

October 30, 2014

VIA ELECTRONIC FILING

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

**Re: NERC Full Notice of Penalty regarding PacifiCorp,
FERC Docket No. NP15-_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding PacifiCorp (PAC), NERC Registry ID# NCR05304,² 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

PAC, which includes PacifiCorp and its subsidiaries, is a vertically integrated electric utility company serving approximately 1.8 million retail customers. PAC owns or has interest in a net owned capacity of 10,595 MW. PAC also owns or has interests in electric transmission and distribution assets of approximately 16,300 miles of transmission lines.

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 (2014). *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 PAC was included on the NERC Compliance Registry as a Balancing Authority (BA), Distribution Provider, Generator Owner, Generator Operator (GOP), Load-Serving Entity, Planning Authority, Purchasing-Selling Entity, Resource Planner, Transmission Owner, Transmission Operator (TOP), Transmission Planner, and Transmission Service Provider on June 17, 2007.

³ See 18 C.F.R § 39.7(c)(2) and 18 C.F.R § 39.7(d).

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This Notice of Penalty is being filed with the Commission because Western Electricity Coordinating Council (WECC) and PAC have entered into a Settlement Agreement to resolve all outstanding issues arising from WECC’s determination and findings of the violations⁴ addressed in this Notice of Penalty. According to the Settlement Agreement, PAC agrees and stipulates to the facts of the violations and has agreed to the assessed penalty of sixty thousand dollars (\$60,000), 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 in this Full Notice of Penalty 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, 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 (2014), NERC provides the following summary table identifying each violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

NERC Violation ID	Reliability Std.	Req.	VRF/VSL*	Applicable Function(s)	Total Penalty
WECC2014013580	COM-002-2	R2	Medium/High	BA	60,000
WECC2013012724	TOP-001-1a	R3	High/Severe	BA, GOP, TOP	

*Violation Risk Factor (VRF) and Violation Severity Level (VSL)

COM-002-2 R2 (WECC2014013580)

On February 28, 2014, PAC submitted a Self-Certification addressing its noncompliance with COM-002-2 R2. PAC had scheduled a three-day outage for a circuit breaker that included pre- and post-contingency activities. During a conference call on December 4, 2013 coordinating the outage between PAC, two Distribution Providers, and other various entities, a PAC operator issued a directive

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

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to the two Distribution Providers to shed 20 MW and 10 MW of load, respectively. Before the Distribution Providers responded, a separate entity on the call asked a question of the PAC operator. The PAC operator answered the question from the separate entity but in doing so failed to ensure the two Distribution Providers repeated the directive. The two Distribution Providers did shed load as directed, 38 MW and 21.85 MW, respectively. See the Settlement Agreement at pages 2 through 3 for a more detailed discussion of the violation.

WECC determined the duration of the violation to be on December 4, 2013 when PAC failed to ensure the two Distribution Providers repeated back the directive.

WECC determined that this violation posed a minimal and not serious or substantial risk to the reliability of the bulk power system (BPS). Specifically, this failure exposed PAC to the potential loss of a 161-138 kV transformer. The risk was mitigated however, because prior to the scheduled outage, PAC implemented an operation memorandum with the Reliability Coordinator (RC) and affected entities detailing the pre-contingency and post-contingency actions that would occur based upon the status of the affected 161-138 kV transformer. In addition, had the two Distribution Providers failed to shed load as expected, PAC's NERC-certified operators were continuously monitoring the system status with its energy management system (EMS), which would detect the power flows across PAC's system. The operators had received training to issue further directives if load was not shed as directed.

PAC's Mitigation Plan (WECCMIT010570) to address this violation was submitted to WECC on April 1, 2014 with a proposed completion date of April 30, 2014.

PAC's Mitigation Plan required PAC operators to complete a communications refresher course that emphasized the NERC Reliability Standard and importance of three-part communications related to BPS devices.

PAC certified on April 28, 2014 that the above Mitigation Plan requirements were completed on April 28, 2014. See PAC's Certification of Mitigation Plan Completion, included as Attachment D, for a list of submitted evidence of completion.

On May 15, 2014, WECC verified that PAC's Mitigation Plan was complete.

TOP-001-1a R3 (WECC2013012724)

On August 1, 2013, PAC submitted a Self-Report addressing its noncompliance with TOP-001-1a R3. PAC failed to trip generation pursuant to a directive issued by the RC. On June 11, 2013, the RC issued a directive to trip 185 MW of generation to alleviate a System Operating Limit (SOL) exceedance on a

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major WECC Path. A PAC operator determined tripping could lead to equipment damage and thus determined PAC generation dispatchers should curtail load to zero to alleviate the exceedance. PAC failed to inform the RC immediately of the potential for equipment damage concern and its inability to trip pursuant to the reliability directive. See the Settlement Agreement at pages 5 through 6 for a more detailed discussion of the violation.

WECC determined the duration of the violation to be on June 11, 2013, when PAC failed to inform the RC immediately of its inability to perform the directive.

WECC determined that this violation posed a moderate risk to the reliability of the BPS, but did not pose a serious or substantial risk. Specifically, failure to follow an RC directive or immediately notify the RC of an inability to follow a directive could result in damage to BPS equipment, disrupt reliable BPS operations, or fail to return the BPS to normal operating conditions in an emergency. The risk was mitigated however, because although it did not follow the RC directive, PAC took other action to reduce the overloading on the system. In addition, the SOL exceedance was alleviated after 13 minutes.

PAC's Mitigation Plan (WECCMIT009884) to address this violation was submitted to WECC on August 26, 2013 with a proposed completion date of August 26, 2013.

PAC's Mitigation Plan required PAC to:

1. Ensure its grid operations management reviewed the current operating procedure for issuing and responding to directives;
2. Review and discuss the operating procedure with PAC transmission grid operations staff; and
3. Implement a monitoring control by the compliance officer where compliance office staff reviews all directives issued or received in a given month.

PAC certified on August 26, 2013 that the above Mitigation Plan requirements were completed on August 26, 2013. As evidence of completion, PAC submitted the following evidence:

1. Directives Review task 8-2013.pdf – a screenshot of the recurring monthly review of directives on the compliance calendar for PAC;
2. PCC-605 Issuing Directives rev6.pdf – the PAC Grid Operating Procedure;
3. PCC-605 –the procedure for issuing and responding to directives; and
4. TOP-001 Attestation.pdf – an attestation that PCC-605 was reviewed with the Grid Operations staff.

