

December 30, 2019

VIA ELECTRONIC FILING

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

Re: **NERC Full Notice of Penalty regarding Bonneville Power Administration,
FERC Docket No. NP20-_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding Bonneville Power Administration (BPA), NERC Registry ID# NCR05032,² with information and details regarding the nature and resolution of the violation³ discussed in detail in the Settlement Agreement attached hereto (Attachment A), in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations, and orders, as well as NERC's Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).⁴

NERC is filing this Notice of Penalty with the Commission because Western Electricity Coordinating Council (WECC) and BPA have entered into a Settlement Agreement to resolve all outstanding issues arising from WECC's determination and findings of the violation of FAC-009-1 R1.

¹ *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards*, Order No. 672, 114 FERC ¶ 61,104, order on reh'g, Order No. 672-A, 114 FERC ¶ 61,328 (2006); *Notice of New Docket Prefix "NP" for Notices of Penalty Filed by the N. Am. Elec. Reliability Corp.*, Docket No. RM05-30-000 (February 7, 2008); *Mandatory Reliability Standards for the Bulk-Power System*, Order No. 693, 118 FERC ¶ 61,218, order on reh'g, Order No. 693-A, 120 FERC ¶ 61,053 (2007).

² BPA was included on the NERC Compliance Registry as a Balancing Authority (BA), Planning Authority/Planning Coordinator (PA/PC), Resource Planner (RP), Transmission Owner (TO), Transmission Operator (TOP), Transmission Planner (TP), and Transmission Service Provider (TSP) on June 17, 2007.

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

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

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202-400-3000 | www.nerc.com

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According to the Settlement Agreement, BPA does not contest the violation, and has agreed to other remedies and actions to mitigate the instant violation and facilitate future compliance under the terms and conditions of the Settlement Agreement.

Statement of Findings Underlying the Violation

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement, by and between WECC and BPA. The details of the findings are set forth in the Settlement Agreement and herein. This Notice of Penalty filing contains the basis for approval of the terms 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 (2019), NERC provides the following summary table identifying each violation of a Reliability Standard resolved by the Settlement Agreement. Further information on the subject violation is set forth in the Settlement Agreement and herein.

NERC Violation ID	Standard	Req.	VRF/VSL	Applicable Function(s)	Discovery Method*	Violation Start-End Date	Risk	Penalty Amount
WECC2015015219	FAC-009-1	R1	Medium/ Severe	TO	SR 9/11/2015	6/18/2007- 3/15/2018	Serious	No Penalty

FAC-009-1 R1 – OVERVIEW

On September 11, 2015, BPA submitted a Self-Report after discovering that one of its current transformers (CT) was rated below the Facility Ratings of two associated transmission lines. BPA should have rated the CT as the most limiting element when BPA established Facility Ratings for the two lines. BPA's Facility Ratings Methodology considered CT equipment to be sized such that it would never be the most limiting element in a Facility. Consequently, BPA's Facility Rating database did not include any CT information, and its asset register did not include complete and accurate data concerning its CT equipment.

WECC's review and analysis of the violation revealed an increase in the extent of the violation. BPA had not identified CT equipment as the most limiting applicable element for at least 52 Facilities. WECC Enforcement determined BPA failed to determine Facility Ratings effectively under FAC-009-1 R1 and subsequent versions of the Standard and Requirement, including the current FAC-008-3 R6. Attachments A and B include additional facts regarding the violation.

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The root cause of this violation was inadequate internal controls to ensure that BPA's implementation of its Facility Ratings Methodology met all documented requirements.

The violation posed a serious risk to the reliability of the bulk power system (BPS). BPA failed to establish Facility Ratings for its solely owned Facilities that were consistent with the associated Facility Ratings Methodology, when it did not account for 52 CTs as limiting series elements, as required by FAC-009-1 R1. These Facilities included transmission lines at 115 kV (22 lines), 161 kV (one line), 230 kV (25 lines), and 500 kV (four lines). At least six of the Facilities in scope are part of one or more WECC Major Transfer Paths. However, the mitigation resulted in derating of the affected Facilities by approximately ten percent.

BPA did not have effective detective or preventive controls in place to detect or prevent this issue. However, as compensation, the first two transmission lines included in BPA's Self-Report have not operated at Amps near a System Operating Limit (SOL). Additionally, BPA operates its system using conservative assumptions, not within close proximity to an SOL. Attachment A includes the facts regarding the violation that WECC considered in its risk assessment.

BPA submitted its Mitigation Plan to address the referenced violation. Attachment C includes a description of the mitigation activities BPA took to address this violation. A copy of the Mitigation Plan is included as Attachment C.

BPA certified that it had completed all mitigation activities. WECC verified that BPA had completed all mitigation activities as of June 14, 2018. Attachments A and E provide specific information on WECC's verification of BPA's completion of the activities.

