



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

April 28, 2010

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

**Re: NERC Notice of Penalty regarding NextEra Energy Resources, LLC
FERC Docket No. NP10-_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding NextEra Energy Resources, LLC² (NextEra),³ NERC Registry ID NCR01096,⁴ in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations and orders, as well as NERC Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).⁵

On August 22, 2008, NextEra self-reported to the Southwest Power Pool Regional Entity (SPP) its non-compliance with PRC-005-1 Requirement (R) 2.1 for its failure to conduct maintenance and testing on all of its protection relays within the defined intervals of its Protection System⁶ Maintenance and Testing Program. This Notice of Penalty is being filed with the Commission

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 (2010). *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 Subsequent to the discovery and reporting of the subject violations, NextEra Energy Resources, LLC (NCR01096) (formerly known as FPL Energy, LLC) consolidated, into a single registration, the registrations of its four generating facilities located within the SPP footprint: (1) FPL Energy Oklahoma Wind (NCR01097); (2) FPL Energy Sooner Wind (NCR01098); (3) FPL Energy Gray County (NCR01099); and (4) FPL Energy Cowboy Wind (NCR01096).

³ FPL Energy, LLC changed its name to NextEra Energy Resources, LLC on January 7, 2009. Although the events discussed in this Agreement took place prior to the name change, all references in this Agreement are to the newly named entity NextEra.

⁴ Southwest Power Pool Regional Entity confirmed that NextEra was included on the NERC Compliance Registry as a Generator Operator and Generator Owner on May 31, 2007. As a Generator Owner, NextEra is subject to the requirements of NERC Reliability Standard PRC-005-1.

⁵ See 18 C.F.R. § 39.7(c)(2).

⁶ *The NERC Glossary of Terms Used in Reliability Standards*, updated April 20, 2009, defines Protection System as "Protective relays, associated communication systems, voltage and current sensing devices, station batteries and DC control circuitry."

because SPP and NextEra have entered into a Settlement Agreement to resolve all outstanding issues arising from a preliminary and non-public assessment resulting in SPP's determination and findings of the enforceable alleged violations of PRC-005-1 R2.1. According to the Settlement Agreement, NextEra neither admits nor denies the alleged violations, but has agreed to the proposed penalty of one hundred thirty seven thousand, five hundred dollars (\$137,500) to be assessed to NextEra, 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 alleged violations identified as NERC Violation Tracking Identification Numbers SPP200800056⁷ and SPP200800057⁸ are being filed in accordance with the NERC Rules of Procedure and the CMEP.

Statement of Findings Underlying the Alleged Violations

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement executed on December 12, 2009 by and between SPP and NextEra, which is included as Attachment b. 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 (2010), NERC provides the following summary table identifying each alleged violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Total Penalty (\$)
SPP	NextEra Energy Resources, LLC	NOC-242	SPP200800056	PRC-005-1	2.1	High ⁹	\$137,500
			SPP200800057				

PRC-005-1

The purpose of Reliability Standard PRC-005-1 is to ensure all transmission and generation Protection Systems affecting the reliability of the bulk power system (BPS) are maintained and tested.

⁷On September 8, 2008, NERC submitted the instant alleged violation identified as NERC Violation Tracking Identification Number SPP200800056 regarding FPL Energy Oklahoma Wind (NCR01097). An October 7, 2008 registration consolidation changed the entity name from FPL Energy Oklahoma Wind (NCR01097) to FPL Energy, LLC (NCR01096). On January 7, 2009, FPL Energy, LLC changed its name to NextEra Energy Resources, LLC.

⁸On September 8, 2008, NERC submitted the instant alleged violation identified as NERC Violation Tracking Identification Number SPP200800057 regarding FPL Energy Cowboy Wind (NCR01096). An October 7, 2008 registration consolidation changed the entity name from FPL Energy Cowboy Wind (NCR01096) to FPL Energy, LLC (NCR01096). On January 7, 2009, FPL Energy, LLC changed its name to NextEra Energy Resources, LLC.

⁹PRC-005-1 R2 has a "Lower" Violation Risk Factor (VRF); R2.1 and R2.2 each have a "High" VRF. During a final review of the standards subsequent to the March 23, 2007 filing of the Version 1 VRFs, NERC identified that some standards requirements were missing VRFs; one of these include PRC-005-1 R2.1. On May 4, 2007, NERC assigned PRC-005 R2.1 a "High" VRF. In the Commission's June 26, 2007 Order on Violation Risk Factors, the Commission approved the PRC-005-1 R2.1 "High" VRF as filed. Therefore, the "High" VRF was in effect from June 26, 2007.

PRC-005-1 R2 requires each Generator Owner, such as NextEra, that owns a generation Protection System, to provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Entity on request (within 30 calendar days). Specifically, the documentation of the program implementation shall include: (R2.1) evidence Protection System devices were maintained and tested within the defined intervals; and (R2.2) date(s) each Protection System device was last tested/maintained. PRC-005-1 R2 has a “Lower” VRF; however PRC-005-1 R2.1 and R2.2 both have “High” VRFs.

According to the Settlement Agreement, on May 31, 2007, NextEra, prior to the date the Standard became mandatory and enforceable, self-reported violations of PRC-005-1 R2 for each of its four previously individually registered facilities. Mitigation Plans, scheduled to be completed by December 31, 2007, were submitted for each of the pre-June 18 alleged violations and, on December 26, 2007, NextEra certified that all of its pre-June 18 Mitigation Plans had been completed.

On April 28, 2008, SPP issued Spot Checks for each of the alleged pre-June 18 violations in the course of verifying the completion of the pre-June 18 Mitigation Plans. On August 22, 2008, NextEra, before SPP was able to complete its review of the Mitigation Plan evidence of completion, self-reported possible violations of PRC-005-1 R2.1 at its Oklahoma Wind, Sooner Wind and Cowboy Wind facilities because Protection System maintenance and testing had occurred outside the three-year interval established in NextEra’s Protection System Maintenance and Testing Program. SPP consolidated the alleged violations at the Oklahoma Wind and Sooner Wind (Oklahoma Wind/Sooner Wind) facilities into a single violation, identified as NERC Violation Tracking Identification Number SPP200800056, because both facilities occupy the same site and share common Protection System equipment. The alleged violation at the Cowboy Wind facility is identified as NERC Violation Tracking Identification Number SPP200800057.

SPP200800056 – Oklahoma Wind/Sooner Wind

According to the Settlement Agreement, the maintenance records for the Oklahoma Wind/Sooner Wind facility indicated that maintenance on ten (10) Protection System relays, scheduled for completion on September 19, 2006, had not been completed. The ten (10) overdue Protection System relays represented 7.8% of NextEra’s 128 Protection System devices.¹⁰ These Protection System relays were overlooked in the 2007 Mitigation Plans for Oklahoma Wind/Sooner Wind.

SPP determined that NextEra had an alleged violation of PRC-005-1 R2.1 because NextEra failed to conduct maintenance and testing in accordance with its Protection System Maintenance and Testing Program. SPP concluded that the duration of the alleged violation was from June 18, 2007, when the Reliability Standard became mandatory and effective, until October 24, 2008, when NextEra completed its Mitigation Plan.

¹⁰ The 128 Protection System devices are the combined number of devices at NextEra’s four facilities.

SPP200800057 – Cowboy Wind

According to the Settlement Agreement, the maintenance records for the Cowboy Wind facility indicated that maintenance had not been conducted on fourteen (14) Protection System relays, scheduled for completion on February 16, 2008 which was subsequent to the completion date of the pre-June 18 Mitigation Plan for that facility. The fourteen (14) overdue Protection System relays represented 10.9% of NextEra's 128 Protection System devices.

SPP concluded that the facts and evidence supported a finding that NextEra allegedly violated PRC-005-1 R2.1 because NextEra failed to conduct maintenance and testing in accordance with its Protection System Maintenance and Testing Program. SPP concluded that the duration of the alleged violation was from February 16, 2008, the date by which the subject relays were scheduled to be tested, until October 24, 2008 when NextEra completed its Mitigation Plan.

