



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

January 7, 2009

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

Re: NERC Notice of Penalty regarding SUEZ Energy Generation NA Inc., FERC Docket No. NP09-__-000

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty¹ regarding SUEZ Energy Generation NA Inc., NERC Registry ID NCR04128,² 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)).³

SUEZ Energy Generation NA Inc. self-certified non-compliance with Reliability Standards FAC-008-1 Requirements (R) 1-3; FAC-009-1 R1-2; and IRO-004-1 R4 on September 28, 2007 as part of its required annual self-certification of compliance due to be submitted to Texas Regional Entity on October 1, 2007. This Notice of Penalty is being filed with the Commission because, based on information from Texas Regional Entity, SUEZ Energy Generation NA Inc. does not dispute the violations of FAC-008-1 R1-3; FAC-009-1 R1-2; and IRO-004-1 R4 and the proposed penalty of \$0 to be assessed to SUEZ Energy Generation NA Inc. at issue in this Notice of Penalty. Accordingly, the violations identified as NERC Violation Tracking Identification Numbers TRE200700005, TRE200700006, TRE200700007, TRE200700008, TRE200700009 and TRE200700010 are Confirmed Violations, 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 the findings and justifications set forth in the Notice of Confirmed Violation and Proposed Penalty or Sanction (NOC) issued on February 19, 2008, by

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 Texas Regional Entity confirmed that SUEZ Energy Generation NA Inc. was included on the NERC Compliance Registry and was subject to the requirements of the NERC Reliability Standards set forth herein.

³ See 18 C.F.R. § 39.7(c)(2).

Texas Regional Entity. The details of the findings and basis for the penalty are set forth herein. This Notice of Penalty filing contains the basis for approval of this Notice of Penalty 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 (2007), NERC provides the following summary table identifying each Reliability Standard at issue in this Notice of Penalty.

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Total Penalty (\$)
TRE	SUEZ Energy Generation NA	NOC-04	TRE200700005	FAC-008-1	1	Lower/Medium ⁴	0
TRE	SUEZ Energy Generation NA	NOC-04	TRE200700006	FAC-008-1	2	Lower	0
TRE	SUEZ Energy Generation NA	NOC-04	TRE200700007	FAC-008-1	3	Lower	0
TRE	SUEZ Energy Generation NA	NOC-04	TRE200700008	FAC-009-1	1	Medium	0
TRE	SUEZ Energy Generation NA	NOC-04	TRE200700009	FAC-009-1	2	Medium	0
TRE	SUEZ Energy Generation NA	NOC-04	TRE200700010	IRO-004-1	4	High	0

In summary, FAC-008-1 R1 requires an entity such as SUEZ Energy Generation NA Inc. that is registered as a Generator Owner to document its current methodology used for developing Facility Ratings (Facility Ratings Methodology) of its solely and jointly owned Facilities. During the 2007 annual self-certification, SUEZ Energy Generation NA Inc. self-certified, on September 28, 2007, that it did not have a documented methodology for determining Facility Ratings. Texas Regional Entity identified the violation on October 23, 2007 and determined it to be a documentation issue, because SUEZ Energy Generation NA Inc. had determined Facility Ratings but did not have a written methodology.

FAC-008-1 R2 requires SUEZ Energy Generation NA Inc. to 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. During the 2007 annual self-certification, SUEZ Energy Generation NA Inc. self-certified, on September 28, 2007, that it did not have a documented methodology for determining Facility Ratings in order to meet FAC-008-1 R2. Texas Regional Entity identified the violation on October 23, 2007 and determined it to be a documentation issue, because SUEZ Energy Generation NA Inc. had determined Facility Ratings but did not have a written methodology.

FAC-008-1 R3 states that, if a Reliability Coordinator, Transmission Operator, Transmission Planner, or Planning Authority provides written comments on its technical review of a SUEZ Energy Generation NA Inc.’s Facility Ratings Methodology, SUEZ Energy Generation NA Inc. 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

⁴ While FAC-008-1 R1 has a “Lower” VRF, its sub-requirements have a “Medium” VRF.

Ratings Methodology and, if no change will be made to that Facility Ratings Methodology, the reason why. During the 2007 annual self-certification, SUEZ Energy Generation NA Inc. self-certified, on September 28, 2007, that it did not have a documented methodology for determining Facility Ratings to allow for a technical review. Texas Regional Entity identified the violation on October 23, 2007 and determined it to be a documentation issue, because SUEZ Energy Generation NA Inc. had determined Facility Ratings but did not have a written methodology.

