Center Manager via telephone when EEA1 is initiated.
5. Requested that ERCOT implement a process requiring a positive confirmation of receipt of a VDI EILS deployment instruction.
6. Requested that ERCOT implement redundant communication mechanisms with both email blasts and back-up phone numbers so redundancy is built into the communication network in the event that one system of communication suffers a failure.
7. Developed a script to copy the relevant operations messages from the ERCOT website and generate an email to an Enerwise internal distribution group, consisting of Command Center staff.
8. Developed a Microsoft SharePoint NOC Operator Workbench to provide all NOC Operators with well-organized instant access to all program-specific information, including the standard operating procedures for ERCOT, and Enerwise, contact information, event logs, and links to relevant ERCOT systems/tools.
9. Hardened the telephone infrastructure within the Enerwise NOC.

List of evidence reviewed by Regional Entity to evaluate completion of Mitigation Plan or Milestones (for cases in which mitigation is not yet completed, list evidence reviewed for completed milestones)

1. Corrective Action #1 - Document ERCOT Test Call 5-13-2013.mp3, dated 5/14/2013, contains the most recent recording of an ERCOT call placed on the ERCOT WAN on 5/13/2013 at 08:41:18 EDT that was available when preparing this response. Document ERCOT Call Recording Log.jpg, received during the audit on 3/19/2013, contains a screenshot of the 10 most recent calls that were placed to the Enerwise NOC and therefore recorded in the system.
2. Corrective Action #2 – Document Comverge NOC Operator Certification Test (Open Market) NO ANSWERS.docx and Document Comverge NOC Operator Certification Test (Utility Markets) NO ANSWERS.docx, both received during the audit on 3/19/2013, provide evidence of the Operator certification tests. Document Operator Certification Results.xlsx, received during the audit on 3/19/2013, provides the results of the tests administered. Document ERCOT NOC Training Deck 02222013.pptx, dated 2/22/2013, contains the most current training presentation. Document RE Completion Certification needed for TRE2012009821 and TRE2012009822, dated 7/22/2013, contains the statement that the 2/23/2012 training was the last mitigation activity completed for

- TRE2012009821 and TRE2012009822. Document ERCOT Market Training Meeting, dated 2/23/2012, contains the calendar announcement of the 2/23/2012 training and testing, and demonstrates that operators must pass this test to remain operators.
3. Corrective Action #3 - Document ERCOT SharePoint Call Log.jpg contains a screenshot of the call log the NOC Operators use for logging calls received on the ERCOT WAN from 5/6/2013 through 5/13/2013.
 4. Corrective Action #4 - Document ERCOT NOC Training Deck 02222013.pptx, dated 2/22/2013, contains the most recent training version, updated on 02/22/2013.
 5. Corrective Action #5 - Document CONFIDENTIAL Statement of Events for EILS Deployment February 2-3 2011.pdf, dated 3/21/2011, contains the file that was submitted to ERCOT on March 21st, 2011, in which Enerwise formally requested that ERCOT implement a process requiring a positive confirmation of receipt of a VDI EILS deployment instruction.
 6. Document CONFIDENTIAL Statement of Events for EILS Deployment February 2-3 2011.pdf, dated 3/21/2011, contains the formal request asking ERCOT to implement redundant communication mechanisms with both email blasts and back-up phone numbers so redundancy is built into the communication network in the event that one system of communication suffers a failure. Document ERCOT ERS 30 Minute Test Event for Group Number 1.msg, dated 10/30/2012, is an example of one of the emails that are generated and sent to or Command Center (NOC) as a result of this implementation.
 7. Corrective Action #7 - Document ERCOT Operations Message.msg, dated 8/4/2011, contains a message that is generated as a result of this service.
 8. Corrective Action #8 - Document ERCOT SharePoint Dashboard Page.jpg, dated 5/14/2013, contains a screen shot of the main dashboard page for the ERCOT market.
 9. Corrective Action #9 - Document ERCOT Infrastructure, delivered 7/18/2013, contains the network diagram of the hardened phone system.

V. PENALTY INFORMATION

ASSESSED PENALTY OR SANCTION

\$19,000

(1) Registered Entity's compliance history

Previous filed violations of any of the Reliability Standard(s) or Requirement(s) thereunder

Yes No

List violations and status

Additional comments

Previously filed violations of other Reliability Standard(s) or Requirement(s) thereunder

Yes No

List violations and status

Additional comments

(2) The degree and quality of cooperation by the Registered Entity

Full cooperation Yes No

If no, explain

(3) The presence and quality of the Registered Entity's Compliance Program

Is there a documented compliance program

Yes No Undetermined

Explain

Since the time of the events described herein (February 2, 2011 and March 8-9, 2012 Spot Check), Enerwise documented and implemented a more formalized, comprehensive Market Compliance Program administered by its Director, Market Compliance, and supported by senior management. Among other things, the program provides substantive regulatory resources and materials which are part of the training process in which designated employees are required to participate.

Explain Senior Management's Role and involvement with respect to the Registered Entity's Compliance Program, including whether senior management takes actions that support the compliance program, such as training, compliance as factor in employee evaluations, or otherwise.