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On September 13, 2013, WECC verified that PAC's Mitigation Plan was complete.

Regional Entity's Basis for Penalty

According to the Settlement Agreement, WECC has assessed a penalty of sixty thousand dollars (\$60,000) for the referenced violations. In reaching this determination, WECC considered the following factors:

1. the violations constituted PAC's first occurrence of violation of TOP-001-1a R3 and second occurrence of violation of COM-002-2 R2. WECC considered this prior COM-002-2 R2 violation as an aggravating factor in the penalty determination;
2. PAC had an internal compliance program (ICP) at the time of the violation that WECC considered a mitigating factor. See the Settlement Agreement at page 8 for a detailed description of the ICP;
3. PAC self-reported the violation of TOP-001-1a R3;
4. PAC was cooperative throughout the compliance enforcement process;
5. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. the violation of COM-002-2 R2 posed a minimal risk to the reliability of the BPS and the violation of TOP-001-1a R3 posed a moderate risk to the reliability of the BPS, but neither posed a serious or substantial risk to the reliability of the BPS, as discussed above;
7. both violations resolved by this agreement relate to directives surrounding the shedding of load; and
8. there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

After consideration of the above factors, WECC determined that, in this instance, the penalty amount of sixty thousand dollars (\$60,000) is appropriate and bears a reasonable relation to the seriousness and duration of the violations.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed⁵

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,⁶ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on October 1, 2014 and approved 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 also considered the factors considered by WECC as listed above.

For the foregoing reasons, the NERC BOTCC approved the Settlement Agreement and believes that the assessed penalty of sixty thousand dollars (\$60,000) is appropriate for the violations and circumstances at issue, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

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

Attachments to be Included as Part of this Notice of Penalty

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

- a) Settlement Agreement by and between WECC and PAC executed August 15, 2014, included as Attachment A;
- b) WECC's Source document for COM-002-2 R2 dated March 10, 2014, included as Attachment B;

⁵ See 18 C.F.R. § 39.7(d)(4).

⁶ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); *North American Electric Reliability Corporation*, "Further Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009); *North American Electric Reliability Corporation*, "Notice of No Further Review and Guidance Order," 132 FERC ¶ 61,182 (2010).

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- c) PAC's Mitigation Plan designated as WECCMIT010570 for COM-002-2 R2 submitted April 1, 2014, included as Attachment C;
- d) PAC's Certification of Mitigation Plan Completion for COM-002-2 R2 submitted April 28, 2014, included as Attachment D;
- e) WECC's Verification of Mitigation Plan Completion for COM-002-2 R2 dated May 15, 2014, included as Attachment E;
- f) PAC's Self-Report for TOP-001-1a R3 dated August 1, 2013, included as Attachment F;
- g) PAC's Mitigation Plan designated as WECCMIT009884 for TOP-001-1a R3 submitted August 26, 2013, included as Attachment G;
- h) PAC's Certification of Mitigation Plan Completion for TOP-001-1a R3 submitted August 26, 2013, included as Attachment H; and
- i) WECC's Verification of Mitigation Plan Completion for TOP-001-1a R3 dated September 13, 2013, included as Attachment I.

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

<p>Gerald W. Cauley President and Chief Executive Officer North American Electric Reliability Corporation 3353 Peachtree Road NE Suite 600, North Tower Atlanta, GA 30326 (404) 446-2560</p> <p>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>Jim Robb* Chief Executive Officer Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6853 jrobb@wecc.biz</p>	<p>Sonia C. Mendonça* Associate General Counsel and Senior 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>Edwin G. Kichline* Senior Counsel and Associate Director, Enforcement Processing North American Electric Reliability Corporation 1325 G Street N.W. Suite 600 Washington, DC 20005 (202) 400-3000 (202) 644-8099 – facsimile edwin.kichline@nerc.net</p> <p>Chris Luras* Director of Enforcement Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6887 (801) 883-6894 – facsimile CLuras@wecc.biz</p>
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<p>Constance White* Vice President of Compliance Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6855 (801) 883-6894 – facsimile CWhite@wecc.biz</p> <p>Ruben Arredondo* Senior Legal Counsel Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 819-7674 (801) 883-6894 – facsimile rarredando@wecc.biz</p>	<p>Colt Norrish* Chief Compliance Officer PacifiCorp 825 NE Multnomah Street Suite 1800 Portland, OR 97232 (503) 813-5545 colt.norrish@pacificorp.com</p> <p>*Persons to be included on the Commission’s service list are indicated with an asterisk. NERC requests waiver of the Commission’s rules and regulations to permit the inclusion of more than two people on the service list.</p>
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Conclusion

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

Respectfully submitted,

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cc: PacifiCorp
Western Electricity Coordinating Council

Attachments

Attachment A

**Settlement Agreement by and between WECC
and PacifiCorp executed August 15, 2014**

SETTLEMENT AGREEMENT
OF
WESTERN ELECTRICITY COORDINATING COUNCIL
AND
PACIFICORP

Western Electricity Coordinating Council ("WECC") and PacifiCorp ("PAC")
(collectively the "Parties") hereby enter into this Settlement Agreement ("Agreement") on
this 12th day of August, 2014.

RECITALS

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

Standard Requirement	NERC Violation ID	WECC Violation ID
COM-002-2 R2	WECC2014013580	WECC2014-613416
TOP-001-1 R3	WECC2013012724	WECC2013-61352

B. PAC, which includes PacifiCorp and its subsidiaries, is a United States regulated, vertically integrated, electric utility company serving approximately 1.8 million retail customers, including residential, commercial, industrial, irrigation, and other customers in portions of the states of Utah, Oregon, Wyoming, Washington, Idaho, and California. PAC owns or has interest in 74 thermal, hydroelectric, wind-powered, and geothermal generating facilities with a new owned capacity of 10,595 MW. PAC also owns or has interests in electric transmission and distribution assets and transmits electricity through approximately 16,300 miles of transmission lines. PAC was registered on the NERC Compliance Registry on June 17, 2007 as a Balancing Authority, Distribution Provider, Generator Operator, Generator Owner, Load-Serving Entity, Planning Authority, Purchasing-Selling Entity, Resource Planner, Transmission Operator, Transmission Owner, Transmission Planner, and Transmission Service Provider.

