

August 31, 2015

VIA ELECTRONIC FILING

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

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

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding Modesto Irrigation District (MID), NERC Registry ID# NCR05244,² in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations, and orders, as well as NERC's Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).³

MID is an irrigation district, publicly owned and organized, and operated under the laws of the State of California, which undertakes both electric and water operations. As to its electric operations, MID is engaged in energy production, transmission, and distribution activities in Stanislaus County and the surrounding area. MID is a fully integrated, fully resourced utility. The electric utility side of MID serves approximately 113,000 customers with a peak summer load of 697 MW. The water operations

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 (2015). *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 MID was included on the NERC Compliance Registry as a Distribution Provider (DP), Generator Owner (GO), Generator Operator, Load-Serving Entity, Reliability Planner, Transmission Owner (TO), Transmission Operator, and Transmission Planner on June 17, 2007.

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

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division serves 3,100 irrigation customers and provides 42 million gallons per day of wholesale water to the City of Modesto.

This Notice of Penalty is being filed with the Commission because the Western Electricity Coordinating Council (WECC) and MID have entered into a Settlement Agreement to resolve all outstanding issues arising from WECC’s determination and findings of the violations⁴ addressed in this Notice of Penalty. According to the Settlement Agreement, MID agrees and stipulates to the facts of the violations and has agreed to the assessed penalty of ninety thousand dollars (\$90,000), in addition to other remedies and actions to mitigate the instant violations and facilitate future compliance under the terms and conditions of the Settlement Agreement. Accordingly, the violations in this Full Notice of Penalty are being filed in accordance with the NERC Rules of Procedure and the CMEP.

Statement of Findings Underlying the Violations

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement, which is included as Attachment A. The details of the findings and basis for the penalty are set forth in the Settlement Agreement and herein. This Notice of Penalty filing contains the basis for approval of the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC BOTCC). In accordance with Section 39.7 of the Commission’s regulations, 18 C.F.R. § 39.7 (2015), NERC provides the following summary table identifying each violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

NERC Violation ID	Reliability Std.	Req.	VRF/VSL*	Applicable Function(s)	Total Penalty
WECC2012011540	PRC-005-1	R2	High/High	DP, TO, GO	\$90,000
WECC2012011542	PRC-008-0	R2	Medium/Severe	DP, TO	

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

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

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PRC-005-1 R2 (WECC2012011540)

On December 14, 2012, MID submitted a Self-Report to WECC addressing a possible noncompliance with PRC-005-1 R2. MID reported that a whistleblower identified a “significant number of relay test reports that contained test results and facts on result documents that were falsified, in error, or both.” After receiving the whistleblower report, MID management conducted an internal investigation into the report and confirmed that a significant amount of its testing evidence and records were inaccurate and consequently a significant number of its Protection System devices were beyond their maintenance and testing interval. During the internal review, MID did not find evidence that any maintenance and testing records had been falsified.

After its review, WECC determined that MID failed to provide accurate testing evidence and records for 165 of 1,304 (13%) of its total Protection System devices that were beyond their maintenance and testing interval. Specifically, 54 out of 232 (23%) relays, 32 out of 232 (14%) DC control circuitry, and 79 out of 777 (10%) instrument transformers were beyond their maintenance and testing intervals.⁵

WECC determined the duration of the violation to be from June 18, 2007, the date the Standard became mandatory and enforceable, through November 27, 2013, when MID completed its Mitigation Plan.

WECC determined that this violation posed a moderate risk to the reliability of the bulk power system (BPS), but did not pose a serious or substantial risk. MID did not have adequate controls in place to ensure it was maintaining its Protection System devices properly and it was not aware of the inadequacies until the whistleblower report in December 2012. In addition, three intertie substations (Westley 230 kV, Parker 230 kV, and Standiford 115 kV) and one generation station (120 MW) were at greater risk of a service or operation failure for approximately six years. MID does have continuous real-time monitoring and alarming on all Protection System devices. In the event there were abnormal system conditions or events, alarms would immediately sound alerting the control room operators to respond. Moreover, MID operators are NERC-certified and trained on responding to abnormal system events, including loss of Bulk Electric System (BES) equipment, loss of load, and loss of generation.

MID’s Mitigation Plan (WECCMIT008690) to address this violation was submitted to WECC on January 25, 2013 with a proposed completion date of October 30, 2013.

MID’s Mitigation Plan required MID to:

1. assign a project manager to oversee the entire Mitigation Plan process;

⁵ For further detail see the Settlement Agreement at PP 3-4.

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2. review and confirm the full inventory of BES elements for Protection System elements;
3. reconcile inventory list with old inventory list for all Protection System elements;
4. reconcile various operating bulletins to clarify requirements;
5. review the status of all maintenance and testing activities for all Protection System elements based on the revised full inventory list;
6. conduct internal review of test records and identify suspected out-of-compliance equipment;
7. evaluate and revise MID's maintenance and test procedures, including quality assurance and quality control, for better management controls;
8. confirm out-of-compliance equipment list with third-party testing agency and send list to WECC;
9. issue and implement revised transmission Protection System maintenance and testing program activities;
10. conduct relay testing for priority; and
11. train applicable MID personnel on revised maintenance and testing program activities, related testing equipment use, and compliance expectations.

MID certified on December 3, 2013 that the above Mitigation Plan requirements were completed on November 27, 2013.

On June 18, 2014, WECC verified that MID's Mitigation Plan was complete.

PRC-008-0 R2 (WECC2012011542)

On December 14, 2012, MID submitted a Self-Report to WECC addressing a possible noncompliance with PRC-008-0 R2. MID stated that under its whistleblower policy, a relay technician reported that he found test results and facts on result documents that were falsified, in error, or both. As a result, MID conducted an internal review of its Underfrequency Load Shedding (UFLS) equipment and discovered that certain UFLS devices had not been tested according to the defined intervals described in its UFLS maintenance and testing program. During the internal review, MID did not find evidence that any maintenance and testing records had been falsified.

After its review, WECC confirmed that MID failed to test 55 out of 188 (29%) of its UFLS devices according to the defined intervals described in its UFLS maintenance and testing program. Specifically, MID failed to maintain or test 21 out of 26 (81%) relays, 17 out of 58 (29%) instrument transformers,

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and 17 out of 26 (65%) DC control circuitry within the intervals defined in its UFLS maintenance and testing program.⁶

WECC determined the duration of the violation to be from June 17, 2007, the date the Standard became mandatory and enforceable, through October 24, 2013, when MID completed its Mitigation Plan.

WECC determined that this violation posed a minimal and not serious or substantial risk to the reliability of the BPS. MID incorporates continuous real-time electric system monitoring by control room operations staff. In the event of an abnormal under frequency system condition, alarms would immediately alert the control room operators of a UFLS relay's arming and tripping status. MID operators are NERC-certified and trained on responding to abnormal system events, including loss of UFLS equipment and detection and response to excessive frequency deviations.

MID's Mitigation Plan (WECCMIT008785) to address this violation was submitted to WECC on February 12, 2013 with a proposed completion date of October 30, 2013.

MID's Mitigation Plan required MID to:

1. assign a project manager to oversee the entire Mitigation Plan process;
2. review and reconcile aspects of the UFLS testing program in various operating bulletins to clarify requirements;
3. review and confirm the full inventory of UFLS elements;
4. reconcile inventory list with old inventory list for all UFLS elements;
5. identify out-of-compliance UFLS equipment;
6. evaluate and revise MID's maintenance and test procedures, including quality assurance and quality control, for better management controls;
7. confirm out-of-compliance equipment list with third-party testing agency and send list to WECC;
8. conduct relay testing for out-of-compliance relays, if applicable;
9. train applicable personnel on revised maintenance and testing programs; and
10. issue and implement revised UFLS maintenance and testing program activities, related testing equipment use, and compliance expectations.

