



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

June 2, 2010

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

**Re: NERC Notice of Penalty regarding Tri-State Generation and Transmission
Association, Inc. - Reliability
FERC Docket No. NP10_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding Tri-State Generation and Transmission Association, Inc. - Reliability (TSGT),² NERC Registry ID NCR10030,³ 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)).⁴

As a result of a Compliance Audit conducted from June 1, 2009 through June 5, 2009 (Audit), the Western Electricity Coordinating Council (WECC) identified TSGT's possible non-compliance with (i) EOP-005-1 Requirement (R) 1 because TSGT's restoration plan did not include the communication adequacy and protocol and power supplies; (ii) EOP-005-1 R4 for

¹ *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards* (Order No. 672), III FERC Stats. & Regs. ¶ 31,204 (2006); *Notice of New Docket Prefix "NP" for Notices of Penalty Filed by the North American Electric Reliability Corporation*, Docket No. RM05-30-000 (February 7, 2008). *See also* 18 C.F.R. Part 39 (2010). *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693), *reh'g denied*, 120 FERC ¶ 61,053 (2007) (Order No. 693-A).

² On October 14, 2009, NERC submitted an Omnibus filing which addressed violations for certain registered entities including TSGT for violations of Reliability Standards that are not at issue in this filing. 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.

³ Western Electricity Coordinating Council confirmed that TSGT was included on the NERC Compliance Registry as a Transmission Owner, Transmission Operator, Transmission Planner and Transmission Service Provider on July 11, 2007. TSGT was also initially registered on the NERC Registry as Planning Authority on July 11, 2007. The Transmission Owner, Transmission Operator and Transmission Service Provider registrations were deactivated as of September 21, 2007, but were reactivated as of December 20, 2007. The Planning Authority function was deactivated on December 2, 2008 and has not been reactivated. As a Transmission Operator, TSGT is subject to the requirements of Reliability Standard EOP-005-1. As a Transmission Owner, TSGT is subject to the requirements of Reliability Standard PRC-005-1.

⁴ *See* 18 C.F.R. § 39.7(c)(2).

TSGT's failure to coordinate its restoration plans with the Generator Owners within its system; and (iii) PRC-005-1 R1 for TSGT's failure to have a summary of maintenance and testing procedures for DC circuitry. This Notice of Penalty is being filed with the Commission because TSGT does not dispute the violations⁵ of EOP-005-1 R1, EOP-005-1 R4 and PRC-005-1 R1 and the proposed twenty six thousand dollar (\$26,000) financial penalty to be assessed to TSGT. Accordingly, the violations identified as NERC Violation Tracking Identification Numbers WECC200901668, WECC200901669 and WECC200901670 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 Notice of Confirmed Violation and Proposed Penalty or Sanction (NOCV) issued on December 10, 2009, by WECC. The details of the findings and basis for the penalty are set forth herein. This Notice of Penalty filing contains the basis for approval of this Notice of Penalty by the NERC Board of Trustees Compliance Committee (BOTCC). In accordance with Section 39.7 of the Commission's Regulations, 18 C.F.R. § 39.7, NERC provides the following summary table identifying the Reliability Standards at issue in this Notice of Penalty.

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Std.	Req.	VRF	Total Penalty (\$)
WECC	Tri-State Generation and Transmission Association, Inc. – Reliability	NOC-434	WECC200901668	EOP-005-1	1	Medium	26,000
			WECC200901669	EOP-005-1	4	Medium	
			WECC200901670	PRC-005-1	1	High ⁶	

EOP-005-1

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

EOP-005-1 R1 requires that:

Each Transmission Operator shall have a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system,

⁵ The instant violations are Confirmed Violations; however, for purposes of this document, the violations at issue are described as "violations," regardless of their procedural posture and whether they were possible, alleged or confirmed violations.

⁶ When NERC filed VRFs for PRC-005-1, NERC originally assigned a "Medium" VRF to PRC-005-1 Requirement R1. In the Commission's May 18, 2007 Order on Violation Risk Factors, the Commission approved the VRF as filed but directed modifications. On June 1, 2007, NERC filed the modified "High" VRF for PRC-005 Requirement R1 for approval. On August 6, 2007, the Commission issued an Order approving the modified VRF. Therefore, the "Medium" VRF was in effect from June 18, 2007 until August 9, 2007 and the "High" VRF has been in effect since August 6, 2007.

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

EOP-005-1 R1 has a “Medium” Violation Risk Factor (VRF). TSGT is subject to EOP-005-1 R1 as a Transmission Operator.

EOP-005-1 R4 requires that:

Each Transmission Operator shall coordinate its restoration plans with the Generator Owners and Balancing Authorities within its area, its Reliability Coordinator, and neighboring Transmission Operators and Balancing Authorities.

EOP-005-1 R4 has a “Medium” VRF. TSGT is subject to EOP-005-1 R4 as a Transmission Operator.

During the Audit, TSGT was unable to provide evidence to WECC’s Audit Team (Audit Team) that its restoration plan (1) considered telecommunications power supplies for vital telecommunications; and (2) was coordinated with the Generator Owners within its system.

