

To: ENTITY CONTACT

From: REGIONNAME

Date: DATE

Re: Notice of Find, Fix, Track, and Report (FFT) Treatment

<u>Registry ID</u>	<u>NERC Issue ID</u>	<u>Standard</u>	<u>Req.</u>
NCRXXXXX			

In accordance with the North American Electric Reliability Corporation's (NERC's) Rules of Procedure and the Federal Energy Regulatory Commission's (FERC's) orders, rules and regulations, REGIONNAME (REGIONACRONYM) hereby notifies ENTITYNAME (ENTITYACRONYM) that REGIONACRONYM has determined that the Possible Violation(s) identified above qualifies for FFT processing.

REGIONACRONYM may determine that possible violations which pose a lesser risk (minimal to moderate) to the reliability of the bulk power system (BPS) qualify for FFT processing taking into account: (1) the underlying facts and circumstances, including what happened, why, where and when; (2) the Reliability Standard at issue; (3) the applicable Violation Risk Factor (VRF) and Violation Severity Level (VSL); (4) the potential and actual level of risk to reliability, including mitigating factors during pendency of the Possible Violation; (5) the registered entity's compliance program, including preventive and corrective processes and procedures, internal controls and culture of compliance; and (6) the registered entity's compliance history.

Notice of FFT Processing

ENTITYACRONYM has completed mitigating activities, which included actions to prevent recurrence, and provided an acceptable notice of completion of mitigating activities to REGIONACRONYM. As a result, these Possible Violations will be eligible for FFT processing as remediated issues. REGIONACRONYM reserves the right to verify mitigating activity completion at any time, including but not limited to at an audit, spot check or random sampling. If REGIONACRONYM determines that ENTITYACRONYM failed to mitigate the Possible Violation(s), then ENTITYACRONYM will be assessed [a] new Possible Violation(s) that may be eligible for FFT or Notice of Penalty processing, depending on the circumstances. Subject to the outcome of NERC's filing on September 30, 2011, remediated issues will be reported to FERC in an informational filing, which concludes NERC's and REGIONACRONYM's processing of this/these Possible Violation(s). No penalty or sanction will be assigned to a remediated issue.

Remediated Issues afforded FFT treatment become part of ENTITYACRONYM's compliance history and may be positive or negative considerations in future actions depending on the facts and circumstances. Once Remediated Issues are included in an FFT informational filing, those Remediated Issues may not be contested in subsequent enforcement actions.

ENTITYACRONYM may opt out of FFT processing by providing written notification to REGIONACRONYM within five business days of receipt of this Notice. If ENTITYACRONYM opts out of FFT processing, the Possible Violation will then be addressed through the Compliance Monitoring and Enforcement Program.

Sincerely,

Staff Name

Staff Title