⁶ For further detail see the Settlement Agreement at PP 17-18.

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MID certified on November 8, 2013 that the above Mitigation Plan requirements were completed on October 24, 2013.

On June 18, 2014, WECC verified that MID's Mitigation Plan was complete.

Regional Entity's Basis for Penalty

According to the Settlement Agreement, WECC has assessed a penalty of ninety thousand dollars (\$90,000) for the referenced violations. In reaching this determination, WECC considered the following factors:

1. the PRC-005-1 R2 violation constituted MID's second occurrence of noncompliance with the subject NERC Reliability Standard. WECC did not consider this prior violation as an aggravating factor in the penalty determination;⁷
2. MID had an internal compliance program (ICP) at the time of the violations, which WECC considered a mitigating factor;⁸
3. MID self-reported the violations;
4. MID was cooperative throughout the compliance enforcement process;
5. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. MID's investigation resulted in the implementation of improvements to its policies and procedures;⁹

⁷ A Settlement Agreement covering a violation of PRC-005 R2 for MID was filed with FERC under NP12-18-000 on February 29, 2012. On March 30, 2012, FERC issued an order stating it would not engage in further review of the Notice of Penalty. WECC did not consider this previous violation of PRC-005 R2 as an aggravating factor in the penalty determination because the underlying conduct was distinguishable. The first violation stemmed from MID not classifying certain, limited facilities as BES equipment. The instant violation was due to a failure to maintain accurate records.

⁸ WECC found that MID had a comprehensive, established, and documented ICP. MID has identified and assigned responsibility and accountability to a compliance officer or other high ranking official. MID's ICP requires compliance training for all staff, contractors, and vendors. MID's ICP includes procedures for disciplinary action for employees involved in violations of the Reliability Standards. The ICP includes formal, internal self-auditing for compliance with all applicable NERC Reliability Standards on an annual basis. For more detail see the Settlement Agreement at P 11 (d).

⁹ MID developed procedures to: 1) ensure MID continues to foster a culture of compliance and awareness, beginning with upper management; 2) incorporate compliance observations in its MID newsletter; 3) continually incorporate compliance topics and updates into existing safety and weekly meetings; and 4) formalize its risk assessment process to account for

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7. The violation of WECC2012011540 posed a moderate risk, and WECC2012011542 posed a minimal risk, but did not pose a serious or substantial risk to the reliability of the BPS, as discussed above; and
8. There were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

After consideration of the above factors, WECC determined that, in this instance, the penalty amount of ninety thousand dollars (\$90,000) is appropriate and bears a reasonable relation to the seriousness and duration of the violations.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed¹⁰

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines and the Commission's July 3, 2008, October 26, 2009 and August 27, 2010 Guidance Orders,¹¹ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on July 9, 2015 and approved the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violations at issue.

In reaching this determination, the NERC BOTCC considered the factors as listed above, as well as:

1. the extended duration of the PRC-005 R2 violation; and
2. the need for a whistleblower to identify the widespread flaws in MID's maintenance and testing program.

NERC Reliability Standards. See the Settlement Agreement at PP 11(c) and 23 (c) for more detailed discussions of MID's policy and procedural improvements.

¹⁰ See 18 C.F.R. § 39.7(d)(4).

¹¹ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); *North American Electric Reliability Corporation*, "Further Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009); *North American Electric Reliability Corporation*, "Notice of No Further Review and Guidance Order," 132 FERC ¶ 61,182 (2010).

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For the foregoing reasons, the NERC BOTCC approved the Settlement Agreement and believes that the assessed penalty of ninety thousand dollars (\$90,000) is appropriate for the violations and circumstances at issue, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

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

Attachments to be Included as Part of this Notice of Penalty

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

- a) Settlement Agreement by and between WECC and MID executed January 23, 2015, included as Attachment A;
- b) Record documents for the violation of PRC-005-1 R2 (WECC2012011540), included as Attachment B:
 - 1. MID's Self-Report dated December 14, 2012;
 - 2. MID's Mitigation Plan designated as WECCMIT008690 submitted January 25, 2013;
 - 3. MID's Certification of Mitigation Plan Completion dated December 3, 2013; and
 - 4. WECC's Verification of Mitigation Plan Completion dated June 18, 2014.
- c) Record documents for the violation of PRC-008-0 R2 (WECC2012011542), included as Attachment C:
 - 1. MID's Self-Report dated December 14, 2012;
 - 2. MID's Mitigation Plan designated as WECCMIT008785 submitted February 12, 2013;
 - 3. MID's Certification of Mitigation Plan Completion dated November 8, 2013; and
 - 4. WECC's Verification of Mitigation Plan Completion dated June 18, 2014.

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

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*Persons to be included on the Commission’s service list are indicated with an asterisk. NERC requests waiver of the Commission’s rules and regulations to permit the inclusion of more than two people on the service list.

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Conclusion

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

Respectfully submitted,

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cc: Modesto Irrigation District
Western Electricity Coordinating Council

Attachments

Attachment a

**Settlement Agreement by and between WECC
and MID executed January 23, 2015**

SETTLEMENT AGREEMENT
OF
WESTERN ELECTRICITY COORDINATING COUNCIL
AND
MODESTO IRRIGATION DISTRICT

Western Electricity Coordinating Council ("WECC") and Modesto Irrigation District ("MID") (collectively the "Parties") hereby enter into this Settlement Agreement ("Agreement") on this 23rd day of January, 2015.

RECITALS

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

Standard Requirement	NERC Violation ID	WECC Violation ID
PRC-005-1 R2	WECC2012011540	WECC2012-612505
PRC-008-0 R2	WECC2012011542	WECC2012-612507

B. MID is an irrigation district, publicly owned, organized and operated under the laws of the State of California, which undertakes both electric and water operations. As to its electric operations, MID is engaged in energy production, transmission, and distribution activities in Stanislaus County, California, and the surrounding area. MID's principal offices are located at 1231 Eleventh Street, Modesto, California. MID is a fully integrated, fully resourced utility. The electric utility side of MID serves approximately 113,000 customers with a peak summer load of 697 MW (2006). The water operations division serves 3,100 irrigation customers, and provides 42 million gallons per day of wholesale treated water to the City of Modesto.

C. MID registered on the NERC Compliance Registry on June 17, 2007 as a Distribution Provider, Generator Operator, Generator Owner, Load-Serving Entity, Purchasing-Selling Entity, Resource Planner, Transmission Operator, Transmission Owner, and Transmission Planner. As a Distribution Provider, Transmission Owner, and Generator Owner, MID was required to demonstrate compliance with PRC-005-1 R2 and PRC-008-0 R2 beginning on June 18, 2007.

D. WECC was formed on April 18, 2002 by the merger of the Western Systems Coordinating Council, Southwest Regional Transmission Association, and Western Regional Transmission Association. WECC is one of eight Regional Entities in the United States responsible for coordinating and promoting electric system reliability and

enforcing the mandatory Reliability Standards created by NERC under the authority granted in Section 215 of the Federal Power Act. In addition, WECC supports efficient competitive power markets, assures open and non-discriminatory transmission access among members, provides a forum for resolving transmission access disputes, and provides an environment for coordinating the operating and planning activities of its members. WECC's region encompasses a vast area of nearly 1.8 million square miles extending from Canada to Mexico and including 14 western states. It is the largest and most diverse of the eight Regional Entities in the United States.