SPP determined that the alleged violations of PRC-005-1 R2.1 did not pose a serious or substantial risk to the BPS because (1) the effective maintenance intervals for Protection System relays at both facilities are within the NERC recommended five-year maximum interval for unmonitored protection system relays and seven to ten-year maximum interval for monitored microprocessor relays; and (2) no limiting conditions were imposed on the BPS.

Regional Entity's Basis for Penalty

According to the Settlement Agreement, SPP has assessed a penalty of one hundred thirty seven thousand, five hundred dollars (\$137,500) for the referenced alleged violations. In reaching this determination, SPP considered the following factors: (1) the alleged violations did not pose a serious or substantial risk to the BPS as discussed above; (2) NextEra has established an enterprise-wide compliance program and dedicated resources to the implementation of that program;¹¹ and (3) SPP reported NextEra was cooperative throughout the compliance enforcement process.

In reaching its determination, SPP also considered the following aggravating factors: (1) NextEra's violation of PRC-005-1 R2.1 at the Oklahoma Wind/Sooner Wind facility is a continuation of a pre-June 18 violation that was allegedly cured by the completion of a prior Mitigation Plan and NextEra incorrectly certified completion of that Mitigation Plan; (2) NextEra's violation of PRC-005-1 R2.1 at the Cowboy Wind facility immediately followed a pre-June 18 violation of the same Standard and requirement; (3) NextEra's Self-Reports of the alleged violations were prompted by a Spot Check initiated by SPP; and (4) the alleged violations were due to a lack of performance.

¹¹ Generally, SPP finds NextEra's internal compliance program to be comprehensive, well organized and adequately documented. SPP takes note that while NextEra's internal compliance program presently exhibits attributes of a quality compliance program, the program did not achieve its current status until well into SPP's investigation of NextEra's violations of PRC-005-1. Today, NextEra's internal compliance program includes internal controls to track corrective actions and prevent repetitive violations. NextEra's *Reliability & Compliance Group Program Control* document states that for internal corrective actions the Reliability and Compliance Group will review/approve corrective actions plans; track corrective action progress; and review/approve closure of corrective actions for internal organizations.

After consideration of the above factors, SPP determined that, in this instance, the penalty amount of one hundred thirty seven thousand, five hundred dollars (\$137,500) is appropriate and bears a reasonable relation to the seriousness and duration of the alleged violation.

Status of Mitigation Plans¹²

NextEra's Mitigation Plans to address its alleged violations of PRC-005-1 R2.1 were submitted to SPP on September 22, 2008 with a completion date of October 24, 2008. The Mitigation Plans were accepted by SPP on October 16, 2008 and approved by NERC on November 4, 2008. The Mitigation Plan for alleged violation SPP200800056 is designated as MIT-07-1083 and the Mitigation Plan for alleged violation SPP200800057 is designated as MIT-08-1084. Both Mitigation Plans were submitted as non-public information to FERC on November 4, 2008 in accordance with FERC orders.

NextEra's Mitigation Plans required NextEra to (1) perform relay calibration as stated in its Protection System Maintenance and Testing Program; (2) update the internal asset and work management database program (Orion) with schedules for relay calibrations matching current protection system maintenance and testing intervals; and (3) train site personnel on NERC required activities associated with protection system maintenance and testing.

NextEra certified on October, 24, 2008 that the above Mitigation Plan requirements for both Mitigation Plans were completed on October, 24, 2008. As evidence of completion of its Mitigation Plans, NextEra submitted relay test records for the Oklahoma Wind and Cowboy Wind facilities (*Last Maintenance Summary Woodward 10/22/2008* and *Last Maintenance Summary Cowboy 10/22/2008*) as well as documentation of personnel training (*Training Confirmation e-mail 10/06/2008* and *Wind Program Document Training*).

On December 12, 2008, after reviewing NextEra's submitted evidence, SPP verified that NextEra's Mitigation Plans were completed on October, 24, 2008 and that NextEra had mitigated the alleged violations.

Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed¹³

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines and the Commission's July 3, 2008 Guidance Order,¹⁴ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on March 10, 2010. The NERC BOTCC approved the Settlement Agreement, including SPP's imposition of a financial penalty, assessing a penalty of one hundred thirty seven thousand, five hundred dollars (\$137,500)

¹² See 18 C.F.R § 39.7(d)(7).

¹³ See 18 C.F.R § 39.7(d)(4).

¹⁴ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008).

against NextEra and other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the alleged violations at issue.

In reaching this determination, the NERC BOTCC considered both the mitigating and aggravating factors as reported by SPP:

- (1) NextEra did not complete its pre-June 18 Mitigation Plan regarding the same Reliability Standard for the Oklahoma/Sooner Wind Facility;
- (2) NextEra did not effectively implement its Mitigation Plan for the PRC-005-1 R2.1 for the Cowboy Wind Facility, as evidenced by the alleged violation at NextEra's Cowboy Wind facility that took place within 3 months of the completion of the Cowboy Wind pre-June 18 Mitigation Plan for a violation of the same Standard's requirement;
- (3) the improvement in the quality of NextEra's compliance program as discussed above;
- (4) SPP reported NextEra was cooperative throughout the compliance enforcement process;
- (5) NextEra's Self-Reports were submitted after SPP's notification of a Spot Check;
- (6) the alleged violations were due to a lack of performance rather than a lack in documentation; and
- (7) SPP determined that the alleged violations did not pose a serious or substantial risk to the BPS, as discussed above.

For the foregoing reasons, the NERC BOTCC approves the Settlement Agreement and believes that the proposed penalty of one hundred thirty seven thousand, five hundred dollars (\$137,500) is appropriate for the violations and circumstances in question, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

Pursuant to Order No. 693, 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 and material:

- a) NextEra's Self-Report Screen Shots for SPP200800056 and SPP200800057 submitted August 22, 2009, included as Attachment a;
- b) Settlement Agreement by and between SPP and NextEra executed December 12, 2009, included as Attachment b;
 - i. NextEra's Mitigation Plan designated as MIT-07-1083 for SPP200800056 submitted September 22, 2009, included as Attachment 1 to the Settlement Agreement;
 - ii. NextEra's Mitigation Plan designated as MIT-08-1084 for SPP200800057 submitted September 22, 2009, also included in Attachment 1 to the Settlement Agreement;
 - iii. NextEra's Certification of Completion of the Mitigation Plan for MIT-07-1083 and MIT-08-1084 submitted October 24, 2008, included as Attachment 2 to the Settlement Agreement;
 - iv. SPP's Verification of Completion of the Mitigation Plan for MIT-07-1083 dated December 12, 2009, included as Attachment 3 to the Settlement Agreement; and
 - v. SPP's Verification of Completion of the Mitigation Plan for MIT-08-1084 dated December 12, 2009, also included in Attachment 3 to the Settlement Agreement.

A Form of Notice Suitable for Publication¹⁵

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

¹⁵ See 18 C.F.R. § 39.7(d)(6).

Notices and Communications

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

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

T. J. Tuscai*
President
NextEra Energy Resources, LLC
700 Universe Blvd.
Juno Beach, FL 33408
(561) 304-5511
(561) 691-2988 facsimile
tj_tuscai@fpl.com

Benjamin Church*
Reliability & Compliance
NextEra Energy Resources, LLC
700 Universe Blvd.
Juno Beach, FL 33408
(561) 304-5463
(561) 304-5161 – facsimile
benjamin_church@fpl.com

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

Stacy Dochoda*
Southwest Power Pool Regional Entity
General Manager
16101 La Grande, Ste 103
Little Rock, AR 72223
(501) 688-1730
(501) 821-8726 - facsimile
sdochoda@spp.org

Joe Gertsch*
Manager of Enforcement
Southwest Power Pool Regional Entity
16101 La Grande, Ste 103
Little Rock, AR 72223
(501) 688-1672
(501) 821-8726 - facsimile
jgertsch@spp.org

*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.

