



NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

April 28, 2010

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

**Re: NERC Notice of Penalty regarding Glacier Electric 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 Glacier Electric Cooperative, Inc. (GLEC),<sup>2</sup> NERC Registry ID# NCR05171,<sup>3</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>4</sup>

On December 18, 2008,<sup>5</sup> GLEC self-reported possible violations of FAC-008-1 Requirement (R) 1<sup>6</sup> and FAC-009-1 R1<sup>7</sup> to Western Electricity Coordinating Council (WECC) for GLEC's failure to have a documented Facility Ratings Methodology and for GLEC's failure to have Facility Ratings consistent with a documented Facility Ratings Methodology. This Notice of Penalty is

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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 (2010). *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693), *reh'g denied*, 120 FERC ¶ 61,053 (2007) (Order No. 693-A). See 18 C.F.R. § 39.7(c)(2).

<sup>2</sup> On October 14, 2009, NERC submitted an Omnibus filing which addressed violations for certain registered entities including GLEC. On November 13, 2009, FERC issued an order stating it would not engage in further review of the violations addressed in the Omnibus Notice of Penalty.

<sup>3</sup> Western Electricity Coordinating Council confirmed that GLEC was included on the NERC Compliance Registry as a Distribution Provider and Load Serving Entity on June 17, 2007 and as a Transmission Owner and Transmission Operator on December 2, 2008. As a Transmission Owner, GLEC is subject to the requirements of the NERC Reliability Standards as provided herein. The Settlement Agreement incorrectly states that GLEC registered as a Transmission Owner on November 1, 2008.

<sup>4</sup> See 18 C.F.R. § 39.7(c)(2).

<sup>5</sup> The Settlement Agreement incorrectly states that GLEC self-reported the alleged violations on December 18, 2009.

<sup>6</sup> On December 18, 2008, GLEC also self-reported a possible violation of FAC-008-1 R2 (WECC200901257); however, upon further review, WECC, on April 22, 2009, dismissed the violation because the subject Standard requirement is event driven and no event took place.

<sup>7</sup> On December 18, 2008, GLEC also self-reported a possible violation of FAC-009-1 R2; however, upon further review, WECC Enforcement determined that GLEC did not have a violation of FAC-009-1 R2 and dismissed the violation on March 13, 2009.

being filed with the Commission because WECC and GLEC 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 FAC-008-1 R1 and FAC-009-1 R1. According to the Settlement Agreement, these are Confirmed Violations and GLEC has agreed to the proposed penalty of two thousand five hundred dollars (\$2,500) to be assessed to GLEC, 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 WECC200901256 and WECC200801255 are Confirmed Violations, as that term is defined in 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 November 16, 2009, by and between WECC and GLEC, which is included as Attachment c. The details of the findings and basis for the penalty are set forth in the Settlement Agreement and herein. This Notice of Penalty filing contains the basis for approval of the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC BOTCC). In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7 (2010), NERC provides the following summary table identifying each 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	Glacier Electric Cooperative, Inc.	NOC-421	WECC200901256	FAC-008-1	1	Lower <sup>8</sup>	2,500
			WECC200801255	FAC-009-1	1	Medium	

#### FAC-008-1

The purpose of Reliability Standard FAC-008-1 is to ensure that Facility Ratings used in the reliable planning and operation of the bulk power system (BPS) are determined based on an established methodology or methodologies.

FAC-008-1 R1 requires a Transmission Owner (TO), such as GLEC, to document its current methodology used for developing Facility Ratings (Facility Ratings Methodology) of its solely and jointly owned Facilities. Specifically, the methodology shall include all of the following:

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<sup>8</sup> When NERC filed Violation Risk Factors (VRFs) it originally assigned FAC-008-1 R1.1, R1.2, R1.2.1 and R1.2.2 Lower VRFs. The Commission approved the VRFs as filed; however, it directed NERC to submit modifications. NERC submitted the modified Medium VRFs and on February 6, 2008, the Commission approved the modified Medium VRFs. Therefore, the Lower VRFs for FAC-008-1 R1.1, R1.2, R1.2.1 and R1.2.2 were in effect from June 18, 2007 until February 6, 2008 when the Medium VRFs became effective. FAC-008-1 R1, R1.3 and R1.3.5 have Lower VRFs and FAC-008-1 R1.3.1, R1.3.2, R1.3.3 and R1.3.4 have Medium VRFs.

- (R1.1) a statement that a Facility Rating shall equal the most limiting applicable Equipment Rating of the individual equipment that comprises that Facility;
- (R1.2) the method by which the Rating (of major BPS equipment that comprises a Facility) is determined;
  - (R1.2.1) the scope of equipment addressed shall include, but not be limited to, generators, transmission conductors, transformers, relay protection devices, terminal equipment, and series and shunt compensation devices;
  - (R1.2.2) the scope of Ratings addressed shall include, as a minimum, both Normal and Emergency Ratings;
- (R1.3) consideration of the following;
  - (R1.3.1) ratings provided by equipment manufacturers;
  - (R1.3.2) design criteria (e.g., including applicable references to industry Rating practices such as manufacturer's warranty, IEEE, ANSI or other standards);
  - (R1.3.3) ambient conditions;
  - (R1.3.4) operating limitations; and
  - (R1.3.5) other assumptions.