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

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

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

I. Stipulated Violation Facts

A. NERC Reliability Standard PRC-005-1, Requirement 2

NERC VIOLATION ID: WECC2012011540

WECC VIOLATION ID: WECC2012-612505

1. NERC Reliability Standard PRC-005-1 Requirement 2 states:

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.*

VIOLATION FACTS

2. On December 14, 2012, MID submitted a Self-Report to WECC addressing possible noncompliance with PRC-005-1 R2. Specifically, MID reported that a whistleblower identified “significant number of relay test reports that contained test results and facts on result documents (e.g. device, location, date) that were falsified, in error, or both.” After receiving the whistleblower report, MID management conducted an internal investigation into the report and confirmed that a significant amount of its testing evidence and records were inaccurate and consequently a significant number of its protection system devices were beyond their maintenance and testing interval. However, during the internal review, MID did not find evidence that any maintenance and testing records had been falsified.

3. On April 23, 2013, a WECC Subject Matter Expert (SME) reviewed MID’s Self-Report and issued a data request to MID requesting additional information in order to make an accurate determination of the scope and severity of the possible violation. On July 15, 2013, as supplemented on September 20, 2013, MID submitted to WECC its response to the data request, which included its device inventory list and testing status as of June 10, 2013. Based on a review of this information, the SME determined that MID’s testing documentation was inaccurate or the devices were beyond their maintenance and testing interval for 54 out of 232 relays, 32 out of 232 DC control circuitry, and 79 out of 777 instrument transformers. As a result, the SME determined MID was in possible violation of PRC-005-1 R2, specifically R2.1 and forwarded its findings to Enforcement.

4. Enforcement reviewed the Self-Report and the SME’s findings. Because MID was not able to verify if maintenance and testing was performed on the devices in question, Enforcement determined that MID was in violation of PRC-005-1 R2.1. Specifically, MID could not demonstrate that 23% of its relays, 14% of its DC control circuitry and 10% of its instrument transformers were maintained and tested within the intervals defined in its maintenance and testing program. Enforcement has further determined that MID was in violation of PRC-005-1 R2.1 from June 18, 2007, when MID was required to demonstrate compliance with the standard, until December 3, 2013 when MID verified completion of their mitigation plan.

5. This is MID’s second violation of PRC-005-1 R2.1. Enforcement first determined MID violated the Standard from March 10, 2009, through April 6, 2011 (WECC201102390). In the prior instance, MID failed to maintain and test three relays within their defined interval. In the second violation described above, MID failed to ensure that its testing evidence was accurate and consequently, it did not test and maintain 13% of its total protection system devices (relays, DC control circuitry, instrument transformers) within their defined intervals.



MITIGATION PLAN DETAILS

6. On January 25, 2013, MID submitted a Mitigation Plan to WECC with a proposed completion date of October 30, 2013. The Mitigation Plan required MID to 1) Assign a Project Manager to oversee the entire process; 2) Review and confirm the full inventory of BES elements for all Protection System elements; 3) Reconcile inventory list with old inventory list for all Protection System elements; 4) Reconcile Generation, T&D, and Telecom Operating Bulletins to clarify requirements including OB 9, OB 49, and OB 5; 5) Review the status of all maintenance and testing activities for all Protection System elements based on the revised full inventory list; 6) Conduct internal review of test records and identify suspect out of compliance equipment; 7) Evaluate and revise MID's maintenance and testing procedures including QA/QC for better management controls; 8) Confirm out of compliance equipment list with third party testing agency and send list to WECC; 9) Issue and implement revised transmission protection system maintenance and testing program activities; 10) Conduct relay testing for priority; and 11) Train applicable MID personnel on revised maintenance and testing program activities, related testing equipment use, and compliance expectations. On September 23, 2013, WECC reviewed and accepted the MID's Mitigation Plan.

7. Thus, MID was alleged to be in violation of PRC-005-1 R2.1 from June 18, 2007, when MID was required to demonstrate compliance with the standard, until December 3, 2013 when MID verified completion of their mitigation plan.

RELIABILITY IMPACT STATEMENT

8. MID failed to provide evidence that protection system devices were maintained and tested within defined intervals. Although MID could not demonstrate that 54 out of 232 relays (23%), 32 out of 232 DC control circuitry (14%), and 79 out of 777 instrument transformers (10%) were maintained and tested within their defined intervals, MID has twenty-four hours a day, seven days a week real-time monitoring and alarming on all Bulk Electric System (BES) Circuits. In the event that there was an abnormal system condition or event, alarms would immediately sound alerting the control room operators to respond. Moreover, MID's operators are NERC certified and trained on responding to abnormal system events, including loss of BES equipment, loss of load, and loss of generation.

9. Despite these protections, MID's failure to adequately maintain and test 165 out of 1304 (13%) protection system devices within defined intervals stems from inaccurate or misplaced records. Because MID did not have adequate controls in place to ensure it was maintaining its system properly, it was not aware records were inaccurate until the December 2012 whistleblower report. This failure put three intertie substations (Westley 230 kV, Parker 230 kV, and Standiford 115 kV) and one generation station (120 MW) at greater potential risk of a service or operation failure for approximately six years, though during this time, equipment operated properly when system conditions required, and

[REDACTED]

subsequent re-testing during MID's Mitigation Plan determined all equipment was calibrated and working properly. For these reasons, WECC determined this violation posed moderate risk to the reliability of the BES.

PENALTY CONSIDERATIONS

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

The violation duration is as described above.

In considering the penalty assessed herein, Enforcement considered the underlying cause of the violation. Specifically, WECC determined MID's failure to adequately maintain and test 165 protection system devices within defined intervals stems from inaccurate or misplaced maintenance and testing documentation and records. Specifically, a significant number of relay test reports contained test results and facts on protection system elements that were in error. Because MID did not have adequate controls in place to ensure it was reviewing and maintaining its system documentation properly, it was not aware records were inaccurate or misplaced.

MITIGATING FACTORS

11. Enforcement applied mitigating factors for the following reasons:

- a. MID "Self-Reported" this violation.
- b. MID took voluntary corrective action to remediate this violation.
- c. Specifically, MID's aggressive investigation resulted in the implementation of the following improvements to its policies and procedures:
 - i. MID improved its department relay test documentation procedures to include a peer review.
 - ii. MID's tests reports are required to be filled out completely including the Substation name, relay type, serial number, circuit breaker association and name of person conducting the test. Pencil corrections or erasure after final approval are not acceptable.
 - iii. Only generic templates identified in the manufacturer's test equipment should be used to configure a test for a relay.
 - iv. All NERC/BES related test reports are to be checked to verify acceptable tests have been performed. Where relay tests have failed or are in question, new tests are to be made.
 - v. MID implemented improved coordination between the responsible employees and the electrical engineer assigned to support

[REDACTED]

transmission protection. For example, when questionable test results are obtained, the electrical engineer will be consulted for approval.

- vi. All relays are to be established, set up and tracked in Cascade, a maintenance management software product especially designed for electric utilities.
 - vii. MID established work controls by the responsible supervisor to ensure work is done correctly. For example, directly assigned work procedures and responsibilities are not to be delegated to subordinates.
 - viii. MID implemented a new policy that all records must be audited by a third party annually.
- d. WECC reviewed MID's Internal Compliance Program ("ICP"). WECC found that: MID has a comprehensive, established, and documented program; MID has identified and assigned responsibility and accountability to a Compliance Officer or other high ranking official; MID has dedicated adequate resources to support its ICP; MID's ICP requires compliance training for all staff, contractors, and vendors; MID has distributed the ICP to all employees and, if applicable, contractors and vendors; MID's ICP includes procedures for disciplinary action for employees involved in violations of the Reliability Standards; MID's ICP includes formal, internal self-auditing for compliance with all applicable NERC Reliability Standards on an annual basis; MID's ICP includes specific procedures to promote prompt detection and self-reporting of possible violations to WECC; MID's ICP includes a process to prevent recurrence of NERC Reliability Standard Violations; and, MID participates in outreach compliance program activities.

