



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 Southwest Transmission Cooperative, Inc.  
FERC Docket No. NP10-\_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty<sup>1</sup> regarding Southwest Transmission Cooperative, Inc. (SWTC), NERC Registry ID# NCR05402,<sup>2</sup> 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)).<sup>3</sup>

On February 6, 2008, during an off-site Spot Check following the SWTC Self-Certification conducted from January 1, 2008 through January 10, 2008 (Spot Check), Western Electricity Coordinating Council (WECC) identified a possible violation of EOP-008-0 Requirement (R) 1 for SWTC's failure to have a contingency plan that met the requirements of the Standard. In addition, during the Spot Check, WECC identified a possible violation of PRC-005-1 R1 for SWTC's failure to document a procedure for the testing of DC control circuitry, maintenance and testing intervals, and a summary of Protection System<sup>4</sup> maintenance and testing procedures.

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<sup>1</sup> *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). See 18 C.F.R. § 39.7(c)(2).

<sup>2</sup> Western Electricity Coordinating Council confirmed that SWTC was included on the NERC Compliance Registry as a Transmission Operator, Transmission Owner, Transmission Planner and Transmission Service Provider on June 17, 2007. As a Transmission Operator, SWTC is subject to the requirements of NERC Reliability Standards PER-002-0 and EOP-008-0, and as a Transmission Owner, SWTC is subject to the requirements of NERC Reliability Standard PRC-005-1. The Settlement Agreement incorrectly states that SWTC was included on the NERC Compliance Registry on April 10, 2007.

<sup>3</sup> See 18 C.F.R. § 39.7(c)(2).

<sup>4</sup> *The NERC Glossary of Terms Used in Reliability Standards*, approved by FERC in Order No. 693 at P 1893 and updated April 20, 2009, defines Protection System as "Protective relays, associated communication systems, voltage and current sensing devices, station batteries and DC control circuitry."

Also, during an on-site Compliance Audit conducted from February 23, 2009 to February 27, 2009 (Audit), WECC identified possible violations of PER-002-0 R1 and R4 for SWTC's failure to provide training as required by the Standard and SWTC's *Operating Personnel Training Program*. This Notice of Penalty is being filed with the Commission because, based on information from WECC, WECC and SWTC 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 violations of EOP-008-0 R1, PRC-005-1 R1, and PER-002-0 R1 and R4. According to the Settlement Agreement, the violations are Confirmed Violations and SWTC has agreed to the proposed penalty of forty-four thousand dollars (\$44,000) to be assessed to SWTC, in addition to other remedies and actions to mitigate the instant violations and facilitate future compliance under the terms and conditions of the Settlement Agreement. Accordingly, the violations identified as NERC Violation Tracking Identification Numbers WECC200801136, WECC200801121, WECC200901332 and WECC200901331 are being filed in accordance with the NERC Rules of Procedure and the CMEP.

#### Statement of Findings Underlying the Violations

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement executed on September 29, 2009, by and between WECC and SWTC, which is included as Attachment e. The details of the findings and basis for the penalty are set forth in the Settlement Agreement and herein. This Notice of Penalty filing contains the basis for approval of the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC BOTCC). In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7 (2007), NERC provides the following summary table identifying each 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	Southwest Transmission Cooperative, Inc.	NOC-387	WECC200801136	EOP-008-0	1.1, 1.2, 1.3, 1.5, 1.7, 1.8	Medium <sup>5</sup>	44,000
			WECC200801121	PRC-005-1	1	High <sup>6</sup>	
			WECC200901332	PER-002-0	1	High	
			WECC200901331	PER-002-0	4	High	

<sup>5</sup> EOP-008-0 R1 and R1.4 each have a "High" Violation Risk Factor (VRF), but R1.1, 1.2, 1.3, 1.5, 1.6, 1.7 and 1.8 each have a "Medium" VRF. When NERC filed VRFs it originally assigned EOP-008-0 R1 and R1.4 Medium VRFs. The Commission approved the VRFs as filed; however, it 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.

<sup>6</sup> When NERC filed VRFs for PRC-005, NERC originally assigned a "Medium" VRF to PRC-005-1 R1. The Commission approved the VRF as filed but directed modifications. On June 1, 2007, NERC filed a modified "High" VRF for PRC-005 R1 for approval. On August 9, 2007, the Commission issued an Order approving the modified VRF. Therefore, the "Medium" VRF was in effect from June 18, 2007 until August 9, 2007 and the "High" VRF has been in effect since August 9, 2007.

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 SWTC, 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.
- R1.2 The plan shall include procedures and responsibilities for providing basic tie line control and procedures and for maintaining the status of all inter-area schedules, such that there is an hourly accounting of all schedules.
- 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.
- R1.7 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" Violation Risk Factor (VRF), but R1.1, R1.2, R1.3, R1.5, R1.7 and R1.8 each have a "Medium" VRF.

On January 16, 2008, WECC notified SWTC that it would be conducting an off-site Spot Check on February 5, 2008 relating to the SWTC Self-Certification conducted from January 1, 2008 through January 10, 2008. On January 31, 2008, SWTC submitted its response to the request for documentation. Among the data that SWTC provided to WECC was a copy of the *SWTC Evacuation of Control Center Procedure*, dated January 2006, to demonstrate compliance with the requirements of Standard EOP-008-0. After reviewing the evidence provided by SWTC, the Audit Team determined that SWTC's contingency plan did not meet all sub-requirements of EOP-008-0 R1 as noted below:

- R1.1 - SWTC did not have a contingency plan that did not rely on data or voice communications from the primary control facility to be viable;
- R1.2 - SWTC's documentation indicated basic tie line control would be performed by staffing stations with employees. However, SWTC's plans did not contain procedures for an hourly accounting in the event that the Energy Management System (EMS) was not available;

- R1.3 - SWTC's documentation suggested that the monitoring and control of critical facilities could be done by staffing stations. However, that documentation did not list the critical facilities as required by this sub-requirement;
- R1.5 - SWTC did not have the required procedures and responsibilities for conducting periodic tests, at least annually, to ensure the viability of its contingency plan;
- R1.7 - SWTC's documentation indicated SWTC had not reviewed and updated its contingency plan since January 2006, two years prior to the Spot Check; and
- R1.8 - SWTC's documentation failed to specifically address situations where it would take "more than an hour" to implement the contingency plan.

WECC's Enforcement Department (Enforcement) evaluated the Audit Team's findings and SWTC's documentation, and determined that SWTC's *Evacuation of Control Center Procedure* dated January 2006 failed to demonstrate compliance with EOP-008-0 R1 and the sub-requirements addressed above. Enforcement therefore concluded that SWTC had a violation of EOP-008-0 R1. WECC determined that the violation did not create a serious or substantial risk to the bulk power system (BPS) because the absence of adequate plans for the loss of SWTC's control center could result in it not being able to monitor and control transmission facilities. Although SWTC failed to address specific elements of EOP-008-0, it did address the most critical elements for continued monitoring and control of its transmission facilities. For this reason, WECC determined this violation posed minimal risk to the reliability of the BPS.

Enforcement determined the duration of the violation of EOP-008-0 R1 to be from June 18, 2007, the date the Standard became enforceable, through October 1, 2008, when SWTC completed its Mitigation Plan.

#### PRC-005-1

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

PRC-005-1 R1 requires each Transmission Owner that owns a transmission Protection System, such as SWTC, to have a Protection System maintenance and testing program for Protection Systems that affect the reliability of the BPS. The program shall include: (R1.1) maintenance and testing intervals and their basis and (R1.2) a summary of maintenance and testing procedures.

PRC-005-1 R1 has a "High" VRF.

On January 16, 2008, WECC notified SWTC that it would be conducting an off-site Spot Check on February 4, 2008 relating to the SWTC Self-Certification period of January 1, 2008 through January 10, 2008. On January 31, 2008, SWTC submitted its response to the request for documentation. The Audit Team conducted a review of the maintenance and testing documentation provided by SWTC which included equipment testing procedures, equipment test records, equipment calibration records, and radio logs and was unable to verify from the documents that SWTC had a procedure for testing DC circuitry for circuit breakers or for DC

power for its relays. Additionally, although SWTC's documentation included an interval for testing equipment, it did not list the basis for developing the interval and it did not provide a summary of SWTC's Protection System maintenance and testing procedures in its documentation. Therefore, the Audit Team determined that SWTC had a possible violation of PRC-00-5-1 R1.

Enforcement reviewed SWTC's Self-Certification and the Audit Team's findings, and determined that SWTC had failed to document its procedure for testing DC control circuitry, its basis for developing testing intervals, and did not provide a summary of Protection System maintenance and testing procedures and concluded that SWTC had a violation of PRC-005-1 R1. Enforcement determined that the violation did not create a serious or substantial risk to the BPS because SWTC had defined the time intervals for testing of its protective systems, but did not document the methodology used to arrive at those intervals. Because the mitigation of this violation did not change the intervals and SWTC was current with its Protection System maintenance and testing program, WECC determined this violation posed minimal risk to the reliability of the BPS.

WECC determined the duration of the violation of PRC-005-1 R1 to be from June 18, 2007, the date the Standard became enforceable, through October 7, 2008, when SWTC completed its Mitigation Plan.

#### 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 R1

PER-002-0 R1 requires each Transmission Operator, such as SWTC, to be staffed with adequately trained operating personnel. PER-002-0 R1 has a "High" VRF.