FAC-008-1 R1 and its sub-requirements R1.3 and R1.3.5 each have a "Lower" Violation Risk Factor (VRF). The remaining R1 sub-requirements all have a "Medium" VRF.

During an internal gap analysis to determine any gaps in compliance with the applicable NERC Reliability Standards (Gap Analysis), GLEC discovered its non-compliance with FAC-008-1 R1.

On December 18, 2008, GLEC self-reported a possible violation of FAC-008-1 R1 because it did not have a documented Facility Ratings Methodology. GLEC operated its facilities using the most limiting element and the manufacturer ratings for its equipment, indicating a limited methodology was used in its Facility Ratings; however, no documented Facility Ratings Methodology existed.

WECC Enforcement (Enforcement) reviewed the Self-Report and determined that GLEC had a violation of FAC-008-1 R1 because GLEC did not have a documented Facility Ratings Methodology for its only transmission facility, South Cut Bank switchyard, as required by the subject Standard.

Enforcement concluded that the duration of the violation was from December 2, 2008, the date GLEC was registered as a TO, through March 24, 2009, when GLEC completed its Mitigation Plan. Enforcement determined that the violation of FAC-008-1 R1 did not pose a serious or substantial risk to the BPS because GLEC was operating its facilities using the most limiting element, it was using manufacturer ratings and it had a standard practice of not allowing equipment to be loaded beyond its manufacturers rating.

FAC-009-1 R1

The purpose of Reliability Standard FAC-009-1 is to ensure that Facility Ratings used in the reliable planning and operation of the BPS are determined based on an established methodology or methodologies.

FAC-009-1 R1 requires a TO, such as GLEC, to establish Facility Ratings for its solely and jointly owned Facilities that are consistent with the associated Facility Ratings Methodology. FAC-009-1 R1 has a “Medium” VRF.

On December 18, 2008, GLEC also self-reported a possible violation of FAC-009-1 R1 because the Facility Ratings used by GLEC were not consistent with a documented Facility Ratings Methodology.

Enforcement reviewed the Self-Report and determined that GLEC had a violation of FAC-009-1 R1 because GLEC’s ratings, the most limiting element and the manufacturers rating for its equipment, are not consistent with a documented Facility Rating Methodology.

Enforcement concluded that the duration of the violation was from December 2, 2008, the date GLEC was registered as a TO, through March 24, 2009, when GLEC completed its Mitigation Plan. Enforcement determined that the violation of FAC-009-1 R1 did not pose a serious or substantial risk to the BPS because GLEC was operating its facilities using the most limiting element, it was using manufacturer ratings and it had a standard practice of not allowing equipment to be loaded beyond its manufacturer rating.

Regional Entity’s Basis for Penalty

According to the Settlement Agreement, WECC has assessed a penalty of two thousand five hundred dollars (\$2,500) for the referenced violations. In reaching this determination, WECC considered the following factors:

1. these violations constituted GLEC’s first occurrence of violations of the referenced NERC Reliability Standards;
2. GLEC self-reported the violations;
3. GLEC cooperated with WECC Staff during the investigation and compliance enforcement process;
4. GLEC possessed a clear lack of intent to commit or to conceal the violations, as supported by its Self-Reports;
5. WECC determined the violations of FAC-008-1 R1 and FAC-009-1 R1 did not pose a serious or substantial risk to the BPS, as discussed above;
6. the violations were documentation issues because GLEC was using manufacturers ratings and was considering the most limiting element; and
7. GLEC agreed to expeditiously resolve this issue via settlement before WECC issued a Notice of Violation and Proposed Penalty or Sanction (NAVAPS).

After consideration of the above factors, WECC determined that, in this instance, the penalty amount of two thousand five hundred dollars (\$2,500) is appropriate and bears a reasonable relation to the seriousness and duration of the violations.

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

#### **FAC-008-1 R1**

GLEC's Mitigation Plan to address its violation of FAC-008-1 R1 was submitted to WECC on December 18, 2008 with a proposed completion date of October 1, 2009. The Mitigation Plan was accepted by WECC on January 9, 2009 and approved by NERC on February 17, 2009. The Mitigation Plan for this violation is designated as MIT-08-1333 and was submitted as non-public information to FERC on February 23, 2009 in accordance with FERC orders.

GLEC's Mitigation Plan required GLEC to: (1) discuss facility ratings methodology with NorthWestern Energy;<sup>10</sup> (2) brainstorm internally about possible approaches to developing a Facility Ratings Methodology that makes the most sense for their situation; (3) develop a Facility Ratings Methodology; (4) review the Facility Ratings Methodology and (5) finalize the Facility Ratings Methodology to be used for developing the Facility Ratings of its solely and jointly owned facilities.

GLEC certified on March 24, 2009 that the above Mitigation Plan requirements were completed as of that same day. GLEC submitted its *Glacier Electric Cooperative (GEC) Facility Rating Methodology* dated March 24, 2009 and an e-mail from Joshua Dellinger dated April 2, 2009 as evidence of completion of its Mitigation Plan.

On April 1, 2009, after WECC's review of GLEC's submitted evidence, WECC verified that GLEC's Mitigation Plan was completed on March 24, 2009 and notified GLEC in a letter dated April 8, 2009 that it was in compliance with FAC-008-1 R1.