C. WECC was formed on April 18, 2002 by the merger of the Western Systems Coordinating Council, Southwest Regional Transmission Association, and Western Regional Transmission Association. WECC is one of eight Regional Entities in the United States responsible for coordinating and promoting electric system reliability and enforcing the mandatory Reliability Standards created by NERC under the authority granted in Section 215 of the Federal Power Act. In addition, WECC supports efficient competitive power markets, assures open and non-discriminatory transmission access

among members, provides a forum for resolving transmission access disputes, and provides an environment for coordinating the operating and planning activities of its members. WECC's region encompasses a vast area of nearly 1.8 million square miles extending from Canada to Mexico and including 14 western states. It is the largest and most diverse of the eight Regional Entities in the United States.

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

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

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

I. Stipulated Violation Facts

A. NERC Reliability Standard COM-002-2 Requirement 2

COM-002-2 Requirement 2 states:

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

VIOLATION FACTS

PAC is registered on the NERC Compliance Registry as a Balancing Authority and Transmission Operator. As a result, PAC is required to comply with COM-002-2 Requirement 2.

On February 28, 2014 PAC submitted a Self-Certification addressing possible noncompliance with COM-002-2 R2. PAC reported that it scheduled a three day outage for a circuit breaker located at the Goshen substation. The planned outage was

[REDACTED]

scheduled to begin on December 2, 2013. Prior to the planned outage, PAC developed an Operating Memo with the Reliability Coordinator and other entities to detail pre-contingency and post-contingency activities. PAC reported that on December 4, 2013 it initiated activities that included coordinating with certain entities to increase generation or shed load. PAC reported much of the collaboration between entities occurred via conference calls with various entities participating at any given time. PAC reported that during a conference call involving several entities, a PAC operator issued a directive to two Distribution Providers, the City of Idaho Falls and Fall River Rural Electric Cooperative, to shed load. The Distribution Providers did not repeat back the original directive issued by the PAC operator. PAC reported the two Distribution Providers shed load as directed.

WECC Subject Matter Experts (SMEs) reviewed PAC's Self-Certification. SMEs determined PAC scheduled a three-day outage beginning on December 2, 2014. SMEs determined that during the planned outage PAC coordinated with other entities via conference calls. SMEs determined that during one such conference call PAC issued a directive to two Distribution Providers to shed load. SMEs further determined another individual on the phone asked a question before the two Distribution Providers could repeat back the original directive given by the PAC operator. SMEs also determined the Distribution Providers were able to shed load as directed. Therefore, SMEs determined PAC was in possible violation of COM-002-2 Requirement 2 and forwarded their findings to Enforcement for review.

Enforcement reviewed PAC's Self-Certification and the SMEs' findings. Enforcement determined PAC issued a directive to two Distribution Providers to shed load. Enforcement determined PAC did not ensure the two Distribution Providers repeated back the information correctly. Enforcement further determined the two Distribution Providers shed load as directed. Therefore, Enforcement alleged PAC in violation of COM-002-2 Requirement 2.

MITIGATION PLAN DETAILS

On April 1, 2014 PAC submitted a Mitigation Plan addressing possible noncompliance with COM-002-2 R2. In its Mitigation Plan, PAC stated that all PAC operators would complete a communications refresher course. PAC stated this communications refresher course would reemphasize the requirement and importance of proper three-way communications related to directives. The proposed completion date of PAC's Mitigation Plan was April 30, 2014. On April 28, 2014 PAC submitted a certification of completion for this Mitigation Plan.

On May 13, 2014 WECC accepted PAC's Mitigation Plan. On May 15, 2014 WECC verified that PAC's Mitigation Plan was complete.

RELIABILITY IMPACT STATEMENT

[REDACTED]

In this instance, PAC failed to ensure three-way communications. The load shed was a pre-contingency requirement to prevent exceeding the limitations of a BES transformer and to prevent entering into an N-1 contingency. In this case, the lack of three-way communications could lead to the loss of a 161-138kV transformer.

However, PAC implemented compensating controls. Specifically, PAC implemented an operation memorandum with the RC and affected entities detailing the pre-contingency and post-contingency actions that would occur based upon the status of the affected 161-138kV transformer. PAC's NERC certified operators also monitor system status through the use of its EMS and were trained to issue further directives had the load shed not occurred as expected. PAC also implemented detective controls. PAC utilizes an EMS continuously monitored by NERC certified system operators which would detect the power flows across PAC's system. For these reasons, WECC determined this violation posed Minimal risk to the reliability of the BPS.

PENALTY CONSIDERATIONS

The Violation Risk Factor ("VRF") is Medium, the Violation Severity Level ("VSL") is High, and this violation posed minimal risk to the reliability of the BES.

The violation duration is as described above.

MITIGATING FACTORS

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

WECC reviewed PAC's Internal Compliance Program ("ICP"). WECC found that: PAC has a comprehensive, establish, and documented program; PAC's ICP identifies and lists all applicable NERC Reliability Standards and includes a process for updating this list as Standards change; the ICP includes procedures to assess compliance risks and practices related to NERC Reliability Standards on an annual basis; PAC has identified and assigned responsibility and accountability to a Compliance Officer or other high ranking official; PAC has staff fully dedicated to FERC/NERC compliance PAC's compliance official has independent access to the CEO or equivalent; PAC's ICP is operated and managed so it is independent of those responsible for compliance with NERC Reliability Standards; PAC has dedicated adequate resources to support its ICP; PAC's ICP has the support and participation of senior management; PAC's ICP includes measurable, specific compliance performance targets; PAC's ICP requires compliance training for all staff, contractors, and vendors who have direct responsibility for the implementation of the processes and procedures that demonstrate compliance with the NERC Reliability Standards; PAC has distributed the ICP to all employees and, if applicable, contractors and vendors; PAC has fully implemented its program; PAC's ICP includes documentation regarding compensation, awards, employee recognition or other incentives to encourage employee compliance with NERC Reliability Standards; PAC's ICP includes procedures for disciplinary action for employees involved in

[REDACTED]

violations of the Reliability Standards; PAC's ICP includes formal, internal self-auditing for compliance with all applicable NERC Reliability Standards on an annual basis; PAC's ICP includes specific procedures to promote prompt detection and self-reporting of possible violations to WECC. PAC regularly reviews its ICP at least annually; PAC's ICP includes a process to prevent recurrence of NERC Reliability Standard Violations; and, PAC participates in outreach compliance program activities.