Conclusion

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

Respectfully submitted,

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

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


cc: NextEra Energy Resources, LLC
Southwest Power Pool Regional Entity

Attachments

Attachment a

**NextEra's Self-Report Screen Shots for
SPP200800056 and SPP200800057 submitted
August 22, 2009**

CDMS Screen Shot Self Report FPL SPP200800056

		Compliance Data Management System v4.0.0 © Midwest Reliability Organization, 2007 Regional Entity: Southwest Power Pool RE			
Southwest Power Pool Regional Entity		Program Year 2008			
Self Report Maintenance					
Self Report Details					
* Standard Requirement: PRC-005-1 R2		* Date Alleged Violation Occurred: Aug 22, 2008			
* Alleged Violation Description and Cause Potential violation exists as protection system maintenance and testing occurred outside of the stated interval in our program for PRC 005 R1.					
* Potential Impact to the Bulk Power System Negligible: Site has received protection system maintenance and testing and we currently believe that there have not been any protection system failures or misoperations resulting from this issue. FPL Energy Cowboy is a wind farm and based on our current understanding, loss of production may have marginal or no impact on reliability.					
Fields marked with * are required!					
Toggle Entity Comments and Documents Section Entity Comments And Documents					
Entity Comments					
Made On	Made By	Updated On	Updated By	Comment	Button
Aug 22, 2008 4:25:29 PM	FPLCOWBOY	Aug 22, 2008 4:26:10 PM	FPLCOWBOY	FPL Energy Cowboy shares a common point of interconnection with FPL Energy Sooner and should be considered one site in its NERC Registration.	Edit

From: sppre@spp.org

Sent: Friday, August 22, 2008 4:30 PM

To: SPP Regional Entity Reports

Subject: Self Report Submitted

Note: This is a Compliance Data Management System (CDMS) generated automatic message. Please Do NOT respond to this email.

The following Self Report has been submitted via CDMS:

Entity: FPL Energy Sooner Wind

Standard Requirement: PRC-005-1 R2

Description: Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include:


Self Report submitted on: Aug 22, 2008, for Program Year: 2008.

Questions regarding this Self Report should be directed to:

Phone:

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CDMS Screen Shot Self Report SPP200800057

		Compliance Data Management System v4.0.0 © Midwest Reliability Organization, 2007 Regional Entity: Southwest Power Pool RE	
Southwest Power Pool Regional Entity		Program Year 2008	
Self Report Maintenance			
Self Report Details			
* Standard Requirement <input type="text" value="PRC-005-1 R2"/>		* Date Alleged Violation Occurred <input type="text" value="Aug 22, 2008"/>	
* Alleged Violation Description and Cause <div style="border: 1px solid black; padding: 5px;"> Potential violation exists as protection system maintenance and testing occurred outside of the stated interval in our program for PRC 005 R1. </div>			
* Potential Impact to the Bulk Power System <div style="border: 1px solid black; padding: 5px;"> Negligible: Site has received protection system maintenance and testing and we currently believe that there have not been any protection system failures or misoperations resulting from this issue. FPL Energy Cowboy is a wind farm and based on our current understanding, loss of production may have marginal or no impact on reliability. </div>			
Fields marked with * are required!			
Toggle Entity Comments and Documents Section Entity Comments And Documents			
Entity Comments			
Made On	Made By	Updated On	Updated By
Aug 22, 2008 4:25:29 PM	FPLCOWBOY	Aug 22, 2008 4:26:10 PM	FPLCOWBOY
<div style="border: 1px solid black; padding: 5px;"> FPL Energy Cowboy shares a common point of interconnection with FPL Energy Sooner and should be considered one site in its NERC Registration. </div>			<div style="border: 1px solid black; padding: 5px; text-align: center;"> Edit </div>

From: sppre@spp.org

Sent: Friday, August 22, 2008 4:27 PM

To: SPP Regional Entity Reports

Subject: Self Report Submitted

Note: This is a Compliance Data Management System (CDMS) generated automatic message. Please Do NOT respond to this email.

The following Self Report has been submitted via CDMS:

Entity: FPL Energy Cowboy Wind, LLC

Standard Requirement: PRC-005-1 R2

Description: Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include:

Self Report submitted on: Aug 22, 2008, for Program Year: 2008.

Questions regarding this Self Report should be directed to:

Stacie Picow

Phone: 561-304-5463

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Attachment b

**Settlement Agreement by and between SPP and
NextEra executed December 12, 2009**

**SETTLEMENT AGREEMENT
OF
SOUTHWEST POWER POOL REGIONAL ENTITY
AND
NEXTERA ENERGY RESOURCES, LLC**

I. INTRODUCTION

1. Southwest Power Pool Regional Entity ("SPP RE") and NextEra Energy Resources, LLC ("NextEra") (formerly, FPL Energy, LLC)¹ enter into this Settlement Agreement ("Agreement") to resolve all outstanding issues arising from a preliminary and non-public assessment resulting in SPP RE's determination and findings, pursuant to the North American Electric Reliability Corporation ("NERC") Rules of Procedure, of two alleged violations by NextEra of NERC Reliability Standard PRC-005-1 R2.

II. STIPULATION OF FACTS

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

A. BACKGROUND

3. NextEra is a wholly owned subsidiary of FPL Group, Inc., and was formed in 1998 to aggregate FPL Group's merchant generation business. Through its subsidiaries, NextEra owns and operates a portfolio of over fifty (50) NERC registered generating facilities. These facilities are located in twenty-six (26) states and two (2) Canadian provinces. The NextEra generating facilities total over 16,000 MW of net generating capacity.
4. In 2007, NextEra had four (4) generating facilities located in the SPP RE foot print: (1) FPL Energy Oklahoma Wind (Oklahoma Wind), (2) FPL Energy Sooner Wind (Sooner Wind), (3) FPL Gray County Wind Energy, LLC (Gray County) and (4) FPL Energy Cowboy Wind, LLC (Cowboy Wind). The Oklahoma Wind and Sooner Wind facilities occupy a common site. Oklahoma Wind and Sooner Wind each have thirty-four (34) 1.5 MW General Electric (GE) wind turbines. These two (2) facilities share common equipment and have a common point of interconnection to the Bulk Power System (BPS) via a single 34.5 / 138 kV, 120 MVA step-up transformer. The combined interconnected generation capacity at the Oklahoma Wind/Sooner Wind site is 102 MW. The Gray County Wind facility is composed of 170, 660 kW Vestas wind turbines with a combined connected generation capacity of 112.2 MW. Gray

¹ FPL Energy, LLC changed its name to NextEra Energy Resources, LLC on January 7, 2009. Though the events discussed in this Agreement took place prior to the name change, for purposes of clarity all references in this Agreement are to the newly named entity, NextEra.

County Wind is connected to the BPS via a 34.5 / 115 kV, 133 MVA step-up transformer. The Cowboy Wind facility has 98, 1.5 MW GE wind turbines with a combined connected generation capacity of 147 MW. Cowboy Wind is connected to the BPS via a 34.5 / 138 kV, 160 MVA step-up transformer.

B. 2007 VIOLATIONS

5. On May 31, 2007, NextEra self-reported violations of PRC-005-1 R2, at its Oklahoma Wind, Sooner Wind, Gray County Wind and Cowboy Wind facilities (hereinafter collectively 2007 Alleged Violations). SPP RE assigned the 2007 Alleged Violations NERC Violation Identification Numbers SPP200704514, SPP200704539, SPP200704486, and SPP200704511 respectively. NextEra submitted separate Mitigation Plans for each of the 2007 Alleged Violations. The proposed completion date of the Mitigation Plans for all of the 2007 Alleged Violations (hereinafter “2007 Mitigation Plans”) was December 31, 2007.
6. Consistent with the NERC policies enforce in 2007 for violations reported prior to FERC approval of the mandatory reliability standards, SPP RE confirmed the 2007 Alleged Violations and assessed a zero penalty.²
7. NextEra reported the completion of all of its 2007 Mitigation Plans on December 26, 2007.