With regard to the attachment to EOP-005-1 R1, Attachment 1 – EOP-005, the Elements for Consideration in Development of Restoration Plans, the second requirement states that restoration plans must consider, if applicable, the “provision for a reliable black-start capability plan including: fuel resources for black start power for generating units, available cranking and transmission paths, and communication adequacy and protocol and power supplies.” The Audit Team determined that although there are no blackstart capable generating facilities located within TSGT’s transmission system, TSGT’s restoration plan is still required to address blackstart as required by the second requirement of Attachment 1 – EOP-005, including communication adequacy and protocol and power supplies. Specifically, the Audit Team determined that TSGT’s restoration documentation did not include the loss of vital telecommunications channels, specifically the availability of communications power supplies for voice, data and control at TSGT’s primary and backup control centers and at remote vital system facilities.

TSGT confirmed that telecommunication power supplies have always been considered and incorporated in TSGT’s design standards but were not considered in TSGT’s System Operations’ *Emergency Restoration Plan*. During the Audit, TSGT provided the Audit Team evidence that both the primary and back up control centers have emergency generators and uninterruptible power supplies (UPS) which are tested regularly. The Audit Team confirmed that communication power supplies located in TSGT’s primary and backup control centers are powered by emergency generators and uninterruptible power supplies neither of which are considered in TSGT’s restoration plan. Additionally, the restoration plan does not consider the power supplies at any of TSGT’s other facilities.

WECC reviewed the Audit Team’s findings and TSGT’s submittals and determined that the facts and evidence supported a finding that TSGT violated EOP-005-1 R1, because TSGT’s

restoration plan did not include the loss of vital telecommunications channels, specifically the availability of communications power supplies for voice, data and control at TSGT's primary and backup control centers and at remote vital system facilities.

WECC determined the duration of the violation to be from July 11, 2007, when TSGT was placed on the NERC registry as a Transmission Operator, until September 8, 2009, when TSGT completed its Mitigation Plan.

WECC determined that the violation of EOP-005-1 R1 posed a moderate risk to the bulk power system (BPS) because the loss of voice, data and/or control systems concurrent with an outage could hinder and/or complicate system recovery efforts. The violation did not pose a serious or substantial risk to the reliability of the BPS because TSGT's primary and backup control centers have regularly tested emergency generators and uninterruptible power supplies that minimize the likelihood that voice, data and control systems would be lost concurrent with a system blackout.

With regard to EOP-005-1 R4, the Audit Team determined that TSGT had properly coordinated its restoration plan with all of its adjacent Balancing Authorities and Transmission Operators as well as its Reliability Coordinator. However, TSGT did not communicate coordination of its Restoration Plan with TSGT's sister company, Tri-State Generation and Transmission Association, Inc. – Marketing (TSMD), which serves as the Generator Owner function within its system. The Audit Team, while recognizing the relationship between TSGT and TSMD, determined that a possible non-compliance existed because coordination of restoration plans is not a passive activity, and requires evidence of some type of communication or interaction between the two functions explicitly addressing coordination of restoration plans. Because TSGT could not produce any form of evidence that confirmed communication or interaction existed between the two functions explicitly addressing coordination of restoration plans, the Audit Team determined that a possible non-compliance existed.

WECC reviewed the Audit Team's findings and TSGT's submittals and determined that the facts and evidence supported confirmation that TSGT violated EOP-005-1 R4, because TSGT could not provide evidence to show that it had coordinated its restoration plan with the Generator Owners in its footprint.

WECC determined the duration of the violation to be from July 11, 2007, when TSGT was placed on the NERC registry as a Transmission Operator, until September 8, 2009, when TSGT completed its Mitigation Plan.

WECC determined that the violation of EOP-005-1 R4 did not pose a serious or substantial risk to the reliability of the BPS because, although not detailed in TSGT's restoration plan, communication existed⁷ between TSGT and the Generator Owners in its system which could have facilitated coordination of any necessary restoration plans. In addition, TSGT provided documentation showing that Generator Operators from generating facilities owned by Tri-State Generation and Transmission Association, Inc. – Marketing participate in TSGT emergency

⁷ Although TSGT and its Generator Owners communicated with each other, there was no evidence that this communication involved coordination of the Restoration Plan.

operations training. This documentation also indicated that during emergency conditions TSGT, as the Transmission Operator, would become the operating authority for TSMD's generating units. This indicates that TSGT had operational authority over generation owned by Tri-State during all emergency conditions.⁸

PRC-005-1

The purpose of Reliability Standard PRC-005-1 is to ensure all transmission and generation Protection Systems⁹ affecting the reliability of the BPS are maintained and tested.

PRC-005-1 R1 requires that:

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

- R1.1. maintenance and testing intervals and their basis; and
- R1.2. a summary of maintenance and testing procedures.

PRC-005-1 R1 and its sub-requirements have a "High" VRF. TSGT is subject to PRC-005-1 R1 as a Transmission Owner.

The Audit Team determined that TSGT's current Protection System Maintenance and Testing Program (TMIP), dated April 16, 2009, met the requirements of the subject Standard. However, after reviewing the May 31, 2007 version of TSGT's TMIP, the Audit Team determined that a possible non-compliance existed because the previous version of TSGT's TMIP did not contain a description of the maintenance and testing procedures for DC control circuitry. During an interview with TSGT personnel on June 4, 2009, TSGT stated that although various practices were used prior to April 16, 2009, no documented summary of such procedures existed.