(4) Any attempt by the Registered Entity to conceal the violation(s) or information needed to review, evaluate, or investigate the violation

Yes No

Explain if Yes

(5) Any evidence the violation(s) were intentional

Yes No

Explain if Yes

(6) Any other mitigating factors for consideration

 Yes No

Explain if Yes

(7) Any other aggravating factors for consideration

 Yes No

Explain if Yes

(8) Any other extenuating circumstances

 Yes No

Explain if Yes

OTHER RELEVANT INFORMATION
Notice of Alleged Violation issued

Date

Or N/A

Settlement discussions commenced

Date

Or N/A

12/10/2012

Notice of Confirmed Violation issued

Date

Or N/A

Supplemental Record information

Date(s)

Or N/A

Registered Entity response contested

Findings

Penalty

Both

Did not contest

Hearing Requested

 Yes

 No

Date

Outcome

Appeal Requested



EXHIBITS

- TRE2012009821_SpotCheck
- TRE2012009821_Mitigation Plan
- TRE2012009821_Certification of Completion
- TRE2012009821_Verification by Regional Entity
- TRE2012009822_SpotCheck
- TRE2012009822_Mitigation Plan
- TRE2012009822_Certification of Completion
- TRE2012009822_Verification by Regional Entity

Attachment b

Record documents for the violation of IRO-001-1.1 R8

- 1. Texas RE's Spot Check Report dated
March 12, 2012**
 - 2. Enerwise's Mitigation Plan designated
as TREMIT008617-1 submitted July 19,
2013**
 - 3. Enerwise's Certification of Mitigation
Plan Completion dated July 23, 2013**
 - 4. Texas RE's Verification of Mitigation
Plan Completion dated July 23, 2013**
-

Violation - Discovery Record

Registered Entity: Enerwise Global Technologies (Comverge, Inc.)

NERC Registry ID: NCR11024

NERC Violation ID: TRE2012009821

Discovery Method: Spot Check

Date Submitted: March 12, 2012

Region Contact: Mark Scovill

Phone: 512-583-4943 Email: mark.scovill@texasre.org

Standard: IRO-001-1.1 - Reliability Coordination - Responsibilities and Authorities

Purpose: Reliability Coordinators must have the authority, plans, and agreements in place to immediately direct reliability entities within their Reliability Coordinator Areas to re-dispatch generation, reconfigure transmission, or reduce load to mitigate critical conditions to return the system to a reliable state. If a Reliability Coordinator delegates tasks to others, the Reliability Coordinator retains its responsibilities for complying with NERC and regional standards. Standards of conduct are necessary to ensure the Reliability Coordinator does not act in a manner that favors one market participant over another.

Requirement: R8

Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities shall comply with Reliability Coordinator directives unless such actions would violate safety, equipment, or regulatory or statutory requirements. Under these circumstances, the Transmission Operator, Balancing Authority, Generator Operator, Transmission Service Provider, Load-Serving Entity, or Purchasing-Selling Entity shall immediately inform the Reliability Coordinator of the inability to perform the directive so that the Reliability Coordinator may implement alternate remedial actions.

Violated Sub-Req(s):

Violated Function(s): LSE

Init Determ a Vltn: March 09, 2012

Begin Date of Vltn: February 02, 2011

End Date: February 03, 2011

Notified of Vltn on: March 09, 2012

Potential Impact to BES: Emergency Interruptible Load Service deployment was the prescribed response to Energy Emergency Alert (EEA) level 2B in the version of the ERCOT Operating Guides in use on February 2-3, 2011. The purpose of EEA level 2B is to "maintain system frequency at 60 Hz" during periods of insufficient generating capacity.

The potential impact to the BES of failure to curtail EILS load is that system frequency will not be maintained at 60 Hz.

Brief Vltn Descr. & Cause: ERCOT ISO issued a directive to deploy EILS on Feb 2-3, 2011 at 05:46 am via a Hot Line call.

Enerwise did not comply with that directive. Enerwise did deploy EILS in response to the second Hot Line call which occurred at 08:53 am and was in compliance from that time until the EILS was recalled at 10:03 on Feb. 3, 2011. EILS is Emergency Interruptible Load Service.

The root cause of the possible violation could not be determined during the spot check. Enerwise said they never received the hot line call. Records obtained from ERCOT indicate Enerwise was on the call.

Alleged Violation: ERCOT ISO issued a directive to deploy EILS on Feb 2-3, 2011 at 05:46 am via a Hot Line call. Enerwise did not comply with that directive. Enerwise did deploy EILS in response to the second Hot Line call which occurred at 08:53 am and was in compliance from that time until the EILS was recalled at 10:03 on Feb. 3, 2011. EILS is Emergency Interruptible Load Service.

Registered Entity
Report/Response:

Risk Factor: High

Severity Level: LNC - Level 4

Factual Basis: Enerwise as a registered LSE failed to comply with the Reliability Coordinator directive given February 2, 2011 at 05:46 am to deploy Emergency Interruptible Load Service (EILS) provisions and did not immediately inform the Reliability Coordinator of any inability to perform the directive so that the Reliability Coordinator could implement alternate remedial actions.

Time Frame of Possible Violation: February 2, 2011 from 05:46 until 08:53. (The second EILS directive occurred at 08:53. There were no findings of non-compliance with respect to February 2-3, 2011 EILS directives issued subsequent to the 05:46 directive.)

Mitigation Plan

Registered Entity: Enerwise Global Technologies (Comverge, Inc.)

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
TREMIT008617-1	TRE2012009821	IRO-001-1.1 R8	10/15/2012	2

Mitigation Plan Submitted On: July 19, 2013

Mitigation Plan Accepted On: July 22, 2013

Mitigation Plan Proposed Completion Date: February 23, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by COMVERGE On:

Mitigation Plan Completion Verified by TRE 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: Enerwise Global Technologies (Comverge, Inc.)

