



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

June 29, 2011

Ms. Kimberly D. 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 violations¹ 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 Western Electricity Coordinating Council (WECC) and URE have entered into a Settlement Agreement to resolve all outstanding issues arising from WECC's determination and findings of the enforceable violations of CIP-001-1 Requirement (R)1, R2, R3; CIP-002-1 R2, R3; CIP-003-1 R1, R4; CIP-004-1 R3 (two instances), R4; CIP-007-1 R1; COM-001-1 R2, R3; EOP-001-1 R1, R6; EOP-005-1 R2, R4; FAC-013-1 R2; PRC-STD-005-1 WR1 (two instances); PRC-005-1 R2; VAR-001-1 R3; VAR-001-1 R4; INT-001-3 R1; VAR-STD-002b-1 WR1; and CIP-006-1 R2, R4. According to the Settlement Agreement, URE stipulates to the facts of the violation, and has agreed to the assessed penalty of one-hundred and thirty-thousand dollars (\$130,000), in addition to other remedies and actions to

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 (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).

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mitigate the instant violations and facilitate future compliance under the terms and conditions of the Settlement Agreement. Accordingly, the violations identified as NERC Violation Tracking Identification Numbers WECC200901498, WECC200901499, WECC200901500, WECC200901594, WECC200901595, WECC200901596, WECC200901597, WECC200901489, WECC200901722, WECC200901555, WECC200901490, WECC200901496, WECC200901497, WECC200901519, WECC200901676, WECC200901520, WECC200901521, WECC200801211, WECC200801274, WECC200901452, WECC200901674, WECC200901675, WECC200901821, WECC201001811, WECC201001820, WECC200901867, and WECC200901868 are being filed in accordance with the NERC Rules of Procedure and the CMEP.

Statement of Findings Underlying the Violations

This NOP incorporates the findings and justifications set forth in the Settlement Agreement executed on August 11, 2010, by and between WECC and URE. The details of the findings and the basis for the penalty are set forth in the Disposition Documents. 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-653	WECC200901498	CIP-001-1	1	Medium	6/18/07-10/29/09	130,000
	WECC200901499	CIP-001-1	2	Medium	6/18/07-10/29/09	
	WECC200901500	CIP-001-1	3	Medium	6/18/07-10/29/09	
	WECC200901594	CIP-002-1	2	High ³	6/18/09-5/11/10	
	WECC200901595	CIP-002-1	3	High ⁴	7/06/09-5/24/10	

³ When NERC filed Violation Risk Factors (VRF) it originally assigned CIP-002-1 R2 a Lower VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified High VRF and on January 27, 2009, the Commission approved the modified High VRF. Therefore, the Lower VRF for CIP-002-1 R2 was in effect from June 18, 2007 until January 27, 2009 when the High VRF became effective.

⁴ When NERC filed Violation Risk Factors (VRF) it originally assigned CIP-002-1 R3 a Medium VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified High VRF and on January 27, 2009, the Commission approved the modified High VRF. Therefore, the Medium VRF for CIP-002-1 R3 was in effect from June 18, 2007 until January 27, 2009 when the High VRF became effective.

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WECC200901596	CIP-003-1	1	Lower ⁵	7/1/08-5/10/10
WECC200901597	CIP-003-1	4	Lower	7/1/08-4/15/10
WECC200901489	CIP-004-1	3	Lower ⁶	7/1/08-2/27/09
WECC200901722	CIP-004-1	3	Lower	7/1/08-10/30/09
WECC200901555	CIP-004-1	4	Lower ⁷	11/13/08-3/31/09
WECC200901490	CIP-007-1	1	Lower ⁸	7/1/08-7/27/09
WECC200901496	COM-001-1	2	Medium	6/18/07-4/20/10
WECC200901497	COM-001-1	3	Lower	6/18/07-4/20/10
WECC200901519	EOP-001-1	1	High	6/18/07-1/22/10
WECC200901676	EOP-001-1	6	Medium	10/5/08-1/15/09 ⁹
WECC200901520	EOP-005-1	2	Medium	10/5/08-1/15/09
WECC200901521	EOP-005-1	4	Medium	6/18/07-11/16/09
WECC200801211	FAC-013-1	2	Medium	11/14/08-12/5/08 ¹⁰
WECC200801274	PRC-STD-005-1	WR1	N/A ¹¹	6/18/07-3/30/09

⁵ CIP-003-1 R1 has a “Medium” Violation Risk Factor (VRF); R1.1, R1.2 and R1.3 each have a “Lower” VRF. When NERC filed VRFs it originally assigned CIP-003-1 R1 a “Lower” VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified “Medium” VRF and on January 27, 2009, the Commission approved the modified “Medium” VRF. Therefore, the “Lower” VRF for CIP-003-1 R1 was in effect from June 18, 2007 until January 27, 2009, when the “Medium” VRF became effective.

⁶ CIP-004-1 R3 has a “Medium” Violation Risk Factor (VRF); R3.1, R3.2 and R3.3 each have a “Lower” VRF. When NERC filed VRFs it originally assigned CIP-004-1 R3 a “Lower” VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified “Medium” VRF and on January 27, 2009, the Commission approved the modified “Medium” VRF. Therefore, the “Lower” VRF for CIP-004-1 R3 was in effect from June 18, 2007 until January 27, 2009, when the “Medium” VRF became effective.

⁷ CIP-004-1 R4 and R4.1 each have a “Lower” VRF; R4.2 has a “Medium” VRF. When NERC filed VRFs, it originally assigned CIP-004-1 R4.2 a Lower VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified Medium VRF and on January 27, 2009, the Commission approved the modified Medium VRF. Therefore, the Lower VRF for CIP-004-1 R4.2 was in effect from June 18, 2007 until January 27, 2009 when the Medium VRF became effective.

⁸ When NERC filed VRFs it originally assigned CIP-007-1 R4 a “Lower” VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified “Medium” VRF and on February 2, 2009, the Commission approved the modified “Medium” VRF. Therefore, the “Lower” VRF for CIP-007-1 R4 was in effect from June 18, 2007 until February 2, 2009, when the “Medium” VRF became effective.

⁹ The Settlement Agreement states that the duration for EOP-001-1 R6 was from October 5, 2008 through November 16, 2009.

¹⁰ The Settlement Agreement incorrectly states the violation began on June 18, 2007.

¹¹ PRC-STD-005-1 is a Regional Standard and does not have a Violation Risk Factor; instead it has an associated Level of Non-Compliance. WECC determined this violation warranted a Level 1 Level of Non-Compliance.

	WECC200901452	PRC-005-1	2	High ¹²	3/28/29-7/9/09	
	WECC200901674	VAR-001-1	3	Lower	5/28/08-4/9/08	
	WECC200901675	VAR-001-1	4	Medium	5/28/08-4/9/09	
	WECC200901821	INT-001-3	1	Lower	8/28/08-7/1/10	
	WECC201001811	PRC-STD-005-1	WR1	N/A ¹³	12/31/09-1/24/10	
	WECC201001820	VAR-STD-002b-1	WR1	N/A ¹⁴	11/18/09-2/24/10	
	WECC200901867	CIP-006-1	2	Medium	7/9/09-7/9/09	
	WECC200901868	CIP-006-1	4	Lower	7/1/09-7/1/09	

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

CIP-001-1 R1, R2, R3- OVERVIEW

URE completed an internal assessment and submitted a Self-Report. WECC conducted an on-site Compliance Audit at URE. WECC determined that URE did not have a procedure for making its operating personnel aware of sabotage events on its facilities and multi-site sabotage affecting larger portions of the Interconnection; URE failed to include all appropriate parties in the Interconnection in this reporting procedure; and finally, URE failed to provide its generation operating personnel with sabotage response guidelines.

CIP-002-1 R2- OVERVIEW

WECC conducted an on-site CIP Spot Check at URE’s offices. WECC determined that URE did not develop a list of its Critical Assets by applying its risk-based assessment methodology. URE’s risk-based assessment methodology requires URE to identify an asset as a Critical Asset if such an asset is used as part of URE’s system restoration plan. URE’s system restoration plan included a certain substation as part of the restoration plan. URE did not list the referenced substation as a Critical Asset.

¹² PRC-005-1 R2 has a “Lower” Violation Risk Factor (VRF); R2.1 and R2.2 each have a “High” VRF. During a final review of the standards subsequent to the March 23, 2007 filing of the Version 1 VRFs, NERC identified that some standards requirements were missing VRFs; one of these include PRC-005-1 R2.1. On May 4, 2007, NERC assigned PRC-005 R2.1 a “High” VRF. In the Commission’s June 26, 2007 Order on Violation Risk Factors, the Commission approved the PRC-005-1 R2.1 “High” VRF as filed. Therefore, the “High” VRF was in effect from June 26, 2007. In the context of this case, WECC determined that the violation related to R2.1 therefore a “High” VRF is appropriate.

¹³ PRC-STD-005-1 is a Regional Standard and does not have a Violation Risk Factor; instead it has an associated Level of Non-Compliance. WECC determined this violation warranted a Level 1 Level of Non-Compliance.

¹⁴ VAR-STD-002b-1 is a Regional Standard and does not have a Violation Risk Factor; instead it has an associated Level of Non-Compliance. WECC determined this violation warranted a Level 4 Level of Non-Compliance.

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CIP-002-1 R3- OVERVIEW

WECC conducted an on-site CIP Spot Check at URE's offices. WECC determined that URE did not list the 21 Distribution Dispatcher consoles and three Windows™ domain controllers as Critical Cyber Assets.

CIP-003-1 R1- OVERVIEW

WECC conducted an on-site CIP Spot Check at URE's offices. WECC determined that URE did not have a Cyber Security Policy that addressed all of the CIP-002 through CIP-009 requirements.

CIP-003-1 R4- OVERVIEW

WECC conducted an on-site CIP Spot Check at URE's offices. WECC determined that URE did not classify certain documents in accordance to URE's Critical Cyber Asset Information Protection Program

CIP-004-1 R3- OVERVIEW

URE submitted a Self-Report. WECC determined that URE did not have one employee's background investigation report on file, despite this employee having access to Critical Cyber Assets.

CIP-004-1 R3- OVERVIEW

WECC conducted an on-site CIP Spot Check at URE's offices. During the Spot Check, URE provided a Self-Report to the Spot Check Team. WECC determined that URE did not have complete Personnel Risk Assessments for all of URE's contract and service personnel who had unescorted access, or cyber access, to Critical Cyber Assets.

CIP-004-1 R4- OVERVIEW

While conducting a quarterly access review, URE discovered noncompliance with this Standard. As a result, URE submitted a Self-Report. WECC determined that URE did not update its access list within seven calendar days of a change in the access rights of personnel. URE did not revoke access to these contractors within seven calendar days of being granted such inadvertent access.

CIP-007-1 R1- OVERVIEW

URE conducted an internal review and URE submitted a Self-Report. WECC determined that URE could not demonstrate that additions or changes within URE's Electronic Security Perimeter (ESP) did not adversely impact URE's existing cyber security controls. URE failed to maintain cyber security test procedures in a manner that minimizes adverse effects on the production system or its operation; failed to document that its test environment reflects URE's production environment; and failed to document test results.

COM-001-1 R2- OVERVIEW

URE completed an internal assessment and determined that it could not readily produce full documentation pertaining to its vital telecommunication systems. URE submitted a Self-Report for this violation. WECC determined that URE failed to document that it managed, alarmed, tested and/or actively monitored its vital telecommunications facilities, and failed to document

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that it gave special attention to emergency telecommunications facilities and equipment not used for routine communications.

COM-001- 1 R3- OVERVIEW

URE completed an internal assessment and determined that it could not readily produce full documentation pertaining to its vital telecommunication systems. URE submitted a Self-Report for this violation. WECC determined that URE failed to provide a means to coordinate telecommunications among the respective Reliability Coordinator, Transmission Operator, and Balancing Authority areas. Specifically, URE did not have a procedure to coordinate telecommunications among their respective areas.

EOP-001-1 R1- OVERVIEW

WECC conducted an on-site Compliance Audit at URE's offices. WECC determined that URE failed to provide operating agreements from remote or adjacent Balancing Authorities that referenced emergency assistance.

EOP-001-1 R6- OVERVIEW

WECC notified URE that WECC would be conducting an on-site Compliance Audit at URE's office. After WECC sent the Audit Notice, but prior to WECC's arrival for the on-site Compliance Audit, URE submitted a Self-Report addressing noncompliance with this Standard. WECC determined that URE failed to annually review and update each of its emergency plans. In addition, URE did not document that it had been providing a copy of its emergency plans to its neighbors prior to January 2009.

EOP-005-1 R2- OVERVIEW

During a Compliance Audit the Audit Team reviewed URE's Black Start procedure. WECC determined that URE did not review its restoration plan for 14 months.

EOP-005-1 R4- OVERVIEW

During a Compliance Audit, the Audit Team reviewed URE's Black Start procedure. WECC determined that URE did not include provisions to coordinate with Balancing Authorities, Transmission Operators, and the Reliability Coordinator, but did not reference coordination with Generator Owners.

FAC-013-1 R2- OVERVIEW

While conducting a self-evaluation, URE discovered noncompliance with this Standard and submitted a Self-Report. WECC determined that URE failed to respond to a request for Transfer Capability updates within the timeframe requested by WECC.

PRC-STD-005-1 WR1- OVERVIEW

URE conducted a self-evaluation and discovered noncompliance with this Standard which it submitted in a Self-Report. WECC determined that URE operating a transmission path listed in Attachment A – WECC Table 2 (*Existing WECC Transfer Paths*), did not inspect two of its Paths transmission circuits in accordance with URE's Transmission Maintenance and Inspection Plan (TMIP).

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PRC-005-1 R2- OVERVIEW

While conducting an internal audit, URE discovered noncompliance with this Standard and submitted a Self-Report to WECC. WECC determined that URE could not provide evidence it maintained and tested within its defined intervals for 32% of its batteries.

VAR-001-1 R3- OVERVIEW

URE completed an internal reliability assessment. After completing the assessment, URE submitted a Self-Report. WECC determined that URE had created a list of exempt generators in its area but as a result of a clerical oversight had neglected to send the notification to a subset of exempt generators.

VAR-001-1 R4- OVERVIEW

URE completed an internal reliability assessment. After completing the assessment, URE submitted a Self-Report. WECC determined that URE did not include the Danskin and Bennett Mountain busses in the voltage schedule list.

INT-001-3 R1- OVERVIEW

WECC notified URE that WECC was initiating the annual self-certification process for the period ending December 31, 2009. WECC determined that URE failed to ensure that the Arranged Interchange was submitted to the Interchange Authority for all Dynamic Schedules at the expected average MW profile for each hour.

PRC-STD-005-1 WR1- OVERVIEW

WECC notified URE that WECC was initiating the annual self-certification process for the period ending December 31, 2009. URE submitted a Self-Report and its Self-Certification indicating URE was noncompliant with this Standard. WECC determined that URE operating a transmission path listed in Attachment A – WECC Table 2 (*Existing WECC Transfer Paths*), failed to conduct a 10-year comprehensive inspection of one of its Paths in accordance with URE's TMIP.

VAR-STD-002b-1 WR1- OVERVIEW

WECC notified URE that WECC was initiating the annual self-certification process for the period ending December 31, 2009. URE submitted a Self-Report and URE submitted its Self-Certification indicating URE was noncompliant with this Standard. WECC determined that URE failed to keep a Power System Stabilizer (PSS) on a single generator in service at all times. URE's PSS went off-line and that URE returned the PSS to service approximately a month later.

