



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

March 31, 2010

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

**Re: NERC Notice of Penalty regarding Modesto Irrigation District
FERC Docket No. NP10-_-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 Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).³

As discussed more fully herein, MID has self-reported to the Western Electricity Coordinating Council (WECC) eleven potential alleged violations.⁴ In addition, during an on-site Compliance Audit conducted by WECC from April 21, 2008 through April 25, 2008 (the "Audit"), WECC determined that MID had an additional thirteen⁵ alleged violations as shown on the following chart:

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 (2008); *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); 18 C.F.R. § 39.7(c)(2).

² Western Electricity Coordinating Council (WECC) confirmed that MID was included on the NERC Compliance Registry on June 17, 2007 as a Transmission Operator, Transmission Planner, Transmission Owner, Generator Owner, Generator Operator, Distribution Provider, Load Serving Entity, Purchasing-Selling Entity, and Resource Planner. As a Transmission Operator, MID was subject to NERC Reliability Standards EOP-001-0, EOP-005-1, EOP-008-0, PER-002-0, TOP-002-2 and CIP-001-1. As a Generator Operator, MID was subject to NERC Reliability Standards TOP-002-2 and CIP-001-1. As a Load Serving Entity, MID was subject to NERC Reliability Standards TOP-002-2 and CIP-001-1. As a Transmission Planner, MID was subject to NERC Reliability Standards TPL-001-0, TPL-002-0, TPL-003-0 and TPL-004-0. As a Transmission Owner, MID was subject to NERC Reliability Standards FAC-001-0 and FAC-008-1. As a Generator Owner, MID was subject to NERC Reliability Standards FAC-008-1.

³ *See*, 18 C.F.R. § 39.7(c)(2).

⁴ EOP-008-0 R1, PER-002-0 R2, R3, R4, TOP-002-2 R18, CIP-001-1 R1, R2, R3, and FAC-001-0 R1, R2 and R3.

⁵ EOP-001-0 R5, EOP-005-1 R1, TPL-001-0 R1, R2, R3, TPL-002-0 R1, R2, R3, TPL-003-0 R1, R2, R3 and TPL-004-0 R1 and R2.

Reliability Standard	Req.	Alleged Violation(s) Start Date	Audit or Self-Report
EOP-001-0	5	June 18, 2007	Audit
EOP-005-1	1	June 18, 2007	Audit
EOP-008-0	1.1, 1.3, 1.5, 1.6, 1.7, ⁶ 1.8	June 18, 2007 ⁷	Self-Report
PER-002-0	2	June 18, 2007	Self-Report
PER-002-0	3	June 18, 2007	Self-Report
PER-002-0	4	June 18, 2007	Self-Report
TOP-002-2	18	June 18, 2007	Self-Report
TPL-001-0	1	June 18, 2007	Audit
TPL-001-0	2	June 18, 2007	Audit
TPL-001-0	3	June 18, 2007	Audit
TPL-002-0	1	June 18, 2007	Audit
TPL-002-0	2	June 18, 2007	Audit
TPL-002-0	3	June 18, 2007	Audit
TPL-003-0	1	June 18, 2007	Audit
TPL-003-0	2	June 18, 2007	Audit
TPL-003-0	3	June 18, 2007	Audit
TPL-004-0	1	June 18, 2007	Audit
TPL-004-0	2	June 18, 2007	Audit
CIP-001-1	1	June 18, 2007	Self-Report
CIP-001-1	2	June 18, 2007	Self-Report
CIP-001-1	3	June 18, 2007	Self-Report
FAC-001-0	1	June 18, 2007	Self-Report
FAC-001-0	2	June 18, 2007	Self-Report
FAC-001-0	3	June 18, 2007	Self-Report

This Notice of Penalty is being filed with the Commission because, based on information from WECC, WECC and MID have entered into a Settlement Agreement to resolve all outstanding issues arising from a preliminary and non-public assessment resulting in WECC's determination and findings of the enforceable alleged violations of Reliability Standards noted in the above table. According to the Settlement Agreement, MID neither admits nor denies the alleged violations but has agreed to sanctioning assessed to MID, 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 following alleged violations identified as WECC200800799, WECC200800800, WECC200700544, WECC200810368, WECC200810369, WECC200810370, WECC200800707, WECC200800801, WECC200800802, WECC200800803, WECC200800804, WECC200800805, WECC200800806, WECC200800807, WECC200800808, WECC200800809, WECC200800810, WECC200800811, WECC200800568, WECC200800569, WECC200800570,

⁶ During the Audit, MID was also determined to be non-compliant with R1.7.

⁷ The Settlement Agreement incorrectly states that the alleged violation began on November 13, 2007.

WECC200810363, WECC200810364 and WECC200810365 are being filed in accordance with the NERC Rules of Procedure and the CMEP.

Statement of Findings Underlying the Alleged Violations

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement executed on February 19, 2010 by and between WECC and MID which is included as Attachment c.⁸ The details of the findings and basis for the sanctioning are set forth herein and in the Settlement Agreement. 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 (2007), NERC provides the following summary table identifying each alleged violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Total Penalty (\$)
WECC	Modesto Irrigation District	NOC-251	WECC200800799	EOP-001-0	5	Medium	\$0
WECC	Modesto Irrigation District	NOC-251	WECC200800800	EOP-005-1	1	Medium	
WECC	Modesto Irrigation District	NOC-251	WECC200700544	EOP-008-0	1 ⁹	High	
WECC	Modesto Irrigation District	NOC-251	WECC200810368	PER-002-0	2	High	
WECC	Modesto Irrigation District	NOC-251	WECC200810369	PER-002-0	3	High ¹⁰	
WECC	Modesto Irrigation District	NOC-251	WECC200810370	PER-002-0	4	High	
WECC	Modesto Irrigation District	NOC-251	WECC200800707	TOP-002-2	18	Medium	
WECC	Modesto Irrigation District	NOC-251	WECC200800801	TPL-001-0 ¹¹	1	High ¹²	

⁸ This Settlement Agreement supersedes and replaces in its entirety the Settlement Agreement previously entered into by and between WECC and MID on May 18, 2009.

⁹ EOP-008-0 R1 has a "High" Violation Risk Factor (VRF) and its sub-requirements, except R1.4, each have "Medium" VRFs; R1.4 has a "High" VRF. When NERC filed VRF it originally assigned EOP-008-0 R1 and R1.4 Medium VRFs. The Commission approved the VRFs but directed NERC to submit modifications. NERC submitted the modified High VRFs and on February 6, 2008, the Commission approved the modified High VRFs. Therefore, the Medium VRFs for EOP-008-0 R1 and R1.4 were in effect from June 18, 2007 until February 6, 2008 when the High VRFs became effective.

¹⁰ PER-002-0 R3 has a "High" VRF; R3.1 and R3.2 each have a "Medium" VRF; R3.3 and R3.4 each have a "Lower" VRF.

¹¹ NERC filed an errata of TPL-001-0 (TPL-001-0.1) on February 6, 2009. On May 13, 2009, the Commission approved the errata version of the standard. Reliability Standard TPL-001-0 was in effect from June 18, 2007 through May 13, 2009, when TPL-001-0.1 was approved. Therefore the applicable NERC Reliability Standard in effect at the time of the alleged violation duration is TPL-001-0. The errata does not change the meaning or language of the NERC Reliability Standard and its requirements.

¹² TPL-001-0.1 R1 has a "High" VRF and its sub-requirements, R1.1-R1.4, each have a "Medium" VRF.

WECC	Modesto Irrigation District	NOC-251	WECC200800802	TPL-001-0	2	Medium ¹³
WECC	Modesto Irrigation District	NOC-251	WECC200800803	TPL-001-0	3	Lower
WECC	Modesto Irrigation District	NOC-251	WECC200800804	TPL-002-0	1	High ¹⁴
WECC	Modesto Irrigation District	NOC-251	WECC200800805	TPL-002-0	2	Medium
WECC	Modesto Irrigation District	NOC-251	WECC200800806	TPL-002-0	3	Lower
WECC	Modesto Irrigation District	NOC-251	WECC200800807	TPL-003-0	1	High ¹⁵
WECC	Modesto Irrigation District	NOC-251	WECC200800808	TPL-003-0	2	Medium ¹⁶
WECC	Modesto Irrigation District	NOC-251	WECC200800809	TPL-003-0	3	Lower
WECC	Modesto Irrigation District	NOC-251	WECC200800810	TPL-004-0	1	Medium
WECC	Modesto Irrigation District	NOC-251	WECC200800811	TPL-004-0	2	Lower
WECC	Modesto Irrigation District	NOC-251	WECC200800568	CIP-001-1	1	Medium
WECC	Modesto Irrigation District	NOC-251	WECC200800569	CIP-001-1	2	Medium
WECC	Modesto Irrigation District	NOC-251	WECC200800570	CIP-001-1	3	Medium
WECC	Modesto Irrigation District	NOC-251	WECC200810363	FAC-001-0	1	Medium
WECC	Modesto Irrigation District	NOC-251	WECC200810364	FAC-001-0	2	Medium
WECC	Modesto Irrigation District	NOC-251	WECC200810365	FAC-001-0	3	Medium

EOP-001-0

The purpose of Reliability Standard EOP-001-0 is to ensure that each Transmission Operator and Balancing Authority develops, maintains, and implements a set of plans to mitigate operating emergencies. These plans are to be coordinated with other Transmission Operators and Balancing Authorities, and the Reliability Coordinator.

¹³ TPL-001-0 R2 and all of its sub-requirements are assigned “Medium” VRFs, except R2.2 which is assigned a “Lower” VRF.

¹⁴ When NERC filed VRFs, it originally assigned TPL-002-0 R1 a Medium VRF. The Commission approved the VRF but directed NERC to submit modifications. NERC submitted the modified High VRF and on August 9, 2007, the Commission approved the modified High VRF. Therefore, the Medium VRF for TPL-002-0 R1 was in effect from June 18, 2007 until August 9, 2007, when the High VRF became effective. TPL-002-0 R1 is assigned a “High” VRF and its sub-requirements have “Medium” VRFs.

¹⁵ TPL-003-0 R1 has a “High” VRF and its sub-requirements, R1.1-R1.5, each have a “Medium” VRF.

¹⁶ When NERC filed VRFs, it originally assigned TPL-003-0 R2.2 a Lower VRF. The Commission approved the VRF but directed NERC to submit modifications. NERC submitted the modified Medium VRF and on August 9, 2007, the Commission approved the modified Medium VRF. Therefore, the Lower VRF for TPL-003-0 R2.2 was in effect from June 18, 2007 until August 9, 2007, when the Medium VRF became effective.

EOP-001-0 R5

EOP-001-0 R5 requires that each Transmission Operator, such as MID, include the applicable elements in Attachment 1-EOP-001-0 when developing an emergency plan.

EOP-001-0 R5 has a “Medium” Violation Risk Factor (VRF).

During the Audit, the Audit Team determined that MID had a possible violation of this Standard because MID's Emergency Plan, *Operating Bulletin 10 Capacity and Energy Load Reduction Plan* and *Operating Bulletin 1 System Emergency Operating Orders and Restoration Plan*, did not contain four of the fifteen required elements. The four missing elements were: (1) an adequate fuel supply and inventory plan that recognizes reasonable delays or problems in the delivery or production of fuel, (2) fuel switching plans for units for which fuel supply shortages may occur, (3) plans to seek removal of environmental constraints for generating units and plants and (4) the operation of all generating sources to optimize their availability. The Audit team also interviewed the Operations Manager who acknowledged that all items required were not included in the Emergency Plan Documents. The Operations Manager provided as evidence for the second missing element a document indicating that fuel switching capability existed for the McClure and Woodland Generating Facilities. However, this document was not incorporated into the approved and implemented Emergency Plan.

WECC Enforcement Staff (Enforcement) reviewed the audit findings and confirmed that MID had an alleged violation of EOP-001-0 R5 because MID did not include the missing elements in its Emergency Plan documents.

WECC determined that MID had an alleged violation of EOP-001-0 R5 because it did not directly address four of the fifteen elements of Attachment 1 and purportedly had not considered three of the fifteen applicable Attachment 1 elements when drafting its emergency plan documents. However, the lack of these elements in MID's emergency plan did not pose a serious or substantial risk to the reliability of the BPS because MID's emergency plans did include its operating bulletins (*OB10 Capacity and Energy Load Reduction Plan* and *OB1 System Emergency Operating Orders and Restoration Plan*), which addressed operating emergencies. Additionally, MID provided a copy of a fuel switching capability memo that addressed its capability to mitigate an operating emergency.

Enforcement determined the duration of this alleged violation was from June 18, 2007, when the Standard became enforceable, through September 17, 2008, when the Mitigation Plan was completed.

EOP-005-1

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

EOP-005-1 R1

EOP-005-1 R1 requires each Transmission Operator, such as MID, to have a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or

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

EOP-005-0 R1 has a “Medium” VRF.

During the Audit, the Audit Team determined that MID had a possible violation of this Standard because MID's Restoration Plan did not contain procedures for the loss of vital telecommunication channels. The Audit Team reviewed all of the documents provided by MID to demonstrate compliance with this Standard and was unable to locate procedures for loss of vital telecommunication channels. One of the documents reviewed at the audit, *Operations Bulletin No. 40*, addressed the loss of data communications; however, none of the documents contained procedures or guidance for loss of vital telecommunications, specifically the loss of voice communications. MID has redundant voice communications channels but the use of alternate communications capability is not addressed in any procedure.

Enforcement reviewed the audit findings and confirmed that MID had an alleged violation of EOP-005-0 R1 because MID's restoration plan did not contain procedures for the loss of vital telecommunication channels.

WECC determined that MID had an alleged violation of EOP-005-0 R1 to have a restoration plan in the event of the loss of vital telecommunications channels, but this violation did not pose a serious or substantial risk to the reliability of the BPS. Although MID did not address the loss of the voice component of the vital telecommunications channels, its plan did address the data component of such a loss. In addition, MID had a backup system for its voice component of its vital telecommunications. Therefore, this would have allowed its operating staff to be able to respond to a loss of its primary voice telecommunications.

Enforcement determined the duration for this alleged violation to be from June 18, 2007, when the Standard became enforceable, through September 24, 2008,¹⁷ when the Mitigation Plan was completed.

EOP-008-0

The purpose of Reliability Standard EOP-008-0 is to ensure that each reliability entity has a plan to continue reliability operations in the event its control center becomes inoperable.

EOP-008-0 R1

EOP-008-0 R1 requires each Transmission Operator, such as MID, to have a plan to continue reliability operations in the event its control center becomes inoperable. The contingency plan must meet the following requirements:

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

¹⁷ The Settlement Agreement incorrectly states that the violation ended on September 4, 2008. The Certification of Completion incorrectly states that the violation was mitigated on September 23, 2008.

- R1.3 The contingency plan must address monitoring and control of critical transmission facilities, generation control, voltage control, time and frequency control, control of critical substation devices, and logging of significant power system events. The plan shall list the critical facilities.
- R1.5 The plan shall include procedures and responsibilities for conducting periodic tests, at least annually, to ensure viability of the plan.
- R1.6 The plan shall include procedures and responsibilities for providing annual training to ensure that operating personnel are able to implement the contingency plans.
- R1.7 The plan shall be reviewed and updated annually.
- R1.8 Interim provisions must be included if it is expected to take more than one hour to implement the contingency plan for loss of primary control facility.

EOP-008-0 R1 has a “High” VRF, but R1.1, 1.3, 1.5, 1.6, 1.8 and 1.7 each have a “Medium” VRF.

MID self-reported the alleged violations of EOP-008-0 R1, specifically R1.1, 1.3, 1.5, 1.6 and 1.8, on December 21, 2007, because it did not have a back up source of data and voice communication separate from the primary control center as required in R1.1, and was further non-compliant with the requirements listed in R1.3, R1.5, R1.6 and R1.8. In addition, during the Audit, the Audit team found MID non-compliant with R1.7 of the Reliability Standard because its contingency plan had not been updated since May 1, 2003.

Enforcement reviewed the Self-Report and the Audit findings and confirmed that MID was non-compliant with EOP-008-0 R1 because it did not have a back-up source of data and voice communication separate from the primary control center and its contingency plan was out of date. In the event of the loss of the primary control center functionality, including the loss of the Supervisory Control and Data Acquisition (SCADA) and data system at the primary facility, MID would have no remote ability to monitor and operate the system. All monitoring and operations would have to be performed manually by field employees.

WECC determined that MID had an alleged violation of sub-requirement R1.7 of EOP-008-0 R1 because MID did not annually update its contingency plan to continue reliable operations. The lack of annual review documentation for the contingency plan, however, did not pose a serious or substantial risk to the reliability of the BPS. First, MID is a Transmission Operator whose system entirely exists within the footprint of a single Balancing Authority. This Balancing Authority also has the capability to monitor MID’s system, thus mitigating the impact to the BPS in the event MID’s control center becomes inoperable. Second, MID has an approved procedure for its contingency for the loss of control center function. Thus, although MID did not provide evidence that its procedure received an annual review, its procedure was available for operating personnel to ensure continued reliable operations in the event the control center became inoperable.

Enforcement determined the duration for the alleged violations of EOP-008-0 R1.1, R1.3, R1.5, R1.6 and R1.8 to be from June 18, 2007, when the violation became enforceable, through June 12, 2009, when the Mitigation Plan was completed and the duration for the alleged violation of

EOP-008-0 R1.7 to be from June 18, 2007, when the standard became enforceable, through July 18, 2008 when the construction of the new permanent facility was complete.¹⁸

PER-002-0

The purpose of Reliability Standard PER-002-0 is to require each Transmission Operator to provide their personnel with a coordinated training program that will ensure reliable system operation.

PER-002-0 R2

PER-002-0 R2 requires each Transmission Operator, such as MID, to have a training program for all operating personnel that are in:

- R2.1. Positions that have the primary responsibility, either directly or through communications with others, for the real-time operation of the interconnected bulk power system (BPS).
- R2.2. Positions directly responsible for complying with NERC Standards.

PER-002-0 R2 has a “High” VRF.

PER-002-0 R3

PER-002-0 R3 requires that, for personnel identified in R2, the Transmission Operator, such as MID, shall provide a training program meeting the following criteria:

- R3.1. A set of training program objectives must be defined, based on NERC and Regional Entity standards, entity operating procedures, and applicable regulatory requirements. These objectives shall reference the knowledge and competencies needed to apply those standards, procedures, and requirements to normal, emergency, and restoration conditions for the Transmission Operator and Balancing Authority operating positions.
- R3.2. The training program must include a plan for the initial and continuing training of Transmission Operator and Balancing Authority operating personnel. That plan shall address knowledge and competencies required for reliable system operations.
- R3.3. The training program must include training time for all Transmission Operator and Balancing Authority operating personnel to ensure their operating proficiency.
- R3.4. Training staff must be identified, and the staff must be competent in both knowledge of system operations and instructional capabilities.

PER-002-0 R3 has a “High” VRF, but R3.1 and R3.2 each have a “Medium” VRF and R3.3 and R3.4 each have a “Lower” VRF.

¹⁸ The Settlement Agreement incorrectly states the alleged violation of EOP-008-0 R1 began on November 13, 2007. EOP-008-0 R1.7 was complete on July 18, 2008, consistent with the Settlement Agreement, which also says “on March 13, 2009, MID submitted another update stating that construction on the new permanent facility was 75% complete and would be functional by June 15, 2009.” For Requirements 1.1, 1.3, 1.5, 1.6 and 1.8, on June 15, 2009 MID submitted a Certification of MP Completion certifying completion on June 12, 2009.

PER-002-0 R4

PER-002-0 R4 requires that, for personnel identified in R2, each Transmission Operator, such as MID, shall provide its operating personnel at least five days per year of training and drills using realistic simulations of system emergencies, in addition to other training required to maintain qualified operating personnel.

PER-002-0 R4 has a “High” VRF.

On June 14, 2007, MID submitted a Self-Report and Mitigation Plan for alleged violations of PER-002-0 R2, R3 and R4. WECC determined that these violations warranted sanctioning because the Mitigation Plan was not completed by the approved completion date. MID was deemed non-compliant because its training program lacked specificity with respect to the training of operating personnel. In addition, MID had no approved, formal training program for continuing training; including an annual minimum number of training hours, updates on NERC Standards, or simulator training.

Enforcement reviewed the Self-Report and confirmed that MID had alleged violations of PER-002-0 R2, R3 and R4 because the documented training program did not comply with the requirements of the Standard.

WECC determined that MID’s alleged violation of PER-002-0 R2, R3 and R4 did not pose a serious or substantial risk to the reliability of the BPS because MID has an apprenticeship training program for certain personnel, although it lacked continuing education for operations personnel and clear training objectives.

Enforcement determined the duration for these alleged violations to be from June 18, 2007, when the Standard became enforceable, to September 12, 2008, when the Mitigation Plan was completed.¹⁹

TOP-002-2

The purpose of Reliability Standard TOP-002-2 is to require current operations plans and procedures because they are essential to being prepared for reliable operations, including response for unplanned events.

TOP-002-2 R18

TOP-002-2 R18 requires neighboring Transmission Operators, Generator Operators Transmission Service Providers and Load Serving Entities, such as MID, to use uniform line identifiers when referring to transmission facilities of an interconnected network.

TOP-002-2 R18 has a “Medium” VRF.

MID discovered an alleged violation of TOP-002-2 R18 during a self-evaluation and, on April 9, 2008, submitted a Self-Report along with a completed Mitigation Plan. The Settlement

¹⁹ The Settlement Agreement incorrectly states the alleged violations of PER-002-0 R2, R3 and R4 ended on September 15, 2008.

Agreement states that MID believed it was in violation with the Standard because it had not provided neighboring Balancing Authorities, Transmission Operators, and Transmission Service Providers a list of uniform line identifiers.

Enforcement reviewed the Self-Report and confirmed that MID had an alleged violation because it had not provided neighboring Balancing Authorities, Transmission Operators, and Transmission Service Providers a list of uniform line identifiers.

WECC determined that MID's alleged violation of TOP-002-2 R18 posed a moderate risk to the reliability of the BPS because MID failed to provide its neighboring Balancing Authorities, Transmission Operators, and Transmission Service Providers with a list of uniform line identifiers, which is essential for responding to unplanned events. WECC determined that the violation did not constitute a serious or substantial risk to the bulk power system because of MID's size and location inside the footprint of a single Balancing Authority.

Enforcement determined the duration for TOP-002-2 R18 to be from June 18, 2007, when the Standard became enforceable, through April 9, 2008, when the Mitigation Plan was completed.

TPL-001-0

The purpose of Reliability Standard TPL-001-0 is to ensure that system simulations and associated assessments are conducted periodically to ensure that reliable systems are developed that meet specified performance requirements with sufficient lead time, and continue to be modified or upgraded as necessary to meet present and future system needs. This addresses system performance under normal (no contingency) conditions or Category A.

TPL-001-0 R1

TPL-001-0 R1 requires Transmission Planners, such as MID, to demonstrate through a valid assessment that its portion of the interconnected transmission system is planned such that, with all transmission facilities in service and with normal (pre-contingency) operating procedures in effect, the Network can be operated to supply projected customer demands and projected Firm (non-recallable reserved) Transmission Services at all Demand levels over the range of forecast system demands, under the conditions defined in Category A of Table I (no contingencies). To be considered valid, the assessments shall:

- R1.1. Be made annually.
- R1.2. Be conducted for near-term (years one through five) and longer-term (years six through ten) planning horizons.
- R1.3. Be supported by a current or past study and/or system simulation testing that addresses each of the following categories, showing system performance following Category A of Table 1 (no contingencies). The specific elements selected (from each of the following categories) shall be acceptable to the associated Regional Entity(ies).
 - R1.3.1. Cover critical system conditions and study years as deemed appropriate by the entity performing the study.
 - R1.3.2. Be conducted annually unless changes to system conditions do not warrant such analyses.

- R1.3.3. Be conducted beyond the five-year horizon only as needed to address identified marginal conditions that may have longer lead-time solutions.
- R1.3.4. Have established normal (pre-contingency) operating procedures in place.
- R1.3.5. Have all projected firm transfers modeled.
- R1.3.6. Be performed for selected demand levels over the range of forecast system demands.
- R1.3.7. Demonstrate that system performance meets Table 1 for Category A (no contingencies).
- R1.3.8. Include existing and planned facilities.
- R1.3.9. Include Reactive Power resources to ensure that adequate reactive resources are available to meet system performance.
- R1.4. Address any planned upgrades needed to meet the performance requirements of Category A.

TPL-001-0 R1 has a “High” VRF and its sub-requirements, R1.1-R1.4, each have a “Medium” VRF.

TPL-001-0 R2

TPL-001-0 R2 requires that when system simulations indicate an inability of the systems to respond as prescribed in Reliability Standard TPL-001-0 R1, the Transmission Planner, such as MID, must each:

- R2.1. Provide a written summary of its plans to achieve the required system performance as described above throughout the planning horizon.
 - R2.1.1. Including a schedule for implementation.
 - R2.1.2. Including a discussion of expected required in-service dates of facilities.
 - R2.1.3. Consider lead times necessary to implement plans.
- R2.2. Review, in subsequent annual assessments, (where sufficient lead time exists), the continuing need for identified system facilities. Detailed implementation plans are not needed.

TPL-001-0 R2 and all of its sub-requirements are assigned “Medium” VRFs, except R2.2 which is assigned a “Lower” VRF.

TPL-001-0 R3

TPL-001-0 R3 requires Transmission Planners, such as MID, to document the results of these reliability assessments and corrective plans and to annually provide these to its respective NERC Regional Entity(ies), as required by the Regional Entity.

TPL-001-0 R3 has a “Lower” VRF.

Prior to the Audit, in response to a pre-audit documentation request, MID provided a copy of *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures*, dated March 20, 2008. MID indicated the purpose of this document is to define the requirements, mandated by NERC and WECC, which the MID Transmission Planning Staff should follow in order to comply with NERC Standards TPL-001-0 through TPL-004-0. The

Settlement Agreement states that MID, in conducting the studies to comply with TPL standards, believed that it conducted all studies required by the TPL standards. In addition, MID indicated that it believed that the standards allowed MID to use past studies and to use assumptions in the 2007 summer demand level study to account for the conditions that would be used in a 2007 winter demand level study. Finally, MID stated that it believed that the standards did not require MID to provide a written assessment in order to explain that MID had relied on past studies, or that the standards required it to provide written documentation explaining that MID had relied on assumptions in the summer 2007 study to account for the winter 2007 study. The Audit team noted that there were no planning assessments or study documentation provided for evaluation prior to the Audit.

At the Audit, the same *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures* was provided as evidence with no assessments or studies. After an interview with MID Senior Electrical Engineers, MID provided results from different studies. The Audit team determined these studies were insufficient for three reasons: (1) they only included the heavy summer demand level for two different years (2009 and 2016), (2) the studies were out of date (conducted in February of 2006), and (3) no valid assessment was provided based on the studies. MID also provided reports from the Sacramento Valley Study Group as part of their documentation. The Audit team determined these were operating studies, not planning studies which are needed for the assessments required by this standard. Because MID had not performed the necessary assessments under R1, MID could not prepare corrective action plans as required by R2. Because the assessments and corrective action plans were not created under R1 and R2, this documentation could not be provided as required by R3.

Enforcement reviewed the Audit team's findings and confirmed that MID was non-compliant because it had not performed the full range of Category A (no contingency) studies and assessments required by TPL-001 R1, R2 and R3.

Enforcement determined the duration for these alleged violations to be from June 18, 2007, when the Standard became enforceable, to December 29, 2008, when the Mitigation Plan was completed.

TPL-002-0

The purpose of Reliability Standard TPL-002-0 is to ensure that system simulations and associated assessments are conducted periodically to ensure that reliable systems are developed that meet specified performance requirements with sufficient lead time, and are be modified or upgraded as necessary to meet present and future system needs. This addresses system performance following loss of a single BPS element or Category B.

TPL-002-0 R1

TPL-002-0 R1 requires Transmission Planners, such as MID, to each demonstrate through a valid assessment that its portion of the interconnected transmission system is planned such that the Network can be operated to supply projected customer demands and projected Firm (non-recallable reserved) Transmission Services, at all demand levels over the range of

forecast system demands, under the contingency conditions as defined in Category B of Table I. To be valid, the Transmission Planner assessments shall:

- R1.1 Be made annually.
- R1.2. Be conducted for near-term (years one through five) and longer-term (years six through ten) planning horizons.
- R1.3. Be supported by a current or past study and/or system simulation testing that addresses each of the following categories, showing system performance following Category B of Table 1 (single contingencies). The specific elements selected (from each of the following categories) for inclusion in these studies and simulations shall be acceptable to the associated Regional Entity(ies).
 - R1.3.1 Be performed and evaluated only for those Category B contingencies that would produce the more severe System results or impacts. The rationale for the contingencies selected for evaluation shall be available as supporting information. An explanation of why the remaining simulations would produce less severe system results shall be available as supporting information.
 - R1.3.2 Cover critical system conditions and study years as deemed appropriate by the responsible entity.
 - R1.3.3 Be conducted annually unless changes to system conditions do not warrant such analyses.
 - R1.3.4 Be conducted beyond the five-year horizon only as needed to address identified marginal conditions that may have longer lead-time solutions.
 - R1.3.5 Have all projected firm transfers modeled.
 - R1.3.6 Be performed and evaluated for selected demand levels over the range of forecast system Demands.
 - R1.3.7 Demonstrate that system performance meets Category B contingencies.
 - R1.3.8 Include existing and planned facilities;
 - R1.3.9 Include Reactive Power resources to ensure that adequate reactive resources are available to meet system performance;
 - R1.3.10 Include the effects of existing and planned protection systems, including any backup or redundant systems.
 - R1.3.11 Include the effects of existing and planned control devices.
 - R1.3.12 Include the planned (including maintenance) outage of any bulk electric equipment (including protection systems or their components) at those demand levels for which planned (including maintenance) outages are performed.
- R1.4 Address any planned upgrades needed to meet the performance requirements of Category B of Table I.
- R1.5 Consider all contingencies applicable to Category B.

TPL-002-0 R1 is assigned a “High” VRF and its sub-requirements have “Medium” VRFs.

TPL-002-0 R2

TPL-002-0 R2 requires that, when System simulations indicate an inability of the systems to respond as prescribed in Reliability Standard TPL-002-0 R1, the Transmission Planner, such as MID, shall each:

- R2.1 Provide a written summary of its plans to achieve the required system performance as described above throughout the planning horizon:
 - R2.1.1 Including a schedule for implementation.
 - R2.1.2 Including a discussion of expected required in-service dates of facilities.
 - R2.1.3 Consider lead times necessary to implement plans.
- R2.2 Review, in subsequent annual assessments, (where sufficient lead time exists), the continuing need for identified system facilities. Detailed implementation plans are not needed.

TPL-002-0 R2 has a “Medium” VRF.

TPL-002-0 R3

TPL-002-0 R3 requires Transmission Planners, such as MID, to document the results of its Reliability Assessments and corrective plans and to annually provide the results to its respective Regional Entity(ies), as required by the Regional Entity.

TPL-002-0 R3 has a “Lower” VRF.

Prior to the Audit, in response to a pre-audit documentation request, MID provided a copy of *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures*, dated March 20, 2008. MID indicated the purpose of this document is to define the requirements, mandated by NERC and WECC, which the MID Transmission Planning Staff should follow in order to comply with NERC Standards TPL-001-0 through TPL-004-0. The Settlement Agreement states that MID, in conducting the studies to comply with TPL standards, believed that it conducted all studies required by the TPL standards. In addition, MID believed that the standards allowed MID to use past studies and to use assumptions in the 2007 summer demand level study to account for the conditions that would be used in a 2007 winter demand level study. Finally, MID also believed that the standards did not require MID to provide a written assessment in order to explain that MID had relied on past studies, or that the standards required it to provide written documentation explaining that MID had relied on assumptions in the summer 2007 study to account for the winter 2007 study. The Audit team noted there were no planning assessments or study documentation provided for evaluation prior to the Audit.

At the Audit, the same *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures* was provided as evidence with no assessments or studies. After an interview with MID Senior Electrical Engineers, MID provided results from different studies. The Audit team determined these studies were insufficient for three reasons: (1) they only included the heavy summer demand level for two different years (2009 and 2016), (2) the studies were out of date (conducted in February of 2006), and (3) no valid assessment was provided based on the studies. MID also provided reports from the Sacramento Valley Study Group as part of its documentation. The Audit team determined these were operating studies, not planning studies which are needed for the assessments required by this standard. Because MID had not performed the necessary assessments under R1, MID could not prepare corrective action plans as required in R2. Because the assessments and corrective action plans were not created under R1 and R2, this documentation could not be provided as required by R3.

Enforcement reviewed the Audit team's findings and confirmed that MID was non-compliant because it had not performed the full range of Category B contingency studies and assessments required by TPL-002-0 R1, R2 and R3.

Enforcement determined the violation duration for these alleged violations to be from June 18, 2007, when the Standard became enforceable, to December 29, 2008, when the Mitigation Plan was completed.

TPL-003-0

The purpose of Reliability Standard TPL-003-0 is to ensure that system simulations and associated assessments are conducted periodically to ensure that reliable systems are developed that meet specified performance requirements with sufficient lead time, and are modified or upgraded as necessary to meet present and future system needs. This addresses system performance following loss of two or more BPS elements or Category C.

TPL-003-0 R1

TPL-003-0 R1 requires Transmission Planners, such as MID, to each demonstrate through a valid assessment that its portion of the interconnected transmission system is planned such that the Network can be operated to supply projected customer demands and projected Firm (non-recallable reserved) Transmission Services, at all demand levels over the range of forecast system demands, under the contingency conditions as defined in Category C of Table I. The controlled interruption of customer Demand, the planned removal of generators, or the Curtailment of firm (non-recallable) reserved power transfers may be necessary to meet this standard. To be valid, the Transmission Planner assessments shall:

- R1.1 Be made annually.
- R1.2. Be conducted for near-term (years one through five) and longer-term (years six through ten) planning horizons.
- R1.3. Be supported by a current or past study and/or system simulation testing that addresses each of the following categories, showing system performance following Category C of Table 1 (multiple contingencies). The specific elements selected (from each of the following categories) for inclusion in these studies and simulations shall be acceptable to the associated Regional Entity(ies).
 - R1.3.1 Be performed and evaluated only for those Category C contingencies that would produce the more severe System results or impacts. The rationale for the contingencies selected for evaluation shall be available as supporting information. An explanation of why the remaining simulations would produce less severe system results shall be available as supporting information.
 - R1.3.2 Cover critical system conditions and study years as deemed appropriate by the responsible entity.
 - R1.3.3 Be conducted annually unless changes to system conditions do not warrant such analyses.
 - R1.3.4 Be conducted beyond the five-year horizon only as needed to address identified marginal conditions that may have longer lead-time solutions.
 - R1.3.5 Have all projected firm transfers modeled.