NERC Compliance Registry ID: NCR11024

Address: 511 Schoolhouse Rd., Suite 200
Kennett Square PA 19348

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: Frank Lacey

Title: Vice President, Regulatory, Markets and Government Relations

Email: flacey@comverge.com

Phone: 484-734-2206

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		
TRE2012009821	02/02/2011	IRO-001-1.1 R8
Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities shall comply with Reliability Coordinator directives unless such actions would violate safety, equipment, or regulatory or statutory requirements. Under these circumstances, the Transmission Operator, Balancing Authority, Generator Operator, Transmission Service Provider, Load-Serving Entity, or Purchasing-Selling Entity shall immediately inform the Reliability Coordinator of the inability to perform the directive so that the Reliability Coordinator may implement alternate remedial actions.		

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

The Enerwise operator contends that a VDI of an EILS deployment was not received at 5:49 a.m. CST therefore Enerwise had no reason to believe we were unable to perform to a directive of ERCOT, who is both the Reliability Coordinator and Transmission Operator. These possible violations were identified during a TRE Spot Check conducted on March 8 and 9, 2012.

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

While Enerwise does not believe that any violation occurred, the following information is relevant to the proposed Mitigation Plan.

In relation to the events on February 2, 2011, the Enerwise operator acknowledges receipt of the following calls on the ERCOT WAN:

½ Load Resource Deployment/EEA 2A VDI from 5:16:52 a.m. CST to 5:23:56 a.m. CST

½ EILS Second Deployment (Newly Obligated Loads) VDI from 8:50:45 a.m. CST to 8:53:32 a.m. CST

½ HHS Instruction at 2:37 p.m. CST

As stated above, Enerwise acknowledges receipt of an EILS dispatch at 08:53 a.m. CST, but despite later communication from ERCOT that an earlier deployment had been sent, did not locate any evidence of receiving a 05:49 a.m. CST dispatch. In between the 05:49 a.m. CST claimed dispatch, and the EILS dispatch at 8:53 a.m. CST which Enerwise received, and due to the extreme weather events and the rolling black-outs in Texas Enerwise was engaged in conversations both internally and with ERCOT personnel to determine if and/or when an EILS dispatch might occur. Two Enerwise individuals had telephone calls with different ERCOT staff members in which they each noted that Enerwise had not received any deployment communications, and questioned whether EILS events would be called due to the worsening weather conditions. Enerwise was told that ERCOT was having issues communicating out of their Control room. Additionally, during these calls, Enerwise was not instructed or told to deploy or that a dispatch event had occurred at an earlier time.

After the time period at issue, Enerwise conducted interviews of its employees and Command Center staff in relation to the events. The Enerwise operator on duty the morning of February 2, 2011 stated that she did not receive a 5:49 a.m. CST EILS dispatch. The reason for this is undetermined. Enerwise did not record incoming calls to the ERCOT line on February 2, 2011 because it was Enerwise's understanding at the time, that the ERCOT line was not owned by or accessible to Enerwise, but is instead owned by ERCOT. There was not a historical caller-id log for the ERCOT telephone installed in the Enerwise Command Center. It was not Enerwise's common practice at the time to create a manual log for the ERCOT WAN calls that could be used to confirm whether or not an EILS call was received in the Enerwise Command Center at 5:49 a.m. CST. At this time, Enerwise has no evidence of receipt of a 05:49 a.m. CST Verbal Dispatch Instruction (VDI) to its Command Center and the operator on duty at that time states that no such call was received or answered. After interviewing the NOC Operator, she mentioned the ERCOT line was active all night, but only confirmed receipt of LAARS call at 5:16:52 a.m. CST. There was a shift change at 7:30 a.m. EST/6:30 a.m. CST, so the 8:53 a.m. CST EILS dispatch was received by a

different operator.

All employees on duty on 2/2/2011 have been interviewed numerous times immediately following the 2/2/2011 EILS deployment, and in the weeks and months following the deployment and all recollections of the activities of 2/2/2011 have remained consistent.

Additionally, because of the feedback from our NOC Operator that the ERCOT line was active all night, Enerwise did not have any reason to believe that there were technology problems that would prevent additional VDI instructions from being received and therefore we believed the ERCOT WAN to be in good working order.

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:

To help ensure continued program reliability, Enerwise was immediately engaged in discussions and worked in conjunction with ERCOT following the February 2nd EILS deployment to identify opportunities for improvement and Enerwise began taking actions as outlined below to prevent a similar issue from occurring again.

1. ACTION: Requested permission from ERCOT to record the incoming ERCOT phone line and then route ERCOT calls to the Enerwise Cisco call manager. This provides the ability for us to route calls to multiple locations dynamically. It will also allow us to utilize our existing telephone recording system such that all inbound and outbound calls will be recorded and automatically logged. Not only can this system be used for compliance purposes, but will be used in our training program to provide real live examples that will enhance the continuous training process.

STATUS: Complete. ERCOT has granted Enerwise permission to record their phone line. In addition, Enerwise is now routing the ERCOT calls through its call manager.

2. ACTION: Augment existing training procedures to develop a NOC Operator Certification program. This program includes a formal in depth training on all open market programs which will detail what our NOC Operators should expect before, during and after any called EILS event, and more fully describe what the grid conditions communicated to the Command Center mean. In addition to specific event procedures, the training will provide a more detailed market operations overview to help foster overall awareness among NOC Operators. To become certified our NOC Operators are now required to complete a proficiency test following the training. All operators will be required to attain certification through this new testing process on an annual basis.

STATUS: Complete. The ERCOT re-fresher training for all NOC Operators was conducted on 2/23/2012, PJM training was conducted on 3/22/2012, ISO New England training is scheduled for 4/19/2012, and New York ISO training is scheduled for 5/17/2012. The annual certification test of all NOC Operators will occur immediately following the New York ISO training on 5/17/2012. All NOC Operators will be certified prior to June 1, 2012.