AGGRAVATING FACTORS

PAC has relevant negative compliance history. Specifically, this was PAC's second violation of COM-002-2 R2. On June 13, 2012 PAC submitted a Self-Report citing noncompliance with COM-002-2 R2. This violation is identified by Violation ID WECC2012010469. In that instance WECC determined that on April 10, 2011 and January 18, 2012 PAC issued directives in a clear, concise, and definitive manner, but that PAC operators did not ensure the recipients of the directives repeated the information back correctly. In this instance, PAC again issued directives, but did not ensure the recipients of the directives repeated the information back correctly. Therefore, Enforcement applied an aggravating factor.

Enforcement determined there were no other aggravating factors warranting a penalty higher than the proposed penalty. PAC was cooperative throughout the process. PAC did not fail to complete any applicable compliance directives. There was no evidence of any attempt by PAC to conceal the violation. There was no evidence that PAC's violation was intentional. WECC is not aware of any violations of this Reliability Standard by PAC affiliates or any involvement in PAC's activities such that this violation by PAC should be treated as recurring conduct.

B. NERC Reliability Standard TOP-001-1 Requirement 3

TOP-001-1 Requirement 3 states:

Each Transmission Operator, Balancing Authority, and Generator Operator shall comply with reliability directives issued by the Reliability Coordinator, and each Balancing Authority and Generator Operator shall comply with reliability directives issued by the Transmission Operator, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances the Transmission Operator, Balancing Authority or Generator Operator shall immediately inform the Reliability Coordinator or Transmission Operator of the inability to perform the directive so that the Reliability Coordinator or Transmission Operator can implement alternate remedial actions.

VIOLATION FACTS

PAC is registered on the NERC Compliance Registry as an entity performing the functions of a Generator Operator, Transmission Operator, and Balancing Authority. In its capacity as a Generator Operator at "Top of the World" wind generating facility, PAC

[REDACTED]

is required to demonstrate compliance with TOP-001-1 R3 and to comply with reliability directives issued by the Reliability Coordinator.

On August 1, 2013, PAC submitted a Self Report citing possible noncompliance with TOP-001-1a R3. PAC reported that on June 11, 2013, the WECC Reliability Coordinator (WECC RC) issued a directive to trip generation at the Top of the World (TOW) generation facility no later than 16:58 MST to reduce overloading on WECC Path 36. At that time, however, PAC determined that tripping generation at TOW may cause equipment damage. PAC reported that instead of tripping generation at TOW as directed by the RC, PAC instructed generation dispatch to curtail load at TOW to zero. PAC reported that that it did not immediately notify the RC of its inability to trip load at TOW by 16:58 MST.

WECC Subject Matter Experts (SMEs) reviewed PAC's Self Report. On August 9, 2013, SMEs contacted PAC to request additional information. SMEs determined that at 16:51 the RC issued PAC a directive to trip 185 MW of generation at TOW by 16:58. SMEs determined that at 16:58 PAC curtailed load to 143 MW at TOW. SMEs determined that TOW generation was reduced to 0 MW by 17:07. SMEs, therefore, determined that PAC failed to comply with the directive issued by the WECC RC. SMEs found PAC in possible violation of TOP-001-1 R3 and forwarded their findings to WECC Enforcement ("Enforcement").

Enforcement reviewed PAC's Self Report and SMEs' findings. Enforcement determined that pursuant to TOP-001-1 R3 PAC is required to comply with reliability directives issued by the WECC RC unless such action would jeopardize safety or equipment. Under these circumstances, however, TOP-001-1 R3 requires PAC to "immediately inform the Reliability Coordinator of the inability to perform the directive so that the Reliability Coordinator can implement alternate remedial actions." In this case, Enforcement determined that on June 11, 2013, at 16:51 the WECC RC issued PAC a directive to trip load by 16:58. Enforcement determined that PAC failed to follow the RC's directive. Further, Enforcement determined that PAC failed to immediately inform the WECC RC of its inability to perform the directive. Enforcement, therefore, determined that PAC is in violation of TOP-001-1 R3.

MITIGATION PLAN DETAILS

On August 1, 2013, PAC submitted a Mitigation Plan addressing possible noncompliance with TOP-001-1 R3. In its Mitigation Plan, PAC stated that Transmission Grid Operations management reviewed current operating procedure, PCC-605, for issuing and responding to directives. In the event that WECC RC directives cannot be followed, PCC-605 requires that PAC Grid Operators immediately notify the RC of an inability to perform the directive as issued. PAC determined that the operating procedure requires Operators follow WECC RC directives pursuant to TOP-001-1 R3. PAC determined that the root cause of the violation stemmed from operator error. On June 11, 2013, PAC Grid Operators did not follow PCC-605. To mitigate the

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possible violation, PAC's Mitigation Plan required retraining by August 26, 2013, on the procedure.

WECC reviewed PAC's Mitigation Plan. On September 11, 2013, WECC issued Notice of Mitigation Plan Acceptance. On August 26, 2013, PAC submitted Certification of Mitigation Plan Completion. WECC reviewed PAC's Certification. On September 13, 2013, WECC issued Notice of Completed Mitigation Plan Acceptance.

RELIABILITY IMPACT STATEMENT

On June 11, 2013, the WECC RC issued PAC a directive to trip 185 MW of generation to alleviate a System Operating Limit (SOL) exceedance on WECC Path 36. PAC failed to trip generation pursuant the directive. A PAC operator determined tripping could lead to equipment damage and thus determined PAC generation dispatchers should curtail to zero. PAC failed to immediately inform the WECC RC of the potential for equipment damage concern and its inability to trip pursuant to the reliability directive. In this case, SOL exceedances on a major WECC Path existed and the RC directed PAC to trip 185 MW of generation at its TOW facility. The RC directed PAC to take such action within 7 minutes (i.e., directed at 16:51 to trip generation by 16:58). Despite this, at 17:03, the RC confirmed to PAC that the Path was back under its SOL, by which time PAC had curtailed TOW to 37 MWs. PAC reduced TOW to 0 MWs four minutes later at 17:07. PAC took action to reduce the overloading on the system. Further, PAC acknowledged receipt of the directive and repeated the directive back to the RC operator.

However, PAC failed to follow a reliability directive. Failure to follow an RC directive or to immediately notify the RC of an inability to follow a directive may result in damage to BES equipment, disrupt reliable BES operations, or fail to return the BES to normal operating conditions in an emergency situation.

For these reasons, WECC determined that PAC's failure to follow a directive from the WECC RC in violation of TOP-001-1 R3 posed a moderate risk to the BES.

PENALTY CONSIDERATIONS

The Violation Risk Factor ("VRF") is High, the Violation Severity Level ("VSL") is Severe, and this violation posed moderate risk to the reliability of the BES.