During the Audit, the Audit Team found that, although SWTC training guidelines specify that operators will receive a minimum of 15 hours of training during each quarter of the year, SWTC's records indicated that 12 employees had received less than the minimum number of training hours in one or more quarters beginning July 1, 2007. During the Audit, the Audit Team conducted a review of SWTC's *Operating Personnel Training Program*, dated October 23, 2008.

Enforcement evaluated the Audit Team's findings and SWTC's program, which specifies that employees will "be provided ongoing training for a minimum of 15 hours per quarter<sup>7</sup> to ensure its continued operating proficiency" and determined that SWTC had a violation of PER-002-0 R1 because SWTC failed to train its employees in accordance with its *Operating Personnel Training Program*. WECC determined that the violations did not create a serious or substantial

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<sup>7</sup> The Mitigation Plan, in § C.3, states that SWTC's Operating Personnel Training Plan provided for 15 hours of training for *one or more* quarters during 2008. (*emphasis added*)

risk to the BPS because only one operator did not have the required hours of training, and this operator had received the required training on other occasions.<sup>8</sup>

WECC determined the duration of the violation of PER-002-0 R1 to be from July 1, 2007, the date of the first quarter in which training hours were inadequate, through March 13, 2009, when SWTC completed its Mitigation Plan.

PER-002-0 R4

PER-002-0 R4 requires each Transmission Operator, such as SWTC, to provide its operating personnel, identified in R2, 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.

During the Audit, the Audit Team reviewed SWTC’s *Operating Personnel Training Program* and determined that SWTC training guidelines specify that operators will have the equivalent of five days of annual training and drills using realistic simulations of system emergencies as required by the Standard. Training records provided by SWTC during the Audit indicated that three SWTC operators had not received the equivalent of five days of training and, specifically, that SWTC failed to meet that goal by 2 hours for two operators and 11 hours for another operator. Therefore, based upon SWTC’s records, the Audit Team determined that SWTC had a possible violation of PER-002-0 R4.

Enforcement determined that SWTC had a violation of PER-002-0 R4 because SWTC failed to train employees in accordance with the Standard and SWTC’s *Operating Personnel Training Program*. Specifically, SWTC Operating Personnel Training Program guidelines require 32 hours of training, however the three SWTC operators that were deficient had completed 30 hours, 30 hours and 21 hours of training individually. For this reason, WECC determined this violation posed a minimal risk to the reliability of the BPS.

SWTC submitted the completed Mitigation Plan on March 11, 2009. WECC subject matter experts accepted the completion of the Mitigation Plan on March 18, 2009. Although three employees did not meet the SWTC *Operating Personnel Training Program* guidelines by two hours for two employees and eleven hours for another, the remainder of the SWTC operating personnel completed the training requirements in entirety. For these reasons, WECC determined this violation posed minimal risk to the reliability of the BPS.

WECC determined the duration of the violation of PER-002-0 R4 to be from January 1, 2008, the first day of the year training was required, through March 11, 2009, when SWTC completed its Mitigation Plan.

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<sup>8</sup> The Operator made up the training between March 11 and March 13, 2009.



#### Regional Entity's Basis for Penalty

According to the Settlement Agreement, WECC has assessed a penalty of forty-four thousand dollars (\$44,000) for the referenced violations. In reaching this determination, WECC considered the following factors:

1. The violations are SWTC's first assessed non-compliance with the applicable Reliability Standards;
2. SWTC was cooperative throughout WECC's evaluation of the company's compliance with the Reliability Standards and the compliance enforcement process; and
3. During the Audit, the Audit Team evaluated SWTC's Internal Compliance Program (ICP) using the Compliance Program Audit Worksheet. The Audit Team found that:  
(a) SWTC has a fully documented ICP that senior management is in the process of approving and putting in place; (b) SWTC's oversight position is staffed and is supervised at a high level within SWTC; (c) the ICP oversight position has direct access to the SWTC Chief Executive Officer and the SWTC Board of Directors; (d) SWTC operates and manages the ICP so that it is independent from personnel responsible for compliance with the Reliability Standards; (e) the ICP has sufficient staff and an adequate budget; (f) SWTC senior management support and participate in the ICP; and (g) SWTC's ICP has a semi-annual or shorter review cycle.

After consideration of the above factors, WECC determined that, in this instance, the penalty amount of forty-four thousand dollars (\$44,000) is appropriate and bears a reasonable relation to the seriousness and duration of the violations.

#### **Status of Mitigation Plans<sup>9</sup>**

##### EOP-008-0 R1

SWTC's Mitigation Plan to address its violation of EOP-008-0 R1 was submitted to WECC on June 25, 2008<sup>10</sup> with a proposed completion date of October 1, 2008. The Mitigation Plan was accepted by WECC on September 4, 2008 and approved by NERC on December 17, 2008. The Mitigation Plan for this violation is designated as MIT-08-1166 and was submitted as non-public information to FERC on December 17, 2008 in accordance with FERC orders.

SWTC's Mitigation Plan required SWTC to:

1. identify power system critical facilities by July 15, 2008;
2. revise SWTC's existing evacuation plan to include loss of EMS and critical facilities locations by July 15, 2008;
3. provide training and testing of the revised plan over a three-month period by September 30, 2008;

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<sup>9</sup> See 18 C.F.R. § 39.7(d)(7).

<sup>10</sup> The Settlement Agreement incorrectly states that SWTC submitted its Mitigation Plan on October 7, 2008. On this date SWTC submitted a mitigation plan completion form to certify that it had completed its Mitigation Plan.

4. confer with SWTC's host Balancing Authority (WALC) to determine what information it has from SWTC's power system and coordinate evacuation plans with WALC by August 1, 2008; and
5. confer with adjacent Balancing Authorities to determine the information that they can provide to SWTC during an evacuation where the EMS is unavailable by August 1, 2008.

To prevent future occurrences of non-compliance, SWTC stated that it planned to have its Back-Up Control Center operational by the first quarter of 2009. With respect to this, SWTC is working with its vendor on updating its EMS so that both centers work together seamlessly. At this point, it is not open.

SWTC certified, using a mitigation plan completion form, on October 7, 2008 that its Mitigation Plan was completed on October 1, 2008.<sup>11</sup> On October 7, 2008, as evidence of completion of its Mitigation Plan, SWTC submitted the following:

1. Evacuation of System Control Center Procedure; and
2. Personnel Training Records for 12 employees.

WECC subject matter experts (WECC SMEs) reviewed the evidence on December 5, 2008 and determined that although the evidence supported SWTC's completion of R1.1, R1.2 and R1.3, the evidence did not support completion of the required mitigation actions for R1.5, R1.7 and R1.8. On January 16, 2009, WECC SMEs contacted SWTC for additional evidence to support SWTC's mitigation of its violations of R1.5, R1.7 and R1.8 and SWTC submitted the following additional evidence:

1. Loss of Primary Control Center e-mail;
2. real time data e-mail;
3. a revised procedure for the evacuation of the System Control Center; and
4. employee training records demonstrating that it had trained its operators on the updated contingency plans detailing assignments for staffing substations in the event the EMS became inoperable.

On February 18, 2009, after WECC SMEs reviewed the additional evidence, WECC verified that SWTC had completed its mitigation plan and was compliant with EOP-008-0 R1 as of October 1, 2008.

#### PRC-005-1 R1

SWTC's Mitigation Plan to address its violation of PRC-005-1 R1 was submitted to WECC on August 5, 2008<sup>12</sup> with a proposed completion date of November 15, 2008. The Mitigation Plan was accepted by WECC on August 5, 2008 and approved by NERC on June 19, 2009. The Mitigation Plan for this violation is designated as MIT-07-1159 and was submitted as non-public information to FERC on June 19, 2009 in accordance with FERC orders.

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<sup>11</sup> The certification of completion is incorrectly dated October 8, 2008.

<sup>12</sup> The Mitigation Plan was signed on August 1, 2008.



SWTC's Mitigation Plan required SWTC to:

1. revamp its PRC-005-1 Transmission and Generation Protection System Maintenance and Testing Program and Procedures;
2. completely re-check all meter and relays, substation Current Transformers (CTs), Potential Transformers (PTs), Coupling Capacitor Voltage Transformers ("CCVT") and 125 V DC station batteries and circuitry. After testing, the summary of maintenance and testing procedures is to be submitted as mandated in R1.2; and
3. upload all documentation as needed to satisfy compliance of R1.

SWTC certified on October 7, 2008, using a mitigation plan completion form, that its Mitigation Plan was completed on October 7, 2008.<sup>13</sup> As evidence of completion of its Mitigation Plan, SWTC submitted the following:

1. SWTC's PRC-005-1 Transmission and Generation Protection System Maintenance and Testing Program and Procedures, First Edition dated July 29, 2008;
2. procedures for the testing of DC control circuitry;
3. the basis for developing testing intervals, and
4. a summary of maintenance and testing procedures.

On October 23, 2008, after reviewing SWTC's submitted evidence, WECC verified that SWTC's Mitigation Plan was completed on October 7, 2008 and notified SWTC on October 31, 2008.<sup>14</sup>

#### PER-002-0 R1

SWTC's Mitigation Plan to address its violation of PER-002-0 R1 was submitted to WECC on March 13, 2009, stating that it was complete as of that same date. The Mitigation Plan was accepted by WECC on March 18, 2009 and approved by NERC on April 27, 2009.<sup>15</sup> The Mitigation Plan for this violation is designated as MIT-08-1619 and was submitted as non-public information to FERC on April 28, 2009 in accordance with FERC orders.

