

May 31, 2016

VIA ELECTRONIC FILING

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

**Re: NERC Full Notice of Penalty regarding Florida Power & Light, Co.,
FERC Docket No. NP16-_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding Florida Power & Light, Co. (FPL), NERC Registry ID# NCR00024,² with information and details regarding the nature and resolution of the violation³ discussed in detail in the Settlement Agreement attached hereto (Attachment A), in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations, and orders, as well as NERC's Rules of Procedure, including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).⁴

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 (2016). *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693), *reh'g denied*, 120 FERC ¶ 61,053 (2007) (Order No. 693-A). See 18 C.F.R § 39.7(c)(2).

² FPL was included on the NERC Compliance Registry as a Balancing Authority, Distribution Provider, Generator Owner, Generator Operator, Planning Authority, Resource Planner, Transmission Owner (TO), Transmission Operator, Transmission Planner, and Transmission Service Provider on May 29, 2007.

³ For purposes of this document, each violation at issue is described as a "violation," regardless of its procedural posture and whether it was a possible, alleged, or confirmed violation.

⁴ See 18 C.F.R § 39.7(c)(2) and 18 C.F.R § 39.7(d).

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NERC is filing this Notice of Penalty with the Commission because Florida Reliability Coordinating Council, Inc. (FRCC) and FPL have entered into a Settlement Agreement to resolve all outstanding issues arising from FRCC’s determination and findings of the violation of FAC-003-3 R2.

According to the Settlement Agreement, FPL neither admits nor denies the violation, but has agreed to the assessed penalty of one hundred thousand dollars (\$100,000), in addition to other remedies and actions to mitigate the instant violation and facilitate future compliance under the terms and conditions of the Settlement Agreement.

Statement of Findings Underlying the Violations

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement, by and between FRCC and FPL. 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 (2016), NERC provides the following summary table identifying each violation of a Reliability Standard resolved by the Settlement Agreement. Further information on the subject violation is set forth in the Settlement Agreement and attachments.

*SR = Self-Report / SC = Self-Certification / CA = Compliance Audit / SPC = Spot Check / CI = Compliance Investigation

NERC Violation ID	Standard	Req	VRF/VSL	Applicable Function(s)	Discovery Method* Date	Violation Start-End Date	Risk	Penalty Amount
FRCC2015015004	FAC-003-3	R2	High/High	TO	SR 6/15/2015	5/20/2015	Serious	\$100,000

FRCC2015015004 FAC-003-3 R2 - OVERVIEW

On June 15, 2015, FPL submitted a Self-Report stating that it was in noncompliance with FAC-003-3 R2. FPL failed to manage an encroachment, due to vegetation growth into the line's Minimum Vegetation Clearance Distance (MVCD). The encroachment initiated an “A” phase to ground fault resulting in a 1 minute and 45 second outage of a 230 kV line. In addition, during fault clearance there was a relay Misoperation (creating an N-2 condition) that resulted in overloading (51% above the normal rating) of

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a neighboring 115 kV line. FRCC determined the relay Misoperation was not due to a violation of NERC Reliability Standards. The event resulted in no loss of customer load.

Following the contact, FPL conducted an extent of condition review and found three other imminent vegetation threats, which it then immediately addressed.

FRCC determined the root cause of the violation to be insufficient individual performance by the assigned patrol and inadequate controls in place to detect deviations in personnel performance from program expectations.

FRCC determined that this violation posed a serious or substantial risk to the reliability of the bulk power system (BPS). Attachment AA includes the facts regarding the violation that FRCC considered in its risk assessment.

FPL submitted its Mitigation Plan designated FRCCMIT011948 to address the referenced violations on January 15, 2016. Attachment AA includes a description of the mitigation activities FPL took to address this violation. A copy of the Mitigation Plan is included as Attachment B.

FRCC verified on February 26, 2016 that FPL had completed all mitigation activities on November 18, 2015. Attachments AA and D provide specific information on FRCC's verification of FPL's completion of the activities.

Regional Entity's Basis for Penalty

According to the Settlement Agreement, FRCC has assessed a penalty of one hundred thousand dollars (\$100,000) for the referenced violation. In reaching this determination, FRCC considered the following factors:

1. the instant violation constituted FPL's first occurrence of violation of the subject NERC Reliability Standard;
2. FPL had an internal compliance program at the time of the violation which FRCC considered a mitigating factor, as discussed in Attachment AA;
3. FPL self-reported the violation;
4. FPL was cooperative throughout the compliance enforcement process;
5. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;

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6. FRCC aggravated the penalty to reflect the seriousness of FAC-003 Vegetation Management violations that result in grow-ins and the three additional vegetation-related imminent threats identified during FPL's post-event extent of condition investigation;
7. the violation posed a serious or substantial risk to the reliability of the BPS, as discussed in Attachment AA; and
8. there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

After consideration of the above factors, FRCC determined that, in this instance, the penalty amount of one hundred thousand dollars (\$100,000) is appropriate and bears a reasonable relation to the seriousness and duration of the violation.