Registration Changes

On October 7, 2008, SPP RE combined NCR01099 / Gray County Wind, NCR01097/ Oklahoma Wind, NCR01098 / Sooner Wind, and NCR01096 / Cowboy Wind under a single parent registration. SPP RE removed NCR01099 / Gray County Wind, NCR01097 / Oklahoma Wind, and NCR01098 / Sooner Wind from its registry and renamed NCR01096 / Cowboy Wind to NCR01096 / FPL Energy. NCR01096 / FPL Energy continued as a GO & GOP in the SPP RE and NERC registry. Because the Oklahoma Wind and Sooner Wind facilities occupy the same site, they were combined as one facility, identified as the Oklahoma Wind facility.

C. ALLEGED VIOLATIONS

8. On April 28, 2008, SPP RE issued four (4) Spot Checks to confirm the completion of NextEra’s 2007 Mitigation Plans. NextEra provided SPP RE with its final installment of corroborating evidence verifying completion of the 2007 Mitigation Plans on June 19, 2008.
9. On August 22, 2008, prior to SPP RE completing its review of NextEra’s evidence submitted in response to the SPP RE Spot Checks, NextEra submitted self-reports for

² See NERC, *Compliance Monitoring and Enforcement Program – 2007 Implementation Plan*, Attachment A, ERO Transition Issues, April 18, 2008, providing guidance on the assessment of penalties and the implementation of mitigation plans for alleged violations prior to FERC approval of mandatory reliability standards.

violation of PRC-005-1 R2.1 at the Oklahoma Wind, Sooner Wind and Cowboy Wind facilities (hereinafter 2008 Alleged Violations).

10. The relevant Reliability Standard at issue is:

PRC-005-1 - Transmission and Generation Protection System Maintenance and Testing: Requires Transmission Owners (TO), Generation Owners (GO), and/or Distribution Providers (DP) that own a transmission Protection System to maintain and test all transmission and generation Protection Systems affecting the reliability of the Bulk Power System (BPS).

R2. Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include:

R2.1. Evidence Protection System devices were maintained and tested within the defined intervals.

11. Protection System is defined as protective relays, associated communication systems, voltage and current sensing devices, station batteries and DC control circuitry.³
12. On August 25, 2008, SPP RE initiated its data gathering and analysis process to determine whether the possible violations should be elevated to Alleged Violations, as that term is defined in the NERC Rules of Procedure, including Appendix 4C (NERC Uniform Compliance Monitoring and Enforcement Program (CMEP)).
13. Through an investigative process which included interrogatories, document review and NextEra personnel interviews, the SPP RE did find a sufficient basis to allege two (2) violations of PRC-005-1 R2.1.
14. SPP RE consolidated the alleged violations at Oklahoma Wind and Sooner Wind site (hereafter Oklahoma Wind) under NERC Violation Identification Number SPP200800056. The Cowboy Wind alleged violation was assigned NERC Violation Identification Number SPP200800057.

III. PARTIES' SEPARATE REPRESENTATIONS

STATEMENT OF SOUTHWEST POWER POOL REGIONAL ENTITY AND SUMMARY OF FINDINGS

15. SPP200800056, PRC-005-1 R2.1 at Oklahoma Wind:

³ NERC, Glossary of Terms Used in Reliability Standards, April 20, 2009.

- i. The self-report submitted by NextEra on August 22, 2008, for violation of Reliability Standard PRC-005-1, Requirement 2.1 at its Oklahoma Wind facility indicated that protection system maintenance and testing had occurred outside the three (3) year interval required in the applicable NextEra Protection System Maintenance and Testing Program. Specifically, the maintenance records for the Oklahoma Wind facility indicated that maintenance on ten (10) protection system relays, scheduled for completion on September 19, 2006, had not been completed. The ten (10) overdue protection system relays represented 7.8 percent of NextEra's 128 protection system devices.
- ii. During its investigation, SPP RE learned that NextEra had incorrectly certified on December 26, 2007, that it had completed the 2007 Mitigation Plans for the Oklahoma Wind facility. The protection system relays which were the subject of its August 22, 2008, self-reports for the Oklahoma Wind facility were overlooked in the 2007 Mitigation Plans for Oklahoma Wind.
- iii. SPP RE issued NextEra a Preliminary Notice of Alleged Violation (PNAV) for violation of PRC-005-1 R2.1 on August 25, 2008.
- iv. On September 22, 2008, NextEra submitted a mitigation plan to resolve its violation of PRC-005-1 R2.1 at the Oklahoma Wind facility (Oklahoma Wind Mitigation Plan). The Oklahoma Wind Mitigation Plan called for NextEra to; (1) perform relay calibration as stated in its Protection System Maintenance and Testing Program; (2) update the internal asset and work management database program (Orion) with schedules for relay calibrations matching current protection system maintenance and testing intervals; and (3) train site personnel on NERC required activities associated with protection system maintenance and testing. NextEra proposed to complete its Oklahoma Wind Mitigation Plan by October 24, 2008.
- v. SPP RE reviewed the Oklahoma Wind Mitigation Plan finding it included all of the NERC requirements identified for mitigation plans; directly addressed those areas of PRC-005-1 R2.1 where NextEra was known to be deficient; provided a reasonable timetable for completion; minimized the risk to the Bulk Power System (BPS); and reduced the potential for subsequent violations of PRC-005-1. SPP RE accepted NextEra's Oklahoma Wind Mitigation Plan on October 16, 2008, and submitted it to NERC. NERC approved NextEra's Oklahoma Wind Mitigation Plan on November 4, 2008, and assigned it Mitigation Plan Tracking Number MIT-07-1083.
- vi. On October, 24, 2008, NextEra notified SPP RE it had completed its Oklahoma Wind Mitigation Plan. Accompanying the notice of completion, NextEra submitted relay test records for the Oklahoma Wind facility and documentation of personnel training. SPP RE reviewed the relay test records

and confirmed the test dates. SPP RE confirmed the NextEra maintenance record data base (Orion) had been updated and was consistent with the current test and maintenance data. Additionally, SPP RE confirmed plant personnel at the Oklahoma Wind facility had received the training on the NERC protection system maintenance requirements identified in the Oklahoma Wind Mitigation Plan.

- vii. On December 12, 2008, SPP RE completed its review of the NextEra evidence corroborating completion of the Oklahoma Wind Mitigation Plan, finding NextEra had successfully completed the Oklahoma Wind Mitigation Plan on October 24, 2008.
- viii. NextEra's non-compliance with PRC-005-1 R2.1 at the Oklahoma Wind facility began September 19, 2006. NextEra had incorrectly certified on December 26, 2007, that it had completed the 2007 Mitigation Plan for the Oklahoma Wind facility. Accordingly, SPP RE found NextEra's 2008 violation of PRC-005-1 R2.1 at the Oklahoma Wind facility occurred during the implementation period of the Mitigation Plan for the 2007 violation; abrogating the zero penalties previously established for the 2007 violation. Because PRC-005-1 R2.1 did not become enforceable until June 18, 2007, SPP RE established the start date for NextEra's violation of PRC-005-1 R2.1 at the Oklahoma Wind facility as June 18, 2007.
- ix. NextEra's violation of PRC-005-1 R2.1 at the Oklahoma Wind facility continued without interruption until completion of the Oklahoma Wind Mitigation Plan on October 24, 2008. For the purpose of determining the violation duration, SPP RE established October 24, 2008, as the end date of the PRC-005-1 R2.1 violation at the Oklahoma Wind facility.
- x. PRC-005-1 R2.1 is assigned a "High" Violation Risk Factor.