SWTC's Mitigation Plan required SWTC to:

1. revise the SWTC *Operating Personnel Training Program* to specify that operating personnel will be provided ongoing training in the amount of sixty (60) hours per year, with a grace period of thirty (30) days to allow those that did not receive the desired number of hours, due to sickness or other issues to be provided time to receive those hours of training; and
2. ensure that the one system operator that did not receive 60 hours of annual training in 2008 complete the necessary hours.

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<sup>13</sup> The certification of completion is incorrectly dated October 8, 2008.

<sup>14</sup> The attachment to the verification letter is incorrectly dated as October 30, 2008.

<sup>15</sup> The Settlement Agreement, page 4, incorrectly states that NERC accepted the Mitigation Plan on April 28, 2009.

In addition, on March 4, 2009, SWTC hired a dedicated system operations training administrator that will oversee training, and the schedules for training, to ensure that all system operators are current in training subject matter and hours. The training administrator will begin employment on March 16, 2009.

SWTC certified on March 13, 2009, with the submission of its Mitigation Plan, that its Mitigation Plan was completed on that same date. As evidence of completion of its Mitigation Plan, SWTC submitted the following:

1. SWTC's *Operating Personnel Training Program*, which was revised to specify that SWTC system operators would receive 60 hours of training per year with a grace period of 30 days to allow those that did not receive the required number of hours time for additional training (*PER-002-0 - R1 - PER-002\_Training\_Program\_10-09-08.doc*); and
2. Training Records for the operators with training deficiencies confirming the operators had made up their required training hours. (*PER-002-0 - R1 - Training Records.pdf*)

On March 18, 2009, after reviewing SWTC's submitted evidence, WECC verified that SWTC's Mitigation Plan was completed on March 13, 2009 and notified SWTC on April 8, 2009.<sup>16</sup>

#### PER-002-0 R4

SWTC's Mitigation Plan to address its violation of PER-002-0 R4 was submitted to WECC on February 25, 2009<sup>17</sup> with a proposed completion date of March 13, 2009. The Mitigation Plan was accepted by WECC on March 11, 2009<sup>18</sup> and approved by NERC on August 27, 2009. The Mitigation Plan for this violation is designated as MIT-07-1568 and was submitted as non-public information to FERC on August 27, 2009 in accordance with FERC orders.

SWTC's Mitigation Plan required SWTC to:

1. provide Emergency Operations Training to those individuals that are short on hours for 2008 to bring them up to the required 5 days of training;
2. assure that future training will be scheduled and provided to the operators so they receive the required 5 days of training per year;
3. upload the training records for the SWTC operators to web Compliance where a task will be created to flag the trainer to review the operator training records;
4. investigate adding a full time trainer and a dedicated training room; and
5. install the operator training records on a common server which the operators have access to and can check their own records and keep the trainer advised of low training hours.

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<sup>16</sup> The Verification letter incorrectly states that SWTC submitted its Certification of Completion on March 12, 2009.

<sup>17</sup> The Settlement Agreement, page 5, incorrectly states that SWTC submitted its Mitigation Plan on March 11, 2009.

<sup>18</sup> The Settlement Agreement, page 5, incorrectly states that WECC accepted the Mitigation Plan on March 12, 2009.

SWTC certified on March 11, 2009, on a mitigation plan form, that its Mitigation Plan was completed on as of that same date. As evidence of completion of its Mitigation Plan, SWTC submitted the following:

1. *PER-002-0 - R4 - Training Records PER\_002\_0\_R4.pdf*
2. *PER-002-0 - R4 - PSC Schedule for 2009\_Original.pdf*
3. *PER-002-0 - R4 - SWTC Operating Personnel Training Plan\_03\_06\_09.pdf*

On March 12, 2009, after reviewing SWTC's submitted evidence, WECC verified that SWTC's Mitigation Plan was completed on March 11, 2009 and notified SWTC on April 8, 2009.

### **Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed<sup>19</sup>**

#### **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,<sup>20</sup> the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on February 10, 2010. The NERC BOTCC approved the Settlement Agreement, including WECC's imposition of a financial penalty, assessing a penalty of forty-four thousand dollars (\$44,000) against SWTC and other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violations at issue.

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

- (1) these violations constituted SWTC's first occurrence of violations of the applicable NERC Reliability Standards;
- (2) WECC reported SWTC was cooperative throughout the compliance enforcement process;
- (3) there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
- (4) the violations did not create a serious or substantial risk to the reliability of the BPS, as discussed above; and
- (5) WECC's reported positive evaluation of SWTC's internal compliance program.

For the foregoing reasons, the NERC BOTCC approves the Settlement Agreement and believes that the proposed penalty of forty-four thousand dollars (\$44,000) is appropriate for the violations and circumstances in question, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

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<sup>19</sup> See 18 C.F.R. § 39.7(d)(4).

<sup>20</sup> *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008).

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

**Attachments to be Included as Part of this Notice of Penalty**

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

- a) WECC's public screenshot of the spot check of SWTC for EOP-008-0 R1 dated November 3, 2008, included as Attachment a;
- b) WECC's public screenshot of the spot check of SWTC for PRC-005-1 R1 dated October 27, 2008, included as Attachment b;
- c) WECC's Audit Screen shot for PER-002-0 R1 dated February 27, 2009, included as Attachment c;
- d) WECC's Audit Screen shot for PER-002-0 R4 dated February 27, 2009, included as Attachment d;
- e) Settlement Agreement by and between WECC and SWTC entered into as of September 25, 2009, included as Attachment e;
- f) SWTC's Mitigation Plan designated as MIT-08-1166 for EOP-008-0 R1 submitted June 25, 2008, included as Attachment f;
- g) SWTC's Certification of Completion of the Mitigation Plan for EOP-008-0 R1 dated October 7, 2008, included as Attachment g; and
- h) WECC's Verification of Completion of the Mitigation Plan for EOP-008-0 R1 dated February 18, 2009, included as Attachment h.
- i) SWTC's Mitigation Plan designated as MIT-07-1159 for PRC-005-1 R1 submitted August 5, 2008, included as Attachment i;
- j) SWTC's Certification of Completion of the Mitigation Plan for PRC-005-1 R1 dated October 7, 2008, included as Attachment j;
- k) WECC's Verification of Completion of the Mitigation Plan for PRC-005-1 R1 dated October 31, 2008, included as Attachment k.
- l) SWTC's Mitigation Plan designated as MIT-08-1619 for PER-002-0 R1 submitted March 13, 2009, included as Attachment l;
- m) SWTC's Certification of Completion of the Mitigation Plan for PER-002-0 R1 dated March 13, 2009, included as Attachment m;
- n) WECC's Verification of Completion of the Mitigation Plan for PER-002-0 R1 dated April 8, 2009, included as Attachment n;
- o) SWTC's Mitigation Plan designated as MIT-07-1568 for PER-002-0 R4 submitted February 25, 2009, included as Attachment o;

- p) SWTC's Certification of Completion of the Mitigation Plan for PER-002-0 R4 dated March 11, 2009, included as Attachment p; and
- q) WECC's Verification of Completion of the Mitigation Plan PER-002-0 R4 dated April 8, 2009, included as Attachment q.

**A Form of Notice Suitable for Publication<sup>21</sup>**

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

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<sup>21</sup> 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 gerry.cauley@nerc.net david.cook@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 (801) 883-6894 – facsimile CLuras@wecc.biz</p> <p>James L. Jones* Operations Reliability Compliance Administrator Southwest Transmission Cooperative, Inc. P.O. Box 2195 Benson, Arizona 85602 (520) 586-5247 (520) 586-5234 – facsimile jjones@swtransco.coop</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>Constance White* Vice President of Compliance Western Electricity Coordinating Council 615 Arapeen Drive, Suite 210 Salt Lake City, UT 84108-1262 (801) 883-6885 (801) 883-6894 – facsimile CWhite@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 (801) 883-6894 – facsimile SGoodwill@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  
gerry.cauley@nerc.net  
david.cook@nerc.net

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

cc: Southwest Transmission Cooperative, Inc.  
Western Electricity Coordinating Council

Attachments

## **Attachment a**

**WECC's public screenshot of the spot check of  
SWTC for EOP-008-0 R1 dated November 3, 2008**



## Compliance and Registration Database

# Post Violations Tracking and Reporting

**Region:** WECC   
 **Violation Date:** 2/5/2008   
 **WECC ID:** SWTC\_WECC20081232  
**Entity:** Southwest Transmission Cooperative,   
**Acronym:** SWTC   
**Registry ID:** NCR05402   
**NERC violation ID:** WECC200801136  
**Standard:** EOP-008-0   
 Plans for Loss of Control Center Functionality

## Disposition &amp; Final Record

## Mitigation Plan

## RAD &amp; RAD Appeal

## Internal Notes

## Initial Notice

## NAVAPS

## Proposed Sanction Penalty

## Contested Hearing

**Requirement:** 1    **Repeat Alleged Violation?** ☐

**Initial Determination by Region:** 11/3/2008

**Reporting Method:** Spot Check

**On Site Audit** ☐ **Off Site Audit** ☐

**Deemed Date:** 2/6/2008

**Violation Level:** LNC - Level 3

**Violation Risk Factor:** HIGH

**Alleged Violation Time:**

**Alleged Violation End Date:**

**Violation Description:**

SWTC's present procedure does not meet requirements. It was developed in 2006 as part of the NERC Readiness Audit and minor changes have not met the present compliance standards.