NERC Enforcement Review

NERC Enforcement staff considered the risk posed by the violation to the reliability of the BPS and supports FRCC's determination of "serious." Specifically, FPL's vegetation management program did not prevent a vegetation grow-in from occurring, and FPL's extent of condition review found three other imminent vegetation threats.

Additional circumstances increased the risk of this violation. Within seconds of the vegetation-related fault on the first 230 kV line, an adjacent 230 kV line experienced a Misoperation (due to an incorrect setting on a relay). This led to overloading (151%) of a section of a 115 kV line. The second 230 kV line fault was cleared (isolated) automatically by a correct relay operation. FPL's operators manually restored the first 230 kV line less than two minutes later, and the 115 kV line returned to normal loading.

NERC Enforcement staff evaluates every penalty according to the NERC Sanction Guidelines in order to ensure consistent application of penalties across the ERO Enterprise. Based on the additional imminent threats related to vegetation, NERC Enforcement staff applied a minimal credit of 5% for FPL's internal compliance program. FRCC noted that it had recently completed an Inherent Risk Assessment of FPL that included a review of its compliance culture and internal compliance program, which it found deserving of some credit.

NERC staff applied an aggravating factor of 75% to the starting penalty in order to reflect the seriousness of FAC-003 Vegetation Management violations that result in grow-ins and the three additional vegetation-related imminent threats identified during FPL's post-event extent of condition investigation.

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Based on the facts and circumstances of the single FAC-003-3 R2 in this case, NERC Enforcement staff agrees that FRCC's assessed penalty of one hundred thousand dollars (\$100,000) is reasonable and was appropriate.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed⁵

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines and the Commission's July 3, 2008, October 26, 2009 and August 27, 2010 Guidance Orders,⁶ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on May 3, 2016 and approved the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violation at issue.

For the foregoing reasons, the NERC BOTCC approved the Settlement Agreement and believes that the assessed penalty of one hundred thousand dollars (\$100,000) is appropriate for the violation and circumstances at issue, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

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

Attachments to be Included as Part of this Notice of Penalty

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

- a) Settlement Agreement by and between FRCC and FPL executed March 31, 2016, included as Attachment A;
 - a. Violation Spreadsheet, included as Attachment AA to the Settlement Agreement.
- b) FPL's Self-Report for FAC-003-3 R2 dated June 15, 2015, included as Attachment B;
- c) FPL's Mitigation Plan designated as FRCCMIT011948 submitted January 15, 2016, included as Attachment C;

⁵ See 18 C.F.R. § 39.7(d)(4).

⁶ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); *North American Electric Reliability Corporation*, "Further Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009); *North American Electric Reliability Corporation*, "Notice of No Further Review and Guidance Order," 132 FERC ¶ 61,182 (2010).

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- d) FPL's Certification of Mitigation Plan Completion submitted January 15, 2016, included as Attachment D; and
- e) FRCC's Verification of Mitigation Plan Completion dated February 26, 2016, included as Attachment E.

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

<p>Stacy Dochoda* President and Chief Executive Officer Florida Reliability Coordinating Council, Inc. 3000 Bayport Drive, Suite 600 Tampa, Florida 33607-8411 (813) 207-7960 (813) 289-5646 – facsimile sdochoda@frcc.com</p> <p>Linda Campbell* VP of Standards & Compliance Florida Reliability Coordinating Council, Inc. 3000 Bayport Drive, Suite 600 Tampa, Florida 33607-8411 (813) 207-7961 (813) 289-5646 – facsimile lcampbell@frcc.com</p> <p>Barry Pagel* Director of Compliance Florida Reliability Coordinating Council, Inc. 3000 Bayport Drive, Suite 600 Tampa, Florida 33607-8402 (813) 207-7968 (813) 289-5646 – facsimile bpagel@frcc.com</p> <p>Summer Esquerre CIP Compliance Manager Florida Power & Light Co. 15430 Endeavor Drive Jupiter, FL 33478 561-904-3765 Summer.Esquerre@fpl.com</p>	<p>Sonia C. Mendonça* Vice President of Enforcement and Deputy General Counsel North American Electric Reliability Corporation 1325 G Street N.W. Suite 600 Washington, DC 20005 (202) 400-3000 (202) 644-8099 – facsimile sonia.mendonca@nerc.net</p> <p>Edwin G. Kichline* Senior Counsel and Associate Director, Enforcement North American Electric Reliability Corporation 1325 G Street N.W. Suite 600 Washington, DC 20005 (202) 400-3000 (202) 644-8099 – facsimile edwin.kichline@nerc.net</p> <p>Leigh Anne Faugust* Counsel, Enforcement North American Electric Reliability Corporation 1325 G Street N.W. Suite 600 Washington, DC 20005 (202) 400-3000 (202) 644-8099 – facsimile leigh.faugust@nerc.net</p>
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*Persons to be included on the Commission's service list are indicated with an asterisk. NERC requests waiver of the Commission's rules and regulations to permit the inclusion of more than two people on the service list.