#### **FAC-009-1 R1**

GLEC's Mitigation Plan to address its violation of FAC-009-1 R1 was submitted to WECC on January 9, 2009<sup>11</sup> with a proposed completion date of December 1, 2009. The Mitigation Plan was accepted by WECC on January 9, 2009 and approved by NERC on February 17, 2009. The Mitigation Plan for this violation is designated as MIT-08-1332 and was submitted as non-public information to FERC on February 23, 2009 in accordance with FERC orders.

GLEC's Mitigation Plan required GLEC to use the Facility Ratings Methodology created by Mitigation Plan MIT-08-1333 to develop the Facility Ratings of its solely and jointly owned facilities.

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

<sup>10</sup> NorthWestern Energy is GLEC's host Balancing Authority and control area operator. NorthWestern Energy also owns GLEC's equipment at the South Cut Bank switchyard.

<sup>11</sup> The Settlement Agreement incorrectly states that the Mitigation Plan for the FAC-009-1 R1 violation was submitted to WECC on December 18, 2008.

GLEC certified on August 11, 2009 that the above Mitigation Plan requirements were completed on March 24, 2009. GLEC submitted a document titled *GEC Facility Ratings* as evidence of completion of its Mitigation Plan.

On August 31, 2009, after WECC's review of GLEC's submitted evidence, WECC verified that GLEC's Mitigation Plan was completed on March 24, 2009 and notified GLEC in a letter dated September 23, 2009 that it was in compliance with FAC-009-1 R1.

## **Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed<sup>12</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>13</sup> the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on March 10, 2010. The NERC BOTCC approved the Settlement Agreement, including WECC's imposition of a financial penalty, assessing a penalty of two thousand five hundred dollars (\$2,500) against GLEC 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 GLEC's first occurrence of violations of FAC-008-1 and FAC-009-1;
- (2) GLEC self-reported the violations;
- (3) WECC reported GLEC was cooperative throughout the compliance enforcement process;
- (4) there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
- (5) WECC determined that the violations did not pose a serious or substantial risk to the BPS, as discussed above;
- (6) GLEC agreed to resolve these issues by settlement; and
- (7) the violations were documentation issues because GLEC was using manufacturer's ratings and was considering the most limiting element.

For the foregoing reasons, the NERC BOTCC approves the Settlement Agreement and believes that the proposed penalty of two thousand five hundred dollars (\$2,500) is appropriate for the violations and circumstances in question, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

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<sup>12</sup> See 18 C.F.R. § 39.7(d)(4).

<sup>13</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) GLEC's Self-Report for FAC-008-1 R1 dated December 18, 2008, included as Attachment a;
- b) GLEC's Self-Report for FAC-009-1 R1 dated December 18, 2008, included as Attachment b;
- c) Settlement Agreement by and between WECC and GLEC executed on November 16, 2009, included as Attachment c;
- d) GLEC's Mitigation Plan designated as MIT-08-1333 for FAC-008-1 R1 submitted December 18, 2008, included as Attachment d;
- e) GLEC's Certification of Completion of the Mitigation Plan for FAC-008-1 R1 submitted March 24, 2009, included as Attachment e;
- f) WECC's Verification of Completion of the Mitigation Plan for FAC-008-1 R1 dated April 8, 2009, included as Attachment f;
- g) GLEC's Mitigation Plan designated as MIT-08-1332 for FAC-009-1 R1 submitted January 9, 2009, included as Attachment g;
- h) GLEC's Certification of Completion of the Mitigation Plan for FAC-009-1 R1 submitted August 11, 2009, included as Attachment h; and
- i) WECC's Verification of Completion of the Mitigation Plan for FAC-009-1 R1 dated September 23, 2009, included as Attachment i.

**A Form of Notice Suitable for Publication<sup>14</sup>**

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

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<sup>14</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>Joshua Dellinger* Manager of Technical Services Glacier Electric Cooperative, Inc. 410 East Main Street Cut Bank, MT 59427 (406) 873-5566 joshd@glacierelectric.com</p> <p>*Persons to be included on the Commission's service list are indicated with an asterisk. NERC requests waiver of the Commission's rules and regulations to permit the inclusion of more than two people on the service list.</p>	<p>Rebecca J. Michael* Assistant General Counsel Holly A. Hawkins* Attorney North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, D.C. 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net holly.hawkins@nerc.net</p> <p>Louise McCarren* Chief Executive Officer Western Electricity Coordinating Council 615 Arapeen Drive, Suite 210 Salt Lake City, UT 84108-1262 (801) 883-6868 (801) 582-3918 – facsimile Louise@wecc.biz</p> <p>Steven Goodwill* Associate General Counsel Western Electricity Coordinating Council 615 Arapeen Drive, Suite 210 Salt Lake City, UT 84108-1262 (801) 883-6857 (801) 883-6894 – facsimile SGoodwill@wecc.biz</p> <p>Constance White* Vice President of Compliance Western Electricity Coordinating Council 615 Arapeen Drive, Suite 210 Salt Lake City, UT 84108-1262 (801) 883-6885 (801) 883-6894 – facsimile CWhite@wecc.biz</p>
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## Conclusion

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

Respectfully submitted,

Gerald W. Cauley  
President and Chief Executive Officer  
David N. Cook  
Vice President and General Counsel  
North American Electric Reliability Corporation  
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/s/ Rebecca J. Michael  
Rebecca J. Michael  
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holly.hawkins@nerc.net

cc: Glacier Electric Cooperative, Inc.  
Western Electricity Coordinating Council