- R1.3.6 Be performed and evaluated for selected demand levels over the range of forecast system Demands.
- R1.3.7 Demonstrate that system performance meets Table 1 for Category C contingencies.
- R1.3.8 Include existing and planned facilities;
- R1.3.9 Include Reactive Power resources to ensure that adequate reactive resources are available to meet System performance;
- R1.3.10 Include the effects of existing and planned protection systems, including any backup or redundant systems.
- R1.3.11 Include the effects of existing and planned control devices.
- R1.3.12 Include the planned (including maintenance) outage of any bulk electric equipment (including protection systems or their components) at those Demand levels for which planned (including maintenance) outages are performed.
- R1.4 Address any planned upgrades needed to meet the performance requirements of Category C of Table I.
- R1.5 Consider all contingencies applicable to Category C.

TPL-003-0 R1 has a “High” VRF and its sub-requirements, R1.1 through R1.5, each have a “Medium” VRF.

TPL-003-0 R2

TPL-003-0 R2 requires that, in the event that System simulations indicate an inability of the systems to respond as prescribed in Reliability Standard TPL-003-0 R1, the Transmission Planner, such as MID, shall:

- R2.1 Provide a written summary of its plans to achieve the required system performance as described above throughout the planning horizon:
 - R2.1.1 Including a schedule for implementation.
 - R2.1.2 Including a discussion of expected required in-service dates of facilities.
 - R2.1.3 Consider lead times necessary to implement plans.
- R2.2 Review, in subsequent annual assessments, (where sufficient lead time exists), the continuing need for identified system facilities. Detailed implementation plans are not needed.

TPL-003-0 R2 has a “Medium” VRF.

TPL-003-0 R3

TPL-002-0 R3 requires the Transmission Planner, such as MID, to document the results of its Reliability Assessments and corrective plans and shall annually provide the results to its respective Regional Entity(ies), as required by the Regional Entity.

TPL-003-0 R3 has a “Lower” VRF.

Prior to the Audit, in response to a pre-audit documentation request, MID provided a copy of *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures*, dated March 20, 2008. MID indicated that the purpose of this document is to define the

requirements, mandated by NERC and WECC, which the MID Transmission Planning Staff should follow in order to comply with NERC Standards TPL-001-0 through TPL-004-0. The Settlement Agreement states that MID, in conducting the studies to comply with TPL standards, believed that it conducted all studies required by the TPL standards. In addition, MID believed that the standards allowed MID to use past studies and to use assumptions in the 2007 summer demand level study to account for the conditions that would be used in a 2007 winter demand level study. Finally, MID also believed that the standards did not require MID to provide a written assessment in order to explain that MID had relied on past studies, or that the standards required it to provide written documentation explaining that MID had relied on assumptions in the summer 2007 study to account for the winter 2007 study. The Audit team noted there were no planning assessments or study documentation provided for evaluation prior to the Audit.

At the Audit, the same *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures* was provided as evidence with no assessments or studies. After an interview with MID Senior Electrical Engineers, MID provided results from different studies. The Audit team determined these studies were insufficient for three reasons: (1) they only included the heavy summer demand level for two different years (2009 and 2016), (2) the studies were out of date (conducted in February of 2006), and (3) no valid assessment was provided based on the studies. MID also provided reports from the Sacramento Valley Study Group as part of its documentation. The Audit team determined these were operating studies, not planning studies which are needed for the assessments required by this standard. Because MID had not performed the necessary assessments under R1, MID could not prepare corrective action plans as required in R2. Because the assessments and corrective action plans were not created under R1 and R2, this documentation could not be provided as required in R3.

Enforcement reviewed the Audit team's findings and confirmed that MID was non-compliant because it had not performed the full range of Category C contingency studies and assessments required by TPL-003-0 R1, R2 and R3.

Enforcement determined the duration for these alleged violations to be from June 18, 2007, when the Standard became enforceable, to December 29, 2008, when the Mitigation Plan was completed.

TPL-004-0

The purpose of Reliability Standard TPL-004-0 is to ensure that system simulations and associated assessments are conducted periodically to ensure that reliable systems are developed that meet specified performance requirements with sufficient lead time, and are be modified or upgraded as necessary to meet present and future system needs. This addresses system performance following extreme events resulting in the loss of two or more BPS elements or Category D.

TPL-004-0 R1

TPL-004-0 R1 requires Transmission Planners, such as MID, to each demonstrate through a valid assessment that its portion of the interconnected transmission system is evaluated for the risks and consequences of a number of each of the extreme contingencies that are listed

under Category D of Table I. To be valid, the Planning Authority and Transmission Planner assessments shall:

- R1.1 Be made annually.
- R1.2. Be conducted for near-term (years one through five)
- R1.3. Be supported by a current or past study and/or system simulation testing that addresses each of the following categories, showing system performance following Category D of Table 1. The specific elements selected (from within each of the following categories) for inclusion in these studies and simulations shall be acceptable to the associated Regional Entity(ies).
 - R1.3.1 Be performed and evaluated only for those Category D contingencies that would produce the more severe System results or impacts. The rationale for the contingencies selected for evaluation shall be available as supporting information. An explanation of why the remaining simulations would produce less severe system results shall be available as supporting information.
 - R1.3.2 Cover critical system conditions and study years as deemed appropriate by the responsible entity.
 - R1.3.3 Be conducted annually unless changes to system conditions do not warrant such analyses.
 - R1.3.4 Have all projected firm transfers modeled.
 - R1.3.5 Include existing and planned facilities.
 - R1.3.6 Include Reactive Power resources to ensure that adequate reactive resources are available to meet system performance.
 - R1.3.7 Include the effects of existing and planned protection systems, including any backup or redundant systems.
 - R1.3.8 Include the effects of existing and planned control devices.
 - R1.3.9 Include the planned (including maintenance) outage of any bulk electric equipment (including protection systems or their components) at those demand levels for which planned (including maintenance) outages are performed.
- R1.4 Consider all contingencies applicable to Category D.

TPL-004-0 R1 has a “Medium” VRF.

TPL-004-0 R2

TPL-004-0 R2 requires Transmission Planners, such as MID, to each document the results of its reliability assessments and shall annually provide the results to its entities’ respective NERC Regional Entity(ies), as required by the Regional Entity.

TPL-004-0 R2 has a “Lower” VRF.

Prior to the Audit, in response to a pre-audit documentation request, MID provided a copy of *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures*, dated March 20, 2008. MID stated that the purpose of this document is to define the requirements, mandated by NERC and WECC, which the MID Transmission Planning Staff should follow in order to comply with NERC Standards TPL-001-0 through TPL-004-0. The

Settlement Agreement states that MID, in conducting the studies to comply with TPL standards, believed that it conducted all studies required by the TPL standards. In addition, MID believed that the standards did not require MID to provide a written assessment in order to explain that MID had relied on past studies. The Audit team noted there were no planning assessments or study documentation provided for evaluation prior to the Audit.

At the Audit, the same *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures* was provided as evidence with no assessments or studies. After an interview with MID Senior Electrical Engineers, MID provided results from different studies. The Audit team determined these studies were insufficient because the studies were out of date (conducted in February of 2006) and no valid assessment was provided based on the studies. Because MID had not performed the necessary assessments under R1, this documentation could not be provided as required by R2.

Enforcement reviewed the Audit team's findings and confirmed that MID was non-compliant because it had not performed the full range of Category D studies and assessments required by TPL-004-0 R1 and R2.

Enforcement determined the duration for these alleged violations to be from June 18, 2007, when the Standard became enforceable, to December 29, 2008, when the Mitigation Plan was completed.

WECC determined that the alleged violation of TPL-001-0 R1, R2, R3, TPL-002-0 R1, R2, R3, TPL-003-0 R1, R2, R3, TPL-004-0 R1 and R2 did not pose a serious or substantial risk to the reliability of the BPS, because MID had prior studies and assumptions that it was using, even though they were not current and did not reflect all required studies and assumptions set forth in the Reliability Standard Requirements. In addition, the Sacramento Valley Study Group (SVSG), a sub-regional study group, performed operating studies related to MID's territory and MID's system performance was reflected in past WECC planning studies.

CIP-001-1

The purpose of Reliability Standard CIP-001-1 is to require disturbances or unusual occurrences, suspected or determined to be caused by sabotage, to be reported to the appropriate systems, governmental agencies, and regulatory bodies.

CIP-001-1 R1

CIP-001-1 R1 requires each Transmission Operator, Generator Operator, and Load Serving Entity, such as MID, to have procedures for the recognition of and for making their operating personnel aware of sabotage events on its facilities and multi-site sabotage affecting larger portions of the Interconnection.

CIP-001-1 R1 has a "Medium" VRF.

CIP-001-1 R2

CIP-001-1 R2 requires each Transmission Operator, Generator Operator, and Load Serving Entity, such as MID, to have procedures for the communication of information concerning sabotage events to appropriate parties in the Interconnection.

CIP-001-1 R2 has a “Medium” VRF.

CIP-001-1 R3

CIP-001-1 R3 requires each Transmission Operator, Generator Operator, and Load Serving Entity, such as MID, to provide its operating personnel with sabotage response guidelines, including personnel to contact, for reporting disturbances due to sabotage events.

CIP-001-1 R3 has a “Medium” VRF.

MID discovered violations of CIP-001-1 R1, R2 and R3 on November 13, 2007 and self-reported the alleged violations to WECC on December 21, 2007.²⁰ MID did not have a comprehensive procedure that addresses recognition, awareness, communication, and reporting of sabotage events and other vulnerabilities that could pose a threat to its system and the reliability of the BPS that could be utilized for its various registered functions

Enforcement reviewed the Self-Report and confirmed that MID was non-compliant because it did not have a comprehensive procedure that addresses recognition, awareness, communication, and reporting of sabotage events and other vulnerabilities that may pose a threat to its system and the reliability of the BPS as required by CIP-001-1 R1, R2 and R3.

WECC determined that MID had an alleged violation of CIP-001-1 R1, R2, and R3 because it was unable to provide comprehensive written procedures for the identification of, communication of, and response to sabotage events. However, this lack of a written procedure did not pose a serious or substantial risk to the reliability of the BPS because MID had existing operating procedures that it used to handle various threat conditions and disturbances per CIP-001-1. Additionally, MID has previously managed sabotage incidents. Thus, MID was performing the required activities per CIP-001-1, even though it lacked specific documentation as required by the Reliability Standard Requirements.

Enforcement determined the duration for these alleged violations to be from June 18, 2007, when the Standard became enforceable, through March 5, 2008, when the Mitigation Plan was completed.²¹

²⁰ The Settlement Agreement incorrectly states that MID self-reported the alleged violation of CIP-001-1 on November 13, 2007.

²¹ The Settlement Agreement incorrectly states that the duration of the alleged violation of CIP-001-1 ended on March 18, 2008 when the Mitigation Plan was completed; however, on March 18, 2008 MID certified that the Mitigation Plan was completed on March 5, 2008.

FAC-001-0

The purpose of Reliability Standard FAC-001-0 is to ensure that Transmission Owners establish facility connection and performance requirements in order to avoid adverse impacts on reliability.

FAC-001-0 R1

FAC-001-0 R1 requires each Transmission Owner, such as MID, to document, maintain, and publish facility connection requirements to ensure compliance with NERC Reliability Standards and applicable Regional Entity, sub-regional, Power Pool, and individual Transmission Owner planning criteria and facility connection requirements. The Transmission Owner's facility connection requirements shall address connection requirements for:

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

FAC-001-0 R1 has a "Medium" VRF.

FAC-001-0 R2

FAC-001-0 R2 requires each Transmission Owner's, such as MID's, facility connection requirements address, but are not limited to, the following items:

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

FAC-001-0 R2 has a “Medium” VRF.

FAC-001-0 R3

FAC-001-0 R3 requires each Transmission Owner, such as MID, to maintain and update its facility connection requirements as required. The Transmission Owner shall make documentation of these requirements available to the users of the transmission system, the Regional Entity, and NERC on request (five business days).

FAC-001-0 R3 has a “Medium” VRF.

MID filed a Self-Report and Mitigation Plan for these violations on June 14, 2007. However, WECC determined that these violations warranted a sanction because the Mitigation Plan was not completed by the approved completion date. MID is using draft procedures based on the process outlined by FERC in Order No. RM02-1-000²² and has responded to interconnection requests according to the process outlined by the FERC Order. However, MID was in violation of R1 because it did not have approved and formalized interconnection procedures. Because it did not have formalized procedures in violation of R1, it did not have the requirements specified in R2 and could not provide them within five business days as required in R3.

Enforcement reviewed the Self-Report and confirmed the alleged violations of FAC-001-0 R1, R2 and R3.

WECC determined that MID, per FAC-001-0 R1, R2 and R3, did not document, maintain, or publish its facility connection requirements. This lack of documentation did not pose a serious or substantial risk to the reliability of the BPS, however, because MID responded to interconnection requests from loads and generators using draft procedures that comply with FERC rules, in Order Nos. 2003 and 2006, and industry best practices until it finalized its NERC Reliability Standard requirement document.

Enforcement determined the duration for these alleged violations to be from June 18, 2007, when the Standard became enforceable, to December 12, 2007, when the Mitigation Plan was completed.²³

FAC-008-1

In addition to a number of the above-discussed self-reported violations addressed by the Settlement Agreement MID also self-reported violations of FAC-008-1 R2 and R3 on June 14, 2007. Specifically, these requirements call for the registered entity to, upon request, make its Facility Ratings Methodology available to certain entities within 15 business days and to provide a written response to any comments received from those entities within 45 calendar days of

²² See *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, 104 FERC ¶ 61,103 (2003), *order on reh'g*, Order No. 2003-A, 106 FERC ¶ 61,220 (2004), *order on reh'g*, Order No. 2003-B, 109 FERC ¶ 61,287 (2004), and *order on reh'g*, Order No. 2003-C, 111 FERC ¶ 61,401 (2005).

²³ The Settlement Agreement incorrectly states that the duration of the alleged violation of FAC-001-0 ended on December 14, 2007 when the Mitigation Plan was completed; however, MID certified that the Mitigation Plan was completed on December 12, 2007. The Certification of Completion is incorrectly dated December 3, 2007, instead of December 13, 2007.

receipt of said comments. These violations were included in the Notice of Alleged Violation and Proposed Penalty or Sanction (NAVAPS) that was issued on November 17, 2008. However, Enforcement subsequently determined that no violation of FAC-008-1 R2 and R3 occurred because these requirements are event or request driven, and no event or request occurred. MID did not violate this Standard because, while MID did have a Facility Ratings Methodology at the time these violations were self-reported (and continues to have a Facility Ratings Methodology), no entity had requested that MID provide its Methodology, so the required actions under R2 and R3 were never triggered. Therefore, WECC dismissed the alleged violations of NERC Standard FAC-008-1 R2 and R3 (WECC200810366 and WECC200810367 respectively) on February 27, 2009.

WECC's Basis for Penalty and Sanction Determination

With respect to the alleged violations WECC agreed to impose a \$0 penalty on MID and MID agreed to undertake the following activities:

- Accelerate Job Task Analysis (JTA) development for MID's operators and present said JTAs to attendees at the March 24, 2009 Compliance Users Group (CUG) meeting.
- In recognition of the quality of MID's Internal Compliance Program (ICP) and the benefit of sharing best practices among small entities striving to improve their own ICPs, develop and present a discussion regarding its ICP at the March 24, 2009, CUG meeting.
- Accelerate construction of its back-up control center so that it is operational prior to MID's summer peak season, with an expected completion deadline of June 15, 2009. The date of actual completion was June 12, 2009.
- Accelerate planned training on internal auditing processes to ensure completion of training for MID's internal auditors by the end of July 2009.

Furthermore MID agreed it would spend at least \$60,000 to complete the above activities and provide WECC an accounting of its expenditures.²⁴

WECC and MID agreed that this proposed penalty and sanction are reasonable and in the best interest of the reliable operation of the BPS. In reaching this assessment and prior to entering into the instant agreement, WECC considered the seriousness of each violation addressed herein and its associated VRF²⁵. In addition, WECC considered the following factors:

- (1) the violations stipulated herein represent MID's first violations of the instant NERC Reliability Standards;
- (2) the violations did not create a serious or substantial risk to the reliability of the BPS, particularly as the TPL violations involve long-term planning horizons;
- (3) MID is a government organization and a relatively small irrigation district;
- (4) MID self-reported eleven of the violations;

²⁴ The Settlement Agreement indicates that actual expenditures were \$96,573.14.

²⁵ See tables provided on Pages 3-4

- (5) There was no evidence of any attempt by MID to conceal the violations; and
- (6) There was no evidence that the violations were intentional.

In addition, as part of its decision in reaching an agreement with MID, WECC determined that there were no aggravating factors. Further, WECC reviewed the quality of MID's ICP. Some of the components of MID's ICP are:

- (1) A well-documented working plan that is reviewed and updated at least annually;
- (2) A Reliability Compliance Committee (RCC) comprised of senior management, which meets monthly;
- (3) A robust whistle blowing policy;
- (4) A semi-annual Board update on NERC/WECC compliance;
- (5) Assignment of a Reliability Compliance Coordinator to foster compliance efforts;
- (6) Annual development of a compliance work plan;
- (7) Commitment to full CIP compliance ahead of schedule; and
- (8) Attention given to training regarding System Operators.

After consideration of these and the above factors, WECC determined that, in this instance, the agreed proposed penalty and sanction were reasonable in relation to the scope, seriousness and duration of the alleged violations. Furthermore, WECC determined that the proposed penalty and sanction were appropriate based on MID's cooperation, commitment to compliance, and agreement to reconcile this issue via settlement.

Status of Mitigation Plans²⁶

Following is the status of Mitigation Plans submitted by MID to address the alleged violations:

EOP-001-0

MID's Mitigation Plan to address its alleged violation of EOP-001-0 R5 was submitted to WECC on July 7, 2008. The Mitigation Plan was accepted by WECC on August 7, 2008 and approved by NERC on September 17, 2008. The Mitigation Plan for this alleged violation is designated as MIT-08-0870 and was submitted as non-public information to FERC on September 17, 2008 in accordance with FERC orders.

This Mitigation Plan required MID to include plans and procedures to address the missing elements in its *Operating Bulletin No. 43*, which is referenced in MID's Emergency Capacity and Emergency Operations orders and restoration plans found in *Operating Bulletins No.1* and *No. 10*.

²⁶ See 18 C.F.R. § 39.7(d)(7).

On September 17, 2008, MID certified completion of its Mitigation Plan as of September 17, 2008.²⁷ To demonstrate completion of the Mitigation Plan, MID provided its Operations Bulletin No. 43, Revision 1, dated September 12, 2008.

On September 29, 2008, after WECC subject matter experts (SMEs) reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID in a letter dated October 7, 2008 that it was in compliance with EOP-001-0 R5.

EOP-005-1

MID's Mitigation Plan to address its alleged violation of EOP-005-0 R1 was submitted to WECC on June 30, 2008. The Mitigation Plan was accepted by WECC on September 4, 2008 and approved by NERC on October 21, 2008. The Mitigation Plan for this alleged violation is designated as MIT-08-1018 and was submitted as non-public information to FERC on October 21, 2008 in accordance with FERC orders.

This Mitigation Plan required MID to amend its Restoration Plan and operating bulletins to address the loss of vital telecommunications channels. Specifically, MID's *Operating Bulletin No.5* would be written to address all communications systems. In addition, MID's *Operating Bulletin No. 40* would be written to handle loss of the primary control center. *Operating Bulletins No. 5* and *No. 40* will be referenced in MID's Restoration Plan - *Operating Bulletin No.1*. On September 18, 2008, MID submitted an update stating that the necessary documents had been drafted and were awaiting approval.

On September 24, 2008, MID certified that it completed this Mitigation Plan on September 23, 2008. To demonstrate completion of the Mitigation Plan, MID attached its *Operations Bulletins No.5, No. 40, and No. 1, Revision 2* to its completion certification document as evidence of its completion.

On September 29, 2008, after WECC SMEs reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID in a letter dated October 7, 2008 that it was in compliance with EOP-005-0 R1.

EOP-008-0

MID's Mitigation Plan to address its self-reported alleged violation of EOP-008-0 R1, specifically R1.1, 1.3, 1.5, 1.6, and 1.8, was submitted to WECC on January 10, 2008. The Mitigation Plan was accepted by WECC on February 11, 2008. MID revised this Mitigation Plan and submitted it on June 12, 2008,²⁸ to include a temporary backup control facility at its Ripon Generation Station. The revised Mitigation Plan was accepted by WECC on September 18, 2008. MID submitted an additional Mitigation Plan to address its alleged violation of EOP-008-0 R1.7, which was discovered during the Audit, and submitted the additional plan to WECC on December 12, 2008. The additional Mitigation Plan was accepted by WECC on December 24, 2008 and approved by NERC on November 5, 2009. The Mitigation Plan for this alleged

²⁷ The Settlement Agreement incorrectly states that MID certified completion of its Mitigation Plan regarding the EOP-001-0 R5 violation on September 18, 2008.

²⁸ The Settlement Agreement incorrectly states that the revised Mitigation Plan was submitted on June 13, 2008.

violation is designated as MIT-08-0525 and was submitted as non-public information to FERC on November 5, 2009 in accordance with FERC orders.

The June 12, 2008 Mitigation Plan required MID to create a temporary backup control facility in its existing building at the Ripon Generation Station. This temporary facility would contain portable radios, telephones, and PC's that can be utilized by control staff in the event of an evacuation of the primary control center. The Mitigation Plan also stated that MID would complete a new permanent backup control facility that was projected to be completed by June 18, 2009.

On June 17, 2008, MID submitted an update stating that it had completed its temporary backup control center installation at the Ripon Generation Station. On September 18, 2008, MID submitted another update stating that its new permanent backup control was still on schedule to be completed in the summer of 2009. On December 11, 2008, MID submitted an update stating that it had awarded the construction contract for its new permanent backup control center.

On December 12, 2008, MID submitted the additional Mitigation Plan dated December 12, 2008, to address the alleged violation of R1.7. Within this Mitigation Plan revision, MID certified its completion of its Mitigation Plan for R1.7 stating that it had re-written its contingency plan for loss of the backup control center. MID submitted its *Operating Bulletin No. 40, Complete Rewrite*, dated June 18, 2008 as evidence of completion of its Mitigation Plan.

On December 19, 2008, WECC SMEs reviewed the attached rewritten contingency plan and verified MID's completion of its Mitigation Plan for R1.7 as of July 18, 2008.

On March, 13, 2009, MID submitted another update stating that construction on the new permanent facility was 75 percent complete and would be functional by June 15, 2009.

On June 15, 2009, MID certified that it had completed its Mitigation Plan for EOP-008-0_R1.1, 1.3, 1.5, 1.6, and 1.8 on June 12, 2009 and submitted *Standards Compliance Documentation for the Modesto Irrigation District* dated June 12, 2009 and the *Plan for Loss of Control Center Functionality*, Revision 1 dated May 29, 2009 as evidence to support its completion.

On July 18, 2009, WECC SMEs reviewed MID's submitted evidence and verified that MID had completed its Mitigation Plan as of June 12, 2009 and notified MID in a letter dated August 28, 2009 that it was in compliance with EOP-008-0 R1.

PER-002-0

MID's original Mitigation Plan to address its alleged violations of PER-002-0 R2, R3 and R4 was dated June 14, 2007, with a completion of September 15, 2007.²⁹ MID did not complete this Mitigation Plan by the approved completion date and on June 16, 2008, MID submitted a revised

²⁹ The Settlement Agreement incorrectly states that the Mitigation Plan to address the PER-002-0 violations was submitted on June 15, 2007.

Mitigation Plan to WECC.³⁰ The Mitigation Plan was accepted by WECC on September 18, 2008 and approved by NERC on October 30, 2008.³¹ The Mitigation Plan for this alleged violation is designated as MIT-07-1060 and was submitted as non-public information to FERC on October 30, 2008 in accordance with FERC orders.

This Mitigation Plan required MID to expand the training program to insure that Operations Department personnel are trained to comply with NERC/WECC standards and to become NERC certified. This Mitigation Plan had an expected completion date of September 15, 2007. On December 18, 2007, MID submitted an update stating that its Board had authorized the funds to begin training and purchased a training program. MID's original Mitigation Plan was intended to complete NERC certification of more than the minimum number of operations personnel. MID had no certified operators at the time of the submittal of the Mitigation Plan, and the plan goal was to certify more than twenty personnel, when the minimum number, accounting for shift coverage, including vacations, sick time and training, would have been twelve positions.

On June 16, 2008, MID submitted a revised Mitigation Plan. This revised Mitigation Plan stated that MID had contracted with consultants for assistance to develop a training program that meets all training requirements and would include initial and continuing training for operations personnel and would address the knowledge and competencies needed for reliable system operations.

On September 12, 2008,³² MID submitted its certified completion of this Mitigation Plan. To demonstrate completion of the Mitigation Plan, MID attached its *Operating Personnel Training Program* and *Apprentice Dispatcher Training Program* procedures, both dated September 12, 2008, to its completion certification document.

On September 18, 2008, after WECC SMEs reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID in a letter dated October 2, 2008 that MID was in compliance with PER-002-0 R2, R3 and R4.

TOP-002-2

MID's Mitigation Plan to address its alleged violation of TOP-002-2 R18 was submitted to WECC on April 9, 2008. The Mitigation Plan was accepted by WECC on April 14, 2008 and approved by NERC on September 12, 2008. The Mitigation Plan for this alleged violation is designated as MIT-08-0725 and was submitted as non-public information to FERC on September 12, 2008 in accordance with FERC orders.

This Mitigation Plan required MID to use uniform line identifiers for the transmission lines that are within the MID system and/or interconnected to the MID system, and provide these uniform line identifiers to all necessary neighboring entities (Balancing Authorities, Transmission

³⁰ The Settlement Agreement incorrectly states that the revised Mitigation Plan to address the PER-002-0 violations was submitted on June 13, 2008.

³¹ The Settlement Agreement incorrectly states that NERC approved the Mitigation Plan for the alleged PER-002-0 violations on October 10, 2008.

³² The Settlement Agreement incorrectly states that MID's certification of completion document was submitted on September 15, 2008.

Operators, Transmission Service Providers, Sacramento Municipal Utility District, City and County of San Francisco, Western Area Power Administration, Turlock Irrigation District, California Independent System Operator and Pacific Gas and Electric).

On April 9, 2008, along with the submittal of the Mitigation Plan, MID certified completion of this Mitigation Plan as of the same date. To demonstrate completion of the Mitigation Plan, MID provided a copy of its Uniform Identifiers List and copies of letters of transmittal to necessary neighboring entities, dated February 27, 2008.

On May 27, 2008,³³ after WECC SMEs reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID in a letter dated October 16, 2008 that it was in compliance with TOP-002-2 R18.

TPL-001-0

MID's Mitigation Plan to address its alleged violations of TPL-001-0 R1, R2 and R3 was submitted to WECC on December 15, 2008. The Mitigation Plan was accepted by WECC on December 18, 2008³⁴ and approved by NERC on May 26, 2009. The Mitigation Plan for the alleged violations is designated as MIT-08-1706 and was submitted as non-public information to FERC on May 26, 2009 in accordance with FERC orders.

This Mitigation Plan stated that MID would use the latest base cases on the WECC website to perform all necessary assessments. If the specific years and loading conditions are not available, MID planned to use the closest case as its base case and ramp up or down the respective local loads and generation patterns to coincide with MID's local forecast. The Mitigation Plan further required MID to perform studies for years 1, 5, and 10 at various demand levels.

On December 30, 2008, MID certified completion of this Mitigation Plan as of December 29, 2008. To demonstrate completion of the Mitigation Plan, MID attached its *NERC/WECC Transmission 2008 Annual Assessment (for TPL-001 to TPL-004) Years 2010-2019*, which used the latest base cases on the WECC website and relied on studies for years 1, 5 and 10 at various demand levels

On January 6, 2009, after WECC SMEs reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID in a letter dated February 2, 2009 that it was in compliance with TPL-001-0 R1, R2 and R3.

TPL-002-0

MID's Mitigation Plan to address its alleged violations of TPL-002-0 R1, R2 and R3 was submitted to WECC on December 15, 2008. The Mitigation Plan was accepted by WECC on December 18, 2008³⁵ and approved by NERC on August 14, 2009. The Mitigation Plan for the

³³ The Settlement Agreement incorrectly states April 25, 2008.

³⁴ The Settlement Agreement incorrectly states that the Mitigation Plan was accepted by WECC on December 15, 2008.

³⁵ The Settlement Agreement incorrectly states that the Mitigation Plan was accepted by WECC on December 15, 2008.

alleged violations is designated as MIT-08-1872 and was submitted as non-public information to FERC on August 17, 2009 in accordance with FERC orders.

This Mitigation Plan stated that MID would use the latest base cases on the WECC website to perform all necessary assessments. If the specific years and loading conditions are not available, MID planned to use the closest case as its base case and ramp up or down the respective local loads and generation patterns to coincide with MID's local forecast. The Mitigation Plan required MID to perform studies for years 1, 5, and 10 at various demand levels.

On December 30, 2008, MID certified completion of this Mitigation Plan as of December 29, 2008. To demonstrate completion of the Mitigation Plan, MID attached its *NERC/WECC Transmission 2008 Annual Assessment (for TPL-001 to TPL-004) Years 2010-2019*, which used the latest base cases on the WECC website and relied on studies for years 1, 5 and 10 at various demand levels.

On January 6, 2009, after WECC SMEs reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID in a letter dated February 2, 2009 that it was in compliance with TPL-002-0 R1, R2 and R3.

TPL-003-0

MID's Mitigation Plan to address its alleged violations of TPL-003-0 R1, R2 and R3 was submitted to WECC on December 15, 2008. The Mitigation Plan was accepted by WECC on December 18, 2008³⁶ and approved by NERC on May 26, 2009. The Mitigation Plan for the alleged violations is designated as MIT-08-1707 and was submitted as non-public information to FERC on May 26, 2009 in accordance with FERC orders.

This Mitigation Plan stated that MID would use the latest base cases on the WECC website to perform all necessary assessments. If the specific years and loading conditions are not available, MID planned to use the closest case as its base case and ramp up or down the respective local loads and generation patterns to coincide with MID's local forecast. The Mitigation Plan required MID to perform studies for years 1, 5, and 10 at various demand levels.

On December 30, 2008, MID certified completion of this Mitigation Plan as of December 29, 2008. To demonstrate completion of the Mitigation Plan, MID attached its *NERC/WECC Transmission 2008 Annual Assessment (for TPL-001 to TPL-004) Years 2010-2019*, which used the latest base cases on the WECC website and relied on studies for years 1, 5 and 10 at various demand levels.

On January 7, 2009,³⁷ after WECC SMEs reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID in a letter dated February 2, 2009 that it was in compliance with TPL-003-0 R1, R2 and R3.

³⁶ The Settlement Agreement incorrectly states that the Mitigation Plan was accepted by WECC on December 15, 2008.

³⁷ The Settlement Agreement incorrectly states January 6, 2009.

TPL-004-0

MID's Mitigation Plan to address its alleged violations of TPL-004-0 R1 and R2 was submitted to WECC on December 15, 2008. The Mitigation Plan was accepted by WECC on December 18, 2008³⁸ and approved by NERC on May 26, 2009. The Mitigation Plan for the alleged violations is designated as MIT-08-1708 and was submitted as non-public information to FERC on May 26, 2009 in accordance with FERC orders.

This Mitigation Plan stated that MID would use the latest base cases on the WECC website to perform all necessary assessments. If the specific years and loading conditions are not available, MID planned to use the closest case as its base case and ramp up or down the respective local loads and generation patterns to coincide with MID's local forecast. The Mitigation Plan stated that MID would perform studies for years 1, 5, and 10 at various demand levels.

On December 30, 2008,³⁹ MID certified completion of this Mitigation Plan as of December 29, 2008. To demonstrate completion of the Mitigation Plan MID attached its *NERC/WECC Transmission 2008 Annual Assessment (for TPL-001 to TPL-004) Years 2010-2019*, which used the latest base cases on the WECC website and relied on studies for years 1, 5 and 10 at various demand levels.

On January 7, 2009,⁴⁰ after WECC SMEs reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID in a letter dated February 2, 2009 that it was in compliance with TPL-004-0 R1 and R2.

CIP-001-1

MID's Mitigation Plan to address its alleged violations of CIP-001-1 R1, R2 and R3 was submitted to WECC on January 10, 2008. The Mitigation Plan was accepted by WECC on March 10, 2008 and approved by NERC on August 27, 2009. The Mitigation Plan for this alleged violation is designated as MIT-07-0692 and was submitted as non-public information to FERC on August 27, 2009 in accordance with FERC orders.

This Mitigation Plan required MID to develop its *Operating Bulletin 44* as the over-arching sabotage and vulnerability recognition and reporting procedure to ensure compliance with this Standard.

On March 18, 2008, MID certified it had completed its Mitigation Plan as of March 6, 2008.⁴¹ To demonstrate completion of the Mitigation Plan, MID submitted its *Operating Bulletin No. 44 - Sabotage and Threat Reporting Procedure* dated March 6, 2008.

³⁸ The Settlement Agreement incorrectly states that the Mitigation Plan was accepted by WECC on December 15, 2008.

³⁹ The Settlement Agreement incorrectly states that the Certification of Completion regarding the TPL-004-0 violations was submitted to WECC on December 31, 2008.

⁴⁰ The Settlement Agreement incorrectly states January 6, 2009.

⁴¹ The Certification of Completion incorrectly states that it mitigated the alleged violation CIP-001-1 on March 5, 2008.