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Conclusion

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

Respectfully submitted,

/s/ Edwin G. Kichline

Sonia C. Mendonça
Vice President of Enforcement and Deputy
General Counsel
Edwin G. Kichline
Senior Counsel and Associate Director,
Enforcement
Leigh Anne Faugust
Counsel, Enforcement
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cc: Florida Power & Light, Co.
Florida Reliability Coordinating Council, Inc.

Attachments

Attachment A

**Settlement Agreement by and between FRCC
and FPL executed March 31, 2016**



FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
3000 BAYPORT DRIVE, SUITE 600
TAMPA, FLORIDA 33607-8410
PHONE 813.289.5644 • FAX 813.289.5646
WWW.FRCC.COM

137-FPL

Settlement Agreement

Florida Power & Light Co., and Florida Reliability Coordinating Council, Inc. (FRCC) agree to the following:

1. Florida Power & Light Co. neither admits nor denies the violation of NERC Reliability Standard as listed in Attachment A and has agreed to the proposed penalty of One Hundred Thousand Dollars and no cents [\$100,000.00] to be assessed to Florida Power & Light Co., in addition to mitigation actions undertaken to mitigate the instant alleged violation.
2. This Settlement Agreement is subject to approval or modification by the North American Electric Reliability Corporation (NERC) and the Federal Energy Regulatory Commission (FERC or Commission). Payment terms will be set forth in the invoice to be submitted by the FRCC after Commission approval of the instant Notice of Penalty.
3. Florida Power & Light Co. has agreed to enter into this Settlement Agreement with FRCC to avoid extended litigation with respect to the matters described or referred to herein, to avoid uncertainty, and to effectuate a complete and final resolution of the issues set forth herein. Florida Power & Light, Co. agrees that this Settlement Agreement is in the best interest of the parties and in the best interest of bulk-power system reliability.
4. Florida Power & Light Co. has no additional statements.
5. The violation listed in Attachment A will be considered an Alleged Violation that Florida Power & Light Co. neither admits nor denies by NERC, the FRCC and the Federal Energy Regulatory Commission for all purposes and may be used as aggravating factors in accordance with the NERC Sanction Guidelines for determining appropriate monetary penalties or sanctions for future violations.

This Settlement Agreement is for NERC ID number FRCC2015015004.

6. The FRCC has verified that the violations listed in Attachment A have been mitigated as described in Attachment A.
7. The expedited disposition agreed to herein represents a full and final disposition of the violation listed in Attachment A, subject to approval or modification by NERC and



FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
3000 BAYPORT DRIVE, SUITE 600
TAMPA, FLORIDA 33607-8410
PHONE 813.289.5644 • FAX 813.289.5646
WWW.FRCC.COM

FERC. Florida Power & Light Co. waives its right to further hearings and appeal, unless and only to the extent that Florida Power & Light Co. contends that any NERC or Commission action on this Settlement Agreement contains one or more material modifications to this Settlement Agreement.

8. In the event Florida Power & Light Co. fails to comply with any of the stipulations, remedies, sanctions or additional terms, as set forth in this Settlement Agreement, the FRCC will initiate enforcement, penalty, or sanction actions against Florida Power & Light Co. to the maximum extent allowed by the NERC Rules of Procedure, up to the maximum statutorily allowed penalty. Except as otherwise specified in this Settlement Agreement, Florida Power & Light Co. shall retain all rights to defend against such enforcement actions, also according to the NERC Rules of Procedure.
9. Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to bind such entity and accepts the Settlement Agreement on the entity's behalf.
10. The undersigned representative of each party affirms that he or she has read the Settlement Agreement, that all of the matters set forth in the Settlement Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that the Settlement Agreement is entered into by such party in express reliance on those representations.

Accepted:

Michael G. Spoor
Vice President Transmission and Substation
Florida Power & Light Co.

3/24/16
Date

Linda D. Campbell
VP of Standards & Compliance
Florida Reliability Coordinating Council, Inc.