CIP-006-1 R2- OVERVIEW

URE submitted a Self-Report addressing noncompliance with this Standard. WECC determined that URE failed to implement operational and procedural physical access controls to manage an access point to an URE Physical Security Perimeter (PSP) twenty-four hours a day, seven days a week.

CIP-006-1 R4- OVERVIEW

URE submitted a Self-Report addressing noncompliance with this Standard. WECC determined that URE did not follow visitor access procedures consistently. Specifically, URE discovered

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cases where janitorial staff and service vendors did not sign in and therefore did not record sufficient information to uniquely identify these individuals and their time of access.

Statement Describing the Assessed Penalty, Sanction or Enforcement Action Imposed¹⁵

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,¹⁶ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on March 11, 2011. The NERC BOTCC approved the Settlement Agreement, including WECC's assessment of a one-hundred and thirty-thousand dollar (\$130,000) 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 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 factors:

1. URE had three occurrences of noncompliance with the PRC-STD-005-1 WR1 Standard within the Specified Period which was an aggravating factor under the Sanction Table for this standard.
2. URE self-reported certain of the violations;¹⁷
3. WECC reported that URE was cooperative throughout the compliance enforcement process;
4. URE had a compliance program at the time of the violation which WECC considered a mitigating factor, as discussed in the Disposition Documents;
5. there was no evidence of any attempt to conceal a violation nor evidence of intent to do so;
6. WECC aggregated the penalties for the violations of EOP-001-0 R6 and EOP-005-1 R2¹⁸;
7. Violations of PRC-STD-005-1 WR1 are penalized based on the Sanction Table associated with PRC-STD-005-1¹⁹;

¹⁵ See 18 C.F.R. § 39.7(d)(4).

¹⁶ *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).

¹⁷ The Common Disposition Document and the individual violation specific Disposition Documents detail the violations which received Self-Reporting credit from WECC.

¹⁸ In cases where multiple violations are related to a single act or common incidence of noncompliance, the regional entity will generally issue a single aggregate penalty bearing a reasonable relationship to the aggregate of the related violations." WECC determined URE's failure to annually review and update its Black Start Procedure resulted URE's violations of EOP-001-0 R6 and EOP-005-1 R2. Accordingly, the penalty assessed is a single penalty representative of the aggregate of the related violations.

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8. Violations of VAR-STD-002b-1 WR1 are penalized based on the Sanction Table associated with VAR-STD-002b-1.²⁰
9. WECC determined that one of the violations did pose a serious risk to the reliability of the bulk power system (BPS). However, the remaining violations did not pose a serious or substantial risk to the reliability of the, as discussed in the Disposition Documents; and
10. WECC 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 one-hundred and thirty-thousand dollars (\$130,000) is appropriate for the violations 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 parts of this NOP are the following documents:

- a) Settlement Agreement by and between WECC and URE executed August 19, 2010, included as Attachment a;
- b) Disposition Document for Common Information, included as Attachment b;
 - i. Disposition Document for CIP-001-1 R1, R2, and R3, included as Attachment b.1;
 - ii. Disposition Document for CIP-002-1 R2, and R3, included as Attachment b.2;
 - iii. Disposition Document for CIP-003-1 R1, R4, included as Attachment b.3;
 - iv. Disposition Document for CIP-004-1 R3, R3, and R4, included as Attachment b.4;
 - v. Disposition Document for CIP-007-1 R1, included as Attachment b.5;
 - vi. Disposition Document for COM-001-1 R2 and R3, included as Attachment b.6;
 - vii. Disposition Document for EOP-001-1 R1 and R6, included as Attachment b.7;
 - viii. Disposition Document for EOP-005-1 R2 and R4, included as Attachment b.8;
 - ix. Disposition Document for FAC-013-1 R2, included as Attachment b.9;
 - x. Disposition Document for PRC-STD-005-1 WR1 and WR1, included as Attachment b.10;
 - xi. Disposition Document for PRC-005-1 R2, included as Attachment b.11;
 - xii. Disposition Document for VAR-001-1 R3 and R4, included as Attachment b.12;

¹⁹ The penalty for the first PRC-STD-005-1 WR1 violation is a letter to URE's Chief Executive Officer with a copy to NERC. URE's violations are Level 1 Non-Compliance.

²⁰ URE's violation is a Level 4 Non-Compliance.

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- xiii. Disposition Document for INT-001-3 R1, included as Attachment b.13;
 - xiv. Disposition Document for VAR-STD-002b-1 WR1, included as Attachment b.14; and
 - xv. Disposition Document for CIP-006-1 R2 and R4, included as Attachment b.15.
- c) Record Documents for CIP-001-1 R1, R2, R3:
- i. URE's Self-Report for CIP-001-1 R1, R2, and R3, included as Attachment c.1;
 - ii. URE's Mitigation Plan MIT-07-2257, included as Attachment c.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment c.3; and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment c.4.
- d) Record Documents for CIP-002-1 R2:
- i. WECC's Regional Determination of Alleged Violation Summary for CIP-002-1 R2, included as Attachment d.1;
 - ii. URE's Revised Mitigation Plan MIT-09-2565, included as Attachment d.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment d.3; and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment d.4.
- e) Record Documents for CIP-002-1 R3:
- i. WECC's Regional Determination of Alleged Violation Summary for CIP-002-1 R3, included as Attachment e.1;
 - ii. URE's Mitigation Plan MIT-09-2603, included as Attachment e.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment e.3; and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment e.4.
- f) Record Documents for CIP-003-1 R1:
- i. WECC's Regional Determination of Alleged Violation Summary for CIP-003-1 R1, included as Attachment f.1;
 - ii. URE's Mitigation Plan MIT-08-2566, included as Attachment f.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment f.3; and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment f.4.
- g) Record Documents for CIP-003-1 R4:
- i. WECC's Regional Determination of Alleged Violation Summary for CIP-003-1 R4, included as Attachment g.1;
 - ii. URE's Mitigation Plan MIT-09-2567, included as Attachment g.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment g.3; and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment g.4.
- h) Record Documents for CIP-004-1 R3 (WECC200901489):

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- i. URE's Compliance Violation Self-Reporting Form for CIP-004-1 R3, included as Attachment h.1;
 - ii. URE's Mitigation Plan MIT-08-1888 and Certification of Mitigation Plan Completion therein, included as Attachment h.2;
 - iii. WECC's Verification of Mitigation Plan Completion, included as Attachment h.3.
- i) Record Documents for CIP-004-1 R3 (WECC200901722):
 - i. WECC's Regional Determination of Alleged Violation Summary for CIP-004-1 R3, included as Attachment i.1;
 - ii. URE's Mitigation Plan MIT-08-2698, included as Attachment i.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment i.3;
and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment i.4.
- j) Record Documents for CIP-004-1 R4:
 - i. URE's Compliance Violation Self-Reporting Form for CIP-004-1 R4, included as Attachment j.1;
 - ii. URE's Mitigation Plan MIT-08-1969, included as Attachment j.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment j.3;
and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment j.4.
- k) Record Documents for CIP-007-1 R1:
 - i. URE's Compliance Violation Self-Reporting Form for CIP-007-1 R1, included as Attachment k.1;
 - ii. URE's Mitigation Plan MIT-08-1861, included as Attachment k.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment k.3;
and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment k.4.
- l) Record Documents for COM-001-1 R2 and R3:
 - i. URE's Compliance Violation Self-Reporting Form for COM-001-1 R2 and R3, included as Attachment l.1;
 - ii. URE's Mitigation Plan MIT-09-2508, included as Attachment l.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment l.3;
and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment l.4.
- m) Record Documents for EOP-001-0 R1:
 - i. WECC's Regional Determination of Alleged Violation Summary for EOP-001-0 R1, included as Attachment m.1;
 - ii. URE's Mitigation Plan MIT-07-2161, included as Attachment m.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment m.3;
and

- iv. WECC's Verification of Mitigation Plan Completion, included as Attachment m.4.
- n) Record Documents for EOP-001-0 R6:
 - i. URE's Compliance Violation Self-Reporting Form for EOP-001-0 R6, included as Attachment n.1;
 - ii. URE's Mitigation Plan MIT-07-2165, included as Attachment n.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment n.3; and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment n.4.
- o) Record Documents for EOP-005-1 R2 and R4:
 - i. WECC's Regional Determination of Alleged Violation Summary for EOP-005-1 R2 violation, included as Attachment o.1;
 - ii. WECC's Regional Determination of Alleged Violation Summary for EOP-005-1 R4 violation, included as Attachment o.2;
 - iii. URE's Mitigation Plan MIT-08-2174, included as Attachment o.3;
 - iv. URE's Certification of Mitigation Plan Completion, included as Attachment o.4;
 - v. WECC's Verification of Mitigation Plan Completion, included as Attachment o.5;
- p) Record Documents for FAC-013-0 R2:
 - i. URE's Compliance Violation Self-Reporting Form for FAC-013-0 R2, included as Attachment p.1;
 - ii. URE's Mitigation Plan MIT-08-1504 and Certification of Mitigation Plan Completion therein, included as Attachment p.2; and
 - iii. WECC's Verification of Mitigation Plan Completion, included as Attachment p.3.
- q) Record Documents for PRC-STD-005-1 WR1 (WECC200801274):
 - i. URE's Compliance Violation Self-Reporting Form for PRC-STD-005-1 WR1 (WECC200801274), included as Attachment q.1;
 - ii. URE's Mitigation Plan MIT-08-1428, included as Attachment q.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment q.3; and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment q.4.
- r) Record Documents for PRC-STD-005-1 WR1 (WECC201001811):
 - i. URE's Compliance Violation Self-Reporting Form for PRC-STD-005-1 WR1 (WECC201001811), included as Attachment r.1;
 - ii. URE's Mitigation Plan MIT-09-2411, included as Attachment r.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment r.3; and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment r.4.
- s) Record Documents for PRC-005-1 R2:

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- i. URE's Compliance Violation Self-Reporting Form for PRC-005-1 R2, included as Attachment s.1;
 - ii. URE's Mitigation Plan MIT-07-1887, included as Attachment s.2
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment s.3;
and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment s.4.
- t) Record Documents for VAR-001-1 R3 and R4:
 - i. URE's Compliance Violation Self-Reporting Form for VAR-001-1 R3 and R4, included as Attachment t.1;
 - ii. URE's Mitigation Plan MIT-08-2326, included as Attachment t.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment t.3;
and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment t.4.
- u) Record Documents for INT-001-3 R1:
 - i. URE's Compliance Violation Self-Reporting Form for INT-001-3 R1, included as Attachment u.1;
 - ii. URE's Compliance Violation Self-Reporting Form for INT-001-3 R1, included as Attachment u.2;
 - iii. URE's Compliance Violation Self-Reporting Form for INT-001-3 R1, included as Attachment u.3
 - iv. URE's Compliance Violation Self-Reporting Form for INT-001-3 R1, included as Attachment u.4;
 - v. URE's Mitigation Plan MIT-08-3458, included as Attachment u.5;
 - vi. URE's Certification of Mitigation Plan Completion, included as Attachment u.6;
and
 - vii. WECC's Verification of Mitigation Plan Completion, included as Attachment u.7.
- v) Record Documents for VAR-STD-002b-1 WR1:
 - i. URE's Self-Certification Form for VAR-STD-002b-1 WR1, included as Attachment v.1;
 - ii. URE's Mitigation Plan MIT-09-2440, included as Attachment v.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment v.3;
and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment v.4.
- w) Record Documents for CIP-006-1 R2 and R4:
 - i. URE's Self-Reporting Form for CIP-006-1 R2 and R4, included as Attachment w.1;
 - ii. URE's Mitigation Plan MIT-09-2690, included as Attachment w.2;
 - iii. URE's Certification of Mitigation Plan Completion, included as Attachment w.3;
and
 - iv. WECC's Verification of Mitigation Plan Completion, included as Attachment v.4.

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A Form of Notice Suitable for Publication²¹

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

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>Mark Maher* Chief Executive Officer Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (360) 713-9598 (801) 582-3918 – facsimile Mark@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) 883-6855 (801) 883-6894 – facsimile CWhite@wecc.biz</p> <p>Sandy Mooy* Associate General Counsel Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 819-7658 (801) 883-6894 – facsimile SMooy@wecc.biz</p>	<p>Rebecca J. Michael* Assistant General Counsel for Corporate and Regulatory Matters Davis Smith* Attorney 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 davis.smith@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>*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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²¹ See 18 C.F.R. § 39.7(d)(6).

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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
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cc: Unidentified Registered Entity
Western Electricity Coordinating Council

Attachments

Attachment b

Disposition Document for Common Information

DISPOSITION OF VIOLATION¹
INFORMATION COMMON TO INSTANT VIOLATIONS
Dated March 11, 2011

REGISTERED ENTITY NERC REGISTRY ID NOC#
Unidentified Registered Entity **NCRXXXXX** **NOC-653**
(URE)
REGIONAL ENTITY
Western Electricity Coordinating Council (WECC)

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
Stipulates to the facts
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

I. PENALTY INFORMATION

TOTAL ASSESSED PENALTY OR SANCTION OF **\$130,000** FOR **TWENTY-SEVEN** VIOLATIONS OF RELIABILITY STANDARDS.

(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

¹ For purposes of this document and attachments hereto, each violation at issue is described as a "violation," regardless of its procedural posture and whether it was a possible, alleged or confirmed violation.

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Attachment b

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

**WECC reviewed URE's Internal Compliance Program (ICP), which
was in place at the time of the violations, during the on-site
Compliance Audit and considered the ICP be to be a mitigating factor
for purposes of establishing a penalty in this case.**

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

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b

(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

OTHER RELEVANT INFORMATION:

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR
SANCTION ISSUED FOR: **WECC200901498, WECC200901499,
WECC200901500, WECC200901594, WECC200901595, WECC200901596,
WECC200901597, WECC200901489, WECC200901722, WECC200901555,
WECC200901490, WECC200901496, WECC200901497, WECC200901519,
WECC200901676, WECC200901520, WECC200901521, WECC200801211,
WECC200801274, WECC200901452, WECC200901674, WECC200901675**

DATE: **12/9/09** OR N/A

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR
SANCTION ISSUED FOR: **WECC200901821, WECC201001811,
WECC201001820**

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Attachment b

DATE: 2/17/10 OR N/A

NOTICE OF ALLEGED VIOLATION AND PROPOSED PENALTY OR
SANCTION ISSUED FOR: **WECC200901867, WECC200901868**

DATE: OR N/A

SETTLEMENT DISCUSSIONS COMMENCED

DATE: 1/7/10 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 DID NOT CONTEST

HEARING REQUESTED

YES NO

DATE

OUTCOME

APPEAL REQUESTED

Disposition Document for CIP-001-1 R1, R2, and R3

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200901498	URE_WECC20091670
WECC200901499	URE_WECC20091671
WECC200901500	URE_WECC20091672

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
CIP-001-1	1		Medium	High
CIP-001-1	2		Medium	High
CIP-001-1	3		Medium	High

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

The purpose statement of CIP-001-1 provides: “Disturbances or unusual occurrences, suspected or determined to be caused by sabotage, shall be reported to the appropriate systems, governmental agencies, and regulatory bodies.”