FAC-009-1 R1 requires SUEZ Energy Generation NA Inc. to establish Facility Ratings for its solely and jointly owned Facilities that are consistent with the associated Facility Ratings Methodology. During the 2007 annual self-certification, SUEZ Energy Generation NA Inc. self-certified, on September 28, 2007, that it did not have a documented methodology for determining Facility Ratings. Texas Regional Entity identified the violation on October 23, 2007 and determined it to be a documentation issue, because SUEZ Energy Generation NA Inc. had determined Facility Ratings but did not have a written methodology.

FAC-009-1 R2 requires SUEZ Energy Generation NA Inc. to 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 Operator(s) as scheduled by such requesting entities. During the 2007 annual self-certification, SUEZ Energy Generation NA Inc. self-certified, on September 28, 2007, that it did not have a documented methodology for determining Facility Ratings. Texas Regional Entity identified the violation on October 23, 2007 and determined it to be a documentation issue, because SUEZ Energy Generation NA Inc. had determined Facility Ratings but did not have a written methodology.

IRO-004-1 R. 4 requires SUEZ Energy Generation NA Inc. to 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 Standard Time for the Western Interconnection. During the 2007 annual self-certification, SUEZ Energy Generation NA Inc. self-certified, on September 28, 2007, that it did not have a written procedure to provide such information needed for system studies. Texas Regional Entity identified the violation on October 23, 2007 and determined it to be a documentation issue, because SUEZ Energy Generation NA Inc. provided this information daily as part of its operations in the ERCOT Region but did not have a documented procedure that assured this, nor did SUEZ Energy Generation NA Inc. submit evidence that this information would otherwise be made available.

FAC-008-1 R1 has a “Lower” Violation Risk Factor (VRF). While FAC-008-1 R1 has a “Lower” VRF, its sub-requirements have a “Medium” VRF. Texas Regional Entity determined to exercise its discretion, for this violation that occurred in 2007, to assess no penalty because this was a documentation issue in light of the fact that SUEZ Energy Generation NA Inc. had Facility Ratings but no written methodology for determining such Facility Ratings. Given that there were Facility Ratings in place, Texas Regional Entity determined that this violation had a low impact on the bulk power system.

FAC-008-1 R2 has a “Lower” VRF. Texas Regional Entity determined to exercise its discretion, for this violation that occurred in 2007, to assess no penalty because this was a documentation

issue in light of the fact that SUEZ Energy Generation NA Inc. had Facility Ratings but no written methodology for determining such Facility Ratings. Given that there were Facility Ratings in place, Texas Regional Entity determined that this violation had a low impact on the bulk power system.

FAC-008-1 R3 has a “Lower” VRF. Texas Regional Entity determined to exercise its discretion, for this violation that occurred in 2007, to assess no penalty because this was a documentation issue in light of the fact that SUEZ Energy Generation NA Inc. had Facility Ratings but no written methodology for determining such Facility Ratings. Given that there were Facility Ratings in place, Texas Regional Entity determined that this violation had a low impact on the bulk power system.

FAC-009-1 R1 has a “Medium” VRF. Texas Regional Entity determined to exercise its discretion, for this violation that occurred in 2007, to assess no penalty because this was a documentation issue in light of the fact that SUEZ Energy Generation NA Inc. had Facility Ratings but no written methodology for determining such Facility Ratings. Given that there were Facility Ratings in place, Texas Regional Entity determined that this violation had a low impact on the bulk power system.

FAC-009-1 R2 has a “Medium” VRF. Texas Regional Entity determined to exercise its discretion, for this violation that occurred in 2007, to assess no penalty because this was a documentation issue in light of the fact that SUEZ Energy Generation NA Inc. had Facility Ratings but no written methodology for determining such Facility Ratings. Given that there were Facility Ratings in place, Texas Regional Entity determined that this violation had a low impact on the bulk power system.

IRO-004-1 R4 has a “High” VRF. Texas Regional Entity determined to exercise its discretion, for this violation that occurred in 2007, to assess no penalty because this was a documentation issue in light of the fact that the information was provided daily as part of its operations in the ERCOT Region but did not have a documented procedure that assured this, nor did SUEZ Energy Generation NA Inc. submit evidence that this information would otherwise be made available. Given that SUEZ Energy Generation NA was providing this information daily as part of its operations, Texas Regional Entity determined that this violation had a low impact on the bulk power system.

Section 4.2.2 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\$).*⁵

⁵ See NERC Sanction Guidelines (emphasis added).