Attachments

## **Attachment a**

### **GLEC's Self-Report for FAC-008-1 R1 dated December 18, 2008**



**CONFIDENTIAL**

## **Compliance Violation Self-Reporting Form**

Please complete an **individual** Self-Reporting Form for each NERC Reliability Standard that indicates any level(s) of non-compliance and submit via the WECC Compliance Web Portal File Upload

Registered Entity Name: Glacier Electric Cooperative, Inc

Contact Name: Joshua Dellinger

Contact Phone: 406-873-5566

Contact email: joshd@glacierelectric.com

Date noncompliance was discovered: 12/18/2008

Date noncompliance was reported: 12/18/2008

Standard Title: Facility Ratings Methodology

Standard Number: FAC-008-1

Requirement Number(s)<sup>1</sup>: **R1, R2**

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

Self-evaluation. We have recently registered as a TO/TOP and are now subject to the standards dealing with those utility functions. We are going through a gap analysis to determine any gaps we may have in our compliance with the TO/TOP applicable standards.

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

Describe the cause of non-compliance:

We currently only own one transmissoin facility (the South Cut Bank switchyard) and are confident that no equipment in this station is loaded beyond its rated capacity. Our standard practice is to not allow any equipment to be loaded beyond its manufacturer's rating. Our non-compliance with this standard is mainly due to the lack of documentation of a formal facility rating methodology.

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<sup>1</sup> Violations are on a per requirement basis.

Describe the reliability impact of this non-compliance:

The risk to the reliability of the Bulk Electric System is minimal as we are confident that the equipment at our South Cut Bank switchyard is not loaded beyond rated capacity. Our standard practice is to not allow our equipment to be loaded beyond its manufacturers rating.

Expected date of Mitigation Plan submittal: 12/18/2008

## **Attachment b**

**GLEC's Self-Report for FAC-009-1 R1 dated  
December 18, 2008**



**CONFIDENTIAL**

## **Compliance Violation Self-Reporting Form**

Please complete an **individual** Self-Reporting Form for each NERC Reliability Standard that indicates any level(s) of non-compliance and submit via the WECC Compliance Web Portal File Upload

Registered Entity Name: Glacier Electric Cooperative, Inc

Contact Name: Joshua Dellinger

Contact Phone: 406-873-5566

Contact email: joshd@glacierelectric.com

Date noncompliance was discovered: 12/18/2008

Date noncompliance was reported: 12/18/2008

Standard Title: Establish and Communicate Facility Ratings

Standard Number: FAC-009-1

Requirement Number(s)<sup>1</sup>: **R1, R2**

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

Self-evaluation. We have recently registered as a TO/TOP and are now subject to the standards dealing with those utility functions. We are going through a gap analysis to determine any gaps we may have in our compliance with the TO/TOP applicable standards.

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

Describe the cause of non-compliance:

We currently only own one transmissoin facility (the South Cut Bank switchyard) and are confident that no equipment in this station is loaded beyond its rated capacity. Our standard practice is to not allow any equipment to be loaded beyond its manufacturer's rating. Our non-compliance with this standard is mainly due to the lack of documentation of a formal facility rating methodology.

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<sup>1</sup> Violations are on a per requirement basis.



Describe the reliability impact of this non-compliance:

The risk to the reliability of the Bulk Electric System is minimal as we are confident that the equipment at our South Cut Bank switchyard is not loaded beyond rated capacity. Our standard practice is to not allow our equipment to be loaded beyond its manufacturers rating.

Expected date of Mitigation Plan submittal: 12/18/2008

## **Attachment c**

### **Settlement Agreement by and between WECC and GLEC executed on November 16, 2009**

**SETTLEMENT AGREEMENT  
OF  
WESTERN ELECTRICITY COORDINATING COUNCIL  
AND  
GLACIER ELECTRIC COOPERATIVE, INC.**

Western Electricity Coordinating Council ("WECC") and Glacier Electric Cooperative, Inc. ("GLEC") (collectively the "Parties") hereby enter into this Settlement Agreement ("Agreement") on this 3<sup>rd</sup> day of Nov, 2009.

**RECITALS**

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

*NERC ID: WECC200901256 FAC-008-0 R.1, Facilities Design, Connections and Maintenance*  
*NERC ID: WECC200801255 FAC -009-0 R.1, Facilities Design, Connections and Maintenance*

B. GLEC is a rural electric cooperative. Its principal offices are located in Cut Bank, MT. Glacier Electric has well over 1,800 miles of power lines, 7,100 meters and operates with a work force of 35 employees.

C. WECC was formed on April 18, 2002 by the merger of the Western Systems Coordinating Council, Southwest Regional Transmission Association and Western Regional Transmission Association. WECC is one of eight Regional Entities in the United States responsible for coordinating and promoting electric system reliability and enforcing the mandatory Reliability Standards created by NERC under the authority granted in Section 215 of the Federal Power Act. In addition, WECC supports efficient competitive power markets, assures open and non-discriminatory transmission access among members, provides a forum for resolving transmission access disputes, and provides an environment for coordinating the operating and planning activities of its members. WECC's region encompasses a vast area of nearly 1.8 million square miles extending from Canada to Mexico and including 14 western states. It is the largest and most diverse of the eight Regional Entities in the United States.

