



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

June 4, 2008

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

Re: NERC Notice of Penalty regarding Exelon Generation Company, LLC, FERC Docket No. NP08--000

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty regarding Exelon Generation Company, LLC,¹ 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 Notice of Penalty is being filed with the Commission because, based on information from Texas Regional Entity, Exelon Generation Company, LLC does not dispute the violation of PRC-005-1 Requirement (R.) 2 regarding its LaPorte Generating Station and the proposed penalty of \$0 to be assessed to Exelon Generation Company at issue in this Notice of Penalty. Accordingly, the violation identified as NERC Violation Tracking Identification Number TRE200700004 is a Confirmed Violation, as that term is defined in the NERC Rules of Procedure and the CMEP.

Statement of Findings Underlying the Violations

This Notice of Penalty incorporates by reference the findings and justifications set forth in the Notice of Confirmed Violation and Proposed Penalty or Sanction (NOC) issued on February 15, 2008, by Texas Regional Entity. The details of the findings and basis for the penalty are set forth in Table 1 of the NOC, as well as the determinations of the NERC BOTCC in its decision. In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7 (2007), NERC

¹ *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 (2008). *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).

² See 18 C.F.R. § 39.7(c)(2).

provides the following summary table identifying the Reliability Standard violated by Exelon Generation Company, LLC.

| NOP ID | Region | Registered Entity | NOC ID | NERC Violation ID | Reliability Std. | Req. (R) | VRF | Total Penalty (\$) |
|--------|--------|--------------------------------|--------|-------------------|------------------|----------|------------|--------------------|
| NOP-03 | TRE | Exelon Generation Company, LLC | NOC-03 | TRE200700004 | PRC-005-1 | 2 | Lower/High | 0 |

In summary, PRC-005-1 R.2 requires an entity such as Exelon Generation Company, LLC that owns a protection system to provide documentation of its protection system maintenance and testing program and the implementation of that program to Texas Regional Entity on request (within 30 calendar days). PRC-005-1 R.2.1 requires the documentation include evidence that protection system devices were maintained and tested within the defined intervals. Exelon Generation Company, LLC submitted a self-certification report to Texas Regional Entity dated September 8, 2007 in which it stated that, while it has a protection maintenance and testing program, the protection system devices were not maintained and tested within the defined intervals.

According to Exelon Generation Company, LLC, its LaPorte Generating Station protective relays are all digital relays. Exelon's protection system maintenance and testing program required Digital Relay Functional Testing every 4 years, which would have been 2005. In preparing its self-certification, Exelon Generation Company, LLC determined that in 2004 a vendor was contracted to calibrate and functionally test all LaPorte relays in November of 2004 , but the vendor did not do so; rather, the vendor only checked terminal connections and downloaded the relay set point data.

While PRC-005-1 R. 2 has a "Lower" Violation Risk Factor (VRF), PRC-005-1 R. 2.1 has a "High" VRF. In its NOC, the Texas Regional Entity did not assess a Violation Severity Level (VSL), because the standard uses Levels of Non-Compliance. Based on the NERC Sanction Guidelines Base Penalty Table, the possible penalty range for a "High" VRF is \$4,000 to \$1,000,000.

However, Section 4.4.2 of the NERC Sanction Guidelines states that:

If the actual or foreseen impact of the violation is judged to be inconsequential by NERC or the regional entity and the violation is the first incidence of violation of the requirement in question by the violator, NERC or the regional entity may at its discretion: (i) set the Base Penalty Amount to a value it deems appropriate within the initial value range set above pursuant to Section 4.1, *or (ii) excuse the penalty for the violation (i.e. set the Base Penalty Amount to 0\$).*³

Texas Regional Entity exercised its discretion to assess no penalty for these violations because (1) they occurred during the period of transition to mandatory standards during which the

³ *Id.* (emphasis added).

Commission authorized such discretion (*see* Order Nos. 693 and 693-A⁴); and (2) the violations were deemed by Texas Regional Entity not to be violations that put bulk power system reliability at serious or substantial risk.

Status of the Mitigation Plan⁵

Exelon Generation Company, LLC's mitigation plan was accepted by Texas Regional Entity on December 6, 2007 and was approved by NERC on December 11, 2007. The Mitigation Plan for the violation listed in Table 1 is designated as MIT-07-0202 and was submitted as non-public information to FERC on December 12, 2007 in accordance with FERC orders.

A copy of the Mitigation Plan is attached. Exelon Generation Company, LLC certified on October 11, 2007 to Texas Regional Entity that its Mitigation Plan was completed, and Texas Regional Entity verified on June 2, 2008 that the Mitigation Plan was completed in accordance with the completion date.

Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed⁶

FERC Order Excerpts

In Order No. 693, the Commission provided guidance to NERC and the industry on the determination of penalties during the first six month period of mandatory and enforceable Reliability Standards:

222. . . . In light of commenters' concerns, including the fact that there are new aspects to the Reliability Standards and the proposed compliance program that will apply to all users, owners and operators of the Bulk-Power System, *the Commission directs the ERO and Regional Entities to focus their resources on the most serious violations during an initial period through December 31, 2007.* This thoughtful use of enforcement discretion should apply to all users, owners and operators of the Bulk-Power System, and not just those new to the program as originally proposed in the NOPR. This approach will allow the ERO, Regional Entities and other entities time to ensure that the compliance monitoring and enforcement processes work as intended and that all entities have time to implement new processes.

223. *By directing the ERO and Regional Entities to focus their resources on the most serious violations through the end of 2007, the ERO and Regional Entities will have the discretion necessary to assess penalties for such violations, while also having discretion to calculate a penalty without collecting the penalty if circumstances warrant.* Further, even if the ERO or a Regional Entity declines to assess a monetary penalty during the initial period, they are authorized to require

⁴ See n.1 *supra*.

⁵ See 18 C.F.R § 39.7(d)(7).

⁶ See 18 C.F.R § 39.7(d)(4).

remedial actions where a Reliability Standard has been violated. Furthermore, where the ERO uses its discretion and does not assess a penalty for a Reliability Standard violation, we encourage the ERO to establish a process to inform the user, owner or operator of the Bulk-Power System of the violation and the potential penalty that could have been assessed to such entity and how that penalty was calculated. We leave to the ERO's discretion the parameters of the notification process and the amount of resources to dedicate to this effort. Moreover, the Commission retains its power under section 215(e)(3) of the FPA to bring an enforcement action against a user, owner or operator of the Bulk-Power System.

*224. The Commission believes that the goal should be to ensure that, at the outset, the ERO and Regional Entities can assess a monetary penalty in a situation where, for example, an entity's non-compliance puts Bulk-Power System reliability at risk. Requiring the ERO and Regional Entities to focus on the most serious violations will allow the industry time to adapt to the new regime while also protecting Bulk-Power System reliability by allowing the ERO or a Regional Entity to take an enforcement action against an entity whose violation causes a significant disturbance. Our approach strikes a reasonable balance in ensuring that the ERO and Regional Entities will be able to enforce mandatory Reliability Standards in a timely manner, while still allowing users, owners and operators of the Bulk-Power System time to acquaint themselves with the new requirements and enforcement program. In addition, our approach ensures that all users, owners and operators of the Bulk-Power System take seriously mandatory, enforceable reliability standards at the earliest opportunity and before the 2007 summer peak season.*⁷

Basis for Determination

Taking into consideration the Commission's direction in Order No. 693 and the NERC Sanction Guidelines, the NERC BOTCC reviewed the NOC and supporting documentation on April 24, 2008 and May 5, 2008.

The NERC BOTCC affirmed Texas Regional Entity's determination to exercise enforcement discretion to impose a zero dollar (\$0) penalty against Exelon Generation Company, LLC, based upon the NERC BOTCC's review of the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violations at issue.