3/31/16
Date

Attachment AA

Violation Spreadsheet

Region	Registered Entity	NCR_ID	NERC Violation ID #	Notice of Confirmed Violation or Settlement Agreement	Description of the Violation	Reliability Standard	Req.	Violation Risk Factor	Violation Severity Level	Risk Assessment	Violation Start Date	Violation End Date	Total Penalty or Sanction (\$)	Method of Discovery	Description of Mitigation Activity	Mitigation Completion Date	Date Regional Entity Verified Completion of Mitigation	"Admits," "Agrees/Stipulates," "Neither Admits nor Denies," or "Does Not Contest"	Other Factors Affecting the Penalty Determination, including Compliance History, Internal Compliance Program and Compliance Culture
Florida Reliability Coordinating Council, Inc. (FRCC)	Florida Power & Light, Co. (FPL)	NCR00024	FRCC2015015004	Settlement Agreement	<p>On June 15, 2015, FPL submitted a Self Report stating that as a Transmission Owner, it was in violation of FAC-003-3 R2. FPL failed to manage an encroachment, due to vegetation growth into the line's Minimum Vegetation Clearance Distance (MVCD).</p> <p>On May 20, 2015 at 12:37 pm, an "A" phase to ground fault occurred, due to a vegetation grow-in contact with the Korona-Putnam 230 kV line. The fault initiated an unsuccessful automatic reclosing sequence, resulting in a 1 minute, 45 second outage. FPL System Dispatchers re-energized the line at 12:39 pm. The event resulted in no loss of power to customers. It was determined the relay operation was correct for this high impedance fault and, as designed, the line relays did not reclose. As the line relays operated correctly, the dispatcher operated to 'successfully' restore the line.</p> <p>In addition to the initial line fault, the Bunnell terminal of the Bunnell - Putnam 230 kV line erroneously tripped (due to an error in relay settings) for the fault on the Korona - Putnam 230 kV line, causing a real-time 151% overload on the Regis-San Mateo 115kV line section of the Bunnell-Putnam 115 kV line. The overload condition was removed with the restoration of the Korona-Putnam 230 kV line at 12:39:06. No customers were impacted during this incident. No other adverse impacts to the bulk power system (BPS) were observed.</p> <p>Root Cause for this violation: Individual performance degradation of the assigned Patrol Owner and inadequate controls in place to detect personnel performance deviations from program expectations.</p>	FAC-003-3	R2	High	Severe	<p>FRCC has determined that this violation posed a serious risk to the reliability of the BPS. Specifically, FPL's internal controls did not prevent a vegetation grow-in from occurring.</p> <p>The fault was cleared (isolated) automatically by a correct relay operation. FPL's operators manually restored the line less than two minutes later.</p> <p>However, when the initial fault occurred in relation to the FAC-003 vegetation grow-in, within seconds it was followed by a misoperation (due to an incorrect setting on a relay which did not pick up to send the carrier blocking signal) at the Bunnell terminal of the Bunnell-Putnam 230 kV line, and immediately led to overloading (151%) of a section of the Bunnell-Putnam 115 kV line.</p> <p>FRCC Monitoring staff additionally reviewed the facts and circumstances of the misoperation and overload and with the additional information given by FPL, found no additional Reliability Standards violations had occurred.</p> <p>After this FAC-003 Self Report was made, FPL did conduct another vegetation survey of its territory and found three other Imminent Threats related to vegetation, which were then immediately addressed.</p>	5/20/2015 (The date when the "A" phase to ground fault occurred on FPL's Korona-Putnam 230 kV line, causing the line relay to open)	5/20/2015 (The date when FPL's Korona-Putnam 230 kV line was restored)	\$100,000	Self-Report	To mitigate this violation, FPL: 1. removed the tree involved in the fault incident; 2. patrolled 200 kV and above lines in the surrounding area for vegetation issues to determine local extent of condition; 3. executed vegetation work as a result of the surrounding area patrols; 4. patrolled 200 kV and above lines in the FPL territory for vegetation issues to determine overall extent of condition; 5. executed vegetation work based on the results of the patrols; 6. determined the root cause(s) of the incident, based on patrol results; 7. developed a corrective action plan to address the root cause(s) and to prevent the likelihood of a similar event; 8. developed a training course to review the event, lessons learned and process/program enhancements in line with the action plan; 9. delivered the training course developed to applicable vegetation personnel; and 10. implemented the corrective actions identified into the vegetation management program including enhanced controls.	11/18/2015	2/26/2016	Neither Admits nor Denies	<p>FRCC reviewed FPL's internal compliance program (ICP) and considered it to be a mitigating factor in the penalty determination.</p> <p>FPL received mitigating credit for cooperation and self-reporting.</p> <p>An aggravating factor was applied to the penalty in order to reflect the seriousness in which FRCC considers FAC-003 Vegetation Management violations that result in grow-ins; especially considering the occurrence of a relay misoperation at the same time resulting in 151% overloading (N-2 condition), and three additional vegetation related Imminent Threats identified during FPL's post-event extent of condition investigation. The extent of condition investigation covered nearly 7,000 miles of transmission lines.</p>

Attachment B

**FPL's Self-Report for FAC-003-3 R2 dated
June 15, 2015**

This item was submitted by Dawn Saunders (Dawn.Saunders@fpl.com) on 6/15/2015

Please note that the circumstances under which an Entity would submit a Scope Expansion form are different from what would require a new Self-Report. Please review the material in [this link](#) to see clarifying information and examples of these differences before continuing with this form.