CIP-001-1 provides:

R1. Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall have procedures for the recognition of and for making their operating personnel aware of sabotage events on its facilities and multi-site sabotage affecting larger portions of the Interconnection.

R2. Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall have procedures for the communication of information concerning sabotage events to appropriate parties in the Interconnection.

R3. Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall provide its operating personnel with sabotage response guidelines, including personnel to contact, for reporting disturbances due to sabotage events.

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INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.1

VIOLATION DESCRIPTION

URE completed an internal reliability assessment. In completing this internal reliability assessment, URE discovered that its sabotage event reporting procedure did not meet the requirements of the CIP-001-1 Reliability Standard. As a result, URE submitted a Self-Report. WECC conducted an on-site Compliance Audit at URE. As part of the pre-audit data submittal, URE submitted its Sabotage Reporting Procedures to WECC. Prior to, and during, the Compliance Audit, WECC's Audit Team reviewed Sabotage reporting procedure.

A WECC subject matter expert (SME) reviewed URE's Self-Report, as well as the findings from the Compliance Audit. The SME concluded Sabotage reporting procedure did not include a procedure for making URE's personnel aware of sabotage events on URE facilities or multi-site sabotage events affecting larger portions of the Interconnection. Additionally, the SME concluded URE's Sabotage reporting procedure failed to include generation dispatch personnel and transmission and distribution frontline operating personnel (e.g., substation inspector and crew foremen) in violation of Requirement 1.

The Sabotage reporting procedure also did not include procedures for the communication of information concerning sabotage events to all appropriate parties in the Interconnection, other than the Department of Energy, in violation of Requirement 2.

Finally, the Sabotage reporting procedure failed to provide URE's generation operating personnel with sabotage response guidelines, including personnel to contact, for reporting disturbances due to sabotage events in violation of Requirement 3.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violations posed a minimal risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because, although URE's procedures were not sufficient to meet the subject standard, URE personnel were trained on the recognition of sabotage events. Further, WECC determined that a sabotage event on URE's facilities likely would have been contained within URE's system, based on system design and operating characteristics.

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INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.1

II. 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) **6/18/07 (when the Standard became mandatory and enforceable) through 10/29/09 (Mitigation Plan completion)**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-07-2257
DATE SUBMITTED TO REGIONAL ENTITY	10/29/09
DATE ACCEPTED BY REGIONAL ENTITY	1/5/10
DATE APPROVED BY NERC	1/13/10
DATE PROVIDED TO FERC	1/13/10

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **Submitted as complete**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **10/29/09**

DATE OF CERTIFICATION LETTER **10/29/09**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **10/29/09**

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.1

DATE OF VERIFICATION LETTER **1/11/10**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **10/29/09**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE

R1

- **The Sabotage reporting procedure was updated to state that if Operations receives information regarding a sabotage event from another entity or the WECCNET, Operations will notify Corporate Security. Once notified, Corporate Security will assess the event and notify appropriate operating personnel and law enforcement agencies.**
- **The Sabotage reporting procedure no longer references the term “reportable significance,” and has been updated to state that if an event is more severe than theft or vandalism, it must be reported to Operations. During such an event, the Sabotage reporting procedure directs all operating personnel to follow the notification procedures outlined in the Sabotage reporting procedure, which include notifying Operations and Corporate Security Departments.**

R2

- **The Sabotage reporting procedure has been updated to include procedures for contacting the Reliability Coordinator and WECCNET.**

R3

- **All generation dispatch operating personnel, as well as operators and distribution dispatchers, received training in Sabotage reporting procedure and understand their responsibilities under the Sabotage reporting procedure.**

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

- **Sabotage reporting procedures**
- **Rosters for training on Sabotage reporting procedure**

EXHIBITS:

SOURCE DOCUMENT
URE Self-Reporting Form

MITIGATION PLAN
URE's Mitigation Plan MIT-07-2257

CERTIFICATION BY REGISTERED ENTITY
URE's Certification of Mitigation Plan Completion Form

VERIFICATION BY REGIONAL ENTITY
WECC's Verification of Mitigation Plan Completion

Disposition Document for CIP-002-1 R2, and R3

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INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.2

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200901594	URE_WECC20091767
WECC200901595	URE_WECC20091768

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
CIP-002-1	2		High¹	N/A²
CIP-002-1	3		High³	N/A

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

The purpose statement of CIP-002-1 provides in pertinent part: “Standard CIP-002 requires the identification and documentation of the Critical Cyber Assets associated with the Critical Assets that support the reliable operation of the Bulk Electric System. These Critical Assets are to be identified through the application of a risk-based assessment.”

CIP-002-1 provides in pertinent part:

R2. Critical Asset Identification — The Responsible Entity^[4] shall develop a list of its identified Critical Assets determined through an annual application of the risk-based assessment methodology required

¹ When NERC filed Violation Risk Factors (VRF) it originally assigned CIP-002-1 R2 a Lower VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified High VRF and on January 27, 2009, the Commission approved the modified High VRF. Therefore, the Lower VRF for CIP-002-1 R2 was in effect from June 18, 2007 until January 27, 2009 when the High VRF became effective.

² At the time of the violations, no VSLs were in effect for CIP-002-1. On June 30, 2009, NERC submitted VSLs for the CIP-002-1 through CIP-009-1 Reliability Standards. On March 18, 2010, the Commission approved the VSLs as filed, but directed NERC to submit modifications.

³ When NERC filed Violation Risk Factors (VRF) it originally assigned CIP-002-1 R3 a Medium VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified High VRF and on January 27, 2009, the Commission approved the modified High VRF. Therefore, the Medium VRF for CIP-002-1 R3 was in effect from June 18, 2007 until January 27, 2009 when the High VRF became effective.

⁴ Within the text of Standard CIP-002, “Responsible Entity” shall mean Reliability Coordinator, Balancing Authority, Interchange Authority, Transmission Service Provider, Transmission Owner, Transmission Operator, Generator Owner, Generator Operator, Load Serving Entity, NERC, and Regional Reliability Organizations.

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Attachment b.2

in R1. The Responsible Entity shall review this list at least annually, and update it as necessary.

R3. Critical Cyber Asset Identification — Using the list of Critical Assets developed pursuant to Requirement R2, the Responsible Entity shall develop a list of associated Critical Cyber Assets essential to the operation of the Critical Asset. Examples at control centers and backup control centers include systems and facilities at master and remote sites that provide monitoring and control, automatic generation control, real-time power system modeling, and real-time inter-utility data exchange. The Responsible Entity shall review this list at least annually, and update it as necessary. For the purpose of Standard CIP-002, Critical Cyber Assets are further qualified to be those having at least one of the following characteristics:

R3.1. The Cyber Asset uses a routable protocol to communicate outside the Electronic Security Perimeter; or,

R3.2. The Cyber Asset uses a routable protocol within a control center; or,

R3.3. The Cyber Asset is dial-up accessible.

(Footnote added.)

VIOLATION DESCRIPTION

WECC conducted an on-site CIP Spot Check at URE's offices. During the Spot Check, the Spot Check team reviewed URE's 2009 Critical Asset list and 2009 Critical Cyber Asset list, as well as URE's Critical Asset Identification methodology, URE's risk-based assessment methodology (RBAM) for 2008, and the 2009 RBAM. The Spot Check team determined URE reviewed its Critical Asset list at least annually and updates its Critical Asset list as necessary.

WECC200901594 CIP-002-1 R2-

WECC, however, found that URE did not correctly apply its RBAM as identified in Requirement 1 of this Standard to create its Critical Asset list. URE's 2009 risk-based assessment methodology (*i.e.*, 2009 RBAM) includes a provision that identifies an asset as a Critical Asset if the asset is used for system restoration as identified in URE's black start procedure. Accordingly, the Spot Check team reviewed URE's black start procedure.

URE's black start procedure called for a procedure that energized a 230 kV line between certain of URE's substations and switchyards. The Spot Check team asked why URE did not list the first Substation as a Critical Asset. URE stated alternate

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Attachment b.2

lines could be used to energize the second Substation and that the circuit breakers at the first Substation are normally closed. URE further stated that the URE black start procedure also references the use of these alternate lines. URE's RBAM requires URE to identify an asset as a Critical Asset if such an asset is used as part of URE's system restoration plan. URE's system restoration plan included a step wherein the first Substation is utilized as part of the restoration plan. Accordingly, WECC found that URE did not develop a list of its Critical Assets by applying its RBAM.

WECC200901595 CIP-002-1 R3:

The Spot Check team determined that URE failed to identify 21 components essential to the operation of some of URE's Critical Assets. The Spot Check team identified 21 Distribution Dispatcher consoles connected to URE's Energy Management System (EMS) that URE did not list as Critical Cyber Assets. The Distribution Dispatcher consoles connected to the EMS in a manner similar to three Transmission Desk consoles that URE did list as Critical Cyber Assets. With the proper credentials, the Distribution Dispatcher consoles could operate as Transmission Desk consoles. Therefore, the Distribution Dispatcher consoles, at any given time, could be essential to the operation of a Critical Asset. Accordingly, these devices must be listed as Critical Cyber Assets.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violations posed a moderate risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because:

WECC200901594 CIP-002-1 R2:

Although the first Substation is explicitly used as part of URE's restoration plan, URE also has alternative lines that can be used in a restoration condition that do not involve the first Substation. The risk to the BPS of not including the first Substation as a Critical Asset is moderate as the line it taps is only one of a number of parallel lines that that could be utilized in restoration of URE's system. Loss of the first Substation could potentially impact the reliability of a localized load area within URE's system but would not impact the reliability or restoration of the BPS.

WECC200901595 CIP-002-1 R3:

Although the Distribution Dispatcher consoles could be used as Transmission Desk consoles, URE was not using these consoles in this manner. URE had taken steps to provide the workstations with protection similar to URE Critical Cyber Assets. The workstations are within an Electronic Security Perimeter and a Physical Security Perimeter, are manned 24/7 by URE employees with authorized Critical Cyber Asset access, and most of the same security controls were in place to protect those workstations.

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INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.2

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

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

WECC200901594 CIP-002-1 R2:

DURATION DATE(S) 6/18/09 (the day URE revised its RBAM and added the provision regarding system restoration) through 5/11/10 (Mitigation Plan completion)

WECC200901595 CIP-002-1 R3:

DURATION DATE(S) 7/6/09 (the day URE revised its Critical Asset List) through 5/24/10 (Mitigation Plan completion)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Spot Check**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

WECC200901594 CIP-002-1 R2:

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-09-2565
DATE SUBMITTED TO REGIONAL ENTITY	2/12/10
DATE ACCEPTED BY REGIONAL ENTITY	6/8/10
DATE APPROVED BY NERC	6/28/10
DATE PROVIDED TO FERC	6/29/10

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

URE initially submitted a Mitigation Plan on November 17, 2009 with an expected completion date of February 15, 2010. This Mitigation Plan was accepted by

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Attachment b.2

WECC on May 27, 2010 and approved by NERC on June 29, 2010. The Mitigation Plan was submitted as non-public information to FERC on June 29, 2010 in accordance with FERC orders. URE submitted a revised Mitigation Plan on February 12, 2010 (dates discussed above) which extended the completion date to June 1, 2010.

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **6/1/10**

EXTENSIONS GRANTED

ACTUAL COMPLETION DATE **5/11/10**

DATE OF CERTIFICATION LETTER **5/11/10**

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **5/11/10**

DATE OF VERIFICATION LETTER **6/8/10**

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **5/11/10**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE

URE assessed the cyber assets at the first Substation. URE identified critical cyber assets and provided the appropriate protective measures as defined in the CIP Standards. URE updated its Critical Asset list to include the first Substation.

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

- **URE Critical Asset list**

WECC200901595 CIP-002-1 R3:

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-09-2603**

DATE SUBMITTED TO REGIONAL ENTITY **3/23/10**

DATE ACCEPTED BY REGIONAL ENTITY **6/2/10**

DATE APPROVED BY NERC **7/6/10**

DATE PROVIDED TO FERC **7/6/10**

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

The original Mitigation Plan was submitted January 26, 2010. The revised Mitigation Plan altered a biometric which had originally been intended to

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INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.2

provide multi-factor authentication because an URE staff member had a physical limitation which made the biometric technically infeasible to implement. The original timeline remained unchanged.

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **5/31/10**

EXTENSIONS GRANTED

ACTUAL COMPLETION DATE **5/24/10**

DATE OF CERTIFICATION LETTER **5/26/10**

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **5/24/10**

DATE OF VERIFICATION LETTER **6/10/10**

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **5/24/10**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE

URE modified its distribution dispatch work stations which required an architectural restructure of the permit model in URE's EMS. The permit model was changed so that the distribution dispatch workstations are strictly denied control access to all BPS components.

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

- **CIP-002 R3 Mitigation Evidence**

EXHIBITS:

WECC200901594 CIP-002-1 R2:

SOURCE DOCUMENT

WECC's Regional Determination of Alleged Violation Summary

MITIGATION PLAN

URE's Mitigation Plan MIT-09-2565

URE's Revised Mitigation Plan MIT-09-2565

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

WECC200901595 CIP-002-1 R3:

SOURCE DOCUMENT

WECC's Regional Determination of Alleged Violation Summary

MITIGATION PLAN

URE's Mitigation Plan MIT-09-2603

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for CIP-003-1 R1, R4

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200901596	URE_WECC20091769
WECC200901597	URE_WECC20091770

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
CIP-003-1	1	1.1	Lower¹	N/A²
CIP-003-1	4		Lower	N/A

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

The purpose statement of CIP-003-1 provides in pertinent part: “Standard CIP-003 requires that Responsible Entities^[3] have minimum security management controls in place to protect Critical Cyber Assets. Standard CIP-003 should be read as part of a group of standards numbered Standards CIP-002 through CIP-009...”

Footnote added.

CIP-003-1 R1 and R4 provide:

R1. Cyber Security Policy — The Responsible Entity shall document and implement a cyber security policy that represents management’s commitment and ability to secure its Critical Cyber Assets. The Responsible Entity shall, at minimum, ensure the following:

¹ CIP-003-1 R1 has a “Medium” Violation Risk Factor (VRF); R1.1, R1.2 and R1.3 each have a “Lower” VRF. When NERC filed VRFs it originally assigned CIP-003-1 R1 a “Lower” VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified “Medium” VRF and on January 27, 2009, the Commission approved the modified “Medium” VRF. Therefore, the “Lower” VRF for CIP-003-1 R1 was in effect from June 18, 2007 until January 27, 2009, when the “Medium” VRF became effective.

² At the time of the violations, no VSLs were in effect for CIP-003-1. On June 30, 2009, NERC submitted VSLs for the CIP-002-1 through CIP-009-1 Reliability Standards. On March 18, 2010, the Commission approved the VSLs as filed, but directed NERC to submit modifications.

³ Within the text of Standard CIP-003, “Responsible Entity” shall mean Reliability Coordinator, Balancing Authority, Interchange Authority, Transmission Service Provider, Transmission Owner, Transmission Operator, Generator Owner, Generator Operator, Load Serving Entity, NERC, and Regional Reliability Organizations.

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Attachment b.3

R1.1. The cyber security policy addresses the requirements in Standards CIP-002 through CIP-009, including provision for emergency situations.

R1.2. The cyber security policy is readily available to all personnel who have access to, or are responsible for, Critical Cyber Assets.

R4. Information Protection — The Responsible Entity shall implement and document a program to identify, classify, and protect information associated with Critical Cyber Assets.