In reaching this determination, NERC BOTCC considered the following: (1) As to the instant violation, Exelon Generation Company, LLC had a protection maintenance and testing program in place. In its self-certification dated September 8, 2007 in which it identified the violation of PRC-005-1 R.2.1, Exelon Generation Company, LLC stated that it had contracted with a vendor to calibrate and test the LaPorte relays but determined, upon review of the vendor's final report, that this had not been done and therefore Exelon Generation Company, LLC had fallen behind in

⁷ Order No. 693 at PP 222-224 (emphasis added).

its scheduled maintenance beyond the defined intervals; (2) No system disturbance occurred as a result of the violations, and the violations were deemed not to be violations that put bulk power system reliability at serious or substantial risk; (3) The violation occurred prior to January 2008 (during the period the Commission stated NERC and the Regional Entities should focus their enforcement resources on the most serious violations and those that involved a significant disturbance); (4) The violation is the first incidence of violations of the Requirement at issue by Exelon Generation Company, LLC; (5) Exelon Generation Company, LLC worked cooperatively with Texas Regional Entity; (6) Exelon Generation Company, LLC acted immediately to mitigate and/or correct the violations; (7) The violation was mitigated in accordance with the approved Mitigation Plan and Texas Regional Entity has verified Exelon Generation Company, LLC's Certification of Completion; and (8) The actions taken by Exelon Generation Company, LLC ensure that reliability is maintained.

Therefore, NERC believes that the proposed zero dollar penalty is appropriate and consistent with NERC's goal to ensure reliability of the bulk power system.

Pursuant to Order No. 693, the penalty will be effective upon expiration of the thirty (30) day period following the filing of this Notice of Penalty with FERC, or, if FERC decides to review the penalty, upon final determination by FERC.

The Record of the Proceeding⁸

The record of the proceeding includes the following documents and material, which are set forth in the Attachments below:

- a) Exelon Generation Company, LLC's Self-Certification of its LaPorte Generating Station;
- b) Notice of Alleged Violation and Penalty or Sanction. Exelon Generation Company, LLC's response thereto;
- c) Notice of Confirmed Violation and Penalty or Sanction. Exelon Generation Company LLC did not submit a response thereto;
- d) Mitigation Plan designated as MIT-07-0202;
- e) Exelon Generation Company, LLC's certification of completion of the Mitigation Plan;
- f) Texas Regional Entity's statement of verification that the Mitigation Plan has been completed; and
- g) NERC BOTCC Decision.

⁸ See 18 C.F.R § 39.7(d)(5).

A Form of Notice Suitable for Publication⁹

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

Notices and Communications

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

Rick Sergel
President and Chief Executive Officer
David N. Cook*
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

Rebecca J. Michael*
Assistant General Counsel
North American Electric Reliability
Corporation
1120 G Street, N.W.
Suite 990
Washington, D.C. 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net

*Persons to be included on the
Commission's service list are indicated with
an asterisk.

⁹ See 18 C.F.R § 39.7(d)(6).

Conclusion

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

Respectfully submitted,

Rick Sergel
President and Chief Executive Officer
David N. Cook
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

/s/ Rebecca J. Michael
Rebecca J. Michael
Assistant General Counsel
North American Electric Reliability
Corporation
1120 G Street, N.W.
Suite 990
Washington, D.C. 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net

cc: Exelon Generation Company, LLC
Texas Regional Entity

Attachment(s)

Attachment a

**Exelon Generation Company, LLC's
Self-Certification of its LaPorte Generating
Station**

TRE 2007 Self-Certification for Generator Owner

INSTRUCTIONS: This form is intended for entities that are NERC registered as a Generator Owner. Please fill in General Information in Part 1. In Part 2, respond YES, NO, or N/A for each item under column D, "Full Compliance for 2007?". If "NO", please attach a short explanation separately; if "YES" or "N/A", no further explanation is required. Additional documentation to validate responses is not required with the form submittal but may be requested in the future. Email completed forms to: treselfcert@ercot.com, by 10/1/07, after approval by a company executive officer (named on the form in Part 1).

Part 1- GENERAL INFORMATION

Date: 9/8/2007
Entity Name: Exelon Power - LaPorte Generating Station
Michael Koehler (Primary NERC Contact) and Raj Patel & Randy (James) Gower
Contact Name: (Plant Contacts)
Contact Phone: (610) 595-8994 and (817) 446-2509 & 2529
michael.koehler@exeloncorp.com; Raj.Patel@exeloncorp.com;
Contact E-mail: James.Gower@exeloncorp.com
Officer name: Clair N. (Bud) Swenson
Officer title: VP Engineering & Project Support

| |
|--|
| Part 2- NERC Reliability Standards Self-Certification |
|--|

| Standard Number | Requirement Number | Text of Requirement | Full Compliance for 2007? |
|---------------------------|--------------------|--|---------------------------|
| EOP-009-0 | R2. | The Generator Owner or Generator Operator shall provide documentation of the test results of the startup and operation of each blackstart generating unit to the Regional Reliability Organizations and upon request to NERC. | N/A |
| FAC-008-1 | R1. | The Transmission Owner and Generator Owner shall each document its current methodology used for developing Facility Ratings (Facility Ratings Methodology) of its solely and jointly owned Facilities. The methodology shall include all of the following: | YES |
| FAC-008-1 | R1.1. | A statement that a Facility Rating shall equal the most limiting applicable Equipment Rating of the individual equipment that comprises that Facility. | YES |
| FAC-008-1 | R1.2. | The method by which the Rating (of major BES equipment that comprises a Facility) is determined. | YES |
| FAC-008-1 | R1.2.1. | The scope of equipment addressed shall include, but not be limited to, generators, transmission conductors, transformers, relay protective devices, terminal equipment, and series and shunt compensation devices. | YES |
| FAC-008-1 | R1.2.2. | The scope of Ratings addressed shall include, as a minimum, both Normal and Emergency Ratings. | YES |
| FAC-008-1 | R1.3. | Consideration of the following: | |
| FAC-008-1 | R1.3.1. | Ratings provided by equipment manufacturers. | YES |
| FAC-008-1 | R1.3.2. | Design criteria (e.g., including applicable references to industry Rating practices such as manufacturer's warranty, IEEE, ANSI or other standards). | YES |
| FAC-008-1 | R1.3.3. | Ambient conditions. | YES |
| FAC-008-1 | R1.3.4. | Operating limitations. | YES |
| FAC-008-1 | R1.3.5. | Other assumptions. | YES |

| Standard Number | Requirement Number | Text of Requirement | Full Compliance for 2007? |
|---------------------------|--------------------|--|---------------------------|
| FAC-008-1 | R2. | The Transmission Owner and Generator Owner shall each make its Facility Ratings Methodology available for inspection and technical review by those Reliability Coordinators, Transmission Operators, Transmission Planners, and Planning Authorities that have responsibility for the area in which the associated Facilities are located, within 15 business days of receipt of a request. | YES |
| FAC-008-1 | R3. | If the Reliability Coordinator, Transmission Operator, Transmission Planner, or Planning Authority provides written comments on its technical review of a Transmission Owner's or Generator Owner's Facility Ratings Methodology, the Transmission Owner or Generator Owner shall provide a written response to that commenting entity within 45 calendar days of receipt of those comments. The response shall indicate whether a change will be made to the Facility Ratings Methodology and if no change will be made to that facility Ratings Methodology, the reason why. | YES |
| FAC-009-1 | 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. | YES |
| FAC-009-1 | R2. | The Transmission Owner and Generator Owner shall each provide Facility Ratings for its solely and jointly owned Facilities that are existing Facilities, new Facilities, modifications to existing Facilities and re-ratings of existing Facilities to its associated Reliability Coordinator(s), Planning Authority(ies), Transmission Planner(s), and Transmission Operators(s) as scheduled by such requesting entities. | YES |
| IRO-004-1 | R4. | Each Transmission Operator, Balancing Authority, Transmission Owner, Generator Owner, Generator Operator, and Load-Serving Entity in the Reliability Coordinator Area shall provide information required for system studies, such as critical facility status, Load, generation, operating reserve projections, and known Interchange Transactions. This information shall be available by 1200 Central Standard Time for the Eastern Interconnection and 1200 Pacific Time for the Western Interconnection. | YES |