D. The Parties are entering into this Agreement to settle the disputed matters between them. It is in the Parties' and the public's best interests to resolve this matter efficiently without the delay and burden associated with a contested proceeding.

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 GLEC for subsequent violations of the same Reliability Standards addressed herein and taking enforcement action, if necessary. Such enforcement action can include assessing penalties against GLEC 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 GLEC hereby agree and stipulate to the following:

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

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

## **II. Confirmed Violations**

### **A. NERC Reliability Standard FAC-008-1, Requirement 1**

***FAC-008-1 R. 1: The Transmission Owner and Generator Owner shall each document its current methodology used for developing Facility Ratings (Facility Ratings Methodology) of its solely and jointly owned Facilities.***

GLEC is subject to this Standard because it was registered on the NERC Compliance Registry as a Transmission Owner ("TO") on November 1, 2008. Upon registration as a TO, GLEC reviewed its operations to determine compliance with NERC Standards for its new function. GLEC Self-Reported a violation of this Standard on December 18, 2009, explaining that during its operations review, it discovered there was no documented Facility Ratings Methodology for GLEC Facilities.

A WECC subject matter expert ("SME") reviewed the Self-Report and determined GLEC had a possible violation of the Standard. In a discussion with GLEC, a WECC SME determined that GLEC operates its facilities using the most limiting element and the manufacturer ratings for its equipment, indicating that a limited methodology was used in its facility ratings; however, no documented Facility Ratings Methodology existed. The SME forwarded the findings to the WECC Enforcement Department ("Enforcement") for its review and consideration.

Enforcement reviewed the Self-Report and the findings of the SME, and determined that GLEC had an Alleged Violation of FAC-008 R1 because GLEC does not have a documented Facility Ratings Methodology for its transmission facility at South Cut Bank switchyard as required by the Standard.

GLEC submitted a mitigation plan for this violation on December 18, 2008. This mitigation plan stated that GLEC would develop a Facility Ratings Methodology for its

equipment lacking documentation. This mitigation plan was accepted by WECC on January 9, 2009. GLEC reported the mitigation plan completed on March 24, 2009. A WECC SME reviewed and accepted the completed mitigation plan based on the supporting evidence on April 1, 2009.

**B. NERC Reliability Standard FAC-009-1, Requirement 1**

***FAC-009-1 R. 1: The Transmission Owner and Generator Owner shall each establish Facility Ratings for its solely and jointly owned Facilities that are consistent with the associated Facility Ratings Methodology.***

GLEC is subject to this Standard because it was registered on the NERC Compliance Registry as a TO on November 1, 2008. Upon registration as a TO, GLEC reviewed its operations to determine compliance with NERC Compliance Standards for its new function. GLEC Self-Reported this violation of the Standard on December 18, 2009, as a result of its operations review. GLEC discovered that although it does have Facility Ratings used in operations, there was no documented Facility Ratings Methodology, thus the facility ratings were developed outside the methodology.

A WECC SME reviewed the Self-Report and determined GLEC had a possible violation of the Standard because it had no facility ratings based on a Facility Ratings Methodology for its equipment. The SME forwarded the findings to Enforcement for its review and consideration.

Enforcement reviewed the Self-Report and the findings of the SME, and determined GLEC had an Alleged Violation of the Standard because GLEC's Facility Ratings were not established consistent with an associated Facility Ratings Methodology.

GLEC submitted a mitigation plan for this violation on December 18, 2008. This mitigation plan stated that GLEC would develop a Facility Ratings Methodology as detailed under its mitigation plan for FAC-008-1 R1 filed on the same day. GLEC stated once it completes its Facility Ratings Methodology, it would develop facility ratings for its equipment. GLEC reported it had completed its Facility Rating Methodology and thus its mitigation plan on March 24, 2009. On August 31, 2009, a WECC SME reviewed and accepted the completed mitigation plan based on evidence provided by GLEC along with written correspondence with the entity.

**III. Settlement Terms**

A. Payment. To settle this matter, GLEC hereby agrees to pay \$2,500 to WECC via wire transfer or cashier's check. GLEC shall make the funds payable to a WECC account identified in a Notice of Payment Due that WECC will send to GLEC upon approval of this Agreement by NERC and the Federal Energy Regulatory Commission ("FERC"). GLEC shall issue the payment to WECC no later than thirty 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 post the Agreement publicly. If either NERC or FERC rejects the Agreement, then WECC will attempt to negotiate a revised settlement agreement with GLEC that includes any changes to the Agreement specified by NERC or FERC. If the Parties cannot reach a settlement agreement, the CMEP governs the enforcement process.

B. Settlement Rationale. WECC's determination of 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 the 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 and Violation Severity Level, and the risk to the reliability of the BPS; (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 GLEC's Alleged Violations in accordance with NERC's VRF Matrix dated June 25, 2009:

1. The violation of FAC-008-1R1 has a VRF of Lower. WECC determined that this violation posed a minimal risk to the reliability of the BES because in the absence of a formal facility rating methodology, GLEC operated its facilities using the most limiting element and the manufacturer ratings.
2. The violation of FAC-009-1R1 has a VRF of Medium. WECC determined that this violation posed a minimal risk to the reliability of the BES because in the absence of facility ratings based on a facility rating methodology, GLEC operated its facilities using the most limiting element and the manufacturer ratings.