WECC reviewed the Audit Team's findings and TSGT's submittals and determined that the facts and evidence supported confirmation that TSGT violated PRC-005-1 R1 because TSGT's Protection System maintenance and testing program did not contain a summary of maintenance and testing procedures for DC control circuitry prior to April 16, 2009.

WECC determined the duration of the violation to be from July 11, 2007, when TSGT was placed on the NERC registry as a Transmission Owner, until April 16, 2009, when TSGT revised its TMIP to meet the requirements of the subject Standard.

WECC determined that the violation of PRC-005-1 R1 did not pose a serious or substantial risk to the reliability of the BPS because TSGT was performing maintenance and testing of its DC

⁸ On June 4, 2009, TSGT provided documentation demonstration that, during emergency conditions, TSGT as the Transmission Operator becomes the operating authority for Tri-State's Generating Units.

⁹ *The NERC Glossary of Terms Used in Reliability Standards*, updated April 20, 2009, defines Protection System as "Protective relays, associated communication systems, voltage and current sensing devices, station batteries and DC control circuitry."

circuitry but was non-compliant with the subject Standards requirement because it failed to incorporate a summary of the testing procedures in its May 31, 2007 version of its TMIP.

Regional Entity's Determination of Penalty

WECC assessed a penalty of twenty-six thousand dollars (\$26,000) for the referenced violations. In reaching this determination, WECC considered the following factors:

1. the violations constituted TSGT's first occurrence of violations of the subject NERC Reliability Standards;
2. TSGT was cooperative throughout the compliance enforcement process;
3. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so; and
4. WECC determined that the violations did not pose a serious or substantial risk to the reliability of the BPS, as discussed above.

Therefore, WECC determined that, in this instance, the penalty amount of twenty six thousand dollars (\$26,000) is appropriate and bears a reasonable relation to the seriousness and duration of the subject violations.

Status of Mitigation Plans¹⁰

EOP-005-1

TSGT's Mitigation Plan to address the violations of EOP-005-1 R1 and R4 was submitted to WECC on September 9, 2009 as completed with a completion date of September 8, 2009. The Mitigation Plan was accepted by WECC on December 9, 2009 and was approved by NERC on December 18, 2009. The Mitigation Plan is designated as MIT-07-2175 and was submitted as non-public information to FERC on December 18, 2009, in accordance with FERC orders.

TSGT's Mitigation Plan required TSGT to complete the following actions: (1) compile the telecommunications power supplies for vital facilities and include the details in an appendix to its Emergency Operations Plan; (2) provide periodic reliability compliance training to its Telecom Engineering and Telecom Maintenance Teams to reinforce vital roles in supporting system restoration; (3) provide TSMD with a copy of its Emergency Operations Plan which addresses restoration; and (4) hold a phone conference with the Tri-State Generator Owner to reinforce coordination in the event of system restoration.

On November 16, 2009, TSGT certified that its Mitigation Plan was completed on September 8, 2009 and presented the following evidence: (1) a copy of its revised Emergency Operations Plan dated July 22, 2009, (2) copies of e-mails demonstrating that TSGT's Emergency Operations Plan had been distributed, and (3) meeting notes for the phone conference that was held to reinforce coordination.

¹⁰ See 18 C.F.R. § 39.7(d)(7).

On December 9, 2009, WECC reviewed TSGT's submitted evidence, verified that the Mitigation Plan was completed and notified TSGT on December 18, 2009 that the violations of EOP-005-1 R1 and R4 had been mitigated.

PRC-005-1

TSGT's Mitigation Plan to address the violation of PRC-005-1 R1 was submitted to WECC on September 9, 2009 as completed with a completion date of September 8, 2009.¹¹ The Mitigation Plan was accepted by WECC on November 19, 2009 and was approved by NERC on December 2, 2009. The Mitigation Plan is designated as MIT-07-2151 and was submitted as non-public information to FERC on December 2, 2009, in accordance with FERC orders.

TSGT's Mitigation Plan required TSGT to complete the following actions: (1) incorporate the NERC Glossary definition of Protection Systems into its TMIP; (2) reinforce the compliance message via direct e-mail communication to maintenance personnel; and (3) provide periodic reliability compliance training to TSGT's System Protection and Maintenance and Inspection Teams.

On November 16, 2009, TSGT certified that its Mitigation Plan was completed on September 8, 2009 and presented the following evidence: (1) a copy of its revised TMIP dated July 22, 2009, and (2) a copy of an email sent to maintenance to reinforce compliance.

On November 19, 2009, WECC reviewed TSGT's submitted evidence, verified that the Mitigation Plan was completed and notified TSGT on December 2, 2009 that the violation of PRC-005-1 R1 had been mitigated.

Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed¹²

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 and October 26, 2009 Guidance Orders,¹³ the NERC BOTCC reviewed the NOCV and supporting documentation on April 12, 2010. The NERC BOTCC approved the assessment of a twenty-six thousand dollar (\$26,000) financial penalty against TSGT based upon WECC's findings and determinations, the NERC BOTCC's review of 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:

¹¹ This Mitigation Plan submitted to FERC mistakenly stated it was completed on September 3, 2009.