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 Commission authorized such discretion (*see* Order Nos. 693 and 693-A⁶); (2) the violations were documentation issues because the Registered Entity had Facility Ratings in place and it was providing the required studies on a daily basis; and (3) the violations were deemed by Texas Regional Entity not to be violations that put bulk power system reliability at serious or substantial risk because Facility Ratings were in place and the required studies were being provided.

Status of Mitigation Plan⁷

SUEZ Energy Generation NA Inc.'s Mitigation Plans to address the referenced violations were accepted by Texas Regional Entity on December 14, 2007 and were approved by NERC on January 30, 2008. The Mitigation Plans for the violations listed in Table 1 are designated as MIT-07-0206, MIT-07-0207 and MIT-07-0208 and were submitted as non-public information to FERC on January 31, 2008 in accordance with FERC orders. SUEZ Energy Generation NA Inc. certified on December 14, 2007 to Texas Regional Entity that its Mitigation Plans were completed on December 7, 2007. Texas Regional Entity requested documentation from the registered entity showing completion of the Mitigation Plans. As discussed in greater detail below, Texas Regional Entity reviewed the evidence SUEZ Energy Generation NA Inc. submitted in support of its Certification of Completion and verified on June 4, 2008 that the Mitigation Plans were timely completed.

Specifically, SUEZ Energy Generation NA Inc.'s Mitigation Plan to address violations of FAC-008-1 R1, R2 and R3 identified the underlying need to document its Facility Ratings methodology in a timely fashion in order to be compliant. SUEZ Energy Generation NA Inc. engaged a contractor to develop and perform the procedure for determining Facility Ratings for this purpose. This mitigation occurred prior to the end of 2007. SUEZ Energy Generation NA Inc. certified on December 14, 2007 to Texas Regional Entity that its Mitigation Plans were completed. Texas Regional Entity requested that SUEZ Energy Generation NA Inc. furnish copies of its new documents containing the Facility Ratings methodology and reviewed them for content and dates of interest. They were found to match reported dates and to adequately address the generators, transformers and associated equipment at the facility in accordance with the requirements for a ratings methodology.

SUEZ Energy Generation NA Inc.'s Mitigation Plan to address the violations of FAC-009-1 R1 and R2 identified the need to document its Facility Ratings methodology to be compliant with establishing Facility Ratings consistent with the methodology. SUEZ Energy Generation NA Inc. engaged a contractor to develop and perform the procedure for determining Facility Ratings for this purpose. This mitigation occurred prior to the end of 2007. SUEZ Energy Generation NA Inc. certified on December 14, 2007 to Texas Regional Entity that its Mitigation Plans were completed. Texas Regional Entity requested that SUEZ Energy Generation NA Inc. furnish copies of its new documents containing the Facility Ratings for the equipment and reviewed

⁶ *See* n.1 *supra*.

⁷ *See* 18 C.F.R § 39.7(d)(7).

them for content and dates of interest. They were found to be consistent with the Facility Ratings methodology.

SUEZ Energy Generation NA Inc.'s Mitigation Plan to address the violation of IRO-004-1 R4 identified the underlying need to document procedures to assure that its personnel will provide information regarding system studies. SUEZ Energy Generation NA Inc. engaged a contractor to review necessary information and develop procedures for this purpose. This mitigation occurred within three months of the violation. SUEZ Energy Generation NA Inc. certified on December 14, 2007 to Texas Regional Entity that its Mitigation Plans were completed. Texas Regional Entity requested that SUEZ Energy Generation NA Inc. furnish copies of its new documents containing the resource plan procedure. Texas Regional Entity reviewed them for content and dates of interest. SUEZ Energy Generation NA Inc.'s documentation of submittal of resource plans to the ERCOT ISO, its Reliability Coordinator, and a resource plan procedure that covers the information needed for system studies mitigated this entity's violation.

Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed⁸

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 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

⁸ See 18 C.F.R § 39.7(d)(4).

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.⁹

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 Guidance Order, the NERC BOTCC reviewed the NOC and supporting documentation on April 24, 2008 and on October 7, 2008. The NERC BOTCC approved the assessment of a zero dollar (\$0) penalty against SUEZ Energy Generation NA Inc. based upon Texas Regional Entity's findings and determinations, 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) the violations occurred in 2007, were reported in 2007 by SUEZ Energy Generation NA Inc. and were corrected in 2007, during the period of transition to mandatory standards during which the Commission authorized such discretion (*see* Order Nos. 693 and 693-A¹⁰); (2) the violations were documentation issues because the Registered Entity had Facility Ratings in place and it was providing the required studies on a daily basis; (3) the violations were deemed by Texas Regional Entity not to be violations that put bulk power system reliability at serious or substantial risk because Facility Ratings were in place and the required studies were being provided; (4) the Mitigation Plans were timely completed and were verified by Texas Regional

⁹ Order No. 693 at PP 222-224 (emphasis added).