| Standard Number | Requirement Number | Text of Requirement | Full Compliance for 2007? |
|---------------------------|--------------------|--|---------------------------|
| PRC-005-1 | R1. | Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall have a Protection System maintenance and testing program for Protection Systems that affect the reliability of the BES. The program shall include: | YES |
| PRC-005-1 | R1.1. | Maintenance and testing intervals and their basis. | YES |
| PRC-005-1 | R1.2. | Summary of maintenance and testing procedures. | YES |
| PRC-005-1 | R2. | Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include: | NO |
| PRC-005-1 | R2.1. | Evidence Protection System devices were maintained and tested within the defined intervals. | NO |
| PRC-005-1 | R2.2. | Date each Protection System device was last tested/maintained. | YES |
| PRC-016-0 | R1. | The Transmission Owner, Generator Owner, and Distribution Provider that owns an SPS shall analyze its SPS operations and maintain a record of all misoperations in accordance with the Regional SPS review procedure specified in Reliability Standard PRC-012-0_R1. | N/A |
| PRC-016-0 | R2. | The Transmission Owner, Generator Owner, and Distribution Provider that owns an SPS shall take corrective actions to avoid future misoperations. | N/A |
| PRC-016-0 | R3. | The Transmission Owner, Generator Owner, and Distribution Provider that owns an SPS shall provide documentation of the misoperation analyses and the corrective action plans to its Regional Reliability Organization and NERC on request (within 90 calendar days). | N/A |
| PRC-017-0 | R1. | The Transmission Owner, Generator Owner, and Distribution Provider that owns an SPS shall have a system maintenance and testing program(s) in place. The program(s) shall include: | N/A |
| PRC-017-0 | R1.1. | SPS identification shall include but is not limited to: | N/A |

| Standard Number | Requirement Number | Text of Requirement | Full Compliance for 2007? |
|---------------------------|--------------------|--|---------------------------|
| PRC-017-0 | R1.1.1. | Relays. | N/A |
| PRC-017-0 | R1.1.2. | Instrument transformers. | N/A |
| PRC-017-0 | R1.1.3. | Communications systems, where appropriate. | N/A |
| PRC-017-0 | R1.1.4. | Batteries. | N/A |
| PRC-017-0 | R1.2. | Documentation of maintenance and testing intervals and their basis. | N/A |
| PRC-017-0 | R1.3. | Summary of testing procedure. | N/A |
| PRC-017-0 | R1.4. | Schedule for system testing. | N/A |
| PRC-017-0 | R1.5. | Schedule for system maintenance. | N/A |
| PRC-017-0 | R1.6. | Date last tested/maintained. | N/A |
| PRC-017-0 | R2. | The Transmission Owner, Generator Owner, and Distribution Provider that owns an SPS shall provide documentation of the program and its implementation to the appropriate Regional Reliability Organizations and NERC on request (within 30 calendar days). | N/A |

Attachment b

**Notice of Alleged Violation and Penalty or
Sanction**

And

Exelon Generation Company, LLC's response

Notice of Alleged Violation and Proposed Penalty or Sanction

To: Exelon Generation Company LLC
Bud Swenson
300 Exelon Way
Kennett Square, PA 19348

From: Texas Regional Entity

Date: November 14, 2007

Re: Notice of Alleged Violation and Proposed Penalty or Sanction

NERC Violation Tracking Identification Number(s):

TRE200700004

In accordance with the NERC Rules of Procedure including Appendix 4C thereto, which contains the NERC Compliance Monitoring and Enforcement Program (CMEP), Texas Regional Entity (Texas RE) hereby notifies Exelon Generation Company LLC of an Alleged Violation of the NERC Reliability Standards and the Proposed Penalty or Sanction. In support hereof, the Texas RE states as follows:

Exelon Generation Company LLC is registered on the NERC Compliance Registry as a Generator Owner. As discussed herein, Texas RE has determined to charge Exelon Generation Company LLC with a violation based upon information available to it that Exelon Generation Company LLC did not comply or was not in compliance with the following NERC Reliability Standards, **PRC-005-1**. However, as discussed further below, Texas RE has determined to exercise its discretion to assess no penalty against Exelon Generation Company LLC for that violation at this time, unless Exelon Generation Company LLC fails to complete and implement its Mitigation Plan as discussed in greater detail below.

The Reliability Standard(s) allegedly violated, the Requirement(s) allegedly violated and Discovery Details are included in Table A hereto.

Proposed Penalty or Sanction

As authorized and in accordance with the orders of the applicable governmental entity, in this case, the Federal Energy Regulatory Commission (FERC), Texas RE has elected to exercise its discretion and will not assess a penalty on Exelon Generation Company LLC at this time for this Alleged Violation. If, however, Exelon Generation Company LLC fails to complete all or part of

the approved mitigation plan for the Alleged Violation in accordance with the terms and time established by the mitigation plan, Texas RE may take action to assess and collect a penalty from Exelon Generation Company LLC which penalty will be determined pursuant to the NERC Rules of Procedure and the NERC Sanction Guidelines considering the period beginning on June 18, 2007; or until the violation is fully mitigated. The terms of the mitigation plan and time line for completion may be modified only upon express written approval by Texas RE and NERC.

Procedures for Response by Registered Entity to this Notice

As required by Section 5.1 of the NERC CMEP, within thirty (30) days of the date of this notification, Exelon Generation Company LLC must notify Texas RE in writing of its decision to elect one of the following options:

1. Exelon Generation Company LLC agrees with or does not contest the Alleged Violation(s) and proposed penalty or sanction, and agrees to submit and implement a mitigation plan to correct the violation and its underlying causes;
2. Exelon Generation Company LLC agrees to or does not contest the Alleged Violation(s) and agrees to submit and implement a mitigation plan to eliminate the violation and its underlying causes, but contests the proposed penalty or sanction; or
3. Exelon Generation Company LLC contests both the Alleged Violation(s) and the proposed penalty or sanction for the Alleged Violation(s).

With respect to election options 1-3, Exelon Generation Company LLC may submit a response in accordance with CMEP Section 5.2. The Registered Entity's statement must be on company letterhead and must include the name, title, and signature of an officer of the Registered Entity. The mitigation plan and time line for completion must be accepted by both the Texas RE and NERC.

Upon acceptance of the Alleged Violation and proposed penalty or sanction, the final notice of the violation, penalty and sanction will then be processed and issued to the Registered Entity.

CMEP Section 5.4 governs the settlement process and provides that settlement negotiations may occur at any time including prior to the issuance of a notice of Alleged Violation and Penalty or Sanction until a Notice of Penalty, Sanction, or Other Enforcement Action is filed with FERC or other Applicable Governmental Authority.

Mitigation Plan Procedures and Requirements

If Exelon Generation Company LLC does not contest or does not respond to the notice of violation within thirty (30) days, it shall be deemed to have accepted Texas RE's preliminary determination of violation and proposed penalty or sanction (as applicable), in which case Texas RE shall issue to Exelon Generation Company LLC and NERC a report of Confirmed Violation.

After two (2) business days, NERC will provide a Notice of Penalty, Sanction, or Other Enforcement Action to FERC.

If Exelon Generation Company LLC contests the Alleged Violation or the proposed sanction, Exelon Generation Company LLC shall submit to Texas RE a response explaining its position, signed by an officer or equivalent, together with any supporting information and documents within thirty (30) days. Exelon Generation Company LLC shall provide a primary contact name who will be the responsible party to respond to questions regarding the above Alleged Violation(s). Texas RE shall schedule a conference with Exelon Generation Company LLC within ten (10) business days after receipt of the response. If Texas RE and Exelon Generation Company LLC are unable to resolve all issues within forty (40) days after Exelon Generation Company LLC's response, Texas RE may request a hearing. If no hearing request is made, the violation will become a Confirmed Violation when filed by NERC with FERC or the Applicable Governmental Authority.

Attachment 2 to the CMEP governs the hearing process. A Registered Entity may appeal the hearing body's decision in accordance with the CMEP and the NERC Rules of Procedure.