**Regional Contact Person:** Wells, Mike

**Applicable Functions:** TOP

**Regional Determination of Impact to BPS:**

**Detailed Description of Potential Impact to BPS:**

\*DIMI - Minimal Impact - SWTC feels that we will have minimal impact on the BES during the mitigation period.

**ID sent to Entity:** 3/31/2009

**Additional Comments**

Close

## **Attachment b**

**WECC's public screenshot of the spot check of  
SWTC for PRC-005-1 R1 dated October 27, 2008**



## Compliance and Registration Database

# Post Violations Tracking and Reporting

**Region:** WECC **Violation Date:** 2/4/2008 **WECC ID:** SWTC\_WECC20081209  
**Entity:** Southwest Transmission Cooperative, **Acronym:** SWTC **Registry ID:** NCR05402 **NERC violation ID:** WECC200801121  
**Standard:** PRC-005-1 **Transmission and Generation Protection System Maintenance and Testing**

## Disposition &amp; Final Record

## Mitigation Plan

## RAD &amp; RAD Appeal

## Internal Notes

## Initial Notice

## NAVAPS

## Proposed Sanction Penalty

## Contested Hearing

**Requirement:** 1 **Repeat Alleged Violation?** ☐

**Initial Determination by Region:** 10/27/2008

**Reporting Method:** Spot Check

**On Site Audit** ☐ **Off Site Audit** ☐

**Deemed Date:** 10/15/2007

**Violation Level:** LNC - Level 2

**Violation Risk Factor:** HIGH

**Alleged Violation Time:**

**Alleged Violation End Date:**

**Violation Description:**

SWTC is renewing its programs and procedures for this standard.

**Applicable Functions:** TO

**Regional Determination of Impact to BPS:**

**Detailed Description of Potential Impact to BPS:**

\*DIMI - Minimal Impact - Programs and procedures for this standard are currently being renewed.

**ID sent to Entity:** 3/31/2009

**Additional Comments**

**Regional Contact Person:** Rieger, Mary

Close

**Attachment c**

**WECC's Audit Screen shot for PER-002-0 R1  
dated February 27, 2009**





## Compliance and Registration Database

### Post Violations Tracking and Reporting

**Region:** WECC **Violation Date:** 2/24/2009 **WECC ID:** SWTC\_WECC20091474  
**Entity:** Southwest Transmission Cooperative, **Acronym:** SWTC **Registry ID:** NCR05402 **NERC violation ID:** WECC200901332  
**Standard:** PER-002-0 **Operating Personnel Training**

## Disposition &amp; Final Record

## Mitigation Plan

## RAD &amp; RAD Appeal

## Internal Notes

## Initial Notice

## NAVAPS

## Proposed Sanction Penalty

## Contested Hearing

**Requirement:** 1 **Repeat Alleged Violation?** ☐

**Initial Determination by Region:** 2/27/2009

**Reporting Method:** Compliance Audit

**On Site Audit** ☒ **Off Site Audit** ☐

**Deemed Date:** 1/1/2008

**Violation Level:** VSL - Severe

**Violation Risk Factor:** HIGH

**Alleged Violation Time:** 0:00

**Alleged Violation End Date:**

**Violation Description:**

In an interview with James Jones, Operations Reliability Compliance Administrator and Ernie Dunivan, System Control Manager on the afternoon of February 24, 2009, the audit sub-team shared the preliminary finding that 12 operators had not received the minimum 15 hours of training as

**Regional Contact Person:** Wells, Mike

**Applicable Functions:** TOP

**Regional Determination of Impact to BPS:**

**Detailed Description of Potential Impact to BPS:**

Minimal

Much of the cause of this violation is the Entity self-imposed requirement that a minimum of 15 hours of training be provided which equates to 60 hours per year. With only a few exceptions the operators received over 60 hours of training in the calendar year, it just wasn't distributed equitably. This indicates that the

**ID sent to Entity:**

**Additional Comments**

Close

**Attachment d**

**WECC's Audit Screen shot for PER-002-0 R4  
dated February 27, 2009**



## Compliance and Registration Database

# Post Violations Tracking and Reporting

**Region:** WECC **Violation Date:** 2/24/2009 **WECC ID:** SWTC\_WECC20091473  
**Entity:** Southwest Transmission Cooperative, **Acronym:** SWTC **Registry ID:** NCR05402 **NERC violation ID:** WECC200901331  
**Standard:** PER-002-0 **Operating Personnel Training**

## Disposition &amp; Final Record

## Mitigation Plan

## RAD &amp; RAD Appeal

## Internal Notes

## Initial Notice

## NAVAPS

## Proposed Sanction Penalty

## Contested Hearing

**Requirement:** 4 **Repeat Alleged Violation?** ☐

**Initial Determination by Region:** 2/27/2009

**Reporting Method:** Compliance Audit

**On Site Audit** ☒ **Off Site Audit** ☐

**Deemed Date:** 6/18/2007

**Violation Level:** VSL - Severe

**Violation Risk Factor:** HIGH

**Alleged Violation Time:** 0:00

**Alleged Violation End Date:**

**Violation Description:**

In an interview with James Jones, Operations Reliability Compliance Administrator and Ernie Dunivan, System Control Manager on February 24, 2009, the audit sub-team shared the preliminary finding that three operators had not received the minimum 32 contact hours of emergency training as

**Regional Contact Person:** Wells, Mike

**Applicable Functions:** TOP

**Regional Determination of Impact to BPS:**

**Detailed Description of Potential Impact to BPS:**

Minimal - The operators that did not receive the full 32 contact hours of emergency training in 2008 did receive 30 hours, 30 hours and 21 hours respectively. This results in a lack of 15 hours of emergency training across the entire Entity operations staff. The emergency training is important as demonstrated by both D-4 and the Entity training program but not delivering only

**ID sent to Entity:**

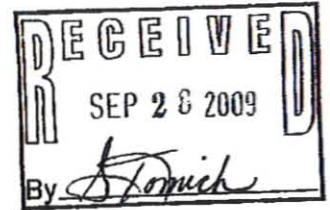
**Additional Comments**

Close

## **Attachment e**

**Settlement Agreement by and between WECC  
and SWTC entered into as of September 25, 2009**





**SETTLEMENT AGREEMENT**  
**OF**  
**WESTERN ELECTRICITY COORDINATING COUNCIL**  
**AND**  
**SOUTHWEST TRANSMISSION COOPERATIVE, INC.**

Western Electricity Coordinating Council ("WECC") and Southwest Transmission Cooperative, Inc. ("SWTC") (collectively the "Parties") hereby enter into this Settlement Agreement ("Agreement") on this 25 day of September 2009.

**RECITALS**

A. The Parties desire to enter into this Agreement to resolve all outstanding issues between them arising from a non-public assessment of SWTC by WECC that resulted in certain WECC determinations and findings regarding four alleged SWTC violations of the following North American Electric Reliability Corporation ("NERC") Reliability Standards ("Reliability Standards"):

*NERC ID: WECC200801136 EOP-008-0 R1, Plans for Loss of Control Center Functionality*

*NERC ID: WECC200901332 PER-002-0 R1, Operating Personnel Training*

*NERC ID: WECC200901331 PER-002-0 R4, Operating Personnel Training*

*NERC ID: WECC200801121 PRC-005-1 R1, Transmission and Generation Protection System Maintenance and Testing*

B. SWTC operates and maintains a power delivery system that includes 613 miles of transmission line, ranging from 69 kilovolts to 345 kilovolts and 21 substations. It schedules power into the areas served by its member cooperatives, which are located throughout Arizona and southern California. SWTC's corporate headquarters are located at 1000 South Highway 80, Benson, Arizona. SWTC is registered on the NERC Compliance Registry as a Transmission Operator, Transmission Planner, Transmission Owner, and Transmission Service Provider.

C. WECC is one of eight regional entities in the United States responsible for coordinating and promoting electric system reliability and enforcing the mandatory Reliability Standards created by NERC under the authority granted in Section 215 of the Federal Power Act.

D. The Parties are entering into this Agreement to settle the disputed matters between them. It is in the Parties' and the public's best interests to resolve this matter efficiently without the delay and burden associated with a contested proceeding. Nothing contained in this Agreement shall be construed as an admission or waiver of either party's rights. Except, however, nothing in this Agreement shall limit or prevent WECC from evaluating SWTC for subsequent violations of the same Reliability Standards addressed herein and taking enforcement action, if necessary. Such enforcement action can include assessing penalties against SWTC for

subsequent violations of the Reliability Standards addressed herein in accordance with NERC Rules of Procedure.

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

## **I. Representations of the Parties**

For purposes of this Agreement, SWTC and WECC stipulate to the facts contained herein. WECC has established sufficient facts, as set forth herein, to support its determination that SWTC has Confirmed Violations, as this term is defined in the WECC Compliance and Monitoring Enforcement Program ("CMEP"), of the requirements of the Reliability Standards described below in Section II.

## **II. Confirmed Violations**

### **1. NERC Reliability Standard EOP-008-0, Requirement 1; NERC ID: WECC200801136**

*EOP-008-0 R1: Each Reliability Coordinator, Transmission Operator and Balancing Authority shall 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.*
- R1.2. The plan shall include procedures and responsibilities for providing basic tie line control and procedures and for maintaining the status of all inter-area schedules, such that there is an hourly accounting of all schedules.*
- 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.*
- R1.4. The plan shall include procedures and responsibilities for maintaining basic voice communication capabilities with other areas.*
- 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.*



SWTC is subject to Standard EOP-008-0 because it was registered as a Transmission Operator (“TOP”) on NERC’s Compliance Registry on April 10, 2007.