FORM INFORMATION

Registered Entity: Florida Power & Light Co.

NERC Registry ID: NCR00024

JRO ID:

CFR ID:

Entity Contact Information: Dawn Saunders

REPORTING INFORMATION

Applicable Standard: FAC-003-3

Applicable Requirement: R2.

Applicable Sub Requirement(s):

Applicable Functions: TO

Has a Possible violation of this standard and requirement previously been reported or discovered: No

Has this Possible Violation previously been reported to other Regions: No

Date Possible Violation was discovered: 5/20/2015

Beginning Date of Possible Violation: 5/20/2015

End or Expected End Date of Possible Violation: 5/20/2015

Is the violation still occurring? No

Provide detailed description and cause of Possible Violation:

On May 20, 2015 at 12:37 pm, an "A" phase to ground fault occurred on the Korona-Putnam 230kV line about 8 miles from the Korona substation and 26 miles from the Putnam substation due to close proximity of vegetation. The relays at Korona and Putnam terminals operated correctly and cleared the fault as designed. FPL System Operations re-energized the line at 12:39 pm. The event resulted in no loss of power to customers.

Are Mitigating Activities in progress or completed? Yes

If Yes, Provide description of Mitigating Activities:

1. Remove tree involved in the fault incident (5/20/2015) - Complete
2. Patrol 200kV and above lines in the surrounding area for vegetation issues to determine local extent of condition (7/2/2015)
3. Execute vegetation work as a result of the surrounding area patrols (7/31/2015)
4. Patrol 200kV and above lines in the FPL territory for vegetation issues to determine overall extent of condition (8/7/2015)
5. Execute vegetation work as a result of the FPL territory patrols (9/10/2015)
6. Based on patrol results, develop plan to prevent the likelihood of a similar event including enhancing controls (9/30/2015)
7. Develop training course to review event, lessons learned and process/program enhancements (10/16/2015)
8. Deliver training course to applicable vegetation personnel (11/27/2015)

Provide details to prevent recurrence:

In progress – investigation and extent of condition are on-going.

Date Mitigating Activities (including activities to prevent recurrence) are expected to be completed or were completed:

11/27/2015

Potential Impact to the Bulk Power System: Minimal

Actual Impact to the Bulk Power System: Minimal

Provide detailed description of Potential Risk to Bulk Power System:

FPL's contingency analysis program did not indicate any adverse conditions to the BPS for the loss of the Korona-Putnam 230kV line (N-1 contingency) in the next-day or real-time studies prior to the outage.

Provide detailed description of Actual Risk to Bulk Power System:

The actual impact was the Korona-Putnam 230kV line relayed at 12:37:21 for 1 minute, 45 seconds.

Additional Comments:

Additionally, subsequent to Korona-Putnam line relay, a misoperation at the Bunnell terminal of the Bunnell-Putnam 230kV line (N-1-1 condition) occurred at 12:37:31 and resulted in a real-time overload on the Regis-San Mateo 115kV line section of the Bunnell-Putnam 115kV line. Returning either the Korona-Putnam or Bunnell-Putnam 230kV line relieves this condition. The overload was mitigated with the restoration of the Korona-Putnam 230kV line at 12:39:06. No other adverse impacts to the BPS were observed.

NOTE: While submittal of a mitigation plan is not required until after a determination of a violation is confirmed, early submittal of a mitigation plan to address and remedy an identified deficiency is encouraged. Submittal of a mitigation plan shall not be deemed an admission of a violation. (See NERC Rules of Procedure, Appendix 4C, Section 6.4)

Attachment C

**FPL's Mitigation Plan designated as
FRCCMIT011948 submitted January 15, 2016**

This item was signed by Summer Esquerre (Summer.Esquerre@fpl.com) on 1/15/2016



This item was marked ready for signature by Dawn Saunders (Dawn.Saunders@fpl.com) on 6/24/2015



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.

[Yes] A.2 I have reviewed Attachment A and understand that this Mitigation Plan Submittal Form will not be accepted unless this box is checked.

SECTION B: REGISTERED ENTITY INFORMATION

B.1 Identify your organization

Company Name:

Florida Power & Light Co.