¹⁰ *See* n.1 *supra*.

Entity as completed; and (5) the instant NOP was originally scheduled to be submitted in June 2008, along with NP08-12-000 (regarding NOC-005), but was delayed due to the need to conform the filing to the Commission's July 3, 2008 Order.

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.

NERC notes that there are four Settlement Agreements in SERC Reliability Corporation region that are being contemporaneously filed also involving SUEZ-affiliated entities. Each Settlement Agreement has penalty amounts of \$10,000, involving the same facts wherein entities self-certified compliance in 2007 and were later found in 2008 by the SERC Reliability Corporation not to be compliant. In each case, while self-certifying compliance in 2007, the entity revised its documentation in 2007 so that the violation did not continue into 2008, but did not self-report the violations once known or advise SERC Reliability Corporation of the changes made. In addition, also being contemporaneously filed are two Notices of Penalty, including the instant one, involving SUEZ-affiliated entities that self-certified non-compliance in 2007, the Texas Regional Entity subsequently confirmed in 2007 such non-compliance and the entities became compliant by year end 2007. In those cases, Texas Regional Entity assessed a zero dollar penalty. These issues were considered by NERC BOTCC in approving all six Notices of Penalty. NERC believes that the facts are sufficiently distinguishable to warrant the penalty amounts imposed by SERC Reliability Corporation and Texas Regional Entity.

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 Proceeding¹¹

The record of the proceeding includes the following documents and material:

- a) Self-Certification Report of SUEZ Energy Generation NA Inc. dated September 28, 2007, filed as part of the October 1, 2007 annual certification requirement;
- b) Notice of Alleged Violation and Penalty or Sanction dated October 23, 2007. SUEZ Energy Generation NA Inc. did not submit a response thereto.
- c) Notice of Confirmed Violation and Penalty or Sanction dated February 19, 2008. SUEZ Energy Generation NA Inc. did not submit a response thereto;
- d) Supplemental Record Information dated September 18, 2008;
- e) SUEZ Energy Generation NA Inc.'s response to Supplemental Record Information dated September 19, 2008, included as Attachment a;

¹¹ See 18 C.F.R § 39.7(d)(5).

- f) Supplemental Record Information dated September 25, 2008. SUEZ Energy Generation NA Inc did not submit a response thereto;
- g) Supplemental Record Information dated November 18, 2008. SUEZ Energy Generation NA Inc did not submit a response thereto;
- h) Mitigation Plans designated as MIT-07-0206, MIT-07-0207 and MIT-07-0208, included as Attachment b;
- i) SUEZ Energy Generation NA Inc.'s certification of completion of the Mitigation Plan dated December 14, 2007, included as Attachment c; and
- j) Texas Regional Entity's statement of verification that the Mitigation Plan has been completed, dated June 4, 2008, included as Attachment d.

A Form of Notice Suitable for Publication¹²

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

¹² See 18 C.F.R § 39.7(d)(6).

Notices and Communications

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

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

Jeff Whitmer*
Manager, Compliance Enforcement
Texas Regional Entity
7620 Metro Center Drive
Austin, TX 78744
512-225-7030
512-225-7165 – facsimile
Jeff.Whitmer@texasre.org

Venona Greaff*
Compliance Manager
SEMNA
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703-636-1894 – facsimile
venona.greaff@gdfsuezna.com

Rebecca J. Michael*
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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

Susan Vincent*
Director of Legal Affairs
Texas Regional Entity
7620 Metro Center Drive
Austin, TX 78744
512-225-7078
512-225-7165 – facsimile
Susan.Vincent@texasre.org

*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.