R4.1. The Critical Cyber Asset information to be protected shall include, at a minimum and regardless of media type, operational procedures, lists as required in Standard CIP-002, network topology or similar diagrams, floor plans of computing centers that contain Critical Cyber Assets, equipment layouts of Critical Cyber Assets, disaster recovery plans, incident response plans, and security configuration information.

R4.2. The Responsible Entity shall classify information to be protected under this program based on the sensitivity of the Critical Cyber Asset information.

R4.3. The Responsible Entity shall, at least annually, assess adherence to its Critical Cyber Asset information protection program, document the assessment results, and implement an action plan to remediate deficiencies identified during the assessment.

VIOLATION DESCRIPTION

WECC conducted an on-site CIP Spot Check at URE's offices. The Spot Check team created a matrix (CIP requirement matrix) of each requirement found in NERC Reliability Standards CIP-002 through CIP-009. The Spot Check team compared URE's cyber security policies to the CIP requirement matrix. The Spot Check team determined that URE's cyber security policies did not directly address all of the requirements of CIP-002 through CIP-009, in violation of Requirement 1.1.

The Spot Check team also reviewed URE's 2009 list of Critical Assets, 2009 list of Critical Cyber Assets. The Spot Check team determined that, according to URE's Critical Cyber Asset information program, URE is required to classify information in the following documents as protected information:

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Attachment b.3

- URE’s 2009 list of Critical Assets
- URE’s 2009 list of Critical Cyber Assets
- 2009 annual review worksheet
- Critical Asset List
- Critical Cyber Asset identification worksheet

The Spot Check team determined that URE did not classify the above documents in accordance to URE’s Critical Cyber Asset information program in violation of Requirement 4.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the CIP-003-1 R1 violation posed a minimal risk and the CIP-003-1 R4 violation posed a moderate risk, and neither violation posed a serious or substantial risk to the reliability of the bulk power system (BPS). URE’s cyber security policy addressed many of the relevant requirements, and referenced separate documents that may include content relevant to each requirement of CIP-002 through CIP-009, even though URE’s cyber security policy did not satisfy all of the specific requirements of CIP-002 through CIP-009.

II. 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)

WECC200901596 CIP-003-1 R1: 7/1/08 (when the Standard became mandatory and enforceable for Table 1 Entities) through 5/10/10 (Mitigation Plan completion)

WECC200901597 CIP-003-1 R4: 7/1/08 (when the Standard became mandatory and enforceable for Table 1 Entities) through 4/15/10 (Mitigation Plan completion)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Spot Check**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.3

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

WECC200901596 CIP-003-1 R1:

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-08-2566**
DATE SUBMITTED TO REGIONAL ENTITY **2/11/10**
DATE ACCEPTED BY REGIONAL ENTITY **6/8/10**
DATE APPROVED BY NERC **6/30/10**
DATE PROVIDED TO FERC **6/30/10**

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

URE filed its original Mitigation Plan on November 17, 2009. When URE filed the original Mitigation Plan, it did so before receiving feedback from the WECC Spot Check as to what issues required mitigating. WECC did accept this Mitigation Plan. URE filed an Amended Mitigation Plan on February 11, 2010 after receiving a version of the CIP requirement matrix and Spot Check findings.

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **5/15/10**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **5/10/10**
DATE OF CERTIFICATION LETTER **5/11/10**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **5/10/10**

DATE OF VERIFICATION LETTER **6/8/10**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **5/10/10**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

URE reviewed its Cyber Security Policy and incorporated WECC feedback from the Spot Check into that Policy.

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

- **CIP Cyber Security Standard Version 3.pdf**

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INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.3

WECC200901597 CIP-003-1 R4:

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-09-2567
DATE SUBMITTED TO REGIONAL ENTITY	2/11/10
DATE ACCEPTED BY REGIONAL ENTITY	6/8/10
DATE APPROVED BY NERC	6/30/10
DATE PROVIDED TO FERC	6/30/10

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

URE filed its original Mitigation Plan on November 17, 2009; WECC accepted this Mitigation Plan. Additional training requirements were identified during a review of current CIP Information Protection training. More time was required to develop the additional training segment and to allow required personnel to complete the training. The revised Mitigation Plan was filed February 11, 2010.

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **4/15/10**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **4/15/10**

DATE OF CERTIFICATION LETTER	4/15/10
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF	4/15/10

DATE OF VERIFICATION LETTER	6/8/10
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF	4/15/10

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

URE reviewed documentation (both hard copy and electronic) associated with Critical Cyber Assets to ensure that it is properly classified, labeled and protected according to Critical Cyber Asset information program. In addition, training pertaining to the information program was reviewed to ensure it adequately covers the requirements laid out in the information program.

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

- **CIP-003-1 R4 Mitigation Evidence.pdf**

EXHIBITS:

WECC200901596 CIP-003-1 R1:

SOURCE DOCUMENT

Regional Determination of Alleged Violation Summary

MITIGATION PLAN

URE's Mitigation Plan MIT-08-2566

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

WECC200901597 CIP-003-1 R4:

SOURCE DOCUMENT

Regional Determination of Alleged Violation Summary

MITIGATION PLAN

URE's Mitigation Plan MIT-09-2567

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for CIP-004-1 R3, R3, and R4

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200901489	URE_WECC20091661
WECC200901722	URE_WECC20091900
WECC200901555	URE_WECC20091728

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
CIP-004-1	3	3.1, 3.3	Lower¹	N/A²
CIP-004-1	3		Lower	N/A
CIP-004-1	4	4.1, 4.2	Lower³	N/A

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 CIP-002 through CIP-009....”

CIP-004-1R3 and R4 provide:

R3. Personnel Risk Assessment —The Responsible Entity^[4] shall have a documented personnel risk assessment program, in accordance with

¹ CIP-004-1 R3 has a “Medium” Violation Risk Factor (VRF); R3.1, R3.2 and R3.3 each have a “Lower” VRF. When NERC filed VRFs it originally assigned CIP-004-1 R3 a “Lower” VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified “Medium” VRF and on January 27, 2009, the Commission approved the modified “Medium” VRF. Therefore, the “Lower” VRF for CIP-004-1 R3 was in effect from June 18, 2007 until January 27, 2009, when the “Medium” VRF became effective.

² At the time of the violations, no VSLs were in effect for CIP-004-1. On June 30, 2009, NERC submitted VSLs for the CIP-002-1 through CIP-009-1 Reliability Standards. On March 18, 2010, the Commission approved the VSLs as filed, but directed NERC to submit modifications.

³ CIP-004-1 R4 and R4.1 each have a “Lower” VRF; R4.2 has a “Medium” VRF. When NERC filed VRFs, it originally assigned CIP-004-1 R4.2 a Lower VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified Medium VRF and on January 27, 2009, the Commission approved the modified Medium VRF. Therefore, the Lower VRF for CIP-004-1 R4.2 was in effect from June 18, 2007 until January 27, 2009 when the Medium VRF became effective.

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INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.4

federal, state, provincial, 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:

R3.1. The Responsible Entity shall ensure that each assessment conducted include, at least, identity verification (e.g., Social Security Number verification in the U.S.) and seven-year criminal check. The Responsible Entity may conduct more detailed reviews, as permitted by law and subject to existing collective bargaining unit agreements, depending upon the criticality of the position.

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.

R4. Access — The Responsible Entity shall maintain list(s) of personnel with authorized cyber or authorized unescorted physical access to Critical Cyber Assets, including their specific electronic and physical access rights to Critical Cyber Assets.

R4.1. The Responsible Entity shall review the list(s) of its personnel who have such access to Critical Cyber Assets quarterly, and update the list(s) within seven calendar days of any change of personnel with such access to Critical Cyber Assets, or any change in the access rights of such personnel. The Responsible Entity shall ensure access list(s) for contractors and service vendors are properly maintained.

R4.2. The Responsible Entity shall revoke such access to Critical Cyber Assets within 24 hours for personnel terminated

⁴ Within the text of Standard CIP-004, “Responsible Entity” shall mean Reliability Coordinator, Balancing Authority, Interchange Authority, Transmission Service Provider, Transmission Owner, Transmission Operator, Generator Owner, Generator Operator, Load Serving Entity, NERC, and Regional Reliability Organizations.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.4

for cause and within seven calendar days for personnel who no longer require such access to Critical Cyber Assets.

(Footnote added.)

VIOLATION DESCRIPTION

WECC 200901489 CIP-004-1 R3:

URE conducted a self-evaluation and discovered URE's Human Resources Department (HR) did not have an employee's background investigation report on file, despite this employee having access to Critical Cyber Assets (CCA). As a result, URE submitted a Self-Report to WECC addressing noncompliance with this Standard. HR had verified with the vendor who performs URE's background checks that no check for one employee had been performed when the employee had moved to a position requiring CCA access. When the employee had moved to a position requiring CCA access, the effective date of the transfer had been erroneously entered in the automated data processing file where the date of the PRA assessment should have been entered.

WECC 200901722 CIP-004-1 R3:

WECC conducted an on-site CIP Spot Check at URE's offices. During the Spot Check, URE provided a Self-Report to the Spot Check Team. WECC did not apply a self-reporting credit to this Self-Report because URE provided it during the Spot Check. URE discovered that not all of URE's contract and service personnel who had unescorted access, or cyber access, to Critical Cyber Assets was able to provide proof of Personnel Risk Assessments. One of URE's service vendors did not provide a thorough criminal history detail for a single contractor and so URE performed a personnel risk assessment on that contractor without full knowledge of the risks.

WECC 200901555 CIP-004-1 R4:

While conducting a quarterly access review, URE discovered noncompliance with this Standard. As a result, URE submitted a Self-Report. An automated process to update card access badges inadvertently reinstated access for 19 people who did not require access. URE used third-party software to transfer existing access rights from old access cards to new access cards. The last group of cards that required a transfer (*i.e.*, old cards to new cards) were contractor cards. The third-party software added old access levels that once existed for each user to the new card which resulted in 19 contractor cards inadvertently receiving access rights. URE did not update its access list within seven calendar days of a change in the access rights of personnel. URE did not revoke access to these contractors within seven calendar days of being granted such access.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violations posed a moderate risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because:

WECC 200901489 CIP-004-1 R3:

URE’s violation is for one employee with no Personnel Risk Assessment (PRA) who had access to Critical Cyber Assets for approximately 240 days. URE verified that this was the only employee who was missing a PRA, representing less than 1% of the employees with authorized access to Critical Cyber Assets. This was a long-term employee in good standing with URE. Following discovery of the violation, HR expedited performance of the background check and completed the PRA the same day.

WECC 200901722 CIP-004-1 R3:

URE’s violation is for one contractor from one service vendor without an adequate Personnel Risk Assessment, representing less than 1% of URE’s contractor population. URE’s service vendor had performed a PRA for this contractor, but it was not completed properly.

WECC 200901555 CIP-004-1 R4:

URE’s violation involved the improper provision of cards with authorized access privileges to Critical Cyber Assets to 19 contractors who had not received training or PRAs. The violation applied to a small subset of its contractors. Further, URE monitors its physical security perimeters every hour of every day, and has on-site security at the locations of its Critical Cyber Assets.

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

- SELF-REPORT ⁵
- SELF-CERTIFICATION
- COMPLIANCE AUDIT
- COMPLIANCE VIOLATION INVESTIGATION
- SPOT CHECK ⁶
- COMPLAINT
- PERIODIC DATA SUBMITTAL
- EXCEPTION REPORTING

⁵ WECC 200901489 CIP-004-1 R3 and WECC 200901555 CIP-004-1 R4

⁶ WECC 200901722 CIP-004-1 R3

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.4

WECC 200901489 CIP-004-1 R3:

DURATION DATE(S) 7/1/08 (when the Standard became mandatory and enforceable) through 2/27/09 (when the employee's Personal Risk Assessment was completed)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

WECC 200901722 CIP-004-1 R3:

DURATION DATE(S) 7/1/08 (when the Standard became mandatory and enforceable) through 10/30/09 (Mitigation Plan completion)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Spot Check**

WECC 200901555 CIP-004-1 R4:

DURATION DATE(S) 11/13/08 (when URE granted access to personnel who did not require such access to Critical Cyber Assets) through 3/31/09 (Mitigation Plan completion)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

WECC 200901489 CIP-004-1 R3:

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-08-1888**
DATE SUBMITTED TO REGIONAL ENTITY **3/6/09**
DATE ACCEPTED BY REGIONAL ENTITY **7/31/09**
DATE APPROVED BY NERC **8/19/09**
DATE PROVIDED TO FERC **8/19/09**

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

MITIGATION PLAN COMPLETED YES NO

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.4

EXPECTED COMPLETION DATE **Submitted as complete**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **3/6/09**

DATE OF CERTIFICATION LETTER **3/6/09**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **3/6/09**

DATE OF VERIFICATION LETTER **9/23/09**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **3/6/09**

**ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE**

Upon discovering the noncompliance, URE's HR expedited the performance of the background check and completed the Personnel Risk Assessment on the same day the deficiency was discovered. URE also verified that the single, previously identified employee was indeed URE's only employee with no personnel risk assessment with access to Critical Cyber Assets. URE also took steps to ensure HR maintained documentation of such background checks and personnel risk assessments.

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

**URE contractor Personnel Risk Assessment program Attestation regarding
Personnel Risk Assessment program**

WECC 200901722 CIP-004-1 R3:

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-08-2698**
DATE SUBMITTED TO REGIONAL ENTITY **11/17/09**
DATE ACCEPTED BY REGIONAL ENTITY **7/26/10**
DATE APPROVED BY NERC **8/19/10**
DATE PROVIDED TO FERC **8/20/10**

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **Submitted as complete**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **10/30/09**

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.4

DATE OF CERTIFICATION LETTER **11/17/09**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **10/30/09**

DATE OF VERIFICATION LETTER **7/28/10**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **10/30/09**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE

URE revised its PRA program for contract workers. Specifically, URE changed its PRA program to require all Social Security Number verifications and criminal history information to be provided to an URE contract administrator, who would then review the information and forward it to URE's PRA Committee.

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

- **Contractor PRA program.pdf**

WECC 200901555 CIP-004-1 R4:

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-08-1969
DATE SUBMITTED TO REGIONAL ENTITY	1/30/09
DATE ACCEPTED BY REGIONAL ENTITY	7/30/09
DATE APPROVED BY NERC	9/11/09
DATE PROVIDED TO FERC	9/11/09

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **4/1/09**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **3/31/09**

DATE OF CERTIFICATION LETTER **Undated**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **3/31/09**

DATE OF VERIFICATION LETTER **9/23/09**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **3/31/09**

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.4

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE

URE first revoked access to Critical Cyber Assets to the 19 contractors on January 12, 2009. URE developed and implemented a control process to validate that expected changes occurred and that only authorized access will be granted to Critical Cyber Assets.