¹² See 18 C.F.R. § 39.7(d)(4).

¹³ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009).

1. The violations constituted TSGT's first occurrence of violations of the subject NERC Reliability Standards;
2. WECC reported TSGT was cooperative throughout the compliance enforcement process;
3. There was no evidence of any attempt to conceal a violation nor evidence of intent to do so; and
4. The violations did not pose a serious or substantial risk to the reliability of the BPS, as discussed above.

For the foregoing reasons, the NERC BOTCC believes that the proposed twenty-six thousand dollar (\$26,000) penalty amount is appropriate for the violations and circumstances in question, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

Pursuant to Order No. 693, the penalty will be effective upon expiration of the thirty (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 Included as Part of the Notice of Penalty

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

- a) Included as Attachment a for EOP-005-1 R1 and R4:
 - 1. WECC's Violation Tracking and Reporting Screenshot for EOP-005-1 R1 dated June 9, 2009;¹⁴
 - 2. WECC's Violation Tracking and Reporting Screenshot for EOP-005-1 R4 dated June 9, 2009;¹⁵
 - 3. TSGT's Mitigation Plan designated as MIT-07-2175 for EOP-005-1 R1 and R4 submitted September 9, 2009;
 - 4. TSGT's Certification of Completion of the Mitigation Plan for EOP-005-1 R1 and R4 dated November 16, 2009;
 - 5. WECC's Verification of Completion of the Mitigation Plan for EOP-005-1 R1 and R4 dated December 18, 2009;
- b) Included as Attachment b for PRC-005-1 R1:
 - 1. WECC's Violation Tracking and Reporting Screenshot for PRC-005-1 R1 dated June 9, 2009;¹⁶
 - 2. TSGT's Mitigation Plan designated as MIT-07-2151 for PRC-005-1 R1 submitted September 9, 2009;
 - 3. TSGT's Certification of Completion of the Mitigation Plan for PRC-005-1 R1 dated November 16, 2009; and
 - 4. WECC's Verification of Completion of the Mitigation Plan for PRC-005-1 R1 dated December 2, 2009.

A Form of Notice Suitable for Publication¹⁷

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

¹⁴ The Violation Tracking and Reporting Screenshots for EOP-005-1 R1 and R4 incorrectly show a deemed date of June 18, 2007.

¹⁵ See n.14 *supra*.

¹⁶ The Violation Tracking and Reporting Screenshot for PRC-005-1 R1 incorrectly shows a deemed date of June 18, 2007.

¹⁷ 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 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6887 (801) 883-6894 – facsimile CLuras@wecc.biz</p> <p>Joel Bladow* Sr. Vice President Transmission Tri-State Generation and Transmission Association, Inc. - Reliability P.O. Box 33695 Denver, CO 80233-0695 (303) 452-3655 (303) 254-6007 – facsimile jbladow@tristategt.org</p> <p>Luis Zaragoza* Compliance Program Manager Tri-State Generation and Transmission Association, Inc. - Reliability P.O. Box 33695 Denver, CO 80233-0695 (303) 254-3113 (303) 254-6007 – facsimile lzaragoza@tristategt.org</p> <p>*Persons to be included on the Commission's service list are indicated with an asterisk. NERC requests waiver of the Commission's rules and regulations to permit the inclusion of more than two people on the service list.</p>	<p>Rebecca J. Michael* Assistant General Counsel Holly A. Hawkins* Attorney North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, D.C. 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net holly.hawkins@nerc.net</p> <p>Louise McCarren* Chief Executive Officer Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6868 (801) 582-3918 – facsimile Louise@wecc.biz</p> <p>Steven Goodwill* General Counsel Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6857 (801) 883-6894 – facsimile SGoodwill@wecc.biz</p> <p>Constance White* Vice President of Compliance Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (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
116-390 Village Boulevard
Princeton, N.J. 08540-5721
(609) 452-8060
(609) 452-9550 – facsimile
gerry.cauley@nerc.net
david.cook@nerc.net

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

cc: Tri-State Generation and Transmission Association, Inc. - Reliability
Western Electricity Coordinating Council

Attachments

Attachment a

Documents for EOP-005-1 R1 and R4:

- 1. WECC's Violation Tracking and Reporting Screenshot for EOP-005-1 R1 dated June 9, 2009**
- 2. WECC's Violation Tracking and Reporting Screenshot for EOP-005-1 R4 dated June 9, 2009**
- 3. TSGT's Mitigation Plan designated as MIT-07-2175 for EOP-005-1 R1 and R4 submitted September 9, 2009**
- 4. TSGT's Certification of Completion of the Mitigation Plan for EOP-005-1 R1 and R4 dated November 16, 2009**
- 5. WECC's Verification of Completion of the Mitigation Plan for EOP-005-1 R1 and R4 dated December 18, 2009**



Compliance and Registration Database Post Violations Tracking and Reporting

Region: Violation Date: WECC ID:
Entity: Acronym: Registry ID: NERC violation ID:
Standard:

Disposition & Final Record**Mitigation Plan****RAD & RAD Appeal****Internal Notes****Initial Notice****NAVAPS****Proposed Sanction Penalty****Contested Hearing**

Requirement: Repeat Alleged Violation? ☐

Initial Determination by Region:

Reporting Method:

On Site Audit ☒ Off Site Audit ☐

Deemed Date:

Violation Level:

Violation Risk Factor:

Alleged Violation Time:

Alleged Violation End Date:

Violation Description:

The entity has a New Possible Violation of EOP-005-1 Requirement 1 for failure to address communications power supplies in the development of their restoration plan as required by Attachment 1-EOP-005

Applicable Functions:

Regional Determination of Impact to BPS:

Detailed Description of Potential Impact to BPS:

Moderate Impact -

This possible violation represents Moderate risk to the BES. Voice and data communications are of vital importance during system restoration activities following blackout conditions. Loss of power to voice, data and control systems associated with system blackout or during recovery actions are delayed.

ID sent to Entity:

Additional Comments

Regional Contact Person:

Close



Compliance and Registration Database Post Violations Tracking and Reporting

Region: Violation Date: WECC ID:
Entity: Acronym: Registry ID: NERC violation ID:
Standard:

Disposition & Final Record**Mitigation Plan****RAD & RAD Appeal****Internal Notes****Initial Notice****NAVAPS****Proposed Sanction Penalty****Contested Hearing**

Requirement: ☐

Initial Determination by Region:

Reporting Method:

On Site Audit ☒ Off Site Audit ☐

Deemed Date:

Violation Level:

Violation Risk Factor:

Alleged Violation Time:

Alleged Violation End Date:

Violation Description:

The entity has a New Possible Violation of EOP-005-1 Requirement 4 for failure to demonstrate coordination of their restoration plan with the Generator Owners within its area.

Regional Contact Person:

Applicable Functions:

Regional Determination of Impact to BPS:

Detailed Description of Potential Impact to BPS:

*DIMI - Document Issue - Minimal Impact
This possible violation represents Minimal risk to the BES. The entity is the TOP, Generation Owner and Generator Operator for the majority of the generating facilities that exist within their transmission area. The entity's statement that they frequently communicate with the generators and have

ID sent to Entity:

Additional Comments



Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: September 9, 2009

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: September 8, 2009

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: TSGT

Registered Entity Address: 1100 West 116th Avenue, Westminster, CO 80234

NERC Compliance Registry ID: NCR10030

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

Name: Anna Wang

Title: Reliability Compliance Specialist

Email: awang@tristategt.org

¹ A copy of the WECC CMEP is posted on WECC's website at:

<http://compliance.wecc.biz/Application/Documents/Home/20090101%20-%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

Phone: 303-254-3710



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

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

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

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

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1	Medium	06/05/09	Audit
		R4	Medium	06/05/09	Audit

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

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

During the on-site compliance audit, the MRO/WECC Compliance Auditors found that

- 1) TSGT did not address communications power supplies in the development of the restoration plan as required by Requirement 1, Attachment 1, Item 2 of EOP-005-1;
- 2) TSGT did not coordinate the restoration plan with TSMD (the registered entity of Tri-State generation owner) as required by Requirement 4 of EOP-005-1.

[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:

R1, Attachment 1, Item 2

Telecom power supplies have always been addressed and incorporated in TSGT's design standards but TSGT was remiss in including power supplies in System Operations' emergency restoration plan. This documentation oversight did not compromise the reliability of the Bulk Electric System. TSGT corrected our oversight on July 23, 2009 when TSGT issued the revision of the Emergency Operations Plan which included the communication protocol and power supplies for control centers and substations in Appendix F.

During the June 1-5, 2009 on-site audit, TSGT provided to the FERC/MRO/NERC/WECC Audit Team the evidence that both the primary and back up control centers have emergency generators and uninterruptible power supplies (UPS) which are tested regularly.

R4

Tri-State owns most of the generators; Transmission (registered as TSGT) is the TO and TOP who also controls the combustion turbine units. Transmission coordinates system restoration with the Energy Markets who controls the non-combustion turbine units (registered as TSMD for the GO and GOP functions). The audit team emphasized that it was seeking documentation of this coordination between TSMD and TSGT.

On June 4, 2009 TSGT provided documentation showing that Generator Operators from generating facilities owned by Tri-State participate in TSGT emergency operations training. This documentation also indicated that during emergency conditions TSGT as the TOP becomes the operating authority for TSMD's generating units. This indicates that TSGT has operational authority over generation owned by Tri-State during all emergency conditions. This evidence does not satisfy the requirement to coordinate system restoration plans with TSMD.

[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:

R1, Attachment 1, Item 2

TSGT is committed to maintaining a fully compliant NERC Reliability Standard Compliance Program, and has incorporated the lessons learned during the FERC/MRO/NERC/WECC Compliance Audit into its Internal Compliance Program (ICP). Transmission Operations worked with the three regional maintenance teams on compiling the telecommunications power supplies for vital facilities and included the details as an Appendix of the July 2009 Emergency Operations Plan.