AGGRAVATING FACTORS

12. Enforcement applied an aggravating factor for the following reason:

13. This is MID's second violation of PRC-005-1 R2.1. Enforcement first determined MID violated the Standard from March 10, 2009, through April 6, 2011 (WECC201102390). In the prior instance, MID failed to maintain and test three relays within their defined interval, due to a BES classification issue. In the second violation described above, MID failed to ensure that its testing evidence was accurate and consequently, it did not test and maintain 13% of its total protection system devices (relays, DC control circuitry, instrument transformers) within their defined intervals. Enforcement determined that the first violation is distinct from the second violation as the second violation stems from inaccurate records, and the first violation stems from MID not classifying certain, limited facilities as BES. Furthermore, the present violation is concurrent to the prior violation, for these reasons, Enforcement determined aggravation not warranted.



14. Enforcement determined there were no other aggravating factors warranting a penalty higher than the proposed penalty. MID was cooperative throughout the process. MID did not fail to complete any applicable compliance directives. There was no evidence that MID's violation was intentional.



B. NERC Reliability Standard PRC-008-0, Requirement 2

NERC VIOLATION ID: WECC2012011542

WECC VIOLATION ID: WECC2012-612507

15. NERC Reliability Standard PRC-008-1 Requirement 2 states:

The Transmission Owner and Distribution Provider with a UFLS program (as required by its Regional Reliability Organization) shall implement its UFLS equipment maintenance and testing program and shall provide UFLS maintenance and testing program results to its Regional Reliability Organization and NERC on request (within 30 calendar days).

VIOLATION FACTS

16. On December 14, 2012, MID submitted a Self-Report to WECC addressing possible noncompliance with PRC-008-0 R2. MID reported that under its whistleblower policy a Relay Technician reported that he found test results and facts on result documents (e.g. device, location, date) that were falsified, in error, or both. As a result, MID conducted an internal review of its Under Frequency Load Shedding (UFLS) equipment and discovered that certain UFLS devices had not been tested according to the defined intervals described in its UFLS maintenance and testing program. However, during the internal review, MID did not find evidence that any maintenance and testing records had been falsified.

17. On April 23, 2013, a WECC SME reviewed MID's Self-Report and issued a data request to MID requesting additional information in order to make an accurate determination of the scope and severity of the possible violation. On July 15, 2013, as supplemented on September 20, 2013, MID submitted to WECC its response to the data request, which included MID's device inventory list and testing status as of June 10, 2013. Based on a review of this information, the SME determined that MID's testing documentation was inaccurate or the devices were beyond their maintenance and testing interval for 21 out of 26 relays, 17 out of 58 instrument transformers, and 17 out of 26 DC control circuitry. As a result, the SME determined MID was in possible violation of PRC-008-0 R2 and forwarded its findings to Enforcement.

18. Enforcement reviewed the Self-Report and the SME's findings. Because MID was not able to verify if maintenance and testing was performed on the UFLS devices in question, Enforcement determined that MID was in violation of PRC-008-0 R2. Specifically, MID could not demonstrate that 81% of its relays, 29% of its instrument transformers and 65% of its DC circuitry were maintained and tested within the intervals defined in its UFLS maintenance and testing program. Enforcement has further determined that MID was in violation of PRC-008-0 R2 from June 18, 2007, when MID was required to demonstrate compliance with the standard, until November 8, 2013 when MID verified completion of their Mitigation Plan.



MITIGATION PLAN DETAILS

19. On February 12, 2013, MID submitted a Mitigation Plan to WECC with a proposed completion date of October 30, 2013. The Mitigation Plan required MID to 1) Assign a Project Manager to oversee entire process; 2) Review and confirm the full inventory of UFLS elements; 3) Reconcile inventory list with old inventory list for all UFLS elements; 4) Identify out of compliance UFLS equipment; 5) Evaluate and revise MID's maintenance and testing procedures including QA/QC for better management controls; 6) Confirm out of compliance equipment list with third party testing agency and send list to WECC; 7) Issue and implement revised UFLS maintenance and testing program activities; 8) Train applicable MID personnel on revised maintenance and testing program activities, related testing equipment use, and compliance expectations. On September 23, 2013, WECC reviewed and accepted the MID's Mitigation Plan.

RELIABILITY IMPACT STATEMENT

20. MID failed to provide evidence that UFLS equipment was maintained and tested within defined intervals. MID's failure to adequately maintain and test 55 out of 188 (29%) UFLS system devices within defined intervals stems from inaccurate records. Because MID did not have adequate controls in place to ensure it was reviewing and maintaining its system documentation properly, it was not aware records were inaccurate until the December 2012 whistleblower report. This failure put MID potentially in the position of not providing an adequate load relief contribution as part of its participation in the WECC Southern Island Coordinated UFLS Tripping Plan for approximately six years

Although MID could not demonstrate that 21 out of 26 relays (81%), 17 out of 58 instrument transformers (29%), and 17 out of 26 DC circuits (65%) were maintained and tested within their defined intervals, each UFLS device impacts only a small amount of overall system load, and it is anticipated to operate only in the rare occurrence of severe under frequency conditions. MID incorporates twenty-four hours a day, seven days a week real-time electric system monitoring by control room operations staff. In the event that there was an abnormal under frequency system condition, alarms would immediately alert the control room operators of a UFLS relay's arming and tripping status. Moreover, MID's operators are NERC certified and trained on responding to abnormal system events, including loss of UFLS equipment and detection and response to excessive frequency deviations.

21. For these reasons, WECC determined this violation posed minimal risk to the reliability of the BES.



PENALTY CONSIDERATIONS

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

In considering the penalty assessed herein, Enforcement considered the underlying cause of the violation. Specifically, WECC determined MID’s failure to adequately maintain and test 55 UFLS system devices within defined intervals stems from inaccurate or misplaced maintenance and testing documentation and records. Specifically, a significant number of relay test reports contained test results and facts on UFLS system elements that were in error. Because MID did not have adequate controls in place to ensure it was reviewing and maintaining its system documentation properly, it was not aware records were inaccurate or misplaced

The violation duration is as described above.

MITIGATING FACTORS

23. Enforcement applied mitigating factors for the following reasons:

- a. MID “Self-Reported” this violation.
- b. MID took voluntary corrective action to remediate this violation.
- c. Specifically, MID’s aggressive investigation resulted in the implementation of the following improvements to its policies and procedures:
 - i. MID improved its department relay test documentation procedures to include a peer review.
 - ii. MID’s tests reports are required to be filled out completely including the Substation name, relay type, serial number, circuit breaker association and name of person conducting the test. Pencil corrections or erasure after final approval are not acceptable.
 - iii. Only generic templates identified in the manufacturer’s test equipment should be used to configure a test for a relay.
 - iv. All NERC/BES related test reports are to be checked to verify acceptable tests have been performed. Where relay tests have failed or are in question, new tests are to be made.
 - v. MID implemented improved coordination between the responsible employees and the electrical engineer assigned to support transmission protection. For example, when questionable test results are obtained, the electrical engineer will be consulted for approval.