On December 2, 2008, after WECC SMEs reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID that it was in compliance with CIP-001-1 R1, R2 and R3.

FAC-001-0

MID's Mitigation Plan, dated May 21, 2007, to address its alleged violations of FAC-001-0 R1, R2 and R3 was submitted to WECC on June 1, 2007. MID revised this Mitigation Plan and resubmitted it to WECC on June 14, 2007.⁴² The Mitigation Plan was accepted by WECC on July 17, 2007 and approved by NERC on June 8, 2009.⁴³ The Mitigation Plan for the alleged violations is designated as MIT-07-0753 and was submitted as non-public information to FERC on June 9, 2009 in accordance with FERC orders. After not completing the plan by the approved completion date, MID revised its Mitigation Plan and submitted it to WECC on December 6, 2007. This plan was reviewed and accepted by WECC at the on-site Audit in April 2008.

This Mitigation Plan required MID to finalize its Facilities Interconnection Agreement.

On December 13, 2007, MID submitted a certification of completion of this revised Mitigation Plan and stated it was completed on December 12, 2007.⁴⁴ To demonstrate completion of this Mitigation Plan, MID attached its procedure, *Technical Transmission Interconnection Requirements*, Version 0 dated December 5, 2007.

On March 4, 2008, after WECC SMEs reviewed MID's submitted evidence, WECC verified that the Mitigation Plan was complete and notified MID in a letter dated October 2, 2008⁴⁵ that it was in compliance with FAC-001-0 R1, R2 and R3.

Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed⁴⁶

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines and the Commission's July 3, 2008 Guidance Order,⁴⁷ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on February 10, 2010. The NERC BOTCC approved the Settlement Agreement, including the proposed \$0 penalty and sanctions proposed therein against MID and other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the

⁴² The Mitigation Plan submitted on June 14, 2007 did not contain any changes to the Mitigation Plan dated May 21, 2007 and submitted on June 1, 2007 but was marked as a "revision."

⁴³ The Settlement Agreement incorrectly states that NERC approved the Mitigation Plan to address the alleged violation of FAC-001-0 on June 6, 2009.

⁴⁴ The Settlement Agreement incorrectly states that MID certified that the Mitigation Plan was completed on December 14, 2007. The Certification of Completion is incorrectly dated December 3, 2007, instead of December 13, 2007.

⁴⁵ WECC's verification of completion incorrectly identifies the alleged violation as FAC-001-1.

⁴⁶ See 18 C.F.R. § 39.7(d)(4).

⁴⁷ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008).

NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the alleged violations at issue.

In reaching this determination, the NERC BOTCC considered the following factors:

1. these violations were the first assessed non-compliance with the instant Reliability Standards;
2. MID self-reported eleven of the violations;
3. WECC reported that MID was cooperative throughout the entire process;
4. as discussed in the Settlement Agreement the mitigating actions undertaken by MID as set forth in the Settlement Agreement, in particular the early completion of the permanent, back-up control center prior to the 2007 summer peak load season, provided a benefit to the BPS beyond MID's local portion of the BPS;
5. WECC reported that MID is currently demonstrating a commitment to compliance with a high-quality ICP as discussed above; and
6. MID is a government organization. It is an irrigation district, organized and operated under the laws of the State of California.

For the foregoing reasons, the NERC BOTCC approves the Settlement Agreement and believes that the proposed penalty and sanction are appropriate for the violations and circumstances in question, and is consistent with NERC's goal to promote and ensure reliability of the bulk power system.

Pursuant to Order No. 693, the penalty will be effective upon expiration of the 30 day period following the filing of this Notice of Penalty with FERC, or, if FERC decides to review the penalty, upon final determination by FERC.

Attachments to be included as Part of this Notice of Penalty

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

- a) MID's Self-Reports for EOP-008-0 R1 dated December 21, 2007, PER-002-0 R2, R3, R4 dated June 14, 2007, TOP-002-2 R18 dated April 9, 2008, CIP-001-1 R1, R2, R3 dated December 21, 2007, and FAC-001-0 R1, R2, R3 dated June 14, 2007, included as Attachment a;
- b) WECC Audit Report, Public Version Screen Shots, for EOP-001-0 R5, EOP-005-1 R1, EOP-008-0 R1.7 only, TPL-001-0 R1, R2, R3, TPL-002-0 R1, R2, R3, TPL-003-0 R1, R2, R3, TPL-004-0 R1 and R2 showing a deemed date of April 25, 2008, included as Attachment b;
- c) Settlement Agreement by and between WECC and MID executed February 19, 2010, included as Attachment c;
- d) MID's Mitigation Plan MIT-08-0870 for EOP-001-0 R5 submitted July 7, 2008, Certification of Completion of the Mitigation Plan for EOP-001-0 R5 dated September 17, 2008 and

WECC's Verification of Mitigation Plan Completions for EOP-001-0 and EOP-005-1 dated October 7, 2008, included as Attachment d;

- e) MID's Mitigation Plan MIT-08-1018 for EOP-005-1 R1 submitted June 30, 2008 and Certification of Completion of the Mitigation Plan for EOP-005-1 R1 dated September 24, 2008, and WECC's Verification of Mitigation Plan Completions for EOP-001-0 and EOP-005-1 (see Attachment d), included as Attachment e;
- f) MID's Mitigation Plan MIT-07-0525 for EOP-008-0 R1.1, R1.3, R1.5, R1.6 and R1.8 submitted January 10, 2008, Mitigation Plan MIT-07-0525 for EOP-008-0 R1.1, R1.3, R1.5, R1.6 and R1.8 dated June 12, 2008, Revised Mitigation Plan for EOP-008-0, specifically R1.7, submitted December 12, 2008, Certification of Completion of the Mitigation Plan for EOP-008-0 R1.7 dated December 12, 2008, Certification of Completion of the Mitigation Plan for EOP-008-0 R1.1, R1.3, R1.5, R1.6 and R1.8 dated June 15, 2009 and WECC's Verification of Mitigation Plan Completion for EOP-008-0 R1 dated August 28, 2009, included as Attachment f;
- g) MID's Mitigation Plan for PER-002-0 R2, R3 and R4 dated June 16, 2008 and Certification of Completion of the Mitigation Plan for PER-002-0 R2, R3 and R4 dated September 12, 2008, and WECC's Verification of Mitigation Plan Completions for PER-002-0 R2, R3, R4, FAC-001-0 R1, R2 and R3 dated October 2, 2008, included as Attachment g;
- h) MID's Mitigation Plan for TOP-002-2 R18 submitted April 9, 2008, Certification of Completion of the Mitigation Plan for TOP-002-2 R18 dated April 9, 2008 and WECC's Verification of Mitigation Plan Completion for TOP-002-2 dated October 16, 2008, included as Attachment h;
- i) MID's Mitigation Plan for TPL-001-0 R1, R2 and R3 submitted December 15, 2008, Certification of Completion of the Mitigation Plan for TPL-001-0 R1, R2 and R3 dated December 30, 2008, and WECC's Verification of Mitigation Plan Completion for TPL-001-0 R1, R2 and R3 dated February 2, 2009, included as Attachment i;
- j) MID's Mitigation Plan for TPL-002-0 R1, R2 and R3 submitted December 15, 2008, Certification of Completion of the Mitigation Plan for TPL-002-0 R1, R2 and R3 dated December 30, 2008, and WECC's Verification of Mitigation Plan Completion for TPL-002-0 R1, R2 and R3 dated February 2, 2009, included as Attachment j;
- k) MID's Mitigation Plan for TPL-003-0 R1, R2 and R3 submitted December 15, 2008, Certification of Completion of the Mitigation Plan for TPL-003-0 R1, R2 and R3 dated December 30, 2008, and WECC's Verification of Mitigation Plan Completion for TPL-003-0 R1, R2 and R3 dated February 2, 2009, included as Attachment k;
- l) MID's Mitigation Plan for TPL-004-0 R1 and R2 submitted December 15, 2008, Certification of Completion of the Mitigation Plan for TPL-004-0 R1 and R2 dated December 30, 2008, and WECC's Verification of Mitigation Plan Completion for TPL-004-0 R1 and R2 dated February 2, 2009, included as Attachment l;
- m) MID's Mitigation Plan MIT-07-0692 for CIP-001-1 R1, R2 and R3 submitted January 10, 2008, Certification of Completion of the Mitigation Plan for CIP-001-1 R1, R2 and R3 dated March 18, 2008 and WECC's Verification of Mitigation Plan Completion for CIP-001-1 dated December 2, 2008, included as Attachment m; and

- n) MID's Mitigation Plan for FAC-001-0 R1, R2 and R3 dated May 21, 2007 and submitted June 1, 2007, Revised Mitigation Plan submitted December 6, 2007 and Certification of Completion of the Mitigation Plan for FAC-001-0 R1, R2 and R3 dated December 13, 2008, and WECC's Verification of Mitigation Plan Completion for FAC-001-0 (see Attachment g) included as Attachment n.

A Form of Notice Suitable for Publication⁴⁸

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

⁴⁸ See 18 C.F.R § 39.7(d)(6).

Notices and Communications

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

<p>Gerald W. Cauley* President and Chief Executive Officer David N. Cook* Vice President and General Counsel North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, N.J. 08540-5721 (609) 452-8060 (609) 452-9550 – facsimile david.cook@nerc.net gerry.cauley@nerc.net</p> <p>Christopher Luras* Manager of Compliance Enforcement Western Electricity Coordinating Council 615 Arapeen Drive, Suite 210 Salt Lake City, UT 84108-1262 (801) 883-6887 CLuras@wecc.biz</p> <p>Roger VanHoy* Assistant General Manager, Electric Resources Modesto Irrigation District P.O. Box 4060 Modesto, CA 95352 (209) 526-7464 (209) 526-7575 – facsimile rogerv@mid.org</p> <p>*Persons to be included on the Commission's service list are indicated with an asterisk. NERC requests waiver of the Commission's rules and regulations to permit the inclusion of more than two people on the service list.</p>	<p>Rebecca J. Michael* Assistant General Counsel Holly A. Hawkins* Attorney North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, D.C. 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net holly.hawkins@nerc.net</p> <p>Louise McCarren* Chief Executive Officer Western Electricity Coordinating Council 615 Arapeen Drive, Suite 210 Salt Lake City, UT 84108-1262 (801) 883-6868 (801) 582-3918 – facsimile Louise@wecc.biz</p> <p>Steven Goodwill* Associate General Counsel Western Electricity Coordinating Council 615 Arapeen Drive, Suite 210 Salt Lake City, UT 84108-1262 (801) 883-6857 SGoodwill@wecc.biz</p> <p>Constance White* Vice President of Compliance Western Electricity Coordinating Council 615 Arapeen Drive, Suite 210 Salt Lake City, UT 84108-1262 (801) 883-6885 CWhite@wecc.biz</p>
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Conclusion

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

Respectfully submitted,

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

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

cc: Modesto Irrigation District
Western Electricity Coordinating Council

Attachments

Attachment a

MID's Self-Reports for EOP-008-0 R1 dated December 21, 2007, PER-002-0 R2, R3, R4 dated June 14, 2007, TOP-002-2 R18 dated April 9, 2008, CIP-001-1 R1, R2, R3 dated December 21, 2007, and FAC-001-0 R1, R2, R3 dated June 14, 2007



CONFIDENTIAL

Compliance Violation Self-Reporting Form

Please complete an individual Self-Reporting Form for each NERC Reliability Standard that indicates any level(s) of non-compliance and return to Compliance@WECC.biz

Registered Entity Name: Modesto Irrigation District

Contact Name: Steve Hill

Contact Phone: (209) 526-7491

Contact email: steveh@mid.org

Date noncompliance was discovered: On November 13, 2007 it was reported to the Reliability Compliance Committee.

Date noncompliance was reported: December 21, 2007

Standard Title: Plans for Loss of Control Center Functionality

Standard Number: EOP-008-0

Requirement Number(s)¹: **R1**

How was the noncompliance found? (e.g. Routine Readiness Evaluation, Self-evaluation, Internal Audit, etc.)

Self-evaluation

***Submit a Mitigation Plan in conjunction with this form to show that corrective steps are being taken within ten (10) business days. If a mitigation plan is not being submitted with this form please complete the following:**

Describe the cause of non-compliance:

MID does not have a back up source of data and voice communication separate from the primary control center as required in R1.1. MID is also non-compliant with R1.3, R1.5, R1.6 and R1.8. In order to become compliant, MID must revise the plan for loss of the primary control functionality and set up a back up control center to meet the requirements of Standard EOP-008-0.

¹ Violations are on a per requirement basis.

Describe the reliability impact of this non-compliance:

In the event of the loss of the primary control center functionality, including the loss of the SCADA and data system at the primary facility, MID would have no remote ability to monitor and operate the system. All monitoring and operations would have to be performed manually by field employees.

Expected date of Mitigation Plan submittal: December 27, 2007



Compliance Violation Self-Reporting Form

Please complete an **individual** Self-Reporting Form for each NERC Reliability Standard that indicates any level(s) of non-compliance and return to Compliance@WECC.biz

Registered Entity Name: Modesto Irrigation District

Contact Name: Steven C. Hill

Contact Phone: (209) 526-7491

Contact email: steveh@mid.org

Date noncompliance was discovered: May 15, 2007

Date noncompliance was reported: June 14, 2007

Standard Title: Operating Personnel Training

Standard Number: PER-002-0

Requirement Number(s)¹: **R2-4**

How was the noncompliance found? (e.g. Routine Readiness Evaluation, Self-evaluation, Internal Audit, etc.)

Self-evaluation

***Submit a Completed Mitigation Plan in conjunction with this form to show that corrective steps are being taken. If a mitigation plan is not being submitted with this form please complete the following:**

Describe the cause of non-compliance:

MID's training program lacks specificity in regards to Operations Personnel training. MID has no formal training program for continuing education for including an annual minimum number of training hours, updates on NERC standards or simulator training. .

Describe the reliability impact of this non-compliance:

Minimal risk; Please refer to submitted mitigation plan

Expected date of Mitigation Plan submittal: June 14, 2007

¹ Violations are reported at the level of requirements, sub requirements are not necessary.



CONFIDENTIAL

Compliance Violation Self-Reporting Form

Please complete an individual Self-Reporting Form for each NERC Reliability Standard that indicates any level(s) of non-compliance and return to Compliance@WECC.biz

Registered Entity Name: Modesto Irrigation District

Contact Name: Steve Hill

Contact Phone: (209) 526-7491

Contact email: steveh@mid.org

Date noncompliance was discovered: April 7, 2008

Date noncompliance was reported: April 9, 2008

Standard Title: Normal Operations Planning

Standard Number: TOP-002-2

Requirement Number(s)¹: R18

How was the noncompliance found? (e.g. Routine Readiness Evaluation, Self-evaluation, Internal Audit, etc.)

Self-evaluation

***Submit a Mitigation Plan in conjunction with this form to show that corrective steps are being taken within ten (10) business days. If a mitigation plan is not being submitted with this form please complete the following:**

Describe the cause of non-compliance:

MID had not provided neighboring Balancing Authorities, Transmission Operators and Transmission Service Providers a list of line identifiers until recently.

Describe the reliability impact of this non-compliance:

None, MID has confirmed with neighboring utilities they are using uniform line identifiers.

¹ Violations are on a per requirement basis.



CONFIDENTIAL

Compliance Violation Self-Reporting Form

Please complete an individual Self-Reporting Form for each NERC Reliability Standard that indicates any level(s) of non-compliance and return to Compliance@WECC.biz

Registered Entity Name: Modesto Irrigation District

Contact Name: Steve Hill

Contact Phone: (209) 526-7491

Contact email: steveh@mid.org

Date noncompliance was discovered: On November 13, 2007 it was reported to the Reliability Compliance Committee.

Date noncompliance was reported: December 21, 2007

Standard Title: Sabotage Reporting

Standard Number: CIP-001-1

Requirement Number(s)¹: **R1-R3**

How was the noncompliance found? (e.g. Routine Readiness Evaluation, Self-evaluation, Internal Audit, etc.)

Self-evaluation

***Submit a Mitigation Plan in conjunction with this form to show that corrective steps are being taken within ten (10) business days. If a mitigation plan is not being submitted with this form please complete the following:**

Describe the cause of non-compliance:

MID does not have a single procedure that can be shared and used across BA, TOP, GOP and LSE functions. MID has procedures that are scattered among different documents and disciplines. MID needs to develop a single procedure for all operating personnel that addresses recognition, awareness, communication, and reporting to facilitate sabotage recognition, provide immediate communication of sabotage events between the above stated functions and centralize a process for reporting sabotage events to authorities.

¹ Violations are on a per requirement basis.

Describe the reliability impact of this non-compliance:

The impact of this non-compliance is minor because MID has experienced a number of Sabotage incidents and has responded appropriately. MID is in the process of preparing a new Operations Bulletin that can be disseminated that clearly and formally documents what MID has been doing as well as any additional actions required to address R1 through R4 as required in M1 of the standard.

Expected date of Mitigation Plan submittal: January 10, 2008



Compliance Violation Self-Reporting Form

Please complete an **individual** Self-Reporting Form for each NERC Reliability Standard that indicates any level(s) of non-compliance and return to Compliance@WECC.biz

Registered Entity Name: Modesto Irrigation District

Contact Name: Steven C. Hill

Contact Phone: (209) 526-7491

Contact email: steveh@mid.org

Date noncompliance was discovered: May 15, 2007

Date noncompliance was reported: June 14, 2007

Standard Title: Facility Connection Requirements

Standard Number: FAC-001-0

Requirement Number(s)¹: **R1-3**

How was the noncompliance found? (e.g. Routine Readiness Evaluation, Self-evaluation, Internal Audit, etc.)

Self-evaluation

***Submit a Completed Mitigation Plan in conjunction with this form to show that corrective steps are being taken. If a mitigation plan is not being submitted with this form please complete the following:**

Describe the cause of non-compliance:

MID does not have formalized facility connection requirements. MID is using draft procedures based on the process outlined by FERC as depicted in RM02-1-000 order 2006

Describe the reliability impact of this non-compliance:

Minimal risk; Please refer to submitted mitigation plan


Expected date of Mitigation Plan submittal: June 14, 2007

¹ Violations are reported at the level of requirements, sub requirements are not necessary.

Attachment b

**WECC Audit Report, Public Version Screen
Shots, for EOP-001-0 R5, EOP-005-1 R1, EOP-
008-0 R1.7 only, TPL-001-0 R1, R2, R3, TPL-002-
0 R1, R2, R3, TPL-003-0 R1, R2, R3, TPL-004-0
R1 and R2 showing a deemed date of April 25,
2008**

Post June 18th Violations



Western Electricity Coordinating Council

Compliance and Registration Database

Post Violations Tracking and Reporting

Region: WECC

Violation Date: 4/25/2008

WECC ID: MID_WECC2008838

Entity: Modesto Irrigation District

Acronym: MID

Registry ID: NCR05244

NERC violation ID: WECC200800799

Standard: EOP-001-0

Emergency Operations Planning

Disposition

Final Record

Mitigation Plan

RAD and RAD Appeal

Internal Notes

Pre-June 18

Initial Notice

NAVAPS

Proposed Sanction Penalty

Contested Hearing

Requirement: 5

Repeat Alleged Violation? ☐

Initial Determination by Region: 5/21/2008

Reporting Method: Compliance Audit

On Site Audit ☒ Off Site Audit ☐

Deemed Date: 4/25/2008

Violation Level: LNC - Level 4

Violation Risk Factor: MEDIUM

Alleged Violation Time:

Alleged Violation End Date:

Violation Description:

MID's current emergency plan does not include all required components.

Regional Contact Person: Wells, Mike

Applicable Functions: TOP

Regional Determination of Impact to BPS:

Detailed Description of Potential Impact to BPS:

Moderate Impact. Emergency Plans exist but do not address 4 items that are required per the standard. Some non-controlled operator orders and memos address some of these issues as related to normal operations.


ID sent to Entity: 6/10/2008

Additional Comments

Close

WECC Compliance Database

Post June 18th Violations



Compliance and Registration Database

Post Violations Tracking and Reporting

Region: WECC

Violation Date: 4/25/2008

WECC ID: MID_WECC2008839

Entity: Modesto Irrigation District

Acronym: MID

Registry ID: NCR05244

NERC violation ID: WECC200800800

Standard: EOP-005-1

System Restoration Plans

Disposition Final Record

Mitigation Plan

RAD and RAD Appeal

Internal Notes

Pre-June 18

Initial Notice

NAVAPS

Proposed Sanction Penalty

Contested Hearing

Requirement: 1

Repeat Alleged Violation? ☐

Initial Determination by Region: 5/21/2008

Reporting Method: Compliance Audit

On Site Audit ☒ Off Site Audit ☐

Deemed Date: 4/25/2008

Violation Level: Not specified

Violation Risk Factor: MEDIUM

Alleged Violation Time:

Alleged Violation End Date:

Violation Description:
MID System Restoration Plans do not address the loss of vital telecommunications.

Regional Contact Person: Wells, Mike

Applicable Functions: TOP

Regional Determination of Impact to BPS:

Detailed Description of Potential Impact to BPS:
*DIM, Minimal Impact - MID does have alternate voice communications availability but it was not identified in plan.

ID sent to Entity: 6/10/2008

Additional Comments


Close

Form View

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WECC Compliance Database

Post June 18th Violations



Compliance and Registration Database

Post Violations Tracking and Reporting

Region: WECC Violation Date: 12/21/2007 WECC ID: MID_WECC2007565
Entity: Modesto Irrigation District Acronym: MID Registry ID: NCR05244 NERC violation ID: WECC200700544
Standard: EOP-008-0 Plans for Loss of Control Center Functionality

Disposition Final Record Mitigation Plan RAD and RAD Appeal Internal Notes Pre-June 18
Initial Notice NAVAPS Proposed Sanction Penalty Contested Hearing

Requirement: 1 Repeat Alleged Violation? ☐
Initial Determination by Region: 12/27/2007
Reporting Method: Self-Report
On Site Audit ☐ Off Site Audit ☐
Deemed Date: 11/13/2007
Violation Level: LNC - Level 3
Violation Risk Factor: HIGH
Alleged Violation Time:
Alleged Violation End Date:
Violation Description:
The entity does not have a back up source of data and voice communication separate from the primary control center as required in R1.1, and is also non-compliant with R1.3, R1.5, R1.6 and R1.8. During the on-site Compliance Audit R1.7 was found to be deficient. MID needs to modify its
Regional Contact Person: Wells, Mike


Applicable Functions: TOP
Regional Determination of Impact to BPS:
Detailed Description of Potential Impact to BPS:
Severe impact. In the event of the loss of the primary control center functionality, including the loss of the SCADA and data system at the primary facility, the entity would have no remote ability to monitor and operate the system. All monitoring and operations would have to be performed manually by field
ID sent to Entity: 2/12/2008
Additional Comments:

Close

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WECC Compliance Database

Post June 18th Violations



Compliance and Registration Database

Post Violations Tracking and Reporting

Region: WECC Violation Date: 4/25/2008 WECC ID: MID_WECC2008840
Entity: Modesto Irrigation District Acronym: MID Registry ID: NCR05244 NERC violation ID: WECC200800801
Standard: TPL-001-0 System Performance Under Normal Conditions

Disposition Final Record Mitigation Plan RAD and RAD Appeal Internal Notes Pre-June 18
Initial Notice NAVAPS Proposed Sanction Penalty Contested Hearing


Requirement: 1 Repeat Alleged Violation? ☐
Initial Determination by Region: 5/21/2008
Reporting Method: Compliance Audit
On Site Audit ☒ Off Site Audit ☐
Deemed Date: 4/25/2008
Violation Level: LNC - Level 4
Violation Risk Factor: HIGH
Alleged Violation Time:
Alleged Violation End Date:
Violation Description:
No written assessment has been completed
Regional Contact Person: Look, Jay

Applicable Functions: TP
Regional Determination of Impact to BPS:
Detailed Description of Potential Impact to BPS:
"DIMI Minimum - Although MID does not have an assessment and the studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.
ID sent to Entity: 6/10/2008
Additional Comments:

Close

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Post June 18th Violations



Western Electricity Coordinating Council

Compliance and Registration Database

Post Violations Tracking and Reporting

Region: WECC

Violation Date: 4/25/2008

WECC ID: MID_WECC2008841

Entity: Modesto Irrigation District

Acronym: MID

Registry ID: NCR05244

NERC violation ID: WECC200800802

Standard: TPL-001-0

System Performance Under Normal Conditions

Disposition

Final Record

Mitigation Plan

RAD and RAD Appeal

Internal Notes

Pre-June 18

Initial Notice

NAVAPS

Proposed Sanction Penalty

Contested Hearing

Requirement: 2

Repeat Alleged Violation? ☐

Initial Determination by Region: 5/21/2008

Reporting Method: Compliance Audit

On Site Audit ☒ Off Site Audit ☐

Deemed Date: 4/25/2008

Violation Level: LNC - Level 4

Violation Risk Factor: MEDIUM

Alleged Violation Time:

Alleged Violation End Date:

Violation Description:

No written assessment has been completed

Regional Contact Person: Look, Jay

Applicable Functions: TP

Regional Determination of Impact to BPS:

Detailed Description of Potential Impact to BPS:

"DIMI Minimum – Although MID does not have an assessment and the studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.

ID sent to Entity: 6/10/2008

Additional Comments

Close

Post June 18th Violations

Compliance and Registration Database
Post Violations Tracking and Reporting

Region: Violation Date: WECC ID:
Entity: Acronym: Registry ID: NERC violation ID:
Standard: System Performance Under Normal Conditions

Disposition & Final Record

Mitigation Plan

RAD & RAD Appeal

Internal Notes

Initial Notice

NAVAPS

Proposed Sanction Penalty

Contested Hearing

Requirement: Repeat Alleged Violation? ☐Initial Determination by Region: Reporting Method: On Site Audit ☒ Off Site Audit ☐Deemed Date: Violation Level: Violation Risk Factor: Alleged Violation Time: Alleged Violation End Date:

Violation Description:

No written assessment has been completed

Applicable Functions: Regional Determination of Impact to BPS:

Detailed Description of Potential Impact to BPS:

*DIMI Minimum – Although MID does not have an assessment and the studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.


ID sent to Entity:

Additional Comments

Regional Contact Person: Reviewed in Audit (Audit Date):

WECC Compliance Database

Post June 18th Violations



Compliance and Registration Database
Post Violations Tracking and Reporting

Region: WECC Violation Date: 4/25/2008 WECC ID: MID_WECC2008843
Entity: Modesto Irrigation District Acronym: MID Registry ID: NCR05244 NERC violation ID: WECC200800804
Standard: TPL-002-0 System Performance Following Loss of a Single BES Element

Disposition Final Record Mitigation Plan RAD and RAD Appeal Internal Notes Pre-June 18
Initial Notice NAVAPS Proposed Sanction Penalty Contested Hearing

Requirement: Repeat Alleged Violation? ☐
Initial Determination by Region: 5/21/2008
Reporting Method: Compliance Audit
On Site Audit ☒ Off Site Audit ☐
Deemed Date: 4/25/2008
Violation Level: LNC - Level 4
Violation Risk Factor: HIGH
Alleged Violation Time:
Alleged Violation End Date:
Violation Description:
No written assessment has been completed
Regional Contact Person: Look, Jay


Applicable Functions: TP
Regional Determination of Impact to BPS:
Detailed Description of Potential Impact to BPS:
"DIMI Minimum – Although MID does not have an assessment and it studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.
ID sent to Entity: 6/10/2008
Additional Comments

Close

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WECC Compliance Database

Post June 18th Violations



Compliance and Registration Database

Post Violations Tracking and Reporting

Region: WECC Violation Date: 4/25/2008 WECC ID: MID_WECC2008844
Entity: Modesto Irrigation District Acronym: MID Registry ID: NCR05244 NERC violation ID: WECC200800805
Standard: TPL-002-0 System Performance Following Loss of a Single BES Element

Disposition Final Record Mitigation Plan RAD and RAD Appeal Internal Notes Pre-June 18
Initial Notice NAVAPS Proposed Sanction Penalty Contested Hearing

Requirement: 2 Repeat Alleged Violation? ☐
Initial Determination by Region: 5/21/2008
Reporting Method: Compliance Audit
On Site Audit ☒ Off Site Audit ☐
Deemed Date: 4/25/2008
Violation Level: LNC - Level 4
Violation Risk Factor: MEDIUM
Alleged Violation Time:
Alleged Violation End Date:
Violation Description:
Studies are out-of-date and only simulate one demand level
Regional Contact Person: Look, Jay


Applicable Functions: TP
Regional Determination of Impact to BPS:
Detailed Description of Potential Impact to BPS:
"DIMI Minimum - Although MID does not have an assessment and it studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.
ID sent to Entity: 6/10/2008
Additional Comments:

Close

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WECC Compliance Database

Post June 18th Violations



Compliance and Registration Database

Post Violations Tracking and Reporting

Region: WECC

Violation Date: 4/25/2008

WECC ID: MID_WECC2008845

Entity: Modesto Irrigation District

Acronym: MID

Registry ID: NCR05244

NERC violation ID: WECC200800806

Standard: TPL-002-0

System Performance Following Loss of a Single BES Element

Disposition

Final Record

Mitigation Plan

RAD and RAD Appeal

Internal Notes

Pre-June 18

Initial Notice

NAVAPS

Proposed Sanction Penalty

Contested Hearing

Requirement: 3

Repeat Alleged Violation? ☐

Initial Determination by Region: 5/21/2008

Reporting Method: Compliance Audit

On Site Audit ☒ Off Site Audit ☐

Deemed Date: 4/25/2008

Violation Level: LNC - Level 4

Violation Risk Factor: LOWER

Alleged Violation Time:

Alleged Violation End Date:

Violation Description:

No written assessment has been completed

Regional Contact Person: Look Jay

Applicable Functions: ITP

Regional Determination of Impact to BPS:

Detailed Description of Potential Impact to BPS:

*DIM Minimum – Although MID does not have an assessment and it studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.

ID sent to Entity: 6/10/2008

Additional Comments


Close

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WECC Compliance Database

Post June 18th Violations



Compliance and Registration Database
Post Violations Tracking and Reporting

Region: WECC Violation Date: 4/25/2008 WECC ID: MID_WECC2008846
Entity: Modesto Irrigation District Acronym: MID Registry ID: NCR05244 NERC violation ID: WECC200800807
Standard: TPL-003-0 System Performance Following Loss of Two or More BES Elements

Disposition Final Record Mitigation Plan RAD and RAD Appeal Internal Notes Pre-June 18
Initial Notice NAVAPS Proposed Sanction Penalty Contested Hearing

Requirement: Repeat Alleged Violation?
Initial Determination by Region: 5/21/2008
Reporting Method: Compliance Audit
On Site Audit ☒ Off Site Audit ☐
Deemed Date: 4/25/2008
Violation Level: LNC - Level 4
Violation Risk Factor: HIGH
Alleged Violation Time:
Alleged Violation End Date:
Violation Description:
No written assessment has been completed
Regional Contact Person: Looock, Jay


Applicable Functions: TP
Regional Determination of Impact to BPS:
Detailed Description of Potential Impact to BPS:
"DIMI Minimum – Although MID does not have an assessment and it studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.
ID sent to Entity: 6/10/2008
Additional Comments

Close

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WECC Compliance Database

Post June 18th Violations



Compliance and Registration Database
Post Violations Tracking and Reporting

Region: WECC Violation Date: 4/25/2008 WECC ID: MID_WECC2008848
Entity: Modesto Irrigation District Acronym: MID Registry ID: NCR05244 NERC violation ID: WECC200800808
Standard: TPL-003-0 System Performance Following Loss of Two or More BES Elements

Disposition Final Record Mitigation Plan RAD and RAD Appeal Internal Notes Pre-June 18
Initial Notice NAVAPS Proposed Sanction Penalty Contested Hearing


Requirement: 2 Repeat Alleged Violation? ☐
Initial Determination by Region: 5/21/2008
Reporting Method: Compliance Audit
On Site Audit ☒ Off Site Audit ☐
Deemed Date: 4/25/2008
Violation Level: LNC - Level 4
Violation Risk Factor: MEDIUM
Alleged Violation Time:
Alleged Violation End Date:
Violation Description:
Studies are out-of-date and only simulate one demand level
Regional Contact Person: Look, Jay

Applicable Functions: TP
Regional Determination of Impact to BPS:
Detailed Description of Potential Impact to BPS:
"DIMI Minimum – Although MID does not have an assessment and it studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.
ID sent to Entity: 6/10/2008
Additional Comments

Close

Form View Num Lock Filtered

Post June 18th Violations



Compliance and Registration Database Post Violations Tracking and Reporting

Region: WECC	Violation Date: 4/25/2008	WECC ID: MID_WECC2008849
Entity: Modesto Irrigation District	Acronym: MID	Registry ID: NCR05244
NERC violation ID: WECC200800809		
Standard: IPL-003-0	System Performance Following Loss of Two or More BES Elements	

Disposition_Final Record	Mitigation Plan	RAD and RAD Appeal	Internal Notes
Initial Notice	NAVAPS	Proposed Sanction Penalty	Contested Hearing

Requirement: 3	Repeat Alleged Violation? <input type="checkbox"/>
Initial Determination by Region: 5/21/2008	
Reporting Method: Compliance Audit	
On Site Audit <input checked="" type="checkbox"/>	Off Site Audit <input type="checkbox"/>
Deemed Date: 4/25/2008	
Violation Level: LNC - Level 4	
Violation Risk Factor: LOWER	
Alleged Violation Time:	
Alleged Violation End Date:	
Violation Description: No written assessment has been completed	
Regional Contact Person: Lookk, Jay	


Applicable Functions: TP

Regional Determination of Impact to BPS:

Detailed Description of Potential Impact to BPS:
 *DIMI Minimum – Although MID does not have an assessment and it studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.