Company Address:

700 Universe Blvd

Juno Beach, Florida 33408

Compliance Registry ID:

NCR00024

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

Name:

Summer Esquerre

SECTION C: IDENTIFICATION OF ALLEGED OR CONFIRMED VIOLATION(S) ASSOCIATED WITH THIS MITIGATION PLAN

C.1 This Mitigation Plan is associated with the following Alleged or Confirmed violation(s) of Reliability Standard listed below.

Standard:

FAC-003-3

Requirement	Regional ID	NERC Violation ID	Date Issue Reported
R2.	FRCC2015-100867	FRCC2015015004	6/15/2015

C.2 Identify the cause of the Alleged or Confirmed violation(s) identified above:

On May 20, 2015 at 12:37 pm, an "A" phase to ground fault occurred on the Korona-Putnam 230kV line about 8 miles from the Korona substation and 26 miles from the Putnam substation due to close proximity of vegetation. The relays at Korona and Putnam terminals operated correctly and cleared the fault as designed. FPL System Operations re-energized the line at 12:39 pm. The event resulted in no loss of power to customers.

[Attachments \(0\)](#)

C.3 Provide any additional relevant information regarding the Alleged or Confirmed violations associated with this Mitigation Plan:

No additional information to provide.

[Attachments \(0\)](#)

SECTION D: DETAILS OF PROPOSED MITIGATION PLAN

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

The mitigation plan includes the following major milestones:

1. Remove tree involved in the fault incident
2. Patrol 200kV and above lines in the surrounding area for vegetation issues to determine local extent of condition
3. Execute vegetation work as a result of the surrounding area patrols
4. Patrol 200kV and above lines in the FPL territory for vegetation issues to determine overall extent of condition
5. Execute vegetation work based on the results of Milestone 4
6. Based on patrol results of Milestones 2 and 4, determine the root cause(s) of the incident.
7. Develop a corrective action plan to address the root cause(s) from Milestone 6 and to prevent the likelihood of a similar event
8. Develop a training course to review the event, lessons learned and process/program enhancements in line with the Milestone 7 action plan
9. Deliver the training course developed in Milestone 8 to applicable vegetation personnel

10. Implement the corrective actions identified in Milestone 7 into the vegetation management program including enhanced controls.

[Attachments \(\)](#)

D.2 Provide the date by which full implementation of the Mitigation Plan will be, or has been, completed with respect to the Alleged or Confirmed violations identified above. State whether the Mitigation Plan has been fully implemented:

11/27/2015

D.3 Enter Milestone Activities, with due dates, that your organization is proposing, or has completed, for this Mitigation Plan:

[Milestone 1: Remove tree involved in the fault incident](#)

Milestone Completed (Due: 5/20/2015 and Completed 5/20/2015)

Removed tree involved in the fault incident

[Milestone 2: Local Extent of Condition Analysis](#)

Milestone Completed (Due: 7/2/2015 and Completed 7/2/2015)

Patrol 200kV and above lines in the surrounding area for vegetation issues to determine local extent of condition

[Milestone 3: Execute Local Vegetation Work](#)

Milestone Completed (Due: 7/31/2015 and Completed 7/31/2015)

Execute vegetation work as a result of the surrounding area patrols

[Milestone 4: Overall Extent of Condition Analysis](#)

Milestone Completed (Due: 8/7/2015 and Completed 8/7/2015)

Patrol 200kV and above lines in the FPL territory for vegetation issues to determine overall extent of condition

[Milestone 5: Execute Vegetation Work based on the results of Milestone 4](#)

Milestone Completed (Due: 9/4/2015 and Completed 8/21/2015)

Execute vegetation work based on the results of milestone 4

[Milestone 6: Determine root cause\(s\) of the incident](#)

Milestone Completed (Due: 9/4/2015 and Completed 9/4/2015)

Based on patrol results of Milestone 2 and 4, determine the root cause(s) of the incident

[Milestone 7: Develop a corrective action plan to address the root cause\(s\)](#)

Milestone Completed (Due: 9/14/2015 and Completed 9/14/2015)

Develop a corrective action plan to address the root cause(s) from Milestone 6 and to prevent the likelihood of a similar event.

[Milestone 8 : Develop a training to review the event, lessons learned and process enhancements](#)

Milestone Completed (Due: 9/28/2015 and Completed 9/28/2015)

Develop a training course to review the event, lessons learned and process/program enhancements in line with the Milestone 7 corrective action plan

[Milestone 9: Deliver the training course developed in Milestone 8 to applicable vegetation personnel](#)

Milestone Completed (Due: 10/5/2015 and Completed 10/5/2015)

Deliver the training course developed in Milestone 8 to applicable vegetation personnel

[Milestone 10:](#)

Milestone Completed (Due: 11/27/2015 and Completed 11/25/2015)

Implement the corrective actions identified in Milestone 7 into the vegetation management program including enhanced controls.