3. ACTION: Each NOC Operator will be expected to manually log into our SharePoint platform, every call that is received from the ERCOT phone line including start time, stop time, and the exact repeat back ERCOT requests during each call. The intent of this requirement is to increase awareness for NOC Operators of the importance of attention to detail in all information communicated on every call received.

STATUS: Complete.

4. ACTION: Update Standard Operating Procedures to notify the Enerwise Command Center Manager via telephone when EEA1 is initiated. This will allow for increased supervisory monitoring of system conditions and will help to eliminate a single point of failure in the Energy Emergency Alert escalation

process.

STATUS: Complete.

5. ACTION: Request that ERCOT implement a process requiring a positive confirmation of receipt of a VDI EILS deployment instruction. This would be useful to avoid any future discrepancy in determination of whether an ERCOT communication was successfully sent and received through creating a communication pathway to allow for receipts by EILS service providers of ERCOT deployment communications.

STATUS: Complete. In a statement of events that was submitted to ERCOT on March 20th, 2011, Enerwise recommended that ERCOT require a positive confirmation of receipt of a VDI EILS

6. ACTION: Request that ERCOT consider redundant communication mechanisms with both email blasts and back-up phone numbers so redundancy is built into the communication network in the event that one system of communication suffers a failure, then Enerwise will in turn receive and act upon those messages.

STATUS: As part of NPRR379, which we understand will go into effect on June 1, 2012, ERCOT will require QSEI's that have EILS/ERS load to have the capabilities to receive Extensible Markup Language (XML) messaging, in addition to the Verbal Dispatch Instructions (VDIs). Enerwise has been engaged with ERCOT on the progress of this NPRR, and is prepared to have a listening URL available as required by ERCOT for the relaying of the XML messages.

7. ACTION: ERCOT posts the operations messages in near real-time on the ERCOT website which includes all advisories, watches, and Energy Emergency Alert notifications. Develop a script to copy the relevant messages from the ERCOT website and generate an email to an Enerwise internal distribution group, consisting of Command Center staff. While we recognize that this source of information is not to be used as a primary source of information, this will provide a second level of communication and redundancy as well as create a broader sense of awareness of ERCOT system conditions.

STATUS: Complete.

8. ACTION: Develop a Microsoft SharePoint NOC Operator Workbench. This tool will provide all NOC Operators with well-organized instant access to all program-specific information, including the standard operating procedures for ERCOT, and Enerwise, contact information, event logs, and links to relevant ERCOT systems/tools.

STATUS: Complete.

9. ACTION: Harden the telephone infrastructure within the Enerwise NOC. In addition to the mitigating action referenced in action #1 of this mitigation plan, Enerwise has routed all ERCOT calls through our Cisco Call Manager which directs calls to 4 Cisco Cordless phones, and 5 Cisco hardline phones located within our NOC. Additionally, Enerwise routes all ERCOT calls via analog signal to an analog telephone with both a cordless phone and hardline phone located within our NOC. As a result of this infrastructure improvement, Enerwise has 2 unique physical lines into our NOC where ERCOT calls are routed, so in the event a single line fails, no manual failover action is needed.

STATUS: Complete.

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: February 23, 2012

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

D.4 Additional Relevant Information (Optional)

Enerwise was immediately engaged in discussions and worked in conjunction with ERCOT following the February 2, 2011 EILS deployment to identify opportunities for improvement and Enerwise began taking actions as outlined below to prevent a similar issue from occurring again. The above Mitigation Plan was developed by Enerwise and action items were being implemented as early as February 28, 2011. These items were also provided in a mitigation plan that was also presented to Mark Patterson and Paul Wattles with ERCOT on June 3, 2011, as attached.

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:

While our mitigation plan has been completed, there was a brief period of time between the EILS deployment on February 2nd, 2011 and when Enerwise began implementation of its Mitigation Plan. Immediately following the EILS deployment on February 2, 2011, Enerwise took actions with its load providers in an attempt to over-comply and take as much load off the system as possible. In turn, Enerwise understands that during the 28 hour event on February 2 and 3, 2011 it provided in excess of 131 percent of its required demand reduction.

In addition, Enerwise realized the urgency of the situation and immediately had several meetings and training sessions to make sure that all NOC Operators were current in their understanding of our ERCOT EILS dispatch procedures. Information that was communicated included, without limitation, communications that may come from ERCOT on the VDI and how that related to grid conditions at that time; external factors that had an impact on grid reliability; how to remain cognizant of such conditions (ie. cold weather, drought, fire); Enerwise Standard Operating Procedures following an EILS deployment; and how to have resources deployed within our required 10 minute response. Additionally the Action Plan above in Section D was developed, and work commenced immediately in order to complete the Action Items identified above in order to ensure long term reliability of the Bulk Power System. Because of the actions taken to enhance the our operations in ERCOT, including meetings, additional training, and actions taken to enhance the ERCOT communication system, Enerwise does not believe the reliability of the bulk power system was compromised during the period spent implementing the Mitigation Plan.

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:

Enerwise believes the action items identified, and addressed in the Mitigation Plan are sufficient in order to prevent a similar reliability standard violation in the future. There are now multiple mediums for our NOC Operators to receive Operations Message via the VDI, and emails received based on the information posted on the ERCOT Operations Messages web page. Additionally, ERCOT is in the process of working to send an XML notification with the operations messages, and Enerwise has been actively engaged in that process as it progresses to production. Once the XML messages are being sent by ERCOT, Enerwise will be ready to receive those messages, which will give us a third medium for the receipt of ERCOT Operations Messages.