TSGT will provide periodic reliability compliance training to our Telecom Engineering and Telecom Maintenance Teams to reinforce their vital roles in supporting system restoration.

R4

TSGT (TOP) provided TSMD (GO and GOP) a copy of the July 2009 Emergency Operations Plan. Section H covers the restoration plan on July 22, 2009.

A phone conference was held on September 8, 2009 among TSGT (TOP) TSMD (GO and GOP) to reinforce the coordination between TSGT and TSMD in the event of system restoration.

[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:

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:

Attached please find the evidence that TSGT has incorporated the communication protocol and power supplies for control centers and vital substations in Appendix F of the July 2009 Emergency Operations Plan.

Attached please find the evidence that TSGT has provided the Generation Owner (TSMD) a copy of the Restoration Plan on July 23, 2009; and reviewed the Plan on September 8, 2009 with the Generation Owner stakeholders to reinforce the coordinated effort in the event of a restoration.

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

Section E: Interim and Future Reliability Risk

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

Abatement of Interim BPS Reliability Risk

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

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

Prevention of Future BPS Reliability Risk

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

TSGT corrected the documentaton oversight when TSGT issued the July 2009 revision of the EOP.

System Operations will review periodically the communicatons power supplies as specified in Item 2 of the Attachment 1 of EOP-005-1 R1 with the regional maintenance and telecom engineering teams; and provide revised versions of restoration plans to generation owners as specified in R4.

[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 [Joel Bladow] of Tri-State Generation and Transmission Association.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of [Reliability].
 3. I understand Tri-State Generation and Transmission Association'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. Tri-State Generation and Transmission Association 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): Joel Bladow
Title: Senior Vice President, Transmission
Date: September 9, 2009



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.

While R1 of the Reliability Standard EOP-005-1 has a 'Medium' Violation Risk Factor, the violation involves a situation where the design, provision, as well as the maintenance of the communication power supplies were in place to adequately support system restoration but documentation was remiss from the EOP, there is no actual impact on the reliability of the bulk power system.

While R4 has a 'Medium' Violation Risk Factor, the violation involves a situation that during emergency conditions TSGT as the TOP becomes the operating authority for TSMD's generating units. The communication flow dated March 12, 2009 indicates that TSGT has operational authority over generation owned by Tri-State Marketing during all emergency conditions, therefore, there is no actual impact on the reliability of the bulk power system.

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

Section H: WECC Contact and Instructions for Submission

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: mike@wecc.biz

Phone: (801) 883-6884

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

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

Attachment A – Compliance Notices & Mitigation Plan Requirements

- I. Section 6.2 of the WECC CMEP sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
 - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.
 - (2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.
 - (3) The cause of the Alleged or Confirmed Violation(s).
 - (4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).
 - (5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).
 - (6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.
 - (7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.
 - (8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission.
 - (9) Any other information deemed necessary or appropriate.
 - (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self-Certification or Self Reporting submittals.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



Western Electricity Coordinating Council



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



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: Tri-State Generation and Transmission Association, Inc. - Reliability (TSGT)

NERC Registry ID: NCR10030

Date of Submittal of Certification: November 16, 2009

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

WECC200901668 and TSGT_WECC20091841 for EOP-005-1, R1;
WECC200901669 and TSGT_WECC20091842 for EOP-005-1, R4;

Standard: EOP-005-1

Requirement(s): R1 and R4

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan:
September 8, 2009

Date Mitigation Plan was actually completed: September 8, 2009

Additional Comments (or List of Documents Attached):

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: Joel Bladow

Title: Sr. Vice President Transmission

Email: jbladow@tristategt.org

Phone: 303-254-3655

TSGT Certification of Mitigation Plan Completion Form

WECC200901668 and TSGT_WECC20091841 for EOP-005-1, R1;
WECC200901669 and TSGT_WECC20091842 for EOP-005-1, R4;
Joel Bladow, November 16, 2009



Authorized Signature:

Joel Bladow

Date:

11/16/09

CONFIDENTIAL



Western Electricity Coordinating Council

Laura Scholl
Managing Director of Compliance

801-819-7619
lscholl@wecc.biz

VIA COMPLIANCE WEB PORTAL

December 18, 2009

Anna Wang
Reliability Compliance Specialist
Tri-State Generation and Transmission Association, Inc. - Reliability
P.O. Box 33695
Denver, Colorado 80233-0695

NERC Registration ID: NCR10030

Subject: Certification of Completion Response Letter

Dear Anna,

The Western Electricity Coordinating Council (WECC) received the Certification of Completion and supporting evidence of Tri-State Generation and Transmission Association, Inc. - Reliability (TSGT) on 11/16/2009 for the alleged violation of Reliability Standard EOP-005-1 Requirements 1 and 4.

WECC has accepted the Certification of Completion for Requirements 1 and 4 of the Reliability Standard EOP-005-1 and has found these requirements to be fully mitigated. No further mitigation of these requirements will be required at this time.