CMEP Section 6.0 sets forth the provisions regarding the submittal of a mitigation plan. A Registered Entity found to be in violation of a Reliability Standard shall file with the applicable Regional Entity (i) a proposed Mitigation Plan to correct the violation, or (ii) a description of how the violation has been mitigated, and any requests for extensions of Mitigation Plans or a report of completed mitigation. CMEP Section 6.2 requires that a Mitigation Plan include the following information:

- (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 2.0.
- (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 for not completing work associated with accepted milestones.
- (9) Any other information deemed necessary or appropriate.

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.

CMEP Section 6.4 provides that a Mitigation Plan may be submitted at any time but shall have been submitted by the Registered Entity within thirty (30) days after being served the notice of Alleged Violation and Penalty or Sanction, if the Registered Entity does not contest the violation and penalty or sanction. If the Registered Entity disputes the notice of Alleged Violation or penalty or sanction, the Registered Entity shall submit its Mitigation Plan within ten (10) business days following issuance of the written decision of the hearing body, unless the Registered Entity elects to appeal the hearing body's determination to NERC. The Registered Entity may choose to submit a Mitigation Plan while it contests an Alleged Violation or penalty or sanction; such submission shall not be deemed an admission of a violation or the appropriateness of a penalty or sanction. If the Registered Entity has not yet submitted a Mitigation Plan, or the Registered Entity submits a Mitigation Plan but it is rejected by the Compliance Enforcement Agency or the hearing body in accordance with section 6.5, any subsequent violations of the Reliability Standard identified by the Compliance Enforcement Authority before the hearing body renders its decision will not be held in abeyance and will be considered as repeat violations of the Reliability Standard.

Conclusion

Please direct any questions in response to this Notice of Alleged Violation and Proposed Penalty or Sanction to the undersigned. In your reply correspondence to this notice, please provide the name and contact information of Exelon Generation Company LLC representative who is authorized to respond to questions regarding the above-listed Alleged Violation and who is responsible for providing the required Mitigation Plan. Please also provide the relevant NERC Violation Tracking Identification Number(s) in any correspondence.

Respectfully submitted,
Lane Robinson
Texas RE Performance Analysis &
Assessment Manager

Texas RE Contact Name:

Rashida Williams

512-225-7056

rwilliams@ercot.com

cc: Tim Kucey - NERC Manager of Enforcement and Mitigation

Larry Grimm – Texas RE Chief Compliance Officer

Mark Henry – Texas RE Compliance Review & Verification Manager

Mike Koehler – Exelon Generation Company LLC Compliance Contact

Attachment(s):

Table A

Table A

Exelon Generation Company LLC

Registered on the NERC Compliance Registry as: Generator Owner (GO)

NERC Compliance Registry ID #: NCR04057

| Reliability Standard(s) Allegedly Violated and Reference #'s | Requirement(s) Allegedly Violated | Discovery Method of Alleged Violation | Date or Period of Occurrence of Alleged Violation /Date Discovered | Facts and Evidence of Alleged Violation |
|--|--|--|---|---|
| PRC-005-1 NERC Violation #: TRE200700004 Texas RE Violation#: ERCOTEXELON0001 | R2 | Self-Certification | September 29, 2007 | It was discovered that Exelon does have a Protection maintenance and testing program but the Protection System devices were not maintained and tested within the defined intervals. |
| | | | | |
| | | | | |

October 11, 2007

Mark R. Henry, P.E.
Manager, ERCOT Compliance
mhenry@ercot.com

Re: Notification Number: TRE190000004
Regional Entity Reference Number: NCR04057

Dear Mr. Henry:

I am writing to provide additional information about the self-certification report on PRC-005 that prompted the issuance of Initial Notice of Alleged Violation referenced above and about mitigation actions that have since been completed.

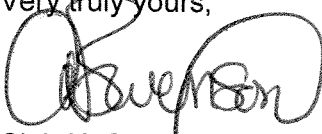
NERC Standard PRC-005-1 requires a Generation owner to have a maintenance and testing program that includes testing intervals and a summary of testing procedures. The Generation Owner is required to provide evidence that devices were maintained and tested per the entity-defined program. Exelon Power Protective Relay Calibration Program Procedure ER-EP-150 is the program document that manages compliance to this standard. It specifies a four-year testing and maintenance cycle.

In the process of preparing the September 2007 Self-Certification form, we reviewed testing work done at LaPorte in 2004 against this Exelon program and identified a gap. Relays tested in 2004 were not tested to the level that the current Exelon program requires. This led us to self-report a potential violation.

We are not certain that this is a state of non-compliance; we are measuring the 2004 relay testing against a subsequently developed program (ER-EP-150 was approved in 2006). Nevertheless, we immediately took action to perform the required testing and ensure relays were functional per our current program. We completed 100% of the Generator and Transformer Protective Relays as of October 11, 2007. As additional operability assurance, there have been no relay failures since 2004.

Again, thank you for your assistance and consideration in this matter. I believe this additional information will be helpful to your determinations and look forward to hearing from you in the near future. If you have any additional questions or need further information, please do not hesitate to contact me directly at 610-765-5838.

Very truly yours,



Clair N. Swenson
Vice President
Engineering Services

Attachment c

Notice of Confirmed Violation and Penalty or Sanction

Notice of Confirmed Violation and Proposed Penalty or Sanction

Date: February 15, 2008

To: Exelon Generation Company, LLC,

Re: Texas Regional Entity Notice of Confirmed Violation and Proposed Penalty or Sanction regarding Exelon Generation Company, LLC, NERC Violation Tracking Identification Number(s):
TRE200700004

Dear Exelon Generation Company, LLC:

Texas Regional Entity (Texas RE) hereby provides this Regional Entity Notice of Confirmed Violation and Proposed Penalty or Sanction regarding Exelon Generation Company, LLC,¹ in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations and orders, and the NERC Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).²

Texas RE is issuing this Notice of Confirmed Violation and Proposed Penalty or Sanction, because Exelon Generation Company, LLC does not dispute the Alleged Violation and the proposed penalty or sanction set forth in the previously issued Notice of Alleged Violation and Proposed Penalty or Sanction, or Exelon Generation Company, LLC did not respond to the previously issued Notice of Alleged Violation and Proposed Penalty or Sanction within thirty (30) days of its receipt, or a settlement has been reached with Exelon Generation Company, LLC,³ or a decision has been entered finding a violation and all appeals have been concluded]. Accordingly, the violations identified by the above NERC Tracking Number(s) and listed below are Confirmed Violations, as that term is defined in the NERC Rules of Procedure and the CMEP.

In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7 (2007), Texas RE provides the following table identifying each Reliability Standard violated by Exelon Generation Company, LLC and including a statement by Texas RE setting forth the findings of fact with respect to the act or practice resulting in the violation of each Reliability Standard. (See Table 1.)

¹ See 18 C.F.R. § 39.7(d)(1).

² See 18 C.F.R. § 39.7(c)(2).

³ A copy of this notice shall be appended to any settlement agreement documents.



Notice of Confirmed Violation and Proposed Penalty or Sanction

For Public Release Dated June 3, 2008.

NERC Process

Texas RE is providing a copy of this Regional Entity Notice of Confirmed Violation and Proposed Penalty or Sanction to NERC for its review and consideration. Upon acceptance by the NERC Board of Trustees Compliance Committee, in its current form or as modified, NERC will provide the Notice of Proposed Penalty or Sanction to FERC or any other Applicable Governmental Authority, with a copy to Exelon Generation Company, LLC and Texas RE. Following NERC action, FERC and any other Applicable Governmental Authority may act to accept, reject, or modify the findings and/or penalties or sanctions set forth herein.

Notice of Confirmed Violation and Proposed Penalty or Sanction

For Public Release Dated June 3, 2008.