The continued and enhanced training given to our NOC Operators will keep the standard operating procedures, and ERCOT market rules in more frequent practice. The operator certification testing will validate the NOC Operators competency in understanding of the rules and the expectations when a VDI is received. Additionally, requiring the NOC Operators to record all calls will keep them more engaged in the message being communicated over the VDI, and notification to the Command Center Manager once EEA1 is reached will ensure management continues to be actively engaged in the response of a possible imminent EILS deployment, assuming gradual progression of the EEA steps similar to the February 2nd, 2011 and August 4th, 2011 EILS deployments. Should ERCOT grid conditions deteriorate at the speed that would require ERCOT to immediately go into EEA3 with no warning, the training previously mentioned will ensure the NOC Operators are appropriately responding.

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:

Unrelated to the mitigation program identified above, the Company is in the process of reviewing its energy compliance program across all markets. Enhancements identified pursuant to that review will be integrated nationally and internationally across our business lines, where appropriate. As such, any improvements identified may provide additional benefits to the Company's performance in ERCOT.

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 SVP Operations of Enerwise Global Technologies (Comverge, Inc.)
2. I am qualified to sign this Mitigation Plan on behalf of Enerwise Global Technologies (Comverge, Inc.)
3. I have read and understand Enerwise Global Technologies (Comverge, Inc.)'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. Enerwise Global Technologies (Comverge, Inc.) 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: Gregory Allarding

Title: SVP Operations

Authorized On: April 09, 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: Enerwise Global Technologies (Comverge, Inc.)

NERC Registry ID: NCR11024

NERC Violation ID(s): TRE2012009821

Mitigated Standard Requirement(s): IRO-001-1.1 R8,

Scheduled Completion as per Accepted Mitigation Plan: February 23, 2012

Date Mitigation Plan completed: February 23, 2012

TRE Notified of Completion on Date: July 23, 2013

Entity Comment:

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	Texas RE Mitigation Plan NERC Standard IRO-001- 1.1.pdf	Mitigation Plan Cover Letter, Submittal Form, and Supporting Documentation	1,876,344

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: Gregory Allarding

Title: SVP Operations

Email: gallarding@comverge.com

Phone:

Authorized Signature _____ Date _____

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

 E-Mail Notification Detail

From: noreply@oati.net
Sent: 07/23/2013 15:42:03
To: bmerlina@comverge.com
Subject: A Mitigation Plan has been verified as completed for Enerwise Global Technologies (Comverge, Inc.) - TRE2012009821 [REDACTED]

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

The following Mitigation Plan has been verified as completed by Texas RE.

Entity: **Enerwise Global Technologies (Comverge, Inc.) - NCR11024**
NERC Violation ID: **TRE2012009821**
Standard Requirement: **IRO-001-1.1 R8**
Mitigation Plan submitted on: **07/19/2013** (Version **2**, for Program Year **2012**)
Proposed Completion Date: **02/23/2012**

Actual Completion Date: **02/23/2012**
Verification Date: **07/23/2013**
Region Reviewer: **Calvin Daniels**

Based on evidence presented by Enerwise Global Technologies (Comverge, Inc.) and reviewed by Texas RE, this email confirms the above mentioned mitigation plan is complete. If you have any questions, please feel free to contact Calvin Daniels directly or through mitigation@texasre.org.

Note: This is a webCDMS application generated message. Please do NOT respond to this email. If you have questions, please contact webcdms@texasre.org.

[REDACTED]

[OATI Information - Email Template: MitPlan_Completed]

Attachment c

Record documents for the violation of TOP-001-1 R4

- 1. Texas RE's Spot Check Report dated
March 12, 2012**
 - 2. Enerwise's Mitigation Plan designated
as TREMIT008618-1 submitted July 19,
2013**
 - 3. Enerwise's Certification of Mitigation
Plan Completion dated July 23, 2013**
 - 4. Texas RE's Verification of Mitigation
Plan Completion dated July 23, 2013**
-

Violation - Discovery Record

Registered Entity: Enerwise Global Technologies (Comverge, Inc.)

NERC Registry ID: NCR11024

NERC Violation ID: TRE2012009822

Discovery Method: Spot Check

Date Submitted: March 12, 2012

Region Contact: Mark Scovill

Phone: 512-583-4943 Email: mark.scovill@texasre.org

Standard: TOP-001-1 - Reliability Responsibilities and Authorities

Purpose: To ensure reliability entities have clear decision-making authority and capabilities to take appropriate actions or direct the actions of others to return the transmission system to normal conditions during an emergency.

Requirement: R4

Each Distribution Provider and Load Serving Entity shall comply with all reliability directives issued by the Transmission Operator, including shedding firm load, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances, the Distribution Provider or Load Serving Entity shall immediately inform the Transmission Operator of the inability to perform the directive so that the Transmission Operator can implement alternate remedial actions.

Violated Sub-Req(s):

Violated Function(s): LSE

Init Determ a Vltm: March 09, 2012

Begin Date of Vltm: February 02, 2011

End Date: February 02, 2011

Notified of Vltm on: March 09, 2012

Potential Impact to BES: Emergency Interruptible Load Service deployment was the prescribed response to Energy Emergency Alert (EEA) level 2B in the version of the ERCOT Operating Guides in use on February 2-3, 2011. The purpose of EEA level 2B is to "maintain system frequency at 60 Hz" during periods of insufficient generating capacity.

The potential impact to the BES of failure to curtail EILS load is that system frequency will not be maintained at 60 Hz.

Brief Vltm Descr. & Cause: ERCOT ISO issued a directive to deploy EILS on Feb 2-3, 2011 at 05:46 am via a Hot Line call.

