NERC
NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Attachment a

Source Document

PRIVILEGED AND CONFIDENTIAL INFORMATION & CRITICAL ENERGY INFRASTRUCTURE INFORMATION HAVE BEEN REMOVED FROM THIS PUBLIC VERSION.

Attachment b

Settlement Agreement(s)

CONFIDENTIAL

Western Electricity Coordinating Council

Laura Scholl
Managing Director, Compliance

(801) 819-7619
lscholl@wecc.biz

July 28, 2009

Col. Anthony Wright
Seattle District Commander
USACE - Seattle District

Re: Notice of Proposed Expedited Disposition of Pending Violations or Alleged Violations

Dear Col. Wright,

This letter is giving notice that WECC proposes expedited disposition of the pending violations or alleged violations listed in **Attachment B. Please review the information below and respond in writing no later than 30 days from the date of this Notice.** Responses should be directed to Laura Scholl, Managing Director of Compliance, at lscholl@wecc.biz . If you have questions, please call Ms. Scholl at 801-819-7619.

WECC intends to file with the North American Electric Reliability Corporation ("NERC") and the Federal Energy Regulatory Commission ("FERC") a request to expedite resolution of the pending violations or alleged violations listed in **Attachment B** and to accept disposition of these violations or alleged violations under the terms of the Agreement in **Attachment A** hereto, based on the following factors:

- The violations do not pose a high risk to system reliability.
- The violations occurred prior to July 2008.
- The violations have been mitigated with mitigation plan completion verified by WECC.

This proposed expedited disposition will result in the assessment of zero penalties for the violations listed in **Attachment B** if this disposition is accepted by USACE - Seattle District and by NERC and FERC.

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If USACE - Seattle District accepts this proposed expedited disposition, sign the attached Agreement and return it to WECC within 10 days after the date of this Notice. If USACE - Seattle District does not respond within 10 days, WECC will deem this Agreement accepted by USACE - Seattle District.

Cordially,

Managing Director of Compliance
615 Arapeen Drive Suite 210
Salt Lake City, UT 84108

LS:rh

Attachments:
A – Agreement
B – List of Violations

Cc: Shahbaz Naftchi, Seattle District Compliance Coordinator, RCPM

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ATTACHMENT A

AGREEMENT

USACE - Seattle District and WECC agree to the following:

1. Acceptance of this Agreement results in the assessment of zero penalties for the violations listed in **Attachment B,** subject to approval or modification by the North American Electric Reliability Corporation ("NERC") and the Federal Energy Regulatory Commission ("FERC").

2. The violations listed in **Attachment B** will be considered Confirmed Violations 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.

3. USACE - Seattle District attests there have been no repeat occurrences of the violations listed in **Attachment B**.

4. The expedited disposition agreed to herein represents a full and final disposition of the violations listed in **Attachment B**, subject to approval or modification by NERC and FERC.

WECC agrees that it will not use this Agreement as support in any future proceedings for the jurisdictional question of whether federal users, owners or operators of the bulk power system are subject to monetary penalties for violations of the Reliability Standards. USACE-Seattle does not agree as part of this Agreement that federal users, owners or operators of the bulk power system are subject to the Reliability Standards and this Agreement shall not constitute a waiver of jurisdictional issues, including sovereign immunity. USACE-Seattle has entered into this Agreement for settlement purposes only.

Accepted:
USACE - Seattle District

By _____ 13 August 2009
Date

WECC

By Constance White, V.P. of Compliance _____ 8/19/09
Date

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ATTACHMENT B

List of Violations

NERC Violation ID	Registered Entity	Standard	Requirement
WECC200801190	USACE - Seattle District	CIP-001-1	1
WECC200801191	USACE - Seattle District	CIP-001-1	3
WECC200801192	USACE - Seattle District	CIP-001-1	4
WECC200801203	USACE - Seattle District	COM-002-2	1

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Attachment c

Mitigation Plan

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Attachment d

Registered Entity's
Certification of Completion

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Attachment e

Regional Entity's Verification of Completion

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