Table 1

| Table 1 | |
|---|---------------------------|
| Exelon Generation Company, LLC | |
| Registered on the NERC Compliance Registry as: Generator Owner (GO) | |
| NERC Compliance Registry ID #: NCR04057 | |
| NERC Violation #: TRE200700004 | |
| Texas RE Violation #: ERCOTEXELON0001 | |
| Reliability Standard Violated ⁴ | PRC-005-1 |
| Requirement(s) Violated ⁵ | R2 |
| Date of Discovery | September 29, 2007 |
| Discovery Method | Self-Certification |
| Date or Period of Violation | September 29, 2007 |
| Facts and Evidence of the Act or Practice Resulting in the Violation ⁶ | |
| It was discovered that Exelon Generation Company, LLC does have a Protection maintenance and testing program but the Protection System devices were not maintained and tested within the defined intervals. | |
| Proposed Penalty or Sanction | |
| Texas RE has determined to exercise its discretion to assess no penalty, sanction, or other enforcement action against Exelon Generation Company, LLC for this violation. | |

Statement Describing Any Proposed Penalty or Sanction Imposed ⁷

Texas RE has determined to exercise its discretion to assess no penalty, sanction, or other enforcement action against Exelon Generation Company, LLC for the violations listed in Table 1 at this time, unless Exelon Generation Company, LLC fails to complete and implement its Mitigation Plan in accordance with the terms of the Mitigation Plan.

⁴ See 18 C.F.R § 39.7(d)(2).

⁵ See 18 C.F.R § 39.7(d)(2).

⁶ See 18 C.F.R § 39.7(d)(3).

⁷ See 18 C.F.R § 39.7(d)(4).

This proposed penalty or sanction is subject to review and possible revision by NERC and FERC. NERC will include its determination of the proposed penalty or sanction in a Notice of Proposed Penalty or Sanction to be filed with FERC.

The proposed penalty or sanction will be effective upon expiration of the thirty (30) day period following the acceptance and the filing of the Notice of Proposed Penalty or Sanction with FERC by NERC, or, if FERC decides to review the proposed penalty, or sanction, upon final determination by FERC.

Other Matters of Relevance⁸

Exelon Generation Company, LLC's mitigation plan was accepted by Texas RE on December 6, 2007 and by NERC on December 11, 2007. The Mitigation Plan(s) for the violations listed in Table 1 are designated as NERC MIT-07-0202 and were submitted as non-public information to FERC on December 12, 2007 in accordance with applicable statutes, regulations and FERC orders.

In accordance with the NERC Rules of Procedure, Appendix 4C, no additional proposed penalties, or sanctions will be assessed by Texas RE unless the mitigation is not successfully completed in accordance with the timetable set forth in the mitigation plan or an agreed upon extension. An extension of time for completion of the mitigation plan requires prior express written approval by the Texas RE and NERC as set forth in the CMEP.

Statement Provided by the Registered Entity as set forth in CMEP Sections 5.6 and 8.0

In accordance with CMEP Section 8.0, the Regional Entity must report to NERC and the affected Registered Entity all Confirmed Violations of Reliability Standards including all penalties, sanctions, Mitigation Plans and schedules, and settlements, within ten (10) business days of each determination. Texas RE hereby provides notice that Exelon Generation Company, LLC may provide a statement to NERC, with a copy to Texas RE, within five (5) business days after the date of this Notice of Confirmed Violation and Proposed Penalty or Sanction, to accompany the report when posted by NERC. Exelon Generation Company, LLC's statement may be the same statement provided by Exelon Generation Company, LLC in response to the Notice of Alleged Violation and Proposed Penalty or Sanction. Exelon Generation Company, LLC's statement must be on Exelon Generation Company, LLC letterhead and must include the name, title, and signature of an officer, employee, attorney or other authorized representative of Exelon Generation Company, LLC.

⁸ See 18 C.F.R § 39.7(d)(7).

NERC will publicly post each report of a Confirmed Violation, together with any statement submitted by Exelon Generation Company, LLC, no sooner than five (5) business days after the report is provided by Texas RE to NERC and Exelon Generation Company, LLC. NERC will include, with the Notice of Penalty filed with FERC, the statement provided by Exelon Generation Company, LLC.

The Record of the Proceeding⁹

The record of the proceeding includes this Texas RE Notice of Confirmed Violation and Proposed Penalty or Sanction and any Exelon Generation Company, LLC statement or response thereto, as well as the following documents and material (to the extent applicable), attached hereto:

- a) Compliance monitoring document(s) that identified the alleged violation (audit report, investigation report, exception report, *etc.*), as well as supporting record evidence;
2007-09-29 2007 TRE Self Certification Form Texas 092807
- b) Notice of Alleged Violation and Proposed Penalty or Sanction, as well as any Registered Entity's statement/response thereto;
2007-11-14 Notice of Alleged Violation Exelon
2007-10-11 ERCOT - LTR – 10 11 07

⁹ See 18 C.F.R. § 39.7(d)(5).



Notice of Confirmed Violation and Proposed Penalty or Sanction

For Public Release Dated June 3, 2008.

Conclusion

Any questions regarding this Notice of Confirmed Violation and Proposed Penalty or Sanction issued by Texas RE should be directed to the undersigned.

Respectfully submitted,

Lane Robinson
Texas RE Manager, Performance Analysis & Assessment Verification

cc: David Hilt, NERC
Tim Kucey, NERC
Larry Grimm, Texas RE
Mark Henry, Texas RE

Attachment(s):
2007 TRE Self Certification Form Texas 092807
Notice of Alleged Violation Exelon
ERCOT - LTR – 10 11 07



Notice of Confirmed Violation and Proposed Penalty or Sanction

For Public Release Dated June 3, 2008.

[Registered Entity Letterhead]

Statement of Exelon Generation Company, LLC
(Date)

1.

2.

3.

[etc.]

[Name]
[Title of officer, employee, attorney, or
other representative of the Registered
Entity]

cc: David Hilt, NERC
Tim Kucey, NERC
Texas Regional Entity

Attachment d

Mitigation Plan designated as MIT-07-0202

TEXAS REGIONAL ENTITY (TRE) COMPLIANCE ENFORCEMENT PROGRAM

MITIGATION PLAN

Please complete an individual Mitigation Plan for each NERC Reliability Standard that indicates any level(s) of non-compliance. Return to: tremitigation@ercot.com

Registered Entity Name: Exelon Generation Company, LLC (Exelon Power)

Entity's Registered Function(s): GO & GOP

Date noncompliance was discovered or reported: 9/29/07

Date Mitigation Plan submitted: 9/29/07

Standard Title: Transmission and Generation Protection System Maintenance and Testing

Standard Number: PRC-005-1

Requirement / Measure Number (s): R2, 2.1, and M2

Provide an explanation of the noncompliance: The LaPorte protective relays are all digital relays. Digital Relay Functional Testing frequency per our program is every 4 years, which would have been 2005. In preparing this response, it was verified that in 2004 a vendor was contracted to test the LaPorte relays. It was only recently recognized, with the investigation to complete this response, that functional trip testing was not performed at that time. It was verified that the vendor only checked terminal connections and downloaded the relay set point data.

Designate a reliability impact (minimal, moderate, or severe) that the noncompliance had or could have had on ERCOT reliability. Include the plan to mitigate any increased risk to the system while the plan is being implemented.

Minimal risk to ERCOT reliability.

Describe any causing factors for this non-compliance (include supporting documentation).

A vendor was contracted to calibrate and functionally test all relays in November of 2004 and after reviewing the 537 page test report it was realized that they never did calibrate or functionally test the relays. The causal factors were; a poorly written contract detailing proper work scope, poor job oversight, and no final report review.

Attached is the 537 page report.



Exelon LaPorte Air
Products Re...

Describe your detailed plan to become compliant. Include the plan to prevent recurrence of the non-compliance.

A new vendor will be hired to calibrate and functionally test the relays. The contract will be written properly and include the detailed work scope. The job will be managed properly to verify the work scope is being complete. The final report will be reviewed to confirm the work was completed correctly.

Describe your detailed schedule to become compliant. (Include the completion date by which the Mitigation Plan will be fully implemented). If your expected completion date is more than 3 months, include implementation milestones no more than 3 months apart.

All the relays associated with the 4 units (LaPorte 1, 2, 3, & 4) that are considered NERC relays will be calibrated and functionally tested per Exelon Power Procedure ER-EP-150 "Exelon Power Relay Maintenance Program".