ID sent to Entity: 6/10/2008

Post June 18th Violations



Western Electricity Coordinating Council

Compliance and Registration Database
Post Violations Tracking and Reporting

Region: WECC	Violation Date: 4/25/2008	WECC ID: MID_WECC2008850
Entity: Modesto Irrigation District	Acronym: MID	Registry ID: NCR05244
Standard: TPL-004-0	System Performance Following Extreme BES Events	
Disposition	Final Record	Mitigation Plan
Initial Notice	NAVAPS	Proposed Sanction Penalty
Internal Notes		Pre-June 18
Contested Hearing		

Requirement: 1 ☐ Repeat Alleged Violation? ☐

Initial Determination by Region: 5/21/2008

Reporting Method: Compliance Audit

On Site Audit ☒ Off Site Audit ☐

Deemed Date: 4/25/2008

Violation Level: LNC - Level 1

Violation Risk Factor: MEDIUM

Alleged Violation Time:

Alleged Violation End Date:

Violation Description:

No written assessment has been completed

Applicable Functions: TP

Regional Determination of Impact to BPS:

Detailed Description of Potential Impact to BPS:

"DIMI Minimum - Although MID does not have an assessment and it studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.

ID sent to Entity: 6/10/2008


Additional Comments:

Regional Contact Person: Look, Jay

Close

WECC Compliance Database

Post June 18th Violations



Compliance and Registration Database
Post Violations Tracking and Reporting

Region: WECC Violation Date: 4/25/2008 WECC ID: MID_WECC2008851
Entity: Modesto Irrigation District Acronym: MID Registry ID: NCR05244 NERC violation ID: WECC200800811
Standard: TPL-004-0 System Performance Following Extreme BES Events

Disposition Final Record Mitigation Plan RAD and RAD Appeal Internal Notes Pre-June 18
Initial Notice NAVAPS Proposed Sanction Penalty Contested Hearing

Requirement: 2 Repeat Alleged Violation? ☐
Initial Determination by Region: 5/21/2008
Reporting Method: Compliance Audit
On Site Audit ☒ Off Site Audit ☐
Deemed Date: 4/25/2008
Violation Level: LNC - Level 1
Violation Risk Factor: LOWER
Alleged Violation Time:
Alleged Violation End Date:
Violation Description:
No written assessment has been completed
Regional Contact Person: Looock, Jay

Applicable Functions: TP
Regional Determination of Impact to BPS:
Detailed Description of Potential Impact to BPS:
"DIMI Minimum – Although MID does not have an assessment and it studies are out-of-date, considering its size and taking into account the system performance shown in past studies, the reliability impact to the BES for this Possible Violation is minimum.
ID sent to Entity: 6/10/2008
Additional Comments

Close

Form View Num Lock Filtered

Attachment c

**Settlement Agreement by and between WECC
and MID executed February 19, 2010**



**SETTLEMENT AGREEMENT
BETWEEN
WESTERN ELECTRICITY COORDINATING COUNCIL
AND
MODESTO IRRIGATION DISTRICT
DATED 2/12/2010**

I. INTRODUCTION

The Western Electricity Coordinating Council ("WECC") and Modesto Irrigation District ("MID") (sometimes each referred to as a "Party," and collectively as the "Parties"), enter into this Settlement Agreement ("Agreement") to resolve Alleged Violations by MID of the North American Electric Reliability Corporation ("NERC") Reliability Standards. These Alleged Violations include (i) Alleged Violations found during WECC's April 25, 2008 Compliance Audit of MID and (ii) various Alleged Violations self-reported by MID. These violations were set forth and described in a Notice of Alleged Violation and Proposed Penalty or Sanction ("NAVAPS"), dated November 17, 2008.

This Agreement supersedes and replaces in its entirety the settlement agreement previously entered into by the Parties on May 18, 2009 ("Prior Agreement"). Upon execution of this Agreement the Prior Agreement shall be void.

II. STIPULATION

The facts stipulated herein are stipulated for the purpose of resolving, between WECC and MID, the matters discussed herein and do not constitute stipulations or admissions for any other purpose. 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 may include assessing penalties against MID for subsequent violations of the Reliability Standards addressed herein in accordance with NERC Rules of Procedure. MID retains the right to exercise all rights it may have to contest and defend against any such enforcement actions by WECC. WECC and MID hereby stipulate and agree to the following:

Background

A. Modesto Irrigation District

MID, is an irrigation district, 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 in Stanislaus County, California, and the surrounding area. Its corporate headquarters is located at: 1231 Eleventh Street, Modesto, California. MID is a fully integrated, fully resourced utility. The electric utility side of MID serves approximately 112,000 customers with a peak summer load of 697 MW (2006). The water operations division serves 3,000 irrigation customers, and provides 30 million gallons per day of wholesale treated water to the City of Modesto.

MID owns and operates approximately 2,100 miles of distribution and transmission lines, which includes 107 miles of 230 kV transmission lines, 38 miles of 115 kV lines and 201 miles of 69 kV lines. There are 35 substations and approximately 402 MW of local internal generation. MID owns facilities within WECC defined paths, but is not a path operator.

MID and the Turlock Irrigation District ("TID") jointly own the Westley 230 kV switching station, which is operated by MID. This station interconnects three Balancing Authorities (the Sacramento Municipal Utility District ("SMUD"), TID, and California Independent System Operator Corporation ("CAISO" or "ISO"). This switching station has a 230 kV tie to the Pacific Gas and Electric Company ("PG&E") Tesla and PG&E Los Banos station, two 230 kV lines to the Western Area Power Administration, Tracy station, a 230 kV line to the TID Walnut Station, two 115 kV lines to the TID Westley station, a 230 kV line to the MID Parker station and two 230 kV lines to the MID Rosemore stations. MID and TID are also interconnected by the Walnut-Parker 230 kV line. Additionally, MID is interconnected with the CAISO at MID's Standiford Substation via two transmission lines owned by the City and County of San Francisco ("CCSF").

MID's internal generation includes a share of the Don Pedro Power Plant, which is a hydro generation project jointly owned with TID, which manages the project. In addition, MID's internal generation includes natural gas fired plants and a small hydroelectric facility.

MID is registered on the NERC Compliance Registry as a Transmission Planner, Transmission Owner, Distribution Provider, Generator Operator, Purchasing-Selling Entity, Transmission Operator, Resource Planner, Generator Owner, and Load Serving Entity.

B. Settlement History

On April 25, 2008, WECC conducted an on-site, non-public Compliance Audit of MID ("Compliance Audit"), pursuant to the NERC Rules of Procedure, at MID's headquarters in Modesto, California. The WECC Compliance Audits and Investigations Group reviewed forty-eight (48) NERC reliability standards and five (5) WECC Regional Reliability Standards.

On November 17, 2008, the WECC Enforcement Group issued a NAVAPS¹ alleging the violations discovered by the compliance audit and self report as outlined above.

On December 15, 2008, MID filed an official response to the NAVAPS.

On January 28, 2009 the Parties met for a settlement conference to discuss the Alleged Violations listed above ("Settlement Conference"). The results of Settlement Conference and resolution of each Alleged Violation is discussed below.

Confirmed Violations

EOP-001-0 R5 -- Emergency Operations Planning

Based on the evidence gathered during the Compliance Audit, WECC determined that MID's Emergency Plan, *Operating Bulletin 10 Capacity and Energy Load Reduction Plan* and *Operating Bulletin 1 System Emergency Operating Orders and Restoration Plan*, did not contain four of the fifteen required elements. The four missing elements were: (i) an adequate fuel supply and inventory plan that recognizes reasonable delays or problems in the delivery or production of fuel, (ii) fuel switching plans for units for which fuel supply shortages may occur, (iii) plans to seek removal of environmental constraints for generating units and plants, and (iv) the operation of all generating sources to optimize their availability. The WECC audit team also interviewed the Operations Manager who acknowledged that all items required were not included in the Emergency Plan Documents. The Operations Manager provided as evidence for the second missing element a document indicating that fuel switching capability did exist for the McClure and Woodland Generating Facilities. However, this document was not incorporated into the approved and implemented Emergency Plan.

WECC determined the violation period for this Alleged Violation runs from June 18, 2007 when the Standard became enforceable to September 17, 2008 when the Mitigation Plan was completed.

¹ The NAVAPS referred to NERC Violation Tracking Number, WECC200810022; this Tracking Number was included in error in the NAVAPS.

MID submitted a Mitigation Plan to address this violation on July 7, 2008. This Mitigation Plan stated that MID would include plans and procedures to address the missing elements in its Operating Bulletin No. 43, which is referenced in MID's Emergency Capacity and Emergency Operations orders and restoration plans found in Operating Bulletins 1 and 10. This Mitigation Plan was accepted by WECC on August 7, 2008, and approved by NERC on September 17, 2008. MID certified completion of this Mitigation Plan on September 18, 2008. To demonstrate completion of the Mitigation Plan MID attached its Operations Bulletin No. 43 in its completion certification. On September 29, 2008, WECC subject matter experts ("SMEs") reviewed the attached documentation and verified completion of the Mitigation Plan.

EOP-005-0 R1 -- System Restoration Plans

Based on the evidence gathered during the Compliance Audit, WECC determined that MID's Restoration Plan did not contain procedures for the loss of vital telecommunication channels. WECC reviewed all of documents provided by MID to demonstrate compliance with this Standard and was unable to locate procedures for loss of vital telecommunication channels. One of the documents reviewed at the audit, Operations Bulletin No. 40, did address the loss of data communications; however, none of the documents contained procedures or guidance for loss of vital telecommunications, specifically the loss of voice communications. MID does have redundant voice communications channels but the use of alternate communications capability is not addressed in any procedure.

WECC determined the violation period for this Alleged Violation runs from June 18, 2007 when the Standard became enforceable to September 4, 2008 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation on June 30, 2008. This Mitigation Plan stated that MID would amend its Restoration Plan and operating bulletins to address the loss of vital telecommunications channels. Specifically, MID's Operating Bulletin No. 5 would be written to address all communications systems. In addition, MID Operating Bulletin No. 40 would be written to handle loss of the primary control center. Operating Bulletins No. 5 and No. 40 will be referenced in MID's Restoration Plan -- Operating Bulletin No. 1. This Mitigation Plan was accepted by WECC on September 4, 2008, and approved by NERC on October 21, 2008. On September 18, 2008, MID submitted an update stating that the necessary documents had been drafted and were only awaiting approval. MID certified completion of this Mitigation Plan on September 24, 2008. To demonstrate completion of the Mitigation Plan, MID attached its Operations Bulletins No. 5, No. 40, and No 1 to its completion certification. On September 29, 2008, WECC SMEs reviewed the attached documentation and verified completion of the Mitigation Plan.

EOP-008-0 R1 – Plan for Loss of Control Center Functionality

MID self-reported this Alleged Violation on December 21, 2007, because it did not have a back up source of data and voice communication separate from the primary control center as required in R1.1, and was further non-compliant with the requirements listed in R1.3, R1.5, R1.6, and R1.8. In addition, at the Compliance Audit found MID was in violation of R1.7 of the Standard because its contingency plan had not been updated since May 1, 2003.

WECC determined the violation period for this Alleged Violation runs from November 13, 2007 to July 18, 2008 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation on January 10, 2008. This Mitigation Plan stated that MID would provide a temporary backup control facility and would revise its plan for loss of the primary control center. The Mitigation Plan also stated that MID would complete a new permanent backup control facility that is expected to be complete by June 18, 2009. On June 13, 2008, MID submitted a revised Mitigation Plan stating that it would create a temporary backup control facility in its existing building at the Ripon Generation Station. This revised Mitigation Plan was accepted by WECC on September 18, 2008. The revised Mitigation Plan was accepted by NERC on November 5, 2009. This temporary facility would contain portable radios, telephones, and PC's that can be utilized. The Mitigation Plan noted that the permanent, backup control facility would be completed September 30, 2009. On June 17, 2008, MID submitted an update stating that it had completed its temporary backup control center installation at the Ripon Generation Station. On September 18, 2008, MID submitted another update stating that its new permanent backup control was still on schedule to be completed in the summer of 2009. On December 11, 2008, MID submitted an update stating that it had awarded the construction contract for its new permanent backup control center. On December 15, 2008, MID simultaneously submitted a Mitigation Plan and certified completion of its Mitigation Plan for R1.7 stating that it had re-written its contingency plan for loss of the backup control center. WECC SMEs reviewed the attached re-written contingency plan and confirmed completion of R1.7. The settlement in principle was reached on this matter on January 28, 2009, whereby MID committed to accelerate completion of the permanent, backup control facility before the summer peak, an acceleration of several months from what was then projected. On March 13, 2009, MID submitted another update stating that construction on the new permanent facility was 75 percent complete and would be functional by June 15, 2009, before the summer peak.

PER-002-0 R2, R3, R4 – Operating Personnel Training

On June 14, 2007 MID submitted a self-report form and Mitigation Plan for this Alleged Violation. However, this violation became sanctionable because the Mitigation Plan was

not completed by the approved completion date. MID was in violation of this Standard because its training program lacked specificity with respect to the training of operating personnel. In addition, MID had no approved, formal training program for continuing training; including an annual minimum number of training hours, updates on NERC standards, or simulator training.

WECC determined the violation period for this Alleged Violation runs from June 18, 2007 when the Standard became enforceable to September 15, 2008 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation on June 15, 2007. This Mitigation Plan stated that MID would expand the training program to insure that Operations Department personnel are trained to comply with NERC/WECC standards and to become NERC certified. This Mitigation Plan had an expected completion date of September 15, 2007. On December 18, 2007, MID submitted an update stating that its Board had authorized the funds to begin training and a training program purchased. MID's original plan was intended to complete NERC certification of more than the minimum number of operations personnel. MID had no certified operators at the time of the submittal of the Mitigation Plan, and the plan goal was to certify more than twenty personnel, when the minimum number, accounting for shift coverage, including vacations, sick time and training, would have been twelve positions. MID's view was and is that setting the mitigation target at a higher number would provide for succession planning and better coverage for emergency situations. On June 13, 2008, MID submitted a revised Mitigation Plan which was approved by WECC and NERC on September 18, 2008, and October 10, 2008, respectively. This Mitigation Plan stated that MID had contracted with consultants for assistance to develop a training program that meets all training requirements. This program will include initial and continuing training for operations personnel and will address the knowledge and competencies needed for reliable system operations. On September 15, 2008, MID certified completion of this Mitigation Plan. To demonstrate completion of the Mitigation Plan, MID attached its Operating Personnel Training Program and Apprentice Dispatcher Training Program to its completion report. On September 18, 2008, WECC SMEs reviewed the completion documentation and verified completion of the Mitigation Plan.

TOP-002-2 R18

MID discovered this violation during a self audit and submitted a self-report form and completed Mitigation Plan for this Alleged Violation on April 9, 2008. MID was in violation with the Standard because it had not provided neighboring Balancing Authorities, Transmission Operators, and Transmission Service Providers a list of uniform line identifiers.

WECC determined the violation period for this Alleged Violation runs from June 18, 2007 when the Standard became enforceable to April 9, 2008 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation and certified completion of this Mitigation Plan on April 9, 2008. To mitigate this violation, MID used uniform line identifiers for the transmission lines that are within the MID system and/or interconnected to the MID system, and provided these uniform line identifiers to all necessary neighboring entities. To demonstrate completion of the Mitigation Plan, MID attached to its certification of completion a copy of its Uniform Line Identifiers List and copies of letters of transmittal to necessary neighboring entities. The Mitigation Plan was accepted by WECC on April 14, 2008, and approved by NERC on September 12, 2008. On April 25, 2008, WECC reviewed the completion documentation and verified completion.

TPL-001-0 R1, R2, R3 – System Performance Under Normal Conditions

Prior to the Compliance Audit, in response to a pre-audit documentation request, MID provided a copy of *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures*, dated 3/20/2008. The purpose of this document is to define the requirements, which are mandated by NERC and WECC, which the MID Transmission Planning Staff should follow in order to comply with NERC Standards TPL-001-0 through TPL-004-0. In conducting the studies to comply with TPL standards, MID believed that it conducted all studies required by the TPL standards. MID believed that the standards allowed MID to use past studies and to use assumptions in the 2007 summer demand level study to account for the conditions that would be used in a 2007 winter demand level study. MID also believed that the standards did not require MID to provide a written assessment in order to explain that MID had relied on past studies, or that the standards required it to provide written documentation explaining that MID had relied on assumptions in the summer 2007 study to account for the winter 2007 study. However, there were no planning assessments or study documentation provided for evaluation prior to the audit.

At the on-site audit, the same Operating Bulletin 47 was provided as evidence with no assessments or studies. After an interview with MID Senior Electrical Engineers, MID did provide results from different studies. However, these studies were insufficient for three reasons: (i) they only included the heavy summer demand level for two different years (2009 and 2016), (ii) the studies were out of date (conducted in February of 2006), and (iii) no valid assessment was provided based on the studies.

MID also provided reports from the Sacramento Valley Study Group as part of their documentation. However these were operating studies, not planning studies which are needed for the assessments required by this standard.

Because MID had not performed the necessary assessments under R1, MID could not prepare corrective action plans as required by R2. Because the assessments and corrective action plans were not created under R1 and R2, this documentation could not be provided as required by R3.

WECC determined the violation period for this Alleged Violation runs from June 18, 2007 when the Standard became enforceable to December 29, 2008 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation on December 15, 2008. This Mitigation Plan stated that MID would use the latest base cases on the WECC website to perform all necessary assessments. The Mitigation Plan stated that MID would perform studies for years 1, 5, and 10 at various demand levels. This Mitigation Plan was accepted by WECC on December 15, 2008 and approved by NERC on May 26, 2009. MID certified completion of this Mitigation Plan on December 31, 2008. To demonstrate completion of the Mitigation Plan, MID attached its NERC/WECC Transmission 2008 Annual Assessment (for TPL-001 to TPL-004) Years 2010-2019, which used the latest base cases on the WECC website and relied on studies for years 1, 5 and 10 at various demand levels. On January 6, 2009, WECC SMEs reviewed the completion documentation and verified completion of the Mitigation Plan.

TPL-002-0 R1, R2, R3 – System Performance Following Loss of a Single BES Element

Prior to the Compliance Audit, in response to a pre-audit documentation request, MID provided a copy of *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures*, dated 3/20/2008. The purpose of this document is to define the requirements, which are mandated by NERC and WECC, which the MID Transmission Planning Staff should follow in order to comply with NERC Standards TPL-001-0 through TPL-004-0. In conducting the studies to comply with TPL standards, MID believed that it conducted all studies required by the TPL standards. MID believed that the standards allowed MID to use past studies and to use assumptions in the 2007 summer demand level study to account for the conditions that would be used in a 2007 winter demand level study. MID also believed that the standards did not require MID to provide a written assessment in order to explain that MID had relied on past studies, or that the standards required it to provide written documentation explaining that MID had relied on assumptions in the summer 2007 study to account for the winter 2007 study. However, there were no planning assessments or study documentation provided for evaluation prior to the audit.

At the on-site audit, the same Operating Bulletin 47 was provided as evidence with no assessments or studies. After an interview with MID Senior Electrical Engineers, MID did provide results from different studies. However, these studies were insufficient for

three reasons: (i) they only included the heavy summer demand level for two different years (2009 and 2016), (ii) the studies were out of date (conducted in February of 2006), and (iii) no valid assessment was provided based on the studies.

MID also provided reports from the Sacramento Valley Study Group as part of their documentation. However these were operating studies, not planning studies which are needed for the assessments required by this standard.

Because MID had not performed the necessary assessments under R1, MID could not prepare corrective action plans as required by R2. Because the assessments and corrective action plans were not created under R1 and R2, this documentation could not be provided as required by R3.

WECC determined the violation period for this Alleged Violation runs from June 18, 2007 when the Standard became enforceable to December 29, 2008 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation on December 15, 2008. This Mitigation Plan stated that MID would use the latest base cases on the WECC website to perform all necessary assessments. The Mitigation Plan stated that MID would perform studies for years 1, 5, and 10 at various demand levels. This Mitigation Plan was accepted by WECC on December 15, 2008 and approved by NERC on August 14, 2009. MID certified completion of this Mitigation Plan on December 31, 2008. To demonstrate completion of the Mitigation Plan MID attached its NERC/WECC Transmission 2008 Annual Assessment (for TPL-001 to TPL-004) Years 2010-2019, which used the latest base cases on the WECC website and relied on studies for years 1, 5 and 10 at various demand levels. On January 6, 2009, WECC SMEs reviewed the completion documentation and verified completion of the Mitigation Plan.

TPL-003-0 R1, R2, R3 – System Performance Following Loss of Two or More BES Elements

Prior to the Compliance Audit, in response to a pre-audit documentation request, MID provided a copy of *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures*, dated 3/20/2008. The purpose of this document is to define the requirements, which are mandated by NERC and WECC, which the MID Transmission Planning Staff should follow in order to comply with NERC Standards TPL-001-0 through TPL-004-0. In conducting the studies to comply with TPL standards, MID believed that it conducted all studies required by the TPL standards. MID believed that the standards allowed MID to use past studies and to use assumptions in the 2007 summer demand level study to account for the conditions that would be used in a 2007 winter demand level study. MID also believed that the standards did not require MID to provide a written assessment in order to explain that MID had relied on past studies, or

that the standards required it to provide written documentation explaining that MID had relied on assumptions in the summer 2007 study to account for the winter 2007 study. However, there were no planning assessments or study documentation provided for evaluation prior to the audit.

At the on-site audit, the same Operating Bulletin 47 was provided as evidence with no assessments or studies. After an interview with MID Senior Electrical Engineers, MID did provide results from different studies. However, these studies were insufficient for three reasons: (i) they only included the heavy summer demand level for two different years (2009 and 2016), (ii) the studies were out of date (conducted in February of 2006), and (iii) no valid assessment was provided based on the studies.

MID also provided reports from the Sacramento Valley Study Group as part of their documentation. However these were operating studies, not planning studies which are needed for the assessments required by this standard.

Because MID had not performed the necessary assessments under R1, MID could not prepare corrective action plans as required by R2. Because the assessments and corrective action plans were not created under R1 and R2, this documentation could not be provided as required by R3.

WECC determined the violation period for this Alleged Violation runs from June 18, 2007 when the Standard became enforceable to December 29, 2008 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation on December 15, 2008. This Mitigation Plan stated that MID would use the latest base cases on the WECC website to perform all necessary assessments. The Mitigation Plan stated that MID would perform studies for years 1, 5, and 10 at various demand levels. This Mitigation Plan was accepted by WECC on December 15, 2008 and approved by NERC on May 26, 2009. MID certified completion of this Mitigation Plan on December 31, 2008. To demonstrate completion of the Mitigation Plan MID attached its NERC/WECC Transmission 2008 Annual Assessment (for TPL-001 to TPL-004) Years 2010-2019, which used the latest base cases on the WECC website and relied on studies for years 1, 5 and 10 at various demand levels. On January 6, 2009, WECC SMEs reviewed the completion documentation and verified completion of the Mitigation Plan.

TPL-004-0 R1, R2 – System Performance Following Extreme BES Events

Prior to the Compliance Audit, in response to a pre-audit documentation request, MID provided a copy of *Operating Bulletin 47 Electrical System Transmission Planning (TPL) Policies and Procedures*, dated 3/20/2008. The purpose of this document is to define the requirements, which are mandated by NERC and WECC, which the MID

Transmission Planning Staff should follow in order to comply with NERC Standards TPL-001-0 through TPL-004-0. In conducting the studies to comply with TPL standards, MID believed that it conducted all studies required by the TPL standards. MID also believed that the standards did not require MID to provide a written assessment in order to explain that MID had relied on past studies. However, there were no planning assessments or study documentation provided for evaluation prior to the audit.

At the on-site audit, the same Operating Bulletin 47 was provided as evidence with no assessments or studies. After an interview with MID Senior Electrical Engineers, MID did provide results from different studies. However, these studies were out-of-date – conducted in February of 2006. In addition, no valid assessment was provided based on the studies.

Because MID had not performed the necessary assessments under R1, this documentation could not be provided as required by R2.

WECC determined the violation period for this Alleged Violation runs from June 18, 2007 when the Standard became enforceable to December 29, 2008 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation on December 15, 2008. This Mitigation Plan stated that MID would use the latest base cases on the WECC website to perform all necessary assessments. The Mitigation Plan stated that MID would perform studies for years 1, 5, and 10 at various demand levels. This Mitigation Plan was accepted by WECC on December 15, 2008 and approved by NERC on May 26, 2009. MID certified completion of this Mitigation Plan on December 31, 2008. To demonstrate completion of the Mitigation Plan MID attached its NERC/WECC Transmission 2008 Annual Assessment (for TPL-001 to TPL-004) Years 2010-2019, which used the latest base cases on the WECC website and relied on studies for years 1, 5 and 10 at various demand levels. On January 6, 2009, WECC SMEs reviewed the completion documentation and verified completion of the Mitigation Plan.

CIP-001-1 R1, R2, R3 – Sabotage Reporting

MID self-reported these violations on November 13, 2007, because it did not have a comprehensive procedure that addresses recognition, awareness, communication, and reporting of sabotage events and other vulnerabilities that may pose a threat to its system and the reliability of the BPS² that can be utilized across its different registered functions (TOP, GO, GOP, LSE, etc.).

² The term BPS refers to the statutory term under the Federal Power Act. See Federal Power Act § 215(a)(1); 16 U.S.C. 824o(a)(1) (2009). Many of the NERC Reliability Standards at Issue here use the
(continued)

WECC determined the violation period for these violations runs from June 18, 2007 when the Standard became enforceable to March 18, 2008 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation on January 10, 2008. This Mitigation Plan stated that MID would develop its Operating Bulletin 44 as the overarching sabotage and vulnerability recognition and reporting procedure to ensure compliance with this standard. This Mitigation Plan was accepted by WECC on March 10, 2008 and approved by NERC on August 27, 2009. MID certified completion of this Mitigation Plan on March 18, 2008. To demonstrate completion of the Mitigation Plan MID attached to its completion certification its Operating Bulletin No. 44 – Sabotage and Threat Reporting Procedure. On December 2, 2008, WECC SMEs reviewed the completion documentation and verified completion of the Mitigation Plan.

FAC-001-0 R1, R2, R3 – Facility Connection Requirements

MID filed a self-report and Mitigation Plan for these violations on June 14, 2007. However, these violations became sanctionable because MID missed the estimated completion date for the Mitigation Plan. MID was in violation of the Standard, because it did not have formalized facility connection requirements. MID is using draft procedures based on the process outlined by FERC in Order No. RM02-1-000 and has responded to interconnection requests according to the process outlined by the FERC Order. However, MID was in violation of the Standard because it did not have approved and formalized interconnection procedures.

WECC determined the violation period for these violations runs from June 18, 2007 when the Standard became enforceable to December 14, 2007 when the Mitigation Plan was completed.

MID submitted a Mitigation Plan to address this violation on June 1, 2007. This Mitigation Plan stated that MID would finalize its requirements for interconnection. This Mitigation Plan was accepted by WECC on July 17, 2007 and approved by NERC on June 6, 2009. This Mitigation Plan had an expected completion date of October 31, 2007. MID did not certify completion of this Mitigation Plan prior to the expected completion date. MID submitted a revised Mitigation Plan on December 6, 2007. This Mitigation Plan stated that MID had a draft of its Facilities Interconnection Agreement that was awaiting review for approval. MID certified completion of this revised Mitigation Plan on December 14, 2007. To demonstrate completion of this Mitigation Plan, MID

term Bulk Electric System ("BES"). Accordingly, if it is necessary to support and uphold this Settlement, the Parties request that references herein to the BPS be construed also to mean the BES.

attached to its completion certification its Technical Transmission Interconnection Requirements. WECC SMEs reviewed the completion documentation and verified completion of the Mitigation Plan.

FAC-008-1 R2, R3 – Facility Ratings Methodology

These Alleged Violations were self reported by MID on June 14, 2007, and included in the NAVAPS that was sent on November 17, 2008. However, WECC has determined that no violation of FAC-008-1 R2 and R3 occurred because these requirements are event or request driven, and no event or request ever occurred. Specifically, these requirements call for the registered entity to, upon request, make its Facility Ratings Methodology available to certain entities within 15 business days and to provide a written response to any comments received from those entities within 45 calendar days of receipt of said comments. MID did not violate this Standard because, while MID did have a Facility Ratings Methodology at the time these violations were self-reported (and continues to have a Facility Ratings Methodology), no entity had requested that MID provide its Methodology, so the required actions under R2 and R3 were never triggered. Therefore, WECC has decided to withdraw the Alleged Violations of NERC Standard FAC-008-1 R2 and R3.

III. PARTIES' SEPARATE REPRESENTATIONS

A. Statement of WECC and Summary of Findings

In light of the evidence and circumstances described above, WECC finds MID to be in violation of the following NERC Reliability Standards: CIP-001-1 R1, R2 and R3; EOP-001-0 R5; EOP-005-1 R1; EOP-008-0 R1; FAC-001-0 R1, R2 and R3; PER-002-0 R2, R3 and R4; TOP-002-2 R18; TPL-001-0 R1, R2 and R3; TPL-002-0 R1, R2 and R3; TPL-003-0 R1, R2 and R3; and TPL-004-0 R1 and R2. For the reasons set forth herein, WECC acknowledges this Agreement is in the best interest of the Parties and in the best interest of maintaining a reliable BPS.

B. Statement of MID

MID neither admits nor denies the violations addressed herein but, for purposes of settlement, stipulates to the facts above. MID enters into this Agreement with WECC to effectuate a complete and final resolution of the issues set forth herein. MID acknowledges this Agreement is in the best interest of the Parties and in the best interest of maintaining a reliable BPS.

IV. MITIGATING ACTIONS, REMEDIES AND SANCTIONS

For purposes of settling any and all disputes arising from the Alleged Violations addressed in this Agreement, WECC and MID agree that on and after the effective date of this Agreement, MID shall continue to take whatever steps are necessary to complete Mitigation Plans for all Alleged Violations addressed in this Agreement. The parties agree that this Agreement is contingent upon the completion of these Mitigation Plans.

Based on the facts provided herein, and in settlement of all outstanding issues between the WECC and MID, the Parties agree WECC shall impose a zero dollar penalty and MID will complete the activities delineated below. MID agrees to spend at least \$60,000 (U.S.) to undertake and complete the delineated activities in furtherance of the Parties' goal to assure the continued reliability of the BPS; specifically MID shall:

- Accelerate Job Task Analysis ("JTA") development for MID's operators and present said JTAs to attendees at the March 24, 2009 Compliance Users Group ("CUG") meeting
- In recognition of the quality of MID's Internal Compliance Program ("ICP") and the benefit of sharing best practices among small entities striving to improve their own ICPs, develop and present a discussion regarding its ICP at the March 24, 2009, CUG meeting
- Accelerate construction of its back-up control center so that it is operational prior to MID's summer peak season, with a completion deadline of June 15, 2009.
- Accelerate planned training on internal auditing processes to ensure completion of training for MID's internal auditors by the end of July 2009.

Funding and programs associated with this Agreement is in addition to MID's original planned budget for BPS reliability and compliance activities. MID agrees to provide WECC an accounting of its expenditures made in completing these activities. WECC may audit and inspect financial records to verify actual expenditures with the estimates in this Agreement.

Failure to comply with any of the terms and conditions agreed to herein, or any other conditions of this Agreement, shall be deemed a violation of the same Alleged Violations that initiated this settlement, and/or additional violation(s), and may subject MID to new or additional enforcement, penalty, or sanction actions in accordance with the NERC Rules of Procedure. If MID fails to complete the actions described above, WECC reserves the right to assess and collect a monetary penalty, to impose a sanction, or otherwise to impose enforcement actions.

WECC's determination of penalties and sanctions, as well as its agreement to certain penalty amounts in settlement, 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 Federal Energy Regulatory Commission ("Commission") provided in Order No. 693, the NERC Sanction Guidelines, and the Commission's July 3, 2008 Guidance Order. Specifically, WECC considers the following factors: (1) the relation of the penalty to the seriousness of the violation, including consideration of the applicable Violation Risk Factor and Violation Severity Level, as well as the actual and foreseen risk to the reliability of the Bulk Electric System as determined by WECC subject matter experts; (2) the violation duration; (3) the Registered Entity's compliance history; (4) the Registered Entity's self-disclosure and voluntary corrective action; (5) the degree and quality of cooperation by the Registered Entity in the audit or investigation process, and in any remedial action directed; (6) the presence and quality of the Registered Entity's compliance program; (7) the violation time horizon; (8) the failure of the Registered Entity to comply with compliance directives, (9) any attempt by the Registered Entity to conceal the violation or information needed to investigate the violation, (10) intentional violation, (11) any other extenuating circumstances, and (12) the Registered Entity's ability to pay a penalty.

In this case, the Parties agree that the settlement terms are reasonable and in the best interest of the reliable operation of the BPS given that the violations stipulated herein represent MID's first violations of the NERC Reliability Standards and together posed a minimal risk to the reliability of the BPS, particularly as several of the violations involve long-term planning horizons.

The sanctions under this settlement benefit the BPS beyond MID's piece of the BPS. Early completion of the permanent, back-up control center and the JTA analysis will help MID perform compliance obligations to entities outside of MID's system. With regard to the back-up control center, this would mean improved provision of MID's peaking generation in response to California-Oregon Intertie ("COI") path operating transfer capability overages, which SMUD otherwise provides as the Balancing Authority. As an entity located within the SMUD Balancing Authority, MID contributes to the reliable operation of the COI, because the California-Oregon Transmission Project ("COTP"),³ which is part of the COI, is also located in the SMUD BA, and counterschedules over the COTP require rapid response of an actual, physical increase in local generation to reduce flows on the COI, which MID's back-up control center provides. The back-up control center also helps MID more readily and rapidly provide reserves. SMUD is a member of the Pacific Northwest reserve sharing group (Northwest Power Pool), and MID's contributions from its permanent, back-up control

³ MID is the holder of a percentage share of the Transmission Agency of Northern California's ("TANC") Entitlement on the COTP.

center would help assist the SMUD Balancing Authority's obligations to the Northwest Power Pool. The accelerated JTA analysis will help MID provide the rapid response described above, through clearer and improved delineation of personnel responsibilities.