The violation duration is as described above.

MITIGATING FACTORS

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

PAC self-reported this violation.

[REDACTED]

WECC reviewed PAC's Internal Compliance Program ("ICP"): WECC found that: PAC has a comprehensive, establish, and documented program; PAC's ICP identifies and lists all applicable NERC Reliability Standards and includes a process for updating this list as Standards change; the ICP includes procedures to assess compliance risks and practices related to NERC Reliability Standards on an annual basis; PAC has identified and assigned responsibility and accountability to a Compliance Officer or other high ranking official; PAC has staff fully dedicated to FERC/NERC compliance PAC's compliance official has independent access to the CEO or equivalent; PAC's ICP is operated and managed so it is independent of those responsible for compliance with NERC Reliability Standards; PAC has dedicated adequate resources to support its ICP; PAC's ICP has the support and participation of senior management; PAC's ICP includes measurable, specific compliance performance targets; PAC's ICP requires compliance training for all staff, contractors, and vendors who have direct responsibility for the implementation of the processes and procedures that demonstrate compliance with the NERC Reliability Standards; PAC has distributed the ICP to all employees and, if applicable, contractors and vendors; PAC has fully implemented its program; PAC's ICP includes documentation regarding compensation, awards, employee recognition or other incentives to encourage employee compliance with NERC Reliability Standards; PAC's ICP includes procedures for disciplinary action for employees involved in violations of the Reliability Standards; PAC's ICP includes formal, internal self-auditing for compliance with all applicable NERC Reliability Standards on an annual basis; PAC's ICP includes specific procedures to promote prompt detection and self-reporting of possible violations to WECC. PAC regularly reviews its ICP at least annually; PAC's ICP includes a process to prevent recurrence of NERC Reliability Standard Violations; and, PAC participates in outreach compliance program activities.

AGGRAVATING FACTORS

Enforcement determined there were no aggravating factors warranting a penalty higher than the proposed penalty. PAC was cooperative throughout the process. PAC did not fail to complete any applicable compliance directives. There was no evidence of any attempt by PAC to conceal the violation. There was no evidence that PAC's violation was intentional. WECC is not aware of any violations of this Reliability Standard by PAC affiliates or any involvement in PAC's activities such that this violation by PAC should be treated as recurring conduct. Enforcement considered PAC's compliance history and determined PAC did not have any relevant negative compliance history.

II. Settlement Terms

A. Payment. To settle this matter, PAC hereby agrees to pay \$60,000 to WECC via wire transfer or cashier's check. PAC shall make the funds payable to a WECC account identified in a Notice of Payment Due that WECC will send to PAC upon approval of this Agreement by NERC and the Federal Energy Regulatory Commission ("FERC"). PAC shall issue the payment to WECC no later than thirty days after receipt of the Notice of Payment Due. If this payment is not timely received, WECC shall assess, and PAC agrees to pay, an interest charge calculated according to the method

[REDACTED]

set forth at 18 CFR §35.19(a)(2)(iii) beginning on the 31st day following issuance of the Notice of Payment Due.

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

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

To determine a penalty or sanction, WECC considers various factors including, but not limited to: (1) Violation Risk Factor; (2) Violation Severity Level, (3) risk to the reliability of the Bulk Power System ("BPS"), including the seriousness of the violation; (4) Violation Time Horizon (5) the violation's duration; (6) the Registered Entity's compliance history; (7) the Registered Entity's self-reports and voluntary corrective action; (8) the degree and quality of cooperation by the Registered Entity in the audit or investigation process, and in any remedial action; (9) the quality of the Registered Entity's compliance program; (10) any attempt by the Registered Entity to conceal the violation or any related information; (11) whether the violation was intentional; (12) any other relevant information or extenuating circumstances; and (13) the Registered Entity's ability to pay a penalty, as applicable.

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

III. Additional Terms

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

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

[REDACTED]

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

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

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

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

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

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



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

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

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

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

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

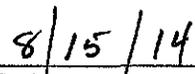
***[Remainder of page intentionally left blank -
signatures affixed to following page]***

Agreed to and accepted:

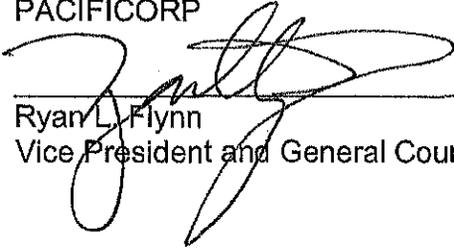
WESTERN ELECTRICITY COORDINATING COUNCIL



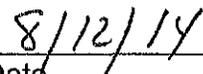
Constance B. White
Vice President of Compliance



Date

PACIFICORP


Ryan L. Flynn
Vice President and General Counsel



Date

Attachment B

**WECC's Source document for COM-002-2 R2
dated March 10, 2014**

Violation - Discovery Record

Registered Entity: PacifiCorp
NERC Registry ID: NCR05304

NERC Violation ID: WECC2014013580

Discovery Method: Self-Certification

Date Submitted: March 10, 2014

Region Contact: Chris Luras

Phone: 801-891-7127 Email: cluras@wecc.biz

Standard: COM-002-2 - Communication and Coordination

Purpose: To ensure Balancing Authorities, Transmission Operators, and Generator Operators have adequate communications and that these communications capabilities are staffed and available for addressing a real-time emergency condition. To ensure communications by operating personnel are effective.

Requirement: R2

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

Violated Sub-Req(s):

Violated Function(s): BA

Init Determ a Vltn: March 10, 2014

Begin Date of Vltn: December 04, 2013

End Date:

Notified of Vltn on: February 28, 2014

Potential Impact to
BES:

Brief Vltn Descr. & WECC Subject Matter Experts are currently reviewing the validity of the submittal.

Cause: As always, WECC will update the description if an alleged violation is verified.

Alleged Violation:

Registered Entity Detailed Description and Cause of Possible Violation: In response to a manufacturer recommendation and an August 2013 NERC Alert Advisory related to the potential failure of certain 345kV circuit breakers, PacifiCorp scheduled various maintenance and inspection activities for affected breakers. As part of these activities, a three-day outage for a circuit breaker located at the Goshen substation in southeast Idaho was scheduled beginning December 2, 2013. As part of the coordination for this outage, an Operating Memo was developed with the WECC Reliability Coordinator (Peak Reliability) and other entities to require pre-contingency load shedding in the event that Real Time Contingency Analysis (RTCA) modeling indicated post-contingency limit exceedances on Idaho Power's Blackfoot 161-138kv transformer.