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

- **URE's card access reports (eight reports total (each associated with a different Physical Security Perimeter) electronically)**
- **URE's physical access change validation procedure**

EXHIBITS:

WECC 200901489 CIP-004-1 R3:

SOURCE DOCUMENT

URE's Compliance Violation Self-Reporting Form

MITIGATION PLAN AND CERTIFICATION BY REGISTERED ENTITY
THEREIN

URE's Mitigation Plan MIT-08-1888

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

WECC 200901722 CIP-004-1 R3:

SOURCE DOCUMENT

Regional Determination of Alleged Violation Summary

MITIGATION PLAN

URE's Mitigation Plan MIT-08-2698

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

WECC 200901555 CIP-004-1 R4:

SOURCE DOCUMENT

URE's Compliance Violation Self-Reporting Form

MITIGATION PLAN

URE's Mitigation Plan MIT-08-1969

PRIVILEGED AND CONFIDENTIAL INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.4

CERTIFICATION BY REGISTERED ENTITY
URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY
WECC's Verification of Mitigation Plan Completion

Disposition Document for CIP-007-1 R1

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO. **WECC200901490** REGIONAL ENTITY TRACKING NO. **URE_WECC20091662**

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
CIP-007-1	1		Lower¹	N/A²

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

The purpose statement of CIP-007-1 provides in pertinent part: “Standard CIP-007 requires Responsible Entities^[3] to define methods, processes, and procedures for securing those systems determined to be Critical Cyber Assets, as well as the non-critical Cyber Assets within the Electronic Security Perimeter(s). Standard CIP-007 should be read as part of a group of standards numbered Standards CIP-002 through CIP-009....” Footnote added

CIP-007-1 R1 provides:

R1. Test Procedures — The Responsible Entity shall ensure that new Cyber Assets and significant changes to existing Cyber Assets within the Electronic Security Perimeter do not adversely affect existing cyber security controls. For purposes of Standard CIP-007, a significant change shall, at a minimum, include implementation of security patches, cumulative service packs, vendor releases, and version upgrades of operating systems, applications, database platforms, or other third-party software or firmware.

¹ When NERC filed VRFs, it originally assigned CIP-007-1 R4 a “Lower” VRF. The Commission approved the VRF as filed; however, it directed NERC to submit modifications. NERC submitted the modified “Medium” VRF and on February 2, 2009, the Commission approved the modified “Medium” VRF. Therefore, the “Lower” VRF for CIP-007-1 R4 was in effect from June 18, 2007 until February 2, 2009, when the “Medium” VRF became effective.

² At the time of the violations, no VSLs were in effect for CIP-007-1. On June 30, 2009, NERC submitted VSLs for the CIP-002-1 through CIP-009-1 Reliability Standards. On March 18, 2010, the Commission approved the VSLs as filed, but directed NERC to submit modifications.

³ Within the text of Standard CIP-007, “Responsible Entity” shall mean Reliability Coordinator, Balancing Authority, Interchange Authority, Transmission Service Provider, Transmission Owner, Transmission Operator, Generator Owner, Generator Operator, Load Serving Entity, NERC, and Regional Reliability Organizations.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.5

R1.1. The Responsible Entity shall create, implement, and maintain cyber security test procedures in a manner that minimizes adverse effects on the production system or its operation.

R1.2. The Responsible Entity shall document that testing is performed in a manner that reflects the production environment.

R1.3. The Responsible Entity shall document test results.

VIOLATION DESCRIPTION

URE conducted an internal review and URE submitted a Self-Report stating that it had discovered the procedures that were in place on June 30, 2008 were not as thorough as required for this standard. URE failed to demonstrate that additions or changes within URE’s Electronic Security Perimeter (ESP) did not adversely impact URE’s existing cyber security controls. URE failed to maintain cyber security test procedures in a manner that minimizes adverse effects on the production system or its operation; failed to document that its test environment reflects URE’s production environment; and URE failed to document test results.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violations did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because URE documented its Critical Cyber Assets and had cyber security testing procedures for changes within its ESP. WECC found a moderate risk because URE’s testing procedures did not properly address cyber security controls. URE did, however, document changes resulting from modifications to its systems and controls. URE also conducted cyber vulnerability assessments pursuant to CIP-007 R8. Further, URE had other protective measures in place, including automated tools and organizational process controls to monitor system events that are related to cyber security.

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

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

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.5

DURATION DATE(S) **7/1/08** (when the Standard became mandatory and enforceable) through **7/27/09** (Mitigation Plan completion)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-08-1861**
DATE SUBMITTED TO REGIONAL ENTITY **4/27/09**
DATE ACCEPTED BY REGIONAL ENTITY **7/29/09**
DATE APPROVED BY NERC **8/13/09**
DATE PROVIDED TO FERC **8/13/09**

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **7/27/09**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **7/27/09**
DATE OF CERTIFICATION LETTER **7/29/09**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **7/27/09**

DATE OF VERIFICATION LETTER **8/28/09**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **7/27/09**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

URE developed and implemented testing procedures that focus on whether any additions or changes to cyber assets within URE's ESP adversely affect URE's security controls or production systems. URE developed four test procedures for testing the security controls surrounding Critical Cyber Assets. URE also documented how the testing environment reflects the production environment and fully implements security controls. URE fully

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.5

documents the testing that URE performs when it makes changes to cyber assets within the ESP.

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

- **Critical Cyber Asset test procedure for existing and new firmware-based Cyber Assets**
- **Testing Procedures for CIP007 R1 007 R8 for changes to existing operating system devices and new operating system devices**
- **Testing Procedure documents**

EXHIBITS:

SOURCE DOCUMENT

URE's Compliance Violation Self-Reporting Form

MITIGATION PLAN

URE's Mitigation Plan MIT-08-1861

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for COM-001-1 R2 and R3

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200901496	URE_WECC20091668
WECC200901497	URE_WECC20091669

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
COM-001-1¹	2		Medium	Moderate
COM-001-1	3		Lower	Severe

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

The purpose statement of COM-001-1 provides: “Each Reliability Coordinator, Transmission Operator and Balancing Authority needs adequate and reliable telecommunications facilities internally and with others for the exchange of Interconnection and operating information necessary to maintain reliability.”

COM-001-1 R2 and R3 provides:

R2. Each Reliability Coordinator, Transmission Operator, and Balancing Authority shall manage, alarm, test and/or actively monitor vital telecommunications facilities. Special attention shall be given to emergency telecommunications facilities and equipment not used for routine communications.

R3. Each Reliability Coordinator, Transmission Operator and Balancing Authority shall provide a means to coordinate telecommunications among their respective areas. This coordination shall include the ability to investigate and recommend solutions to telecommunications problems within the area and with other areas.

¹ COM-001-1 was in effect from January 1, 2007 through May 13, 2009 when it was replaced with COM-001-1.1. The wording of the two Requirements included in this Disposition Document has remained unchanged.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.6

VIOLATION DESCRIPTION

URE completed an internal assessment and determined that it could not readily produce full documentation pertaining to its vital telecommunication systems. URE submitted a Self-Report for this violation. WECC conducted an on-site Compliance Audit at URE’s offices where a WECC Subject Matter Expert (SME) reviewed URE’s Self-Report. The SME concluded that URE failed to document that it had managed, alarmed, tested and/or actively monitored its vital telecommunications facilities, and failed to document that it had given special attention to emergency telecommunications facilities and equipment not used for routine communications. These failures constituted violations of Requirement 2 of the standard.

The SME concluded that URE failed to provide a means to coordinate telecommunications among the respective Reliability Coordinator, Transmission Operator, and Balancing Authority areas. Specifically, URE did not have a procedure to coordinate telecommunications among their respective areas, and therefore, URE was in violation of Requirement 3 of the standard.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violations posed a minimal risk did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because while URE manages and maintains its communication system, it did not maintain documentation related to its telecommunication system under R2 or share such documentation with its adjacent Balancing Authority areas and Reliability Coordinator.

URE did coordinate telecommunications problems within its area and with adjacent Transmission Owners and other areas. Also, URE was staffed so that it could coordinate its telecommunications and investigate and recommend solutions to telecommunications problems within its area and with other areas. Again, in this case, URE did not have documented procedures to support its compliance with R3 of this standard or provide other evidence to demonstrate its full compliance.

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

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

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.6

DURATION DATE(S) **6/18/07 (when the Standard became mandatory and enforceable) through 4/20/10 (Mitigation Plan completion)**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-09-2508**
DATE SUBMITTED TO REGIONAL ENTITY **2/5/10**
DATE ACCEPTED BY REGIONAL ENTITY **5/5/10**
DATE APPROVED BY NERC **5/27/10**
DATE PROVIDED TO FERC **5/27/10**

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **5/1/10**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **4/20/10**

DATE OF CERTIFICATION LETTER **4/22/10**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **4/20/10**
DATE OF VERIFICATION LETTER **5/10/10**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **4/20/10**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

URE developed a comprehensive document that addresses the NERC Reliability Standard requirements that pertain to URE's telecommunications systems. It includes documentation of URE communication systems, processes and procedures and provides a reference for standards in which telecommunications plays a role.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.6

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

- **COM 001 R2 R3 Mitigation Evidence.pdf - URE's Operations control room telecommunications Procedures that URE developed to address the COM-001 and COM-002 Reliability Standards requirements.**

EXHIBITS:

SOURCE DOCUMENT

URE's Self-Reporting Form

MITIGATION PLAN

URE's Mitigation Plan MIT-09-2508

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for EOP-001-1 R1 and R6

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200901519	URE_WECC20091691
WECC200901676	URE_WECC20091849

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
EOP-001-0	1		High	Severe
EOP-001-0	6		Medium	High

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

The purpose statement of EOP-001-0 provides: “Each Transmission Operator and Balancing Authority needs to develop, maintain, and implement a set of plans to mitigate operating emergencies. These plans need to be coordinated with other Transmission Operators and Balancing Authorities, and the Reliability Coordinator.”

EOP-001-0 R1 and R6 provides:

R1. Balancing Authorities shall have operating agreements with adjacent Balancing Authorities that shall, at a minimum, contain provisions for emergency assistance, including provisions to obtain emergency assistance from remote Balancing Authorities.

R6. The Transmission Operator and Balancing Authority shall annually review and update each emergency plan. The Transmission Operator and Balancing Authority shall provide a copy of its updated emergency plans to its Reliability Coordinator and to neighboring Transmission Operators and Balancing Authorities.

VIOLATION DESCRIPTION

WECC200901519 EOP-001-0 R1:

WECC conducted an on-site Compliance Audit and during the Compliance Audit, URE failed to provide operating agreements from remote or adjacent Balancing Authorities that referenced emergency assistance. URE is has a Reserve Sharing Agreement with a reserve sharing group. URE also has an Emergency Plan through its membership in the reserve sharing group. The Audit Team concluded that

neither the Reserve Sharing Agreement nor the Energy Emergency Plan included provisions to obtain emergency assistance with adjacent or remote Balancing Authorities.

WECC200901676 EOP-001-0 R6:

WECC notified URE that WECC would be conducting an onsite Compliance Audit at URE's office. After WECC sent the Audit Notice, but prior to WECC's arrival for the on-site Compliance Audit, URE submitted a Self-Report addressing noncompliance with this Standard. URE completed an internal assessment and determined that it had previously reviewed its Black Start Procedure on October 4, 2007 and that it had allowed 14 months to pass before its current review of the document. Thus URE concluded it failed to annually review and update each of its emergency plans. WECC aggregated the penalties for the violations of EOP-001-0 R6 and EOP-005-1 R2.¹

In addition to URE's failure to annually review an emergency plan, URE did not document that it had been providing a copy of its emergency plans to its neighbors prior to January 2009. URE provided copies of its emergency plans to an entity that collected them on behalf of the region. URE directly supplied copies of its emergency plans to its Reliability Coordinator and neighboring Transmission Operators and Balancing Authorities.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

The EOP-001-0 R6 violation posed a minimal risk and the EOP-001-0 R1 posed a serious or substantial risk to the reliability of the bulk power system.² Even though URE did not have operating agreements with adjacent Balancing Authorities for the provision of emergency assistance, URE participated in the Reserve Sharing Program. Under the program, participants have consistently provided each other with necessary emergency assistance. Further, URE had reviewed its Black Start Procedure 14 months after its previous review. Additionally, prior to providing copies of its emergency plans to its Reliability Coordinator and neighboring Balancing Authorities and Transmission Operators, URE had submitted its emergency plans to the reserve sharing group. The reserve sharing group coordinates power system planning, including operational planning, among its members.

¹ In cases where multiple violations are related to a single act or common incidence of noncompliance, the regional entity will generally issue a single aggregate penalty bearing a reasonable relationship to the aggregate of the related violations." WECC determined URE's failure to annually review and update its Black Start Procedure resulted URE's violations of EOP-001-0 R6 and EOP-005-1 R2. Accordingly, the penalty assessed is a single penalty representative of the aggregate of the related violations.

² WECC determined that the EOP-001-0 R1 violation posed a high risk to the reliability of the BPS.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.7

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

- | | | |
|------------------------------------|-------------------------------------|---|
| SELF-REPORT | <input checked="" type="checkbox"/> | 3 |
| SELF-CERTIFICATION | <input type="checkbox"/> | |
| COMPLIANCE AUDIT | <input type="checkbox"/> | |
| COMPLIANCE VIOLATION INVESTIGATION | <input type="checkbox"/> | |
| SPOT CHECK | <input checked="" type="checkbox"/> | 4 |
| COMPLAINT | <input type="checkbox"/> | |
| PERIODIC DATA SUBMITTAL | <input type="checkbox"/> | |
| EXCEPTION REPORTING | <input type="checkbox"/> | |

DURATION DATE(S)

WECC200901519 EOP-001-0 R1:
6/18/07 (when the Standard became mandatory and enforceable) through 1/22/10
(Mitigation Plan completion)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Spot Check**

WECC200901676 EOP-001-0 R6:
10/5/08 (when the annual review of the Black Start Procedure was due) through
1/15/09

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

IS THE VIOLATION STILL OCCURRING YES NO
 IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
 PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

WECC200901519 EOP-001-0 R1:
 FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-07-2161
DATE SUBMITTED TO REGIONAL ENTITY	11/19/09
DATE ACCEPTED BY REGIONAL ENTITY	11/25/09
DATE APPROVED BY NERC	12/8/09
DATE PROVIDED TO FERC	12/8/09

³ WECC200901676 EOP-001-0 R6, although URE self-reported this violation, URE submitted the Self-Report within one business day of the on-site Compliance Audit.

⁴ WECC200901519 EOP-001-0 R1

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.7

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **2/15/10**

EXTENSIONS GRANTED

ACTUAL COMPLETION DATE **1/22/10**

DATE OF CERTIFICATION LETTER **4/21/10**

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **1/22/10**

DATE OF VERIFICATION LETTER **5/11/10**

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **1/22/10**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

URE worked with an entity and others to draft language for the Agreement to cover Emergency Energy Assistance as required by this standard.

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

- **Energy Emergency Plan**

WECC200901676 EOP-001-0 R6:

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-07-2165**

DATE SUBMITTED TO REGIONAL ENTITY **11/19/09**

DATE ACCEPTED BY REGIONAL ENTITY **11/25/09**

DATE APPROVED BY NERC **12/8/09**

DATE PROVIDED TO FERC **12/8/09**

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **Submitted as complete**

EXTENSIONS GRANTED

ACTUAL COMPLETION DATE **11/16/09**

DATE OF CERTIFICATION LETTER **11/19/09**

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.7

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **11/16/09**

DATE OF VERIFICATION LETTER **12/4/09**

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **11/16/09**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE

URE created a Microsoft Outlook reminder for four different people in URE's Operations group to initiate an annual review of all of the Emergency Procedures. URE also implemented a process by which the Operation departmental specialist has added adjacent Transmission Operators, Balancing Authorities, and Reliability Coordinator to the distribution list to distribute updates of URE emergency plans when the internal operational documentation is updated.