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

Sincerely,

Laura Scholl
Managing Director of Compliance

LS:rh

cc: Keith Carman, TSGT Dispatch Manager
Lisa Milanese, WECC Manager of Compliance Program Administration
Mike Wells, WECC Senior Compliance Engineer

Attachment b

Documents for PRC-005-1 R1:

- 1. WECC's Violation Tracking and Reporting Screenshot for PRC-005-1 R1 dated June 9, 2009**
- 2. TSGT's Mitigation Plan designated as MIT-07-2151 for PRC-005-1 R1 submitted September 9, 2009**
- 3. TSGT's Certification of Completion of the Mitigation Plan for PRC-005-1 R1 dated November 16, 2009**
- 4. WECC's Verification of Completion of the Mitigation Plan for PRC-005-1 R1 dated December 2, 2009**



Compliance and Registration Database
Post Violations Tracking and Reporting

Region: WECC Violation Date: 6/5/2009 WECC ID: TSGT_WECC20091843
Entity: Tri-State Generation and Transmissio Acronym: TSGT Registry ID: NCR10030 NERC violation ID: WECC200901670
Standard: PRC-005-1 Transmission and Generation Protection System Maintenance and Testing

Disposition & Final Record**Mitigation Plan****RAD & RAD Appeal****Internal Notes****Initial Notice****NAVAPS****Proposed Sanction Penalty****Contested Hearing**

Requirement: 1 Repeat Alleged Violation? ☐

Initial Determination by Region: 6/9/2009

Reporting Method: Compliance Audit

On Site Audit ☒ Off Site Audit ☐

Deemed Date: 6/18/2007

Violation Level: VSL - Lower

Violation Risk Factor: HIGH

Alleged Violation Time: 0:00

Alleged Violation End Date:

Violation Description:

The audit team finds that the entity is in violation PRC-005-1 R1.2 for failing to have a summary of maintenance and testing procedure for DC circuitry in their Transmission Protection System Maintenance and Testing program from June 18, 2007 until April 16, 2009.

Regional Contact Person: O'Donnell, Phil

Applicable Functions: TO

Regional Determination of Impact to BPS: Minimal

Detailed Description of Potential Impact to BPS:

*DIMI - Document Issue - Minimal Impact -

The entity was performing maintenance and testing, however they do not have a summary of the maintenance and testing for DC circuitry in their maintenance and testing plan (TMIP) for the period June 18, 2007 (the date the standard became mandatory) to April 16, 2009, 2009.

ID sent to Entity:

Additional Comments

Close

Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: September 9, 2009

If this Mitigation Plan has already been completed:

- Check this box ☒ and
- Provide the Date of Completion of the Mitigation Plan: September 3, 2009

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: TSGT

Registered Entity Address: 1100 West 116th Avenue, Westminster, CO 80234

NERC Compliance Registry ID: NCR10030

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

Name: Anna Wang

Title: Reliability Compliance Specialist

Email: awang@tristategt.org

¹ A copy of the WECC CMEP is posted on WECC's website at:

<http://compliance.wecc.biz/Application/Documents/Home/20090101%20-%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

Phone: 303-254-3710



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

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

- C.1 Standard: PRC-005-1
[Identify by Standard Acronym (e.g. FAC-001-1)]
- C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	WECC Violation ID # [if known]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date ^(*) (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1.2	High	06/05/09	Audit

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

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

During the on-site compliance audit, the MRO/WECC Compliance Auditors found that TSGT did not include a detailed functional testing procedure for DC circuitry in the May 31, 2007 version of the TMIP.
 [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:

The omission of DC Control Circuitry in TSGT's 2007-2008 Transmission Maintenance & Inspection Program was an administrative documentation oversight. TSGT corrected



Western Electricity Coordinating Council

For Public Release - May 26, 2010



our oversight in April 2009 when TSGT issued the 2009 revision of the Transmission Maintenance & Inspection Program.

During the June 1-5, 2009 on-site audit, TSGT provided to the FERC/MRO/NERC/WECC Audit Team the maintenance records of DC Control Circuitry for the entire audit period (June 18, 2007-June 1, 2009); the Audit Team confirmed that TSGT did indeed perform the required maintenance of DC Control Circuitry according to the specified intervals in conjunction with relay maintenance. This documentation oversight did not compromise the reliability of the Bulk Electric System.

[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:

TSGT is committed to maintaining a fully compliant NERC Reliability Standard Compliance Program, and has incorporated the lessons learned during the FERC/MRO/NERC/WECC Compliance Audit into its Internal Compliance Program (ICP) by incorporating NERC's Glossary definitions of Protection System into its July 2009 Transmission Maintenance and Inspection Program and reinforced the compliance message via direct E-mail communication to the Maintenance Personnel on July 22, 2009.

TSGT will provide periodic reliability compliance training to our System Protection as well as Maintenance and Inspection Teams.

[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:
- 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:

Attached please find the evidence that TSGT has incorporated NERC's Glossary definitions of Protection System into its July 2009 Transmission Maintenance and Inspection Program and reinforced the compliance message via direct E-mail communication to the Maintenance Personnel on July 22, 2009.

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

Section E: Interim and Future Reliability Risk

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

Abatement of Interim BPS Reliability Risk

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

[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:

TSGT corrected the documentaton oversight in April 2009 when TSGT issued the 2009 revision of the Transmission Maintenance & Inspection Program.

TSGT will provide periodic reliability compliance training on all elements of protection systems to our System Protection as well as Maintenance and Inspection Teams.

