



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

PRIVILEGED AND CONFIDENTIAL INFORMATION
HAS BEEN REMOVED FROM THIS PUBLIC VERSION

December 22, 2010

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

**Re: NERC Abbreviated Notice of Penalty regarding Unidentified Registered Entity,
FERC Docket No. NP11-__-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Abbreviated Notice of Penalty (NOP) regarding Unidentified Registered Entity (URE), with information and details regarding the nature and resolution of the violation¹ discussed in detail in the Settlement Agreement (Attachment a) and the Disposition Document (Attachment b), 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)).²

This NOP is being filed with the Commission because ReliabilityFirst Corporation (ReliabilityFirst) and URE have entered into a Settlement Agreement to resolve all outstanding issues arising from ReliabilityFirst's determination and findings of the enforceable violation of CIP-004-1 Requirement (R) 3, specifically R3.2 and R3.3. According to the Settlement Agreement, URE neither admits nor denies the violation, but has agreed to the assessed penalty of seven thousand dollars (\$7,000), 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. Accordingly, the violation identified as NERC Violation Tracking Identification Number RFC200900143 is being filed in accordance with the NERC Rules of Procedure and the CMEP.

¹ 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.

² *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards* (Order No. 672), III FERC Stats. & Regs. ¶ 31,204 (2006); *Notice of New Docket Prefix "NP" for Notices of Penalty Filed by the North American Electric Reliability Corporation*, Docket No. RM05-30-000 (February 7, 2008). See also 18 C.F.R. Part 39 (2010). *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693), *reh'g denied*, 120 FERC ¶ 61,053 (2007) (Order No. 693-A). See 18 C.F.R. § 39.7(c)(2).

Statement of Findings Underlying the Violation

This NOP incorporates the findings and justifications set forth in the Settlement Agreement executed on July 23, 2010, by and between ReliabilityFirst and URE. The details of the findings and the basis for the penalty are set forth in the Disposition Document. This NOP 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, NERC provides the following summary table identifying each violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Duration	Total Penalty (\$)
NOC-612	RFC200900143	CIP-004-1	3.2/3.3	Lower ³	7/01/08-9/30/09	7,000

The text of the Reliability Standard at issue and further information on the subject violations are set forth in the Disposition Document.

CIP-004-1 R3 - OVERVIEW

On June 16, 2009, URE self-reported to ReliabilityFirst identifying eight occurrences constituting violations of CIP-004-1 R3 (specifically R3.2 and R3.3). This Self-Report was supplemented by a letter, submitted by URE on July 29, 2009, identifying an additional occurrence. ReliabilityFirst determined that URE did not update personnel risk assessments on nine individuals.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed⁴

Basis for Determination

Taking into consideration the Commission’s direction in Order No. 693, the NERC Sanction Guidelines, the Commission’s July 3, 2008, October 26, 2009 and August 27, 2010 Guidance Orders,⁵ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on October 12, 2010. The NERC BOTCC approved the Settlement Agreement, including ReliabilityFirst’s assessment of a seven thousand dollar (\$7,000) financial penalty against URE and other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed

³ CIP-004-1 R3 was originally assigned a “Lower” VRF. The Commission approved the VRF as filed, but directed NERC to submit a modification. On January 27, 2009, the Commission approved the modified “Medium” VRF. Therefore, the “Lower” VRF was in effect from June 18, 2007 through January 27, 2009 when the “Medium” VRF became effective. CIP-004-1 R3.1, R3.2 and R3.3 each have a “Lower” VRF. CIP-004-1 R3 has a “Medium” VRF, effective January 27, 2009.

⁴ See 18 C.F.R. § 39.7(d)(4).

⁵ *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).

the applicable requirements of the Commission-approved Reliability Standard and the underlying facts and circumstances of the violation at issue.

In reaching this determination, the NERC BOTCC considered the following factors:

1. the violation constituted URE's first occurrence of violation of the subject NERC Reliability Standard;
2. URE self-reported the violation;
3. ReliabilityFirst reported that URE was cooperative throughout the compliance enforcement process;
4. URE did not have a compliance program in place at the time of the violation as discussed in the Disposition Document;
5. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. ReliabilityFirst determined that the violation did not pose a serious or substantial risk to the reliability of the BPS, as discussed in the Disposition Document; and
7. ReliabilityFirst reported that there were no other mitigating or aggravating factors or extenuating circumstances that would affect the assessed penalty.