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

- **Black Start Procedure**
- **Black Start Approval Signatures.pdf**
- **Record of Transmittals of the Black Start Plan**
- **Task for Manuals update.docx**

EXHIBITS:

WECC200901519 EOP-001-0 R1:

SOURCE DOCUMENT

WECC's Regional Determination of Alleged Violation Summary

MITIGATION PLAN

URE's Mitigation Plan MIT-07-2161

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

WECC200901676 EOP-001-0 R6:

SOURCE DOCUMENT

URE's Self-Reporting Form

MITIGATION PLAN

URE's Mitigation Plan MIT-07-2165

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for EOP-005-1 R2 and R4

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200901520	URE_WECC20091692
WECC200901521	URE_WECC20091693

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
EOP-005-1	2		Medium	Moderate
EOP-005-1	4		Medium	Lower

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

The purpose statement of EOP-005-1 provides: “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 R2 and R4 provides:

R2. Each Transmission Operator shall review and update its restoration plan at least annually and whenever it makes changes in the power system network, and shall correct deficiencies found during the simulated restoration exercises.

R4. 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.

VIOLATION DESCRIPTION

WECC200901520 EOP-005-1 R2:

During a Compliance Audit, the Audit Team reviewed URE’s Black Start procedure. The Audit Team determined that URE’s Black Start procedure is URE’s restoration plan. Thus, URE is required to review and update this plan at least annually. URE revised its Black Start procedure in 2007 and 2008. URE could not demonstrate that it otherwise reviewed and updated this restoration plan. Therefore, the Audit Team determined URE did not review its restoration plan for

14 months. WECC aggregated the penalties for the violations of EOP-001-0 R6 and EOP-005-1 R2.¹

WECC200901521 EOP-005-1 R4:

During a Compliance Audit, the Audit Team reviewed URE's Black Start procedure. The Audit Team determined that URE's Black Start procedure is URE's restoration plan. URE is required by the standard to coordinate its procedure with the Generator Owners and Balancing Authorities within its area, the Reliability Coordinator, and neighboring Transmission Operators and Balancing Authorities. The Audit Team determined that Black Start procedure included provisions to coordinate with Balancing Authorities, Transmission Operators, and the Reliability Coordinator, but did not reference coordination with Generator Owners.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violations did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because:

WECC200901520 EOP-005-1 R2-

URE only missed the annual review by two months and WECC determined that in this case, a two-month delay was unlikely to affect the adequacy of the restoration plan. Therefore, WECC determined that this violation posed a minimal risk to the BPS.

WECC200901521 EOP-005-1 R4-

URE's restoration plan did include provisions to coordinate with Balancing Authorities, Transmission Operators, and the Reliability Coordinator. It was only the failure to include provisions for coordination with Generator Owners that produced the instant violation. Therefore, WECC determined that this violation posed a moderate risk to the BPS.

¹ In cases where multiple violations are related to a single act or common incidence of noncompliance, the regional entity will generally issue a single aggregate penalty bearing a reasonable relationship to the aggregate of the related violations." WECC determined URE's failure to annually review and update its Black Start procedure resulted URE's violations of EOP-001-0 R6 and EOP-005-1 R2. Accordingly, the penalty assessed is a single penalty representative of the aggregate of the related violations.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.8

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

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

WECC200901520 EOP-005-1 R2:

DURATION DATE(S) 10/5/08 (when the annual review of the Black Start Procedure was due) through 1/15/09

WECC200901521 EOP-005-1 R4:

DURATION DATE(S) 6/18/07 (when the Standard became mandatory and enforceable) through 11/16/09

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Audit**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-08-2174
DATE SUBMITTED TO REGIONAL ENTITY	11/19/09
DATE ACCEPTED BY REGIONAL ENTITY	12/9/09
DATE APPROVED BY NERC	12/18/09
DATE PROVIDED TO FERC	12/18/09

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

MITIGATION PLAN COMPLETED YES NO

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.8

EXPECTED COMPLETION DATE **Submitted as complete**

EXTENSIONS GRANTED

ACTUAL COMPLETION DATE **11/16/09**

DATE OF CERTIFICATION LETTER **11/19/09**

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **11/16/09**

DATE OF VERIFICATION LETTER **12/18/09**

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **11/16/09**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE

URE created a Microsoft Outlook reminder for 4 different people in URE's operations group to initiate an annual review of all of the Emergency Procedures. URE also implemented a process by which the operations departmental specialist has added adjacent Transmission Operators, Balancing Authorities, the Reliability Coordinator and Generation Owners within URE's area to the distribution list to distribute updates of URE emergency plans when internal operational documentation is updated.

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

- **Black Start procedure.docx**
- **Black Start Approval Signatures.pdf**
- **Black Start Record of Transmittals.docx**
- **Task for Manuals update.docx**

EXHIBITS:

SOURCE DOCUMENTS

WECC's Regional Determination of Alleged Violation Summary for EOP-005-1 R2 violation

WECC's Regional Determination of Alleged Violation Summary for EOP-005-1 R4 violation

MITIGATION PLAN

URE's Mitigation Plan MIT-08-2174

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for FAC-013-1 R2

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO. WECC200801211 REGIONAL ENTITY TRACKING NO. URE_WECC20081320

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
FAC-013-1	2		Medium	Moderate

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

The purpose statement of FAC-013-1 provides: “To ensure that Transfer Capabilities used in the reliable planning and operation of the Bulk Electric System (BES) are determined based on an established methodology or methodologies.”

FAC-013-1 R2 provides:

R2. The Reliability Coordinator and Planning Authority shall each provide its inter-regional and intra-regional Transfer Capabilities to those entities that have a reliability-related need for such Transfer Capabilities and make a written request that includes a schedule for delivery of such Transfer Capabilities as follows:

R2.1. The Reliability Coordinator shall provide its Transfer Capabilities to its associated Regional Reliability Organization(s),^[1] to its adjacent Reliability Coordinators, and to the Transmission Operators, Transmission Service Providers and Planning Authorities that work in its Reliability Coordinator Area.

R2.2. The Planning Authority shall provide its Transfer Capabilities to its associated Reliability Coordinator(s) and Regional Reliability Organization(s), and to the Transmission Planners and Transmission Service Provider(s) that work in its Planning Authority Area.

(Footnote added.)

¹ Consistent with applicable FERC precedent, the term “Regional Reliability Organization” in this context refers to WECC.

VIOLATION DESCRIPTION

While conducting a self-evaluation, URE discovered noncompliance with this Standard and submitted a Self-Report. The WECC Path Rating Catalog is proprietary to WECC and is used in accordance with the WECC Data/Information Availability Policy. The WECC Path Rating Catalog is a collection of individual path ratings within the Western Interconnection. WECC annually requests Planning Authorities to update individual or combination Transfer Capabilities. WECC sent a written request to URE and URE failed to respond to a request for Transfer Capability updates within the timeframe requested by WECC. URE submitted its Transfer Capabilities to WECC a few weeks later than the deadline.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violation posed a minimal risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because, while URE did not respond to WECC’s request by the required date, URE did provide updates to its Transfer Capabilities to WECC before WECC created the final draft of the WECC Path Rating Catalog. URE’s delay in responding was less than three weeks. WECC staff updates this catalog throughout the month of December and presents the final draft to the Technical Studies Subcommittee in January. The Technical Studies Subcommittee has final approval authority regarding the WECC Path Rating Catalog. URE’s violation did not delay the final drafting of the WECC Path Rating Catalog.

II. 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) **11/14/08 (when the Transfer Capability updates were due) through 12/5/08 (when URE submitted its Transfer Capabilities to WECC)**²

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

² The Settlement Agreement incorrectly states the violation began on June 18, 2007.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.9

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-08-1504**
DATE SUBMITTED TO REGIONAL ENTITY **12/5/08**
DATE ACCEPTED BY REGIONAL ENTITY **12/9/08**
DATE APPROVED BY NERC **3/24/09**
DATE PROVIDED TO FERC **3/27/09**

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **Submitted as complete**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **12/5/08**

DATE OF CERTIFICATION LETTER **12/5/08³**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **12/5/08**

DATE OF VERIFICATION LETTER **2/23/09**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **12/5/08**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

URE submitted its updated Transfer Capability information to WECC. Additionally, URE trained its personnel to ensure this data information is submitted in a timely fashion when such requested are made. URE instructed its employees that providing this information is governed by a NERC Reliability Standard. URE also developed a workflow system to track reliability-related requests. URE’s planning department is responsible for maintaining this system, including providing reminders and warnings to

³ The Mitigation Plan Submittal Form functions as the Certification of Completion Letter for this Mitigation Plan.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.9

responsible personnel to ensure timely responses to reliability related requests.

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

- **Transfer Capability calculation and supporting information**
- **URE certification**
- **Path Rating Catalog**

EXHIBITS:

SOURCE DOCUMENT

URE's Compliance Violation Self-Reporting Form

MITIGATION PLAN AND CERTIFICATION BY REGISTERED ENTITY
THEREIN

URE's Mitigation Plan MIT-08-1504

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for PRC-STD-005-1 WR1 and WR1

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200801274	URE_WECC20081411
WECC201001811	URE_WECC20102039

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
PRC-STD-005-1	WR1		N/A ¹	N/A
PRC-STD-005-1	WR1		N/A	N/A

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

The purpose statement of PRC-STD-005-1 provides: “Regional Reliability Standard to ensure the Transmission Operator or Owner of a transmission path identified in Attachment A perform maintenance and inspection on identified paths as described by its transmission maintenance plan.”

PRC-STD-005-1 WR1 provides, in pertinent part:

WR1.

All bulk power transmission elements (i.e. lines, stations and rights of way) included as part of the transmission facilities (or required to maintain transfer capability) impacting each of the transmission paths listed in Attachment A – WECC Table 2 shall be inspected and maintained in accordance with this criterion, taking into consideration diverse environmental and climatic conditions, terrain, equipment, maintenance philosophies, and design practices.

a. General

This Transmission Maintenance Standard requires each Responsible Entity identified in Section A.4.1 to develop and implement a Transmission Maintenance and Inspection Plan (TMIP) detailing the Responsible Entity’s inspection and maintenance activities applicable

¹ Violations of PRC-STD-005-1 WR1 are penalized based on the Sanction Table associated with PRC-STD-005-1. The Sanction Table does not include Violation Risk Factors or Violation Severity Levels, but instead includes Levels of Non- Compliance. URE’s violation is a Level 1 Non-Compliance.

to the transmission facilities comprising each of the transmission paths identified in Attachment A – Table 2.

b. Standard Requirements

(i) TMIP

To comply with this Standard, each Responsible Entity identified in Section A4.1 must develop and implement a TMIP.

- Because maintenance and inspection practices vary, it is the intent of this Transmission Maintenance Standard to allow flexibility in inspection and maintenance practices while still requiring a description of certain specific inspection and maintenance practices.

(a) TMIP Contents

The TMIP may be performance-based, time-based, conditional-based, or a combination of all three as may be appropriate. The TMIP shall:

- Identify the facilities for which it is covering by listing the names of each transmission path and the quantities of each equipment component, such as; circuit breaker, relay scheme, transmission line;
- Include the scheduled interval (e.g., every two years) for any time-based maintenance activities and a description of conditions that will initiate any condition or performance-based activities;
- Describe the maintenance, testing and inspection methods for each activity or component listed under Transmission Line Maintenance and Station Maintenance;
- Provide any checklists or forms, or reports used for maintenance activities;
- Provide criteria to be used to assess the condition of a transmission facility or component;
- Specify condition assessment criteria and the requisite response to each condition as may be appropriate for each specific type of component or feature of the transmission facilities;

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- **Include specific details regarding Transmission Line and Station Maintenance practices as per subsections (1) and (2) below.**

(1) Transmission Line Maintenance Details

The TMIP shall, at a minimum, describe the Responsible Entity's practices for the following transmission line maintenance activities:

- **Patrol/Inspection;**
- **Contamination Control (Insulator Washing)**

(2) Station Maintenance Details

The TMIP shall describe the Responsible Entity's maintenance practices for the following station equipment:

- **Circuit Breakers**
- **Power Transformers (including phase-shifting transformers)**
- **Regulators**
- **Protective Relay Systems and associated Communication Equipment**
- **RAS Systems and associated Communication Equipment**
- **Reactive Devices (including, but not limited to, Shunt Capacitors, Series Capacitors, Synchronous Condensers, Shunt Reactors, and Tertiary Reactors)**

(ii) Maintenance Record Keeping

M1.

Each Responsible Entity identified in Section A.4.1 must retain all pertinent maintenance and inspection records that support the [Transmission Maintenance and Inspection Plan] TMIP according to the following guidelines:

- **The Responsible Entity shall maintain records of all maintenance and inspection activities for at least five years.**
- **Each Responsible Entity's maintenance and inspection records shall identify, at a minimum:**
 - **The person(s) responsible for performing the work or inspection;**
 - **The date(s) the work or inspection was performed;**

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Attachment b.10

- The transmission facility on which the work was performed, and
- A description of the inspection or maintenance performed.

The Transmission Owner or Operator shall maintain (and make available on request) records for maintenance or inspection pertaining to the items listed in subsections ... (b) below.

(b) Station Maintenance Records

- **Circuit Breakers**
- **Power Transformers**
- **Regulators**
- **Protective Relay Systems and associated Communication Equipment**
- **RAS Systems and associated Communication Equipment**
- **Reactive Devices....**

VIOLATION DESCRIPTION

WECC200801274 PRC-STD-005-1 WR1:

URE conducted a self-evaluation and discovered noncompliance with this standard, which it submitted in a Self-Report. URE's Transmission Maintenance and Inspection Plan (TMIP) requires URE to inspect 100% of its cathodic protection annually, but URE determined it inspected only 20% of its cathodic protection, which it reported in the Self-Report. Upon further review, after submitting its Self-Report, URE provided documentation that it inspected approximately 95% of these cathodic protective devices. URE did not inspect two path transmission circuits. Additionally, URE's TMIP requires URE to conduct two patrols of its transmission lines annually. The TMIP required URE to patrol each line once by air and once by ground, and URE failed to patrol, by ground, the two paths.

WECC201001811 PRC-STD-005-1 WR1:²

WECC notified URE that WECC was initiating the annual self-certification process. URE submitted a Self-Report and its Self-Certification indicating URE was noncompliant with this Standard. The WECC path line which had a 115 kV Tie, did not receive the pole and ground line inspection in 2009 as listed in URE's 2009 TMIP's comprehensive 10 year maintenance plan. URE was required by its TMIP to conduct a 10-year comprehensive inspection of the Path. URE failed to conduct such an inspection in accordance with URE's TMIP. URE previously conducted the comprehensive 10-year inspection in 1999.

² This violation was determined by WECC to be URE's third assessed noncompliance with the Standard during the Specified Period. For purposes of applying the sanctions specified in the WECC Reliability Standard for violations of this criterion, the "Sanction Measure" is Normal Path Rating and the "Specified Period" is the four most recent calendar years.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.10

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violations did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because:

WECC200801274 PRC-STD-005-1 WR1-

URE fully executed the actions required in its TMIP for three of its Paths. URE inspected each line associated with two other Paths from the air. Therefore, WECC determined this violation posed a moderate risk to the BPS.