Are additional documents or information attached: ☐ Yes ☒ No

Additional Notes or Comments:

Point of contact for Mitigation Plan:

Name: James (Randy) Gower

Title: Technical Manager

Phone: 817-446-2529

Email: james.gower@exeloncorp.com

| | | |
|---------------------------------|-------------------------------|-----------------|
| <hr/> | <u>Clair N. (Bud) Swenson</u> | <u>09/27/07</u> |
| Senior Officer Signature | Printed Officer Name | Date |

For TRE Use Only:

Date Mitigation Plan was received at TRE:

Date Mitigation Plan was accepted by TRE:

Date notice of completion of Mitigation Plan was received by TRE:

Attachment e

**Exelon Generation Company, LLC's
certification of completion of the Mitigation
Plan**

October 11, 2007

Mark R. Henry, P.E.
Manager, ERCOT Compliance
mhenry@ercot.com

Re: Notification Number: TRE190000004
Regional Entity Reference Number: NCR04057

Dear Mr. Henry:

I am writing to provide additional information about the self-certification report on PRC-005 that prompted the issuance of Initial Notice of Alleged Violation referenced above and about mitigation actions that have since been completed.

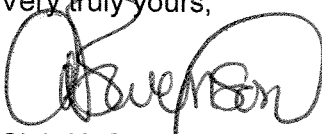
NERC Standard PRC-005-1 requires a Generation owner to have a maintenance and testing program that includes testing intervals and a summary of testing procedures. The Generation Owner is required to provide evidence that devices were maintained and tested per the entity-defined program. Exelon Power Protective Relay Calibration Program Procedure ER-EP-150 is the program document that manages compliance to this standard. It specifies a four-year testing and maintenance cycle.

In the process of preparing the September 2007 Self-Certification form, we reviewed testing work done at LaPorte in 2004 against this Exelon program and identified a gap. Relays tested in 2004 were not tested to the level that the current Exelon program requires. This led us to self-report a potential violation.

We are not certain that this is a state of non-compliance; we are measuring the 2004 relay testing against a subsequently developed program (ER-EP-150 was approved in 2006). Nevertheless, we immediately took action to perform the required testing and ensure relays were functional per our current program. We completed 100% of the Generator and Transformer Protective Relays as of October 11, 2007. As additional operability assurance, there have been no relay failures since 2004.

Again, thank you for your assistance and consideration in this matter. I believe this additional information will be helpful to your determinations and look forward to hearing from you in the near future. If you have any additional questions or need further information, please do not hesitate to contact me directly at 610-765-5838.

Very truly yours,



Clair N. Swenson
Vice President
Engineering Services

Attachment f

**Texas Regional Entity's statement of
verification that the Mitigation Plan has been
completed**

June 2, 2008

Re: Texas Regional Entity (Texas RE) Mitigation Plan Verification of Completion

Registered Entity: Exelon Generation Company, LLC. (Exelon)

Violation Number(s): TRE200700004

It was discovered during a self-certification that Exelon had not tested some of their Protection System devices within the defined intervals.

Texas RE reviewed evidence, on June 2, 2008, of completion and compliance provided by Exelon for mitigation plans addressing the above violations. Exelon provided a protective device testing spreadsheet (in PDF format) that showed the device identification name and date of last test. The protective devices were identified by device name and a description of testing done. Exelon identified in their mitigation plan that their protective digital relays were not tested for "functional trip" at the time of the violation. Exelon's procedure, "Exelon Power Protective Relay Calibration Program," states that the calibration and testing frequency is every 4 years. A review of the record provided by Exelon, by Texas RE, shows that Exelon's devices were tested by the mitigation plan completion date.

The evidence submitted did meet the requirements of NERC Reliability Standard PRC-005, R2.

Attachment g

NERC BOTCC Decision

**Board of Trustees Compliance Committee
Decision on Notices of Penalty
(Issued May 21, 2008)**

The North American Electric Reliability Corporation (NERC) Board of Trustees Compliance Committee approves for filing with the Federal Energy Regulatory Commission (Commission) the following Notices of Penalty in accordance with the NERC *Rules of Procedure* and the Commission's orders and regulations.¹

In each of the Notices identified below, the Board of Trustees Compliance Committee affirms the Regional Entity's determination to exercise its enforcement discretion, in accordance with Order No. 693, to impose a zero dollar penalty against the respective registered entities, based on the Committee's review of the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violations represented below.²

While certain of the Reliability Standards associated with the violations below have "Medium" or "High" Violation Risk Factors, and the non-compliance level could reach a "Severe" level based on the duration of the violation, most of these violations involved situations where processes, procedures or plans were in place but documentation of one or more elements was lacking. In the case of NOC-16 below, where an entity failed to perform relay maintenance and testing of certain of its facilities due to an administrative oversight, the entity self-reported the violation and expedited completion of the work. In all cases, there was no actual impact on the reliability of the bulk power system.

In reaching this determination, NERC and the Regional Entities considered the following: (1) The violations occurred prior to January 2008 (during the period the Commission stated NERC and the Regional Entities should focus their enforcement resources on the most serious violations); (2) The registered entities worked cooperatively with the Regional Entities; (3) The registered entities acted immediately to mitigate and/or correct the violations; (4) The violations were mitigated in accordance with the approved Mitigation Plans and have been verified as mitigated by the respective Regional Entities; and (5) The actions taken by the registered entities ensure that reliability is maintained.

Therefore, the NERC Board of Trustees Compliance Committee finds that the proposed zero dollar penalty is appropriate and consistent with NERC's goal to ensure reliability of the bulk power system.

¹ *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 (2008).

² *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693).

| NOP ID³ | Region | Registered Entity | NOC ID | NERC Violation ID | Reliability Std. | Req. (R) | VRF | Total Penalty (\$) |
|---------------------------|---------------|-----------------------------------|---------------|--------------------------|-------------------------|-----------------|-------------------------|---------------------------|
| NOP-01 | TRE | Denton Municipal Electric (TDSP) | NOC-01 | TRE200700001 | PRC-008-0 | 1 | Medium | 0 |
| | TRE | Denton Municipal Electric (TDSP) | NOC-01 | TRE200700002 | PRC-008-0 | 2 | Medium | 0 |
| NOP-02 | TRE | Bandera Electric Cooperative, Inc | NOC-02 | TRE200700003 | PRC-005-1 | 2 | Lower/High ⁴ | 0 |
| NOP-03 | TRE | Exelon Generation Company, LLC | NOC-03 | TRE200700004 | PRC-005-1 | 2 | Lower/High | 0 |
| NOP-05 | TRE | Suez Energy Marketing NA Inc | NOC-05 | TRE200700011 | CIP-001-1 | 1 | Medium | 0 |
| | TRE | Suez Energy Marketing NA Inc | NOC-05 | TRE200700012 | CIP-001-1 | 2 | Medium | 0 |
| | TRE | Suez Energy Marketing NA Inc | NOC-05 | TRE200700013 | CIP-001-1 | 3 | Medium | 0 |
| | TRE | Suez Energy Marketing NA Inc | NOC-05 | TRE200700014 | CIP-001-1 | 4 | Medium | 0 |
| | TRE | Suez Energy Marketing NA Inc | NOC-05 | TRE200700015 | IRO-004-1 | 4 | High | 0 |
| NOP-06 | TRE | Wise County Power Company, LP | NOC-06 | TRE200700016 | FAC-008-1 | 1 | Lower/Medium | 0 |
| | TRE | Wise County Power Company, LP | NOC-06 | TRE200700017 | FAC-008-1 | 2 | Lower | 0 |
| | TRE | Wise County Power Company, LP | NOC-06 | TRE200700018 | FAC-008-1 | 3 | Lower | 0 |
| | TRE | Wise County Power Company, LP | NOC-06 | TRE200700019 | FAC-009-1 | 1 | Medium | 0 |
| | TRE | Wise County Power Company, LP | NOC-06 | TRE200700020 | FAC-009-1 | 2 | Medium | 0 |
| | TRE | Wise County Power Company, LP | NOC-06 | TRE200700021 | IRO-004-1 | 4 | High | 0 |

³ Document numbers for each of these notices will be assigned by the Commission as NP08-_-000.