Regional Entity's Basis for Resolution of the Violation

According to the Settlement Agreement, WECC has assessed no penalty for the referenced violation. In reaching this determination, WECC considered the following factors:

1. BPA is a federal government entity, and WECC and NERC are bound to follow *Southwestern Power Administration (SWPA) v. Federal Energy Regulatory Commission (FERC)*⁵ in resolution of this matter;
2. The instant violation constitutes BPA's first violation of the subject NERC Reliability Standard;
3. BPA self-reported the violation;
4. BPA cooperated during the enforcement action;
5. The violation posed a serious risk to the reliability of the BPS;

⁵ *Sw. Power Admin. v. FERC*, 763 F.3d 27 (D.C. Cir. 2014).

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6. There was no evidence of any attempt to conceal the violation nor evidence of intent to do so;
7. The violation did not cause or extend a loss of load; and
8. There were no other mitigating or aggravating factors or extenuating circumstances that would affect the disposition method.

After consideration of the above factors, WECC determined that it would issue no penalty, in accordance with *SWPA v. FERC*.

Statement Describing the Assessed Penalty, Sanction, or Enforcement Action Imposed⁶

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693, the NERC Sanction Guidelines and the Commission's July 3, 2008, October 26, 2009 and August 27, 2010 Guidance Orders,⁷ the NERC BOTCC reviewed the violation on December 12, 2019 and approved the resolution between WECC and BPA. In approving the resolution, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violation at issue.

For the foregoing reasons, the NERC BOTCC approved the resolution and believes that the actions are appropriate for the violation and circumstances at issue, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

Attachments to be Included as Part of this Notice of Penalty

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

1. Settlement Agreement by and between WECC and BPA executed September 5, 2019, included as Attachment A;
2. BPA's Self-Report for FAC-009-1 R1 dated September 11, 2015, included as Attachment B;
3. BPA's Mitigation Plan designated as WECCMIT011937-1 for FAC-009-1 R1 submitted January 5, 2016, included as Attachment C;

⁶ See 18 C.F.R. § 39.7(d)(4).

⁷ N. Am. Elec. Reliability Corp., "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); N. Am. Elec. Reliability Corp., "Further Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009); N. Am. Elec. Reliability Corp., "Notice of No Further Review and Guidance Order," 132 FERC ¶ 61,182 (2010).

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4. BPA's Certification of Mitigation Plan Completion for FAC-009-1 R1 submitted April 13, 2018, included as Attachment D; and
5. WECC's Verification of Mitigation Plan Completion for FAC-009-1 R1 dated June 14, 2018, included as Attachment E.

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

<p>*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> <p>Melanie Frye* President and Chief Executive Officer Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6882 (801) 883-6894 – facsimile mfrye@wecc.biz</p> <p>Ruben Arredondo* Senior Legal Counsel Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 819-7674 (801) 883-6894 – facsimile rarredondo@wecc.biz</p> <p>Heather Laws* Director of Enforcement Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 819-7642 (801) 883-6894 – facsimile hlaws@wecc.biz</p>	<p>Edwin G. Kichline* Senior Counsel and Director of Enforcement Oversight North American Electric Reliability Corporation 1325 G Street NW Suite 600 Washington, DC 20005 (202) 400-3000 (202) 644-8099 – facsimile edwin.kichline@nerc.net</p> <p>Alexander Kaplen* Associate Counsel North American Electric Reliability Corporation 1325 G Street NW Suite 600 Washington, DC 20005 (202) 400-3000 (202) 644-8099 – facsimile alexander.kaplen@nerc.net</p>
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Bonneville Power Administration
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Conclusion

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

Respectfully submitted,

/s/ Alexander Kaplen

Edwin G. Kichline
Senior Counsel and Director of
Enforcement Oversight
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cc: Bonneville Power Administration
Western Electricity Coordinating Council

Attachments

Attachment A
Settlement Agreement by and between
WECC and BPA executed September 5, 2019



Heather M. Laws
Director, Enforcement
801-819-7642
hlaws@wecc.org

August 16, 2019

Jeff Cook
Acting VP Planning & Asset Management
Bonneville Power Administration
5411 NE Highway 99
Vancouver, WA 98663

NERC Registration ID: NCR05032

Subject: Notice of Expedited Settlement Agreement

Jeff Cook,

I. Introduction

The Western Electricity Coordinating Council (WECC) hereby notifies Bonneville Power Administration (BPA), a federal entity, that based on an assessment of the facts and circumstances of the Possible Violation addressed herein, evidence exists that BPA has an Alleged Violation of the Reliability Standards.

WECC reviewed the Alleged Violation referenced below and determined that this violation is an appropriate violation for disposition through the Expedited Settlement process. In determining whether to exercise its discretion to use the Expedited Settlement process, WECC considered all facts and circumstances related to the violation.