WECC notified SWTC on January 16, 2008 that it would be conducting a Spot Check on the Self-Certification statement of compliance that SWTC submitted during the Self-Certification period from January 1 – 10, 2008. SWTC submitted a response to WECC’s Spot Check notice on January 31, 2008. During the Spot Check, the WECC Audit Team (“Audit Team”) conducted a review of the data SWTC provided for Standard EOP-008-0. Among the data that SWTC provided to WECC was a copy of the *SWTC Evacuation of Control Center Procedure*, dated January 2006, to demonstrate compliance with the requirements of Standard EOP-008-0. After reviewing the evidence provided by SWTC, the Audit Team found that SWTC’s contingency plan did not meet Requirement 1 of Standard EOP-008-0.

R1.1 of Standard EOP-008-0 requires SWTC to have a contingency plan for continuing operations that does not rely on data or voice communications from the primary control facility to be viable. The Audit Team found that SWTC did not have a contingency plan that did not rely on data or voice communications to be viable.

R1.2 of Standard EOP-008-0 requires SWTC to have a plan containing procedures and responsibilities for providing basic tie line control and procedures and for maintaining the status of all inter-area schedules, such that there is an hourly accounting of all schedules. SWTC’s documentation indicated basic tie line control would be performed by staffing stations with employees. However, SWTC’s plans did not contain procedures for an hourly accounting in the event that the Energy Management System (“EMS”) is not available.

R1.3 of Standard EOP-008-0 requires SWTC to have a contingency plan that addresses monitoring and control of critical transmission facilities, voltage control, time and frequency control, control of critical substation devices, and logging of significant power system events, and also to list the critical facilities. The SWTC documentation reviewed by the Audit Team suggests that the monitoring and control of critical facilities could be done by staffing stations. However, that documentation did not list the critical facilities as required by the R1.3.

R1.5 of Standard EOP-008-0 requires a TOP to have procedures and responsibilities for conducting periodic tests, at least annually, to ensure the viability of its contingency plan. The Audit Team found that SWTC did not have the required procedures and responsibilities.

R1.7 of Standard EOP-008-0 requires SWTC to review and update the contingency plan annually. The Audit Team found that SWTC’s documentation indicated SWTC had not reviewed and updated its contingency plan since January 2006, two years prior to the Spot Check.

R1.8 of Standard EOP-008-0 requires SWTC to have interim provisions in place in the event that implementing the contingency plan for the loss of the primary control center will take more than one hour. The Audit Team found that SWTC’s documentation failed to specifically address situations where it would take “more than an hour” to implement the contingency plan.

The Audit Team forwarded SWTC’s Self-Certification, the evidence provided by SWTC at the Spot Check, and the Audit Team’s Spot Check findings to the WECC Enforcement Department (“Enforcement”) for its review and consideration. Enforcement evaluated these materials and determined that SWTC’s *Evacuation of Control Center Procedure* failed to

demonstrate compliance with R1 of Standard EOP-008-0. Enforcement concluded that SWTC had an Alleged Violation of EOP-008-0 R1. WECC notified SWTC of this Alleged Violation on June 10, 2008.

SWTC submitted a mitigation plan to address this violation on October 7, 2008. WECC subject matter experts ("WECC SMEs") reviewed the plan on December 5, 2008 and determined that although it met the requirements of R1.1, R1.2 & R1.3, it failed to address R1.5, R1.7 and R1.8. On January 16, 2009, WECC SMEs contacted SWTC directly for additional evidence to support its mitigation of its violations of R1.5, R1.7 and R1.8. SWTC provided this additional evidence and WECC SMEs accepted the mitigation plan. NERC accepted this mitigation plan on December 17, 2008. In its completed mitigation plan, SWTC addressed Loss of Primary Control Center email, real time data email, and a revised procedure for the evacuation of the System Control Center. Also, SWTC provided employee training records demonstrating that it had trained its operators recently on the updated contingency plans detailing assignments for staffing substations in the event the EMS became inoperable. Based on conversations between SWTC and WECC SMEs, in addition to the evidence provided by SWTC in its completed mitigation plan, WECC determined that SWTC was compliant with all requirements of EOP-008-0 R1. WECC accepted SWTC's completed mitigation plan on January 16, 2009. WECC verified SWTC's completion of the mitigation plan on October 1, 2008.

**2. NERC Reliability Standard PER-002-0, Requirement 1; NERC ID: WECC200901332**

***PER-002-0 R. 1: Each Transmission Operator and Balancing Authority shall be staffed with adequately trained operating personnel.***

SWTC is subject to Standard PER-002-0 because it was registered on the NERC Compliance Registry on April 10, 2007 as a TOP.

WECC conducted an On-Site Compliance Audit ("Audit") of SWTC on February 23-27, 2009. The Audit Team found that although SWTC training guidelines specify that operators will receive a minimum of 15 hours of training during each quarter of the year, SWTC's records indicated that 12 employees had received less than the minimum number of training hours in one or more quarters beginning July 1, 2007.

The Audit Team forwarded a copy of the SWTC *Operating Personnel Training Program* and the Audit Team's findings to Enforcement for its review and consideration. Enforcement evaluated SWTC's program, which specifies that employees will "be provided ongoing training for a minimum of 15 hours per quarter to ensure its continued operating proficiency," and the Audit Team's findings. Enforcement determined that SWTC had an Alleged Violation of PER-002-1 R1 because SWTC failed to train its employees in accordance with its *Operating Personnel Training Program*. WECC notified SWTC of this alleged violation on February 24, 2009.

SWTC submitted a mitigation plan to address this violation on March 13, 2009. The mitigation plan stated that SWTC had updated its *Operating Personnel Training Program* to indicate that SWTC system operators would receive 60 hours of training per year with a grace period of 30 days to allow those that didn't receive the required number of hours time for additional training. Also, SWTC represented that its operators with training deficiencies had

made up their required training hours. SWTC submitted its completed mitigation plan on March 13, 2009. NERC accepted this mitigation plan on April 28, 2009. WECC SMEs accepted the mitigation plan and verified its completion on March 18, 2009. .

**3. NERC Reliability Standard PER-002-0, Requirement 4; NERC ID: WECC200901331**

*PER-002-0 R. 4: For personnel identified in Requirement R2, each Transmission Operator and Balancing Authority 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.*

SWTC is subject to Standard PER-002-0 because it was registered on the NERC Compliance Registry on April 10, 2007 as a TOP.

At the Audit performed by WECC from February 23-27, 2009, the Audit Team found that SWTC training guidelines specify that operators will have the equivalent of five days of annual training and drills using realistic simulations of system emergencies. Training records provided by SWTC during the Audit indicated that three SWTC operators had not received the equivalent of five days of training. Based upon SWTC's records, the Audit Team determined that SWTC had a possible violation of R4 of Standard PER-002-0. The Audit Team forwarded SWTC's documentation and the Audit Team's findings to Enforcement for its review and consideration. Enforcement determined that SWTC had an Alleged Violation of this Standard because SWTC failed to train employees in accordance with the SWTC Operating Personnel Training Program. WECC notified SWTC of this Alleged Violation on February 24, 2009.

SWTC submitted a mitigation plan to address this violation, and reported its completion, on March 11, 2009. In order to mitigate this violation, SWTC provided additional training to operators who had an insufficient number of training hours in 2008. Also, SWTC scheduled its future training to ensure that all operators receive the minimum number of required training hours and SWTC began maintaining its training records on central computer systems, allowing managers and employees to better manage training requirements. WECC SMEs accepted the completed mitigation plan and verified its completion on March 12, 2009. NERC accepted this mitigation plan on August 27, 2009.

**4. NERC Reliability Standard PRC-005-1, Requirement 1; NERC ID: WECC200801121**

*PRC-005-1 R. 1: Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall have a Protection System maintenance and testing program for Protection Systems that affect the reliability of the BES. The program shall include:*

*RI.1. Maintenance and testing intervals and their basis.*

*RI.2. Summary of maintenance and testing procedures.*

SWTC is subject to Standard PRC-005-1 because it was registered on the NERC Compliance Registry on April 10, 2007 as a Transmission Owner ("TO").

WECC notified SWTC on January 16, 2008 that it would be conducting a Spot Check on the Self-Certification that SWTC submitted during the self-certification period from January 1 – 10, 2008. SWTC submitted a response to WECC's Spot Check notice on January 31, 2008. During the Spot Check, the Audit Team found that SWTC's maintenance and testing program documentation did not contain a procedure for the testing of DC control circuitry, maintenance and testing intervals, or a summary of maintenance and testing procedures.

The Audit Team reviewed the maintenance and testing documentation provided by SWTC which included equipment testing procedures, equipment test records, equipment calibration records, and radio logs. The Audit Team was unable to verify from the documents that SWTC provided whether SWTC had a procedure for testing DC circuitry for circuit breakers or for DC power for its relays. Although SWTC's documentation included an interval for testing equipment, it did not list the basis for developing the interval. Finally, SWTC did not provide a summary of SWTC's maintenance and testing procedures in its documentation. The Audit Team determined that SWTC had a possible violation of R1 of Standard PRC-005-1 and forwarded SWTC's documentation and the Audit Team's findings to Enforcement for its review and consideration.