In addition to the factors listed above, WECC considered several mitigating factors to reach an agreement with GLEC regarding the payment amount. First, the Alleged Violations addressed by this Agreement are GLEC's first assessed noncompliance with the applicable Reliability Standards. Second, GLEC mitigated all of the violations. Third, GLEC was cooperative throughout WECC's evaluation of its compliance with the Reliability Standards and the enforcement process.



In reaching this Agreement, WECC considered that there were no aggravating factors warranting a higher payment amount. Specifically, GLEC did not have any negative compliance history. There was no failure by GLEC to comply with applicable compliance directives, nor any evidence of an attempt by GLEC to conceal a violation. Finally, there was no evidence that GLEC'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 GLEC 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. GLEC agrees that the Agreement, upon approval by NERC and FERC, is a final settlement of all matters set forth herein. GLEC waives its right to further hearings and appeal, unless and only to the extent that GLEC 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 GLEC in accordance with the Agreement, the CMEP and the NERC Rules of Procedure. In the event that GLEC fails to comply with any of the terms of this Agreement, WECC shall have the right to pursue enforcement, penalty or sanction actions against GLEC up to the maximum penalty allowed by the NERC Rules of Procedure. GLEC 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. GLEC consents to the use of WECC's determinations, findings, and conclusions set forth in this Agreement for the purpose of assessing the factors, including the factor of determining the company's history of violations, in accordance with the NERC Sanction Guidelines and applicable Commission orders and policy statements. Such use may be in any enforcement action or compliance proceeding undertaken by NERC and/or any Regional Entity; provided, however, that Registered Entity does not consent to the use of the specific acts set forth in this Agreement as the sole basis for any other action or proceeding brought by NERC and/or WECC, nor does GLEC consent to the use of this Agreement by any other party in any other action or proceeding.

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

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

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

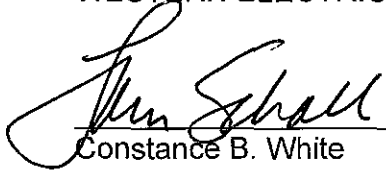
L. Captions. The Agreement's titles, headings and captions are for the purpose of convenience only and in no way define, describe or limit the scope or intent of the Agreement.

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

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

Agreed to and accepted:

WESTERN ELECTRICITY COORDINATING COUNCIL

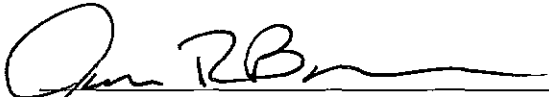


Constance B. White  
Vice President of Compliance

11/16/09

Date

GLACIER ELECTRIC COOPERATIVE, INC.



Jasen Bronec  
General Manager

11-3-09

Date

## **Attachment d**

**GLEC's Mitigation Plan designated as MIT-08-1333 for FAC-008-1 R1 submitted December 18, 2008**



## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 12/18/2008

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: Glacier Electric Cooperative, Inc  
Registered Entity Address:  
410 East Main Street  
Cut Bank, MT 59427  
NERC Compliance Registry ID: NCR05171

- 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: Joshua Dellinger  
Title: Manager Of Technical Services

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<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: joshd@glacierelectric.com

Phone: 406-873-5566



### **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: FAC-008-1

*[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	Minimal	12/18/08	Self-Report
		R2	Minimal	12/18/08	Self-Report

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

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

Self-evaluation. We have recently registered as a TO/TOP and are now subject to the standards dealing with those utility functions. We are going through a gap analysis to determine any gaps we may have in our compliance with the TO/TOP applicable 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:





Western Electricity Coordinating Council



We currently only own one transmissoin facility (the South Cut Bank switchyard) and are confident that no equipment in this station is loaded beyond its rated capacity. Our standard practice is to not allow any equipment to be loaded beyond its manufacturer's rating. Our non-compliance with this standard is mainly due to the lack of documentation of a formal facility rating methodology.

[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. Discuss facility ratings methodology with NorthWestern Energy. NorthWestern is our host balancing authority and control area operator, and they own equipment in our South Cut Bank switchyard.
2. Brainstorm internally about possible approaches to developing a facility ratings methodology that makes the most sense for our situation.
3. Develop a facility ratings methodology.
4. Review facility ratings methodology.
5. Final approval of facility ratings methodology.

[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: Expected mitigation plan completion date: 10/01/09.



Western Electricity Coordinating Council



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)
1. Discuss facility ratings methodology with NorthWestern Energy.	03/01/09
2. Brainstorm internally about possible approaches of developing a facility ratings methodology.	05/01/09
3. Develop facility ratings methodology.	08/01/09
4. Review facility ratings methodology.	09/01/09
5. Final approval of facility ratings methodology.	10/01/09

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

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

#### **Additional Relevant Information (Optional)**

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

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



## **Section E: Interim and Future Reliability Risk**

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

### **Abatement of Interim BPS Reliability Risk**

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

The risk to the reliability of the Bulk Electric System is minimal as we are confident that the equipment at our South Cut Bank switchyard is not loaded beyond rated capacity. Our standard practice is to not allow our equipment to be loaded beyond its manufacturers rating.  
[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:

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

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



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



## Section F: Authorization

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

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC and approval by NERC, and
- b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
  1. I am Manager of Technical Services of Glacier Electric Cooperative.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Glacier Electric Cooperative.
  3. I understand Glacier Electric'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. Glacier Electric Cooperative 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:**

A handwritten signature in black ink, appearing to read 'Josh Dellinger', is written over a horizontal line.