- 
- vi. All relays are to be established, set up and tracked in Cascade, a maintenance management software product especially designed for electric utilities.
 - vii. MID established work controls by the responsible supervisor to ensure work is done correctly. For example, directly assigned work procedures and responsibilities are not to be delegated to subordinates.
 - viii. MID implemented a new policy that all records must be audited by a third party annually.
- d. WECC reviewed MID's Internal Compliance Program ("ICP"). WECC found that: MID has a comprehensive, established, and documented program; MID has identified and assigned responsibility and accountability to a Compliance Officer or other high ranking official; MID has dedicated adequate resources to support its ICP; MID's ICP requires compliance training for all staff, contractors, and vendors; MID has distributed the ICP to all employees and, if applicable, contractors and vendors; MID's ICP includes procedures for disciplinary action for employees involved in violations of the Reliability Standards; MID's ICP includes formal, internal self-auditing for compliance with all applicable NERC Reliability Standards on an annual basis; MID's ICP includes specific procedures to promote prompt detection and self-reporting of possible violations to WECC; MID's ICP includes a process to prevent recurrence of NERC Reliability Standard Violations; and, MID participates in outreach compliance program activities.

AGGRAVATING FACTORS

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

II. Settlement Terms

A. **Payment.** To settle this matter, MID hereby agrees to pay \$90,000 to WECC via wire transfer or cashier's check. MID shall make the funds payable to a WECC account identified in a Notice of Payment Due that WECC will send to MID upon approval of this Agreement by NERC and the Federal Energy Regulatory Commission ("FERC"). MID shall issue the payment to WECC no later than thirty days after receipt of the Notice of Payment Due. If this payment is not timely received, WECC shall assess, and MID agrees to pay, an interest

[REDACTED]

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

B. Additional Terms. In addition to the monetary penalty described above, MID has submitted to WECC on October 15, 2014, via the WECC Compliance Enhanced File Transfer Server ("EFT Server") a narrative describing how MID implemented or plans to implement the following additional terms of settlement:

- C. MID has developed procedures to:
- a. Ensure MID continues to foster a Culture of Compliance and Awareness beginning with upper management.
 - b. Incorporate compliance observations in MID newsletter.
 - c. Continually incorporate compliance topics and updates into existing safety and weekly meetings.
 - d. Formalize risk assessment process with NERC Reliability Standards.

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

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

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

[REDACTED]

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

III. Additional Terms

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

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

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

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

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

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

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



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

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

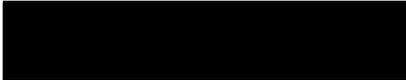
J. Successors and Assigns. The Agreement shall be binding on successors or assigns of the Parties.

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

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

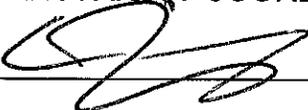
M. Counterparts and Facsimiles. The Agreement may be executed in counterparts, in which case each of the counterparts shall be deemed to be an original. Also, the Agreement may be executed via facsimile, in which case a facsimile shall be deemed to be an original.

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



Agreed to and accepted:

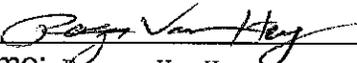
WESTERN ELECTRICITY COORDINATING COUNCIL



Chris Luras
Director of Compliance Risk Analysis
& Enforcement

11/23/15
Date

MODESTO IRRIGATION DISTRICT



Name: Roger VanHoy
Title: General Manager

11/15/15
Date

Attachment b

**Record documents for the violation of
PRC-005-1 R2 (WECC2012011540)**

**b-1. MID's Source Document dated
December 14, 2012;**

**b-2. MID's Mitigation Plan designated as
WECCMIT008690 submitted January 25,
2013;**

**b-3. MID's Certification of Mitigation Plan
Completion dated December 3, 2013;**

**b-4. WECC's Verification of Mitigation
Plan Completion dated June 18, 2014.**

Self Report - 2012

Entity Name: Modesto Irrigation District

Address: 1231 Eleventh Street
Modesto CA 95354

NERC Registry ID: NCR05244

Standard Requirement: PRC-005-1a 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 30calendar days). The documentation of the program implementation shall include:

Date of Alleged Violation: June 18, 2007

Date Submitted: December 14, 2012

Self Report Status: Self Report has been submitted

Description and Cause: violation of maintenance and testing requirement on 230 KV and 115 KV relays. See attached adobe pdf for complete details.

Potential Impact to the Bulk Power System: Minimal. See attached report for details

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	DOCS_n321826_v1_relay_violaton_self_report_121312.pdf	violation report	27,294
Entity	orgchart[1].pdf	MID org chart	212,649

Mitigation Plan

Registered Entity: Modesto Irrigation District

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC2012011540	PRC-005-1 R2	null	1

Mitigation Plan Submitted On: January 25, 2013

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: October 30, 2013

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by MID On:

Mitigation Plan Completion Verified by WECC On:

Mitigation Plan Completed? (Yes/No): No

Section A: Compliance Notices

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

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

Section B: Registered Entity Information

B.1 Identify your organization:

Entity Name: Modesto Irrigation District
NERC Compliance Registry ID: NCR05244
Address: 1231 Eleventh Street
Modesto CA 95354

B.2 Identify the individual in your organization who will serve as the Contact to the Regional Entity regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Regional Entity regarding this Mitigation Plan:

Name: Edward J. O'Brien
Title: Sr. Engineer, Reliability Compliance Coordinator
Email: edo@mid.org
Phone: 209-526-7513

Section C: Identification of Reliability Standard Violation(s) Associated with this Mitigation Plan

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

Violation ID	Date of Violation	Requirement
Requirement Description		
WECC2012011540	06/18/2007	PRC-005-1 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 30calendar days). The documentation of the program implementation shall include:		

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

MID Relay Technicians, under MID's Whistleblower Policy, informed MID Management of inadequate relay test documentation, invalid test results and possible falsification of records regarding the MID bulk relay assets. An internal investigation found that some of these claims appeared to be valid.

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

As part of the internal investigation described above and in preparation for MID's annual Self Certification submittal, MID conducted a thorough review of its Protection System Maintenance and Testing Program documents and maintenance and testing records. MID contracted with a qualified NERC compliance consultant to assist with the review.

Based on the above, MID submitted a Self Report to WECC. MID is in the process of developing a full list of BES protective devices that are out of compliance. MID will provide the full list as soon as it is available, but no later than April 18, 2013.

Section D: Details of Proposed Mitigation Plan

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violation(s) identified above in Section C.1 of this form:
1. Assign Project Manager to oversee entire process.
 2. Review and confirm the full inventory of BES elements for all 5 Protection System elements.
 3. Reconcile revised full inventory list with old inventory list for all 5 Protection System elements.
 4. Reconcile Generation, T&D, and Telecom Operating Bulletins to clarify requirements including OB 9, OB 49, and OB 5.
 5. Review the status of all maintenance and testing activities for all 5 Protection System elements based on the revised full inventory list.
 6. Conduct internal review of Test Records and identify suspect Out of Compliance Equipment.
 7. Evaluate and revise maintenance and testing process and testing procedures including QA/QC for better management controls. Revised process shall include separate, periodic compliance reviews.
 8. Confirm Out of Compliance Equipment list with third party testing agency and send list to WECC.
 9. Issue and implement revised transmission protection system maintenance and testing program activities.
 - 10A. Conduct relay testing for priority, confirmed Out of Compliance relays and equipment (i.e., at Westley Switchyard). Third party testing agency to assist as needed.
 - 10B. Conduct relay testing for the balance of confirmed Out of Compliance relays and equipment within the MID BES system. Third party testing to assist as needed.
 11. Train applicable MID personnel on revised maintenance and testing program activities, related testing equipment use, and compliance expectations.
 12. Mitigation Plan (Tasks 1 through 11) Completed.
- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the violations associated with this Mitigation Plan are corrected:

Proposed Completion date of Mitigation Plan: October 30, 2013

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

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
#1 Assign Project Manager	Assign Project Manager	01/22/2013	01/22/2013
#2 Review/Confirm Full Inventory of BES Elements for all 5 PSEs	Review/Confirm Full Inventory of BES Elements for all 5 PSEs	02/08/2013	
#3 Reconcile revised Inventory w/Old Inventory for all 5 PSEs	Reconcile revised Inventory w/Old Inventory for all 5 PSEs	02/15/2013	
#4 Reconcile OB 9, OB 49, OB 5 to Clarify Requirements	Reconcile OB 9, OB 49, OB 5 to Clarify Requirements	03/01/2013	
#5 Review Status of M&T Activities for all 5 PSEs based on revised Full	Review Status of M&T Activities for all 5 PSEs based on revised Full Inventory	03/17/2013	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
Inventory			
#6 Conduct Internal Review of Test Records & Identify Suspect OOC Equipment	Conduct Internal Review of Test Records & Identify Suspect OOC Equipment	03/31/2013	
#7 Evaluate and revise M&T Process & Procedures incl QA/QC	Evaluate and revise M&T Process & Procedures incl QA/QC	04/15/2013	
#8 Confirm OOC Equipment List w/3rd Party Testing Agency & Send List to WECC	Confirm OOC Equipment List w/3rd Party Testing Agency & Send List to WECC	04/18/2013	
#9 Issue & Implement Revised Transmission Protection System M&T Programs	Issue & Implement revised Transmission Protection System M&T Programs	06/15/2013	
#10A Conduct Relay Testing for Priority, Confirmed OOC Relays and Equipment (Westley). Utilize 3rd Party as Needed.	Conduct Relay Testing for Priority, Confirmed OOC Relays and Equipment (Westley). Utilize 3rd Party as Needed.	07/30/2013	
#10B Conduct Relay Testing for balance of BES relays and equipment confirmed to be OOC (Utilize 3rd Party as needed)	Conduct Relay Testing on balance for BES relays and equipment confirmed OOC. Utilize 3rd Party as needed.	10/30/2013	
#11 Train MID Personnel on revised M&T Programs & Compliance Expectations	Train MID Personnel on revised M&T Programs & Compliance Expectations	10/30/2013	

D.4 Additional Relevant Information (Optional)

Please see attached GANTT chart/spreadsheet for additional project timing information.

Section E: Interim and Future Reliability Risk

E.1 Abatement of Interim BPS Reliability Risk

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

MID has not identified any additional risks to the BES while this Mitigation Plan is being implemented.

Westley Switchyard is the main MID station where a relay misoperation could affect the BES. Westley Switchyard was expanded and rebuilt in the 2007 and 2008 time period. During the major expansion all equipment, including protection systems, were tested as part of the switchyard commissioning. In addition since commissioning there have been numerous relay operations on the transmission lines connected to Westley Switchyard. There have been no Protection System misoperations associated with these relay operations. Consequently, there should be no additional risks to the BES while the testing is on-going. In addition, testing at the Westley Switchyard is a prioritized activity in this Mitigation Plan, as reflected in task 10A, Section D.1, referenced above.

E.2 Prevention of Future BPS Reliability Risk

Describe how successful completion of the Mitigation Plan as laid out in Section D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

At the completion of the Mitigation Plan MID will have full assurance and records to show that all Protection System maintenance and testing has been brought up to date. MID will have completed necessary revisions to its maintenance and testing process, with controls and periodic compliance reviews, which will be issued and implemented. MID will have trained applicable MID personnel on the revised maintenance and testing processes. With these measures in place, MID will have full assurance and records that MID's maintenance and testing are valid, accurate, and on schedule

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:

MID will be implementing revised processes and controls to ensure all maintenance and testing is completed on schedule and all maintenance and testing records are reviewed for accuracy and completeness. MID will have a 3rd party consultant perform a check on the revised processes and controls and report to management one year after the completion of the mitigation plan.

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

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

Authorized Individual

Name: Greg Salyer

Title: Interim Assistant General Manager, Electric Resources

Authorized On: January 24, 2013

Certification of Mitigation Plan Completion

Submittal of a Certification of Mitigation Plan Completion shall include data or information sufficient for the Regional Entity to verify completion of the Mitigation Plan. The Regional Entity may request additional data or information and conduct follow-up assessments, on-site or other Spot Checking, or Compliance Audits as it deems necessary to verify that all required actions in the Mitigation Plan have been completed and the Registered Entity is in compliance with the subject Reliability Standard. (CMEP Section 6.6)

Registered Entity Name: Modesto Irrigation District

NERC Registry ID: NCR05244

NERC Violation ID(s): WECC2012011540

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

Scheduled Completion as per Accepted Mitigation Plan: November 30, 2013

Date Mitigation Plan completed: November 27, 2013

WECC Notified of Completion on Date: December 03, 2013

Entity Comment: All testing and related documentation has been completed pursuant to this Mitigation Plan for PRC-005 R2. Attachment G Supplement has been uploaded to Web CDMS, ID # 232488.

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	MID_PRC-005_Mitigation_Plan_Gantt_Chart.xls	MID GANTT chart describing activities in conjunction with Mitigation Plan for PRC-005 R2 compliance.	72,704
Entity	MID MP Extnsn Rqst to WECC, PRC-005 R2 (22 Oct 2013).pdf	Request for Extension of Mitigation Plan and final milestone from 10-30-2013 to 11-30-2013.	1,614,257
Entity	DOCS_n340980_v1_PRC005_ATTACHMENT_G_-_11-27-13_SUBMITTAL.xlsx	Attachment G Supplement file reflecting completion of all testing for BES relays and related protection equipment covered by this mitigation plan pursuant to PRC-005 R2.	170,514

I certify that the Mitigation Plan for the above named violation(s) has been completed on the date shown above and that all submitted information is complete and correct to the best of my knowledge.

Name: Greg Salyer

Title: Interim Assistant General Manager, Electric Resources

Email: gregs@mid.org

Phone: (209) 526-7550

Authorized Signature _____ Date _____

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

E-Mail Notification Detail

From: noreply@oati.net
Sent: 06/18/2014 09:42:49
To: gregs@mid.org;nick.braden@mid.org;renee.knarreborg@mid.org
Subject: WECC Notice - Completed Mitigation Plan Acceptance - PRC-005-1 R2 - Modesto Irrigation District

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

NERC Registration ID: NCR05244
NERC Violation ID: WECC2012011540
Standard/Requirement: PRC-005-1 R2
Subject: Completed Mitigation Plan Acceptance

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Modesto Irrigation District on 12/03/2013 for the violation of PRC-005-1 R2. After a thorough review, WECC has accepted the Certification of Mitigation Plan Completion.

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

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

CONFIDENTIAL INFORMATION: This email and any attachment(s) contain confidential and/or proprietary information of Open Access Technology International, Inc. Do not copy or distribute without the prior written consent of OATI. If you are not a named recipient to the message, please notify the sender immediately and do not retain the message in any form, printed or electronic.

[OATI Information - Email Template: MitPlan_Completed]

Attachment c

Record documents for the violation of PRC-008-0 R2 (WECC2012011542)

**c-1. MID's Source Document dated
December 14, 2012;**

**c-2. MID's Mitigation Plan designated as
WECCMIT008785 submitted February 12,
2013;**

**c-3. MID's Certification of Mitigation Plan
Completion dated November 8, 2013;**

**c-4. WECC's Verification of Mitigation Plan
Completion dated June 18, 2014.**

Self Report - 2012

Entity Name: Modesto Irrigation District

Address: 1231 Eleventh Street
Modesto CA 95354

NERC Registry ID: NCR05244

Standard Requirement: PRC-008-0 R2

The Transmission Owner and Distribution Provider with a UFLS program (as required by its Regional Reliability Organization) shall implement its UFLS equipment maintenance and testing program and shall provide UFLS maintenance and testing program results to its Regional Reliability Organization and NERC on request (within 30 calendar days).