The JTA analysis and presentation at the CUG meeting will help other Registered Entities comply with revised Reliability Standards, particularly updated PER-005. Likewise, sharing MID's ICP at the CUG meeting will help other entities, particularly ones of a similar size to MID, improve their own ICPs, and thus improve compliance with Reliability Standards more generally. MID's acceleration of its back-up control center before the summer peak would help prevent blackouts within MID that could cascade to the BPS or otherwise prevent reliability issues from spreading to the BPS by controlling or resolving the issue or communicating the issue with entities that would be affected in the BPS. In addition, MID's internal auditor training would help MID better identify and resolve issues with MID's compliance, which compliance is essential to the reliability of the BPS. MID made its internal auditor training open to industry participants. Approximately 58 participants from 24 organizations attended the May 19, 2009 auditor training, including a representative from WECC. The training was provided by a company that has provided similar training for organizations nationwide, including NERC. While WECC did not preview the content of the training, at its conclusion WECC was satisfied that the training had provided comprehensive, accurate information for those in attendance.

WECC also recognizes that MID is a relatively small irrigation district that has comparatively limited financial resources. In addition, MID promptly self-reported several of these violations. WECC reviewed and considered all applicable mitigation plans for the stipulated violations; at the time of settlement, all violations had been promptly and completely mitigated. WECC determined that there were no aggravating factors; specifically, there was no repeat violation, no relevant negative compliance history, no applicable compliance directives, no evidence of any attempt by MID to conceal the violations, and no evidence that the violations were intentional. In addition, WECC recognizes the presence and quality of MID's compliance program. As noted above, a condition of this Agreement is for MID to develop and present a discussion regarding its ICP at the March 24, 2009, CUG meeting (which MID has presented). Some of the highlights of MID's "ICP" are:

- o A well-documented working plan that is reviewed and updated at least annually.
- o A Reliability Compliance Committee ("RCC") comprised of senior management, which meets monthly.
- o A robust whistle blowing policy.
- o A semi annual Board update on NERC/WECC compliance.
- o Assignment of a Reliability Compliance Coordinator to foster compliance efforts.
- o Annual development of a compliance work plan.

- Commitment to full CIP compliance ahead of schedule.
- Attention given to training regarding System Operators.

Since initial execution of this Settlement, MID has completed the activities delineated above at a cost of \$96,573.14 , which is above the \$60,000 required to be expended under this settlement. WECC has confirmed: (1) through an accounting, that MID has spent the monies represented to meet the terms of the settlement; and (2) the monies spent are in addition to MID's original, planned budget and over and above monies that MID did or would have spent to become compliant or restore compliance.

VI. ADDITIONAL TERMS

The signatories to this Agreement agree that they enter into this Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent or representative of WECC or MID has been made to induce the signatories or any other party to enter into the Agreement.

WECC shall report the terms of all settlements of compliance matters to NERC. NERC will review the settlement for the purpose of evaluating its consistency with other settlements entered into for similar violations or under other, similar circumstances. Based on this review, NERC will either approve the settlement or reject the settlement and notify WECC and MID of their acceptance or rejection. If NERC does not approve the settlement, NERC will provide specific written reasons for such rejection and changes to the settlement that could result in its approval. If a settlement cannot be reached, the enforcement process shall continue to conclusion. If NERC approves the settlement, NERC will (i) report the approved settlement to FERC for FERC's review and approval by order or operation of law and (ii) publicly post the alleged violation and the terms provided for in the settlement.

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.

This Agreement shall become effective upon FERC's approval of this Agreement by order or operation of law as submitted to it or as modified in a manner acceptable to the parties.

MID agrees that this Agreement, when approved by NERC and FERC, shall represent a final settlement of all matters set forth herein, and MID waives its right to further hearings and appeals for these Alleged Violations. WECC reserves all rights to initiate enforcement, penalty or sanction actions against MID in accordance with the NERC Rules of Procedure in the event that MID fails to comply with any Mitigation Plan and/or compliance program agreed to in this Agreement. In the event MID fails to comply with any of the stipulations, remedies, sanctions or additional terms, as set forth in this Agreement, WECC will initiate enforcement, penalty, or sanction actions against MID to the maximum extent allowed by the NERC Rules of Procedure, up to the maximum statutorily allowed penalty. MID shall retain all rights to defend against such enforcement actions, also according to the NERC Rules of Procedure.

Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to execute and deliver the Agreement on such entity's behalf and does so intending that such entity shall be bound by the terms hereof.


The undersigned representative of each Party affirms that he or she has read this Agreement, that all of the matters set forth in this Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that this Agreement is entered into by such Party in express reliance on those representations, provided, however, that such affirmation by each party's representative shall not apply to the other Party's statements of position set forth in Section III of this Agreement.

This Agreement may be signed in counterparts.


This Agreement is executed in duplicate, each of which so executed shall be deemed to be an original.

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

Agreed to and accepted:


CONSTANCE B. WHITE
Vice President of Compliance
Western Electricity Coordinating Council

2/12/10
Date


ALLEN SHORT
General Manager
Modesto Irrigation District

2-19-10
Date

Attachment d

MID's Mitigation Plan MIT-08-0870 for EOP-001-0 R5 submitted July 7, 2008, Certification of Completion of the Mitigation Plan for EOP-001-0 R5 dated September 17, 2008 and WECC's Verification of Mitigation Plan Completions for EOP-001-0 and EOP-005-1 dated October 7, 2008



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: July 7, 2008

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Registered Entity Name: Modesto Irrigation District
Registered Entity Address: 1231 11th St, Modesto CA 95354
NERC Compliance Registry ID: NCR05244

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: SteveH@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: EOP-001-0
[Identify by Standard Acronym (e.g. FAC-001-1)]

C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
EOP-001-0		R5	MEDIUM	06/10/2008	Audit
WECC200800799					

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

MID's current emergency plan was found not to include all required components of EOP-001-0 requirement R5. Specifically, compliance with the following elements in attachment 1 of EOP-001-0 were not evident:
1- Fuel supply and inventory- an adequate fuel supply and inventory plan that recognizes reasonable delays or problems in the delivery or production of fuel . 2- Fuel switching- Fuel switching plans for units for which fuel supply shortages may occur. 3- Environmental constraints- plans to seek removal of environmental constraints for generating units and plants. 7- Optimize fuel supply- the operating of all generating sources to optimize the availability.



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RELIABILITY CORPORATION

Operating Bulletin 10, paragraph 6.5 refers to Operating Bulletin No. 43 to address the issues stated above. Operations Bulletin 43 was not released at the time of the Compliance Audit. Item 2 above was addressed in Operating Bulletin 43 in draft form. The draft form of Operating Bulletin No. 43 did not address the other items and MID should consider adding them into Operating Bulletin No. 43 as well.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]

C.4 [Optional] Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:

MID has a Fuel Switching Plan for its McClure and Woodland Generation Stations where dual fuels may be employed. This Fuel switching plan was inadvertently left out of the evidence folder. This plan will be included in Operating Bulletin No. 43.

McClure and Ripon Generation Stations are peaking facilities and permitted to run for more than sufficient hours without the need for removing environmental constraints.

As a practice, MID attempts to remove any environmental constraints regarding run hours during the permitting process. For instance, MID can run its Ripon Generation (Peaking Facility) for 8000 hrs at maximum output. McClure operating hour limits also have adequate reserves. MID procured the necessary air emission credits and obtains permits prior to construction to allow for maximum and emergency operations. MID will document its permitting conditions and include them in Operating Bulletin 43 to provide evidence that it has no need to remove environmental constraints for emergency conditions for its current facilities.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if

**Western Electricity Coordinating Council**

this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID will address the alleged violations, specifically items 1, 2, 3 and 7 of EOP-001-0 attachment 1 found during the Compliance audit by including plans and procedures to address these elements in Operating Bulletin No. 43. Operating Bulletin No 43 is referenced in MID's Emergency Capacity and Energy Operations orders and restoration plans found in Operating Bulletins 1 and 10.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: Operations Bulletin No. 43 will be reviewed and if necessary re-issued by September 30, 2008. This will complete the mitigation plan.
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Revise Operations Bulletin 43	September 30, 2008

(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]



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Additional Relevant Information (Optional)

- D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected 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 the capability to store approximately two million gallons of diesel fuel at its McClure and Woodland Generation stations combined. MID stores enough fuel to allow for emergency operation of the units while procuring and taking delivery of additional fuel; therefore MID considers the risk for item 1 to be low.

MID has a Fuel Switching procedure as mentioned in C.4 above, it is just not released in Operating Bulletin No. 43; therefore the risk for item 2 is extremely low .

As stated earlier, MID has permitted its Ripon facility to operate greater than 8000 hours per year and its McClure faciity to operate more than 3000 hours per year; therefore environmental constraints are not a factor so long as the air pollution controls and monitoring equipment are functioning properly; therefore the risk for item 3 is extremely low .

MID's scheduling department schedules the generating units to operate in the most economical manner. This is primarily based on fuel optimization; therefore MID considers the risk for item 7 to be very low.

MID will document what it does to address the elements that the Compliance team found incomplete with the EOP-001-0 R5, Attachment 1 requirement in Operating Bulletin No. 43.



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[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

The cross-references to be made in Operating Bulletin No. 10 and Operating Bulletin No. 43 pursuant to this mitigation plan will bring MID into compliance with R5 of standard EOP-001. Further, per the NERC and Regional Reliability standards, MID is obligated to review and update the procedures annually. MID has modified, rewritten and updated 25-30% of its procedures during the past 4-6 months and cross referenced them to the NERC and WECC standards. MID is continuing to write and develop better procedures as part of it ongoing compliance program. MID will continue to cross reference its own procedures and the NERC standards so they become more clear in showing compliance with all the requirements.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

MID will be actively implementing a training program that reaches throughout the company. Training will then focus on selecting and training auditors for auditing processes and procedures. Finally MID will develop specifics for self enforcement. Dates will be set for these tasks at MID's next Reliability Compliance Committee Meeting held on July 9, 2008.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

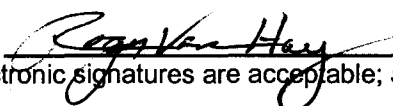


Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resources of Modesto Irrigation District.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:

 7/7/08
(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger VanHoy

Title: Assistant General Manager, Electric Resources

Date: July 7, 2008



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Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Jim Stuart, Sr. Compliance Engineer

Email: JStuart@wecc.biz

Phone: (801) 883-6887

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: Emergency Operations Planning

Standard Number: EOP-001-0

Requirement Number(s)¹: R5

Actual completion date of Mitigation Plan: September 17, 2008

Please attach supporting documentation used to demonstrate compliance.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

Requirement 5:

MID's Operations Bulletin 43 (OB 43) has been revised to address specific requirements of EOP-001-0 R5 namely: 1- Fuel Supply and Inventory. 2- Fuel Switching. 3- Environmental Constraints and 7- Optimize Fuel Supply.

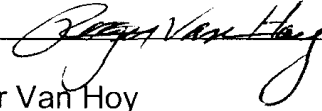
OB 43, paragraph 10.2.1, page 8, addresses optimizing the fuel supply. OB 43, paragraph 10.2.2, page 8 addresses fuel supply and inventory and fuel switching.

OB 43, section 12, pages 9-10, address environmental constraints and the permits and constraints are listed in the appendices of OB 43 as outlined in paragraph 12.7 on page 10. As paragraph 12.6, page 10, states, "MID has considered having an emergency plan seek the removal of environmental constraints for generating units and plants and has determined that the existing constraints provide the maximum operating parameters allowable, without exposure to criminal and civil penalties." As stated in C.4 of the Mitigation Plan, "MID attempts to remove any environmental constraints regarding run hours during the permitting process. For instance, MID can run its Ripon generation (Peaking Facility) for 8000 hours at maximum output. McClure operating hours also has adequate reserves. MID procured the necessary air emission credits and obtains permits prior to construction to allow for maximum and emergency operations. These permitting conditions have been documented in Appendices 1-10 of OB 43

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

By endorsement of this document I attest that Modesto Irrigation District is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature: _____



Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: September 17, 2008

CONFIDENTIAL



Bob Kiser
Manager of Audits and Investigations

360.980.2799
bkiser@wecc.biz

October 7, 2008

Roger VanHoy
Assistant General Manager, Electric Resources
Modesto Irrigation District
P.O. Box 4060
Modesto, California 95352

Subject: Mitigation Plan Completion Review(s)

Dear Roger VanHoy,

The Western Electricity Coordinating Council (WECC) received Mitigation Plan Completion Form(s) and supporting evidence for each violation listed in Table 1 of Attachment A. The table indicates which plans have been completed and which remain incomplete. Attachment A also includes audit notes that detail the findings supporting this conclusion.

Each compliance violation associated with the incomplete Mitigation Plan(s) is now subject to sanctions and penalties under the Energy Policy Act of 2005. You will be receiving a letter from the WECC Compliance Department outlining the next steps in the penalty and sanction process regarding such violation(s).

Please submit a revised Mitigation Plan by October 21, 2008, including new proposed completion dates, for each unmitigated violation identified in Attachment A. The Mitigation Plan template form can be found on the WECC Compliance Manuals webpage, as Manual 03.03:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Upon review, the WECC Compliance Department will provide written notice of its acceptance or rejection of the newly submitted Mitigation Plan.

If you have any questions or concerns, please contact Mike Wells at (801) 883.6884 or mike@wecc.biz. Thanks for your assistance in this effort.

CONFIDENTIAL

Sincerely,

Bob Kiser

Bob Kiser
Manager of Audits and
Investigations

BK:gc

Attachment

Cc: Toxie Burriss, MID Operations Manager
Lisa Milanes, WECC Manager of Compliance Administration
Ed Ruck, NERC Regional Compliance Program Coordinator



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Registered Entity: Modesto Irrigation District

Date: October 7, 2008

	Standard Number	Requirement	Completion Received by WECC	Sufficient Evidence	Review Status
I	[REDACTED]	I	[REDACTED]	[REDACTED]	[REDACTED]
I	[REDACTED]	I	[REDACTED]	[REDACTED]	[REDACTED]
3	EOP-001-0	5	18-Sep-08	Yes	Compliant
4	EOP-005-1	1	24-Sep-08	Yes	Compliant

Attachment e

MID's Mitigation Plan MIT-08-1018 for EOP-005-1 R1 submitted June 30, 2008 and Certification of Completion of the Mitigation Plan for EOP-005-1 R1 dated September 24, 2008



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: June 24, 2008

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Registered Entity Name: Modesto Irrigation District
Registered Entity Address: 1231 11th St, Modesto CA 95354
NERC Compliance Registry ID: NCR05244

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: SteveH@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

**Section C: Identity of Alleged or Confirmed Reliability Standard**
Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: EOP-005-1
[Identify by Standard Acronym (e.g. FAC-001-1)]

C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
EOP-005-1		R1	Medium	06/10/2008	Audit

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use.

C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

MID System Restoration plans do not address the loss of vital telecommunications.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

C.4 **[Optional]** Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:

MID has procedures and back up systems if primary communications systems are lost. MID's Operations Bulletin 5 will be specifically written to address all of the communication systems. While MID Operations Bulletin 40 was written to handle the loss of the primary Control center



Western Electricity Coordinating Council

functionality, it is not referenced in MID's Operating Bulletin No. 1, System Emergency Operating Orders. These references will be added to Operations Bulletin No. 1.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

Reference Operations Bulletin No. 5 and Operations Bulletin No. 40 in Operations Bulletin 1.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: Operations Bulletin No. 1 will be complete by September 24, 2008 which will complete the mitigation plan.
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Revise Operations Bulletin 1	September 24, 2008



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(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

- D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]



Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected 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 procedures for handling loss of telecommunications in Operations Bulletin No. 40 and Operations Bulletin No. 5. These procedures need to be cross referenced in Operations Bulletin 1, MID's emergency operations procedure. MID considers this violation very low risk as it involves a minor administrative change of editing of Operations Bulletin

1.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

The cross-references to be made in Operations Bulletin No. 1 pursuant to this mitigation plan will bring MID into compliance with R1 of standard EOP-005. Further, per the NERC and Regional Reliability standards, MID is obligated to review and update the procedures annually. MID has modified, rewritten and updated 25-30% of its procedures during the past 4-6 months and cross referenced them to the NERC and WECC standards. MID is continuing to write and develop better procedures as part of its ongoing compliance program. MID will continue to cross



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reference its own procedures and the NERC standards so they become more clear in showing compliance with all the requirements. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

MID is building a permanent back up control center which will be completed by the end of the summer of 2009 to more effectively handle the loss of telecommunication systems. It differs from the current back up control center in that it will provide more computer redundancy and a redundant SCADA system in its own permanent building. [Provide your response here; additional detailed information may be provided as an attachment as necessary]



Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resources of Modesto Irrigation District.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature: Roger VanHoy 6/30/08
(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger VanHoy
Title: Assistant General Manager, Electric Resources
Date: June 30, 2008



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Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Jim Stuart, Sr. Compliance Engineer

Email: JStuart@wecc.biz

Phone: (801) 883-6887

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



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- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: System Restoration Plans

Standard Number: EOP-005-01

Requirement Number(s)¹: R1

Actual completion date of Mitigation Plan: September 23, 2008

Please attach supporting documentation used to demonstrate compliance.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

Requirement 1:

As a result of the WECC compliance audit in April of 2008, MID's System Restoration plans were found not to address the loss of vital telecommunications. As a result of addressing this finding, MID totally rewrote its Operating Bulletin (OB) 5, *Communication Procedures*, issued OB 40, *Plan for Loss of Control Center Functionality* and modified OB 1, *System Emergency Operating Orders and Restoration Plan Dispatching and Scheduling*. All three documents are attached with this completion form.

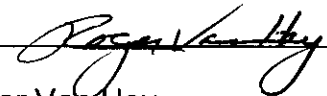
OB 5 paragraph 1.2 page 1; OB 5 Section 8 on Backup System and Procedures, pages 3-4 and Appendix D of OB 5 address the telecommunication systems and details for backup systems and maintenance.

OB 40 (paragraph 1.2, page 1) states the mission of the Back Up Control Center (BUCC). Section 4, p.2 describes the location of BUCC and section 5 p 2-4 provides information on the tools and applications, data and voice communications, power supply and security. Sections 6-8 of OB 40 provide information on how to transition to the back BUCC. Section 12 of OB 40 describes how to access the BUCC is operating properly. All of these show how MID deals with a major loss of its vital telecommunications and control systems.

OB 1 is the master System Emergency Operating Orders and Restoration Plan that references both OB 40 and OB 5 particularly in 12.1.1 and 12.2 pages 8-9.

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

By endorsement of this document I attest that Modesto Irrigation District is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature:  9/24/08

Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: September 24, 2008

Attachment f

MID's Mitigation Plan MIT-07-0525 for EOP-008-0 R1.1, R1.3, R1.5, R1.6 and R1.8 submitted January 10, 2008, Mitigation Plan MIT-07-0525 for EOP-008-0 R1.1, R1.3, R1.5, R1.6 and R1.8 dated June 12, 2008, Revised Mitigation Plan for EOP-008-0, specifically R1.7, submitted December 12, 2008, Certification of Completion of the Mitigation Plan for EOP-008-0 R1.7 dated December 12, 2008, Certification of Completion of the Mitigation Plan for EOP-008-0 R1.1, R1.3, R1.5, R1.6 and R1.8 dated June 15, 2009 and WECC's Verification of Mitigation Plan Completion for EOP-008-0 R1 dated August 28, 2009



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: January 10, 2008

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review the notices and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Company Name: Modesto Irrigation District
Company Address: 1231 Eleventh Street, Modesto, CA 95354
NERC Compliance Registry ID *[if known]*: NCR05244

- B.2 Identify the individual in your organization who will be the Entity Contact to WECC regarding this Mitigation Plan.

Name: Steve Hill
Title: Resource Planning Engineer
Email: SteveH@mid.org
Phone: (209) 526-7491

**Section C: Identity of Reliability Standard Violations Associated with this Mitigation Plan**

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

- C.1 Standard: EOP-008-0
[Identify by Standard Acronym (e.g. FAC-001-1)]
- C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date ^(*) (MM/DD/YY)
EOP-008-0		R1.1	11/13/07
EOP-008-0		R1.3	11/13/07
EOP-008-0		R1.5	11/13/07
EOP-008-0		R1.6	11/13/07
EOP-008-0		R1.8	11/13/07

(*) Note: The Violation Date shall be: (i) the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date that the violation has been deemed to have occurred on by WECC. Questions regarding the date to use should be directed to the WECC.

- C.3 Identify the cause of the violation(s) identified above:

MID does not have a back up source of data and voice communication separate from the primary control center as required in R1.1. MID plans for the loss of control center functionality do not comply with requirements R1.3, R1.5, R1.6, and R1.8 as required in Standard EOP-008-0.

- C.4 **[Optional]** Provide any relevant additional information regarding the violations associated with this Mitigation Plan:

The MID Board has approved funds in the 2008 budget to build a back up control center and data center at the Ripon Generation Station. This new facility is expected to be complete by the summer of 2009. In the interim period of time, MID is planning to set up temporary facilities and revise the Plans for



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the loss of control center functionality to become compliant with requirements R1.3, R1.5, R1.6 and R1.8.

[

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

There are two phases in becoming compliant with the requirements of Standard EOP-008-0. The first phase will coincide with the second phase, but is expected to be complete by June 18, 2008. The first phase will provide a temporary facility and a revision of the plan for the loss of the primary control center so that MID can meet Requirements R1.2, R1.3, R1.5, R1.6 and R1.8.

There are two phase options and MID management will review to determine the best choice by March 18, 2008. A revised plan for the loss of the primary control center shall be prepared by that time. Option A is to install a trailer at the Ripon Generation Station location to set up as a temporary back up control center. This would allow us the ability to set up computers, telephones and a two-way radio in the trailer so that there would be no set up required upon arriving at the Back UP Control Center (BUCC) location. Option B includes having laptop computers, a portable radio and telephones available to set up in the library at the Ripon Generation Station in the event of an evacuation of the primary control center. Either of these options would allow MID to comply with all of the requirements in EOP-008-0 except R1.1 by June 18, 2008.

The second phase will not be complete until the facility is complete in the summer of 2009. The table in D.3 outlines the milestones for the permanent facility. By March 18, 2009, construction should be 100% complete as well as the installation of the computer hardware and software. During the last 3 months testing will take place to confirm all 5 shifts of dispatchers and schedulers have been proficiently trained to transfer to the new Backup Control Center and to confirm all systems are operating as expected.

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

**Mitigation Plan Timeline and Milestones**

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

There are two phases in becoming compliant with the requirements of Standard EOP-008-0. The first phase will coincide with the second phase, but is expected to be complete by June 18, 2008. The first phase will provide a temporary facility and a revision of the plan for the loss of the primary control center so that MID can meet Requirements R1.2, R1.3, R1.5, R1.6 and R1.8.

There are two phase 1 options and MID management will review to determine the best choice by March 18, 2008. A revised plan for the loss of the primary control center shall be prepared by that time. Option A is to install a trailer at the Ripon Generation Station location to set up as a temporary back up control center. This would allow us the ability to set up computers, telephones and a two-way radio in the trailer so that there would be no set up required upon arriving at the Back UP Control Center (BUCC) location. Option B includes having laptop computers, a portable radio and telephones available to set up in the library at the Ripon Generation Station in the event of an evacuation of the primary control center. Either of these options would allow MID to comply with all of the requirements in EOP-008-0 except R1.1 by June 18, 2008.

The second phase will not be complete until the facility is complete in the summer of 2009. The table in D.3 outlines the milestones for the permanent facility. By March 18, 2009, construction should be 100% complete as well as the installation of the computer hardware and software. During the last 3 months testing will take place to confirm all 5 shifts of dispatchers and schedulers have been proficiently trained to transfer to the new Backup Control Center and to confirm all systems are operating as expected.

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

Milestone Activity	Proposed Completion Date* (shall not be more than 3 months apart)
Determine appropriate equipment and select temporary option, Revise	March 18, 2008

*Western Electricity Coordinating Council*

Operating Bulletin to include procedure for implementing contingency plan for interim provisions	
Complete Design for permanent facility, temporary facility available for use	May 18, 2008
RFP and Bid Process	July 18, 2008
Construction of permanent facility 75% complete	December 18, 2008
Construction 100% complete, Computer and software installation complete	March 18, 2009
Initial Outage Exercise Complete	June 18, 2009

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

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]



Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2 and E.3, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part D of this form, the reliability of the Bulk Power System may remain at higher risk or be otherwise negatively impacted until the plan is successfully completed. To the extent they are, or may be, known or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take or is proposing as part of the Mitigation Plan to mitigate any increased risk to the reliability of the bulk power system while the Mitigation Plan is being implemented:

As described in D.1, a temporary back-up control center will be implemented with procedures at MID's Ripon Generation Station until a permanent facility is constructed there. Until the temporary facility is built, MID will continue to follow its present Control Center Back Procedures as described in MID's Operations Bulletin 40.

[

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part 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:

Once completion of this plan is reached, MID will have a Backup Control Center, which is totally independent of the primary Control Center. This will include a separate telephone system, a separate SCADA system connection to a fiber network, which should remain in service during the loss of the primary Control Center, and the computer systems will be tied to the backup data systems located at the Backup Control Center and completely independent of the primary facilities.

]



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- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

MID has employed the services of USE , A consulting compliance auditor to help identify problem areas as part of its Reliability Compliance Program. This non-compliance was identified with the assistance of USE during an internal self evaluation.




Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resource of the Modesto Irrigation District.
 2. I am qualified to sign this Mitigation Plan on behalf of the Modesto Irrigation District.
 3. I have read and understand the Modesto Irrigation District obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).
 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 5. Modesto Irrigation District agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Entity Officer Signature:


(Electronic signatures are acceptable; see CMEP)

Name (Print): Roger VanHoy

Title: Assistant General Manager of Electric Resource

Date: 01 / 10 / 08



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Please direct any questions regarding completion of this form to:

Jim Stuart, Sr. Compliance Engineer
Email: Jstuart@wecc.biz
Phone: (801) 883-6887



Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the CMEP1 sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
 - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.
 - (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 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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.

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



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.
- IV. This Mitigation Plan form may be used to address one or more related violations of one Reliability Standard. A separate mitigation plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. WECC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- VII. Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



Mitigation Plan Submittal Form

New ☐ or Revised ☒

Date this Mitigation Plan is being submitted: June 12, 2008

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Registered Entity Name: Modesto Irrigation District
Registered Entity Address: 1231 11th St, Modesto CA 95354
NERC Compliance Registry ID: NCR05244

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: SteveH@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: EOP-008-0
[Identify by Standard Acronym (e.g. FAC-001-1)]

C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
EOP-008-0		R1.1	Medium	11/13/2007	self-report
EOP-008-0		R1.3	Medium	11/13/2007	self-report
EOP-008-0		R1.5	Medium	11/13/2007	self-report
EOP-008-0		R1.6	Medium	11/13/2007	self-report
EOP-008-0		R1.8	Medium	11/13/2007	self-report

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

MID does not have a back up source of data and voice communication separate from the primary control center as required in R1.1. MID plans for the loss of control center functionality also do not fully comply with requirements R1.3, R1.5, R1.6, and R1.8 as required in Standard EOP-008-0.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

C.4 **[Optional]** Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:



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The MID Board has approved funds in the 2008 budget to build a back up control center and data center at the Ripon Generation Station. This new facility is expected to be complete by the summer of 2009. In the interim period of time, MID is planning to set up temporary facilities and revise the Plans for the loss of control center functionality to become compliant with requirements R1.3, R1.5, R1.6 and R1.8

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

There are two phases in becoming compliant with the requirements of Standard EOP-008-0. The first phase will coincide with the second phase, but is expected to be complete by June 18, 2008. The first phase will provide a temporary facility and a revision of the plan for the loss of the primary control center so that MID can meet Requirements R1.3, R1.5, R1.6 and R1.8. MID previously met the requirements for R1.2 and R1.4.

A temporary back up control center will be placed at the Ripon Generation Station within the existing building. This temporary site will contain portable radios and telephones that control staff will utilize in the event of an evacuation of the primary control center. PCs will also be connected to the District's SCADA system located at the primary control center. This will allow MID to comply with all of the requirements in EOP-008-0 except R1.1 by June 18, 2008

The second phase will not be complete until the permanent facility is complete in the summer of 2009. The table in D.3 outlines the milestones for the permanent facility. By May 31, 2009, construction should be 100% complete. Upon completion of the new facilities, computer hardware and software will be installed to be completed by July 31, 2009. During the last 2 months testing will take place to confirm all 5 shifts of dispatchers and schedulers have been proficiently trained to transfer to the new Backup Control Center and to confirm



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all systems are operating as expected. Expected completion is September 30, 2009.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: There are two phases in becoming compliant with the requirements of Standard EOP-008-0. The first phase will coincide with the second phase, but is expected to be complete by June 18, 2008. The first phase will provide a temporary facility and a revision of the plan for the loss of the primary control center so that MID can meet Requirements R1.3, R1.5, R1.6 and R1.8 that it had not previously met.

A temporary back up control center will be placed at the Ripon Generation Station within the existing building. This temporary site will contain portable radios and telephones that control staff will utilize in the event of an evacuation of the primary control center. PCs will also be connected to the District's SCADA system located at the primary control center. This will allow MID to comply with all of the requirements in EOP-008-0 except R1.1 by June 18, 2008

The second phase will not be complete until the facility is complete in the summer of 2009. The table in D.3 outlines the milestones for the permanent facility. By May 31, 2009, construction should be 100% complete. Upon completion of the new facilities, computer hardware and software will be installed to be completed by July 31, 2009. During the last 2 month testing will take place to confirm all 5 shifts of dispatchers and schedulers have been proficiently trained to transfer to the new Backup Control Center and to confirm all systems are operating as expected. Expected completion is September 30, 2009.

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

Milestone Activity	Proposed Completion Date*
--------------------	---------------------------



	(milestones cannot be more than 3 months apart)
Temporary Backup Control Center available for use.	5/30/2008
Temporary Backup Control Center Testing Complete	6/18/2008
Complete Design for Permanent facility	6/30/2008
RFP and Bid Process	09/30/2008
Construction of facility 50% complete	01/30/2009
Construction of facility 75% Complete	03/30/2009
Construction of facility 100% Complete	05/30/2009
Computer and Software Installed	07/30/2009
Training of Dispatchers and Schedulers & confirmation of system operation	09/30/2009

(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

1

[Provide your response here; additional detailed information may be provided as an attachment as necessary]



Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take or is proposing as part of the Mitigation Plan to mitigate any increased risk to the reliability of the bulk power system while the Mitigation Plan is being implemented:

As described in D.1, a temporary back-up control center will be implemented with procedures at MID's Ripon Generation Station until a permanent facility is constructed there. Until the temporary facility is built, MID will continue to follow its present Control Center Back Up Procedures as described in MID's Operations Bulletin 40.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

Once completion of this plan is reached. MID will have a Backup Control Center, which is totally independent of the primary Control Center. This will include a separate telephone system, a separate SCADA system connection to a fiber network, which should remain in service during the loss of the primary Control Center, and the computer systems will be tied to the backup data systems located at the Backup Control Center and completely independent of the primary facilities.