This Notice of Expedited Settlement Agreement (Notice) notifies BPA of the proposed sanction, if any, for such violation. By this Notice, WECC reminds BPA to retain and preserve all data and records relating to the Alleged Violation.

II. Alleged Violation

Standard and Requirement	NERC Violation ID	WECC Violation ID
FAC-009-1 R1	WECC2015015219	WECC2015-613962

August 16, 2019

The attached Expedited Settlement Agreement includes a summary of the facts and evidence supporting each Alleged Violation, as well as other factors affecting disposition determination.

III. Proposed Penalty or Sanction

In *Southwestern Power Admin. v. FERC*¹, the United States Court of Appeals for the District of Columbia Circuit found, *inter alia*, that federal agencies are not subject to monetary penalties under Section 215 of the Federal Power Act. Therefore, WECC cannot issue a monetary penalty against BPA.²

BPA's compliance history, including this violation, may inform WECC's future monitoring and enforcement strategies. WECC considers the facts and circumstances related to a violation including, but not limited to: 1) Violation Risk Factor; 2) Violation Severity Level; 3) risk to the reliability of the Bulk Electric System (BES)³, including the seriousness of the violation; (4) Violation Time Horizon; 5) the violation's duration; 6) the Registered Entity's compliance history; 7) the Registered Entity's self-reports and voluntary corrective action; 8) the degree and quality of cooperation by the Registered Entity in the audit or investigation process, and in any remedial action; 9) the quality of the Registered Entity's compliance program; 10) any attempt by the Registered Entity to conceal the violation or any related information; 11) whether the violation was intentional; 12) any other relevant information or extenuating circumstances.

IV. Procedures for Registered Entity's Response

If BPA accepts WECC's proposal that the violation listed in the Agreement be processed through the Expedited Settlement process, BPA must sign the attached Agreement and submit it through the WECC Enhanced File Transfer (EFT) Server Enforcement folder **within 15 calendar days from the date of this Notice**.

If BPA does not accept WECC's proposal, BPA must submit a written rejection, through the EFT Server, **within 15 calendar days from the date of this Notice**, informing WECC of the decision not to accept WECC's proposal.

¹ 763 F.3d 27 (D.C. Cir. 2014)

² *Id.*

³ "The Commission, the ERO, and the Regional Entities will continue to enforce Reliability Standards for facilities that are included in the Bulk Electric System." (*Revision to Electric Reliability Organization Definition of Bulk Electric System*, 113 FERC ¶ 61,150 at P 100 (Nov. 18, 2010))



Expedited Settlement Agreement

Bonneville Power Administration

CF0975

August 16, 2019

If BPA rejects this proposal or does not respond **within 15 calendar days**, WECC will issue a Notice of Alleged Violation.

V. Conclusion

In all correspondence, please provide the name and contact information of a BPA representative who is authorized to address the above-listed Alleged Violation and who is responsible for providing the required Mitigation Plan. Please also list the relevant NERC Violation Identification Number in any correspondence.

Responses or questions regarding the Settlement Agreement should be directed to Katherine Bennett, Enforcement Analyst, at 801-883-6850 or kbennett@wecc.org.

Respectfully submitted,



Heather M. Laws

Director, Enforcement

Attachment: Expedited Settlement Agreement



Attachment

**EXPEDITED SETTLEMENT AGREEMENT
OF
WESTERN ELECTRICITY COORDINATING COUNCIL
AND
BONNEVILLE POWER ADMINISTRATION**

Western Electricity Coordinating Council (WECC) and Bonneville Power Administration (BPA) (individually a “Party” or collectively the “Parties”) agree to the following:

1. BPA does not contest the violation of the NERC Reliability Standard listed below.
2. The violation addressed herein will be considered a Confirmed Violation as set forth in the NERC Rules of Procedure.
3. BPA has completed remediation and mitigation activities for the violation listed below.
4. The terms of this Settlement Agreement are subject to review and possible revision by NERC and FERC. Upon NERC approval of the Settlement Agreement, NERC will file it with FERC and will post it publicly. If either NERC or FERC rejects the Settlement Agreement, then WECC will attempt to negotiate a revised Settlement Agreement with BPA that includes any changes to the Settlement Agreement specified by NERC or FERC. If the Parties cannot reach a Settlement Agreement, the CMEP governs the enforcement process.
5. The Parties have agreed to enter into this Settlement Agreement to avoid extended litigation with respect to the matters described or referred to herein, to avoid uncertainty, and to effectuate a complete and final resolution of the issues set forth herein. The Parties agree that this Settlement Agreement is in the best interest of each Party and in the best interest of Bulk Power System (BPS) reliability.
6. This Settlement Agreement represents a full and final disposition of the violation listed below, subject to approval or modification by NERC and FERC. BPA waives its right to further hearings and appeal; unless and only to the extent that BPA contends that any NERC or FERC action on this Settlement Agreement contains one or more material modifications to this Settlement Agreement.