16. SPP200800057, PRC-005-1 R2.1 at Cowboy Wind:

- i. On August 22, 2008, NextEra submitted a self-report for violation of PRC-005-1 R2.1 at its Cowboy Wind facility. In its self-report, NextEra stated the maintenance and testing of generation protection systems associated with its Cowboy Wind generating facility occurred outside the then applicable three (3) year interval in the NextEra Protection System Maintenance and Testing Program. Specifically, NextEra failed to perform protection system maintenance on fourteen (14) protection system relays at the Cowboy Wind facility due on February 16, 2008. The fourteen (14) overdue protection system relays represented 10.9 percent of NextEra's 128 protection system devices.
- ii. Through its investigation, SPP RE learned that NextEra had successfully completed the 2007 Mitigation Plan for the Cowboy Wind facility. The

protection system relays which are the subject of its August 22, 2008, self-report for the Cowboy Wind facility became overdue for maintenance on February 16, 2008, after NextEra certified it had completed the 2007 Mitigation Plan for Cowboy Wind on December 26, 2007, and before SPP RE issued the Spot Checks to confirm completion of the Cowboy Wind 2007 Mitigation Plan.

- iii. SPP RE issued NextEra a Preliminary Notice of Alleged Violation (PNAV) for violation of PRC-005-1 R2.1 on August 25, 2008.
- iv. On September 22, 2008, NextEra submitted a Mitigation Plan to resolve violation of PRC-005-1 R2.1 at the Cowboy Wind facility (Cowboy Wind Mitigation Plan). The Cowboy Wind Mitigation Plan called for NextEra to (1) perform relay calibration as stated in the Protection System Maintenance and Test Program; (2) update the internal asset and work management database program (Orion) with schedules for relay calibrations matching current protection system maintenance and testing intervals; and (3) train site personnel on NERC required activities associated with protection system maintenance and testing. NextEra proposed to complete its Mitigation Plan by October 24, 2008.
- v. SPP RE reviewed the Cowboy Wind Mitigation Plan finding that it included all of the NERC requirements identified for Mitigation Plans directly addressed those areas of PRC-005-1 R2.1 where NextEra was known to be deficient; provided a reasonable timetable for completion; minimized the risk to the BPS; and reduced the potential for subsequent violations. SPP RE accepted NextEra's Mitigation Plan on October 16, 2008, and submitted it to NERC. NERC approved NextEra's Cowboy Wind Mitigation Plan on November 4, 2008, and assigned it Mitigation Plan Tracking Number MIT-07-1084.
- vi. On October, 24, 2008, NextEra notified SPP RE it had completed its Cowboy Wind Mitigation Plan. Accompanying the notice of completion, NextEra submitted relay test records for the Cowboy Wind facility and documentation of personnel training. SPP RE reviewed the relay test records and confirmed the test dates. SPP RE confirmed the NextEra maintenance record data base (Orion) had been updated and was consistent with the current test and maintenance data. Additionally, SPP RE confirmed that the plant personnel at the Cowboy Wind facility had received the training on the NERC protection system maintenance requirements identified in the Cowboy Wind Mitigation Plan.
- vii. On December 12, 2008, SPP RE completed its review of the NextEra evidence corroborating completion of the Cowboy Wind Mitigation Plan, finding NextEra had successfully completed the Cowboy Wind Mitigation Plan on October 24, 2008.

- viii. NextEra's violation of PRC-005-1 R2.1 at the Cowboy Wind facility began February 16, 2008. SPP RE has identified February 16, 2008, as the start date for NextEra's violation of PRC-005-1 R2.1 at the Cowboy Wind facility. NextEra's violation of PRC-005-1 R2.1 at the Cowboy Wind facility, continued without interruption until completion of its Mitigation Plan on October 24, 2008. SPP RE has established October 24, 2008, as the end date of the violation of PRC-005-1 R2.1 at the Cowboy Wind facility.
- ix. PRC-005-1 R2.1 is assigned a "High" Violation Risk Factor.

IV. STATEMENT OF NEXTERA ENERGY RESOURCES

- 17. NextEra neither admits nor denies wrongdoing in the alleged events described herein. In an effort to expedite handling of this matter and to deter litigation, NextEra agrees to the terms of this settlement.
- 18. Aside from the actions specified in the mitigation plans, NextEra deployed a number of enterprise improvements to address issues of protection system maintenance and testing across a fleet of generators in seven NERC Regions. An asset and work management system was rolled out to support all protection system maintenance efforts. The system tracks protection system components, settings, and schedules work activities. Supporting documentation including but not limited to maintenance and test reports may be uploaded and linked to specific components thereby documenting compliance.
- 19. Improvements to overall compliance to NERC Reliability Standards included significant enhancements to NextEra compliance program. Efforts included but are not limited to increased staffing, regional assignments for compliance managers, and internal reorganization to better assign compliance responsibilities among FPL Group business units.

V. MITIGATING ACTIONS, REMEDIES AND SANCTIONS

- 20. For purposes of settling any and all disputes arising from SPP RE's assessment into the matters set forth in the Statement of SPP RE and Summary of Findings in Section III above, SPP RE and NextEra agree that NextEra shall take the following actions:

NextEra shall pay a monetary penalty of **\$137,500** to SPP RE via wire transfer to a SPP RE account that will be outlined in an invoice sent to NextEra within twenty (20) calendar days after this Agreement is either approved by the Federal Energy Regulatory Commission (Commission) or is rendered effective by operation of law. NextEra will pay the required amount within twenty (20) calendar days after receipt of the invoice. SPP RE shall notify NERC if the payment is not received.

21. SPP RE applied the Sanction Guidelines of the CMEP, Appendix 4B to determine the penalty to be imposed. The SPP RE Compliance Staff considered the following mitigating circumstances:

- i. NextEra's failure to meet its three (3) year maintenance interval for protection system relays at the Oklahoma Wind and Cowboy Wind facilities does not support the "High" VRF established for PRC-005-1 R2.1.
 - a. NERC defines requirements with high violation risk factors as requirements that "if violated, could directly cause or contribute to Bulk Power System instability, separation, or a cascading sequence of failures, or could place the Bulk Power System at an unacceptable risk of instability, separation, or cascading failures."⁴
 - b. The NERC technical reference on protection system maintenance (NPSMR)⁵ recommends a maximum allowable testing interval of five (5) years for unmonitored relays and seven (7) to ten (10) years for monitored microprocessor relays, depending upon the level of self monitoring. The SPP Criteria states that "protection and control systems shall be functionally tested at a frequency of no less than five (5) years to verify the dependability and security aspects of the design."⁶ NextEra has installed Schweitzer microprocessor relays with self monitoring capabilities at its wind generating facilities. According to the NPSMR, a maintenance interval of between seven (7) and ten (10) years would be appropriate for the NextEra protection system relays. NextEra completed the maintenance on the Oklahoma Wind and Cowboy Wind protection system relays on August 4, 2008, and August 26, 2008, respectively. The effective maintenance interval for the Oklahoma Wind protection system relays is four (4) years and eleven (11) months. The effective maintenance interval for the Cowboy Wind protection system relays is three (3) years and six (6) months. The effective maintenance intervals for protection system relays at both facilities are within the NERC recommended maximum interval for unmonitored protection system relays (5 years); within the maximum interval NERC has established for self monitored relays; and within the interval prescribed by SPP Criteria (5 years). In SPP RE's judgment the three (3) year maintenance interval established by NextEra for its protection system relays is conservative based upon the characteristics of the microprocessor relays installed in the NextEra wind generation facilities.

⁴ NERC Reliability Standards Development Procedure at 7 (effective June 7, 2007). See also Sanction Guidelines of NERC, § 4.1.1 (referring to the definitions of violation risk factors in the Reliability Standards' development process documentation).

⁵ NERC Protection System Maintenance, A Technical Reference, Table 1 – Maximum Allowable Testing Intervals by Equipment Category, September 13, 2007.

⁶ Southwest Power Pool Criteria, Section 7.2.5, Transmission Protection System Maintenance and Testing Programs, October 30, 2007.