Date of Alleged Violation: June 18, 2007

Date Submitted: December 14, 2012

Self Report Status: Self Report has been submitted

Description and Cause: Possible violation of maintenance and testing program requirements on underfrequency relays. Cause is conflict and omissions in the MID operating bulletin constituting the MID relay test program and lack of execution of maintenance and testing within prescribed intervals. See attached adobe .pdf file for complete description. One file is a complete violation report and the second file is a related MID organization chart.

Potential Impact to the Bulk Power System: Minimal. Please see attached adobe .pdf for further information on this statement.

Mitigation Plan

Registered Entity: Modesto Irrigation District

Mit Plan Code	NERC Violation ID	Requirement	Violation Validated On	Mit Plan Version
	WECC2012011542	PRC-008-0 R2	null	1

Mitigation Plan Submitted On: February 12, 2013

Mitigation Plan Accepted On:

Mitigation Plan Proposed Completion Date: October 30, 2013

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by MID On:

Mitigation Plan Completion Verified by WECC On:

Mitigation Plan Completed? (Yes/No): No

Section A: Compliance Notices

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

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

Section B: Registered Entity Information

B.1 Identify your organization:

Entity Name: Modesto Irrigation District
NERC Compliance Registry ID: NCR05244
Address: 1231 Eleventh Street
Modesto CA 95354

B.2 Identify the individual in your organization who will serve as the Contact to the Regional Entity regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Regional Entity regarding this Mitigation Plan:

Name: Edward J. O'Brien
Title: Sr. Engineer, Reliability Compliance Coordinator
Email: edo@mid.org
Phone: 209-526-7513

Section C: Identification of Reliability Standard Violation(s) Associated with this Mitigation Plan

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

Violation ID	Date of Violation	Requirement
Requirement Description		
WECC2012011542	06/18/2007	PRC-008-0 R2
The Transmission Owner and Distribution Provider with a UFLS program (as required by its Regional Reliability Organization) shall implement its UFLS equipment maintenance and testing program and shall provide UFLS maintenance and testing program results to its Regional Reliability Organization and NERC on request (within 30 calendar days).		

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

As part of an internal investigation regarding the MID bulk relay assets, and in preparation for MID's annual Self Certification submittal, MID conducted a thorough review of its Protection System Maintenance and Testing Program documents and maintenance and testing records. MID contracted with a qualified NERC compliance consultant to assist with the review.

Based on the above, MID submitted a Self Report to WECC. MID is in the process of developing a full list of UFLS protective devices that are out of compliance. MID will provide the full list as soon as it is available, but no later than April 18, 2013.

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

Due to the uncertainty of MID records, MID is being pro-active in identifying any potential violations. This Mitigation Plan will be worked concurrently with the Mitigation Plan submitted for PRC-005 R.2.

Section D: Details of Proposed Mitigation Plan

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

The Mitigation Plan includes the following tasks:

1. Assign Project Manager to oversee entire process
2. Reconcile OB 9 and OB 49
3. Review and confirm the full inventory of UFLS elements as identified in OB-52
4. Review the status of all maintenance and testing activities for UFLS elements based on the inventory list
5. Identify Out of Compliance UFLS Equipment
6. Evaluate and revise maintenance and testing process and testing procedures including QA/QC for better management controls. Revised process shall include separate, periodic compliance reviews.
7. Send Out of Compliance UFLS Equipment list to WECC.
8. Issue and implement revised UFLS protection system maintenance and testing programs
9. Conduct relay testing for Out of Compliance Relays. Third party testing agency to assist as needed.
10. Train applicable MID personnel on revised maintenance and testing programs, related testing equipment use, and compliance expectations.

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

Proposed Completion date of Mitigation Plan: October 30, 2013

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

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
1. Assign Project Manager to oversee entire process	Assign Project Manager to oversee entire process	01/22/2013	01/22/2013
2. Reconcile OB 9 and OB 49	Review and reconcile aspects of UFLS testing program detailed in Operating Bulletins #9 and #49.	03/01/2013	
3. Review and confirm the full inventory of UFLS elements as identified in OB-52	Review and confirm the full inventory of UFLS elements as identified in OB-52.	03/17/2013	
4. Review the status of all maintenance and testing activities for UFLS elements based on the inventory list	Review the status of all maintenance and testing activities for UFLS elements based on the inventory list.	03/31/2013	
5. Identify Out of Compliance UFLS Equipment	Identify Out of Compliance UFLS Equipment.	04/15/2013	
6. Evaluate and revise maintenance and testing process and testing procedures	Evaluate and revise maintenance and testing process and testing procedures including QA/QC for better	04/15/2013	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	management controls. Revised process shall include separate, periodic compliance reviews		
7. Send Out of Compliance list to WECC	Send list of Out of Compliance UFLS equipment to WECC.	04/18/2013	
8. Issue and implement revised UFLS protection system maintenance and testing programs	Issue and implement revised UFLS protection system maintenance and testing programs.	06/15/2013	
9. Conduct relay testing for Out of Compliance Relays	Conduct relay testing for Out of Compliance Relays. Third party testing agency to assist as needed.	07/30/2013	
10. Train applicable MID personnel on revised maintenance and testing programs	Train applicable MID personnel on revised maintenance and testing programs, including related testing equipment use, and compliance expectations.	10/30/2013	

D.4 Additional Relevant Information (Optional)

Please see the attached spreadsheet/GANTT chart file for additional details regarding Mitigation Plan Tasks.

Section E: Interim and Future Reliability Risk

E.1 Abatement of Interim BPS Reliability Risk

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

MID has not identified any additional risks to the BES while this Mitigation Plan is being implemented.

The UFLS devices are installed on our distribution feeders at 12kV, 17kV, and 21kV. We have not had operations of our UFLS systems in the past since there have not been any triggering events on the Northern California grid. We have also not had a misoperation of our UFLS system. These potential violations do not put the BES at risk because the UFLS system is able to shed about 30% of our peak load of 650MW, which is only 195MW of load shedding. If there was a major underfrequency event on the grid, and all of MID's UFLS relays did not operate, not shedding 195MW of load would not, in itself, put the BES at risk.

E.2 Prevention of Future BPS Reliability Risk

Describe how successful completion of the Mitigation Plan as laid out in Section D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

At the completion of the Mitigation Plan MID will have full assurance and records to show that all UFLS Protection System maintenance and testing has been brought up to date. MID will have completed necessary revisions to its maintenance and testing process, with controls and periodic compliance reviews, which will be issued and implemented. MID will have trained applicable MID personnel on the revised maintenance and testing programs. With these measures in place, MID will have full assurance and records that MID's maintenance and testing are valid, accurate, and on schedule.

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:

MID will be implementing revised processes and controls to ensure all maintenance and testing is completed on schedule and all maintenance and testing records are reviewed for accuracy and completeness. MID will have a 3rd party consultant perform a check on the new processes and controls and report to management one year after the completion of the mitigation plan.

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

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

Authorized Individual

Name: Gregory Salyer

Title: Interim Assistant General Manager, Electric Resources

Authorized On: February 11, 2013

Certification of Mitigation Plan Completion

Submittal of a Certification of Mitigation Plan Completion shall include data or information sufficient for the Regional Entity to verify completion of the Mitigation Plan. The Regional Entity may request additional data or information and conduct follow-up assessments, on-site or other Spot Checking, or Compliance Audits as it deems necessary to verify that all required actions in the Mitigation Plan have been completed and the Registered Entity is in compliance with the subject Reliability Standard. (CMEP Section 6.6)

Registered Entity Name: Modesto Irrigation District

NERC Registry ID: NCR05244

NERC Violation ID(s): WECC2012011542

Mitigated Standard Requirement(s): PRC-008-0 R2,

Scheduled Completion as per Accepted Mitigation Plan: October 30, 2013

Date Mitigation Plan completed: October 24, 2013

WECC Notified of Completion on Date: November 08, 2013

Entity Comment: The PRC-008 R2 Mitigation Plan was completed on 10/24/2013. All re-testing and associated training and process improvements have been completed

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	DOCS_n324398_v1A_PRC-008_Mitigation_Plan_Gantt_Chart(1A).xls		70,144
Entity	DOCS_n338696_v2_PRC_008_ATTACHMENT_G_11-01-13_SUBMITTAL.XLSX	Attachment G Supplement document showing documentation regarding testing completed for relays and associated protection system components pursuant to PRC-008 R2 Mitigation Plan.	57,052

I certify that the Mitigation Plan for the above named violation(s) has been completed on the date shown above and that all submitted information is complete and correct to the best of my knowledge.