7. In the event BPA fails to comply with any of the terms set forth in this Settlement Agreement, WECC may initiate further enforcement actions against BPA to the maximum extent allowed by federal law and the NERC Rules of Procedure. Except as otherwise specified in this Settlement Agreement, BPA shall retain all rights to defend against such enforcement actions.
8. This Settlement Agreement shall be governed by and construed under federal law.
9. This Settlement Agreement contains the full and complete understanding of the Parties regarding all matters set forth herein. The Parties agree that this Settlement Agreement reflects all terms and conditions regarding all matters described herein and no other promises, oral or written, have been made that are not reflected in this Settlement Agreement.
10. Each of the undersigned warrants that he or she is an authorized representative of the Party identified, is authorized to bind such Party and accepts the Settlement Agreement on the Party's behalf.
11. The undersigned representative of each Party affirms that he or she has read the Settlement Agreement, that all matters set forth in the Settlement Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that the Settlement Agreement is entered into by such Party in express reliance on those representations.
12. This Settlement Agreement and all terms and stipulations set forth herein shall become effective upon FERC's approval of the Settlement Agreement by order or operation of law.
13. NOW, THEREFORE, in consideration of the terms set forth herein:

VIOLATION FACTS

I. NERC RELIABILITY STANDARD FAC-009-1 REQUIREMENT 1

NERC VIOLATION ID: WECC2015015219

WECC VIOLATION ID: WECC2015-613962

STANDARD

1. NERC Reliability Standard FAC-009-1 Requirement 1 states:
R1. The Transmission Owner and Generator Owner shall each establish Facility Ratings for its solely and jointly owned Facilities that are consistent with the associated Facility Ratings Methodology.



2. On September 11, 2015, the entity submitted a Self-Report stating that, as a Transmission Owner (TO), it was in noncompliance with FAC-008-3 R6. During an internal review, the entity discovered that one of its current transformers (CT) was rated below the Facility Ratings of two associated transmission lines. The CTs should have been rated as the most limiting element when the entity established Facility Ratings for the two lines. The entity's Facility Ratings Methodology at this time considered CT equipment to be sized such that it would never be the most limiting element in a Facility. Consequently, the entity's Facility Rating database did not include any CT information and its asset register did not include complete and accurate data concerning its CT equipment.
3. WECC's review and analysis of the violation revealed an increase in the scope of the violation, which prompted an entity-initiated program-wide review of its Facility Ratings throughout its footprint, which had not identified CT equipment as the most limiting applicable element, for at least 52 of its Facilities. These Facilities included transmission lines at 115kV (22 lines), 161kV (one line), 230kV (25 lines), and 500kV (four lines). At least six of the Facilities in scope are part of one or more WECC Major Transfer Paths. The root cause of this violation was attributed to less than adequate internal controls to ensure the entity's implementation of Facility Ratings Methodology met all documented requirements. This violation began on June 18, 2007, when FAC-009-1 R1 became mandatory and enforceable and ended on March 15, 2018, when the entity revised its Facility Ratings Methodology to include CT equipment as the most limiting element, for a total of 3,923 days of noncompliance.
4. After reviewing all relevant information, WECC Enforcement determined the entity failed to effectively perform FAC-009-1 R1 and subsequent versions of the Standard and Requirement, including the current FAC-008-3 R6.

RELIABILITY RISK ASSESSMENT

5. WECC determined this violation posed a serious and substantial risk to the reliability of the Bulk Power System (BPS). In this instance, the entity failed to establish Facility Ratings for its solely owned Facilities that are consistent with the associated Facility Ratings Methodology, when it did not account for 52 CTs as a limiting series element, as required by FAC-009-1 R1. These Facilities included transmission lines at 115kV (22 lines), 161kV (one line), 230kV (25 lines), and 500kV (four lines). At least six of the Facilities in scope are part of one or more WECC Major Transfer Paths.
6. The entity did not have effective detective or preventative controls in place to detect or prevent this issue. However, as a compensation, the first two transmission lines included in the entity's Self-Report have not operated at Amps near an System Operating Limit (SOL). Additionally,



the entity operates its system using conservative assumptions, not within close proximity to an SOL.