[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

MID has employed the services of USE, A consulting compliance auditor to help identify problem areas as part of its Reliability Compliance Program. This non-compliance was identified with the assistance of USE during an internal self evaluation.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]



Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resources of Modesto Irrigation District.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:


(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger VanHoy

Title: Assistant General Manager, Electric Resources

Date: June 12, 2008



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Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Jim Stuart, Sr. Compliance Engineer

Email: JStuart@wecc.biz

Phone: (801) 883-6887

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



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- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



Mitigation Plan Submittal Form

New ☐ or Revised ☒

Date this Mitigation Plan is being submitted: December 12, 2008

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: July 18, 2008

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

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

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: steveh@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: EOP-008-0
[Identify by Standard Acronym (e.g. FAC-001-1)]

C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
	MID_WECC2007565	R1.7	Medium	04/24/08	Audit

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

MID has not updated its contingency plan, Operations Bulletin 40 on an annual basis.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

C.4 **[Optional]** Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:

MID was undergoing a transition with its Back Up Control Center at the time of the audit. As such MID's Operating Bulletin 40 required a complete re-write rather than just a review with minor modification improvements. The Complete re-write was fully accomplished in June of this year. MID has filed three



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previous mitigation plans in regards to EOP-008, the last one being on June 2008. The June 2008 filing of the new EOP-008 mitigation plan failed to add requirement 1.7 which was an oversight because mitigation had substantially been completed. Two new mitigation plans should have been filed, the one previously submitted and this mitigation plan to document completion of requirement R1.7.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID performed a complete re-write of the Operations Bulletin 40 and it is attached with this Mitigation Plan

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☒ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: Completed
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
	Completed



(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section E: Interim and Future Reliability Risk

Check this box ☒ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected 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:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

MID has initiated a comprehensive in-house compliance program and plan that includes reviewing all documents and operations bulletins on an annual basis.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:



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[Provide your response here; additional detailed information may be provided as an attachment as necessary]

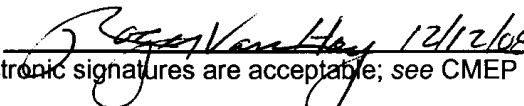


Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resources for the Modesto Irrigation District.
 - 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 - 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 - 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:

 12/12/08
(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger VanHoy

Title: Assistant General Manager Electric Resources

Date: 12/12/08



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Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: mike@wecc.biz

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



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- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



Mitigation Plan Submittal Form

New ☐ or Revised ☒

Date this Mitigation Plan is being submitted: December 12, 2008

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: July 18, 2008

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

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

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: steveh@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: EOP-008-0
[Identify by Standard Acronym (e.g. FAC-001-1)]

C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
	MID_WECC2007565	R1.7	Medium	04/24/08	Audit

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

MID has not updated its contingency plan, Operations Bulletin 40 on an annual basis.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

C.4 **[Optional]** Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:

MID was undergoing a transition with its Back Up Control Center at the time of the audit. As such MID's Operating Bulletin 40 required a complete re-write rather than just a review with minor modification improvements. The Complete re-write was fully accomplished in June of this year. MID has filed three



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previous mitigation plans in regards to EOP-008, the last one being on June 2008. The June 2008 filing of the new EOP-008 mitigation plan failed to add requirement 1.7 which was an oversight because mitigation had substantially been completed. Two new mitigation plans should have been filed, the one previously submitted and this mitigation plan to document completion of requirement R1.7.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID performed a complete re-write of the Operations Bulletin 40 and it is attached with this Mitigation Plan

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☒ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: Completed
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
	Completed



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(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section E: Interim and Future Reliability Risk

Check this box ☒ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected 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:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

MID has initiated a comprehensive in-house compliance program and plan that includes reviewing all documents and operations bulletins on an annual basis.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:



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[Provide your response here; additional detailed information may be provided as an attachment as necessary]

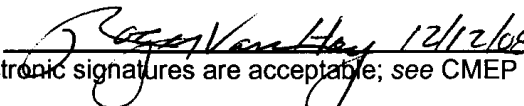


Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resources for the Modesto Irrigation District.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:

 12/12/08
(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger VanHoy

Title: Assistant General Manager Electric Resources

Date: 12/12/08



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Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: mike@wecc.biz

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



Western Electricity Coordinating Council

- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



Western Electricity Coordinating Council

Certification of Mitigation Plan Completion Form

Submittal of a Certification of Mitigation Plan Completion shall include data or information sufficient for Western Electricity Coordinating Council (WECC) to verify completion of the Mitigation Plan. WECC 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: Modesto Irrigation District

NERC Registry ID: NCR05244

Date of Submittal of Certification: June 15, 2009

NERC Violation ID No(s) (if known): MID_WECC2007565

Standard: EOP-008-0

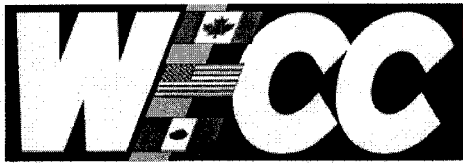
Requirement(s): R1.1, 1.3, R1.5, R1.6, R1.8

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan: 09/30/2009

Date Mitigation Plan was actually completed: June12, 2009

Additional Comments (or List of Documents Attached):

- 1- Standards Compliance Documentation for the Modesto Irrigation District prepared by Toxie Burriss (R1.1, R1.5, R1.6)**
- 2- Notification e-mails to MID employees and ALL WECC regarding the test of the Backup Control Center. (R1.1, R1.5)**
- 3- Dispatching Daily log. (R1.5)**
- 4-Outage Report on June 12 (portion worked from BUCC 0826-0932) (R1.5)**
- 5- Appendix I: Backup Control Center Checklist of item to take during emergency. (R1.1, R1.5)**
- 6-Appendix G: Backup Control Center Check List. (R1.1, R1.5)**
- 7-Appendix H: Back-Up Control Center Equipment Functional Test. (R1.1)**
- 8-Pictures of the Back up Control Center. (R1)**
- 9- Updated copy of Operating Bulletin 40. (R1.1, R1.3, R1.5, R1.6, R1.7,R1.8)**
- 10- All NERC Certified Operators received training in the Temporary Backup Control Center that served as training for the Permanent Backup Control Center. Attached list provided. (R1.6)**



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Non-Public and CONFIDENTIAL

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

Name: Roger VanHoy

Title: Assistant General Manager Electric Resources

Email: rogerv@mid.org

Phone: (209) 526-7464

Authorized Signature: _____

Date: June 15, 2009

CONFIDENTIAL



Laura Scholl
Managing Director of Compliance

801.819.7619
lscholl@wecc.biz

August 28, 2009

Roger VanHoy
Assistant General Manager, Electric Resources
Modesto Irrigation District
P.O. Box 4060
Modesto, California 95352

NERC Registration ID: NCR05244

Subject: Certification of Completion Response Letter

Dear Roger VanHoy,

The Western Electricity Coordinating Council (WECC) received the Certification of Completion and supporting evidence of Modesto Irrigation District (MID) on 6/17/2009 for the alleged violation of Reliability Standard EOP-008-0 Requirement 1.

WECC accepted the Certification of Completion for Requirement 1 of the Reliability Standard EOP-008-0 and found this requirement to be fully mitigated. No further mitigation of this requirement will be required at this time.

If you have any questions or concerns, please contact Mike Wells at mike@wecc.biz. Thank you for your assistance in this effort.

Sincerely,

Laura Scholl

Laura Scholl
Managing Director of Compliance

LS:ki

cc: Toxie Burriss, MID Operations Manager
Lisa Milanes, WECC Manager of Compliance Program Administration
Mike Wells, WECC Senior Compliance Engineer

Attachment g

MID's Mitigation Plan for PER-002-0 R2, R3 and R4 dated May 21, 2007, Revised Mitigation Plan dated June 14, 2007, Revised Mitigation Plan dated June 16, 2008, and Certification of Completion of the Mitigation Plan for PER-002-0 R2, R3 and R4 dated September 12, 2008, and WECC's Verification of Mitigation Plan Completions for PER-002-0 R2, R3, R4, FAC-001-0 R1, R2 and R3 dated October 2, 2008



Mitigation Plan

Please complete an individual Mitigation Plan for each NERC Reliability Standard that indicates any level(s) of non-compliance and return to Compliance@WECC.biz

New ☒ Self-Report ☒ Revised ☐ Completed¹ ☐

Registered Entity Name: Modesto Irrigation District

Date noncompliance was discovered or reported: May 15, 2007

Date Mitigation Plan submitted: May 21, 2007

Standard Title: Operating Personnel Training

Standard Number: PER-002-0

Requirement Number(s)²: **R2-4**

Level of Noncompliance: ☐ Level 1 ☒ Level 2 ☐ Level 3 ☒ Level 4

☐ Level not specified

How was the noncompliance found? (e.g. Routine Readiness Evaluation, Self-evaluation, Internal Audit, etc.)

Self-evaluation

Provide an explanation of the noncompliance:

MID's training program needs more specificity in regards to the positions i.e Dispatcher, Dispatch Shift Supervisor and Power System Scheduler. MID has an apprenticeship program, which includes the L&K Distribution System interactive CD training program. This prepares the dispatchers for the journeyman dispatcher position. MID has no formal training program for continuing education for including an annual minimum number of training hours, updates on NERC standards or simulator training.

Designate a reliability impact (minimal, moderate, or severe) that the noncompliance had or could have had on the interconnection. Include an explanation for the designation.

c

Describe any mitigating factors for this non-compliance (include supporting documentation).

¹ Submit documentation verifying the completion of the mitigation plan.

² Violations are reported at the level of requirements, sub requirements are not necessary.

Expand the training program to insure that Operations Department personnel will be trained to comply with the NERC training standards as well as the WECC standards to become NERC certified. This will also include the Operations Manager and Power Scheduling Supervisor.

Describe your detailed plan to become compliant.

Stated above.

Describe your detailed schedule to become compliant. (The schedule should include status updates at a minimum every three months to WECC).

Establish the training requirements and determine the appropriate trainer resources (in house or external) by July 31, 2007. Establish an employee training schedule and set up a tracking database by September 15, 2007.

Are additional documents or information attached: ☐ Yes ☒ No

Additional Notes or Comments:

Point of contact for WECC follow-up:

Name: Steven C. Hill
Title: Sr. Electrical Engineer
Phone: (209) 526-7491
Email: steveh@mid.org

For WECC Use Only:

WECC ID Number:

NERC ID Number:

Date Mitigation Plan was received at WECC:

Date Mitigation Plan was accepted by WECC:

Date notice of completion of Mitigation Plan was received by WECC:



Mitigation Plan

Please complete an individual Mitigation Plan for each NERC Reliability Standard that indicates any level(s) of non-compliance and return to Compliance@WECC.biz

New ☐ Self-Report ☒ Revised ☒ Completed¹ ☐

Registered Entity Name: Modesto Irrigation District

Date noncompliance was discovered or reported: May 15, 2007

Date Mitigation Plan submitted: June 14, 2007

Standard Title: Operating Personnel Training

Standard Number: PER-002-0

Requirement Number(s)²: **R2-4**

Level of Noncompliance: ☐ Level 1 ☒ Level 2 ☐ Level 3 ☒ Level 4

☐ Level not specified

How was the noncompliance found? (e.g. Routine Readiness Evaluation, Self-evaluation, Internal Audit, etc.)

Self-evaluation

Provide an explanation of the noncompliance:

MID's training program needs more specificity in regards to the positions i.e Dispatcher, Dispatch Shift Supervisor and Power System Scheduler. MID has an apprenticeship program, which includes the L&K Distribution System interactive CD training program. This prepares the dispatchers for the journeyman dispatcher position. MID has no formal training program for continuing education for including an annual minimum number of training hours, updates on NERC standards or simulator training.

Designate a reliability impact (minimal, moderate, or severe) that the noncompliance had or could have had on the interconnection. Include an explanation for the designation.

c

Describe any mitigating factors for this non-compliance (include supporting documentation).

¹ Submit documentation verifying the completion of the mitigation plan.

² Violations are reported at the level of requirements, sub requirements are not necessary.

Expand the training program to insure that Operations Department personnel will be trained to comply with the NERC training standards as well as the WECC standards to become NERC certified. This will also include the Operations Manager and Power Scheduling Supervisor.

Describe your detailed plan to become compliant.

Stated above.

Describe your detailed schedule to become compliant. (The schedule should include status updates at a minimum every three months to WECC).

Establish the training requirements and determine the appropriate trainer resources (in house or external) by July 31, 2007. Establish an employee training schedule and set up a tracking database by September 15, 2007.

Are additional documents or information attached: ☐ Yes ☒ No

Additional Notes or Comments:

Point of contact for WECC follow-up:

Name: Steven C. Hill
Title: Sr. Electrical Engineer
Phone: (209) 526-7491
Email: steveh@mid.org

For WECC Use Only:

WECC ID Number:

NERC ID Number:

Date Mitigation Plan was received at WECC:

Date Mitigation Plan was accepted by WECC:

Date notice of completion of Mitigation Plan was received by WECC:



Mitigation Plan Submittal Form

New ☐ or Revised ☒

Date this Mitigation Plan is being submitted: June 16, 2008

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Registered Entity Name: Modesto Irrigation District
Registered Entity Address: 1231 11th St, Modesto CA 95354
NERC Compliance Registry ID: NCR05244

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: SteveH@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

- C.1 Standard: PER-002-0
[Identify by Standard Acronym (e.g. FAC-001-1)]
- C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
PER-002-0		R2	High	06/14/2007	self-report
PER-002-0		R3	High	06/14/2007	self-report
PER-002-0		R3.1	Medium	06/14/2007	self-report
PER-002-0		R3.2	Medium	06/14/2007	self-report
PER-002-0		R3.3	Lower	06/14/2007	self-report
PER-002-0		R3.4	Lower	06/14/2007	self-report
PER-002-0		R4	High	06/14/2007	self-report

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

- C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

MID's previous mitigation plan expired before the training program implementation was completed.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- C.4 **[Optional]** Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:

MID brought on several contract compliance specialists to help develop a continuing education training program, but MID was not able to complete the program before the previous mitigation plan showed



scheduled completion. During MID's Compliance Audit in April, the auditors indicated that MID must submit a new mitigation plan.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID hired USE and other consultant assistance to develop a training program that meets all the training requirements for a Transmission Operator based on NERC and RRO standards specifically, the requirements in R3 and annual requirements in R4. The program will include initial and continuing training of Transmission Operator personnel and address the knowledge and competencies for reliable system operations. The training staff will be identified as well as training time to ensure operating proficiency of Transmission Operators.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: The plan will be developed and reviewed by MID Management by September 16, 2008. It will be submitted to WECC with a Mitigation Completion Form on September 16, 2008. MID will start implementing the plan at that time. MID will give WECC two months to review and comment on the plan. MID will then allow for 1 month should changes be required. Final completion will be December 18, 2008.



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

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Complete Plan and Submit to WECC	September 16, 2008
WECC Review	November 18, 2008
Final Completion	December 18, 2008

(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

MID is allowing time beyond the Mitigation Completion Form submittal date in the event that WECC has questions or comments. In the past MID has experienced delayed responses from WECC regarding the review of Completed Mitigation Plans. This has resulted in MID missing scheduled deadlines when WECC has not been satisfied with the evidence provided. MID considers its mitigation plan to be complete by September 18, 2008, though on the side of caution, MID will submit a mitigation plan extension to cover the period of submission of the completed mitigation plan, WECC review and final completion. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected 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 considers this to be low risk because all of its Real Time Operations Personnel have become NERC certified. The training program will be implemented well in advance for the Transmission Operators to meet their continuing education requirements as well as all other personnel to meet training requirements to ensure the BES is reliably operated. As of this date all MID NERC certified Transmission Operators have received a minimum of 32 CEH (Continuing Education hours) since becoming certified.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

Once the Program has been developed it will be reviewed annually to ensure it is compliant with the latest Standard revisions. Annual review will be a requirement specified in the plan.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]



Western Electricity Coordinating Council

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E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

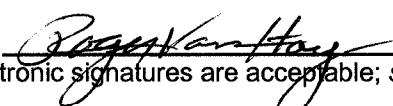


Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resources of Modesto Irrigation District.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:


(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger VanHoy

Title: Assistant General Manager, Electric Resources

Date: June 16, 2008



FOR PUBLIC RELEASE - MARCH 31, 2010



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Jim Stuart, Sr. Compliance Engineer

Email: JStuart@wecc.biz

Phone: (801) 883-6887

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



Western Electricity Coordinating Council

- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: Operating Personnel Training

Standard Number: PER-002-0_1

Requirement Number(s)¹: **R2-R4**

Actual completion date of Mitigation Plan: September 12, 2008

Please attach supporting documentation used to demonstrate compliance.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

Requirement 2:

MID has written a new document titled "Operating Personnel Training Program". In addition it has completely rewritten its Apprentice Dispatcher Training Program. These two documents are attached to this Mitigation Plan Completion Form. These documents outline the program for those with direct responsibility for complying with the NERC standards and have primary responsibility for the real-time operations of the interconnected Bulk Electric System. These personnel include the following: Dispatching Shift Supervisor, Journeyman Dispatcher, Apprentice Dispatcher, Power Scheduling Supervisor, Power System Scheduler, and Apprentice Power System Scheduler.

Requirement 3:

Requirement 3.1:

Section 4.1, pages 6-7 of the "Operating Personnel Training Program" defines the training program objectives. Appendix A lists the job descriptions and qualifications needed for those who have direct responsibility for complying with the NERC standards and real-time operations. Section 3 of the "Apprentice Training Program" p.1 also details the objectives to ensure that apprentices exhibit the knowledge and ability to perform at the Journeyman level prior to advancement.

Requirement 3.2:

Section 4.2 pages 7-9 of the "Operating Personnel Training Program" provides the plan for the

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

initial training of operating personnel and outlines the knowledge and core competencies required in sections 4.2.1, 4.2.3, 4.2.4, 4.2.5.1 and 4.2.5.2.

Section 5 pp.3-7 of the "Apprentice Dispatcher Training Program" provides additional details for the Initial training of Operating personnel.

Section 4.3 of the "Operating Personnel Training Program" page 9 outlines the plan for the continuing training of operating personnel.

Requirement 3.3:

Section 3 p 5 and sections 4.1.2 p.6, 4.1.8 p.7 and 5.1 p.11 of the "Operating Personnel Training Program" in addition to sections 4 and 5 of the "Apprentice Dispatcher Training Program", document the personnel and the training time required to ensure their operating proficiency.

Requirement 3.4:

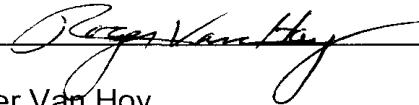
Appendix E of the "Operating Personnel Training Program" identifies the training staff and their qualifications. Appendix D and section 7.1 of the "Apprentice Dispatcher Training Program" identifies the specific individuals who train the Apprentice Dispatchers.

Requirement 4:

Section 4.2.5.2 p9 and section 4.3.3 p9 of the "Operating Personnel Training Program" address the requirement that operating personnel have at least five days per year of training and drills using realistic simulations of system emergencies, in addition to other training required to maintain qualified operating personnel.

By endorsement of this document I attest that Modesto Irrigation District is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature: _____



Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: September 12, 2008

CONFIDENTIAL



Bob Kiser
Manager of Audits and Investigations

360.980.2799
bkiser@wecc.biz

October 2, 2008

Roger VanHoy
Assistant General Manager, Electric Resources
Modesto Irrigation District
P.O. Box 4060
Modesto, CA 95352

Subject: Mitigation Plan Completion Review(s)

Dear Roger,

The Western Electricity Coordinating Council (WECC) received Mitigation Plan Completion Form(s) and supporting evidence for each violation listed in Table 1 of Attachment A. The table indicates which plans have been completed and which remain incomplete. Attachment A also includes audit notes that detail the findings supporting this conclusion.

Each compliance violation associated with the incomplete Mitigation Plan(s) is now subject to sanctions and penalties under the Energy Policy Act of 2005. You will be receiving a letter from the WECC Compliance Department outlining the next steps in the penalty and sanction process regarding such violation(s).

Please submit a revised Mitigation Plan by October 16, 2008, including new proposed completion dates, for each unmitigated violation identified in Attachment A. The Mitigation Plan template form can be found on the WECC Compliance Manuals webpage, as Manual 03.03:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Upon review, the WECC Compliance Department will provide written notice of its acceptance or rejection of the newly submitted Mitigation Plan.

If you have any questions or concerns, please contact Mike Wells at (801) 883.6884 or mike@wecc.biz. Thanks for your assistance in this effort.

CONFIDENTIAL

Sincerely,

Bob Kiser

Bob Kiser
Manager of Audits and
Investigations

BK:CM

Attachment

Cc: Toxie Burriss, MID Operations Manager
Lisa Milanes, WECC Manager of Compliance Administration
Ed Ruck, NERC Regional Compliance Program Coordinator



Western Electricity Coordinating Council

Registered Entity: Modesto Irrigation District

Date: October 2, 2008

	Standard Number	Requirement	Sufficient Evidence	Review Status
1	FAC-001-1	R1, R2, R3	Yes	Compliant
I	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
I	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
I	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
I	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
I	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
7	PER-002-0	R2, R3, R4	Yes	Compliant
I	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
I	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Attachment h

**MID's Mitigation Plan for TOP-002-2 R18
submitted April 9, 2008, Certification of
Completion of the Mitigation Plan for TOP-002-2
R18 dated April 9, 2008 and WECC's Verification
of Mitigation Plan Completion for TOP-002-2
dated October 16, 2008**



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: April 9, 2008

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: April 9, 2008

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review the notices and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Company Name: Modesto Irrigation District
Company Address: 1231 Eleventh Street, Modesto, CA 95354
NERC Compliance Registry ID *[if known]*: NCR05244

- B.2 Identify the individual in your organization who will be the Entity Contact to WECC regarding this Mitigation Plan.

Name: Steve Hill
Title: Resource Planning Engineer
Email: SteveH@mid.org
Phone: (209) 526-7491



Section C: Identity of Reliability Standard Violations Associated with this Mitigation Plan

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

C.1 Standard: TOP-002-2
[Identify by Standard Acronym (e.g. FAC-001-1)]

C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date ^(*) (MM/DD/YY)
WECC200800707	MID_WECC2008746	R18	04/07/08

(*) Note: The Violation Date shall be: (i) the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date that the violation has been deemed to have occurred on by WECC. Questions regarding the date to use should be directed to the WECC.

C.3 Identify the cause of the violation(s) identified above:

MID had not provided neighboring Balancing Authorities, Transmission Operators, Transmission Service Providers a list of uniform line identifiers until recently.

C.4 **[Optional]** Provide any relevant additional information regarding the violations associated with this Mitigation Plan:

MID discovered this oversight during a self audit. MID has since provided uniform line identifiers to its neighboring Balancing Authorities, Transmission Operators, Transmission Service Providers: Sacramento Municipal Utility District, City and County of San Francisco, Western Area Power Administration, Turlock Irrigation District, CAISO, and PG&E.



Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID has since provided uniform line identifiers to its neighboring Balancing Authorities, Transmission Operators, Transmission Service Providers: Sacramento Municipal Utility District, City and County of San Francisco, Western Area Power Administration, Turlock Irrigation District, CAISO, and PG&E.

MID is submitting a Completion form concurrently with this mitigation plan.

Check this box ☒ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

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

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

Milestone Activity	Proposed Completion Date* (shall not be more than 3 months apart)



FOR PUBLIC RELEASE - MARCH 31, 2010



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

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]



Section E: Interim and Future Reliability Risk

Check this box ☒ and proceed and respond to Part E.2 and E.3, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

[

Prevention of Future BPS Reliability Risk

E.1 While your organization is implementing the Mitigation Plan proposed in Part 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:

E.2 Describe how successful completion of the Mitigation Plan as laid out in Part 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:

In as much as MID is aware and understands the requirements of the standards MID is very good about following them. Detailed audits continue to improve MID's awareness and understanding of the standards. Furthermore MID's uniform line identifier list changes infrequently (probably every ten-twenty years). So this can be considered one time violation.

E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:



MID will continue performing self audits and will conduct external audits in order to insure compliance as part of its ongoing Reliability Compliance Program

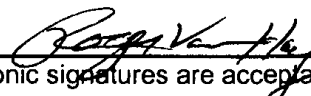


Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resource of the Modesto Irrigation District.
 2. I am qualified to sign this Mitigation Plan on behalf of the Modesto Irrigation District.
 3. I have read and understand the Modesto Irrigation District obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).
 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 5. Modesto Irrigation District agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Entity Officer Signature:


(Electronic signatures are acceptable; see CMEP)

Name (Print): Roger VanHoy

Title: Assistant General Manager Electric Resource

Date: April 9, 2008



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Please direct any questions regarding completion of this form to:

Jim Stuart, Sr. Compliance Engineer
Email: jstuart@wecc.biz
Phone: (801) 883-6887



Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the CMEP1 sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
 - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.
 - (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 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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.

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



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.
- IV. This Mitigation Plan form may be used to address one or more related violations of one Reliability Standard. A separate mitigation plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. WECC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- VII. Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



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Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: Normal Operations Planning

Standard Number: TOP-002-2

Requirement Number(s)¹: R18

Actual completion date of Mitigation Plan: April 9, 2008

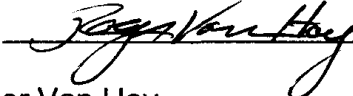
Please attach supporting documentation used to demonstrate compliance.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

Additional Notes or Comments pertaining to this violation:

The attachments contain the MID Uniform Line Identifier List and letters of transmittal to neighboring Balancing Authorities, Transmission Operators, Transmission Service Providers, Generator Owners and Generator Operators. The letters were sent to Sacramento Municipal Utility District, City and County of San Francisco, Western Area Power Administration, Turlock Irrigation District, CAISO, and PG&E.

By endorsement of this document I attest that Modesto Irrigation District is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature: 

Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: April 9, 2008

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

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Bob Kiser
Manager of Audits and Investigations

360.980.2799
bkiser@wecc.biz

October 16, 2008

Roger VanHoy
Assistant General Manager, Electric Resources
Modesto Irrigation District
P.O. Box 4060
Modesto, CA 95352

Subject: Mitigation Plan Completion Review(s)

Dear Roger,

The Western Electricity Coordinating Council (WECC) received Mitigation Plan Completion Form(s) and supporting evidence for each violation listed in Table 1 of Attachment A. The table indicates which plans have been completed and which remain incomplete. Attachment A also includes audit notes that detail the findings supporting this conclusion.

Each compliance violation associated with the incomplete Mitigation Plan(s) is now subject to sanctions and penalties under the Energy Policy Act of 2005. You will be receiving a letter from the WECC Compliance Department outlining the next steps in the penalty and sanction process regarding such violation(s).

Please submit a revised Mitigation Plan by October 30, 2008, including new proposed completion dates, for each unmitigated violation identified in Attachment A. The Mitigation Plan template form can be found on the WECC Compliance Manuals webpage, as Manual 03.03:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Upon review, the WECC Compliance Department will provide written notice of its acceptance or rejection of the newly submitted Mitigation Plan.

If you have any questions or concerns, please contact Mike Wells at (801) 883.6884 or mike@wecc.biz. Thanks for your assistance in this effort.

CONFIDENTIAL

Sincerely,

Bob Kiser

Bob Kiser
Manager of Audits and
Investigations

BK:dd

Attachment

Cc: Toxie Burriss, MID Operations Manager
Lisa Milanes, WECC Manager of Compliance Administration
Ed Ruck, NERC Regional Compliance Program Coordinator



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Registered Entity: Modesto Irrigation District

Date: October 16, 2008

	Standard Number	Requirement	Completion Received by WECC	Sufficient Evidence	Review Status
1	TOP-002-2	18	4/9/2008	Yes	Compliant

Attachment i

MID's Mitigation Plan for TPL-001-0 R1, R2 and R3 submitted December 15, 2008, Certification of Completion of the Mitigation Plan for TPL-001-0 R1, R2 and R3 dated December 30, 2008, and WECC's Verification of Mitigation Plan Completion for TPL-001-0 R1, R2 and R3 dated February 2, 2009



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 12/15/08

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

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

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: steveh@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

- C.1 Standard: TPL-001-0
[Identify by Standard Acronym (e.g. FAC-001-1)]
- C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
WECC200800801	MID WECC208840	R1	High	11/17/08	Audit
WECC200800802	MID WECC208841	R2	Medium	11/17/08	Audit
WECC200800803	MID WECC208842	R3	Lower	11/17/08	Audit

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use.

- C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

Alleged violation is that there is no evidence showing an assessment was performed and that there is no written assessment.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- C.4 **[Optional]** Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1** Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID proposes to use the latest base cases available on the WECC website to perform the assessments. If the specific years and loading conditions are not available, MID plans to use the closest case as its base case and ramp up or down the respective local loads and generation patterns to coincide with MID's load forecast. The specific studies will be performed for years 1, 5 and 10 at various demand levels. See attachment for detailed Compliance Plan. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2** Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: MID will perform the written assessment for the near term and long term, as required by this Standard, by December 31, 2008.
- D.3** Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Complete Written Assessment	December 31, 2008



Western Electricity Coordinating Council

(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

- D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected 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:

The risks are minimal as described in the 11/17/07 WECC Notice of Alleged Violation and Proposed Penalty or Sanction due to MID's small size. MID has performed the studies that shows that there are no system impacts in the near term and in the long term.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

MID plans on documenting every item described in the Standards. MID will also be looking at documentation from other utilities and perhaps samples from WECC to make sure the documentation is acceptable to WECC.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or



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similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

MID will continue to perform self audits and external audits in order to insure compliance as part of its ongoing Reliability Compliance Program. [Provide your response here; additional detailed information may be provided as an attachment as necessary]




Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resource of the Modesto Irrigation District.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:


(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger Van Hoy

Title: Assistant General Manager Electric Resource

Date: 12/15/2008



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: mike@wecc.biz

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

NERC STANDARDS Compliance Plan

SLT 12/02/08

TPL-001-0 (System Performance Under Normal (No Contingency) Conditions (Category A))

Description

B. Requirements

R1. Planning Assessment

R1.1 Be made annually.

R1.2 Be conducted for near-term (years one through five) and longer-term (years six through ten) planning horizons.

R1.3 Be supported by a current or past study and/or simulation testing that addresses each of the following categories, showing system performance following Category A of Table I.

R1.3.1 Cover critical system conditions and study years as deemed appropriate by the entity performing the study.

R1.3.2 Be conducted annually unless changes to system conditions do not warrant such analyses.

R1.3.3 Be conducted beyond the five-year horizon only as needed to address identified marginal conditions that may have longer lead-time solutions.

R1.3.4 Have established normal (pre-contingency) operating procedures in place.

R1.3.5 Have all projected firm transfers modeled.

Comments and Plans for Compliance

As part of MID's normal compliance with NERC/WECC requirements, an annual near-term and longer-term assessment is made. The results of these assessments are reported to NERC/WECC annually and updated quarterly.

For the near-term, studies are initially made at 1 year out (i.e., for 2010 if current year is 2009) and 5 years out. If full compliance is achieved at both 1 and 5 year periods, compliance is assumed for the years in between. If compliance is not achieved, further studies are made for each additional year in the 1 to 5 year period, to find the year of non-compliance, and then determine plans to achieve the required system performance. For the longer-term period, studies are initially made at 10 years out (i.e., for 2019 if the current year is 2009). If full compliance is achieved at the 10 year period, compliance is assumed for the years in between, 6 to 9. If compliance is not achieved, further studies are made for each additional year in the 6 to 9 year period, to find the year of non-compliance, and then determine plans to achieve the required system performance. This is subject to there being available 1, 5 and 10 year out approved WECC base cases on the WECC web site. If those particular years are not available, the next closest year will be used.

The critical summer peak period is covered for each year studied in the near-term and longer-term study periods. The summer peak covers critical system conditions under maximum load and imports. In addition, the winter or early spring off-peak period is covered for each year studied in the near-term and longer-term study periods. The winter or early spring off-peak period covers system conditions under minimum load and imports.

The studies are performed annually for the near-term and longer-term planning periods. Also, for the current operating year, both summer and winter studies are conducted each year through the Sacramento Valley Study Group (SVSG).

For the longer-term period, studies are initially made at 10 years out (i.e., for 2019 if the current year is 2009). If full compliance is achieved at the 10 year period, compliance is assumed for the years in between, 6 to 9. If compliance is not achieved, further studies are made for each additional year in the 6 to 9 year period, to find the year of non-compliance, and then determine plans to achieve the required system performance. Also, marginal conditions, i.e., system conditions that meet criteria but are near specified limits (i.e., within 95%), will be identified so that a determination of the time period when these conditions no longer meet criteria, can be made. This allows for planning of solutions that have longer lead times, i.e., solutions that require more time than normal, and would take until beyond the normal five year planning time window (e.g. a problem identified for year 2016 that might take until 2021 to correct).

The PSN (Power System Normal) 120 SMUD MID/TID Interconnection Procedure, effective June 1, 2006 is established. This procedure is updated at least twice a year for both summer and winter conditions, and covers both MID and TID's interconnected systems.

The seasonal base cases used modeled the MID system with both maximum and minimum imports, with all firm transfers being modeled as subpart of that total import level. MID will include a declarative statement in the annual assessment study report that all firm transfers were modeled.

R1.3.6 Be performed for selected demand levels over the range of forecast system demands.

R1.3.7 Demonstrate that system performance meets Table 1 for Category A (no contingencies).

R1.3.8 Include existing and planned facilities.

R1.3.9 Include Reactive Power resources to ensure that adequate reactive resources are available to meet system performance.

R1.4 Address any planned upgrades needed to meet the performance requirements of Category A.

R2. When system simulations indicate an inability of the systems to respond as prescribed in Reliability Standard TPL-001-0_R1, the Planning Authority and Transmission Planner shall each:

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

R2.1.1 Including a schedule for implementation.

R2.1.2 Including a discussion of expected required in-service dates of facilities.

R2.1.3 Consider lead times necessary to implement plans.

R2.2 Review, in subsequent annual assessments, (where sufficient lead time exists), the continuing need for the identified facilities. Detailed implementation plans are not required

R3. The Planning Authority and Transmission Planner shall each document the results of these reliability assessments and corrective plans and shall annually provide these to its respective NERC Regional Reliability Organization(s), as required by the Regional Reliability Organization.

The summer peak period is covered for each year studied in the near-term and longer-term study periods. The summer peak covers system conditions under maximum load and imports. In addition, the winter or early spring off-peak period is covered for each year studied in the near-term and longer-term study periods. The winter or early spring off-peak covers system conditions under minimum load and imports.

MID will provide single-line diagrams and overload reports showing a solved post-transient load flow case at each selected year and season that displays voltage and thermal limits within those specified in Table 1 of this standard (TPL-001-0). MID will plot P-V curves at the critical bus and demonstrate at least 5% load margins below the collapse point on the P-V curves at the maximum import limit or system load point for each case (at least two cases per year, with one at maximum import and load levels, and one at minimum load and import levels). For each case, MID will plot voltage and frequency during the transient period following the worst single contingency fault and clearing (i.e., no element loss), and demonstrate the transient voltage and frequency on other member's systems (i.e., TID (at Walnut), Hetch Hetchy (at Warnerville), WAPA (at Tracy), and PG&E (at Los Banos/Tesla)) are within the values specified in Table W-1 of Standard WECC-1-CR. MID will make a declarative statement in the annual assessment study report that operating within the load levels or import limits in the study base cases will ensure compliance with Category A requirements.

MID will make a declarative statement in the annual assessment study report that the base cases used modeled the MID system with all planned and existing facilities included.

MID will make a declarative statement in the annual assessment study report that the base cases used modeled the MID system with all planned and existing reactive power sources (i.e., generators, shunt discrete capacitors, and distributed line shunt charging capacitance) included.

The annual assessment study report needs to make a declarative statement that no upgrades to the existing system modeled in the base cases are needed to meet the performance requirements of Category A, or identify the needed upgrades to the existing system modeled in the base cases to ensure compliance with the requirements of Category A.

If the results of the above required studies indicate that MID's system cannot meet the performance requirements of Category A, then a detailed written summary of MID's plans to achieve the required system performance will be provided in the summary report. This written summary will include a schedule for implementation including a discussion of expected required in-service dates of any new facilities or procedures, and accounting for necessary procurement lead times necessary to implement these plans.

If previous annual assessment study reports indicated the need for upgrades to the existing system, the annual assessment study report shall specifically state that the continuing need for those system upgrades has been evaluated.

MID will document these annual assessments via a study report that will be provided to the NERC Regional Reliability Organization, the WECC (Western Electricity Coordinating Council).



Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: System Performance Under Normal (No Contingency) Conditions (Category A)

Standard Number: TPL-001-0

Requirement Number(s)¹: **R1, R2, R3**

Actual completion date of Mitigation Plan: December 29, 2008

Please attach supporting documentation used to demonstrate compliance.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

Requirement 1:

The Attached Assessment was performed in 2008 (R1.1) and was conducted for 1 year, 5 years and 10 years into the future. Appendix B addresses categories A thru D for 10 years out; Appendix C addresses categories A thru D for 5 years out and Appendix D addresses categories A thru D for 1 year out (R1.2, R1.3.3 R 1.3.4).

Section 3 of the Assessment (p.7) addresses the critical system conditions (R1.3.1, R1.3.2, R1.3.6)

Section 4 and Section 5 (pp.7-8) address system demands and projected firm transfers (R1.3.5). The detailed studies for the pre-contingency conditions for the various planning years are contained in the Appendix. Please reference the summary table at the beginning of each appendix.(R1.3.7, R1.4).