Enforcement reviewed SWTC's Self-Certification and the Audit Team's findings, and determined that SWTC had failed to document its procedure for testing DC control circuitry, its basis for developing testing intervals, and a summary of maintenance and testing procedures. Enforcement concluded that SWTC had an Alleged Violation of R1 of Standard PRC-005-1. WECC notified SWTC of this Alleged Violation on June 10, 2008.

SWTC submitted a mitigation plan to address this violation on August 5, 2008. SWTC's mitigation plan included procedures for the testing of DC control circuitry, the basis for developing testing intervals, and a summary of maintenance and testing procedures. SWTC submitted a mitigation plan completion form on October 7, 2008. WECC SMEs accepted the mitigation plan and verified its completion on October 23, 2008. NERC accepted this mitigation plan on June 19, 2009.

### **III. Settlement Terms**

A. Payment Amount. To settle this matter, SWTC hereby agrees to pay \$44,000.00 to WECC via wire transfer or cashier's check. The \$44,000.00 settlement amount reflects a non-zero penalty for each of the four Alleged Violations described in Section II. SWTC shall make the funds payable to a WECC account identified in a Notice of Payment Due that WECC will send to SWTC upon approval of this Agreement by NERC and the Federal Energy Regulatory Commission ("FERC"). SWTC shall issue the payment to WECC no later than twenty days after receipt of the Notice of Payment Due.

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

settlement agreement, the CMEP, including without limitation Sections 5.5 and 5.6, governs the enforcement process.

B. Settlement Rationale. WECC's determination of penalties in an enforcement action 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 such user, owner, or operator to remedy the violation in a timely manner". Additionally, WECC considers the guidance provided by the NERC Sanction Guidelines and by FERC in Order No. 693 and in its July 3, 2008 Guidance Order on Reliability Notices of Penalty.

Specifically, to determine penalty assessment, WECC considers the following factors: (1) the seriousness of the violation, including the applicable Violation Risk Factor ("VRF") and Violation Severity Level, and the risk to the reliability of the Bulk Power System; (2) the violation's duration; (3) the Registered Entity's compliance history; (4) the Registered Entity's self-reports 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; (6) the quality of the Registered Entity's compliance program; (7) any attempt by the Registered Entity to conceal the violation or any related information; (8) whether the violation was intentional; (9) any other relevant information or extenuating circumstances; and (10) the Registered Entity's ability to pay a penalty.

The following VRFs apply to SWTC's Alleged Violations in accordance with NERC's VRF Matrix:

EOP-008-0 R1.1, 1.2, 1.3, 1.5, 1.7, 1.8: Medium

PER-002-0 R1: High

PER-002-0 R4: High

PRC-005-1 R1: High

In addition to the factors listed above, WECC considered several mitigating factors to reach an agreement with SWTC regarding the payment amount. First, the Alleged Violations addressed by this Agreement are SWTC's first assessed noncompliance with the applicable Reliability Standards. Second, SWTC promptly mitigated each of the violations by submission of a mitigation plan within a reasonable time after being notified by WECC of each Alleged Violation, and completing the mitigation plan. Third, SWTC was cooperative throughout WECC's evaluation of the company's compliance with the Reliability Standards and the enforcement process.

Finally with respect to mitigating factors, during the Audit, the Audit Team evaluated SWTC's Internal Compliance Program ("ICP") using the Compliance Program Audit Worksheet. The Audit Team found that: (1) SWTC has a fully documented ICP that senior management is in the process of approving and putting in place; (2) SWTC's oversight position is staffed and is supervised at a high level within SWTC; (3) the ICP oversight position has direct access to the SWTC Chief Executive Officer and the SWTC Board of Directors; (4) SWTC operates and manages the ICP so that it is independent from personnel responsible for



compliance with the Reliability Standards; (5) the ICP has sufficient staff and an adequate budget; (6) SWTC senior management support and participate in the ICP; and (7) SWTC's ICP has a semi-annual or shorter review cycle. Based on these findings, WECC concluded that SWTC has an effective compliance culture.

In reaching this Agreement, WECC considered that there were no aggravating factors warranting a higher payment amount. Specifically, SWTC did not have any negative compliance history. There was no failure by SWTC to comply with applicable compliance directives, nor any evidence of an attempt by SWTC to conceal a violation. Finally, there was no evidence that SWTC's violations were intentional.

#### **IV. Additional Terms**

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

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

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

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

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

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

G. Reservation of Rights. WECC reserves all of its rights to initiate enforcement, penalty or sanction actions against SWTC for the Alleged Violations described in Section II of this Agreement in accordance with the Agreement, the CMEP and the NERC Rules of Procedure. In the event that SWTC fails to comply with any of the terms of this Agreement,



WECC shall have the right to pursue, with respect to the Alleged Violations described in Section II of this Agreement, enforcement, penalty or sanction actions against SWTC up to the maximum penalty allowed by the NERC Rules of Procedure. SWTC shall retain all of its rights to defend against such enforcement actions in accordance with the CMEP and the NERC Rules of Procedure. Failure by WECC to enforce any provision hereof on occasion shall not constitute a waiver by WECC of its enforcement rights or be binding on WECC on any other occasion.

H. Consent. SWTC 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 SWTC 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 SWTC consent to the use of this Agreement by any other party in any other action or proceeding.

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

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

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

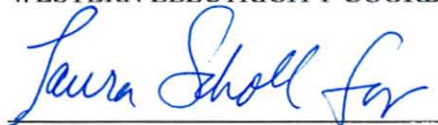
K. Captions. The Agreement's titles, headings and captions are for the purpose of convenience only and in no way define, describe or limit the scope or intent of the Agreement.

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

Agreed to and accepted:

*[intentionally blank; signatures follow on next page]*

WESTERN ELECTRICITY COORDINATING COUNCIL

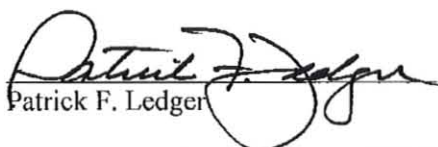


Constance B. White

Date: 9/29/09

Title: Vice President of Compliance

SOUTHWEST TRANSMISSION COOPERATIVE, INC.



Patrick F. Ledger

Date: 9/25/09

Title: Senior Vice President & Chief Operating Officer

## **Attachment f**

**SWTC's Mitigation Plan designated as MIT-08-1166 for EOP-008-0 R1 submitted June 25, 2008**



## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 06/25/08

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: SWTC  
 Registered Entity Address: PO Box 2195, Benson, Az.85602  
 NERC Compliance Registry ID: NCR05402

- 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.<sup>1</sup>

Name: Ernie Dunivan  
 Title: System Control Manager  
 Email: edunivan@swtransco.coop  
 Phone: 520 586 5526

<sup>1</sup> 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-008-0-1  
[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 <sup>(*)</sup> (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1	L3	6/10/2008	Spot Check

(\*) 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:

Present procedure does not meet requirements. It was developed in 2006 as part of the NERC Readiness Audit and minor changes have not met the present compliance standards.

[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:

Alleged that the present document has not been updated since 2006 and in fact was revised on January 2007. (Please look at Document Footer of WECC EOP-008-0 PDF)We will provide a copy of the same procedure as an attachment. We



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have provided training to the system operators in evacuation procedures with the EMS up and working. This is documented and we are providing evidence as an attachment. See attached Training Records PDF Files.

[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:

1. Identify power system critical facilities
2. Revise existing evacuation plan to include loss of EMS and critical facilities locations.
3. Provide training and testing of the revised plan over a three month period
4. Confer with our host Balancing Authority (WALC) to determine what information they have from our power system and coordinate evacuation plan with them.
5. Confer with adjacent Balancing Authorities to determine the information that they can provide us during an evacuation where the EMS is unavailable.
6. This revised evacuation plan will provide guidance until our Back Up Control Center is operational.

[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





Western Electricity Coordinating Council



and the alleged or confirmed violations associated with this Mitigation Plan corrected: October 1, 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)
Identify critical facilities	July 15, 2008
Revise evacuation plan	July 15, 2008
Provide Training to SO	Sept 30, 2008
Confer with WALC	August 1, 2008
Confer with adjacent BAs	August 1, 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:

[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:

SWTC feels that we will have minimal impact on the BES during the mitigation period.

[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:

This evacuation plan will provide guidance to the system operators until the Back Up Control Center is operational. At this point we feel that there will be no further violations of 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



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standards. If so, identify and describe any such action, including milestones and completion dates:

We plan to have the Back Up Control Center operational by the first quarter of 2009.

[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 Larry D. Huff, Senior Vice President and Chief Operating Officer of Southwest Transmission Cooperative, Inc.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of SWTC.
  3. I understand SWTC'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. SWTC 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): Larry D Huff

Title: Senior Vice President and Chief Operating Officer, SWTC

Date:



### **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](mailto: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.

## **Attachment g**

### **SWTC's Certification of Completion of the Mitigation Plan for EOP-008-0 R1 dated October 8. 2008**



**CONFIDENTIAL**

### **Mitigation Plan Completion Form**

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to [Compliance@WECC.biz](mailto:Compliance@WECC.biz) along with the supporting evidence that confirms full compliance and Authorized Officer's signature.

Registered Entity Name: Southwest Transmission Cooperative, Inc.

Standard Title: Loss of Primary Control Center

Standard Number: EOP 008-0-1

Requirement Number(s): **R1**

Actual completion date of Mitigation Plan: October 1, 2008

Check this box ☒ to indicate that you understand that the submittal of this Completion form is incomplete and cannot be reviewed for approval unless supporting documentation/evidence that confirms full compliance is attached.