Digitally signed by Joshua Dellinger  
DN: cn=Joshua Dellinger, o=Glacier Electric  
Cooperative, ou, email=joshd@glacierelectric.  
com, c=US  
Date: 2008.12.18 12:34:07 -07'00'

(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Joshua Dellinger  
Title: Manager of Technical Services  
Date: 12/18/08



### **Section G: Comments and Additional Information**

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

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

### **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 e**

**GLEC's Certification of Completion of the  
Mitigation Plan for FAC-008-1 R1 submitted  
March 24, 2009**



## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date of submittal: 03/24/09

If this Mitigation Plan is complete:

- Check this box ☒
- Provide the Date of the Mitigation Plan Completion: 03/24/09
- In order for the Mitigation Plan to be accepted for review the following items must be submitted along with this Mitigation Plan Submittal Form:
  - Evidence supporting full compliance
  - Sections A, B, C, D.1, E.2, E.3, and F must be completed in their entirety

### **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: Glacier Electric Cooperative, Inc  
Registered Entity Address:  
410 East Main Street  
Cut Bank, MT 59427  
NERC Compliance Registry ID: NCR05171

- 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>

<sup>1</sup> A copy of the WECC CMEP is posted on WECC's website at [http://compliance.wecc.biz/Documents/Forms/03.06%20-%20WECC%20Mitigaton%20Plan%](http://compliance.wecc.biz/Documents/Forms/03.06%20-%20WECC%20Mitigaton%20Plan%20Form.pdf)  
Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC



Name: Joshua Dellinger  
 Title: Manager Of Technical Services  
 Email: joshd@glacierelectric.com  
 Phone: 406-873-5566

### **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: FAC-008-1  
*[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	Minimal	12/18/08	Self-Report
		R2	Minimal	12/18/08	Self-Report

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

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

Self-evaluation. We had recently registered as a TO and were going through a gap analysis to determine any gaps we may have in our compliance with the TO applicable standards.

---

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



[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:

Our standard practice is to not allow any equipment to be loaded beyond its manufacturer's rating. Our non-compliance with this standard was mainly due to the lack of documentation of a formal facility rating methodology. After developing this facility rating methodology, we confirmed that none of our transmission facilities are loaded beyond rated capacity.

[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. Discuss facility ratings methodology with NorthWestern Energy. NorthWestern is our host balancing authority and control area operator, and they own equipment in our South Cut Bank switchyard.
2. Brainstorm internally about possible approaches to developing a facility ratings methodology that makes the most sense for our situation.
3. Develop a facility ratings methodology.
4. Review facility ratings methodology.
5. Final approval of facility ratings methodology.

[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:



Western Electricity Coordinating Council



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)

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

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

#### **Additional Relevant Information (Optional)**

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

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



## **Section E: Interim and Future Reliability Risk**

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

### **Abatement of Interim BPS Reliability Risk**

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

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

### **Prevention of Future BPS Reliability Risk**

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

We have a documented Facility Rating Methodology that meets the requirements of FAC-008. This should prevent us from incurring any violations pertaining to this standard. Please see the attached "Glacier Electric Cooperative (GEC) Facility Rating Methodology" document for evidence of our compliance with FAC-008.

[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:

None.

[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 Joshua Dellinger of Glacier Electric Cooperative.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Glacier Electric Cooperative.
  3. I understand Glacier Electric'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. Glacier Electric Cooperative 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): Joshua Dellinger  
Title: Manager of Technical Services  
Date: 03/24/2009



Western Electricity Coordinating Council



## **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://compliance.wecc.biz/Application/Documents/Forms/WECC%20Compliance%20Data%20Submittal%20Policy.pdf>



## **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 f**

### **WECC's Verification of Completion of the Mitigation Plan for FAC-008-1 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

Joshua Dellinger  
Manager of Technical Services  
Glacier Electric Cooperative, Inc.  
410 East Main Street  
Cut Bank, Montana 59427

NERC Registration ID: NCR05171

Subject: Certification of Completion Response Letter

Dear Joshua Dellinger,

The Western Electricity Coordinating Council (WECC) has received the Certification of Completion and supporting evidence on 3/24/2009 for Glacier Electric Cooperative, Inc. GLEC's alleged violation of Reliability Standard FAC-008-1 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 FAC-008-1 and have found these requirements to be fully mitigated. No further mitigation of these requirements will be required at this time.

If you have any questions or concerns, please contact Jay Look at [jay@wecc.biz](mailto:jay@wecc.biz). Thank you for your assistance in this effort.