- c. The NERC Sanctions Guidelines stipulate that SPP RE shall review the applicability of the VRF for a violation in light of the circumstances of the violator and it is allowable for SPP RE to adjust the VRF for the violation from the VRF set through the standards development process. However, in lieu of adjusting the VRF directly SPP RE will include this consideration as an influence on its determination of the relative consequence of the violation.⁷ SPP RE has considered the circumstances of NextEra's violation of PRC-005-1 R2.1 and has determined the potential risk to the Bulk Power System is "Low".
- ii. The actual impact on the BPS caused by NextEra's violation PRC-005-1 is minimal.
 - a. NextEra's violations of PRC-005-1 R2.1 have not caused a BPS outage. There was no equipment failures related to the violations. No limiting conditions were imposed on the BPS. No personnel were put at risk of death or personal injury. No misoperations were experienced as a consequence of NextEra's violations.
- iii. NextEra has established an enterprise-wide compliance program and dedicated resources to the implementation of that program.
 - a. Generally, SPP RE finds NextEra's internal Compliance Program to be comprehensive, well organized and adequately documented. SPP RE takes note that while NextEra's internal Compliance Program presently exhibits attributes of a quality compliance program, the Program did not achieve its current status until well into SPP RE's investigation of NextEra's violation of PRC-005-1. NextEra's lack of a comprehensive internal Compliance Program, early on, is evidenced by the milestones NextEra identified in the 2007 Mitigation Plans for PRC-005-1. Therein, the milestones were, create compliance team and hire compliance manager by July 16, 2007; develop internal compliance model for plant operations and baseline procedures by August 1, 2007; develop internal map of compliance activities and responsibilities by September 1, 2007; create compliance documentation templates by October 15, 2007; and centralize all compliance related documentation by November 1, 2007. SPP RE views these milestones as indicative of NextEra's efforts to develop its enterprise-wide internal Compliance Program contemporaneously with resolution of its non-compliance with several Reliability Standards.
 - b. Today, NextEra's internal Compliance Program includes internal controls to track corrective actions and prevent repetitive violations. NextEra's

⁷ NERC Sanction Guidelines – Application Manual & User Guide Draft 3.3, § 4.2.2. May 2007.

Reliability & Compliance Group Program Control Document states that for internal corrective actions the Reliability and Compliance Group will review/approve corrective actions plans; track corrective action progress; and review/approve closure of corrective actions for internal organizations. Had these internal controls been in place during the implementation of the 2007 Mitigation Plans, the subsequent violations of PRC-005-1 would likely not have occurred.

- c. SPP RE commends NextEra for its efforts to develop an effective internal Compliance Program; however, these efforts do not exonerate NextEra of its failure to perform protective system maintenance and testing at its generation facilities. Furthermore, these efforts do not absolve NextEra of its failure to validate the completion of protective system equipment maintenance before notifying SPP RE the associated Mitigation Plans were complete. NextEra's current Compliance Program does, however, provide SPP RE reasonable assurance that repeat violations will not occur in the future.
- iv. NextEra cooperated with SPP RE in its investigation and has continued to cooperate with SPP RE through the Mitigation Plans implementation periods.
 - a. There was no attempt by NextEra to conceal information related to the violations and NextEra was responsive to SPP RE's requests for information.

22. The following aggravating circumstances were also considered:

- i. NextEra's violation of PRC-005-1 R2.1 at the Oklahoma Wind facility is a continuation of a violation that was allegedly cured by completion of a prior Mitigation Plan on December 26, 2007.
- ii. NextEra's violation of PRC-005-1 R2.1 at the Cowboy Wind facility immediately followed violation of the same standard that was reported on May 31, 2007, and was mitigated by December 26, 2007.
- iii. NextEra's self-report of the violations of PRC-005-1 R2.1 at the Oklahoma Wind and Cowboy Wind facilities were prompted by a Spot Check initiated by SPP RE to substantiate completion of the Mitigation Plans that NextEra had certified as complete on December 26, 2007.
- iv. The NextEra violations of PRC-005-1 R2.1 at the Oklahoma Wind and Cowboy Wind facilities were caused by NextEra's failure to perform protection system relay maintenance and are not considered documentation in nature.

23. 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 Agreement, shall be deemed to be either the same alleged violations that initiated this Settlement and/or additional violation(s) and may subject NextEra to new or additional enforcement, penalty or sanction actions in accordance with the NERC Rules of Procedure.
24. If NextEra does not make the monetary penalty payment above at the time agreed to by the parties, interest payable to SPP 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.
25. Subject to the limitations in Paragraphs 23, 24, and 27 of this Agreement, SPP RE shall, as of the effective date of this Agreement, release and discharge NextEra of all past claims, allegations, demands and liabilities arising under or associated with the subject alleged violations of PRC-005-1.

VI. ADDITIONAL TERMS

26. The signatories to this Agreement agree that they enter into this 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 SPP RE or NextEra, has been made to induce the signatories or any other party to enter into this Agreement.
27. NextEra consents to the use of SPP 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 SPP RE; provided, however, that NextEra 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 SPP RE, nor does NextEra consent to the use of this Agreement by any other party in any other action or proceeding.
28. SPP 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 SPP RE and NextEra 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 SPP RE will attempt to negotiate a revised settlement agreement with NextEra including any changes to the settlement specified by NERC. If a settlement cannot be reached, the enforcement process shall continue to conclusion. If NERC approves the settlement, NERC will (i) report the approved settlement to the Commission for the Commission's review and approval by order or

operation of law and (ii) publicly post the alleged violation and the terms provided for in the settlement.

29. This Agreement shall become effective upon the Commission's approval of the Agreement by order or operation of law as submitted to it or as modified in a manner acceptable to the parties.
30. NextEra agrees that this Agreement, when approved by NERC and the Commission, shall represent a final settlement of all matters set forth herein and NextEra waives its rights to further hearings and appeal, unless and only to the extent that NextEra contends that any NERC or Commission action on this Agreement contains one or more material modifications to this Agreement. SPP RE reserves all rights to initiate enforcement, penalty or sanction actions against NextEra in accordance with the NERC Rules of Procedure in the event NextEra fails to comply with this Agreement. In the event NextEra fails to comply with any of the stipulations, remedies, sanctions, or additional terms, as set forth in this Agreement, SPP RE will initiate enforcement and additional penalty, or sanction actions against NextEra to the maximum extent allowed by the NERC Rules of Procedure, up to maximum statutorily allowed penalty. NextEra shall retain all rights to defend against such enforcement actions, also according to the NERC Rules of Procedure.
31. 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 this Agreement on the entity's behalf.
32. The undersigned representative of each party affirms that he or she has read this Agreement, that all of the matters set forth in this Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands this 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's party's statements of position set forth in Section III of this Agreement.
33. This Agreement may be signed in counterparts.
34. This Agreement is executed in duplicate, each of which so executed shall be deemed to be an original.

*Remainder of page intentionally blank.
Signatures to be affixed to the following page.*

Agreed to and accepted:



Stacy Dochoda
General Manager
Southwest Power Pool Regional Entity

12-10-09

Date



Benjamin Church
Director, Reliability & Compliance
NextEra Energy Resources, LLC

12-12-09

Date

ATTACHMENT 1

Mitigation Plan

Mitigation Plan

Mitigation Plan submitted on: **Sep 22, 2008**

Mitigation Plan Completed (Yes/No):

Mitigation Plan Completed On:

Southwest Power Pool RE

Section A: Compliance Notices

- Section 6.2 of the NERC CMEP¹ sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:

- (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 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) Key implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.
- (9) Any other information deemed necessary or appropriate.
- (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self Certification or Self Reporting submittals.

- 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.

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

Southwest Power Pool RE



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- 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 in accordance with applicable Commission rules, regulations and orders.
 - 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: **FPL Energy Oklahoma Wind**

Address: **700 Universe Blvd, Juno Beach, Florida 33408, United States**

NERC Compliance Registry ID: *[If known]* **NCR01097**

B.2

Identify the individual in your organization who will serve as the Contact to 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: **Stacie Picow**

Title: **Compliance Analyst**

Email: **stacie.picow@fpl.com**

Phone: **561-304-5774**

Section C: Identity of Reliability Standard Violation associated with this Mitigation Plan

C.1

This Mitigation Plan is associated with the following violation(s) of the reliability standard listed below:

Standard Requirement: **PRC-005-1 R2**

Description: ***Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include:***

Violation Date: ***Aug 22, 2008***

C.2

Identify the cause of the violation(s) identified above:

Protection system maintenance and testing occurred outside of the stated interval in our protection system maintenance and test program. Maintenance and test activities should occur within a 36 month period. Intervals for maintenance and test activities for the Oklahoma and Cowboy wind farms were performed 9/17/03 and 2/16/05 respectively. As a result, FPLE was unable to provide SPP evidence that the Protection System devices were maintenance and tested within the program's defined interval upon SPP's request as required by PRC 005 R2

C.3

Provide any relevant information regarding the violations associated with this Mitigation Plan: *[If known]*

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

D.1

Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violation(s) identified above in Section C.1 of this form:

PRC 005-1 R2.1 will be mitigated with the following corrective actions.

