

July 30, 2020

**VIA ELECTRONIC FILING**

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

**Re: NERC Spreadsheet Notice of Penalty  
FERC Docket No. NP20-\_-000**

Dear Ms. Bose,

The North American Electric Reliability Corporation (NERC) hereby provides the attached Spreadsheet Notice of Penalty<sup>1</sup> (SNOP) in Attachment B, in accordance with the Federal Energy Regulatory Commission's (FERC) rules, regulations, and orders, as well as NERC Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).<sup>2</sup>

The violations at issue in the SNOP are being filed with FERC because the Regional Entities have respectively entered into settlement agreements with, or have issued Notices of Confirmed Violations (NOCVs) to, the registered entities identified in Attachment B and have resolved all outstanding issues arising from preliminary and non-public assessments resulting in the Regional Entities' determination and findings of the enforceable violation of the Reliability Standards identified in Attachment B. Accordingly, all of the violations, identified as NERC Violation Tracking Identification Numbers in Attachment B, are being filed in accordance with the NERC Rules of Procedure and the CMEP.

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<sup>1</sup> *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards* (Order No. 672), III FERC Stats. & Regs. ¶ 31,204 (2006); *Notice of New Docket Prefix "NP" for Notices of Penalty Filed by the North American Electric Reliability Corporation*, Docket No. RM05-30-000 (February 7, 2008). See also 18 C.F.R. Part 39 (2011). *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). See also *Notice of No Further Review and Guidance Order*, 132 FERC ¶ 61,182 (2010).

<sup>2</sup> See 18 C.F.R. § 39.7.

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## **Statement of Findings Underlying the Alleged Violations and Identification of each Reliability Standard Violated**

The descriptions of the violations and related risk assessments are set forth in Attachment B. Each Reliability Standard at issue in this Notice of Penalty is set also forth in Attachment B.

## **Status of Mitigation**

The mitigation activities are described in Attachment B for each respective violation. Information is also provided regarding the dates of registered entity certification and the Regional Entity verification of such completion where applicable.

## **Statement Describing the Proposed Penalty, Sanction, or Enforcement Action Imposed<sup>3</sup>**

Taking into consideration FERC's direction in Order No. 693, the NERC Sanction Guidelines and FERC's July 3, 2008, Guidance Order; the October 26, 2009, Guidance Order; the August 27, 2010, Guidance Order; and the March 15, 2012, Compliance Enforcement Initiative Order,<sup>4</sup> the violations in the Spreadsheet were approved by NERC Enforcement staff under delegated authority from the NERC Board of Trustees Compliance Committee.

Under FERC's regulations, the penalties 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 any specific penalty, upon final determination by FERC.<sup>5</sup>

## **Attachments to be included as Part of this Spreadsheet Notice of Penalty**

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

- a) CEII Justification Categories, included as Attachment A;

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<sup>3</sup> See 18 C.F.R § 39.7(d)(4).

<sup>4</sup> *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, 132 FERC ¶ 61,182 (2010); North American Electric Reliability Corporation, "Order Accepting with Conditions the Electric Reliability Organization's Petition Requesting Approval of New Enforcement Mechanisms and Requiring Compliance Filing,"* 138 FERC ¶ 61,193 (2012).

<sup>5</sup> 18 C.F.R. § 39.7(e)(1).

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- b) Spreadsheet Notice of Penalty, included as Attachment B; and
- c) Additions to the service list, included as Attachment C.

### **Notices and Communications**

Notices and communications with respect to this filing may be addressed to the following as well as to the entities included in Attachment C to this SNOP:

Teresina Stasko\*  
Assistant General Counsel and Director of  
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North American Electric Reliability Corporation  
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\*Persons to be included on FERC's service list  
are indicated with an asterisk.

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**Persons to Whom This Filing is Being Served**

Copies of this filing are being served to the entities listed in Attachment C.

**Conclusion**

NERC respectfully requests that FERC accept this SNOP as compliant with its rules, regulations, and orders.

Respectfully submitted,

/s/ Teresina Stasko

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