WECC201001811 PRC-STD-005-1 WR1-

URE fully executed the actions required in its TMIP for all other URE operated WECC Qualified Paths. The risk for pole failure due to decay is minimal. This line was built in a dry, arid environment where moisture caused decay is highly unlikely. This line was built more than 40 years ago with the last pole and ground-line inspection taking place in 1999. The pole plant was found to be in good shape where no defects or problems were identified with the exception of one pole showing heart rot. This pole still had a 3” shell that was in good shape and was reinforced with a steel stub. As part of implementing its annual TMIP, URE patrolled this line twice in 2009. Therefore, WECC determined this violation posed a minimal risk to the BPS.

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

- SELF-REPORT ³
- SELF-CERTIFICATION ⁴
- COMPLIANCE AUDIT
- COMPLIANCE VIOLATION INVESTIGATION
- SPOT CHECK
- COMPLAINT
- PERIODIC DATA SUBMITTAL
- EXCEPTION REPORTING

WECC200801274 PRC-STD-005-1 WR1:

DURATION DATE(S) 6/18/07 (when the Standard became mandatory and enforceable) through 3/30/09 (Mitigation Plan completion)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY Self-Report

³ WECC200801274 PRC-STD-005-1 WR1

⁴ WECC201001811 PRC-STD-005-1 WR1, because URE filed the Self-Report during the Self-Certification Submittal Period, WECC determined that the method of discovery in this instance is Self-Certification, not Self-Report.

PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION

Attachment b.10

WECC201001811 PRC-STD-005-1 WR1:

DURATION DATE(S) 12/31/09 (when URE was required by its TMIP to conduct a 10-year comprehensive inspection on one of the Paths) through 1/24/10 (Mitigation Plan completion)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Certification**

ARE THE VIOLATIONS STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

WECC200801274 PRC-STD-005-1 WR1:

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-08-1428**
DATE SUBMITTED TO REGIONAL ENTITY **1/8/09**
DATE ACCEPTED BY REGIONAL ENTITY **1/23/09**
DATE APPROVED BY NERC **3/2/09**
DATE PROVIDED TO FERC **3/6/09**

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **4/1/09**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **3/30/09**

DATE OF CERTIFICATION LETTER **3/30/09**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **3/30/09**

DATE OF VERIFICATION LETTER **5/7/09**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **3/30/09**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

URE reassessed its TMIP and determined, due to the inaccessibility of some of its structures, an annual ground inspection was not a reasonable objective.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.10

URE determined it could improve its TMIP by inspecting such structures twice annually by air inspection. URE additionally planned bi-monthly meetings to ensure compliance with the TMIP. To address potential deficiencies in maintenance and testing of cathodic protective devices, URE developed a spreadsheet to track and review the maintenance and testing of its cathodic protective devices.

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

- **Transmission maintenance record keeping process and process control documents**
- **Transmission reconciling checklist**
- **Patrol schedule progress, an example cathodic protection system**
- **Tracking spreadsheet (undated), and training rosters.**

WECC201001811 PRC-STD-005-1 WR1:
FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-09-2411
DATE SUBMITTED TO REGIONAL ENTITY	2/24/10
DATE ACCEPTED BY REGIONAL ENTITY	3/11/10
DATE APPROVED BY NERC	3/24/10
DATE PROVIDED TO FERC	3/24/10

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **Submitted as complete**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **1/24/10**

DATE OF CERTIFICATION LETTER **2/24/10**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **1/24/10**

DATE OF VERIFICATION LETTER **3/17/10**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **1/24/10**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

URE completed the pole/ground line inspection on one of its 115kV lines. The next scheduled inspection is due ten years from the last inspection date.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.10

URE also modified its TMIP to address the failure to provide the inspector with an updated maintenance schedule.

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

- **TMIP Update.msg**
- **Mitigation for PRC-STD-005.msg**

EXHIBITS:

WECC200801274 PRC-STD-005-1 WR1:

SOURCE DOCUMENT

URE's Compliance Violation Self-Reporting Form

MITIGATION PLAN

URE's Mitigation Plan MIT-08-1428

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

WECC201001811 PRC-STD-005-1 WR1:

SOURCE DOCUMENT

URE's PRC-STD-005-1 Self Certification

MITIGATION PLAN

URE's Mitigation Plan MIT-09-2411

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for PRC-005-1 R2

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO. **WECC200901452** REGIONAL ENTITY TRACKING NO. **URE_WECC20091624**

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
PRC-005-1	2	2.1	High¹	Moderate

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

The purpose statement of PRC-005-1 provides: “To ensure all transmission and generation Protection Systems affecting the reliability of the Bulk Electric System (BES) are maintained and tested.”

PRC-005-1 R2 provides:

R2. Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System^[2] shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization^[3] on request (within 30 calendar days). The documentation of the program implementation shall include:

R2.1. Evidence Protection System devices were maintained and tested within the defined intervals.

¹ PRC-005-1 R2 has a “Lower” Violation Risk Factor (VRF); R2.1 and R2.2 each have a “High” VRF. During a final review of the standards subsequent to the March 23, 2007 filing of the Version 1 VRFs, NERC identified that some standards requirements were missing VRFs; one of these include PRC-005-1 R2.1. On May 4, 2007, NERC assigned PRC-005 R2.1 a “High” VRF. In the Commission’s June 26, 2007 Order on Violation Risk Factors, the Commission approved the PRC-005-1 R2.1 “High” VRF as filed. Therefore, the “High” VRF was in effect from June 26, 2007. In the context of this case, WECC determined that the violation related to R2.1 therefore a “High” VRF is appropriate.

² *The NERC Glossary of Terms Used in Reliability Standards* defines Protection System as “Protective relays, associated communication systems, voltage and current sensing devices, station batteries and DC control circuitry.”

³ Consistent with applicable FERC precedent, the term “Regional Reliability Organization” in this context refers to WECC.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.11

R2.2. Date each Protection System device was last tested/maintained.

(Footnotes added.)

VIOLATION DESCRIPTION

While conducting an internal audit, URE discovered noncompliance with this standard and submitted a Self-Report to WECC. URE maintained and tested its protective devices (station batteries), but lacked documentation that the devices were maintained and tested within defined intervals. In some instances the hard copies of the weekly/monthly maintenance checklists had been discarded. URE used software to track its maintenance and testing. However, the work orders kept in the system were blanket work orders that do not capture URE’s expected documentation. WECC reviewed testing records and interviewed URE personnel to confirm that URE maintained and tested its devices. During this evaluation, WECC found that URE could not provide evidence it maintained and tested within its defined intervals for 32% of its batteries.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violation posed a minimal risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because testing and maintenance was actually performed on the station batteries. URE tested and maintained the batteries, but did not retain adequate evidence of such testing, and therefore could not provide evidence it maintained and tested some devices within defined intervals.

II. 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) **3/28/2009 (when URE missed its first interval) through 7/9/09 (Mitigation Plan completion)**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.11

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-07-1887**
DATE SUBMITTED TO REGIONAL ENTITY **7/16/09**
DATE ACCEPTED BY REGIONAL ENTITY **7/30/09**
DATE APPROVED BY NERC **8/19/09**
DATE PROVIDED TO FERC **8/19/09**

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **Submitted as complete**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **7/9/09**

DATE OF CERTIFICATION LETTER **7/16/09⁴**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **7/9/09**

DATE OF VERIFICATION LETTER **8/28/09**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **7/9/09**

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT RECURRENCE

On May 21, 2009, URE issued a directive to its personnel that are responsible for maintenance and testing station batteries.

On June 1, 2009, URE established a recurring work order. URE intended this new process to generate a new work order every month for each generation facility battery and URE could not close the work orders until the weekly/monthly maintenance log was completed and stored in hard copy. With this process, URE established a method to generate and store its evidence that it maintained and tested its station batteries. URE included

⁴ The Certification of Completion was signed on July 22, 2009.

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Attachment b.11

various reviews in this procedure to ensure not only that URE continued to maintain and test, but also that URE maintained the integrity of its maintained and testing evidence.

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

- **Station battery maintenance and inspection procedure Summary of maintenance plan for power production batteries and associated charger**

EXHIBITS:

SOURCE DOCUMENT
URE's Self-Reporting Form

MITIGATION PLAN
URE's Mitigation Plan MIT-07-1887

CERTIFICATION BY REGISTERED ENTITY
URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY
WECC's Verification of Mitigation Plan Completion

Disposition Document for VAR-001-1 R3 and R4

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200901674	URE_WECC20091847
WECC200901675	URE_WECC20091848

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
VAR-001-1¹	3	3.1	Lower	Moderate
VAR-001-1	4		Medium	High

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

The purpose statement of VAR-001-1 provides: “To ensure that voltage levels, reactive flows, and reactive resources are monitored, controlled, and maintained within limits in real time to protect equipment and the reliable operation of the Interconnection.”

VAR-001-1 R3 and R4 provides:

R3. The Transmission Operator shall specify criteria that exempts generators from compliance with the requirements defined in Requirement 4, and Requirement 6.1.

R3.1. Each Transmission Operator shall maintain a list of generators in its area that are exempt from following a voltage or Reactive Power schedule.

R3.2. For each generator that is on this exemption list, the Transmission Operator shall notify the associated Generator Owner.

R4. Each Transmission Operator shall specify a voltage or Reactive Power schedule² at the interconnection between the generator facility

¹ Self-Report and Certification of Completion of Mitigation Plan both incorrectly lists these violations as VAR-001-1a.

² The voltage schedule is a target voltage to be maintained within a tolerance band during a specified period.

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INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.12

and the Transmission Owner's facilities to be maintained by each generator. The Transmission Operator shall provide the voltage or Reactive Power schedule to the associated Generator Operator and direct the Generator Operator to comply with the schedule in automatic voltage control mode (AVR in service and controlling voltage).

(Footnote in original).

VIOLATION DESCRIPTION

URE completed an internal reliability assessment and after completing the assessment, URE submitted a Self-Report addressing possible noncompliance with VAR-001-1 R3 and R4. URE had created a list of exempt generators in its area but as a result of a clerical oversight had neglected to send the notification to a subset of exempt generators. WECC determined URE failed to notify the Generator Owners for 40% of the generators, that URE listed as exempt from following a voltage or Reactive Power schedule. WECC determined the 40% of the generators were cogeneration devices associated with the electrical distribution system.

In addition, URE reported that at the interconnection of a generation facility and URE's transmission facility, URE is required to specify a voltage or Reactive Power schedule for each generator to maintain. URE did not specify such a schedule for two busses, each an interconnection between URE's generation facilities and transmission facilities. The two busses were not included in the voltage schedule list that was provided to URE.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violations posed a minimal risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because the generators involved were small cogenerators averaging less than 2 MW each in total output and were associated with URE's distribution system. URE, as a Transmission Operator, regulates voltage in cooperation with URE's generation dispatchers. URE's transmission operators communicate in real time with the generation dispatchers.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.12

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

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

WECC200901674 VAR-001-1 R3:

DURATION DATE(S) 5/28/08 (when URE failed to notify the associated Generator Owners of the exemption) through 4/9/09 (Mitigation Plan completion)

WECC200901675 VAR-001-1 R4

DURATION DATE(S) 5/28/08 (when Danskin and Bennett Mountain busses were omitted from the voltage schedule) through 4/9/09 (when URE distributed voltage schedules to affected Generator Owners)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-08-2326
DATE SUBMITTED TO REGIONAL ENTITY	1/26/10
DATE ACCEPTED BY REGIONAL ENTITY	2/5/10
DATE APPROVED BY NERC	2/22/10
DATE PROVIDED TO FERC	2/22/10

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

MITIGATION PLAN COMPLETED YES NO

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.12

EXPECTED COMPLETION DATE **Submitted as complete**

EXTENSIONS GRANTED

ACTUAL COMPLETION DATE **4/9/09**

DATE OF CERTIFICATION LETTER

1/26/10

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF

4/9/09

DATE OF VERIFICATION LETTER

2/11/10

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF

4/9/09

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE

The exempt generators that were not notified initially were all notified. URE also added steps to its Generation Interconnection checklist to assess any new generator for exemption status and either send an exemption letter or voltage schedule to the new Generator Owner. Additionally, URE provided the voltage schedule for the two busses that connect the generation to the transmission system; the voltage schedules were distributed.

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

- **URE generator voltage schedule.pdf**
- **Voltage exemption letters.pdf**
- **VAR-001 voltage exemption review steps.pdf**

EXHIBITS:

SOURCE DOCUMENT

URE's Self-Reporting Form

MITIGATION PLAN

URE's Mitigation Plan MIT-08-2326

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for INT-001-3 R1

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO. WECC200901821 REGIONAL ENTITY TRACKING NO. URE_WECC20092055

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
INT-001-3	1		Lower	Severe

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

The purpose statement of INT-001-3 provides: “To ensure that Interchange information is submitted to the NERC-identified reliability analysis service.”

INT-001-3 R1 provides:

“R1. The Load-Serving, Purchasing-Selling Entity shall ensure that Arranged Interchange is submitted to the Interchange Authority for:

R1.1. All Dynamic Schedules at the expected average MW profile for each hour.”

VIOLATION DESCRIPTION

WECC notified URE that WECC was initiating the annual self-certification process. This notice stated that the Self-Certification period will cover all of the Reliability Standards on the NERC 2009 Actively Monitored Standards list for Self-Certification, Periodic Data Submittals, and Exception Reporting. This Standard was on the NERC Actively Monitored Standards list for Exception Reporting.

URE discovered its noncompliance with this standard. URE conducted a comprehensive compliance review, and submitted a Self-Report. A few weeks later, URE submitted its Self-Certification form marking noncompliance with this Standard. URE submitted three additional Self-Reports expanding the scope of the initial Self-Report. URE provided six tagged transactions (and a brief summary of non-tagged transactions) where URE submitted dynamic schedules in a MW amount above the expected average MW profile. Each of the six tagged transactions was scheduled from one of URE’s Generation Facilities.

Transaction 1:

A. November 2008

Expected MW profile for the generator: 692 MW. URE initially tagged this correctly and submitted the transaction to the Interchange Authority (IA). URE divided the tag into two separate transactions with total tagged value of 683 MW for hours ending (HE) 1700 and 1800 PPT. URE requested an interchange to the IA for 683 MW from the Dynamic resource when the expected amount was 692 MW.

B. November 2008

Expected MW profile for the generator: 695 MW. URE initially tagged this correctly and submitted the transaction to the IA. URE divided this into two separate transactions with total tagged value of 683 MW for HE 0700 through 1000 PPT. URE requested an interchange to the IA for 683 MW from the Dynamic resource when the expected amount was 695 MW.

Transaction 2:

C. November 2008

Expected MW profile for the generator: 524 MW. URE initially tagged this correctly and submitted the transaction to the IA. URE reduced the dynamic transaction to 514 MW to increase transmission availability for a Non-Firm point-to-point (PTP) transaction. URE requested an interchange to the IA for 514 MW from the Dynamic resource when the expected amount was 524 MW.

Transaction 3:

D. November 2008

Expected MW profile for the generator: 611 MW. URE initially tagged this correctly and submitted the transaction to the IA. URE reduced the dynamic transaction to 593 MW to increase transmission availability for a Non-Firm PTP transaction. URE requested an interchange to the IA for 593 MW from the Dynamic resource when the expected amount was 611 MW.

Transaction 4:

E. September 2008

Expected MW profile for the generator: 707 MW (482 MW Dynamic and 225 MW Non-Firm). URE initially tagged this correctly and submitted the transaction to the IA. URE reduced the dynamic transaction to 473 MW to increase transmission availability for a Non-Firm PTP transaction. URE requested an interchange to the IA for 473 MW from the Dynamic resource when the expected amount was 482 MW.