SECTION E: INTERIM AND FUTURE RELIABILITY RISK

E.1 Abatement of Interim BPS Reliability Risk: While your organization is implementing this Mitigation Plan the reliability of the Bulk Power Supply (BPS) may remain at higher risk or be otherwise negatively impacted until the plan is successfully completed. To the extent they are, or may be, known or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take to mitigate this increased risk to the reliability of the BPS. (Additional detailed information may be provided as an attachment):

There is minimal risk during the implementation of the mitigation plan, therefore there are no plans to take any additional actions .

FPL's contingency analysis program did not indicate any adverse conditions to the BPS for the loss of the Korona-Putnam 230kV line (N-1 contingency) in the next-day or real-time studies prior to the outage.

[Attachments \(\)](#)

E.2 Prevention of Future BPS Reliability Risk: Describe how successful completion of this Mitigation Plan will prevent or minimize the probability that your organization incurs further risk of Alleged violations of the same or similar reliability standards requirements in the future. (Additional detailed information may be provided as an

attachment):

As a part of this mitigation plan, investigation and extent of condition analyses are ongoing, vegetation work is being done and controls are being enhanced to prevent the probability of a recurrence of this event.

[Attachments \(\)](#)

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 this Mitigation Plan for acceptance by FRCC and approval by NERC, and
- b) If applicable, certifies that this Mitigation Plan was completed on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
 - I am Summer Esquerre of Florida Power & Light Co.
 - I am qualified to sign this Mitigation Plan on behalf of Florida Power & Light Co.
 - I understand Florida Power & Light Co.'s obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4 (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation (NERC CMEP))
 - I have read and am familiar with the contents of this Mitigation Plan
 - Florida Power & Light Co. agrees to comply with, this Mitigation Plan, including the timetable completion date, as accepted by FRCC and approved by NERC

SECTION G: REGIONAL ENTITY CONTACT

Please direct any questions regarding completion of this form to:

Barry Pagel
Director of Compliance
FRCC
813-207-7968
bpagel@frcc.com

Attachment D

**FPL's Certification of Mitigation Plan
Completion submitted January 15, 2016**

This item was signed by Summer Esquerre (Summer.Esquerre@fpl.com) on 1/15/2016

This item was marked ready for signature by Dawn Saunders (Dawn.Saunders@fpl.com) on 12/3/2015

MEMBER MITIGATION PLAN CLOSURE

All Mitigation Plan Completion Certification submittals shall include data or information sufficient for FRCC to verify completion of the Mitigation Plan. FRCC may request such 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) Data or information submitted may become part of a public record upon final disposition of the possible violation, therefore any confidential information contained therein should be marked as such in accordance with the provisions of Section 1500 of the NERC Rules of Procedure.

Name of Registered Entity submitting certification:

Florida Power & Light Co.

Name of Standard of mitigation violation(s):

FAC-003-3

Requirement	Tracking Number	NERC Violation ID
R2.	FRCC2015-100867	FRCC2015015004

Date of completion of the Mitigation Plan:

11/25/2015

Milestone 1: Remove tree involved in the fault incident

Milestone Completed (Due: 5/20/2015 and Completed 5/20/2015)

[Attachments \(0\)](#)

Removed tree involved in the fault incident

Milestone 2: Local Extent of Condition Analysis

Milestone Completed (Due: 7/2/2015 and Completed 7/2/2015)

[Attachments \(0\)](#)

Patrol 200kV and above lines in the surrounding area for vegetation issues to determine local extent of condition

Milestone 3: Execute Local Vegetation Work

Milestone Completed (Due: 7/31/2015 and Completed 7/31/2015)

[Attachments \(0\)](#)

Execute vegetation work as a result of the surrounding area patrols

Milestone 4: Overall Extent of Condition Analysis

Milestone Completed (Due: 8/7/2015 and Completed 8/7/2015)

[Attachments \(0\)](#)

Patrol 200kV and above lines in the FPL territory for vegetation issues to determine overall extent of condition

Milestone 5: Execute Vegetation Work based on the results of Milestone 4

Milestone Completed (Due: 9/4/2015 and Completed 8/21/2015)

[Attachments \(0\)](#)

Execute vegetation work based on the results of milestone 4

Milestone 6: Determine root cause(s) of the incident

Milestone Completed (Due: 9/4/2015 and Completed 9/4/2015)

[Attachments \(0\)](#)

Based on patrol results of Milestone 2 and 4, determine the root cause(s) of the incident

Milestone 7: Develop a corrective action plan to address the root cause(s)

Milestone Completed (Due: 9/14/2015 and Completed 9/14/2015)

[Attachments \(0\)](#)

Develop a corrective action plan to address the root cause(s) from Milestone 6 and to prevent the likelihood of a similar event.