Enerwise did not comply with that directive. Enerwise did deploy EILS in response to the second Hot Line call which occurred at 08:53 am and was in compliance from that time until the EILS was recalled at 10:03 on Feb. 3, 2011. EILS is Emergency Interruptible Load Service.

The root cause of the possible violation could not be determined during the spot check. Enerwise said they never received the hot line call. Records obtained from ERCOT indicate Enerwise was on the call.

Alleged Violation: ERCOT ISO issued a directive to deploy EILS on Feb 2-3, 2011 at 05:46 am via a Hot Line call. Enerwise did not comply with that directive. Enerwise did deploy EILS in response to the second Hot Line call which occurred at 08:53 am and was in compliance from that time until the EILS was recalled at 10:03 on Feb. 3, 2011. EILS is Emergency Interruptible Load Service.

Registered Entity
Report/Response:

Risk Factor: High

Severity Level: LNC - Level 4

Factual Basis: Enerwise as a registered LSE failed to comply with the Transmission Operator reliability directive given February 2, 2011 at 05:46 am to deploy Emergency Interruptible Load Service (EILS) provisions and did not immediately inform the Transmission Operator of any inability to perform the directive so that the Transmission Operator could implement alternate remedial actions.

Time Frame of Possible Violation: February 2, 2011 from 05:46 until 08:53. (The second EILS directive occurred at 08:53. There were no findings of non-compliance with respect to February 2-3, 2011 EILS directives issued subsequent to the 05:46 directive.)

Mitigation Plan

Registered Entity: Enerwise Global Technologies (Comverge, Inc.)

<u>Mit Plan Code</u>	<u>NERC Violation ID</u>	<u>Requirement</u>	<u>Violation Validated On</u>	<u>Mit Plan Version</u>
TREMIT008618-1	TRE2012009822	TOP-001-1 R4	10/15/2012	2

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Mitigation Plan Accepted On: July 22, 2013

Mitigation Plan Proposed Completion Date: February 23, 2012

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by COMVERGE On:

Mitigation Plan Completion Verified by TRE On:

Mitigation Plan Completed? (Yes/No): No

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Section B: Registered Entity Information

B.1 Identify your organization:

Entity Name: Enerwise Global Technologies (Comverge, Inc.)

NERC Compliance Registry ID: NCR11024

Address: 511 Schoolhouse Rd., Suite 200
Kennett Square PA 19348

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: Frank Lacey

Title: Vice President, Regulatory, Markets and Government Relations

Email: flacey@comverge.com

Phone: 484-734-2206

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		
TRE2012009822	02/02/2011	TOP-001-1 R4
Each Distribution Provider and Load Serving Entity shall comply with all reliability directives issued by the Transmission Operator, including shedding firm load, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances, the Distribution Provider or Load Serving Entity shall immediately inform the Transmission Operator of the inability to perform the directive so that the Transmission Operator can implement alternate remedial actions.		

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

The Enerwise operator contends that a VDI of an EILS deployment was not received at 5:49 a.m. CST therefore Enerwise had no reason to believe we were unable to perform to a directive of ERCOT, who is both the Reliability Coordinator and Transmission Operator. This possible violation was identified during a TRE Spot Check conducted on March 8 and 9, 2012.

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

While Enerwise does not believe that any violation occurred, the following information is relevant to the proposed Mitigation Plan.

In relation to the events on February 2, 2011, the Enerwise operator acknowledges receipt of the following calls on the ERCOT WAN:

- 1/2 Load Resource Deployment/EEA 2A VDI from 5:16:52 a.m. CST to 5:23:56 a.m. CST
- 1/2 EILS Second Deployment (Newly Obligated Loads) VDI from 8:50:45 a.m. CST to 8:53:32 a.m. CST
- 1/2 HHS Instruction at 2:37 p.m. CST

As stated above, Enerwise acknowledges receipt of an EILS dispatch at 08:53 a.m. CST, but despite later communication from ERCOT that an earlier deployment had been sent, did not locate any evidence of receiving a 05:49 a.m. CST dispatch. In between the 05:49 a.m. CST claimed dispatch, and the EILS dispatch at 8:53 a.m. CST which Enerwise received, and due to the extreme weather events and the rolling black-outs in Texas Enerwise was engaged in conversations both internally and with ERCOT personnel to determine if and/or when an EILS dispatch might occur. Two Enerwise individuals had telephone calls with different ERCOT staff members in which they each noted that Enerwise had not received any deployment communications, and questioned whether EILS events would be called due to the worsening weather conditions. Enerwise was told that ERCOT was having issues communicating out of their Control room. Additionally, during these calls, Enerwise was not instructed or told to deploy or that a dispatch event had occurred at an earlier time.

After the time period at issue, Enerwise conducted interviews of its employees and Command Center staff in relation to the events. The Enerwise operator on duty the morning of February 2, 2011 stated that she did not receive a 5:49 a.m. CST EILS dispatch. The reason for this is undetermined. Enerwise did not record incoming calls to the ERCOT line on February 2, 2011 because it was Enerwise's understanding at the time, that the ERCOT line was not owned by or accessible to Enerwise, but is instead owned by ERCOT. There was not a historical caller-id log for the ERCOT telephone installed in the Enerwise Command Center. It was not Enerwise's common practice at the time to create a manual log for the ERCOT WAN calls that could be used to confirm whether or not an EILS call was received in the Enerwise Command Center at 5:49 a.m. CST. At this time, Enerwise has no evidence of receipt of a 05:49 a.m. CST Verbal Dispatch Instruction (VDI) to its Command Center and the operator on duty at that time states that no such call was received or answered. After interviewing the NOC Operator, she mentioned the ERCOT line was active all night, but only confirmed receipt of LAARS call at 5:16:52 a.m. CST. There was a shift change at 7:30 a.m. EST/6:30 a.m. CST, so the 8:53 a.m. CST EILS dispatch was received by a

different operator.