At approximately 5:00 a.m. on December 4, 2013, WECC notified PacifiCorp that post-contingency analysis modeling indicated that the loss of one of the Goshen 345 kV lines would result in flows on the Blackfoot transformer that would exceed pre-defined limits. In response, PacifiCorp initiated activities that included, among other things, coordinating with certain entities to increase generation, as well as actions to shed load. Much of this collaboration was carried out via conference calls, with various entities participating on the calls at any given time.

During one of these conference calls, PacifiCorp issued a directive to two Distribution Providers, the City of Idaho Falls and Fall River Rural Electric Cooperative (Fall River), to shed 20 MWs and 10 MWs

of load, respectively. However, immediately after PacifiCorp issued this directive, and before the City of Idaho Falls or Fall River could repeat back the directive, a Bonneville Power Administration operator participating on the conference call asked the PacifiCorp operator whether they had also contacted another Distribution Provider, Lower Valley Energy, to which the PacifiCorp operator confirmed that they had. Accordingly, neither the City of Idaho Falls nor Fall River were required to repeat back the original directive; however, the entities did shed 38 MW and 21.85 MW, respectively, in response to PacifiCorp's directive.

Description of Mitigating Activities and Preventative Measure: A communications refresher course for all PacifiCorp operators is currently scheduled for March 2014, which will emphasize the requirement and importance of proper three-way communications related to directives.

In addition, PacifiCorp's compliance office has previously implemented a compliance control whereby a monthly review is conducted to confirm that all issued directives adhere to the required three-way communications protocol .

Description of Potential and Actual Impact to BPS: There was no impact to the BES, as load shedding occurred as directed.

Risk Assessment of Impact to BPS: There was no impact to the BES, as load shedding occurred as directed.

Additional Entity Comments:

Risk Factor: Medium

Severity Level:

Factual Basis:

Attachment C

**PAC's Mitigation Plan designated as
WECCMIT010570 for COM-002-2 R2
submitted April 1, 2014**

Mitigation Plan

Registered Entity: PacifiCorp

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
null	WECC2014013580	COM-002-2 R2	null	1

Mitigation Plan Submitted On: April 01, 2014

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: April 30, 2014

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by PAC On:

Mitigation Plan Completion Verified by WECC On:

Mitigation Plan Completed? (Yes/No): No

Section A: Compliance Notices

Section 6.2 of the NERC CMEP sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:

- (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section B.
 - (2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.
 - (3) The cause of the Alleged or Confirmed Violation(s).
 - (4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).
 - (5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).
 - (6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.
 - (7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.
 - (8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined or recommended to the applicable governmental authorities for not completing work associated with accepted milestones.
 - (9) Any other information deemed necessary or appropriate.
 - (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self Certification or Self Reporting submittals.
 - (11) This submittal form may be used to provide a required Mitigation Plan for review and approval by regional entity(ies) and NERC.
- The Mitigation Plan shall be submitted to the regional entity(ies) and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.
 - This Mitigation Plan form may be used to address one or more related alleged or confirmed violations of one Reliability Standard. A separate mitigation plan is required to address alleged or confirmed violations with respect to each additional Reliability Standard, as applicable.
 - If the Mitigation Plan is accepted by regional entity(ies) and approved by NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission or filed with the applicable governmental authorities for approval in Canada.
 - Regional Entity(ies) or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
 - Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.
 - The user has read and accepts the conditions set forth in these Compliance Notices.

Section B: Registered Entity Information

B.1 Identify your organization:

Entity Name: PacifiCorp
NERC Compliance Registry ID: NCR05304
Address: 825 NE Multnomah Street Suite 2000 LCT
Portland OR 97232

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: Colt Norrish
Title: Director, Compliance
Email: colt.norrish@pacificorp.com
Phone: 503-813-5545

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		
WECC2014013580	12/04/2013	COM-002-2 R2
Each Reliability Coordinator, Transmission Operator, and Balancing Authority shall issue directives in a clear, concise, and definitive manner; shall ensure the recipient of the directive repeats the information back correctly; and shall acknowledge the response as correct or repeat the original statement to resolve any misunderstandings.		

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

In response to a manufacturer recommendation and an August 2013 NERC Alert Advisory related to the potential failure of certain 345kV circuit breakers, PacifiCorp scheduled various maintenance and inspection activities for affected breakers. As part of these activities, a three-day outage for a circuit breaker located at the Goshen substation in southeast Idaho was scheduled beginning December 2, 2013. As part of the coordination for this outage, an Operating Memo was developed with the WECC Reliability Coordinator (Peak Reliability) and other entities to require pre-contingency load shedding in the event that Real Time Contingency Analysis (RTCA) modeling indicated post-contingency limit exceedances on Idaho Power's Blackfoot 161-138kv transformer.

At approximately 5:00 a.m. on December 4, 2013, WECC notified PacifiCorp that post-contingency analysis modeling indicated that the loss of one of the Goshen 345 kV lines would result in flows on the Blackfoot transformer that would exceed pre-defined limits. In response, PacifiCorp initiated activities that included, among other things, coordinating with certain entities to increase generation, as well as actions to shed load. Much of this collaboration was carried out via conference calls, with various entities participating on the calls at any given time.

During one of these conference calls, PacifiCorp issued a directive to two Distribution Providers, the City of Idaho Falls and Fall River Rural Electric Cooperative (Fall River), to shed 20 MWs and 10 MWs of load, respectively. However, immediately after PacifiCorp issued this directive, and before the City of Idaho Falls or Fall River could repeat back the directive, a Bonneville Power Administration operator participating on the conference call asked the PacifiCorp operator whether they had also contacted another Distribution Provider, Lower Valley Energy, to which the PacifiCorp operator confirmed that they had. Accordingly, neither the City of Idaho Falls nor Fall River were required to repeat back the original directive; however, the entities did shed 38 MW and 21.85 MW, respectively, in response to PacifiCorp's directive.

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

The violation was discovered by PacifiCorp's Compliance Office during a compliance review related to the December 4, 2013 event.

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:

A communications refresher course for all PacifiCorp operators is currently scheduled to be completed by the end of April, which will emphasize the requirement and importance of proper three-way communications related to directives.

- 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: April 30, 2014

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

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
Complete Communications Refresher Training	Complete communications refresher training.	04/30/2014	

- D.4 Additional Relevant Information (Optional)

Section E: Interim and Future Reliability Risk

E.1 Abatement of Interim BPS Reliability Risk

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

There was and is no impact to the BES, as load shedding occurred as directed.