Milestone 8 : Develop a training to review the event, lessons learned and process enhancements

Milestone Completed (Due: 9/28/2015 and Completed 9/28/2015)

[Attachments \(0\)](#)

Develop a training course to review the event, lessons learned and process/program enhancements in line with the Milestone 7 corrective action plan

[Milestone 9: Deliver the training course developed in Milestone 8 to applicable vegetation personnel](#)

Milestone Completed (Due: 10/5/2015 and Completed 10/5/2015)

[Attachments \(0\)](#)

Deliver the training course developed in Milestone 8 to applicable vegetation personnel

[Milestone 10:](#)

Milestone Completed (Due: 11/27/2015 and Completed 11/25/2015)

[Attachments \(0\)](#)

Implement the corrective actions identified in Milestone 7 into the vegetation management program including enhanced controls.

Summary of all actions described in Part D of the relevant mitigation plan:

The mitigation plan includes the following major milestones:

1. Remove tree involved in the fault incident
2. Patrol 200kV and above lines in the surrounding area for vegetation issues to determine local extent of condition
3. Execute vegetation work as a result of the surrounding area patrols
4. Patrol 200kV and above lines in the FPL territory for vegetation issues to determine overall extent of condition
5. Execute vegetation work based on the results of Milestone 4
6. Based on patrol results of Milestones 2 and 4, determine the root cause(s) of the incident.
7. Develop a corrective action plan to address the root cause(s) from Milestone 6 and to prevent the likelihood of a similar event
8. Develop a training course to review the event, lessons learned and process/program enhancements in line with the Milestone 7 action plan
9. Deliver the training course developed in Milestone 8 to applicable vegetation personnel
10. Implement the corrective actions identified in Milestone 7 into the vegetation management program including enhanced controls.

Description of the information provided to FRCC for their evaluation *

Completion evidence for each milestone was uploaded to FRCC secure transfer site per filename and folder listed below:

Milestone 1: FRCC Enforcement Vault in Enforcement Evidence Data Folder 02. See filename 2015-05-20.NCR00024.ENF.001.7z

Milestone 2: FRCC website in secure working folder. See filename FPL__ENF.2015-05-20.004.gpg

Milestone 3: FRCC website in secure working folder. See filename FPL__ENF.2015-05-20.006.gpg

Milestone 4: FRCC website in secureworking folder. See filename FPL__ENF.2015-05-20.004.gpg

Milestone 5: FRCC website in secureworking folder. See filename FPL__ENF.2015-05-20.006.gpg

Milestone 6: FRCC website in secureworking folder. See filename FPL__ENF.2015-05-20.007.gpg

Milestone 7: FRCC website in secureworking folder. See filename FPL__ENF.2015-05-20.009.gpg

Milestone 8: FRCC website in secureworking folder. See filename FPL__ENF.2015-05-20.010.gpg

Milestone 9: FRCC website in secureworking folder. See filename FPL__ENF.2015-05-20.011.gpg

Milestone 10: FRCC website in secureworking folder. See filename FPL__ENF.2015-05-20.010.gpg

I certify that the Mitigation Plan for the above-named violation has been completed on the date shown above. In doing so, I certify that all required Mitigation Plan actions described in Part D of the relevant Mitigation Plan have been completed, compliance has been restored, the above-named entity is currently compliant with all of the requirements of the referenced standard, and that all information submitted is complete, true and correct to the best of my knowledge.

Attachment E

**FRCC's Verification of Mitigation Plan
Completion dated February 26, 2016**



FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
3000 BAYPORT DRIVE, SUITE 600
TAMPA, FLORIDA 33607-8410
PHONE 813.289.5644 • FAX 813.289.5646
WWW.FRCC.COM

VIA Secure folder & E-MAIL

February 26, 2016

Summer Esquerre
CIP Compliance Manager
Florida Power & Light Co.
700 Universe Blvd
Juno Beach, FL 33408

**Re: Florida Power & Light Co. (FPL)
Mitigation Plan Verification of Completion
FAC-003-3 R2 (FRCC2015015004)**

Dear Ms. Esquerre,

The Mitigation Plan Certification of Completion submitted by Florida Power & Light Co. (FPL) on January 15, 2016 for the above referenced violation has been received by the Florida Reliability Coordinating Council, Inc. (FRCC).

After review for completion on February 26, 2016, FRCC Compliance staff finds that FPL has completed this Mitigation Plan. FRCC will notify NERC that FPL has completed this mitigation plan.

If you have any questions you may reach Rick Dodd at 813-207-7978.

Respectfully,

Chris Holmquest
Manager of Risk Assessment and Mitigation
cholmquest@frcc.com

CH/rd