REMEDATION AND MITIGATION

7. On January 5, 2016, the entity submitted a Mitigation Plan to address this violation, and upon expanding its internal investigation to include a program-wide review, submitted a revised Mitigation Plan on April 24, 2017. WECC accepted the revised Mitigation Plan on May 5, 2017.
8. To remediate and mitigate this violation, the entity:
 - a. established a methodology to determine normal ratings for all types of CTs, with documented instructions for collecting nameplate data, documenting in-service ratios and calculating ratings for operating temperatures;
 - b. investigated extent of condition across its entire footprint, both with respect to CT equipment and all other Facility Elements, including multiple reviews by management and subject-matter experts;
 - c. revised language concerning CT equipment in its Facility Ratings Methodology;
 - d. designated and coordinated responsibility for collection, application, analysis, and validation of CT equipment data;
 - e. established to Information Owners, Information System Owners, and data stewards for Facility Rating systems;
 - f. implemented an internal Facility Ratings tool with controls to ensure equipment ratings are complete and accurate;
 - g. identified affected Facility Ratings by incorporating CTs as a limiting element category in its asset register, rating database and internal tool; and
 - h. verified its Facility Rating Report and tool reflect limiting equipment accurately.
9. On April 13, 2018, the entity submitted a Mitigation Plan Completion Certification and on June 14, 2018, WECC verified the completion of its Mitigation Plan.

OTHER FACTORS AFFECTING DISPOSITION DETERMINATION

10. **No monetary penalties.** BPA is a federal entity and not subject to monetary penalties.⁴
11. However, WECC determined that the Expedited Settlement disposition option is appropriate for the following reasons:
 - a. Base factors:
 - i. The Violation Risk Factor is Medium and the Violation Severity Level is Moderate for this violation.
 - ii. This violation posed serious and substantial risk to the reliability of the BPS.

⁴ See *Southwestern Power Admin. v. FERC*, 763 F.3d 27 (D.C. Cir. 2014).



- iii. The violation duration was 3,923 days as described above.
 - iv. This Requirement has an Operations Planning violation time horizon expectation for remediation of the Requirement from day-ahead up to and including seasonal to preserve the reliability of the BPS.
- b. WECC applied a mitigating factor for the following reasons:
- i. The entity was cooperative throughout the process.
 - ii. The entity self-reported this violation in a timely manner, 46 days from the date of discovery.
 - iii. The entity agreed to settle this violation and not go to hearing.
- c. Other Considerations:
- i. WECC did not apply mitigating credit for the entity's Internal Compliance Program (ICP). Although the entity does have a documented ICP, WECC determined that it was not effective in detecting this violation.
 - ii. WECC determined that there was no relevant compliance history for this violation.
 - iii. The entity did not fail to complete any applicable compliance directives. There was no evidence of any attempt by the entity to conceal the violation. There was no evidence that violation was intentional. The entity submitted all requested documentation and/or mitigation plans timely.

[Remainder of page intentionally left blank - signatures affixed to following page]




Expedited Settlement Agreement

Agreed to and Accepted by:

WESTERN ELECTRICITY COORDINATING COUNCIL

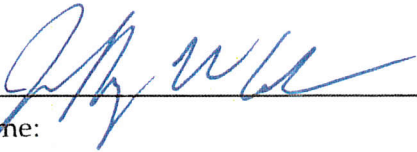


Heather M. Laws
Director, Enforcement

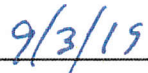


Date

BONNEVILLE POWER ADMINISTRATION



Name:
Title:



Date



Attachment B

BPA's Self-Report of Violation of FAC-009-1 R1
submitted September 11, 2015

Self Report

Entity Name: Bonneville Power Administration (BPA)

NERC ID: NCR05032

Standard: FAC-008-3

Requirement: FAC-008-3 R6.

Date Submitted: September 11, 2015

Has this violation previously No
been reported or discovered?:

Entity Information:

Joint Registration
Organization (JRO) ID:

Coordinated Functional
Registration (CFR) ID:

Contact Name: Jenifur Rancourt
Contact Phone: 5032303672
Contact Email: jlrancourt@bpa.gov

Violation:

Violation Start Date: January 01, 2013

End/Expected End Date:

Region Initially Determined a
Violation On:

Reliability Functions: Transmission Owner (TO)

Is Possible Violation still Yes
occurring?:

Number of Instances: 1

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

Which Regions:

Date Reported to Regions:

Detailed Description and Note: Number of Instances is currently unknown. WECC system would not
Cause of Possible Violation: allow this input so left at 1.

Detailed Description and Cause of Possible Violation: A BPA team reviewing the interchange on the Maple Valley - Talbot #1 and #2 lines found that the CT was rated below the full facility ratings of the two lines. BPA's Facility Rating Methodology at the time of the discovery stated that CTs are sized such that they are not the most limiting element in a facility, and as a result, CTs are not included in Facility Ratings. It also stated that "Facility Rating[s] shall respect the most limiting applicable Equipment Rating of the individual equipment that comprises that Facility." In this case, the Maple Valley - Talbot #1 and #2 lines were rated 3268 Amps and the CTs were rated 3000 Amps. Since the CTs were rated lower than the lines, it was determined that the CTs should have been identified as the most limiting element on each line. BPA determined that this was a violation of FAC-008 R6.