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

cc: SUEZ Energy Generation NA Inc.
Texas Regional Entity

Attachment(s)

Attachment a

**SUEZ Energy Generation NA Inc.'s Response to
the Supplemental Record Information
dated September 19, 2008**

Re: Supplemental Record Information to Support Notice of Penalty filing regarding SUEZ Energy Generation, (Ennis Tractebel Power Plant) Violation ID Tracking Number(s):

TRE200700005, TRE200700006, TRE200700007, TRE200700008, TRE200700009, TRE200700010

Dear North American Electric Reliability Corporation (NERC):

SUEZ Energy Marketing NA, in behalf of SUEZ Energy Generation NA, Inc. (SEGNA) concurs with the Texas RE (TRE) findings that SEGNA has finished its mitigation plan in accordance with the Federal Energy Regulatory Commission's (FERC) Guidance Order on Filing Reliability Notices of Penalty submissions issued on July 3, 2008.

SEGNA's mitigation plan was accepted by Texas RE, on December 14, 2007 and approved by NERC on March 7, 2008. The Mitigation Plan for the violations listed has also been designated as MIT-07-0206 and has been submitted as non-public information to FERC on January 31, 2008, in accordance with FERC orders.

Furthermore, SUEZ Energy Generation certified to the Texas RE on December 14, 2007 that its Mitigation Plan was completed. The Texas RE has reviewed the evidence SUEZ Energy Generation submitted in support of its Certification of Completion and on June 4, 2008 Texas RE verified that the Mitigation Plan was completed in accordance with its terms.

Respectfully yours,

Cesar Seymour

Cc: Rashida Williams
Texas Regional Entity
rashida.williams@texasre.org
512-225-7056

Cesar Seymour

Director, Market Policy

SUEZ Energy Marketing NA, Inc.

1990 Post Oak Boulevard, Suite 1900

Houston, Texas 77056-3831

Tel. 713-636-1734 - fax 713-636-1894

Email – cesar.seymour@suezenergyna.com

Attachment b

**Mitigation Plans designated as
MIT-07-0206, MIT-07-0207 and MIT-07-0208**

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/03/07

If this Mitigation Plan has already been completed:

- Check this box **X** and
- Provide the Date of Completion of the Mitigation Plan: 12/07/2007

Section A: Compliance Notices

- Section 6.2 of the CMEP¹ 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 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.
 - (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.
- This submittal form may be used to provide a required Mitigation Plan for review and approval by Texas Regional Entity (Texas RE) and NERC.

¹ "Uniform Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation;" a copy of the current version approved by the Federal Energy Regulatory Commission is posted on NERC's website.

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



- The Mitigation Plan shall be submitted to the Texas RE 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 violations of one Reliability Standard. A separate mitigation plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- If the Mitigation Plan is approved by Texas RE and NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- Texas RE 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.

Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: SUEZ Energy Generation NA
Company Address: 1990 Post Oak Blvd.
Suite 1900
Houston, TX 77056
NERC Compliance Registry ID *[if known]*: NCR04128

B.2 Identify the individual in your organization who will serve as the Contact to Texas RE regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Texas RE regarding this Mitigation Plan.

Name: Cesar Seymour
Title: Director - Market Policy
Email: cesar.seymour@suezeneryna.com
Phone: 713-636-1734

Section C: Identity of Reliability Standard Violations Associated with this Mitigation Plan

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

C.1 Standard: FAC-008-1
[Identify by Standard Acronym (e.g. FAC-001-1)]

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	Texas RE Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date ^(*)
aaaaaYYYYnnnnn	1234577890	Rn.n.n	MM/DD/YY
TRE200700005	ERCOTSUEZGO0001	R1	10/23/07
TRE200700006	ERCOTSUEZGO0002	R2	10/23/07
TRE200700007	ERCOTSUEZGO0003	R3	10/23/07

(*) Note: The Violation Date shall be: (i) the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date that the violation has been deemed to have occurred on by Texas RE. Questions regarding the date to use should be directed to the Texas RE.

C.3 Identify the cause of the violation(s) identified above:

The facility ratings for the ERCOT plants were determined by the A/E and OEM. The plants do not have a documented methodology for determining facility ratings.

C.4 *[Optional]* Provide any relevant additional information regarding the violations associated with this Mitigation Plan:

NA

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

D.1 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 violations identified above in Part C.2 of this form:

A contractor has been engaged to develop and perform the procedure to determine the ratings of the facilities. Completion is scheduled for December 14, 2007.

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



Check this box and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

D.2 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: 12/14/07

D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (shall not be more than 3 months apart)
Hire contractor	11/1/07
Plant Rating Methodology	12/07/07

(*) Note: 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.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

NA

Section E: Interim and Future Reliability Risk

Check this box and proceed and respond to Part E.2 and E.3, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

E.1 While your organization is implementing the Mitigation Plan proposed in Part D of this form, 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, or may be, known or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take or is proposing as part of the Mitigation Plan to mitigate any increased risk to the reliability of the bulk power system while the Mitigation Plan is being implemented:

NA

Prevention of Future BPS Reliability Risk

E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

A standard policy, procedure, and methodology will be created and implemented across all plants and facilities.