All employees on duty on 2/2/2011 have been interviewed numerous times immediately following the 2/2/2011 EILS deployment, and in the weeks and months following the deployment and all recollections of the activities of 2/2/2011 have remained consistent.

Additionally, because of the feedback from our NOC Operator that the ERCOT line was active all night, Enerwise did not have any reason to believe that there were technology problems that would prevent additional VDI instructions from being received and therefore we believed the ERCOT WAN to be in good working order.

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:

ENERWISE ACTION PLAN

To help ensure continued program reliability, Enerwise was immediately engaged in discussions and worked in conjunction with ERCOT following the February 2nd EILS deployment to identify opportunities for improvement and Enerwise began taking actions as outlined below to prevent a similar issue from occurring again.

1. ACTION: Requested permission from ERCOT to record the incoming ERCOT phone line and then route ERCOT calls to the Enerwise Cisco call manager. This provides the ability for us to route calls to multiple locations dynamically. It will also allow us to utilize our existing telephone recording system such that all inbound and outbound calls will be recorded and automatically logged. Not only can this system be used for compliance purposes, but will be used in our training program to provide real live examples that will enhance the continuous training process.

STATUS: Complete. ERCOT has granted Enerwise permission to record their phone line. In addition, Enerwise is now routing the ERCOT calls through its call manager.

2. ACTION: Augment existing training procedures to develop a NOC Operator Certification program. This program includes a formal in depth training on all open market programs which will detail what our NOC Operators should expect before, during and after any called EILS event, and more fully describe what the grid conditions communicated to the Command Center mean. In addition to specific event procedures, the training will provide a more detailed market operations overview to help foster overall awareness among NOC Operators. To become certified our NOC Operators are now required to complete a proficiency test following the training. All operators will be required to attain certification through this new testing process on an annual basis.

STATUS: Complete. The ERCOT re-fresher training for all NOC Operators was conducted on 2/23/2012, PJM training was conducted on 3/22/2012, ISO New England training is scheduled for 4/19/2012, and New York ISO training is scheduled for 5/17/2012. The annual certification test of all NOC Operators will occur immediately following the New York ISO training on 5/17/2012. All NOC Operators will be certified prior to June 1, 2012.

3. ACTION: Each NOC Operator will be expected to manually log into our SharePoint platform, every call that is received from the ERCOT phone line including start time, stop time, and the exact repeat back ERCOT requests during each call. The intent of this requirement is to increase awareness for NOC Operators of the importance of attention to detail in all information communicated on every call received.

STATUS: Complete.

4. ACTION: Update Standard Operating Procedures to notify the Enerwise Command Center Manager via

telephone when EEA1 is initiated. This will allow for increased supervisory monitoring of system conditions and will help to eliminate a single point of failure in the Energy Emergency Alert escalation process.

STATUS: Complete.

5. ACTION: Request that ERCOT implement a process requiring a positive confirmation of receipt of a VDI EILS deployment instruction. This would be useful to avoid any future discrepancy in determination of whether an ERCOT communication was successfully sent and received through creating a communication pathway to allow for receipts by EILS service providers of ERCOT deployment communications.

STATUS: Complete. In a statement of events that was submitted to ERCOT on March 20th, 2011, Enerwise recommended that ERCOT require a positive confirmation of receipt of a VDI EILS

6. ACTION: Request that ERCOT consider redundant communication mechanisms with both email blasts and back-up phone numbers so redundancy is built into the communication network in the event that one system of communication suffers a failure, then Enerwise will in turn receive and act upon those messages.

STATUS: As part of NPRR379, which we understand will go into effect on June 1, 2012, ERCOT will require QSEI's that have EILS/ERS load to have the capabilities to receive Extensible Markup Language (XML) messaging, in addition to the Verbal Dispatch Instructions (VDIs). Enerwise has been engaged with ERCOT on the progress of this NPRR, and is prepared to have a listening URL available as required by ERCOT for the relaying of the XML messages.

7. ACTION: ERCOT posts the operations messages in near real-time on the ERCOT website which includes all advisories, watches, and Energy Emergency Alert notifications. Develop a script to copy the relevant messages from the ERCOT website and generate an email to an Enerwise internal distribution group, consisting of Command Center staff. While we recognize that this source of information is not to be used as a primary source of information, this will provide a second level of communication and redundancy as well as create a broader sense of awareness of ERCOT system conditions.

STATUS: Complete.

8. ACTION: Develop a Microsoft SharePoint NOC Operator Workbench. This tool will provide all NOC Operators with well-organized instant access to all program-specific information, including the standard operating procedures for ERCOT, and Enerwise, contact information, event logs, and links to relevant ERCOT systems/tools.

STATUS: Complete.

9. ACTION: Harden the telephone infrastructure within the Enerwise NOC. In addition to the mitigating action referenced in action #1 of this mitigation plan, Enerwise has routed all ERCOT calls through our Cisco Call Manager which directs calls to 4 Cisco Cordless phones, and 5 Cisco hardline phones located within our NOC. Additionally, Enerwise routes all ERCOT calls via analog signal to an analog telephone with both a cordless phone and hardline phone located within our NOC. As a result of this infrastructure improvement, Enerwise has 2 unique physical lines into our NOC where ERCOT calls are routed, so in the event a single line fails, no manual failover action is needed.

STATUS: Complete.