Mitigating Activities:

Description of Mitigating BPA revised its Facility Ratings Methodology on 7/28/15 to remove the
Activities and Preventative statement that CTs are sized to not be the most limiting element. In addition,
Measure: SCADA limits have been set at 2715 Amps for both lines. BPA has initiated a
project to determine the ratings of all CTs on BPA's system and to integrate

Self Report

that data into its facility ratings database. While we have no reason to believe that the non-compliance extends beyond CTs, BPA will investigate other equipment types as well to ensure that our facility ratings are complete and accurate.

Have Mitigating Activities No
been Completed?

Date Mitigating Activities
Completed:

Impact and Risk Assessment:

Potential Impact to BPS: Moderate
Actual Impact to BPS: Minimal

Description of Potential and Potential impact: BPA is still investigating the scope of the CT issue and has
Actual Impact to BPS: not yet determined the number of facility ratings that will need to be adjusted.

Actual impact: In the case of the Maple Valley - Talbot #1 and #2 lines, the lines had never been operated at or near the limit of the CTs. Since January 1, 2006, the Maple Valley - Talbot #1 line has never been operated above 1500 Amps. Since January 1, 2006, the Maple Valley - Talbot #2 line has never been operated above 2200 Amps.

Risk Assessment of Impact to BPS: BPA is working to determine the scope of this violation as quickly as possible in order to accurately assess the impact on the BES and make any necessary corrections.

Additional Entity Comments: BPA intends to submit Mitigation Plan ID P220 on or around October 15, 2015.

Additional Comments		
From	Comment	User Name
No Comments		

Additional Documents			
From	Document Name	Description	Size in Bytes
No Documents			

Attachment C

BPA's Mitigation Plan designated as WECCMIT011937-1
for FAC-009-1 R1 submitted January 5, 2016



Mitigation Plan

Mitigation Plan Summary

Registered Entity: Bonneville Power Administration
Mitigation Plan Code: WECCMIT011937
Mitigation Plan Version: 1

NERC Violation ID	Requirement	Violation Validated On
WECC2015015219	FAC-008-3 R6.	01/26/2016

Mitigation Plan Submitted On: January 05, 2016

Mitigation Plan Accepted On: April 01, 2016

Mitigation Plan Proposed Completion Date: February 15, 2017

Actual Completion Date of Mitigation Plan:

Mitigation Plan Certified Complete by BPA On:

Mitigation Plan Completion Verified by WECC On:

Mitigation Plan Completed? (Yes/No): No



Compliance Notices

Section 6.2 of the NERC CMEP sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:

- (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section B.
- (2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.
- (3) The cause of the Alleged or Confirmed Violation(s).
- (4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).
- (5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).
- (6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.
- (7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.
- (8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined or recommended to the applicable governmental authorities for not completing work associated with accepted milestones.
- (9) Any other information deemed necessary or appropriate.
- (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self Certification or Self Reporting submittals.
- (11) This submittal form may be used to provide a required Mitigation Plan for review and approval by regional entity(ies) and NERC.

- The Mitigation Plan shall be submitted to the regional entity(ies) and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.
- This Mitigation Plan form may be used to address one or more related alleged or confirmed violations of one Reliability Standard. A separate mitigation plan is required to address alleged or confirmed violations with respect to each additional Reliability Standard, as applicable.
- If the Mitigation Plan is accepted by regional entity(ies) and approved by NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission or filed with the applicable governmental authorities for approval in Canada.
- Regional Entity(ies) or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.
- The user has read and accepts the conditions set forth in these Compliance Notices.

Entity Information

Identify your organization:

Entity Name: Bonneville Power Administration

NERC Compliance Registry ID: NCR05032

Address: 905 NE 11 Avenue
Portland OR 97232

Identify the individual in your organization who will serve as the Contact to the Regional Entity regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Regional Entity regarding this Mitigation Plan:

Name: Jenifur Rancourt
Title: Supervisory Public Utility Specialist
Email: jlrancourt@bpa.gov
Phone: 503-230-3672

Violation(s)

This Mitigation Plan is associated with the following violation(s) of the reliability standard listed below:

Violation ID	Date of Violation	Requirement
Requirement Description		
WECC2015015219	01/01/2013	FAC-008-3 R6.
Each Transmission Owner and Generator Owner shall have Facility Ratings for its solely and jointly owned Facilities that are consistent with the associated Facility Ratings methodology or documentation for determining its Facility Ratings.		