E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

NA

Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, Texas RE for acceptance by Texas RE and approval by NERC, and
- b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
 1. I am Cesar Seymour, Director – Market Policy.
 2. I am qualified to sign this Mitigation Plan on behalf of SUEZ Energy Generation NA.
 3. I have read and understand SUEZ Energy Generation NA obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEM)).
 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 5. SUEZ Energy Generation NA agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by Texas RE and approved by NERC.

Authorized Individual Signature Cesar Seymour
(Electronic signatures are acceptable; *see* CMEM)

Name (Print): Cesar Seymour
Title: Director – Market Policy
Date: 12/03/07

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

Submit completed and signed forms to tremitigation@ercot.com.

Please direct any questions regarding completion of this form to:

Texas Regional Entity
Rashida Williams
512-225-7056
rwilliams@ercot.com

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/03/07

If this Mitigation Plan has already been completed:

- Check this box **X** and
- Provide the Date of Completion of the Mitigation Plan: 12/07/2007

Section A: Compliance Notices

- Section 6.2 of the CMEP¹ 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 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.
 - (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.
- This submittal form may be used to provide a required Mitigation Plan for review and approval by Texas Regional Entity (Texas RE) and NERC.

¹ "Uniform Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation;" a copy of the current version approved by the Federal Energy Regulatory Commission is posted on NERC's website.

- The Mitigation Plan shall be submitted to the Texas RE 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 violations of one Reliability Standard. A separate mitigation plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- If the Mitigation Plan is approved by Texas RE and NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- Texas RE 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.

Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: SUEZ Energy Generation NA
Company Address: 1990 Post Oak Blvd.
Suite 1900
Houston, TX 77056
NERC Compliance Registry ID *[if known]*: **NCR04128**

B.2 Identify the individual in your organization who will serve as the Contact to Texas RE regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Texas RE regarding this Mitigation Plan.

Name: Cesar Seymour
Title: Director - Market Policy
Email: cesar.seymour@suezeneryna.com
Phone: 713-636-1734

Section C: Identity of Reliability Standard Violations Associated with this Mitigation Plan

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

C.1 Standard: FAC-009-1 *[Identify by Standard Acronym (e.g. FAC-001-1)]*

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	Texas RE Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date ^(*)
aaaaaYYYYnnnnn	1234577890	Rn.n.n	MM/DD/YY
TRE200700008	ERCOTSUEZGO0004	R1	10/23/07
TRE200700009	ERCOTSUEZGO0005	R2	10/23/07

(*) Note: The Violation Date shall be: (i) the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date that the violation has been deemed to have occurred on by Texas RE. Questions regarding the date to use should be directed to the Texas RE.

C.3 Identify the cause of the violation(s) identified above:

The facility ratings for the ERCOT plants were determined by the A/E and OEM. The plants do not have a documented methodology for determining facility ratings.

C.4 **[Optional]** Provide any relevant additional information regarding the violations associated with this Mitigation Plan:

NA

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

D.1 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 violations identified above in Part C.2 of this form:

A contractor has been engaged to develop and perform the procedure to determine the ratings of the facilities. Completion is scheduled for December 14, 2007.

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



Check this box and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

D.2 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: 12/14/07

D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (shall not be more than 3 months apart)
Hire contractor	11/1/07
Plant Rating Completion	12/07/07

(*) Note: 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.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

NA

Section E: Interim and Future Reliability Risk

Check this box and proceed and respond to Part E.2 and E.3, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

E.1 While your organization is implementing the Mitigation Plan proposed in Part D of this form, 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, or may be, known or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take or is proposing as part of the Mitigation Plan to mitigate any increased risk to the reliability of the bulk power system while the Mitigation Plan is being implemented:

NA

Prevention of Future BPS Reliability Risk

E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

A standard policy, procedure, and methodology will be created and implemented across all plants and facilities.

E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

NA

Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, Texas RE for acceptance by Texas RE and approval by NERC, and
- b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
 1. I am Cesar Seymour, Director – Market Policy
 2. I am qualified to sign this Mitigation Plan on behalf of SUEZ Energy Generation NA.
 3. I have read and understand SUEZ Energy Generation NA obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEM)).
 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 5. SUEZ Energy Generation NA agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by Texas RE and approved by NERC.