⁴ All VRFs for requirements and sub-requirements are identified in this table for the violations at issue.

| NOP ID | Region | Registered Entity | NOC ID | NERC Violation ID | Reliability Std. | Req. (R) | VRF | Total Penalty (\$) |
|--------|--------|------------------------------------|--------|-------------------|------------------|----------|--------------|--------------------|
| NOP-07 | SERC | City of Columbia, MO | NOC-07 | SERC200700002 | PER-002-0 | 3 | High/Medium | 0 |
| | SERC | City of Columbia, MO | NOC-07 | SERC200700003 | TPL-001-0 | 1 | High/Medium | 0 |
| | SERC | City of Columbia, MO | NOC-07 | SERC200700004 | TPL-002-0 | 1 | High/Medium | 0 |
| | SERC | City of Columbia, MO | NOC-07 | SERC200700005 | TPL-003-0 | 1 | High/Medium | 0 |
| | SERC | City of Columbia, MO | NOC-07 | SERC200700006 | TPL-004-0 | 1 | Medium | 0 |
| NOP-08 | SERC | Old Dominion Electric Cooperative | NOC-08 | SERC200700010 | FAC-008-1 | 1 | Lower/Medium | 0 |
| | SERC | Old Dominion Electric Cooperative | NOC-08 | SERC200700011 | PRC-005-1 | 1 | High | 0 |
| NOP-09 | SERC | Doyle I, LLC | NOC-09 | SERC200700012 | CIP-001-1 | 4 | Medium | 0 |
| NOP-10 | SERC | Illinois Municipal Electric Agency | NOC-11 | SERC200700058 | CIP-001-1 | 1 | Medium | 0 |
| | SERC | Illinois Municipal Electric Agency | NOC-11 | SERC200700059 | CIP-001-1 | 2 | Medium | 0 |
| | SERC | Illinois Municipal Electric Agency | NOC-11 | SERC200700060 | CIP-001-1 | 3 | Medium | 0 |
| | SERC | Illinois Municipal Electric Agency | NOC-11 | SERC200700061 | CIP-001-1 | 4 | Medium | 0 |
| NOP-11 | MRO | Northern States Power | NOC-13 | MRO200700004 | CIP-001-1 | 2 | Medium | 0 |
| NOP-12 | MRO | Rochester Public Utilities | NOC-14 | MRO200700005 | PER-002-0 | 3 | High/Medium | 0 |
| | MRO | Rochester Public Utilities | NOC-14 | MRO200700006 | PRC-004-1 | 2 | High | 0 |
| | MRO | Rochester Public Utilities | NOC-14 | MRO200700007 | VAR-001-1 | 6 | Medium | 0 |
| NOP-13 | MRO | Tri-State G&T – Merchant | NOC-15 | MRO200700008 | INT-004-1 | 2 | Lower | 0 |
| NOP-14 | MRO | American Transmission Co., LLC | NOC-16 | MRO200700009 | PRC-005-1 | 2 | Lower/High | 0 |

| NOP ID | Region | Registered Entity | NOC ID | NERC Violation ID | Reliability Std. | Req. (R) | VRF | Total Penalty (\$) |
|--------|--------|---|--------|-------------------|------------------|----------|------------|--------------------|
| NOP-15 | NPCC | The City of Holyoke Gas and Electric Department | NOC-19 | NPCC200700011 | CIP-001-1 | 1 | Medium | 0 |
| | NPCC | The City of Holyoke Gas and Electric Department | NOC-19 | NPCC200700012 | CIP-001-1 | 2 | Medium | 0 |
| | NPCC | The City of Holyoke Gas and Electric Department | NOC-19 | NPCC200700013 | CIP-001-1 | 3 | Medium | 0 |
| | NPCC | The City of Holyoke Gas and Electric Department | NOC-19 | NPCC200700014 | CIP-001-1 | 4 | Medium | 0 |
| NOP-16 | NPCC | Peabody Municipal Light Plant | NOC-22 | NPCC200700015 | CIP-001-1 | 1 | Medium | 0 |
| | NPCC | Peabody Municipal Light Plant | NOC-22 | NPCC200700016 | CIP-001-1 | 2 | Medium | 0 |
| | NPCC | Peabody Municipal Light Plant | NOC-22 | NPCC200700017 | CIP-001-1 | 3 | Medium | 0 |
| | NPCC | Peabody Municipal Light Plant | NOC-22 | NPCC200700018 | CIP-001-1 | 4 | Medium | 0 |
| NOP-17 | NPCC | Norwich Public Utilities | NOC-23 | NPCC200700019 | CIP-001-1 | 1 | Medium | 0 |
| | NPCC | Norwich Public Utilities | NOC-23 | NPCC200700020 | CIP-001-1 | 2 | Medium | 0 |
| | NPCC | Norwich Public Utilities | NOC-23 | NPCC200700021 | CIP-001-1 | 3 | Medium | 0 |
| | NPCC | Norwich Public Utilities | NOC-23 | NPCC200700022 | CIP-001-1 | 4 | Medium | 0 |
| NOP-18 | SERC | City of Orangeburg Department of Public Utilities | NOC-26 | SERC200700016 | PRC-005-1 | 1 | High | 0 |
| NOP-19 | SERC | West Georgia Generating Company, LLC | NOC-27 | SERC200700048 | PRC-005-1 | 2 | Lower/High | 0 |
| | SERC | West Georgia Generating Company, LLC | NOC-27 | SERC200700064 | PRC-005-1 | 1 | High | 0 |
| | SERC | West Georgia Generating Company, LLC | NOC-27 | SERC200700065 | CIP-001-1 | 4 | Medium | 0 |

| NOP ID | Region | Registered Entity | NOC ID | NERC Violation ID | Reliability Std. | Req. (R) | VRF | Total Penalty (\$) |
|--------|--------|---|--------|-------------------|------------------|----------|--------------|--------------------|
| NOP-20 | SERC | Caledonia Generating, LLC | NOC-28 | SERC200700052 | FAC-008-1 | 1 | Lower/Medium | 0 |
| NOP-21 | SERC | City of Orangeburg Department of Public Utilities | NOC-29 | SERC200700054 | CIP-001-1 | 1 | Medium | 0 |
| | SERC | City of Orangeburg Department of Public Utilities | NOC-29 | SERC200700055 | CIP-001-1 | 2 | Medium | 0 |
| | SERC | City of Orangeburg Department of Public Utilities | NOC-29 | SERC200700056 | CIP-001-1 | 3 | Medium | 0 |
| | SERC | City of Orangeburg Department of Public Utilities | NOC-29 | SERC200700057 | CIP-001-1 | 4 | Medium | 0 |
| NOP-22 | SPP | Southwestern Public Service Co. (SPS-XCEL) | NOC-30 | SPP200700002 | EOP-001-0 | 3.4 | Medium | 0 |
| | SPP | Southwestern Public Service Co. (SPS-XCEL) | NOC-30 | SPP200700003 | EOP-001-0 | 4.4 | Medium | 0 |
| | SPP | Southwestern Public Service Co. (SPS-XCEL) | NOC-30 | SPP200700004 | EOP-001-0 | 5 | Medium | 0 |
| | SPP | Southwestern Public Service Co. (SPS-XCEL) | NOC-30 | SPP200700005 | EOP-005-1 | 1 | Medium | 0 |
| | SPP | Southwestern Public Service Co. (SPS-XCEL) | NOC-30 | SPP200700006 | CIP-001-1 | 2 | Medium | 0 |
| NOP-23 | SERC | East Texas Electric Cooperative, Inc. | NOC-31 | SERC200700017 | PRC-005-1 | 1 | High | 0 |
| | SERC | East Texas Electric Cooperative, Inc. | NOC-31 | SERC200700025 | FAC-008-1 | 1 | Lower/Medium | 0 |
| | SERC | East Texas Electric Cooperative, Inc. | NOC-31 | SERC200700031 | CIP-001-1 | 1 | Medium | 0 |
| | SERC | East Texas Electric Cooperative, Inc. | NOC-31 | SERC200700032 | CIP-001-1 | 2 | Medium | 0 |
| | SERC | East Texas Electric Cooperative, Inc. | NOC-31 | SERC200700033 | CIP-001-1 | 3 | Medium | 0 |
| | SERC | East Texas Electric Cooperative, Inc. | NOC-31 | SERC200700034 | CIP-001-1 | 4 | Medium | 0 |