Brief summary including the cause of the violation(s) and mechanism in which it was identified:

A team reviewing the interchange between BPA and Puget Sound Energy (PSE) on the Maple Valley – Talbot #1 and #2 lines found that the Current Transformer (CT) was rated below the full facility ratings of the two lines. BPA's Facility Rating Methodology at the time of the discovery stated that CTs are sized such that they are not the most limiting element in a facility, and as a result, CTs are not included in Facility Ratings. It also stated that "Facility Rating[s] shall respect the most limiting applicable Equipment Rating of the individual equipment that comprises that Facility." In this case, the Maple Valley – Talbot #1 and #2 lines were rated 3268 Amps and the CTs were rated 3000 Amps. Since the CTs were rated lower than the lines, it was determined that the CTs should have been identified as the most limiting element on each line. BPA determined that this was a violation of FAC-008 R6.

Relevant information regarding the identification of the violation(s):

BPA's facility rating database does not currently contain data on CT ratings, and BPA's asset register (Cascade) has incomplete data about CTs. Confirming the CT ratings in this case involved gathering data from the nameplates of the CTs themselves. The full mitigation of this issue will involve similar effort on a much larger scale to confirm CT ratings throughout BPA's footprint.

Plan Details

Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violation(s) identified above in Section C.1 of this form:

1. Document methodology for determining ratings for all types of CTs
2. Research other device types to determine if any other similar issues exist
3. Assign personnel to collect all needed data
4. Establish Information Owners (IO), Information System Owner (ISO) and data stewards for appropriate facility rating systems
5. Begin recording CT data in appropriate repository
6. Record CT ratings in Facility Ratings database and begin validation
7. Deploy Facility Ratings database tool
8. Create and implement action plans to correct issues found with Facility Ratings. (If this requires replacing equipment, the fix may extend beyond the completion date of this mitigation plan.)

Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the violations associated with this Mitigation Plan are corrected:

Proposed Completion date of Mitigation Plan: February 15, 2017

Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date	Entity Comment on Milestone Completion	Extension Request Pending
February 15, 2016:	<ul style="list-style-type: none"> • Document methodology for determining ratings for all types of CTs • Research other device types to determine if any other similar issues exist • Assign personnel to collect all needed data 	02/15/2016	02/12/2015	<p>Milestone - Document methodology for determining ratings for all types of CTs: Refer to document titled Methodology for Determining Ratings for BPA Current Transformers_Feb15.</p> <p>Milestone - Research other device types to determine if any other similar issues exist: This milestone was met in two key ways. First, BPA's Facility Rating Methodology Standard, STD-D-000011, was revised after discovery of the issue related to ratings of current transformers (CTs). BPA has a rigorous standards review and approval</p>	No

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date	Entity Comment on Milestone Completion	Extension Request Pending
				<p>process that includes in-person meetings with multiple subject matter experts to propose and vet changes to the standard, followed by review and approval by a larger group of experts including managers. STD-D-000011 was revised in July 2015 to make changes to the CT rating section and again in September 2015 to make another, unrelated change. During these reviews, no other gaps or similar issues were identified.</p> <p>In addition, the project team working on this mitigation plan has met multiple times since July 2015 to discuss many topics, including other equipment types that could also represent gaps in BPA's facility rating data. No other issues have been identified. If another gap is identified, it will be investigated and added to the scope of this project as necessary.</p> <p>Milestone - Assign personnel to collect all needed data: This mitigation plan will involve a coordinate effort to include research of documentation by the Transmission Engineering (TE) organization and collection of data from devices by the Transmission Field Services (TF) organization.</p>	
May 15, 2016	Begin recording CT	05/15/2016			No

Milestone Activity	Description	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date	Entity Comment on Milestone Completion	Extension Request Pending
	data in appropriate repository				
August 15, 2016	Establish Information Owners (IO), Information System Owner (ISO) and data stewards for appropriate facility rating systems	08/15/2016			No
November 15, 2016:	Record CT ratings in Facility Ratings database and begin validation	11/15/2016			No
February 15, 2017	<ul style="list-style-type: none">• Deploy Facility Rating database tool• Create and implement action plans to correct issues found with Facility Ratings	02/15/2017			No

Additional Relevant Information

P220

Reliability Risk

Reliability Risk

While the Mitigation Plan is being implemented, the reliability of the bulk Power System may remain at higher Risk or be otherwise negatively impacted until the plan is successfully completed. To the extent they are known or anticipated : (i) Identify any such risks or impacts, and; (ii) discuss any actions planned or proposed to address these risks or impacts.

It is likely additional Facility Ratings violations exist on BPA Facilities. As these violations are found, BPA will mitigate the issue as quickly as possible. BPA operates its system using conservative assumptions and most of the time not within close proximity to a System Operating Limit. This will help mitigate the risk to the system from any adverse impacts of unidentified facility limits. There are no known reliability issues that have resulted due to Facility Ratings.