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

Loss of Primary Control Center-E-Mail, Real time Data E-Mail, Revised SCC Evacuation Drill, SCC Evacuation Drill Training Sign in log and Substations ( A list of manned substations for loss of EMS), Evacuation of System Control Center Procedure

Additional Notes or Comments pertaining to this violation:

We self certified in June 2008 that we did not have any critical assets.

By endorsement of this document I attest that Southwest Transmission Cooperative, Inc. 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: \_\_\_\_\_

A handwritten signature in cursive script, appearing to read 'Larry Huff', is written over a horizontal line.

Authorized Officer's Name: Larry Huff

Authorized Officer's Title: Senior Vice President and COO SWTC

Date: 10/08/2008

## **Attachment h**

### **WECC's Verification of Completion of the Mitigation Plan for EOP-008-0 R1 dated February 18, 2009**

**CONFIDENTIAL**



**Bob Kiser**  
Manager of Compliance Audits and Investigations

360.567.4058  
[bkiser@wecc.biz](mailto:bkiser@wecc.biz)

February 18, 2009

James L. Jones  
Operations Reliability Compliance Administrator  
Southwest Transmission Cooperative, Inc.  
NCR05402  
P.O. Box 2195  
Benson, Arizona 85602

Subject: Certification of Completion Response Letter

Dear James L. Jones,

The Western Electricity Coordinating Council (WECC) has received Southwest Transmission Cooperative, Inc. SWTC's Certification of Completion and supporting evidence on 10/7/2008 for SWTC's alleged violation of Reliability Standard EOP-008-0 and Requirement(s) 1. Listed below is the outcome of WECC's official review.

WECC has accepted the Certification of Completion for Requirement(s) 1 of the Reliability Standard EOP-008-0 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 Ed Riley at [eriley@wecc.biz](mailto:eriley@wecc.biz). Thanks for your assistance in this effort.

Sincerely,

*Bob Kiser*

Bob Kiser  
Manager of Audits and  
Investigations

BK:cm

cc: Alan Wilkinson, SWTC Operations Reliability Administrator  
Lisa Milanese, WECC Manager of Compliance Administration  
Ed Riley, WECC Senior Compliance Engineer



## **Attachment i**

**SWTC's Mitigation Plan designated as MIT-07-1159 for PRC-005-1 R1 submitted August 5, 2008**



## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 08/01/2008

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: SWTC  
 Registered Entity Address: PO Box 2195, Benson, AZ 85602  
 NERC Compliance Registry ID: NCR05402

- 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.<sup>1</sup>

Name: James Jones  
 Title: Operations Reliability Compliance Administrator  
 Email: jjones@swtransco.coop  
 Phone: 520-586-5247

<sup>1</sup> 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: PRC-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 <sup>(*)</sup> (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1	L1	6/10/2008	Spot Check

(\*) 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:

During the spot check WECC determined that PRC-005-1 R1 was non-compliant for evidence of DC Circuitry, Basis for testing intervals, summary of maintenance and testing procedures not presented. The present procedure at the time of the spot check was not adequate. SWTC feels that we did meet the PRC-005-1 requirements, we just did not have the proper documentation submitted.

*[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:

1. SWTC completely revamped our PRC-005-1 Transmission and Generation Protection System Maintenance and Testing Program and Procedures. SWTC will send this updated procedure as an attachment.
2. SWTC is going to completely recheck all meter and relays, substation CT's, PT's, CCVT's and 125V DC station batteries and circuitry. After testing, summary of maintenance and testing procedures will be submitted as called for in R1.2.
3. SWTC will upload all documentation as needed to satisfy compliance of R1. SWTC feels that this is the only way that we can show evidence of compliance with R1.

[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: 11/15/2008 or sooner
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:



Western Electricity Coordinating Council



Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Submit all relay maintenance and testing documentation to WECC	11/01/2008

(\*) 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:

[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:

SWTC feels that we will have minimal impact on the BES during the mitigation period.

[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 new SWTC Transmission and Generation Protection System Maintenance Procedure will provide us with guidance to keep on course with the requirements of PRC-005-1. We now know what the standard requires and that SWTC should not have any further violations of 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





*Western Electricity Coordinating Council*



standards. If so, identify and describe any such action, including milestones and completion dates:

SWTC is planning on revising the current Transmission and Generation Protection System Procedure to incorporate further changes to our program. This should make SWTC even more compliant.  
[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 Larry D. Huff, Senior Vice President and Chief Operating Officer of Southwest Transmission Cooperative, Inc.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of SWTC.
  3. I understand SWTC'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. SWTC 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): Larry D Huff

Title: Senior Vice President and Chief Operating Officer, SWTC

Date: 08/01/2008



### **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](mailto: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.

## **Attachment j**

### **SWTC's Certification of Completion of the Mitigation Plan for PRC-005-1 R1 dated October 8, 2008**





**CONFIDENTIAL**

### Mitigation Plan Completion Form

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to [Compliance@WECC.biz](mailto:Compliance@WECC.biz) along with the supporting evidence that confirms full compliance and Authorized Officer's signature.

Registered Entity Name: Southwest Transmission Cooperative, Inc. (SWTC)

Standard Title: Transmission and Generation Protection System Maintenance and Testing

Standard Number: PRC-005-1

Requirement Number(s): R1

Actual completion date of Mitigation Plan: 10/07/08

Check this box ☒ to indicate that you understand that the submittal of this Completion form is incomplete and cannot be reviewed for approval unless supporting documentation/evidence that confirms full compliance is attached.

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

Submitted SWTC PRC-005 Interpretation and Applicability Procedure, (Paragraphs 4 & 5). SWTC feels this new procedure should cover all discrepancies that were found for R1.

Additional Notes or Comments pertaining to this violation:

SWTC will continue to update this procedure as needed.

By endorsement of this document I attest that SWTC 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: Larry D. Huff

Authorized Officer's Title: Senior VP & COO, SWTC

Date: 10/08/08

## **Attachment k**

### **WECC's Verification of Completion of the Mitigation Plan for PRC-005-1 R1 dated October 31, 2008**

**CONFIDENTIAL**



**Bob Kiser**  
Manager of Audits and Investigations

360.980.2799  
bkiser@wecc.biz

10/31/2008

James L. Jones  
Operations Reliability Compliance Administrator  
Southwest Transmission Cooperative, Inc.  
P.O. Box 2195  
Benson, Arizona 85602

Subject: Mitigation Plan Completion Review(s)

Dear James L. Jones,

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 November 14, 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](mailto: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: Alan Wilkinson, SWTC Operations Reliability Administrator  
Lisa Milanes, WECC Manager of Compliance Administration  
Ed Ruck, NERC Regional Compliance Program Coordinator



For Public Release - March 31, 2010

**CONFIDENTIAL**

**Registered Entity:** Southwest Transmission Cooperative, Inc.

**Date:** 10/30/2008

	Standard Number	Requirement	Completion Received by WECC	Sufficient Evidence	Review Status
1	PRC-005-1	1	08-Oct-08	Yes	Compliant

## **Attachment I**

**SWTC's Mitigation Plan designated as MIT-08-1619 for PER-002-0 R1 submitted March 13, 2009**





## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 03/13/2009

If this Mitigation Plan has already been completed:

- Check this box ☒
- Provide the Date of Completion of the Mitigation Plan: 3/13/2009
- Evidence supporting full compliance must be submitted along with this Mitigation Plan Submittal Form

### Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Attachment A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Attachment 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: SWTC  
 Registered Entity Address: P.O. Box 2195 Benson, AZ.  
 NERC Compliance Registry ID: NCR05402

- 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.<sup>1</sup>

Name: Ernie Dunivan  
 Title: System Control Manager

<sup>1</sup> 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.



Email: edunivan@swtransco.coop  
Phone: 520-586-5526



### **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 <sup>(*)</sup> (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1	L-1	02/24/09	On-Site 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:

SWTC had 12 System Operators that did not receive the SWTC Operating Personnel Training Plan stated 15 hours for one or more quarters during 2008  
[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:

SWTC has revised the SWTC Operating Personnel Training Plan to read, "Southwest Transmission Cooperative, Inc. operating personnel will be provided ongoing training in the amount of sixty (60) hours per year, with a grace period of thirty (30) days to allow those that didn't receive the desired number of hours, due to illness or other issues, to be provided time to receive those hours of training, to ensure their continued operating proficiency."

SWTC has had the one system operator that didn't receive 60 hours of annual training in 2008 make up the hours.  
[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: March 13, 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)
Revise the SWTC Operating Personnel Training Plan	03/13/2009



System Operator to make up hours not received during 2008	03/13/2009

(\*) 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:

[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:

No impact to the reliability of the SWTC power system. The operator in question has had the required training on other occasions.  
[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:

By revising the SWTC Operating Personnel Training Plan the system operators will receive the company's desired 60 hours of training a year and be able to provide this training at times other than peak loading or outage times. This will also provide an amount of time for operators unable to meet the scheduled training to make up the desired 60 hours annually.

The one system operator that did not receive the desired 60 hours of annual training in 2008 will be provided the time to make up the hours and receive the training.

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



*Western Electricity Coordinating Council*



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:

SWTC has hired a dedicated system operations training administrator that will oversee training, and the schedules for training, to ensure that all system operators are current in training subject matter and hours.