1. Corrective Action #1: Perform relay calibrations as stated in the protection system maintenance and test program document and associated procedures.

2. Corrective Action #2: Update internal asset and work management database (Orion) with schedules for relay calibrations matching current protection system maintenance and testing intervals as stipulated in the program document and associated procedures.

3. Corrective Action #3: Train site personnel on NERC required activities associated with protection system maintenance and testing

Mitigation Plan Timeline and Milestones

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: ***Oct 24, 2008***

D.3

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

Milestone Activity	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
Corrective Action #1: Relay Calibrations	Aug 25, 2008	Aug 25, 2008
Corrective Action #2: Scheduling	Aug 25, 2008	Aug 25, 2008
Corrective Action #3: Training	Oct 24, 2008	

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

Additional Relevant Information (Optional)

D.4

If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

Section E: Interim and Future Reliability Risk

Abatement of Interim BPS Reliability Risk

E.1

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

As of August 25, 2008 both wind generating stations in question had completed relay calibrations in accordance with our internal procedures. Given the facts surrounding these given assets risk to the Bulk Electric System should be viewed as negligible.

Prevention of Future BPS Reliability Risk

E.2

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:

Immediate completion of the outstanding maintenance and test activities for the sites in question should bring these sites into technical compliance with the standards. Ensuring that future required work is scheduled appropriately in Orion with training for relevant personnel should create the necessary framework for maintaining compliance in the future.

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 **Director, Reliability & Compli** of **FPL Energy Oklahoma Wind**.
 - 2. I am qualified to sign this Mitigation Plan on behalf of **FPL Energy Oklahoma Wind**.
 - 3. I have read and understand **FPL Energy Oklahoma Wind**'s obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the 'North American Electric Reliability Corporation' (NERC CMEP)).
 - 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 - 5. **FPL Energy Oklahoma Wind** agrees to be bound by, and comply with, this Mitigation Plan, including the timetable completion date, as accepted by the Regional Entity and approved by NERC.

Authorized Individual Signature _____

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

Name: **Benjamin Church**

Title: **Director, Reliability & Compli**

Authorized On: **Sep 22, 2008**

Mitigation Plan

Mitigation Plan submitted on: **Sep 22, 2008**

Mitigation Plan Completed (Yes/No):

Mitigation Plan Completed On:

Southwest Power Pool RE

Section A: Compliance Notices

- Section 6.2 of the NERC CMEP¹ sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:

- (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 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) Key implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.
- (9) Any other information deemed necessary or appropriate.
- (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self Certification or Self Reporting submittals.

- 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.

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

Southwest Power Pool RE



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- 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 in accordance with applicable Commission rules, regulations and orders.
 - 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: **FPL Energy**

Address: **700 Universe Blvd, Juno Beach, Florida 33408, United States**

NERC Compliance Registry ID: *[If known]* **NCR01096**

B.2

Identify the individual in your organization who will serve as the Contact to 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: **Stacie Picow**

Title: **Compliance Analyst**

Email: **stacie.picow@fpl.com**

Phone: **561-304-5463**

Section C: Identity of Reliability Standard Violation associated with this Mitigation Plan

C.1

This Mitigation Plan is associated with the following violation(s) of the reliability standard listed below:

Standard Requirement: **PRC-005-1 R2**

Description: ***Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include:***

Violation Date: ***Aug 22, 2008***

C.2

Identify the cause of the violation(s) identified above:

Protection system maintenance and testing occurred outside of the stated interval in our protection system maintenance and test program. Maintenance and test activities should occur within a 36 month period. Intervals for maintenance and test activities for the Oklahoma and Cowboy wind farms were performed 9/17/03 and 2/16/05 respectively. As a result, FPLE was unable to provide SPP evidence that the Protection System devices were maintenance and tested within the program's defined interval upon SPP's request as required by PRC 005 R2

C.3

Provide any relevant information regarding the violations associated with this Mitigation Plan: *[If known]*

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

D.1

Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violation(s) identified above in Section C.1 of this form:

PRC 005-1 R2.1 will be mitigated with the following corrective actions.

1. Corrective Action #1: Perform relay calibrations as stated in the protection system maintenance and test program document and associated procedures.

2. Corrective Action #2: Update internal asset and work management database (Orion) with schedules for relay calibrations matching current protection system maintenance and testing intervals as stipulated in the program document and associated procedures.

3. Corrective Action #3: Train site personnel on NERC required activities associated with protection system maintenance and testing.

Mitigation Plan Timeline and Milestones

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: ***Oct 24, 2008***

D.3

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

Milestone Activity	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
Corrective Action #1: Relay Calibrations	Aug 25, 2008	Aug 25, 2008
Corrective Action #2: Scheduling	Aug 25, 2008	Aug 25, 2008
Corrective Action #3: Training	Oct 24, 2008	

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

Additional Relevant Information (Optional)

D.4

If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

Section E: Interim and Future Reliability Risk

Abatement of Interim BPS Reliability Risk

E.1

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

As of August 25, 2008 both wind generating stations in question had completed relay calibrations in accordance with our internal procedures. Given the facts surrounding these given assets risk to the Bulk Electric System should be viewed as negligible.

Prevention of Future BPS Reliability Risk

E.2

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:

Immediate completion of the outstanding maintenance and test activities for the sites in question should bring these sites into technical compliance with the standards. Ensuring that future required work is scheduled appropriately in Orion with training for relevant personnel should create the necessary framework for maintaining compliance in the future.

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 **Director, Reliability & Compli** of **FPL Energy**.
 - 2. I am qualified to sign this Mitigation Plan on behalf of **FPL Energy**.
 - 3. I have read and understand **FPL Energy's** obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the 'North American Electric Reliability Corporation' (NERC CMEP)).
 - 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 - 5. **FPL Energy** agrees to be bound by, and comply with, this Mitigation Plan, including the timetable completion date, as accepted by the Regional Entity and approved by NERC.

Authorized Individual Signature _____

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

Name: **Benjamin Church**

Title: **Director, Reliability & Compli**

Authorized On: **Sep 22, 2008**

ATTACHMENT 2

Certification of a Completed Mitigation Plan

From: Picow, Stacie [STACIE.PICOW@fpl.com]
Sent: Friday, October 24, 2008 3:03 PM
To: Shon Austin; Kevin Goolsby; Joe Gertsch
Cc: Church, Benjamin; Barrios, Mike; Kennedy, Roxane; Driebe, Gary; Arasim, Joseph F; Ron Ciesiel
Subject: Completion of Mitigation Plans: Oklahoma-Sooner and Cowboy Wind Energy Centers [Violation ID SPP200800056 and 57]

Follow Up Flag: Follow up
Flag Status: Red

Attachments: Corrective Action 3 - Training Confirmation.PDF; Wind Program Document Training.ppt

FPL Energy Cowboy Wind, LLC and FPL Energy Oklahoma Wind has completed the Mitigation Plans relating to Violation Identification Number SPP200800057 and SPP200800056. Two emails will follow this email with additional supporting evidence attached. Attached, please find the supporting evidence for Corrective Action Item #3 for the FPL Energy Cowboy Wind Farm and FPL Energy Oklahoma Sooner Wind Farm Mitigation plans (concerning PRC-005 Requirement 2). Please note this is the third email of Three.