Transaction 5:

F. February 2009

Expected MW profile for the generator: 592 MW. URE initially tagged this correctly and submitted the transaction to the IA. URE reduced the dynamic transaction to 575 MW to increase transmission availability for a Non-Firm PTP transaction. URE requested an interchange to the IA for 575 MW from the Dynamic resource when the expected amount was 592 MW.

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INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.13

Transaction 6:

G. February 2009

The generator was ramping up and the expected MW profile for the generator varied from 512 MW to 667 MW. URE initially tagged this correctly and submitted the transaction to the IA. URE reduced the dynamic transaction by MW to increase transmission availability for a Non-Firm PTP transaction. URE requested an interchange to the IA for 3 MW less than the expected amount.

Transaction:

H. The generator was off-line for approximately 4700 hours since June 2007 and continues to be dynamically scheduled as negative generation. URE did not generate tags to reflect the plant use schedule. During the investigation of the original Self-Report, an additional seven hours were discovered in which generation was not tagged appropriately.

Transaction:

I. WECC Enforcement determined that URE failed to ensure that the Arranged Interchange was submitted to the Interchange Authority for all Dynamic Schedules at the expected average MW profile for each hour.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violation posed a minimal risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because URE's implemented values deviated from the expected values by less than 3% in all instances, and less than 2% in four instances. WECC determined such deviations represent minor inaccuracies in scheduling information. With regard to the impact of such inaccuracies on the reliability analysis services, WECC reviewed the Qualified Paths monitored by the webSAS application. WECC determined that the transactions outlined above had a 0% Transmission Distribution Factor on all Qualified Paths, thus the deviations did not impact the calculations performed by the reliability analysis services.

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

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

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.13

DURATION DATE(S) **8/28/08 (when the Standard became mandatory and enforceable) through 7/1/10 (Mitigation Plan completion)**

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-08-3458**
DATE SUBMITTED TO REGIONAL ENTITY **7/19/10**
DATE ACCEPTED BY REGIONAL ENTITY **3/1/11**
DATE APPROVED BY NERC **4/11/11**
DATE PROVIDED TO FERC **4/12/11**

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

On April 5, 2010, URE submitted a Mitigation Plan and a completed Mitigation Plan to address this violation. On April 5, 2010 URE's Vice President of Operations certified that URE completed the actions outlined in the Mitigation Plan on June 30, 2009.

On April 6, 2010, URE submitted a Mitigation Plan addressing a Plant. WECC contacted URE and requested evidence of completion of the April 5, 2010 Mitigation Plan, which URE provided. On June 9, 2010, WECC requested URE to revise its Mitigation Plan to include the Plant issue and the issues into a single Mitigation Plan that describes the full extent of the noncompliance, including the necessary actions to mitigate the violation. On July 19, 2010, URE submitted the revised Mitigation Plan.

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **Submitted as complete**
EXTENSIONS GRANTED **N/A**
ACTUAL COMPLETION DATE **7/1/10**

DATE OF CERTIFICATION LETTER **7/19/10**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **7/1/10**

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.13

DATE OF VERIFICATION LETTER **3/7/11**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **7/1/10**

**ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE**

URE stated that it provided one-on-one instruction to schedulers responsible for tagging dynamics and required the trainees to sign an attestation that they had read and understood the requirements for tagging dynamics. URE manually validates dynamic tags at the end of each hour and the end of each day to ensure dynamic tags are adjusted appropriately. Following each scheduling day, URE's scheduling leader or designee performs a validation to ensure that dynamic tags were adjusted properly.

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

- **plant plan use tag.pdf**
- **Dynamic schedule checkout sheet**
- **ID.tag.pdf**
- **Energy scheduler training documentation.pdf**

EXHIBITS:

SOURCE DOCUMENT

**Self Report of Unidentified Registered Entity to the Federal Energy
Regulatory Commission**

MITIGATION PLAN

URE's Revised Mitigation Plan MIT-08-3458

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for VAR-STD-002b-1 WR1

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO. **WECC201001820** REGIONAL ENTITY TRACKING NO. **URE_WECC20102054**

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
VAR-STD-002b-1	WR1		N/A¹	N/A

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

The purpose statement of VAR-STD-002b-1 provides: “Regional Reliability Standard to ensure that Power System Stabilizers on generators shall be kept in service at all times, unless one of the exemptions listed in Section C (Measures) applies, and shall be properly tuned in accordance with WECC requirements.”

VAR-STD-002b-1 WR1 provides: “Power System Stabilizers on generators shall be kept in service at all times, unless one of the exemptions listed in Section C (Measures) applies, and shall be properly tuned in accordance with WECC requirements.”

VIOLATION DESCRIPTION

WECC notified URE that WECC was initiating the annual self-certification process. URE submitted a Self-Report, and a few days later URE submitted its Self-Certification indicating URE was noncompliant with this standard. URE conducted a routine battery load test. This test, as expected, interrupted the power supply for one of URE’s Power System Stabilizers (PSS) at a Plant, and the PSS went offline. URE did not have an exemption as listed in Section C of this standard and failed to keep a PSS on a single generator in service at all times. URE’s PSS went off-line and the PSS returned to service almost a month later.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violation posed a minimal risk and did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because

¹ Violations of VAR-STD-002b-1 WR1 are penalized based on the Sanction Table associated with VAR-STD-002b-1. The Sanction Table does not include Violation Risk Factors or Violation Severity Levels, but instead includes Levels of Non-Compliance. URE’s violation is a Level 4 Non-Compliance.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.14

URE maintained a stable operating environment while the PSS was not in service. In addition, the unit at the Plant is rated at 44.5 MVA. This represents a small percentage of URE’s available generation and a fraction of the percentage available in the Western Interconnection.

II. 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) when the PSS at the Plant went offline through 2/24/10 (Mitigation Plan completion)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY Self-Certification

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO.	MIT-09-2440
DATE SUBMITTED TO REGIONAL ENTITY	3/16/10
DATE ACCEPTED BY REGIONAL ENTITY	3/21/10
DATE APPROVED BY NERC	4/19/10
DATE PROVIDED TO FERC	4/19/10

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

MITIGATION PLAN COMPLETED YES NO

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.14

EXPECTED COMPLETION DATE **Submitted as complete**

EXTENSIONS GRANTED

ACTUAL COMPLETION DATE **2/24/10**

DATE OF CERTIFICATION LETTER **3/16/10**

CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **2/24/10**

DATE OF VERIFICATION LETTER **4/1/10**

VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **2/24/10**

**ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE**

A meeting was held with URE supervisors to determine the root cause of the event and what actions were needed to resolve the issue and to prevent a similar issue in the future. The following actions were identified during that meeting and completed:

- **PSS training updates were added to the refresher annual training program lesson plans. Each PSS at the generating facilities now has an urgent alarm in place and the indication reads either normal or alarm. Additionally, the alarm now originates at the plant and the status is communicated by the local RTU to the Dispatch center.**
- **The control system at the thermal units was changed to monitor each PSS and communicate a local alarm if the PSS fails.**
- **The Plant was determined to be vulnerable to future events as the unit at the Plant defaults to disable upon loss of power supply voltage. To ensure that the PSS at the Plant does not disable upon loss of power supply voltage, the input contact terminals on the unit were hardwired to the power supply terminals. The Plant is the only location with the PSS units at the other locations have an uninterruptable power supply.**

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

- **VAR-STD-002b Mitigation Plan Meeting Minutes.pdf**

EXHIBITS:

SOURCE DOCUMENT

URE's VAR-STD-002b-1 Self Certification

MITIGATION PLAN

URE's Mitigation Plan MIT-09-2440

CERTIFICATION BY REGISTERED ENTITY

URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY

WECC's Verification of Mitigation Plan Completion

Disposition Document for CIP-006-1 R2 and R4

DISPOSITION OF VIOLATION

Dated March 11, 2011

NERC TRACKING NO.	REGIONAL ENTITY TRACKING NO.
WECC200901867	URE_WECC20092117
WECC200901868	URE_WECC20092118

I. VIOLATION INFORMATION

RELIABILITY STANDARD	REQUIREMENT(S)	SUB-REQUIREMENT(S)	VRF(S)	VSL(S)
CIP-006-1	2		Medium	N/A¹
CIP-006-1	4		Lower	N/A

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

The purpose statement of CIP-006-1 provides in pertinent part: “Standard CIP-006 is intended to ensure the implementation of a physical security program for the protection of Critical Cyber Assets [(CCA)]. Standard CIP-006 should be read as part of a group of standards numbered Standards CIP-002 through CIP-009....”

CIP-006-1 R2 and R4 provide:

R2. Physical Access Controls — The Responsible Entity^[2] shall document and implement the operational and procedural controls to manage physical access at all access points to the Physical Security Perimeter(s) twenty-four hours a day, seven days a week. The Responsible Entity shall implement one or more of the following physical access methods:

R2.1. Card Key: A means of electronic access where the access rights of the card holder are predefined in a computer database. Access rights may differ from one perimeter to another.

¹ At the time of the violations, no VSLs were in effect for CIP-006-1. On June 30, 2009, NERC submitted VSLs for the CIP-002-1 through CIP-009-1 Reliability Standards. On March 18, 2010, the Commission approved the VSLs as filed, but directed NERC to submit modifications.

² Within the text of Standard CIP-006, “Responsible Entity” shall mean Reliability Coordinator, Balancing Authority, Interchange Authority, Transmission Service Provider, Transmission Owner, Transmission Operator, Generator Owner, Generator Operator, Load Serving Entity, NERC, and Regional Reliability Organizations.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.15

R2.2. Special Locks: These include, but are not limited to, locks with “restricted key” systems, magnetic locks that can be operated remotely, and “man-trap” systems.

R2.3. Security Personnel: Personnel responsible for controlling physical access who may reside on-site or at a monitoring station.

R2.4. Other Authentication Devices: Biometric, keypad, token, or other equivalent devices that control physical access to the Critical Cyber Assets.

R4. Logging Physical Access — Logging shall record sufficient information to uniquely identify individuals and the time of access twenty-four hours a day, seven days a week. The Responsible Entity shall implement and document the technical and procedural mechanisms for logging physical entry at all access points to the Physical Security Perimeter(s) using one or more of the following logging methods or their equivalent:

R4.1. Computerized Logging: Electronic logs produced by the Responsible Entity’s selected access control and monitoring method.

R4.2. Video Recording: Electronic capture of video images of sufficient quality to determine identity.

R4.3. Manual Logging: A log book or sign-in sheet, or other record of physical access maintained by security or other personnel authorized to control and monitor physical access as specified in Requirement R2.3.

(Footnote added.)

VIOLATION DESCRIPTION

WECC200901867 CIP-006-1 R2:

URE submitted a Self-Report addressing noncompliance with this standard. URE had documented two instances of a door, which was an access point to the Physical Security Perimeter (PSP), intentionally propped open by an authorized employee for a few minutes, thus defeating the card key access control that URE had implemented to control access into the CCA area. With the door open, URE failed to implement operational and procedural physical access controls to manage an access point to an URE PSP twenty-four hours a day, seven days a week.

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.15

WECC200901868 CIP-006-1 R4:

URE submitted a Self-Report addressing noncompliance with this Standard. URE’s visitor access procedures were not followed consistently. Specifically, URE’s procedures require that each visitor sign in on a Visitor Sign-in Sheet and requires that the authorized employee who escorts the visitor be listed on the sheet as well. URE discovered cases where janitorial staff and service vendors did not sign in and therefore did not record sufficient information to uniquely identify these individuals and their time of access.

RELIABILITY IMPACT STATEMENT- POTENTIAL AND ACTUAL

WECC determined that the violations did not pose a serious or substantial risk to the reliability of the bulk power system (BPS) because:

WECC200901867 CIP-006-1 R2:

The card key system that controls access generated an alarm that the door was open too long. URE personnel monitor the door with video cameras. URE has a security staff, who was on duty and responded to the alarm. URE security staff closed the door, and then inspected the surrounding area to determine that nothing suspicious had occurred. Further, the propped door is within another layer of physical security with limited access. Therefore, WECC determined that this violation posed a moderate risk to the BPS.

WECC200901868 CIP-006-1 R4:

WECC determined that the incomplete use of the physical access logs lasted only one day. Further, URE’s janitorial and vending personnel spend limited time in the CCA area. They are only allowed access during normal business hours when authorized personnel are fully staffed in the CCA areas so authorized staff would notice any potential wrongdoing. URE’s authorized staff monitors URE’s janitorial and vending personnel. Therefore, WECC determined that this violation posed a minimal risk to the BPS.

II. DISCOVERY INFORMATION

METHOD OF DISCOVERY

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

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.15

DURATION DATE(S)

WECC200901867 CIP-006-1 R2: 7/9/09 (the violation lasted a single day when the door was propped open twice for several minutes)

WECC200901868 CIP-006-1 R4: 7/1/09 (the violation lasted a single day when the janitorial staff and vendors did not sign in)

DATE DISCOVERED BY OR REPORTED TO REGIONAL ENTITY **Self-Report**

IS THE VIOLATION STILL OCCURRING YES NO
IF YES, EXPLAIN

REMEDIAL ACTION DIRECTIVE ISSUED YES NO
PRE TO POST JUNE 18, 2007 VIOLATION YES NO

III. MITIGATION INFORMATION

FOR FINAL ACCEPTED MITIGATION PLAN:

MITIGATION PLAN NO. **MIT-09-2690**
DATE SUBMITTED TO REGIONAL ENTITY **2/24/10**
DATE ACCEPTED BY REGIONAL ENTITY **7/15/10**
DATE APPROVED BY NERC **8/19/10**
DATE PROVIDED TO FERC **8/20/10**

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

MITIGATION PLAN COMPLETED YES NO

EXPECTED COMPLETION DATE **Submitted as complete**
EXTENSIONS GRANTED
ACTUAL COMPLETION DATE **11/11/09**

DATE OF CERTIFICATION LETTER **2/24/10**
CERTIFIED COMPLETE BY REGISTERED ENTITY AS OF **11/11/09**

DATE OF VERIFICATION LETTER **7/19/10**
VERIFIED COMPLETE BY REGIONAL ENTITY AS OF **11/11/09**

**PRIVILEGED AND CONFIDENTIAL
INFORMATION HAS BEEN REMOVED FROM THIS PUBLIC VERSION**

Attachment b.15

ACTIONS TAKEN TO MITIGATE THE ISSUE AND PREVENT
RECURRENCE

URE identified the door that was propped open and closed it. URE security guards reported the incident to the URE's security and compliance department. URE immediately disciplined the authorized employees who failed to sign-in the janitorial staff and service vendors. URE then provided supplemental training for all of the dispatch personnel who work in the CCA areas where the violations occurred. The training covered the appropriate use of access controls into a PSP, an authorized individual's responsibilities for ensuring that the controls that have been put in place are utilized correctly and proper visitor sign-in and escort procedures. In addition, each potential violation was discussed at monthly dispatch/staff meetings.

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

- **Access Control Training.pdf**

EXHIBITS:

SOURCE DOCUMENT
URE's Self-Reporting Form

MITIGATION PLAN
URE's Mitigation Plan MIT-09-2690

CERTIFICATION BY REGISTERED ENTITY
URE's Certification of Mitigation Plan Completion

VERIFICATION BY REGIONAL ENTITY
WECC's Verification of Mitigation Plan Completion