[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:

The RCIG Assessment on Monitoring and Implementation of Reliability Standard PRC-005-1 Transmission and Generation Protection System Maintenance and Testing, dated May 27, 2009; and the WECC Compliance Bulletin Standard PRC-005-1 v2, on "Auxiliary Relay", dated December 23, 2008 have been added to the reference of TSGT's July 2009 TMIP.

[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 [Joel Bladow] of Tri-State Generation and Transmission Association.
 2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of [Reliability].
 3. I understand Tri-State Generation and Transmission Association'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. Tri-State Generation and Transmission Association 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): Joel Bladow
Title: Senior Vice President, Transmission
Date: September 9, 2009



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.

TSGT's potential violation is similar to the Cottonwood Energy, LP violation: "SERC Reliability Corporation conducted a compliance audit and found that Cottonwood Energy, LP's Transmission and Generation Protection System Maintenance and Testing Program did not include maintenance intervals, the basis for intervals or summary procedures for DC Control Circuits. SERC Reliability Corporation subsequently issued a Notice of Alleged Violation and Proposed Penalty or Sanction in which it identified the violations and proposed penalty set forth herein. By letter dated January 25, 2008, Cottonwood Energy, LP submitted a response in which it stated it did not contest the violations of PRC-005-1 R.1 and did not contest the proposed zero dollar (\$0) penalty. Cottonwood Energy, LP further stated that the Mitigation Plan was already completed. Cottonwood Energy LP explained that the failure of the procedure to address the DC Control Circuitry was due to an administrative oversight. Cottonwood Energy, LP provided evidence to the SERC Audit Team that maintenance and testing was being performed on the DC Control Circuitry in conjunction with relay maintenance. Because Cottonwood Energy, LP had a program in place, SERC Reliability Corporation determined that the violations at issue were a documentation issue. PRC-005-1 R.1 has a "High" VRF. While the standard as approved utilizes Levels of Non-Compliance, SERC Reliability Corporation assessed a "Lower" Violation Severity Level (VSL) based on the evidence provided showing the maintenance was being performed, but documentation was incomplete. According to the Base Penalty Table of the NERC Sanction Guidelines the ERO base penalty range for a "High" VRF violation with a "Lower" VSL is \$4,000 to \$125,000. However, Section 4.4.2 of the NERC Sanction Guidelines states that: If the actual or foreseen impact of the violation is judged to be inconsequential by NERC or the regional entity and the violation is the first incidence of violation of the requirement in question by the violator, NERC or the regional entity may at its discretion: (i) set the Base Penalty Amount to a value it deems appropriate within the initial value range set above pursuant to Section 4.1, or (ii) excuse the penalty for the violation (i.e. set the Base Penalty Amount to 0\$)."

[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



Western Electricity Coordinating Council

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.



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: Tri-State Generation and Transmission Association, Inc. - Reliability (TSGT)

NERC Registry ID: NCR10030

Date of Submittal of Certification: November 16, 2009

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

WECC200901670 and TSGT_WECC20091843 for PRC-005-1, R1

Standard: PRC-005-1

Requirement(s): R1

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan:

September 8, 2009

Date Mitigation Plan was actually completed: September 8, 2009

Additional Comments (or List of Documents Attached):

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: Joel Bladow

Title: Sr. Vice President Transmission

Email: jbladow@tristategt.org

Phone: 303-254-3655



For Public Release - May 26, 2010

Non-Public and CONFIDENTIAL

Authorized Signature:

Joel Bladow

Date:

11/16/09

CONFIDENTIAL



Laura Scholl
Managing Director of Compliance

(801) 819-7619
Lscholl@wecc.biz

VIA COMPLIANCE WEB PORTAL

December 2, 2009

Anna Wang
Reliability Compliance Specialist
Tri-State Generation and Transmission Association, Inc. - Reliability
P.O. Box 33695
Denver, Colorado 80233-0695

NERC Registration ID: NCR10030

Subject: Certification of Completion Response Letter

Dear Anna,

The Western Electricity Coordinating Council (WECC) received the Certification of Completion and supporting evidence of Tri-State Generation and Transmission Association, Inc. - Reliability (TSGT) on 11/16/2009 for the alleged violation of Reliability Standard PRC-005-1 Requirement 1.

WECC has accepted the Certification of Completion for Requirement 1 of the Reliability Standard PRC-005-1 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 Phil O'Donnell at podonnell@wecc.biz. Thank you for your assistance in this effort.

Sincerely,



Laura Scholl
Managing Director of Compliance

LS:rh

cc: Keith Carman, TSGT Dispatch Manager
Lisa Milanese, WECC Manager of Compliance Program Administration
Phil O'Donnell, WECC Senior Compliance Engineer

Attachment c

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Tri-State Generation and Transmission
Association, Inc. - Reliability

Docket No. NP10-____-000

NOTICE OF FILING
June 2, 2010

Take notice that on June 2, 2010, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Tri-State Generation and Transmission Association, Inc. - Reliability in the Western Electricity Coordinating Council region.

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

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

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

Comment Date: [BLANK]

Kimberly D. Bose,
Secretary