This was accomplished in house on March 4, 2009 and will report to system operations on March 16, 2009.

[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 Larry D. Huff, Senior Vice President and Chief Operating Officer of [Southwest Transmission Cooperative, Inc..
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of SWTC.
  3. I understand SWTC'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. SWTC 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): Larry D. Huff

Title: Senior Vice President and Chief Operating Officer, SWTC

Date: 03/13/09





### **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](mailto: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.

## **Attachment m**

### **SWTC's Certification of Completion of the Mitigation Plan for PER-002-0 R1 dated March 13, 2009**





**CONFIDENTIAL**

### **Mitigation Plan Completion Form**

Please complete a Mitigation Plan Completion form for each fully mitigated violation and return to [Compliance@WECC.biz](mailto:Compliance@WECC.biz) along with the supporting evidence that confirms full compliance and Authorized Officer's signature.

Registered Entity Name: Southwest Transmission Cooperative, Inc.

Standard Title: Operating Personnel Training

Standard Number: PER-002-0

Requirement Number(s): R1

Actual completion date of Mitigation Plan: March 13, 2009

Check this box ☒ to indicate that you understand that the submittal of this Completion form is incomplete and cannot be reviewed for approval unless supporting documentation/evidence that confirms full compliance is attached.

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

SWTC Operating Personnel Training Plan, Page 8 Paragraph v.

Training Records for RJ Miller showing completion of the 5 hours needed to meet 60 hour training requirement.

Additional Notes or Comments pertaining to this violation:

By endorsement of this document I attest that SWTC 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: Larry Huff

Authorized Officer's Title: Senior Vice President and Chief Operating Officer

Date: 3/13/2009

## **Attachment n**

### **WECC's Verification of Completion of the Mitigation Plan for PER-002-0 R1 dated April 8, 2009**

**CONFIDENTIAL**



**Laura Scholl**  
Managing Director of Compliance

801.819.7619  
[lscholl@wecc.biz](mailto:lscholl@wecc.biz)

April 8, 2009

James L. Jones  
Operations Reliability Compliance Administrator  
Southwest Transmission Cooperative, Inc.  
P.O. Box 2195  
Benson, Arizona 85602

NERC Registration ID: NCR05402

Subject: Certification of Completion Response Letter

Dear James L. Jones,

The Western Electricity Coordinating Council (WECC) has received the Certification of Completion and supporting evidence on 3/12/2009 for Southwest Transmission Cooperative, Inc. SWTC's alleged violation of Reliability Standard PER-002-0 and Requirement(s) 1. Listed below is the outcome of WECC's official review.

WECC has accepted the Certification of Completion for Requirement(s) 1 of the Reliability Standard PER-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 Mike Wells at [mike@wecc.biz](mailto:mike@wecc.biz). Thank you for your assistance in this effort.

Sincerely,

*Laura Scholl*

Laura Scholl  
Managing Director of Compliance

LS:cm

cc: Alan Wilkinson, SWTC Operations Reliability Administrator  
Lisa Milanese, WECC Manager of Compliance Program Administration  
Mike Wells, WECC Senior Compliance Engineer



## **Attachment o**

**SWTC's Mitigation Plan designated as MIT-07-1568 for PER-002-0 R4 submitted February 25, 2009**



## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 02/25/09

If this Mitigation Plan has already been completed:

- Check this box ☐
- Provide the Date of Completion of the Mitigation Plan:
- Evidence supporting full compliance must be submitted along with this Mitigation Plan Submittal Form

### **Section A: Compliance Notices & Mitigation Plan Requirements**

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Attachment A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Attachment 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: SWTC  
 Registered Entity Address: P.O. Box 2195 Benson, AZ.  
 NERC Compliance Registry ID: NCR05402

- 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.<sup>1</sup>

Name: Ernie Dunivan  
 Title: System Control Manager

<sup>1</sup> 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.



Western Electricity Coordinating Council

Email: edunivan@swtransco.coop

Phone: 520-586-5526



### **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 <sup>(*)</sup> (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R4	L-1	02/24/09	On-Site 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:

1. Requirement 4. This requirement states that for personnel identified in Requirement 2, each Transmission operator and Balancing Authority shall provide its operating personnel at least five days per year of training and drills using simulations of system emergencies, in addition to other training required to maintain qualified operating personnel. SWTC failed to meet that goal by two hours for two operators and 10 hours for another operator.



Western Electricity Coordinating Council



[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:

Requirement 4. SWTC will provide Emergency Operations Training to those individuals that are short on hours for 2008 to bring them up to the required 5 days of training.

Future training will be scheduled and provided to the operators to ensure they receive the required 5 days of training.

The training records for the SWTC operators will be uploaded to webCompliance where a task will be created to flag the trainer to review the operator training records.

SWTC will investigate adding a full time trainer and a dedicated training room

SWTC will install the operator training records on a common server which the operators have access to and can check their own records and keep the trainer advised of low training hours.

[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**



Western Electricity Coordinating Council



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: March 13, 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)
Revise Operating Personnel Tng Plan	March 6, 2009
Provide Tng to those who lack hours	March 13, 2009
Put training on shift schedule	March 13, 2009
Upload Tng records to webCompliance	March 6, 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:

##### Milestones

Investigate adding a full time trainer March 13, 2009  
 Intall protected Tng records on common server March 6, 2009

[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:

SWTC feels that even though Requirement 4 was in violation there was minimal risk to the SWTC power system and the Bulk Electric System.

[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:

Emergency Operations Training that are short in hours will provide added reliability to the SWTC power system.

This plan will provide several means to track operator training hours so that short falls will be caught.

[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:

[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 Larry D. Huff, Senior Vice President and Chief Operating Officer of [Southwest Transmission Cooperative, Inc..
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of SWTC.
  3. I understand SWTC'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. SWTC 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): Larry D. Huff

Title: Senior Vice President and Chief Operating Officer, SWTC

Date: 02/25/09



### **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](mailto: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.

## **Attachment p**

### **SWTC's Certification of Completion of the Mitigation Plan for PER-002-0 R4 dated March 11, 2009**



**CONFIDENTIAL**

### **Mitigation Plan Completion Form**

**Please complete a Mitigation Plan Completion form for each fully mitigated violation and submit to the WECC Compliance Web Portal File Upload along with the supporting evidence that confirms full compliance and Authorized Officer's signature.**

Registered Entity Name: Southwest Transmission Cooperative, Inc.

Standard Title: Operating Personnel Training

Standard Number: PER-002-0

Requirement Number(s): **R4**

Actual completion date of Mitigation Plan: 3/11/2009

**Check this box ☒ to indicate that you understand that the submittal of this Completion form is incomplete and cannot be reviewed for approval unless supporting documentation/evidence that confirms full compliance is attached.**

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

Training Records spreadsheet showing the three operators that did not complete 32 hours of EOP training during 2008 and the make up hours each received.

Training/shift schedule for the SWTC system operators

Individual Learning Activities for L&K training received by those system operators to make up lack of training hours.

L&K report showing that the individuals took the training and received a passing score for those courses.

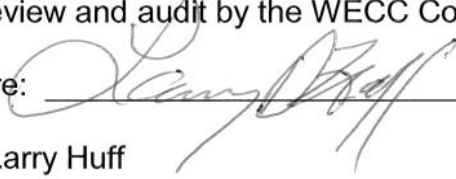
Training plan for 2009 showing when system operators are scheduled for training throughout the year.

Revised SWTC Operating Personnel Training Plan, Version 1 page 8, paragraph v

Additional Notes or Comments pertaining to this violation:

By endorsement of this document I attest that SWTC 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: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "Larry Huff", is written over a horizontal line.

Authorized Officer's Name: Larry Huff

Authorized Officer's Title: Senior Vice President and Chief Operating Officer

Date: 3/11/2009



## **Attachment q**

### **WECC's Verification of Completion of the Mitigation Plan PER-002-0 R4 dated April 8, 2009**

**CONFIDENTIAL**



**Laura Scholl**  
Managing Director of Compliance

801.819.7619  
[lscholl@wecc.biz](mailto:lscholl@wecc.biz)

April 8, 2009

James L. Jones  
Operations Reliability Compliance Administrator  
Southwest Transmission Cooperative, Inc.  
P.O. Box 2195  
Benson, Arizona 85602

NERC Registration ID: NCR05402

Subject: Certification of Completion Response Letter

Dear James L. Jones,

The Western Electricity Coordinating Council (WECC) has received the Certification of Completion and supporting evidence on 3/11/2009 for Southwest Transmission Cooperative, Inc. SWTC's alleged violation of Reliability Standard PER-002-0 and Requirement(s) 4. Listed below is the outcome of WECC's official review.

WECC has accepted the Certification of Completion for Requirement(s) 4 of the Reliability Standard PER-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 Mike Wells at [mike@wecc.biz](mailto:mike@wecc.biz). Thank you for your assistance in this effort.

Sincerely,

*Laura Scholl*

Laura Scholl  
Managing Director of Compliance

LS:cm

cc: Alan Wilkinson, SWTC Operations Reliability Administrator  
Lisa Milanese, WECC Manager of Compliance Program Administration  
Mike Wells, WECC Senior Compliance Engineer

**Attachment r**

**Notice of Filing**

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Southwest Transmission Cooperative, Inc.

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 Southwest Transmission Cooperative, Inc. 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](mailto:FERCOnlineSupport@ferc.gov), or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: [BLANK]

Kimberly D. Bose,  
Secretary