For the foregoing reasons, the NERC BOTCC approves the Settlement Agreement and believes that the assessed penalty of seven thousand dollar (\$7,000) 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 NOP 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 NOP are the following documents:

- a) Settlement Agreement by and between ReliabilityFirst and URE executed July 23, 2010, included as Attachment a;
 - i. URE's Self-Report for CIP-004-1 R3 dated June 16, 2009, included as Attachment A to the Settlement Agreement;
 - ii. URE's Supplemental Letter dated July 29, 2010, included as Attachment B to the Settlement Agreement;
 - iii. URE's Mitigation Plan MIT-08-1925 submitted September 4, 2009, included as Attachment C to the Settlement Agreement;
 - iv. URE'S Certification of Mitigation Plan MIT-08-1925 Completion dated November 9, 2009, included as Attachment D to the Settlement Agreement; and
 - v. ReliabilityFirst's Verification of Mitigation Plan MIT-08-1925 Completion dated February 9, 2010, included as Attachment E to the Settlement Agreement; and
- b) Disposition Document dated October 12, 2010, included as Attachment b.

A Form of Notice Suitable for Publication⁶

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

⁶ 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* Sr. Vice President and General Counsel North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, NJ 08540-5721 (609) 452-8060 (609) 452-9550 – facsimile david.cook@nerc.net</p>	<p>Rebecca J. Michael* Assistant General Counsel North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, DC 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net</p>
<p>L. Jason Blake* Attorney ReliabilityFirst Corporation 320 Springside Drive, Suite 300 Akron, OH 44333 (330) 456-2488 jason.blake@rfirst.org</p>	<p>Robert K. Wargo* Manager of Compliance Enforcement ReliabilityFirst Corporation 320 Springside Drive, Suite 300 Akron, OH 44333 (330) 456-2488 bob.wargo@rfirst.org</p>
<p>Michael D. Austin* Associate Attorney 320 Springside Drive, Suite 300 Akron, OH 44333 (330) 456-2488 mike.austin@rfirst.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>

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Conclusion

Accordingly, NERC respectfully requests that the Commission accept this Abbreviated NOP as compliant with its rules, regulations and orders.

Respectfully submitted,

Gerald W. Cauley
President and Chief Executive Officer
David N. Cook
Sr. Vice President and General Counsel
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/s/ Rebecca J. Michael
Rebecca J. Michael
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rebecca.michael@nerc.net

cc: Unidentified Registered Entity
ReliabilityFirst Corporation

Attachments

Attachment b

Disposition Document dated October 12, 2010

DISPOSITION OF VIOLATION¹
Dated October 12, 2010

NERC TRACKING NO. RFC200900143	REGIONAL ENTITY TRACKING NO. RFC200900143	NOC# NOC-612
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REGISTERED ENTITY Unidentified Registered Entity (URE)	NERC REGISTRY ID NCRXXXXX
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REGIONAL ENTITY
ReliabilityFirst Corporation (ReliabilityFirst)

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
CIP-004-1	R3	R3.2; R3.3	Lower²	Lower³

PURPOSE OF THE RELIABILITY STANDARD AND TEXT OF RELIABILITY STANDARD AND REQUIREMENT(S)/SUB-REQUIREMENT(S)

The purpose statement of CIP-004-1 provides in pertinent part: “Standard CIP-004 requires that personnel having authorized cyber or authorized unescorted physical access to Critical Cyber Assets, including contractors and service vendors, have an appropriate level of personnel risk assessment, training, and security awareness. Standard CIP-004 should be read as part of a group of standards numbered Standards CIP-002 through CIP-009. ...”

CIP-004-1 R3 provides in pertinent part:

Personnel Risk Assessment – The Responsible Entity^[4] shall have a documented personnel risk assessment program, in accordance with federal, state, provincial,

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² CIP-004-1 R3 was originally assigned a “Lower” VRF. The Commission approved the VRF as filed, but directed NERC to submit a modification. On January 27, 2009, the Commission approved the modified “Medium” VRF. Therefore, the “Lower” VRF was in effect from June 18, 2007 through January 27, 2009 when the “Medium” VRF became effective. CIP-004-1 R3.1, R3.2 and R3.3 each have a “Lower” VRF. CIP-004-1 R3 has a “Medium” VRF, effective January 27, 2009.

³ Based on the approved VSL matrix for R3. and R3.2, neither have a Lower VSL, but the criteria for establishing VSLs under R3 and R3.2 do not apply to the factual circumstances of this case and therefore the VSL for R3.3 was used.