- 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: February 23, 2012

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

D.4 Additional Relevant Information (Optional)

Enerwise was immediately engaged in discussions and worked in conjunction with ERCOT following the February 2, 2011 EILS deployment to identify opportunities for improvement and Enerwise began taking actions as outlined below to prevent a similar issue from occurring again. The above Mitigation Plan was developed by Enerwise and action items were being implemented as early as February 28, 2011. These items were also provided in a mitigation plan that was also presented to Mark Patterson and Paul Wattles with ERCOT on June 3, 2011, as attached.

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:

While our mitigation plan has been completed, there was a brief period of time between the EILS deployment on February 2nd, 2011 and when Enerwise began implementation of its Mitigation Plan. Immediately following the EILS deployment on February 2, 2011, Enerwise took actions with its load providers in an attempt to over-comply and take as much load off the system as possible. In turn, Enerwise understands that during the 28 hour event on February 2 and 3, 2011 it provided in excess of 131 percent of its required demand reduction.

In addition, Enerwise realized the urgency of the situation and immediately had several meetings and training sessions to make sure that all NOC Operators were current in their understanding of our ERCOT EILS dispatch procedures. Information that was communicated included, without limitation, communications that may come from ERCOT on the VDI and how that related to grid conditions at that time; external factors that had an impact on grid reliability; how to remain cognizant of such conditions (ie. cold weather, drought, fire); Enerwise Standard Operating Procedures following an EILS deployment; and how to have resources deployed within our required 10 minute response. Additionally the Action Plan above in Section D was developed, and work commenced immediately in order to complete the Action Items identified above in order to ensure long term reliability of the Bulk Power System. Because of the actions taken to enhance the our operations in ERCOT, including meetings, additional training, and actions taken to enhance the ERCOT communication system, Enerwise does not believe the reliability of the bulk power system was compromised during the period spent implementing the Mitigation Plan.

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:

Enerwise believes the action items identified, and addressed in the Mitigation Plan are sufficient in order to prevent a similar reliability standard violation in the future. There are now multiple mediums for our NOC Operators to receive Operations Message via the VDI, and emails received based on the information posted on the ERCOT Operations Messages web page. Additionally, ERCOT is in the process of working to send an XML notification with the operations messages, and Enerwise has been actively engaged in that process as it progresses to production. Once the XML messages are being sent by ERCOT, Enerwise will be ready to receive those messages, which will give us a third medium for the receipt of ERCOT Operations Messages.

The continued and enhanced training given to our NOC Operators will keep the standard operating procedures, and ERCOT market rules in more frequent practice. The operator certification testing will validate the NOC Operators competency in understanding of the rules and the expectations when a VDI is received. Additionally, requiring the NOC Operators to record all calls will keep them more engaged in the message being communicated over the VDI, and notification to the Command Center Manager once EEA1 is reached will ensure management continues to be actively engaged in the response of a possible imminent EILS deployment, assuming gradual progression of the EEA steps similar to the February 2nd, 2011 and August 4th, 2011 EILS deployments. Should ERCOT grid conditions deteriorate at the speed that would require ERCOT to immediately go into EEA3 with no warning, the training previously mentioned will ensure the NOC Operators are appropriately responding.

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:

Unrelated to the mitigation program identified above, the Company is in the process of reviewing its energy compliance program across all markets. Enhancements identified pursuant to that review will be integrated nationally and internationally across our business lines, where appropriate. As such, any improvements identified may provide additional benefits to the Company's performance in ERCOT.

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 SVP Operations of Enerwise Global Technologies (Comverge, Inc.)
2. I am qualified to sign this Mitigation Plan on behalf of Enerwise Global Technologies (Comverge, Inc.)
3. I have read and understand Enerwise Global Technologies (Comverge, Inc.)'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. Enerwise Global Technologies (Comverge, Inc.) 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: Gregory Allarding

Title: SVP Operations

Authorized On: April 09, 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: Enerwise Global Technologies (Comverge, Inc.)

NERC Registry ID: NCR11024

NERC Violation ID(s): TRE2012009822

Mitigated Standard Requirement(s): TOP-001-1 R4,

Scheduled Completion as per Accepted Mitigation Plan: February 23, 2012

Date Mitigation Plan completed: February 23, 2012

TRE Notified of Completion on Date: July 23, 2013

Entity Comment:

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	Texas RE Mitigation Plan NERC Standard TOP-001-1.pdf		1,872,916

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: Gregory Allarding

Title: SVP Operations

Email: gallarding@comverge.com

Phone:

Authorized Signature _____ Date _____

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

 E-Mail Notification Detail

From: noreply@oati.net
Sent: 07/23/2013 15:45:33
To: bmerlina@comverge.com
Subject: A Mitigation Plan has been verified as completed for Enerwise Global Technologies (Comverge, Inc.) - TRE2012009822 [REDACTED]

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

The following Mitigation Plan has been verified as completed by Texas RE.

Entity: **Enerwise Global Technologies (Comverge, Inc.) - NCR11024**
NERC Violation ID: **TRE2012009822**
Standard Requirement: **TOP-001-1 R4**
Mitigation Plan submitted on: **07/19/2013** (Version **2**, for Program Year **2012**)
Proposed Completion Date: **02/23/2012**

Actual Completion Date: **02/23/2012**
Verification Date: **07/23/2013**
Region Reviewer: **Calvin Daniels**

Based on evidence presented by Enerwise Global Technologies (Comverge, Inc.) and reviewed by Texas RE, this email confirms the above mentioned mitigation plan is complete. If you have any questions, please feel free to contact Calvin Daniels directly or through mitigation@texasre.org.

Note: This is a webCDMS application generated message. Please do NOT respond to this email. If you have questions, please contact webcdms@texasre.org.

[REDACTED]

[OATI Information - Email Template: MitPlan_Completed]