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:

Completion of the communications refresher course for all PacifiCorp operators will reemphasize the requirement and importance of proper three-way communications related to directives.

E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Section D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Section C.1, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

Section F: Authorization

An authorized individual must sign and date the signature page. By doing so, this individual, on behalf of your organization:

- (a) Submits the Mitigation Plan, as laid out in Section D, to the Regional Entity for acceptance and approval by NERC, and
- (b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- (c) Acknowledges:
 - 1. I am Compliance Manager of PacifiCorp
 - 2. I am qualified to sign this Mitigation Plan on behalf of PacifiCorp
 - 3. I have read and understand PacifiCorp'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. PacifiCorp 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: John Volz

Title: Compliance Manager

Authorized On: April 01, 2014

Attachment D

**PAC's Certification of Mitigation Plan
Completion for COM-002-2 R2 submitted
April 28, 2014**

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: PacifiCorp

NERC Registry ID: NCR05304

NERC Violation ID(s): WECC2014013580

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

Scheduled Completion as per Accepted Mitigation Plan: April 30, 2014

Date Mitigation Plan completed: April 28, 2014

WECC Notified of Completion on Date: April 28, 2014

Entity Comment: See the attached document 2014 Effective Communications ILA Completion History for a refresher training roster.

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	2014 Effective Communications ILA Completion History.pdf		149,089

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: John Volz

Title: Compliance Manager

Email: john.volz@pacificorp.com

Phone: (503) 813-5134

Authorized Signature _____ Date _____

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

Attachment E

WECC's Verification of Mitigation Plan Completion for COM-002-2 R2 dated May 15, 2014

E-Mail Notification Detail

From: noreply@oati.net
Sent: 05/15/2014 12:26:03
To: colt.norrish@pacificorp.com;john.volz@pacificorp.com
Subject: WECC Notice - Completed Mitigation Plan Acceptance - COM-002-2 R2 - PacifiCorp

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

NERC Registration ID: NCR05304
NERC Violation ID: WECC2014013580
Standard/Requirement: COM-002-2 R2
Subject: Completed Mitigation Plan Acceptance

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by PacifiCorp on 04/28/2014 for the violation of COM-002-2 R2. After a thorough review, WECC has accepted the Certification of Mitigation Plan Completion.

If you have any questions or concerns, please contact Keshav Sarin at ksarin@wecc.biz.

Note: Effective 04/01/2013, WECC will formally notify registered entities of completed Mitigation Plan acceptances via this email notice. WECC will no longer notify entities by uploading a Notice of Completed Mitigation Plan Acceptance letter to the Enhanced File Transfer (EFT) Server.

[OATI Information - Email Template: MitPlan_Completed]

Attachment F

**PAC's Self-Report for TOP-001-1a R3 dated
August 1, 2013**

Self Report - 2013

Entity Name: PacifiCorp

NERC ID: NCR05304

Address: 825 NE Multnomah Street Suite 2000 LCT
Portland OR 97232

Standard Requirement: TOP-001-1a R3

Each Transmission Operator, Balancing Authority, and Generator Operator shall comply with reliability directives issued by the Reliability Coordinator, and each Balancing Authority and Generator Operator shall comply with reliability directives issued by the Transmission Operator, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances the Transmission Operator, Balancing Authority or Generator Operator shall immediately inform the Reliability Coordinator or Transmission Operator of the inability to perform the directive so that the Reliability Coordinator or Transmission Operator can implement alternate remedial actions.

Date of Alleged Violation: June 11, 2013

Date Submitted: August 01, 2013

Self Report Status: Self Report has been submitted

Description and Cause: On June 11, 2013, the WECC Reliability Coordinator (WECC RC) issued a reliability directive to PacifiCorp Transmission Grid Operations to "trip" generation at the Top of the World wind generating facility, no later than 16:58 MST, to reduce overloading on Path 36. A PacifiCorp grid operator acknowledged and repeated back the reliability directive to the WECC RC. However, when the PacifiCorp grid operator communicated the directive to PacifiCorp generation dispatch personnel, the instruction given was to "curtail to zero," rather than "trip," the Top of the World wind generation.

The decision by the PacifiCorp grip operator to instruct generation dispatch personnel to curtail to zero, rather than trip, the wind generation was based on the former's concern over potential equipment damage caused by the act of tripping in the manner directed by the WECC RC. In this situation, PacifiCorp Transmission Grid Operations, as a Transmission Operator and Balancing Authority, was required to immediately inform the WECC RC of the safety and equipment concern and its inability to perform the reliability directive, to permit the implementation of an alternative remedial action; however, the PacifiCorp grid operator failed to communicate this concern or the inability to comply with the WECC RC's directive.

Potential Impact to the Bulk Power System: The potential impact to the BES by this violation is minimal. PacifiCorp's generation dispatch personnel performed the action instructed by the PacifiCorp grid operator to curtail generation at the Top of the World facility to assist in reducing overloading on Path 36.

Attachment G

**PAC's Mitigation Plan designated as
WECCMIT009884 for TOP-001-1a R3
submitted August 26, 2013**

Mitigation Plan

Registered Entity: PacifiCorp

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC2013012724	TOP-001-1a R3	null	1

Mitigation Plan Submitted On: August 26, 2013

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: August 26, 2013

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by PAC On: August 26, 2013

Mitigation Plan Completion Verified by WECC On:

Mitigation Plan Completed? (Yes/No): No

Section A: Compliance Notices

Section 6.2 of the NERC CMEP sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:

- (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section B.
 - (2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.
 - (3) The cause of the Alleged or Confirmed Violation(s).
 - (4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).
 - (5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).
 - (6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.
 - (7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.
 - (8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined or recommended to the applicable governmental authorities for not completing work associated with accepted milestones.
 - (9) Any other information deemed necessary or appropriate.
 - (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self Certification or Self Reporting submittals.
 - (11) This submittal form may be used to provide a required Mitigation Plan for review and approval by regional entity(ies) and NERC.
- The Mitigation Plan shall be submitted to the regional entity(ies) and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.
 - This Mitigation Plan form may be used to address one or more related alleged or confirmed violations of one Reliability Standard. A separate mitigation plan is required to address alleged or confirmed violations with respect to each additional Reliability Standard, as applicable.
 - If the Mitigation Plan is accepted by regional entity(ies) and approved by NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission or filed with the applicable governmental authorities for approval in Canada.
 - Regional Entity(ies) or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
 - Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.
 - The user has read and accepts the conditions set forth in these Compliance Notices.