⁴ Within the text of Standard CIP-004, “Responsible Entity” shall mean Reliability Coordinator, Balancing Authority, Interchange Authority, Transmission Service Provider, Transmission Owner, Transmission

and local laws, and subject to existing collective bargaining unit agreements, for personnel having authorized cyber or authorized unescorted physical access. A personnel risk assessment shall be conducted pursuant to that program within thirty days of such personnel being granted such access. Such program shall at a minimum include:

...

R3.2. The Responsible Entity shall update each personnel risk assessment at least every seven years after the initial personnel risk assessment or for cause.

R3.3. The Responsible Entity shall document the results of personnel risk assessments of its personnel having authorized cyber or authorized unescorted physical access to Critical Cyber Assets, and that personnel risk assessments of contractor and service vendor personnel with such access are conducted pursuant to Standard CIP-004.

VIOLATION DESCRIPTION

On June 16, 2009, URE submitted a Compliance Monitoring and Enforcement Program Violation Self-Reporting Form (the “Self-Report”) to ReliabilityFirst. The Self-Report identified eight occurrences constituting possible violations of CIP-004-1, Requirement (R) 3 (specifically R3.2 and R3.3). This Self-Report was supplemented by a letter, submitted by URE on July 29, 2009 (the “Supplemental Letter”), identifying an additional occurrence. Therefore, ReliabilityFirst found that on nine occasions URE failed to conduct or update, as required by CIP-004-1 R3, personal risk assessments (PRAs) for personnel having authorized cyber access or authorized unescorted physical access to Critical Cyber Assets.

1. The Seven URE Employees.

URE failed to document personnel risk assessments for seven of its employees with access to Critical Cyber Assets. At the time of the hiring of all seven employees in 2003 and 2005,⁵ URE’s business practice was to perform personnel risk assessments either prior to the hiring date or within 60 days of the hiring date. URE has stated that, due to administrative oversight, records of the personnel risk assessments for these seven employees could not be located.

These seven employees first gained access to Critical Cyber Assets between 2003 and 2007. URE revoked access to Critical Cyber Assets for six of the seven on April 17, 2009, after it discovered the lack of personnel risk assessments for these six employees. Within a week after that, URE ordered and completed personnel risk

Operator, Generator Owner, Generator Operator, Load Serving Entity, NERC, and Regional Reliability Organizations.

⁵ URE hired five of the employees in 2003 and two of the employees in 2005.

assessments for the six employees, and upon receipt of the completed personnel risk assessments, URE restored the six employees' access to Critical Cyber Assets. With respect to the seventh employee, URE did not revoke access because a personnel risk assessment was immediately completed on the date of discovery.

2. *The Two Contracted Workers.*

In the Self-Report and Supplemental Letter, URE informed *ReliabilityFirst* that two of its contracted workers with access to Critical Cyber Assets had expired personnel risk assessments on file.

One worker was a cleaning contractor with authorized unescorted physical access to URE's control room. Although URE's screening vendor conducted a personnel risk assessment on this worker in 1999, it did not conduct an updated personnel risk assessment until December 11, 2008. URE either observed or escorted the cleaning contractor at all times when the cleaning contractor was inside URE's control room, so even though the contractor had unescorted physical access rights, these rights were never exercised. This supervision enabled URE to confirm that the cleaning contractor never operated, used, or touched any Critical Cyber Asset in URE's control room.

The other worker was a hardware support contractor with authorized unescorted physical access to URE's servers. This worker was supervised by URE at all times when the worker was in the URE control room and the worker did not have an account to log into or otherwise access any data on the servers. In October 2008, URE discovered that it failed to timely conduct an updated personnel risk assessment. This failure occurred as a result of URE's system incorrectly stating that this worker's personnel risk assessment did not expire until November 2008, when it actually expired in November 2007. On January 15, 2009, the URE's screening vendor conducted the requisite updated personnel risk assessment on this worker.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

ReliabilityFirst determined that the potential impact to the reliability of the BPS was minimal because (1) URE supervised, at all times, the two contracted workers while they worked in URE control room, so neither contractor worker accessed the controlled areas on an unescorted basis; and (2) URE maintains a well-documented history of conducting the requisite personnel risk assessments. For example, URE hired 412 employees during the time period in which it hired the seven employees, *i.e.*, from 2003 to 2005. Throughout this time period, it was URE's business practice to complete personnel risk assessments either prior to or within 60 days of an employee's start date. This business practice is evidenced by the fact that of the 412 employees hired during this time period, URE failed to produce evidence of personnel risk assessments for only seven.

Upon discovering the missing personnel risk assessments, the URE took immediate actions to minimize any actual impact to the reliability of the BPS. Specifically, URE suspended the employees' access to Critical Cyber Assets and performed personnel risk assessments within one week of these suspensions. None of the URE employees or contracted workers attempted to use unauthorized access to Critical Cyber Assets for any unlawful purpose.