Authorized Individual Signature Cesar Seymour
(Electronic signatures are acceptable; see CMEM)

Name (Print): Cesar Seymour
Title: Director – Market Policy
Date: 12/03/07

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

Submit completed and signed forms to tremitigation@ercot.com.

Please direct any questions regarding completion of this form to:

Texas Regional Entity
Rashida Williams
512-225-7056
rwilliams@ercot.com

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 12/03/07

If this Mitigation Plan has already been completed:

- Check this box **X** and
- Provide the Date of Completion of the Mitigation Plan: 12/07/2007

Section A: Compliance Notices

- Section 6.2 of the CMEP¹ 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 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.
 - (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.
- This submittal form may be used to provide a required Mitigation Plan for review and approval by Texas Regional Entity (Texas RE) and NERC.

¹ "Uniform Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation;" a copy of the current version approved by the Federal Energy Regulatory Commission is posted on NERC's website.

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



- The Mitigation Plan shall be submitted to the Texas RE 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 violations of one Reliability Standard. A separate mitigation plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- If the Mitigation Plan is approved by Texas RE and NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- Texas RE 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.

Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: SUEZ Energy Generation NA
Company Address: 1990 Post Oak Blvd.
Suite 1900
Houston, TX 77056
NERC Compliance Registry ID *[if known]*: NCR04128

B.2 Identify the individual in your organization who will serve as the Contact to Texas RE regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Texas RE regarding this Mitigation Plan.

Name: Cesar Seymour
Title: Director - Market Policy
Email: cesar.seymour@suezeneryna.com
Phone: 713-636-1734

Section C: Identity of Reliability Standard Violations Associated with this Mitigation Plan

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

C.1 Standard: IRO-004-1
[Identify by Standard Acronym (e.g. FAC-001-1)]

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



C.2 Requirement(s) violated and violation dates:
[Enter information in the following Table]

NERC Violation ID # [if known]	Texas RE Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date ^(*)
aaaaaYYYYnnnnn	1234577890	Rn.n.n	MM/DD/YY
TRE200700010	ERCOTSUEZGO0006	R4	10/23/07

(*) Note: The Violation Date shall be: (i) the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date that the violation has been deemed to have occurred on by Texas RE. Questions regarding the date to use should be directed to the Texas RE.

C.3 Identify the cause of the violation(s) identified above:

The information required is provided daily, however, a written procedure does not exist.

C.4 **[Optional]** Provide any relevant additional information regarding the violations associated with this Mitigation Plan:

NA

Section D: Details of Proposed Mitigation Plan

Mitigation Plan Contents

D.1 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 violations identified above in Part C.2 of this form:

A contractor has been engaged to develop and provide information regarding system studies. Completion is scheduled for December 14, 2007.

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



Check this box and proceed to Section E of this form if this Mitigation Plan, as set forth in Part D.1, has already been completed; otherwise respond to Part D.2, D.3 and, optionally, Part D.4, below.

Mitigation Plan Timeline and Milestones

D.2 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: 12/14/07

D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (shall not be more than 3 months apart)
Hire contractor	11/1/07
System Study Completion	12/07/07

(*) Note: 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.

[Note: Provide your response here; additional detailed information may be provided as an attachment as necessary]

Additional Relevant Information (Optional)

D.4 If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:

NA

Section E: Interim and Future Reliability Risk

Check this box and proceed and respond to Part E.2 and E.3, below, if this Mitigation Plan, as set forth in Part D.1, has already been completed.

Abatement of Interim BPS Reliability Risk

E.1 While your organization is implementing the Mitigation Plan proposed in Part D of this form, 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, or may be, known or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take or is proposing as part of the Mitigation Plan to mitigate any increased risk to the reliability of the bulk power system while the Mitigation Plan is being implemented:

NA

Prevention of Future BPS Reliability Risk

E.2 Describe how successful completion of the Mitigation Plan as laid out in Part D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

A standard policy, procedure, and methodology will be created and implemented across all plants and facilities for system studies.

E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards. If so, identify and describe any such action, including milestones and completion dates:

NA

Section F: Authorization

An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, Texas RE for acceptance by Texas RE and approval by NERC, and
- b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
 1. I am Cesar Seymour. Director – Market Policy
 2. I am qualified to sign this Mitigation Plan on behalf of SUEZ Energy Generation NA.
 3. I have read and understand SUEZ Energy Generation NA obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEM)).
 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 5. SUEZ Energy Generation NA agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by Texas RE and approved by NERC.