Name: Gregory Salyer

Title: Assistant General Manager, Electric Resources

Email: gregs@mid.org

Phone: (209) 526-7550

Authorized Signature _____ Date _____

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

Section A: Compliance Notices

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

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

Section B: Registered Entity Information

B.1 Identify your organization:

Entity Name: Modesto Irrigation District
NERC Compliance Registry ID: NCR05244
Address: 1231 Eleventh Street
Modesto CA 95354

B.2 Identify the individual in your organization who will serve as the Contact to the Regional Entity regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Regional Entity regarding this Mitigation Plan:

Name: Edward J. O'Brien
Title: Sr. Engineer, Reliability Compliance Coordinator
Email: edo@mid.org
Phone: 209-526-7513

Section C: Identification of Reliability Standard Violation(s) Associated with this Mitigation Plan

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

Violation ID	Date of Violation	Requirement
Requirement Description		
WECC2012011542	06/18/2007	PRC-008-0 R2
The Transmission Owner and Distribution Provider with a UFLS program (as required by its Regional Reliability Organization) shall implement its UFLS equipment maintenance and testing program and shall provide UFLS maintenance and testing program results to its Regional Reliability Organization and NERC on request (within 30 calendar days).		

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

As part of an internal investigation regarding the MID bulk relay assets, and in preparation for MID's annual Self Certification submittal, MID conducted a thorough review of its Protection System Maintenance and Testing Program documents and maintenance and testing records. MID contracted with a qualified NERC compliance consultant to assist with the review.

Based on the above, MID submitted a Self Report to WECC. MID is in the process of developing a full list of UFLS protective devices that are out of compliance. MID will provide the full list as soon as it is available, but no later than April 18, 2013.

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

Due to the uncertainty of MID records, MID is being pro-active in identifying any potential violations. This Mitigation Plan will be worked concurrently with the Mitigation Plan submitted for PRC-005 R.2.

Section D: Details of Proposed Mitigation Plan

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

The Mitigation Plan includes the following tasks:

1. Assign Project Manager to oversee entire process
2. Reconcile OB 9 and OB 49
3. Review and confirm the full inventory of UFLS elements as identified in OB-52
4. Review the status of all maintenance and testing activities for UFLS elements based on the inventory list
5. Identify Out of Compliance UFLS Equipment
6. Evaluate and revise maintenance and testing process and testing procedures including QA/QC for better management controls. Revised process shall include separate, periodic compliance reviews.
7. Send Out of Compliance UFLS Equipment list to WECC.
8. Issue and implement revised UFLS protection system maintenance and testing programs
9. Conduct relay testing for Out of Compliance Relays. Third party testing agency to assist as needed.
10. Train applicable MID personnel on revised maintenance and testing programs, related testing equipment use, and compliance expectations.

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

Proposed Completion date of Mitigation Plan: October 30, 2013

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

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
1. Assign Project Manager to oversee entire process	Assign Project Manager to oversee entire process	01/22/2013	01/22/2013
2. Reconcile OB 9 and OB 49	Review and reconcile aspects of UFLS testing program detailed in Operating Bulletins #9 and #49.	03/01/2013	
3. Review and confirm the full inventory of UFLS elements as identified in OB-52	Review and confirm the full inventory of UFLS elements as identified in OB-52.	03/17/2013	
4. Review the status of all maintenance and testing activities for UFLS elements based on the inventory list	Review the status of all maintenance and testing activities for UFLS elements based on the inventory list.	03/31/2013	
5. Identify Out of Compliance UFLS Equipment	Identify Out of Compliance UFLS Equipment.	04/15/2013	
6. Evaluate and revise maintenance and testing process and testing procedures	Evaluate and revise maintenance and testing process and testing procedures including QA/QC for better	04/15/2013	

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
	management controls. Revised process shall include separate, periodic compliance reviews		
7. Send Out of Compliance list to WECC	Send list of Out of Compliance UFLS equipment to WECC.	04/18/2013	
8. Issue and implement revised UFLS protection system maintenance and testing programs	Issue and implement revised UFLS protection system maintenance and testing programs.	06/15/2013	
9. Conduct relay testing for Out of Compliance Relays	Conduct relay testing for Out of Compliance Relays. Third party testing agency to assist as needed.	07/30/2013	
10. Train applicable MID personnel on revised maintenance and testing programs	Train applicable MID personnel on revised maintenance and testing programs, including related testing equipment use, and compliance expectations.	10/30/2013	

D.4 Additional Relevant Information (Optional)

Please see the attached spreadsheet/GANTT chart file for additional details regarding Mitigation Plan Tasks.

Section E: Interim and Future Reliability Risk

E.1 Abatement of Interim BPS Reliability Risk

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

MID has not identified any additional risks to the BES while this Mitigation Plan is being implemented.

The UFLS devices are installed on our distribution feeders at 12kV, 17kV, and 21kV. We have not had operations of our UFLS systems in the past since there have not been any triggering events on the Northern California grid. We have also not had a misoperation of our UFLS system. These potential violations do not put the BES at risk because the UFLS system is able to shed about 30% of our peak load of 650MW, which is only 195MW of load shedding. If there was a major underfrequency event on the grid, and all of MID's UFLS relays did not operate, not shedding 195MW of load would not, in itself, put the BES at risk.

E.2 Prevention of Future BPS Reliability Risk

Describe how successful completion of the Mitigation Plan as laid out in Section D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

At the completion of the Mitigation Plan MID will have full assurance and records to show that all UFLS Protection System maintenance and testing has been brought up to date. MID will have completed necessary revisions to its maintenance and testing process, with controls and periodic compliance reviews, which will be issued and implemented. MID will have trained applicable MID personnel on the revised maintenance and testing programs. With these measures in place, MID will have full assurance and records that MID's maintenance and testing are valid, accurate, and on schedule.

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:

MID will be implementing revised processes and controls to ensure all maintenance and testing is completed on schedule and all maintenance and testing records are reviewed for accuracy and completeness. MID will have a 3rd party consultant perform a check on the new processes and controls and report to management one year after the completion of the mitigation plan.

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

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

Authorized Individual

Name: Gregory Salyer

Title: Interim Assistant General Manager, Electric Resources

Authorized On: February 11, 2013

E-Mail Notification Detail

From: noreply@oati.net
Sent: 06/18/2014 09:44:34
To: gregs@mid.org;nick.braden@mid.org;renee.knarreborg@mid.org
Subject: WECC Notice - Completed Mitigation Plan Acceptance - PRC-008-0 R2 - Modesto Irrigation District

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

NERC Registration ID: NCR05244
NERC Violation ID: WECC2012011542
Standard/Requirement: PRC-008-0 R2
Subject: Completed Mitigation Plan Acceptance

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Modesto Irrigation District on 11/08/2013 for the violation of PRC-008-0 R2. After a thorough review, WECC has accepted the Certification of Mitigation Plan Completion.

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

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

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[OATI Information - Email Template: MitPlan_Completed]