| NOP ID | Region | Registered Entity | NOC ID | NERC Violation ID | Reliability Std. | Req. (R) | VRF | Total Penalty (\$) |
|--------|--------|--|--------|-------------------|------------------|----------|--------------|--------------------|
| NOP-24 | SERC | Sam Rayburn G&T Electric Cooperative, Inc. | NOC-32 | SERC200700018 | PRC-005-1 | 1 | High | 0 |
| | SERC | Sam Rayburn G&T Electric Cooperative, Inc. | NOC-32 | SERC200700024 | FAC-008-1 | 1 | Lower/Medium | 0 |
| | SERC | Sam Rayburn G&T Electric Cooperative, Inc. | NOC-32 | SERC200700027 | CIP-001-1 | 1 | Medium | 0 |
| | SERC | Sam Rayburn G&T Electric Cooperative, Inc. | NOC-32 | SERC200700028 | CIP-001-1 | 2 | Medium | 0 |
| | SERC | Sam Rayburn G&T Electric Cooperative, Inc. | NOC-32 | SERC200700029 | CIP-001-1 | 3 | Medium | 0 |
| | SERC | Sam Rayburn G&T Electric Cooperative, Inc. | NOC-32 | SERC200700030 | CIP-001-1 | 4 | Medium | 0 |
| NOP-25 | SERC | Tex-LA Electric Coop of Texas, Inc. | NOC-33 | SERC200700020 | PRC-005-1 | 1 | High | 0 |
| | SERC | Tex-LA Electric Coop of Texas, Inc. | NOC-33 | SERC200700026 | FAC-008-1 | 1 | Lower/Medium | 0 |
| | SERC | Tex-LA Electric Coop of Texas, Inc. | NOC-33 | SERC200700035 | CIP-001-1 | 1 | Medium | 0 |
| | SERC | Tex-LA Electric Coop of Texas, Inc. | NOC-33 | SERC200700036 | CIP-001-1 | 2 | Medium | 0 |
| | SERC | Tex-LA Electric Coop of Texas, Inc. | NOC-33 | SERC200700037 | CIP-001-1 | 3 | Medium | 0 |
| | SERC | Tex-LA Electric Coop of Texas, Inc. | NOC-33 | SERC200700038 | CIP-001-1 | 4 | Medium | 0 |
| NOP-26 | SERC | The Dow Chemical Company | NOC-35 | SERC200700022 | IRO-004-1 | 4 | High | 0 |
| | SERC | The Dow Chemical Company | NOC-35 | SERC200700023 | TOP-003-0 | 1 | Medium | 0 |
| | SERC | The Dow Chemical Company | NOC-35 | SERC200700053 | PRC-005-1 | 2 | Lower/High | 0 |
| | SERC | The Dow Chemical Company | NOC-35 | SERC200700069 | FAC-009-1 | 1 | Medium | 0 |
| | SERC | The Dow Chemical Company | NOC-35 | SERC200700070 | FAC-009-1 | 2 | Medium | 0 |
| | SERC | The Dow Chemical Company | NOC-35 | SERC200700072 | PRC-004-1 | 2 | High | 0 |
| | SERC | The Dow Chemical Company | NOC-35 | SERC200700073 | PRC-004-1 | 3 | Lower | 0 |

| NOP ID | Region | Registered Entity | NOC ID | NERC Violation ID | Reliability Std. | Req. (R) | VRF | Total Penalty (\$) |
|--------|--------|--|--------|-------------------|------------------|----------|--------------|--------------------|
| NOP-27 | SERC | City of North Little Rock, AR (DENL) | NOC-37 | SERC200700041 | PER-002-0 | 3.1 | Medium | 0 |
| NOP-28 | SERC | Cottonwood Energy, LP | NOC-42 | SERC200700047 | PRC-005-1 | 1 | High | 0 |
| NOP-29 | SERC | Reliant Energy Wholesale Generation, LLC | NOC-43 | SERC200700049 | PRC-005-1 | 1 | High | 0 |
| NOP-30 | SERC | Prairie Power, Inc. | NOC-44 | SERC200700050 | FAC-008-1 | 1 | Lower/Medium | 0 |
| NOP-31 | SERC | Mt. Carmel Public Utility Co. | NOC-45 | SERC200700062 | CIP-001-1 | 4 | Medium | 0 |
| NOP-32 | SERC | Craven County Wood Energy, LP | NOC-46 | SERC200700063 | PRC-005-1 | 1 | High | 0 |
| NOP-33 | SERC | City of Benton | NOC-47 | SERC200700066 | PER-002-0 | 3.1 | Medium | 0 |
| NOP-34 | SERC | Elizabethtown Power, LLC | NOC-48 | SERC200700067 | IRO-004-1 | 4 | High | 0 |
| | SERC | Elizabethtown Power, LLC | NOC-48 | SERC200700074 | CIP-001-1 | 1 | Medium | 0 |
| | SERC | Elizabethtown Power, LLC | NOC-48 | SERC200700075 | CIP-001-1 | 2 | Medium | 0 |
| | SERC | Elizabethtown Power, LLC | NOC-48 | SERC200700076 | CIP-001-1 | 3 | Medium | 0 |
| | SERC | Elizabethtown Power, LLC | NOC-48 | SERC200700077 | CIP-001-1 | 4 | Medium | 0 |
| | SERC | Elizabethtown Power, LLC | NOC-48 | SERC200700078 | PRC-005-1 | 1 | High | 0 |
| | SERC | Elizabethtown Power, LLC | NOC-48 | SERC200700084 | FAC-008-1 | 1 | Lower/Medium | 0 |
| | SERC | Elizabethtown Power, LLC | NOC-48 | SERC200700085 | FAC-009-1 | 1 | Medium | 0 |
| NOP-35 | SERC | Lumberton Power, LLC | NOC-49 | SERC200700068 | IRO-004-1 | 4 | High | 0 |
| | SERC | Lumberton Power, LLC | NOC-49 | SERC200700079 | CIP-001-1 | 1 | Medium | 0 |
| | SERC | Lumberton Power, LLC | NOC-49 | SERC200700080 | CIP-001-1 | 2 | Medium | 0 |
| | SERC | Lumberton Power, LLC | NOC-49 | SERC200700081 | CIP-001-1 | 3 | Medium | 0 |
| | SERC | Lumberton Power, LLC | NOC-49 | SERC200700082 | CIP-001-1 | 4 | Medium | 0 |
| | SERC | Lumberton Power, LLC | NOC-49 | SERC200700083 | PRC-005-1 | 1 | High | 0 |
| | SERC | Lumberton Power, LLC | NOC-49 | SERC200700086 | FAC-008-1 | 1 | Lower/Medium | 0 |
| | SERC | Lumberton Power, LLC | NOC-49 | SERC200700087 | FAC-009-1 | 1 | Medium | 0 |

| NOP ID | Region | Registered Entity | NOC ID | NERC Violation ID | Reliability Std. | Req. (R) | VRF | Total Penalty (\$) |
|--------|--------|--------------------------------------|--------|-------------------|------------------|----------|--------|--------------------|
| NOP-36 | TRE | TOPAZ POWER MANAGEMENT LP (QSE) | NOC-53 | TRE200800028 | CIP-001-1 | 1 | Medium | 0 |
| NOP-37 | SERC | Associated Electric Cooperative Inc. | NOC-24 | SERC200700001 | FAC-003-1 | 2 | High | 0 |

By the Board of Trustees Compliance Committee

Attachment h

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Exelon Generation Company, LLC

Docket No. NP08-____-000

NOTICE OF FILING
(DATE)

Take notice that on [DATE], the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Exelon Generation Company, LLC in the Texas Regional Entity region.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed on or before the comment date. On or before the comment date, it is not necessary to serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the "eFiling" link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the "eLibrary" link and is available for review in the Commission's Public Reference Room in Washington, D.C. There is an "eSubscription" link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: [BLANK]

Kimberly D. Bose,
Secretary