Please let me know if you have any questions.

Thanks,

Stacie Picow
Reliability and Compliance Group
FPL Energy
700 Universe Blvd,
Juno Beach, FL 33408
561-304-5774 Office
561-324-4045 Mobile
Stacie.Picow@fpl.com

Confidentiality Notice: This email message, including any attachments, contains or may contain confidential information intended only for the addressee. If you are not an intended recipient of this message, be advised that any reading, dissemination, forwarding, printing, copying or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately by reply message and delete this email message and any attachments from your system.

ATTACHMENT 3

Mitigation Plan Completion Review

SPP RE Compliance Mitigation Review

Conducted On: **December 12, 2008**

Entity: **FPL Energy, LLC**

NERC Compliance Registry ID: **NCR021096**

NERC Violation ID # **SPP 200800056**

Review team: Alan Wahlstrom

Date Noncompliance Discovered: **08/22/2008**

Date Mitigation Plan Submitted: **9/22/2008**

Mitigation Corrective Actions

From the evidenced reviewed FPL Energy, LLC has completed Mitigation Plan SPP 200800056.

Corrective action #1: Perform relay calibrations as stated in the protection system maintenance and test program document and associated procedures.

Review of evidence: FPL Energy has completed calibration on all relays for Woodward substation before August 25th 2008. "Last Maintenance Summary Woodward 10/22/2008", "Last Maintenance Summary Woodward 10/22/2008".

Corrective action #2: Update internal asset and work management database (ORION) with schedules for relay calibrations matching current protection system maintenance and testing intervals as stipulated in the program document and associated procedures.

Review of evidence: FPL Energy, LLC has updated the ORION database to reflect test intervals and matching relay calibration schedule start times. "Last Maintenance Summary Woodward 10/22/2008"

Corrective action #3: Train site personnel on NERC required activities associated with protection system maintenance and testing.

Review of evidence: FPL Energy, LLC has trained Plant Leaders David Parr, Dustin Carlson, and Wind Tech Leader Daniel Schmidt on protection system maintenance and testing, "Training Confirmation e-mail 10/06/2008", "Wind Program Document Training".

PRC-005-01

R1. Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall have a Protection System maintenance and testing program for Protection Systems that affect the reliability of the BES. The program shall include:

R1.1. Maintenance and testing intervals and their basis.

R1.2. Summary of maintenance and testing procedures.

R2. Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include:

R2.1. Evidence Protection System devices were maintained and tested within the defined intervals.

R2.2. Date each Protection System device was last tested/maintained.

Standard Requirement	Document	Compliant	Auditor Notes Summary
PRC-005-01	Woodward County Windfarm one-line Diagram Drawing numbers		The Woodward relay test records were reviewed in conjunction with one line drawings to verify all relays associated with Woodward have been tested. The relays tested have been completed before August 25, 2008
	17810001 10/24/03		
	17810101 11/18/03		
	17810102 10/20/03		
	17810104 10/20/03		
	Last Maintenance Summary Woodward 10/22/2008		The relay maintenance schedule summary in FPL's (ORION) database was reviewed with one-line diagrams. The maintenance schedule summary shows relay testing schedule for main transformer and feeder breakers for Woodward County wind farm substation. The relay testing interval shows a three year time span. The names of individual relays are not listed in the maintenance summary report only equipment number of switchgear cubical.
	Wind Program Document Training		The Wind Program Document Training is an 8 page power point presentation which the objectives are to understand the requirements of the Program Document, review the entire program document, and know where the program document is located.
	Training Confirmation e-mails 10/06/2008		The training confirmation letter confirms David Parr (Plant Leader) Dustin Carlson (Plant Leader), and Daniel Schmidt (Wind Tech Leader) have been trained.
	FPL ORION Query for protective relays of Oklahoma Woodward Document sent 12/12/2008		This document describes relay type with equipment number.
	FPLE_Oklahoma Sooner Relay Test Records FPLE Woodward SEL-351-50-51TP Asleft FPLE Woodward SEL-351-50-51TP Asleft FPLE Woodward		All Relays tested before August 25 2008. All relays pass testing.

[illegible]

SPP RE Compliance Mitigation Review

Conducted On: **December 12, 2008**

Entity: **Southwest Power Administration**

NERC Compliance Registry ID: NCR021096

NERC Violation ID # SPP 200800057

Review team: **Alan Wahlstrom**

Date Noncompliance Discovered: 08/22/2008

Date Mitigation Plan Submitted: 9/22/2008

Mitigation Corrective Actions

From the evidenced reviewed FPL Energy, LLC has completed Mitigation Plan SPP 200800057.

Corrective action #1: Perform relay calibrations as stated in the protection system maintenance and test program document and associated procedures.

Review of evidence: FPL Energy, LLC has updated the ORION database to reflect test intervals and matching relay calibration schedule start times. "Last Maintenance Summary Cowboy10/22/2008", "Cowboy Relay test results".

Corrective action #2: Update internal asset and work management database (ORION) with schedules for relay calibrations matching current protection system maintenance and testing intervals as stipulated in the program document and associated procedures.

Review of evidence: FPL Energy, LLC has updated the ORION database to reflect test intervals and matching relay calibration schedule start times. "Last Maintenance Summary Cowboy10/22/2008".

Corrective action #3: train site personnel on NERC required activities associated with protection system maintenance and testing.

Review of evidence: FPL Energy, LLC has trained Plant Leaders David Parr, Dustin Carlson, and Wind Tech Leader Daniel Schmidt on protection system maintenance and testing, "Training Confirmation e-mail 10/06/2008", "Wind Program Document Training".

PRC-005-01

R1. Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall have a Protection System maintenance and testing program for Protection Systems that affect the reliability of the BES. The program shall include:

R1.1. Maintenance and testing intervals and their basis.

R1.2. Summary of maintenance and testing procedures.

R2. Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include:

R2.1. Evidence Protection System devices were maintained and tested within the defined intervals.

R2.2. Date each Protection System device was last tested/maintained.

Standard Requirement	Document	Compliant	Auditor Notes Summary
PRC-005-01	<p>Washita Substation one-line Diagram Drawing numbers</p> <p>19060101 8/3/04</p> <p>19060102 07/26/05</p> <p>19060103 07/26/05</p> <p>19060104 10/27/04</p>		The Washita relay test records were reviewed in conjunction with one line drawings to verify all relays associated with Washita have been tested. The relays tested have been completed on or before August 25, 2008 except for five relays that were completed August 26, 2008. All five relays completed August 26, 2008 operate on the 34.5 KV level.
	Last Maintenance Summary Cowboy 10/22/2008		The relay maintenance schedule summary in FPL's (ORION) database was reviewed with one-line diagrams. The maintenance schedule summary shows relay testing schedule for main transformer and feeder breakers for Washita substation. The relay testing interval shows a three year time span. The names of individual relays are not listed in the maintenance summary report only equipment number of switchgear cubical.
	Wind Program Document Training		The Wind Program Document Training is an 8 page power point presentation which the objectives are to understand the requirements of the Program Document, review the entire program document, and know where the program document is located.
	Training Confirmation e-mails 10/06/2008		The training confirmation letter confirms David Parr (Plant Leader) Dustin Carlson (Plant Leader), and Daniel Schmidt (Wind Tech Leader) have been trained.
	<p>Cowboy Relay test results</p> <p>SEL-351-F1 Relay test results 08/25/08</p> <p>SEL-351-F2 Relay test results 08/25/08</p> <p>SEL-351-F3 Relay test results 08/25/08</p> <p>SEL-351-F4 Relay</p>		All Relays tested before August 25 2008 except six relays which operate on the 34.5 KV system. All relays passed testing.

[illegible]

Attachment c

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

NextEra Energy Resources, LLC

Docket No. NP10-____-000

NOTICE OF FILING
April 28, 2010

Take notice that on April 28, 2010, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding NextEra Energy Resources, LLC in the Southwest Power Pool Regional Entity region.

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

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

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

Comment Date: [BLANK]

Kimberly D. Bose,
Secretary