Prevention

Describe how successful completion of this plan will prevent or minimize the probability further violations of the same or similar reliability standards requirements will occur

At the completion of this mitigation plan, BPA will have complete equipment ratings in Cascade and a robust database that will contain BPA's complete Facility Ratings. Analysis of ratings will be much easier in the future so that we can prevent recurrence.

Describe any action that may be taken or planned beyond that listed in the mitigation plan, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements

Procedures will be developed to keep equipment ratings up to date in Cascade.

Authorization

An authorized individual must sign and date the signature page. By doing so, this individual, on behalf of your organization:

- * Submits the Mitigation Plan, as presented, to the regional entity for acceptance and approval by NERC, and
- * if applicable, certifies that the Mitigation Plan, as presented, was completed as specified.

Acknowledges:

1. I am qualified to sign this mitigation plan on behalf of my organization.
2. I have read and understand the obligations to comply with the mitigation plan requirements and ERO remedial action directives as well as ERO documents, including but not limited to, the NERC rules of procedure and the application NERC CMEP.
3. I have read and am familiar with the contents of the foregoing Mitigation Plan.

Bonneville Power Administration Agrees to be bound by, and comply with, this Mitigation Plan, including the timetable completion date, as accepted by the Regional Entity, NERC, and if required, the applicable governmental authority.

Authorized Individual Signature: _____
(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Authorized Individual

Name: Jeffrey W. Cook

Title: VP, Planning and Asset Management

Authorized On: January 04, 2016

Attachment D

BPA's Certification of Mitigation Completion for
FAC-009-1 R1 submitted on April 13, 2018

Certification of Mitigation Plan Completion

Submittal of a Certification of Mitigation Plan Completion shall include data or information sufficient for the Regional Entity to verify completion of the Mitigation Plan. The Regional Entity may request additional data or information and conduct follow-up assessments, on-site or other Spot Checking, or Compliance Audits as it deems necessary to verify that all required actions in the Mitigation Plan have been completed and the Registered Entity is in compliance with the subject Reliability Standard. (CMEP Section 6.6)

Registered Entity Name: Bonneville Power Administration

NERC Registry ID: NCR05032

NERC Violation ID(s): WECC2015015219

Mitigated Standard Requirement(s): FAC-008-3 R6.

Scheduled Completion as per Accepted Mitigation Plan: May 15, 2018

Date Mitigation Plan completed: March 23, 2018

WECC Notified of Completion on Date: April 13, 2018

Entity Comment: Mitigation completed on 3/23/2018.

Additional Documents			
From	Document Name	Description	Size in Bytes
Entity	FAC-008 R6 Mitigation Plan Revised 12-29.pdf		368,624
Entity	FAC-008 R6 Mitigation Plan Revised 04-16-17.pdf		171,508
Entity	FAC-008 R6 Mitigation Plan CMP 04-04-2018.pdf	WECCMIT2015-005583-1 Certification of Mitigation Completion PDF with supporting evidence.	18,026,579

I certify that the Mitigation Plan for the above named violation(s) has been completed on the date shown above and that all submitted information is complete and correct to the best of my knowledge.

Name: Jeffrey W. Cook

Title: VP, Planning and Asset Management

Email: jwcook@bpa.gov

Phone: 1 (360) 418-8981

Authorized Signature _____ Date _____

(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Attachment E
Verification of Mitigation Plan Completion for
FAC-009-1 R1 dated June 14, 2018

From: noreply@oati.net
Sent: 06/14/2018 16:28:48
To: reliabilitycompliance@bpa.gov
Subject: WECC Notice - Completed Mitigation Plan Acceptance - FAC-008-3 R6. - Bonneville Power Administration

Please do not REPLY to this message. It was sent from an unattended mailbox and replies are not monitored. If you have a question, send a new message to the OATI Help Desk at support@oati.net.

NERC Registration ID: NCR05032
NERC Violation ID: WECC2015015219
Standard/Requirement: FAC-008-3 R6.
Subject: Completed Mitigation Plan Acceptance

The Western Electricity Coordinating Council (WECC) received the Certification of Mitigation Plan Completion submitted by Bonneville Power Administration on 04/13/2018 for the violation of FAC-008-3 R6.. After a thorough review, WECC has accepted the Certification of Mitigation Plan Completion.

Note: Effective 04/01/2013, WECC will formally notify registered entities of completed Mitigation Plan acceptances via this email notice. WECC will no longer notify entities by uploading a Notice of Completed Mitigation Plan Acceptance letter to the Enhanced File Transfer (EFT) Server.

webCDMS Login: <https://www.cdms.oati.com/CDMS/sys-login.wml>

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[OATI Information - Email Template: MitPlan_Completed]