Authorized Individual Signature

Cesar Seymour

(Electronic signatures are acceptable; *see* CMEM)

Name (Print): Cesar Seymour
Title: Director – Market Policy
Date: 12/03/07

TEXAS REGIONAL ENTITY

AN INDEPENDENT DIVISION OF ERCOT



Section G: Comments and Additional Information

You may use this area to provide comments or any additional relevant information not previously addressed in this form.

Submit completed and signed forms to tremitigation@ercot.com.

Please direct any questions regarding completion of this form to:

Texas Regional Entity
Rashida Williams
512-225-7056
rwilliams@ercot.com

Attachment c

**SUEZ Energy Generation NA Inc.'s Certification
of Completion of the Mitigation Plans
dated December 14, 2007**

December 14, 2007

Texas Regional Entity
Office of Compliance
7620 Metro Center Drive
Austin, Texas 78744

Office of Compliance:

Re: Notice of Completion of Mitigation Plans

This letter is to inform the Texas Regional Entity that all 'Milestone Activities' listed in the mitigation plans submitted on December 10, 2007, have been completed on or before the 'Proposed Completion Date' for each the Notice of Alleged Violation listed below:

Wise County Power Company, LP:

TRE200700016
TRE200700017
TRE200700018
TRE200700019
TRE200700020
TRE200700021

SUEZ Energy Marketing NA Inc

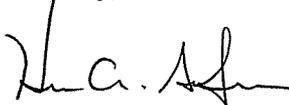
TRE200700011
TRE200700012
TRE200700013
TRE200700014
TRE200700015

SUEZ Energy Generation NA

TRE200700005
TRE200700006
TRE200700007
TRE200700008
TRE200700009
TRE200700010

We understand that this letter completes the terms and conditions for the TRE Notice of Violations.

Sincerely,



Herman Schopman
President & CEO, SUEZ Energy Generation NA, LLC

SUEZ Energy North America, Inc.

1990 Post Oak Boulevard., Suite 1900
Houston, TX 77056-4499
tel. 713 636-1276 - fax 713 636-1602
email herman.schopman@suezeneryna.com
www.suezeneryna.com

Attachment d

**Texas Regional Entity's Statement of Verification
that the Mitigation Plans has been completed
dated June 4, 2008**

June 4, 2008

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

Registered Entity: SUEZ Energy Generation, NA (SUEZ Energy Generation)
Violation Number(s): TRE200700005, TE200700006, TRE200700007, TRE200700008,
TRE200700009 & TRE200700010

Texas RE reviewed evidence, on June 4, 2008, of completion and compliance provided by SUEZ Energy Generation for mitigation plans addressing the above violations.

It was discovered during a self-certification that SUEZ Energy Generation has determined facility Ratings for its generation plants but does not have a documented methodology for determining its facility ratings (TRE200700016 – 20) and that SUEZ Energy Generation does provide information required for system studies but does not have a written procedure (TRE200700021)

SUEZ Energy Generation provided the following procedures and documents:

STANDARD NUMBER: FAC-008-1 Facility Rating Methodology, original release dated and approved 12/10/07. This document included a most limiting applicable equipment rating statement and methods by which the ratings are determined.

STANDARD NUMBER: FAC-009-1. Original release dated and approved 12/10/07, includes the complete generation facilities rating worksheets for all the facilities' equipment, including generators, transformers, bushings, surge arresters, disconnect switches and connections.

SEMNA Operations Guide Number: TOG 07-005, ERCOT Resource Plan, dated 10/29/07, including a screen shot of the ERCOT Resource Plan by hour.

SUEZ Energy Generation identified in their mitigation plan that they had engaged a contractor to develop and perform the procedure to determine the ratings of their facilities and that it would be completed by December 14th, 2007.

Texas RE's review of the procedures and records provided by SUEZ Energy Generation, shows that SUEZ Energy Generation's procedures were written and implemented before the mitigation plan completion date of 12/14/2007.

The evidence submitted did meet the requirements of NERC Reliability Standards FAC-008-1 R1/R2/R3, FAC-009-1 R1/R2 and IRO-004-1 R4.

Attachment e

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

SUEZ Energy Generation NA Inc.

Docket No. NP09-____-000

NOTICE OF FILING
(DATE)

Take notice that on January 7, 2009, the North American Electric Reliability Corporation (NERC), filed a Notice of Penalty regarding SUEZ Energy Generation NA Inc. 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