Sincerely,

*Laura Scholl*

Laura Scholl  
Managing Director of Compliance

LS:cm

cc: Jasen Bronec, GLEC General Manager  
Lisa Milanec, WECC Manager of Compliance Program Administration  
Jay Look, WECC Senior Compliance Engineer

## **Attachment g**

**GLEC's Mitigation Plan designated as MIT-08-1332 for FAC-009-1 R1 submitted January 9, 2009**





## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: 01/09/2009

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: Glacier Electric Cooperative, Inc  
Registered Entity Address:  
410 East Main Street  
Cut Bank, MT 59427  
NERC Compliance Registry ID: NCR05171

- 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: Joshua Dellinger  
Title: Manager Of Technical Services

---

<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: joshd@glacierelectric.com

Phone: 406-873-5566



### **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: FAC-009-1

*[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	Minimal	12/18/08	Self-Report

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

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

Self-evaluation. We have recently registered as a TO/TOP and are now subject to the standards dealing with those utility functions. We are going through a gap analysis to determine any gaps we may have in our compliance with the TO/TOP applicable 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:



Western Electricity Coordinating Council



We currently only own one transmissoin facility (the South Cut Bank switchyard) and are confident that no equipment in this station is loaded beyond its rated capacity. Our standard practice is to not allow any equipment to be loaded beyond its manufacturer's rating. Our non-compliance with this standard is mainly due to the lack of documentation of a formal facility rating methodology.

[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. Complete mitigation plan for FAC-008-1 (see the mitigation plan submitted for this standard for schedule).
2. Use facility ratings methodology developed for FAC-008-1 to establish facility ratings for transmission facilities.

[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: Expected mitigation plan completion date: 12/01/09.

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

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



Western Electricity Coordinating Council



	(milestones cannot be more than 3 months apart)
1. Complete mitigation plan for FAC-008-1	10/01/09
2. Use facility ratings methodology developed for FAC-008-1 to establish facility ratings for transmission facilities.	12/01/09

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

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

### **Additional Relevant Information (Optional)**

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

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



## **Section E: Interim and Future Reliability Risk**

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

### **Abatement of Interim BPS Reliability Risk**

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

The risk to the reliability of the Bulk Electric System is minimal as we are confident that the equipment at our South Cut Bank switchyard is not loaded beyond rated capacity. Our standard practice is to not allow our equipment to be loaded beyond its manufacturers rating.  
[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:

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

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



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



## Section F: Authorization

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

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC and approval by NERC, and
- b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
  1. I am Manager of Technical Services of Glacier Electric Cooperative.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Glacier Electric Cooperative.
  3. I understand Glacier Electric'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. Glacier Electric Cooperative 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:**

A handwritten signature in black ink, appearing to read 'Josh Dellinger', is written over a horizontal line.

Digitally signed by Joshua Dellinger  
DN: cn=Joshua Dellinger, o=Glacier  
Electric Cooperative, ou,  
email=joshd@glacierelectric.com, c=US  
Date: 2009.01.09 14:47:37 -07'00'

(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Joshua Dellinger  
Title: Manager of Technical Services  
Date: 01/09/09



### **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.



*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 h**

### **GLEC's Certification of Completion of the Mitigation Plan for FAC-009-1 R1 submitted August 11, 2009**



**Non-Public and CONFIDENTIAL**

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## **Certification of Mitigation Plan Completion Form**

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

---

**Registered Entity: Glacier Electric Cooperative**

**NERC Registry ID: NCR05171**

**Date of Submittal of Certification: 08/11/2009**

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

**Standard: FAC-009-1**

**Requirement(s): R1**

**Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan (if applicable): 12/01/2009**

**Date Mitigation Plan was actually completed: 03/24/2009**

**Additional Comments (or List of Documents Attached): See the attached GEC Facility Ratings document for the ratings established for our transmission equipment.**

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

**Name: Joshua Dellinger**

**Title: Manager of Technical Services**

**Email: joshd@glacierelectric.com**

**Phone: 406-873-5566**

**Authorized Signature:**

**Date: 08/11/2009**

## **Attachment i**

### **WECC's Verification of Completion of the Mitigation Plan for FAC-009-1 R1 dated September 23, 2009**

**CONFIDENTIAL**



**Laura Scholl**  
Managing Director of Compliance

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

September 23, 2009

Joshua Dellinger  
Manager of Technical Services  
Glacier Electric Cooperative, Inc.  
410 East Main Street  
Cut Bank, Montana 59427

NERC Registration ID: NCR05171

Subject: Certification of Completion Response Letter

Dear Joshua Dellinger,

The Western Electricity Coordinating Council (WECC) received the Certification of Completion and supporting evidence of Glacier Electric Cooperative, Inc. (GLEC) on 8/11/2009 for the alleged violation of Reliability Standard FAC-009-1 Requirement 1.

WECC has accepted the Certification of Completion for Requirement 1 of the Reliability Standard FAC-009-1 and has found this requirement to be fully mitigated. No further mitigation of these requirements will be required at this time.

If you have any questions or concerns, please contact Jay Look at [jay@wecc.biz](mailto:jay@wecc.biz). Thank you for your assistance in this effort.

Sincerely,

*Laura Scholl*

Laura Scholl  
Managing Director of Compliance

LS:ki

cc: Jasen Bronec, GLEC General Manager  
Lisa Milanes, WECC Manager of Compliance Program Administration  
Jay Look, WECC Senior Compliance Engineer

**Attachment j**

**Notice of Filing**

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Glacier Electric Cooperative, Inc.

Docket

No. NP10-\_\_\_\_-000

NOTICE OF FILING  
April 28, 2010

Take notice that on April 28, 2010, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Glacier Electric 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