IS THERE A SETTLEMENT AGREEMENT YES NO

WITH RESPECT TO THE VIOLATION(S), REGISTERED ENTITY

NEITHER ADMITS NOR DENIES IT (SETTLEMENT ONLY) YES
ADMITS TO IT YES
DOES NOT CONTEST IT (INCLUDING WITHIN 30 DAYS) YES

WITH RESPECT TO THE ASSESSED PENALTY OR SANCTION, REGISTERED ENTITY

ACCEPTS IT/ DOES NOT CONTEST IT YES

III. DISCOVERY INFORMATION

METHOD OF DISCOVERY

SELF-REPORT
SELF-CERTIFICATION
COMPLIANCE AUDIT
COMPLIANCE VIOLATION INVESTIGATION
SPOT CHECK
COMPLAINT
PERIODIC DATA SUBMITTAL
EXCEPTION REPORTING

DURATION DATE(S) **From 7/1/08 (when an updated Personnel Risk Assessment (PRA) was required) through 9/30/09 (when the PRA's were performed)**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **6/16/09⁶**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

⁶ As to discovery, URE discovered the missing personnel risk assessments underlying this alleged violation were discovered in the months leading up to the Self-Report. Evidence supports that URE was aware of these missing personnel risk assessments, in April of 2009, when personnel risk assessments were performed on URE employees in question

REMEDIAL ACTION DIRECTIVE ISSUED	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>
PRE TO POST JUNE 18, 2007 VIOLATION	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>

IV. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-08-1925
DATE SUBMITTED TO REGIONAL ENTITY	9/04/09
DATE ACCEPTED BY REGIONAL ENTITY	9/08/09
DATE APPROVED BY NERC	9/10/09
DATE PROVIDED TO FERC	9/10/09

IDENTIFY AND EXPLAIN ALL PRIOR VERSIONS THAT WERE ACCEPTED OR REJECTED, IF APPLICABLE

N/A

MITIGATION PLAN COMPLETED	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
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EXPECTED COMPLETION DATE	9/30/09
EXTENSIONS GRANTED	N/A
ACTUAL COMPLETION DATE	9/30/09

DATE OF CERTIFICATION LETTER	11/09/09
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF	9/30/09

DATE OF VERIFICATION LETTER	2/09/10
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF	9/30/09

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

Some actions taken to prevent reoccurrence were actually taken prior to URE’s discovery of the facts underlying the instant violations. For instance, URE requested PRAs for the seven employees and two contracted workers. This mitigation action was taken in addition to the immediate termination of those individuals’ authorized cyber and authorized unescorted physical access to Critical Cyber Assets. As noted, upon completion of the personnel risk assessments for all these individuals, URE restored these individuals’ access to Critical Cyber Assets.

URE had also implemented certain changes to its risk assessment screening procedure. On June 30, 2008, that procedure was revised to state that all URE employees and contracted workers that are issued badge access to facilities housing Critical Cyber Assets must have the appropriate PRAs completed prior to gaining such access.

On February 23, 2009, URE created a separate risk assessment screening procedure specific to contracted workers. This delineated procedure removed any ambiguity regarding the risk assessment screening processes required for contracted workers relative to the risk assessment screening processes required for URE employees.

URE implemented new processes to further reduce the risk of reoccurrence of this violation. For instance, a hard copy of all URE employee PRAs will be provided to a second human resources representative to verify completion. URE will also enter personnel risk assessment completion information into the human resources database and that database will be compared with new hire reports to ensure that the database is current. URE stated that starting at the end of the third quarter 2009, new hire reports would be reviewed on a quarterly basis to ensure the human resources database system has been updated with new hire background check completion dates. URE access management team will utilize matrices to ensure that all personnel risk assessments on contracted workers are up to date. Lastly, no physical or cyber access to Critical Cyber Assets will be provided to new contractor employees unless confirmation is made on background checks.