Section 6 (p.9) addresses existing and planned facilities (R1.3.8). MID added a planned 48 MW reciprocating engine power generation station into the 5 and 10 year studies, but did not add several planned joint venture projects into the base cases at this time. The following projects in which MID is a participant, will be responsible for obtaining agreement from the appropriate NERC registered Transmission Operator as to the project's compliance with TPL standards. It is anticipated that the Lodi Energy Center (LEC) will be added into the 5 and 10 year assessment next year if the project is approved by the California Energy Commission (CEC). The Northern California Power Agency, (NCPA), is the lead partner for the LEC. The Red Mountain Bar Pumped

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

Storage is also anticipated to be added to the ten year base case if MID and Turlock Irrigation District (TID), as co-applicants on an application for a license from FERC proceed. The Transmission Agency of Northern California, (TANC), of which MID is a member also has several transmission projects that may be added to the ten year planning scenario base cases next year. TANC would be the lead agency in submitting those base cases. All other existing MID facilities and MID sponsored facilities were included.

Section 7 (p9) addresses reactive power sources.

Requirement 2:

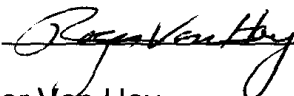
As stated in the summary of results, (pp 4-5) no upgrades to the existing or planned MID System are needed to meet the performance requirements of the TPL standards.

Requirement 3:

By submitting this completed mitigation plan with the supporting documentation, MID shows compliance with this requirement.

By endorsement of this document I attest that Modesto Irrigation District is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature:



Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: December 30, 2008

CONFIDENTIAL



Bob Kiser
Manager of Compliance Audits and Investigations

360.567.4058
bkiser@wecc.biz

February 2, 2009

Roger VanHoy
AGM, Electric Resources
Modesto Irrigation District
NCR05244
PO Box 4060
Modesto, CA 95352

Subject: Certification of Completion Response Letter

Dear Roger VanHoy,

The Western Electricity Coordinating Council (WECC) has received Modesto Irrigation District MID's Certification of Completion and supporting evidence on 12/31/2008 for MID's alleged violation of Reliability Standard TPL-001-0 and requirements 1, 2 & 3. Listed below is the outcome of WECC's official review.

WECC has accepted the Certification of Completion for Requirement(s) 1, 2 & 3 of the Reliability Standard TPL-001-0 and have found these requirements to be fully mitigated. No further mitigation of these requirements will be required at this time.

If you have any questions or concerns, please contact Jay Look at jay@wecc.biz. Thanks for your assistance in this effort.

Sincerely,

Bob Kiser

Bob Kiser
Manager of Audits and
Investigations

BK:cm

cc: Toxie Burriss, MID Operations Manager
Lisa Milanese, WECC Manager of Compliance Administration
Jay Look, WECC Senior Compliance Engineer

Attachment j

MID's Mitigation Plan for TPL-002-0 R1, R2 and R3 submitted December 15, 2008, Certification of Completion of the Mitigation Plan for TPL-002-0 R1, R2 and R3 dated December 30, 2008, and WECC's Verification of Mitigation Plan Completion for TPL-002-0 R1, R2 and R3 dated February 2, 2009



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 12/15/08

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Registered Entity Name: Modesto Irrigation District

Registered Entity Address: 1231 Eleventh St, Modesto, CA 95354

NERC Compliance Registry ID: NCR05244

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: steveh@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

**Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan**

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

- C.1 Standard: TPL-002-0
[Identify by Standard Acronym (e.g. FAC-001-1)]
- C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
WECC200800804	MID WECC208843	R1	High	11/17/08	Audit
WECC200800805	MID WECC208844	R2	Medium	11/17/08	Audit
WECC200800806	MID WECC208845	R3	Lower	11/17/08	Audit

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

- C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

Alleged violation is that there is no evidence showing an assessment was performed and that there is no written assessment.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- C.4 **[Optional]** Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID proposes to use the latest base cases available on the WECC website to perform the assessments. If the specific years and loading conditions are not available, MID plans to use the closest case as its base case and ramp up or down the respective local loads and generation patterns to coincide with MID's load forecast. The specific studies will be performed for years 1, 5 and 10 at various demand levels. See attachment for detailed Compliance Plan. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: MID will perform the written assessment for the near term and long term, as required by this Standard, by December 31, 2008.
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Complete Written Assessment	December 31, 2008



Western Electricity Coordinating Council

(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected 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:

The risks are minimal as described in the 11/17/08 WECC Notice of Alleged Violation and Proposed Penalty or Sanction due to MID's small size. MID has performed the studies, although not in a format acceptable to WECC, that shows that there are no system impacts in the near term and in the long term. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

MID plans on documenting every item described in the Standards. MID will also be looking at documentation from other utilities and perhaps samples from WECC to make sure the documentation is acceptable to WECC.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or



FOR PUBLIC RELEASE - MARCH 31, 2010



similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

MID will continue to perform self audits and external audits in order to insure compliance as part of its ongoing Reliability Compliance Program. [Provide your response here; additional detailed information may be provided as an attachment as necessary]




Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resource of the Modesto Irrigation District.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:


(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger Van Hoy

Title: Assistant General Manager Electric Resource

Date: 12/15/2008



FOR PUBLIC RELEASE - MARCH 31, 2010



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: mike@wecc.biz

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



Western Electricity Coordinating Council

FOR PUBLIC RELEASE - MARCH 31, 2010



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

NERC STANDARDS Compliance Plan

SLT 12/02/08

TPL-002-0 (System Performance Following Loss of a Single Bulk Electric System (BES) Element (Category B)

Description

Comments and Plans for Compliance

B. Requirements

R1. Planning Assessment

R1.1 Be made annually.

As part of MID's normal compliance with NERC/WECC requirements, an annual near-term and longer-term assessment for compliance with Category B criteria is made. The results of these assessments are reported to NERC/WECC annually and updated quarterly.

R1.2 Be conducted for near-term (years one through five) and longer-term (years six through ten) planning horizons.

For the near-term, studies are initially made at 1 year out (i.e., for 2010 if current year is 2009) and 5 years out. If full compliance is achieved with Category B criteria at both the 1 and 5 year periods, compliance is assumed for the years in between. If compliance is not achieved, further studies are made for each additional year in the 1 to 5 year period, to find the year of non-compliance, and then determine plans to achieve the required system performance. For the longer-term period, studies are initially made at 10 years out (i.e., for 2019 if the current year is 2009). If full compliance for Category B criteria is achieved at the 10 year period, compliance is assumed for the years in between, 6 to 9. If compliance is not achieved, further studies are made for each additional year in the 6 to 9 year period, to find the year of non-compliance, and then determine plans to achieve the required system performance. This is subject to there being available 1, 5 and 10 year out approved WECC base cases on the WECC web site. If those particular years are not available, the next closest year will be used.

R1.3 Be supported by a current or past study and/or simulation testing that addresses each of the following categories, showing system performance following Category B of Table I.

R1.3.1 Be performed and evaluated only for those Category B contingencies that would produce the more severe System results or impacts. The rationale for the contingencies selected for evaluation shall be available as supporting information. An explanation of why the remaining simulations would produce less severe results shall be available as supporting information.

Loss of all MID elements (i.e., transformers, generators, and lines), taken one element at a time, are studied for the effect on the remaining system. In addition, loss of all TID and immediate surrounding area bulk transmission system elements (i.e. Hetch Hetchy elements), taken one at a time, are studied for the effect on the remaining system. Hence, by evaluating all possible Category B contingencies, the ones that would produce the most severe results are always evaluated. Similarly, since all Category B contingencies are studied there are no contingencies remaining that would produce less severe results.

R1.3.2 Cover critical system conditions and study years as deemed appropriate by the responsible entity.

The critical summer peak period is covered for each year studied in the near-term and longer-term study periods. The summer peak covers critical system conditions under maximum load and imports. This is a critical system condition because system elements are loaded to their highest levels and have the highest probability of overloading or exceeding voltage limits for any Category B contingencies. In addition, the winter or early spring off-peak period is covered for each year studied in the near-term and longer-term study periods. The winter or early spring off-peak period covers system conditions under minimum load and imports. This is a critical system condition because at low generation levels available system reactive power capability is at its lowest level, and the system may experience voltages outside Category B limits, or voltage collapse, for some Category B contingencies.

R1.3.3 Be conducted annually unless changes to system conditions do not warrant such analyses.

The studies to evaluate Category B contingencies are performed annually for the near-term and longer-term planning periods. Also, for the current operating year, both summer and winter studies are conducted each year through the Sacramento Valley Study Group (SVSG).

<p>R1.3.4 Be conducted beyond the five-year horizon only as needed to address identified marginal conditions that may have longer lead-time solutions.</p>	<p>For the longer-term period, studies are initially made at 10 years out (i.e., for 2019 if the current year is 2009). If full compliance for Category B criteria is achieved at the 10 year period, compliance is assumed for the years in between, 6 to 9. If compliance is not achieved, further studies are made for each additional year in the 6 to 9 year period, to find the year of non-compliance, and then determine plans to achieve the required system performance. Also, marginal conditions, i.e., system conditions that meet criteria but are near specified limits (i.e., within 95%), will be identified so that a determination of the time period when these conditions no longer meet criteria, can be made. This allows for planning of solutions that have longer lead times, i.e. solutions that require more time than normal, and would take until beyond the normal five year planning time window (e.g. a problem identified for year 2016 that might take until 2021 to correct).</p>
<p>R1.3.5 Have all projected firm transfers modeled.</p>	<p>The seasonal base cases used for studying compliance with Category B criteria, modeled the MID system with both maximum and minimum imports, with all firm transfers being modeled as subpart of that total import level. MID will include a declarative statement in the annual assessment study report that all firm transfers were modeled.</p>
<p>R1.3.6 Be performed for selected demand levels over the range of forecast system demands.</p>	<p>The summer peak period is covered for each year studied for compliance with Category B criteria, in the near-term and longer-term study periods. The summer peak covers system conditions under maximum load and imports. In addition, the winter or early spring off-peak period is covered for each year studied for compliance with Category B criteria, in the near-term and longer-term study periods. The winter or early spring off-peak period covers system conditions under minimum load and imports.</p>
<p>R1.3.7 Demonstrate that system performance meets Table 1 for Category B (single contingencies).</p>	<p>MID will provide an N-1 (Category B) contingency summary report that shows no Table 1 voltage or thermal limit violations for each selected year and season. For each cases's summary report's most severe contingency, MID will provide single-line diagrams and overload reports for a solved post-transient load flow case. MID will plot P-V curves at the critical bus and demonstrate at least 5.0% load margins below the collapse point on the P-V curves at the maximum import limit or system load point for each case (at least two cases per year, with one at maximum import and load levels, and one at minimum load and import levels) for the most severe N-1 (Category B) contingency. MID will make a declarative statement in the annual assessment study report that operating within the load levels or import limits in the study base cases will ensure compliance with Category B requirements. For each case, MID will plot voltage and frequency during the transient period and demonstrate the transient voltage and frequency on other member's systems (i.e., TID (at Walnut), Hetch Hetchy (at Warnerville), WAPA (Tracy), and Los Banos/Tesla (PG&E) are within the values specified in Table W-1 of Standard WECC-1-CR for the most severe Category B (N-1) event.</p>
<p>R1.3.8 Include existing and planned facilities.</p>	<p>MID will make a declarative statement in the annual assessment study report that the base cases used for studying compliance with Category B criteria, modeled the MID system with all planned and existing facilities included.</p>
<p>R1.3.9 Include Reactive Power resources to ensure that adequate reactive resources are available to meet system performance.</p>	<p>MID will make a declarative statement in the annual assessment study report that the base cases used for studying compliance with Category B criteria, modeled the MID system with all planned and existing reactive power sources (i.e., generators, shunt discrete capacitors, and distributed line shunt charging capacitance) included.</p>
<p>R1.3.10 Include the effects of existing and planned protection systems, including any backup or redundant systems.</p>	<p>MID will make a declarative statement in the annual assessment that the studies supporting the assessment included the effects of existing and planned system protection systems, including the effects of any SPS (Special Protection Systems) with examples, and any backup or redundant systems.</p>
<p>R1.3.11 Include the effects of existing and planned control devices.</p>	<p>MID will make a declarative statement in the annual assessment that the studies supporting the assessment included the effects of existing and planned control devices, like phase shifting transformers, tap changing transformer voltage regulators, and generating unit MVAR capabilities, including the effects of any SPS (Special Protection Systems) with examples.</p>
<p>R1.3.12 Include the planned (including maintenance) outage of any bulk electric equipment (including protection systems or their components) at those demand levels for which planned (including maintenance) outages are performed.</p>	<p>MID will make a declarative statement that any planned (including maintenance) outage of any bulk electric system equipment or elements (including protection systems or their components), during the time interval of the base cases studied for the assessment for compliance with Category B criteria, was included in the base case model. If any such outages were planned, the assessment for compliance with Category B criteria will be made both with and without the outage.</p>
<p>R1.4 Address any planned upgrades needed to meet the performance requirements of Category B.</p>	<p>The annual assessment study report needs to make a declarative statement that no upgrades to the existing system modeled in the base cases are needed to meet the performance requirements of Category B, or identify the needed upgrades to the existing system modeled in the base cases to ensure compliance with the requirements of Category B.</p>

R1.5 Consider all contingencies applicable to Category B.

R2. When system simulations indicate an inability of the systems to respond as prescribed in Reliability Standard TPL-002-0_R1, the Planning Authority and Transmission Planner shall each:

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

R2.1.1 Including a schedule for implementation.

R2.1.2 Including a discussion of expected required in-service dates of facilities.

R2.1.3 Consider lead times necessary to implement plans.

R2.2 Review, in subsequent annual assessments, (where sufficient lead time exists), the continuing need for the identified facilities. Detailed implementation plans are not required

R3. The Planning Authority and Transmission Planner shall each document the results of these reliability assessments and corrective plans and shall annually provide these to its respective NERC Regional Reliability Organization(s), as required by the Regional Reliability Organization.

All credible simultaneous losses of MID and immediate surrounding system elements (i.e., transformers, generators, and lines) are studied for the effect on the remaining systems elements. Include a list of all Category B BES contingencies and results of those with significant overloads or within 90% of Category B criteria.

If the results of the above required studies indicate that MID's system cannot meet the performance requirements of Category B, then a detailed written summary of MID's plans to achieve the required system performance will be provided in the summary report. This written summary will include a schedule for implementation including a discussion of expected required in-service dates of any new facilities or procedures, and accounting for necessary procurement lead times necessary to implement these plans.

If previous annual assessment study reports indicated the need for upgrades to the existing system, the annual assessment study report shall specifically state that the continuing need for those system upgrades has been evaluated.

MID will document these annual assessments via a study report that will be provided to the NERC Regional Reliability Organization, the WECC (Western Electricity Coordinating Council).



Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: System Performance Following Loss of a Single Bulk Electric System Element (Category B)

Standard Number: TPL-002-0

Requirement Number(s)¹: **R1, R2, R3**

Actual completion date of Mitigation Plan: December 29, 2008

Please attach supporting documentation used to demonstrate compliance.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

Requirement 1:

The Attached Assessment was performed in 2008 (R1.1) and was conducted for 1 year, 5 years and 10 years into the future. . The Appendix shows the results for the various categories for 1, 5 and 10 years into the future (R1.2, R1.3.3 R 1.3.4. 1.3.6).

Section 3 of the Assessment (p.7) addresses the critical system conditions (R1.3.2)

Section 4 and Section 5 (pp.7-8) address system demands (R1.3.6).

The detailed studies for the Category B contingencies for the various planning years are contained in the Appendix. Please reference the summary table at the beginning of each appendix.(R1.3.7, R1.4).

Section 5 (P.8) addresses projected firm transfers (R1.3.5).

Section 6 (p.9) addresses existing and planned facilities (R1.3.8). MID added a planned 48 MW reciprocating engine power generation station into the 5 and 10 year studies, but did not add several planned joint venture projects into the base cases at this time. The following projects in which MID is a participant, will be responsible for obtaining agreement from the appropriate NERC registered Transmission Operator as to the project's compliance with TPL standards. It is

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

anticipated that the Lodi Energy Center (LEC) will be added into the 5 and 10 year assessment next year if the project is approved by the California Energy Commission (CEC). The Northern California Power Agency, (NCPA), is the lead partner for the LEC. The Red Mountain Bar Pumped Storage is also anticipated to be added to the ten year base case if MID and Turlock Irrigation District (TID), as co-applicants on an application for a license from FERC proceed. The Transmission Agency of Northern California, (TANC), of which MID is a member also has several transmission projects that may be added to the ten year planning scenario base cases next year. TANC would be the lead agency in submitting those base cases. All other existing MID facilities and MID sponsored facilities were included.

Section 7 (p. 9) addresses reactive power sources (R1.3.9)

Section 8 (p. 10) addresses existing and planned protection systems (R1.3.10).

Section 9 (p. 10) addresses existing and planned control devices (R1.3.11).

Section 10 (p. 11) addresses planned outages (R1.3.12).

Section 12 (pp. 14-15) addresses all applicable category B contingencies (R1.5).

As stated in the summary of results, (pp. 4-5) no upgrades to the existing or planned MID System are needed to meet the performance requirements of the TPL standards (R1.4).

Requirement 2:

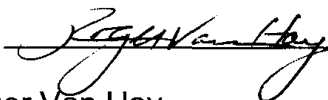
As stated in the summary of results, (pp. 4-5) no upgrades to the existing or planned MID System are needed to meet the performance requirements of the TPL standards.

Requirement 3:

By submitting this completed mitigation plan with the supporting documentation, MID shows compliance with this requirement.

By endorsement of this document I attest that Modesto Irrigation District is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature:



Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: December 30, 2008

CONFIDENTIAL



Bob Kiser
Manager of Compliance Audits and Investigations

360.567.4058
bkiser@wecc.biz

February 2, 2009

Roger VanHoy
AGM, Electric Resources
Modesto Irrigation District
NCR05244
PO Box 4060
Modesto, CA 95352

Subject: Certification of Completion Response Letter

Dear Roger VanHoy,

The Western Electricity Coordinating Council (WECC) has received Modesto Irrigation District MID's Certification of Completion and supporting evidence on 12/31/2008 for MID's alleged violation of Reliability Standard TPL-002-0 and requirements 1, 2 & 3. Listed below is the outcome of WECC's official review.

WECC has accepted the Certification of Completion for Requirement(s) 1, 2 & 3 of the Reliability Standard TPL-002-0 and have found these requirements to be fully mitigated. No further mitigation of these requirements will be required at this time.

If you have any questions or concerns, please contact Jay Look at jay@wecc.biz. Thanks for your assistance in this effort.

Sincerely,

Bob Kiser

Bob Kiser
Manager of Audits and
Investigations

BK:cm

cc: Toxie Burriss, MID Operations Manager
Lisa Milanese, WECC Manager of Compliance Administration
Jay Look, WECC Senior Compliance Engineer

Attachment k

MID's Mitigation Plan for TPL-003-0 R1, R2 and R3 submitted December 15, 2008, Certification of Completion of the Mitigation Plan for TPL-003-0 R1, R2 and R3 dated December 30, 2008, and WECC's Verification of Mitigation Plan Completion for TPL-003-0 R1, R2 and R3 dated February 2, 2009



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 12/15/08

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

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

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: steveh@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: TPL-003-0
[Identify by Standard Acronym (e.g. FAC-001-1)]

C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
WECC200800807	MID_WECC208846	R1	High	11/17/08	Audit
WECC200800808	MID_WECC208848	R2	Medium	11/17/08	Audit
WECC200800809	MID_WECC208849	R3	Lower	11/17/08	Audit

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use.

C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

Alleged violation is that there is no evidence showing an assessment was performed and that there is no written assessment.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

C.4 **[Optional]** Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID proposes to use the latest base cases available on the WECC website to perform the assessments. If the specific years and loading conditions are not available, MID plans to use the closest case as its base case and ramp up or down the respective local loads and generation patterns to coincide with MID's load forecast. The specific studies will be performed for years 1, 5 and 10 at various demand levels. See attachment for detailed Compliance Plan. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: MID will perform the written assessment for the near term and long term, as required by this Standard, by December 31, 2008.
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Complete Written Assessment	December 31, 2008



Western Electricity Coordinating Council

(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected 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:

The risks are minimal as described in the 11/17/08 WECC Notice of Alleged Violation and Proposed Penalty or Sanction due to MID's small size. MID has performed the studies, although not in a format acceptable to WECC, that shows that there are no system impacts in the near term and in the long term. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

MID plans on documenting every item described in the Standards. MID will also be looking at documentation from other utilities and perhaps samples from WECC to make sure the documentation is acceptable to WECC.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or



Western Electricity Coordinating Council

FOR PUBLIC RELEASE - MARCH 31, 2010



similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

MID will continue to perform self audits and external audits in order to insure compliance as part of its ongoing Reliability Compliance Program. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

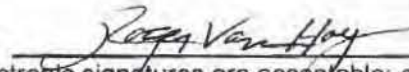


Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resource of the Modesto Irrigation District.
 - 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 - 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 - 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:


(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger Van Hoy

Title: Assistant General Manager Electric Resource

Date: 12/15/2008



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: mike@wecc.biz

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

NERC STANDARDS Compliance Plan

SLT 12/02/08

TPL-003-0 (System Performance Following Loss of Two or More BES System Elements (Category C))

Description

B. Requirements

R1. Planning Assessment

R1.1 Be made annually.

Comments and Plans for Compliance

As part of MID's normal compliance with NERC/WECC requirements, an annual near-term and longer-term assessment for compliance with Category C criteria is made. The results of these assessments are reported to NERC/WECC annually and updated quarterly.

R1.2 Be conducted for near-term (years one through five) and longer-term (years six through ten) planning horizons.

For the near-term, studies are initially made at 1 year out (i.e., for 2010 if current year is 2009) and 5 years out. If full compliance is achieved with Category C criteria at both the 1 and 5 year periods, compliance is assumed for the years in between. If compliance is not achieved, further studies are made for each additional year in the 1 to 5 year period, to find the year of non-compliance, and then determine plans to achieve the required system performance. For the longer-term period, studies are initially made at 10 years out (i.e., for 2019 if the current year is 2009). If full compliance for Category C criteria is achieved at the 10 year period, compliance is assumed for the years in between, 6 to 9. If compliance is not achieved, further studies are made for each additional year in the 6 to 9 year period, to find the year of non-compliance, and then determine plans to achieve the required system performance. This is subject to there being available 1, 5 and 10 year out approved WECC base cases on the WECC web site. If those particular years are not available, the next closest year will be used.

R1.3 Be supported by a current or past study and/or simulation testing that addresses each of the following categories, showing system performance following Category C of Table I.

R1.3.1 Be performed and evaluated only for those Category C contingencies that would produce the more severe System results or impacts. The rationale for the contingencies selected for evaluation shall be available as supporting information. An explanation of why the remaining simulations would produce less severe results shall be available as supporting information.

R1.3.2 Cover critical system conditions and study years as deemed appropriate by the responsible entity.

R1.3.3 Be conducted annually unless changes to system conditions do not warrant such analyses.

All credible simultaneous losses of MID and immediate surrounding system elements (i.e., transformers, generators, and lines) are studied for the effect on the remaining systems elements. Examples of credible simultaneous outages are loss of the Parker-Westley and Walnut-Westley 230kV lines, or loss of Hetch Hetchy's 115kV Lines 7 & 8 from Warnerville Station to Standford Station. The selection of which simultaneous outages are credible is made in coordination with the local area operating and planning study group, i.e., the Sacramento Valley Study Group (SVSG). Hence, by evaluating all possible credible Category C contingencies, the ones that would produce the most severe results are always evaluated. Similarly, since all Category C contingencies are studied there are no contingencies remaining that would produce less severe results.

The critical summer peak period is covered for each year studied in the near-term and longer-term study periods. The summer peak covers critical system conditions under maximum load and imports. This is a critical system condition because system elements are loaded to their highest levels and have the highest probability of overloading or exceeding voltage limits for any Category C contingencies. In addition, the winter or early spring off-peak period is covered for each year studied in the near-term and longer-term study periods. The winter or early spring off-peak period covers system conditions under minimum load and imports. This is a critical system condition because at low generation levels available system reactive power capability is at its lowest level, and the system may experience voltages outside Category C limits, or voltage collapse, for some Category C contingencies.

The studies to evaluate Category C contingencies are performed annually for the near-term and longer-term planning periods. Also, for the current operating year, both summer and winter studies are conducted each year through the Sacramento Valley Study Group (SVSG).

R1.3.4 Be conducted beyond the five-year horizon only as needed to address identified marginal conditions that may have longer lead-time solutions.

For the longer-term period, studies are initially made at 10 years out (i.e., for 2019 if the current year is 2009). If full compliance for Category C criteria is achieved at the 10 year period, compliance is assumed for the years in between, 6 to 9. If compliance is not achieved, further studies are made for each additional year in the 6 to 9 year period, to find the year of non-compliance, and then determine plans to achieve the required system performance. Also, marginal conditions, i.e., system conditions that meet criteria but are near specified limits (i.e., within 95%), will be identified so that a determination of the time period when these conditions no longer meet criteria, can be made. This allows for planning of solutions that have longer lead times, i.e. solutions that require more time than normal, and would take until beyond the normal five year planning time window (e.g. a problem identified for year 2016 that might take until 2021 to correct).

R1.3.5 Have all projected firm transfers modeled.

The seasonal base cases used for studying compliance with Category C criteria, modeled the MID system with both maximum and minimum imports, with all firm transfers being modeled as subpart of that total import level. MID will include a declarative statement in the annual assessment study report that all firm transfers were modeled.

R1.3.6 Be performed for selected demand levels over the range of forecast system demands.

The summer peak period is covered for each year studied for compliance with Category C criteria, in the near-term and longer-term study periods. The summer peak covers system conditions under maximum load and import levels. In addition, the winter or early spring off-peak period is covered for each year studied for compliance with Category C criteria, in the near-term and longer-term study periods. The winter or early spring off-peak covers system conditions under minimum load and import levels.

R1.3.7 Demonstrate that system performance meets Table 1 for Category C (double contingencies).

MID will provide an N-2 (Category C) contingency summary report that shows no Table 1 voltage or thermal limit violations for each selected year and season. For each case's summary report's most severe contingency, MID will provide single-line diagrams and overload reports for a solved post-transient load flow case. MID will plot P-V curves at the critical bus and demonstrate at least 2.5% load margins below the collapse point on the P-V curves at the maximum import limit or system load point for each case (at least two cases per year, with one at maximum import and load levels, and one at minimum load and import levels) for the most severe N-2 (Category C) contingency. MID will make a declarative statement in the annual assessment study report that operating within the load levels or import limits in the study base cases will ensure compliance with Category C requirements. For each case, MID will plot voltage and frequency during the transient period and demonstrate the transient voltage and frequency on other member's systems (i.e., TID (at Walnut), Hetch Hetchy (at Warnerville), WAPA (Tracy), and Los Banos/Tesla (PG&E) are within the values specified in Table W-1 of Standard WECC-1-CR for the most severe Category C (N-2) event.

R1.3.8 Include existing and planned facilities.

MID will make a declarative statement in the annual assessment study report that the base cases used for studying compliance with Category C criteria, modeled the MID system with all planned and existing facilities included.

R1.3.9 Include Reactive Power resources to ensure that adequate reactive resources are available to meet system performance.

MID will make a declarative statement in the annual assessment study report that the base cases used for studying compliance with Category C criteria, modeled the MID system with all planned and existing reactive power sources (i.e., generators, shunt discrete capacitors, and distributed line shunt charging capacitance) included.

R1.3.10 Include the effects of existing and planned protection systems, including any backup or redundant systems.

MID will make a declarative statement in the annual assessment that the studies supporting the assessment included the effects of existing and planned system protection systems, including the effects, with examples, of any SPS (Special Protection Systems), and any backup or redundant systems.

R1.3.11 Include the effects of existing and planned control devices.

MID will make a declarative statement in the annual assessment that the studies supporting the assessment included the effects of existing and planned control devices, like phase shifting transformers, tap changing transformer voltage regulators, and generating unit MVAR capabilities, including the effects of any SPS (Special Protection Systems) with examples.

R1.3.12 Include the planned (including maintenance) outage of any bulk electric equipment (including protection systems or their components) at those demand levels for which planned (including maintenance) outages are performed.

MID will make a declarative statement that any planned (including maintenance) outage of any bulk electric system equipment or elements (including protection systems or their components), during the time interval of the base cases studied for the assessment for compliance with Category C criteria, was included in the base case model. If any such outages were planned, the assessment for compliance with Category C criteria will be made both with and without the outage.

R1.4 Address any planned upgrades needed to meet the performance requirements of Category C.

The annual assessment study report needs to make a declarative statement that no upgrades to the existing system modeled in the base cases are needed to meet the performance requirements of Category C, or identify the needed upgrades to the existing system modeled in the base cases to ensure compliance with the requirements of Category C.

R1.5 Consider all contingencies applicable to Category C.

All credible simultaneous losses of MID and immediate surrounding system elements (i.e., transformers, generators, and lines) are studied for the effect on the remaining systems elements. Include a list of all Category C BES contingencies and results of those with significant overloads, or within 90% of Category C criteria.

R2. When system simulations indicate an inability of the systems to respond as prescribed in Reliability Standard TPL-003-0_R1, the Planning Authority and Transmission Planner shall each:

If the results of the above required studies indicate that MID's system cannot meet the performance requirements of Category C, then a detailed written summary of MID's plans to achieve the required system performance will be provided in the summary report. This written summary will include a schedule for implementation including a discussion of expected required in-service dates of any new facilities or procedures, and accounting for necessary procurement lead times necessary to implement these plans.

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

R2.1.1 Including a schedule for implementation.

R2.1.2 Including a discussion of expected required in-service dates of facilities.

R2.1.3 Consider lead times necessary to implement plans.

R2.2 Review, in subsequent annual assessments, (where sufficient lead time exists), the continuing need for the identified facilities. Detailed implementation plans are not required

If previous annual assessment study reports indicated the need for upgrades to the existing system, the annual assessment study report shall specifically state that the continuing need for those system upgrades has been evaluated.

R3. The Planning Authority and Transmission Planner shall each document the results of these reliability assessments and corrective plans and shall annually provide these to its respective NERC Regional Reliability Organization(s), as required by the Regional Reliability Organization.

MID will document these annual assessments via a study report that will be provided to the NERC Regional Reliability Organization, the WECC (Western Electricity Coordinating Council).



Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: System Performance Following Loss of Two or More Bulk Electric System Element (Category C)

Standard Number: TPL-003-0

Requirement Number(s)¹: **R1, R2, R3**

Actual completion date of Mitigation Plan: December 29, 2008

Please attach supporting documentation used to demonstrate compliance.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

Requirement 1:

The Attached Assessment was performed in 2008 (R1.1) and was conducted for 1 year, 5 years and 10 years into the future. The Appendix shows the results for the various categories for 1, 5 and 10 years into the future (R1.2, R1.3.3 R 1.3.4. 1.3.6).

Section 3 of the Assessment (p.7) addresses the critical system conditions (R1.3.2)

Section 4 and Section 5 (pp.7-8) address system demands (R1.3.6).

The detailed studies for the Category C contingencies for the various planning years are contained in the Appendix. Please reference the summary table at the beginning of each appendix.(R1.3.7, R1.4).

Section 5 (P.8) addresses projected firm transfers (R1.3.5).

Section 6 (p.9) addresses existing and planned facilities (R1.3.8). MID added a planned 48 MW reciprocating engine power generation station into the 5 and 10 year studies, but did not add several planned joint venture projects into the base cases at this time. The following projects in which MID is a participant, will be responsible for obtaining agreement from the appropriate NERC registered Transmission Operator as to the project's compliance with TPL standards. It is

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

anticipated that the Lodi Energy Center (LEC) will be added into the 5 and 10 year assessment next year if the project is approved by the California Energy Commission (CEC). The Northern California Power Agency, (NCPA), is the lead partner for the LEC. The Red Mountain Bar Pumped Storage is also anticipated to be added to the ten year base case if MID and Turlock Irrigation District (TID), as co-applicants on an application for a license from FERC proceed. The Transmission Agency of Northern California, (TANC), of which MID is a member also has several transmission projects that may be added to the ten year planning scenario base cases next year. TANC would be the lead agency in submitting those base cases. All other existing MID facilities and MID sponsored facilities were included.

Section 7 (p. 9) addresses reactive power sources (R1.3.9)

Section 8 (p. 10) addresses existing and planned protection systems (R1.3.10).

Section 9 (p. 10) addresses existing and planned control devices (R1.3.11).

Section 10 (p. 11) addresses planned outages (R1.3.12).

Section 12 (pp. 15-16) addresses all applicable category C contingencies (R1.5).

As stated in the summary of results, (pp. 4-5) no upgrades to the existing or planned MID System are needed to meet the performance requirements of the TPL standards (R1.4).


Requirement 2:

As stated in the summary of results, (pp. 4-5) no upgrades to the existing or planned MID System are needed to meet the performance requirements of the TPL standards.

Requirement 3:

By submitting this completed mitigation plan with the supporting documentation, MID shows compliance with this requirement.

By endorsement of this document I attest that Modesto Irrigation District is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature: 

Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: December 30, 2008

CONFIDENTIAL



Bob Kiser
Manager of Compliance Audits and Investigations

360.567.4058
bkiser@wecc.biz

February 2, 2009

Roger VanHoy
AGM, Electric Resources
Modesto Irrigation District
NCR05244
PO Box 4060
Modesto, CA 95352

Subject: Certification of Completion Response Letter

Dear Roger VanHoy,

The Western Electricity Coordinating Council (WECC) has received Modesto Irrigation District MID's Certification of Completion and supporting evidence on 12/31/2008 for MID's alleged violation of Reliability Standard TPL-003-0 and requirements 1, 2 & 3. Listed below is the outcome of WECC's official review.

WECC has accepted the Certification of Completion for Requirement(s) 1, 2 & 3 of the Reliability Standard TPL-003-0 and have found these requirements to be fully mitigated. No further mitigation of these requirements will be required at this time.

If you have any questions or concerns, please contact Jay Look at jay@wecc.biz. Thanks for your assistance in this effort.