Section B: Registered Entity Information

B.1 Identify your organization:

Entity Name: PacifiCorp
NERC Compliance Registry ID: NCR05304
Address: 825 NE Multnomah Street Suite 2000 LCT
Portland OR 97232

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: Colt Norrish
Title: Director, Compliance
Email: colt.norrish@pacificorp.com
Phone: 503-813-5545

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		
WECC2013012724	06/11/2013	TOP-001-1a R3
<p>Each Transmission Operator, Balancing Authority, and Generator Operator shall comply with reliability directives issued by the Reliability Coordinator, and each Balancing Authority and Generator Operator shall comply with reliability directives issued by the Transmission Operator, unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances the Transmission Operator, Balancing Authority or Generator Operator shall immediately inform the Reliability Coordinator or Transmission Operator of the inability to perform the directive so that the Reliability Coordinator or Transmission Operator can implement alternate remedial actions.</p>		

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

On June 11, 2013, the WECC Reliability Coordinator (WECC RC) issued a reliability directive to PacifiCorp Transmission Grid Operations to "trip" generation at the Top of the World wind generating facility, no later than 16:58 MST, to reduce overloading on Path 36. A PacifiCorp grid operator acknowledged and repeated back the reliability directive to the WECC RC. However, when the PacifiCorp grid operator communicated the directive to PacifiCorp generation dispatch personnel, the instruction given was to "curtail to zero," rather than "trip," the Top of the World wind generation.

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

The decision by the PacifiCorp grid operator to instruct generation dispatch personnel to curtail to zero, rather than trip, the wind generation was based on the former's concern over potential equipment damage caused by the act of tripping in the manner directed by the WECC RC. In this situation, PacifiCorp Transmission Grid Operations, as a Transmission Operator and Balancing Authority, was required to immediately inform the WECC RC of the safety and equipment concern and its inability to perform the reliability directive, to permit the implementation of an alternative remedial action; however, the PacifiCorp grid operator failed to communicate this concern or the inability to comply with the WECC RC's directive.

The potential impact to the BES by this violation is minimal. PacifiCorp's generation dispatch personnel performed the action instructed by the PacifiCorp grid operator to curtail generation at the Top of the World facility to assist in reducing overloading on Path 36.

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:

PacifiCorp's Transmission Grid Operations management has reviewed its current operating procedure for issuing and responding to directives, and determined that the procedure is appropriate and does not require any modifications. The procedure was then reviewed and discussed with PacifiCorp's Transmission Grid Operations staff. In addition, the WECC RC directive issued on June 11, 2013 was reviewed and discussed with WECC RC management, as well as with PacifiCorp Transmission Grid Operations staff.

To monitor the Company's response to future directives, PacifiCorp's compliance office has implemented a monitoring control whereby all directives issued or received in a given month are reviewed by Compliance Office staff.

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the violations associated with this Mitigation Plan are corrected:

Proposed Completion date of Mitigation Plan: August 26, 2013

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

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
Complete Mitigation Plan	Complete Mitigation Plan	08/26/2013	08/26/2013

- D.4 Additional Relevant Information (Optional)

Section E: Interim and Future Reliability Risk

E.1 Abatement of Interim BPS Reliability Risk

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

Per PacifiCorp's Transmission Grid Operations operating procedure PCC-605, grid operators are required to comply with reliability directives unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances, the grid operator shall immediately inform the WECC RC of the inability to perform the directive so that the WECC RC can implement alternate remedial actions.

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:

PacifiCorp grid operators have received remedial training on the Company's Transmission Grid Operations operating procedure PCC-605, which currently states that grid operators shall comply with reliability directives unless such actions would violate safety, equipment, regulatory or statutory requirements. Under these circumstances, the grid operator shall immediately inform the WECC RC of the inability to perform the directive so that the WECC RC can implement alternate remedial actions.

E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Section D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Section C.1, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

Section F: Authorization

An authorized individual must sign and date the signature page. By doing so, this individual, on behalf of your organization:

- (a) Submits the Mitigation Plan, as laid out in Section D, to the Regional Entity for acceptance and approval by NERC, and
- (b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- (c) Acknowledges:
 - 1. I am Compliance Manager of PacifiCorp
 - 2. I am qualified to sign this Mitigation Plan on behalf of PacifiCorp
 - 3. I have read and understand PacifiCorp'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. PacifiCorp 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: John Volz

Title: Compliance Manager

Authorized On: August 26, 2013

Attachment H

**PAC's Certification of Mitigation Plan
Completion for TOP-001-1a R3 submitted
August 26, 2013**

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: PacifiCorp

NERC Registry ID: NCR05304

NERC Violation ID(s): WECC2013012724

Mitigated Standard Requirement(s): TOP-001-1a R3,

Scheduled Completion as per Accepted Mitigation Plan: August 26, 2013

Date Mitigation Plan completed: August 26, 2013

WECC Notified of Completion on Date: August 26, 2013

Entity Comment:

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: John Volz

Title: Compliance Manager

Email: john.volz@pacificorp.com

Phone: (503) 813-5134

Authorized Signature _____ Date _____

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

Attachment I

WECC's Verification of Mitigation Plan Completion for TOP-001-1a R3 dated September 13, 2013

E-Mail Notification Detail

From: noreply@oati.net
Sent: 09/13/2013 16:54:58
To: colt.norrish@pacificorp.com;john.volz@pacificorp.com
Subject: WECC Notice - Completed Mitigation Plan Acceptance - TOP-001-1a R3 - PacifiCorp

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

NERC Registration ID: NCR05304
NERC Violation ID: WECC2013012724
Standard/Requirement: TOP-001-1a R3
Subject: Completed Mitigation Plan Acceptance

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by PacifiCorp on 08/26/2013 for the violation of TOP-001-1a R3. After a thorough review, WECC has accepted the Certification of Mitigation Plan Completion.

If you have any questions or concerns, please contact Keshav Sarin at ksarin@wecc.biz.

Note: Effective 04/01/2013, WECC will formally notify registered entities of completed Mitigation Plan acceptances via this email notice. WECC will no longer notify entities by uploading a Notice of Completed Mitigation Plan Acceptance letter to the Enhanced File Transfer (EFT) Server.



[OATI Information - Email Template: MitPlan_Completed]