LIST OF EVIDENCE REVIEWED BY REGIONAL ENTITY TO EVALUATE COMPLETION OF MITIGATION PLAN (FOR CASES IN WHICH MITIGATION IS NOT YET COMPLETED, LIST EVIDENCE REVIEWED FOR COMPLETED MILESTONES)

- 1. A procedure that requires all URE employees and contracted workers issued badge access to facilities housing Critical Cyber Assets to have the appropriate PRAs completed prior to gaining such access.**
- 2. A human resources document that provides evidences URE's process improvements to prevent reoccurrence. PRA date, verification date, and identification of the person performing the verification as well as a second verification date to confirm completion and who performed the second verification are included on this check list.**
- 3. A new hire background audit of third quarter 2009 that shows evidences URE's process improvements to prevent reoccurrence. For all URE employees hired in this particular quarter, the new employee's name, job title, and date of PRA date are included.**
- 4. A contractor and vendor PRA document that provides evidence that URE's tracking of contracted workers' access to Critical Cyber Assets. Vendor name, contractor name, date of hire, date of personnel risk assessment completion, and date of PRA expiration are provided in this report.**

V. PENALTY INFORMATION

TOTAL ASSESSED PENALTY OR SANCTION OF \$7,000 FOR ONE VIOLATION OF A RELIABILITY STANDARD.

(1) REGISTERED ENTITY'S COMPLIANCE HISTORY

PREVIOUSLY FILED VIOLATIONS OF ANY OF THE INSTANT RELIABILITY STANDARD(S) OR REQUIREMENT(S) THEREUNDER
YES NO

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

PREVIOUSLY FILED VIOLATIONS OF OTHER RELIABILITY STANDARD(S) OR REQUIREMENTS THEREUNDER
YES NO

LIST VIOLATIONS AND STATUS

ADDITIONAL COMMENTS

(2) THE DEGREE AND QUALITY OF COOPERATION BY THE REGISTERED ENTITY (IF THE RESPONSE TO FULL COOPERATION IS "NO," THE ABBREVIATED NOP FORM MAY NOT BE USED.)

FULL COOPERATION YES NO
IF NO, EXPLAIN

(3) THE PRESENCE AND QUALITY OF THE REGISTERED ENTITY'S COMPLIANCE PROGRAM

IS THERE A DOCUMENTED COMPLIANCE PROGRAM
YES NO UNDETERMINED
EXPLAIN

ReliabilityFirst considered certain aspects of the compliance program to be a mitigating factor in the penalty determination, as set out in Paragraph 22 of the Settlement Agreement.

EXPLAIN SENIOR MANAGEMENT'S ROLE AND INVOLVEMENT WITH RESPECT TO THE REGISTERED ENTITY'S COMPLIANCE PROGRAM, INCLUDING WHETHER SENIOR MANAGEMENT TAKES ACTIONS THAT SUPPORT THE COMPLIANCE PROGRAM, SUCH AS TRAINING, COMPLIANCE AS A FACTOR IN EMPLOYEE EVALUATIONS, OR OTHERWISE.

See above

(4) ANY ATTEMPT BY THE REGISTERED ENTITY TO CONCEAL THE VIOLATION(S) OR INFORMATION NEEDED TO REVIEW, EVALUATE OR INVESTIGATE THE VIOLATION.

YES NO
IF YES, EXPLAIN

(5) ANY EVIDENCE THE VIOLATION(S) WERE INTENTIONAL (IF THE RESPONSE IS "YES," THE ABBREVIATED NOP FORM MAY NOT BE USED.)

YES NO
IF YES, EXPLAIN

(6) ANY OTHER MITIGATING FACTORS FOR CONSIDERATION

YES NO
IF YES, EXPLAIN

(7) ANY OTHER AGGRAVATING FACTORS FOR CONSIDERATION

YES NO
IF YES, EXPLAIN

(8) ANY OTHER EXTENUATING CIRCUMSTANCES

YES NO
IF YES, EXPLAIN

EXHIBITS:

SOURCE DOCUMENT

URE's Self Report dated June 16, 2009

URE's Supplemental Letter dated July 29, 2009

MITIGATION PLAN

URE's Mitigation Plan MIT-08-1925 submitted September 4, 2009

CERTIFICATION BY REGISTERED ENTITY

URE'S Certification of Mitigation Plan MIT-08-1925 Completion dated

November 9, 2009

VERIFICATION BY REGIONAL ENTITY

ReliabilityFirst's Verification of Mitigation Plan MIT-08-1925 Completion

dated February 9, 2010

OTHER RELEVANT INFORMATION:

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR
SANCTION ISSUED

DATE: OR N/A

SETTLEMENT DISCUSSIONS COMMENCED

DATE: **7/23/10** OR N/A

NOTICE OF CONFIRMED VIOLATION ISSUED

DATE: OR N/A

SUPPLEMENTAL RECORD INFORMATION

DATE(S) OR N/A

REGISTERED ENTITY RESPONSE CONTESTED

FINDINGS PENALTY BOTH NO CONTEST

HEARING REQUESTED

YES NO

DATE

OUTCOME

APPEAL REQUESTED