Sincerely,

Bob Kiser

Bob Kiser
Manager of Audits and
Investigations

BK:cm

cc: Toxie Burriss, MID Operations Manager
Lisa Milanese, WECC Manager of Compliance Administration
Jay Look, WECC Senior Compliance Engineer

Attachment I

**MID's Mitigation Plan for TPL-004-0 R1 and R2
submitted December 15, 2008, Certification of
Completion of the Mitigation Plan for TPL-004-0
R1 and R2 dated December 30, 2008, and
WECC's Verification of Mitigation Plan
Completion for TPL-004-0 R1 and R2 dated
February 2, 2009**



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 12/15/08

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

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

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.¹

Name: Steve Hill
Title: Resource Planning Engineer
Email: steveh@mid.org
Phone: (209) 526-7491

¹ A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: TPL-004-0
[Identify by Standard Acronym (e.g. FAC-001-1)]

C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
WECC200800810	MID WECC208850	R1	Medium	11/17/08	Audit
WECC200800811	MID WECC208851	R2	Lower	11/17/08	Audit

(*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use.

C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

Alleged violation is that there is no evidence showing an assessment was performed and that there is no written assessment.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

C.4 **[Optional]** Provide any relevant additional information regarding the alleged or confirmed violations associated with this Mitigation Plan:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID proposes to use the latest base cases available on the WECC website to perform the assessments. If the specific years and loading conditions are not available, MID plans to use the closest case as its base case and ramp up or down the respective local loads and generation patterns to coincide with MID's load forecast. The specific studies will be performed for years 1, 5 and 10 at various demand levels. See attachment for detailed Compliance Plan. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the alleged or confirmed violations associated with this Mitigation Plan corrected: MID will perform the written assessment for the near term and long term, as required by this Standard, by December 31, 2008.
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Complete Written Assessment	December 31, 2008



Western Electricity Coordinating Council

(*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

- D.4 If you have any relevant additional information that you wish to include regarding the Mitigation Plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 known, reasonably suspected 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:

The risks are minimal as described in the 11/17/08 WECC Notice of Alleged Violation and Proposed Penalty or Sanction due to MID's small size. MID has performed the studies, although not in a format acceptable to WECC, that shows that there are no system impacts in the near term and in the long term. [Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization will incur further violations of the same or similar reliability standards requirements in the future:

MID plans on documenting every item described in the Standards. MID will also be looking at documentation from other utilities and perhaps samples from WECC to make sure the documentation is acceptable to WECC.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or



Western Electricity Coordinating Council

FOR PUBLIC RELEASE - MARCH 31, 2010



similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

MID will continue to perform self audits and external audits in order to insure compliance as part of its ongoing Reliability Compliance Program.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]

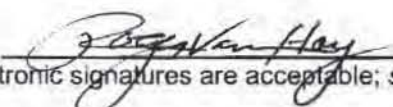


Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resource of the Modesto Irrigation District.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Modesto Irrigation District.
 3. I understand Modesto Irrigation District's obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
 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, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:


(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Roger Van Hoy

Title: Assistant General Manager Electric Resource

Date: 12/15/2008



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: mike@wecc.biz

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC 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 2.0.
 - (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.
 - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. 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 violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

NERC STANDARDS Compliance Plan

SLT 12/02/08

TPL-004-0 (System Performance Following Extreme Events Resulting in the Loss of Two or More Bulk Electric System (BES) Elements (Category D))

Description	Comments and Plans for Compliance
B. Requirements	
R1. Planning Assessment	
R1.1 Be made annually.	As part of MID's normal compliance with NERC/WECC requirements, an annual near-term and longer-term assessment for compliance with Category D criteria is made. The results of these assessments are reported to NERC/WECC annually and updated quarterly.
R1.2 Be conducted for near-term (years one through five) and longer-term (years six through ten) planning horizons.	For the near-term, studies are initially made at 1 year out (i.e., for 2010 if current year is 2009) and 5 years out. If risks and consequences are evaluated for Category D criteria at both the 1 and 5 year periods, risks and consequences are assumed to have been evaluated for the years in between. For the longer-term period, studies are initially made at 6 and 10 years out (i.e., for 2019 if the current year is 2009). If risks and consequences are evaluated for Category D criteria at both the 6 and 10 year period, risks and consequences are assumed to have been evaluated for the years in between. This is subject to there being available 1, 5, 6 and 10 year out approved WECC base cases on the WECC web site. If those particular years are not available, the next closest year will be used.
R1.3 Be supported by a current or past study and/or simulation testing that addresses each of the following categories, showing system performance following Category D of Table I.	
R1.3.1 Be performed and evaluated only for those Category D contingencies that would produce the more severe System results or impacts. The rationale for the contingencies selected for evaluation shall be available as supporting information. An explanation of why the remaining simulations would produce less severe results shall be available as supporting information.	All credible extreme event contingencies resulting in the simultaneous loss of two or more MID and immediate surrounding system elements (i.e., transformers, generators, and lines), or three-phase fault delayed clearing times, are studied for the effect on the remaining systems elements. Examples of credible extreme simultaneous outages are loss of the Parker-Westley and Walnut-Westley 230kV lines (i.e., all transmission lines on same common right-of-way), loss of Hetch Hetchy's 115kV Lines 7 & 8 from Warnerville Station to Standiford Station, or loss of Parker Station. The selection of which extreme events are credible is made in coordination with the local area operating and planning study group, i.e., the Sacramento Valley Study Group (SVSG). Numerous prior year studies have demonstrated that loss of either the Parker-Westley/Parker-Walnut or the Parker-Westley/Walnut-Westley lines results in the most severe system impacts.
R1.3.2 Cover critical system conditions and study years as deemed appropriate by the responsible entity.	The critical summer peak period is covered for each year studied in the near-term and longer-term study periods. The summer peak covers critical system conditions under maximum load, maximum import and load levels. This is a critical system condition because system elements are loaded to their highest levels and have the highest probability of overloading or exceeding voltage limits for any Category D contingencies. In addition, the winter or early spring off-peak period is covered for each year studied in the near-term and longer-term study periods. The winter or early spring off-peak covers system conditions under minimum load and import levels. This is a critical system condition because at low generation levels available system reactive power capability is at its lowest level, and the system may experience extreme voltages, or voltage collapse, for some Category D contingencies.
R1.3.3 Be conducted annually unless changes to system conditions do not warrant such analyses.	The studies to evaluate Category D contingencies are performed annually for the near-term and longer-term planning periods. Also, for the current operating year, both summer and winter studies are conducted each year through the Sacramento Valley Study Group (SVSG).

R1.3.4 Have all projected firm transfers modeled.

The seasonal base cases used for studying compliance with Category D criteria, modeled the MID system with both maximum and minimum imports, with all firm transfers being modeled as subpart of that total import level. MID will include a declarative statement in the annual assessment study report that all firm transfers were modeled.

R1.3.5 Include existing and planned facilities.

MID will make a declarative statement in the annual assessment study report that the base cases used for studying compliance with Category D criteria, modeled the MID system with all planned and existing facilities included.

R1.3.6 Include Reactive Power resources to ensure that adequate reactive resources are available to meet system performance.

MID will make a declarative statement in the annual assessment study report that the base cases used for studying compliance with Category D criteria, modeled the MID system with all planned and existing reactive power sources (i.e., generators, shunt discrete capacitors, and distributed line shunt charging capacitance) included.

R1.3.7 Include the effects of existing and planned protection systems, including any backup or redundant systems.

MID will make a declarative statement in the annual assessment that the studies supporting the assessment included the effects of existing and planned system protection systems, including the effects, with examples, of any SPS (Special Protection Systems), and any backup or redundant systems.

R1.3.8 Include the effects of existing and planned control devices.

MID will make a declarative statement in the annual assessment that the studies supporting the assessment included the effects of existing and planned control devices, like phase shifting transformers, tap changing transformer voltage regulators, and generating unit MVAR capabilities, including the effects of any SPS (Special Protection Systems) with examples.

R1.3.9 Include the planned (including maintenance) outage of any bulk electric equipment (including protection systems or their components) at those demand levels for which planned (including maintenance) outages are performed.

MID will make a declarative statement that any planned (including maintenance) outage of any bulk electric system equipment or elements (including protection systems or their components), during the time interval of the base cases studied for the assessment for compliance with Category D criteria, was included in the base case model. If any such outages were planned, the assessment for compliance with Category D criteria will be made both with and without the outage.

R1.4 Consider all contingencies applicable to Category D.

All credible simultaneous losses of MID and immediate surrounding system elements (i.e., transformers, generators, and lines) as listed in Category D of Table I, and judged to be critical, are studied for the effect on the remaining systems elements. Include a list of all Category D BES contingencies and results of those with significant overloads, or resulting in loss of customer demand or MID generation, or resulting in system instability.

MID will provide an extreme event (Category D) contingency summary report that shows maximum voltage deviations and maximum thermal loading levels for each selected year and season. For each case's summary report's most severe contingency, MID will provide single-line diagrams and overload reports for a solved post-transient load flow case, if possible. MID will plot P-V curves at the critical bus and demonstrate load margins, positive or negative, at the collapse point on the P-V curves at the maximum import limit or system load point for each case (at least two cases per year, with one at maximum import and load levels, and one at minimum load and import levels) for the most severe extreme event (Category D) contingency. For each case, MID will plot voltage and frequency during the transient period and demonstrate the transient voltage and frequency on other member's systems (i.e., TID (at Walnut), Hetch Hetchy (at Warnerville), WAPA (Tracy), and Los Banos/Tesla (PG&E).

R2. The Planning Authority and Transmission Planner shall each document the results of these reliability assessments and corrective plans and shall annually provide these to its respective NERC Regional Reliability Organization(s), as required by the Regional Reliability Organization.

MID will document these annual assessments via a study report that will be provided to the NERC Regional Reliability Organization, the WECC (Western Electricity Coordinating Council).



Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: System Performance Following Extreme Events Resulting in the Loss of Two or More Bulk Electric System Elements (Category D)

Standard Number: TPL-004-0

Requirement Number(s)¹: **R1, R2**

Actual completion date of Mitigation Plan: December 29, 2008

Please attach supporting documentation used to demonstrate compliance.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

Requirement 1:

The Attached Assessment was performed in 2008 (R1.1) and was conducted for 1 year, 5 years and 10 years into the future. The Appendix shows the results for the various categories for 1, 5 and 10 years into the future (R1.2, R1.3.3)

Section 3 of the Assessment (p.7) addresses the critical system conditions (R1.3.2)

The detailed studies for the Category D contingencies for the various planning years are contained in the Appendix. Please reference the summary table at the beginning of each appendix.(R1.3.1, R1.4).

Section 5 (P.8) addresses projected firm transfers (R1.3.4).

Section 6 (p.9) addresses existing and planned facilities (R1.3.5). MID added a planned 48 MW reciprocating engine power generation station into the 5 and 10 year studies, but did not add several planned joint venture projects into the base cases at this time. The following projects in which MID is a participant, will be responsible for obtaining agreement from the appropriate NERC registered Transmission Operator as to the project's compliance with TPL standards. It is anticipated that the Lodi Energy Center (LEC) will be added into the 5 and 10 year assessment next year if the project is approved by the California Energy Commission (CEC). The Northern

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

California Power Agency, (NCPA), is the lead partner for the LEC. The Red Mountain Bar Pumped Storage is also anticipated to be added to the ten year base case if MID and Turlock Irrigation District (TID), as co-applicants on an application for a license from FERC proceed. The Transmission Agency of Northern California, (TANC), of which MID is a member also has several transmission projects that may be added to the ten year planning scenario base cases next year. TANC would be the lead agency in submitting those base cases. All other existing MID facilities and MID sponsored facilities were included.

Section 7 (p. 9) addresses reactive power sources (R1.3.6)

Section 8 (p. 10) addresses existing and planned protection systems (R1.3.7).

Section 9 (p. 10) addresses existing and planned control devices (R1.3.8).

Section 10 (p. 11) addresses planned outages (R1.3.9).

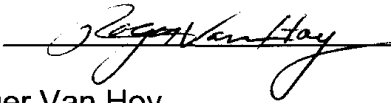
Section 12 (pp. 16-17) addresses all applicable category D contingencies (R1.4).

Requirement 2:

By submitting this completed mitigation plan with the supporting documentation, MID shows compliance with this requirement.

By endorsement of this document I attest that Modesto Irrigation District is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature: _____



Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: December 30, 2008

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Bob Kiser
Manager of Compliance Audits and Investigations

360.567.4058
bkiser@wecc.biz

February 2, 2009

Roger VanHoy
AGM, Electric Resources
Modesto Irrigation District
NCR05244
PO Box 4060
Modesto, CA 95352

Subject: Certification of Completion Response Letter

Dear Roger VanHoy,

The Western Electricity Coordinating Council (WECC) has received Modesto Irrigation District MID's Certification of Completion and supporting evidence on 12/31/2008 for MID's alleged violation of Reliability Standard TPL-004-0 and requirements 1& 2. Listed below is the outcome of WECC's official review.

WECC has accepted the Certification of Completion for Requirement(s) 1& 2 of the Reliability Standard TPL-004-0 and have found these requirements to be fully mitigated. No further mitigation of these requirements will be required at this time.

If you have any questions or concerns, please contact Jay Look at jay@wecc.biz. Thanks for your assistance in this effort.

Sincerely,

Bob Kiser

Bob Kiser
Manager of Audits and
Investigations

BK:cm

cc: Toxie Burriss, MID Operations Manager
Lisa Milanese, WECC Manager of Compliance Administration
Jay Look, WECC Senior Compliance Engineer

Attachment m

MID's Mitigation Plan MIT-07-0692 for CIP-001-1 R1, R2 and R3 submitted January 10, 2008, Certification of Completion of the Mitigation Plan for CIP-001-1 R1, R2 and R3 dated March 18, 2008 and WECC's Verification of Mitigation Plan Completion for CIP-001-1 dated December 2, 2008



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: January 10, 2008

If this Mitigation Plan has already been completed:

- Check this box ☐ and

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review the notices and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

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

- B.2 Identify the individual in your organization who will be the Entity Contact to WECC regarding this Mitigation Plan.

Name: Steve Hill
Title: Resource Planning Engineer
Email: SteveH@mid.org
Phone: (209) 526-7491



Western Electricity Coordinating Council



Section C: Identity of Reliability Standard Violations Associated with this Mitigation Plan

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

- C.1 Standard: CIP-001-1
[Identify by Standard Acronym (e.g. FAC-001-1)]
- C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date ^(*) (MM/DD/YY)
CIP-001-1		R1	11/13/07
CIP-001-1		R2	11/13/07
CIP-001-1		R3	11/13/07
CIP-001-1		R4	11/13/07

(*) Note: The Violation Date shall be: (i) the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date that the violation has been deemed to have occurred on by WECC. Questions regarding the date to use should be directed to the WECC.

- C.3 Identify the cause of the violation(s) identified above:

MID does not have a comprehensive procedure that addresses recognition, awareness, communication and reporting of sabotage and other vulnerabilities that may pose a threat to its system and the BES that can be utilized across functional entities (TOP,GO,GOP, LSE etc.).

- C.4 **[Optional]** Provide any relevant additional information regarding the violations associated with this Mitigation Plan:

MID has several procedures to handle various threat conditions and has successfully dealt with sabotage incidents in the past. MID has developed Operating Bulletin 44 as the over-arching sabotage and vulnerability recognition and reporting procedure to make it complaint with CIP-001.



Western Electricity Coordinating Council



Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

MID is developing Operating Bulletin 44 as the over-arching sabotage and vulnerability recognition and reporting procedure to make it compliant with CIP-001.

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

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

MID has a draft of Operations Bulletin that is being reviewed.

The procedure (Operations Bulletin 44) will be approved at the next reliability Compliance meeting February 12, 2008.

Training will be completed by mid March.

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

Milestone Activity	Proposed Completion Date* (shall not be more than 3 months apart)
Operations Bulletin 44 Approval	February 12, 2008
Training Complete	March 17, 2008



Western Electricity Coordinating Council



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

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]



Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2 and E.3, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 numerous documents that deal with various threats and sabotage and has responded well during past incidents with existing procedures. Therefore, MID believes the risk is minimal during the development and implementation of the more comprehensive new Operating Bulletin.

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part 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:

MID believes that the development of Operations Bulletin 44 provides an overarching sabotage recognition and reporting procedure that addresses recognition, awareness, communication and reporting that can be shared across its entities and provides direction for reporting to appropriate law enforcement and neighboring utilities as required.

- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability



Western Electricity Coordinating Council



standards. If so, identify and describe any such action, including milestones and completion dates:

MID is continuing to make developments and write procedures to be compliant with the other CIP standards, but the implementation of Operations Bulletin 44 brings MID into compliance with CIP-001-1. MID will continue to improve upon methods and procedures as part of continuous improvement Compliance Program. For example MID retained the compliance consulting services of USE to help MID audit its compliance with the standards. A shortcoming was found in MID's documentation supporting this CIP-001 standard. The action in developing Operations Bulletin 44 and in developing this Mitigation Plan were natural outcomes of that review and audit.



Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager of Electric Resource of the Modesto Irrigation District.
 2. I am qualified to sign this Mitigation Plan on behalf of the Modesto Irrigation District.
 3. I have read and understand the Modesto Irrigation District obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).
 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 5. Modesto Irrigation District agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Entity Officer Signature:

Roger VanHoy 1/10/08
(Electronic signatures are acceptable; see CMEP)

Name (Print): Roger VanHoy

Title: Assistant General Manager of Electric Resource

Date: January 10, 2008



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Please direct any questions regarding completion of this form to:

Jim Stuart, Sr. Compliance Engineer
Email: Jstuart@wecc.biz
Phone: (801) 883-6887



Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the CMEP1 sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
 - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.
 - (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 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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.

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



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.
- IV. This Mitigation Plan form may be used to address one or more related violations of one Reliability Standard. A separate mitigation plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. WECC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- VII. Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.

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Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: Sabotage Reporting

Standard Number: CIP-001-1

Requirement Number(s)¹: **R1,R2, R3,R4**

Actual completion date of Mitigation Plan March 5, 2008

Please attach supporting documentation used to demonstrate compliance.

Requirement R1 requires BA's, TOP's, GO's and LSE's to have procedures for the recognition of and for making operating personnel aware of sabotage events on its facilities and multi-site sabotage affecting larger portions of the Interconnection. MID's Operating Bulletin 44 (OB 44) deals with sabotage and threat recognition and reporting. **Paragraphs 2.1 –2.5 of OB 44 (pages 6-11) discuss MID's sabotage and threat awareness program. Sabotage recognition is discussed in OB 44 (pages 3-5) paragraphs 1.1 and 1.2.**

Requirement R2 requires RC's, BA's, TOP's, GO's and LSE's have procedures for the communication of information concerning sabotage events to appropriate parties in the Interconnection. This is shown in **OB 44 flowchart on page 2, referenced in paragraph 2.4 and discussed in detail in paragraphs 3.3.1-3.3.3 on pages 14-15. Paragraph 4 (page 16), Appendix A, Appendix B and Attachment 1 (pages 17-19) also provide the procedures for how MID meets this requirement.**

Requirement R3 requires RC's, BA's, TOP's, GO's and LSE's to provide operating personnel with sabotage response guidelines, including personnel to contact, for reporting disturbance due to sabotage events. **OB 44 Paragraph 3.2.1 –3.2.9 (pages 12-14) provide operators response guidelines. Paragraphs 3.3.1-3.3.3 on pages 14-15. Paragraph 4 (page 16), Appendix A, Appendix B and Attachment 1 (pages 17-19) also provide the guidelines on the personnel to contact for reporting disturbances due to sabotage events.**

Requirement R4 requires RC's, BA's, TOP's, GO's and LSE's to establish communications contacts as applicable with local FBI and develop reporting procedures as appropriate, The Appendices of OB44 provide the list of local and federal law enforcement contacts.

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

By endorsement of this document I attest that Modesto Irrigation District is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature: Roger Van Hoy ^{by ~~me~~}

Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: March 18, 2008

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Bob Kiser
Manager of Audits and Investigations

360.980.2799
bkiser@wecc.biz

December 2, 2008

Roger VanHoy
Assistant General Manager, Electric Resources
Modesto Irrigation District
P.O. Box 4060
Modesto, California 95352

Subject: Mitigation Plan Completion Review(s)

Dear Roger VanHoy,

The Western Electricity Coordinating Council (WECC) received Mitigation Plan Completion Form(s) and supporting evidence for each violation listed in Table 1 of Attachment A. The table indicates which plans have been completed and which remain incomplete. Attachment A also includes audit notes that detail the findings supporting this conclusion.

Each compliance violation associated with the incomplete Mitigation Plan(s) is now subject to sanctions and penalties under the Energy Policy Act of 2005. You will be receiving a letter from the WECC Compliance Department outlining the next steps in the penalty and sanction process regarding such violation(s).

Please submit a revised Mitigation Plan by December 16, 2008, to the [Compliance Web Portal](#) including new proposed completion dates, for each unmitigated violation identified in Attachment A. The Mitigation Plan template form can be found on the WECC Compliance Manuals webpage, as Manual 03.03:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

Upon review, the WECC Compliance Department will provide written notice of its acceptance or rejection of the newly submitted Mitigation Plan.

If you have any questions or concerns, please contact Mike Wells at (801) 883.6884 or mike@wecc.biz. Thanks for your assistance in this effort.

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Sincerely,

Bob Kiser

Bob Kiser
Manager of Audits and
Investigations

BK:SB

Attachment

Cc: Toxie Burriss, MID Operations Manager
Lisa Milanes, WECC Manager of Compliance Administration

Registered Entity: Modesto Irrigation District

Date: December 2, 2008

	Standard Number	Requirement	Completion Received by WECC	Accepted	Rejected	Review Status
	CIP-001-1	1	18-Mar-08	02-Dec-08		Compliant
	CIP-001-1	2	18-Mar-08	02-Dec-08		Compliant
	CIP-001-1	3	18-Mar-08	02-Dec-08		Compliant

Attachment n

MID's Mitigation Plan for FAC-001-0 R1, R2 and R3 dated May 21, 2007 and submitted June 1, 2007, Revised Mitigation Plan dated June 14, 2007, Revised Mitigation Plan submitted December 6, 2007 and Certification of Completion of the Mitigation Plan for FAC-001-0 R1, R2 and R3 dated December 13, 2008 and WECC's Verification of Mitigation Plan Completion for FAC-001-0 (see Attachment g for verification)



Mitigation Plan

Please complete an individual Mitigation Plan for each NERC Reliability Standard that indicates any level(s) of non-compliance and return to Compliance@WECC.biz

New ☒ Self-Report ☒ Revised ☐ Completed¹ ☐

Registered Entity Name: Modesto Irrigation District

Date noncompliance was discovered or reported: May 15, 2007

Date Mitigation Plan submitted: May 21, 2007

Standard Title: Facility Connection Requirements

Standard Number: FAC-001-0

Requirement Number(s)²: **R1-3**

Level of Noncompliance: ☐ Level 1 ☐ Level 2 ☐ Level 3 ☒ Level 4

☒ Level not specified

How was the noncompliance found? (e.g. Routine Readiness Evaluation, Self-evaluation, Internal Audit, etc.)

Self-evaluation

Provide an explanation of the noncompliance:

MID has responded to interconnection requests for loads and generators and has followed the process outlined by FERC as depicted in RM02-1-000 order 2006 and similar standards for larger generators.

Designate a reliability impact (minimal, moderate, or severe) that the noncompliance had or could have had on the interconnection. Include an explanation for the designation.

Minimal risk: MID is following draft procedures that comply with FERC standards and industry best practices.. The draft standards are in the process of customized for MID's use and will be issued for approval within the next two months..

Describe any mitigating factors for this non-compliance (include supporting documentation).

Complete the development of the interconnection requirements that comply with the FERC processes and the requirements outlined in FAC-001-0.

¹ Submit documentation verifying the completion of the mitigation plan.

² Violations are reported at the level of requirements, sub requirements are not necessary.

Describe your detailed plan to become compliant.

MID will finalize the connection requirements for interconnection within the next six months.

Describe your detailed schedule to become compliant. (The schedule should include status updates at a minimum every three months to WECC).

Issue draft requirements document by July 15; Review and Comments (including comments from SMUD and Western) by September 15, 2007; Issue Final requirements document to fully comply with FAC-001 by October 31, 2007..

Are additional documents or information attached: ☐ Yes ☐ No

Additional Notes or Comments:

Point of contact for WECC follow-up:

Name: Steven C. Hill
Title: Sr. Electrical Engineer
Phone: (209) 526-7491
Email: steveh@mid.org

For WECC Use Only:

WECC ID Number: MID_WECC20081067_MID_WECC20081073_MID_WECC20081074

NERC ID Number: WECC200810363_WECC200810364_WECC200810365

Date Mitigation Plan was received at WECC: 6/1/2007

Date Mitigation Plan was accepted by WECC: 7/17/2007

Date notice of completion of Mitigation Plan was received by WECC: 10/31/2007



Mitigation Plan

Please complete an individual Mitigation Plan for each NERC Reliability Standard that indicates any level(s) of non-compliance and return to Compliance@WECC.biz

New ☐ Self-Report ☒ Revised ☒ Completed¹ ☐

Registered Entity Name: Modesto Irrigation District

Date noncompliance was discovered or reported: May 15, 2007

Date Mitigation Plan submitted: June 14, 2007

Standard Title: Facility Connection Requirements

Standard Number: FAC-001-0

Requirement Number(s)²: **R1-3**

Level of Noncompliance: ☐ Level 1 ☐ Level 2 ☐ Level 3 ☒ Level 4

☒ Level not specified

How was the noncompliance found? (e.g. Routine Readiness Evaluation, Self-evaluation, Internal Audit, etc.)

Self-evaluation

Provide an explanation of the noncompliance:

MID has responded to interconnection requests for loads and generators and has followed the process outlined by FERC as depicted in RM02-1-000 order 2006 and similar standards for larger generators, but does not have an approved formalized procedure.

Designate a reliability impact (minimal, moderate, or severe) that the noncompliance had or could have had on the interconnection. Include an explanation for the designation.

Minimal risk: MID is following draft procedures that comply with FERC standards and industry best practices.. The draft standards are in the process of customized for MID's use and will be issued for approval within the next two months..

Describe any mitigating factors for this non-compliance (include supporting documentation).

Complete the development of the interconnection requirements that comply with the FERC processes and the requirements outlined in FAC-001-0.

¹ Submit documentation verifying the completion of the mitigation plan.

² Violations are reported at the level of requirements, sub requirements are not necessary.

Describe your detailed plan to become compliant.

MID will finalize the connection requirements for interconnection within the next six months.

Describe your detailed schedule to become compliant. (The schedule should include status updates at a minimum every three months to WECC).

Issue draft requirements document by July 15; Review and Comments (including comments from SMUD and Western) by September 15, 2007; Issue Final requirements document to fully comply with FAC-001 by October 31, 2007..

Are additional documents or information attached: ☐ Yes ☐ No

Additional Notes or Comments:

Point of contact for WECC follow-up:

Name: Steven C. Hill
Title: Sr. Electrical Engineer
Phone: (209) 526-7491
Email: steveh@mid.org

For WECC Use Only:

WECC ID Number:

NERC ID Number:

Date Mitigation Plan was received at WECC:

Date Mitigation Plan was accepted by WECC:

Date notice of completion of Mitigation Plan was received by WECC:



Mitigation Plan Submittal Form

New ☐ or Revised ☒

Date this Mitigation Plan is being submitted: December 6, 2007

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan: December 18, 2007

Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review the notices and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

Section B: Registered Entity Information

- B.1 Identify your organization:

Company Name: Modesto Irrigation District
Company Address: PO Box 4060
1231 Eleventh Street, Modesto, CA 95352
NERC Compliance Registry ID *[if known]*: NCR05244

- B.2 Identify the individual in your organization who will be the Entity Contact to WECC regarding this Mitigation Plan.

Name: Steven C. Hill
Title: Sr. Electrical Engineer
Email: steveh@mid.org
Phone: (209) 526-7491



Section C: Identity of Reliability Standard Violations Associated with this Mitigation Plan

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

- C.1 Standard: FAC-001-0
[Identify by Standard Acronym (e.g. FAC-001-1)]
- C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date ^(*) (MM/DD/YY)
		R1	11/19/2007
		R2	11/19/2007
		R3	11/19/2007

(*) Note: The Violation Date shall be: (i) the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date that the violation has been deemed to have occurred on by WECC. Questions regarding the date to use should be directed to the WECC.

- C.3 Identify the cause of the violation(s) identified above:
 missed estimated scheduled Mitigation Plan due date of October 31, 2007.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]
- C.4 ***[Optional]*** Provide any relevant additional information regarding the violations associated with this Mitigation Plan:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]



Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

Draft Facilities Interconnection Agreement is complete and is under review for final approval. The plan will be finalized and submitted with the Quarterly update on December 18th.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Check this box ☐ and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

- D.2 Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the violations associated with this Mitigation Plan are corrected: The final approved Facilities Interconnecton Agreement revision will be sent with the next quarterly update scheduled for December 18, 2007. The mitigation plan will be complete upon WECC's approval at that time.
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (shall not be more than 3 months apart)
Quarterly Update	December 18, 2007

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

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]



Additional Relevant Information (Optional)

- D.4 If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

MID's Technical Transmission Interconnection Requirements will be attached to the Mitigation Plan Completion Form and submitted with December quarterly Mitigation Plan update on December 18, 2007.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]



Section E: Interim and Future Reliability Risk

Check this box ☐ and proceed and respond to Part E.2 and E.3, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

- E.1 While your organization is implementing the Mitigation Plan proposed in Part 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 considers this to be a non risk to the Bulk Power System. at this time. MID has a relatively small system (less than 100 miles of 100KV transmission and above) and is exempt from the current OATT requirements. Nevertheless, MID desires to be compliant with the NERC standards and to be prepared to address future customer interconnections and will submit Technical Transmission Interconnection Requirements and a completion form on December 18, 2007 with the quarterly update.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Prevention of Future BPS Reliability Risk

- E.2 Describe how successful completion of the Mitigation Plan as laid out in Part 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:

The successful completion of this plan reinforces to MID the necessity of meeting estimated scheduled completion dates. MID also better understands the proper method for submitting paperwork. MID has also implemented a better tracking and calendaring system to better monitor, track and inform people of scheduled deadlines.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]



- E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

[Provide your response here; additional detailed information may be provided as an attachment as necessary]




Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Assistant General Manager, Electric Resources Division of the Modesto Irrigation District (MID).
 2. I am qualified to sign this Mitigation Plan on behalf of MID.
 3. I have read and understand MID's obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).
 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 5. MID agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Entity Officer Signature:


(Electronic signatures are acceptable; see CMEP)

Name (Print): Roger Van Hoy

Title: Assistant General Manager, Electric Resources

Date: December 3, 2007



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

[Provide your response here; additional detailed information may be provided as an attachment as necessary]

Please direct any questions regarding completion of this form to:

Jim Stuart, Sr. Compliance Engineer
Email: Jstuart@wecc.biz
Phone: (801) 883-6887



Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the CMEP1 sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
 - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.
 - (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 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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.

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



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.
- IV. This Mitigation Plan form may be used to address one or more related violations of one Reliability Standard. A separate mitigation plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. WECC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- VII. Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



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Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to Compliance@WECC.biz along with the supporting documentation / evidence that confirms full compliance and an Authorized Officer's signature.

Registered Entity Name: Modesto Irrigation District

Standard Title: Operating Personnel Responsibility and Authority

Standard Number: FAC-001-0

Requirement Number(s)¹: **R1-3**

Actual completion date of Mitigation Plan: December 12, 2007

Please attach supporting documentation used to demonstrate compliance.

Please provide the specific location (i.e. paragraph numbers, page numbers) in the documentation / evidence submitted to verify compliance.

The attached "**Technical Transmission Interconnection Requirements**" document is MID's published facility connection requirements to ensure compliance with NERC Reliability Standards and applicable Regional Reliability Organization facility connection requirements per **requirement 1 of FAC-001**. Section 3.0 pages 5 thru 12 outline the general requirements for generation facilities, transmission facilities and end-user facilities.

The corresponding sections of MID's "**Technical Transmission Interconnection requirements**" show compliance with **requirement 2 of FAC-001** as follows:

Sections 3.1.1 & 4.0.10 comply with R2.1.1
Sections 3.1.2-3.1.3 comply with R2.1.2
Sections 5.7.2- 5.8 comply with R2.1.3
Sections 3.1.1 paragraphs 4 & 5, 3.1.2 step 4 complies with R2.1.4
Sections 4.0.1-4.0.3, 5.10 comply with R2.1.5
Sections 3.7-3.8 comply with R2.1.6
Section 3.4 complies with R2.1.7
Section 3.5 complies with R2.1.8
Section 3.1.1 & 5.7 comply with R2.1.9
Section 4.0.4 complies with R2.1.10
Section 3.9.3 complies with R2.1.11
Sections 5.1-5.9 comply with R2.1.12

¹ Violations are reported at the level of requirements, sub requirements are not necessary.
WECC Compliance Monitoring and Enforcement Program
Mitigation Plan Completion Form

Sections 4.0.8-4.0.9 complies with R2.1.13


Section 3.9 complies with R2.1.14

Sections 4.0.4-4.0.6 comply with R2.1.15

Section 3.9.5 complies with R2.1.16

MID has had no requests per date for its **"Technical Transmission Interconnection requirements"**, but MID maintains its compliance with **requirement 3** by virtue of paragraph 1.0 of the document and by submission of the document, to **WECC** with this **Mitigation Plan Completion Form**.

By endorsement of this document I attest that [insert company name] is now in full compliance with the standard / requirements addressed in this Mitigation Plan and documentation / evidence supporting full compliance is attached for review and audit by the WECC Compliance Staff.

Authorized Officer's Signature:  12/13/07

Authorized Officer's Name: Roger Van Hoy

Authorized Officer's Title: Assistant General Manager, Electric Resources

Date: December 3, 2007

Attachment o

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Modesto Irrigation District

Docket No. NP10-____-000

NOTICE OF FILING
March 31, 2010

Take notice that on March 31, 2010, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Modesto Irrigation District in the Western Electricity Coordinating Council region.

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

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

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

Comment Date: [BLANK]

Kimberly D. Bose,
Secretary