



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

December 30, 2009

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

**Re: NERC Notice of Penalty regarding Southwestern Electric Cooperative, Inc., FERC
Docket No. NP10-_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty regarding Southwestern Electric Cooperative, Inc. (SWECI), NERC Registry ID NCR01324,¹ in accordance with the Federal Energy Regulatory Commission's (Commission or FERC) rules, regulations and orders,² as well as NERC Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).³

This Notice of Penalty is being filed with the Commission because, based on information from SERC Reliability Corporation (SERC), SERC and SWECI have entered into a Settlement Agreement in which SWECI has agreed to the proposed penalty of \$3,000 to be assessed to SWECI, in addition to other remedies which include mitigation actions and actions to prevent recurrence under the terms and conditions of the Settlement Agreement. SERC and SWECI have entered into the Settlement Agreement to resolve all outstanding issues arising from a preliminary and non-public assessment resulting in SERC's determination and findings of the enforceable alleged violation of NERC Reliability Standard CIP-001-1 Requirement (R) 4 at issue in this Notice of Penalty. Accordingly, the alleged violation identified as NERC Violation Tracking Identification Number SERC200800202 is being filed in accordance with the NERC Rules of Procedure and the CMEP.

¹ SERC Reliability Corporation confirmed that Southwestern Electric Cooperative, Inc. was included on the NERC Compliance Registry on May 31, 2007 as a Load Serving Entity, among other functions, and was subject to the requirements of NERC Reliability Standard CIP-001-1.

² *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards* (Order No. 672), III FERC Stats. & Regs. ¶ 31,204 (2006); *Notice of New Docket Prefix "NP" for Notices of Penalty Filed by the North American Electric Reliability Corporation*, Docket No. RM05-30-000 (February 7, 2008). See also 18 C.F.R. Part 39 (2008). *Mandatory Reliability Standards for the Bulk-Power System*, FERC Stats. & Regs. ¶ 31,242 (2007) (Order No. 693). See 18 C.F.R. § 39.7(d)(1).

³ See 18 C.F.R. § 39.7(c)(2).

Statement of Findings Underlying the Alleged Violation

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement executed on February 19, 2009, by and between SERC and SWECI, which is included as Attachment b. The details of the findings and basis for the penalty are set forth in the Settlement Agreement and herein. This Notice of Penalty filing contains the basis for approval of the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC BOTCC). In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7 (2007), NERC provides the following summary table identifying each alleged violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Standard	Req. (R)	VRF	Total (\$) Penalty
SERC	Southwestern Electric Cooperative, Inc.	NOC-157	SERC200800202	CIP-001-1	4	Medium	\$3,000

The purpose of Reliability Standard CIP-001-1 is to ensure that disturbances or unusual occurrences, suspected or determined to be caused by sabotage, are reported to the appropriate systems, governmental agencies, and regulatory bodies.

In summary, CIP-001-1 R4 requires each Load Serving Entity, such as SWECI, to establish communications contacts, as applicable, with local Federal Bureau of Investigation (FBI) or Royal Canadian Mounted Police (RCMP) officials and develop reporting procedures as appropriate to their circumstances. CIP-001-1 R4 has a "Medium" Violation Risk Factor (VRF).

According to the Settlement Agreement, on September 18, 2008, a scheduled compliance audit of SWECI was conducted by a SERC Audit Team resulting in the identification of a possible violation of NERC Reliability Standard CIP-001-1 R4. After confirming that SWECI was registered as a Load Serving Entity, SERC Compliance Enforcement Staff (SERC Staff) issued to SWECI a Compliance Assessment Notice advising SWECI of the initiation of a formal assessment to determine its compliance relative to the Reliability Standard Requirement and directing SWECI to preserve all relevant records and information.

SERC Staff promptly established direct contact with representatives of SWECI to begin the process of gathering information and documentation for the detailed compliance assessment. SERC Staff also reported the possible violations to NERC which, in turn, on October 1, 2008 reported the possible violation to FERC in accordance with the CMEP of the NERC Rules of Procedure.

During the compliance audit, in attempting to establish its compliance with CIP-001-1 R4, SWECI presented to the SERC Audit Team evidence of a reporting procedure and contact with the FBI dated July 28, 2008 but could not produce evidence of the existence of a procedure to contact the FBI and a local FBI contact prior to July 28, 2008. Thus, SERC Staff concluded that SWECI, as a Load Serving Entity, was unable to demonstrate that it had a reporting procedure or

had established communications contact with the local FBI as required by CIP-001-1, R4 for the period from June 18, 2007, when the Reliability Standard became enforceable to July 28, 2008, when a compliant procedure document including contact information was created.

According to the Settlement Agreement, on October 14, 2008, SWECI requested commencement of settlement discussions to resolve the allegation of the subject violation, prior to SERC issuing a formal Notice of Alleged Violation and Proposed Penalty or Sanction (NAVAPS) detailing the alleged violation of CIP-001-1 R4. SERC Staff acknowledged SWECI's request for settlement and stayed any action to issue a formal NAVAPS until settlement negotiations were concluded or otherwise terminated.

Compliance with CIP-001-1 R4 by all registered Load Serving Entities is collectively important in preventing sabotage events from impacting the bulk power system. SERC Staff considered, in this case, that the actual and foreseeable impact of SWECI's deficiency in documenting a procedure for communicating sabotage events to the local FBI, and listing a contact number for the local FBI in its procedure, for its small, rural load serving facilities did not pose a serious or substantial risk to reliable operation of the bulk power system, because SWECI's then-existing sabotage reporting procedure provided for contacting local law enforcement officials. SERC Staff also considered the limited scope of the violation and the prompt, voluntary action by SWECI to correct the deficiency and restore compliance prior to the audit.

Thus, in determining a proposed penalty for SWECI's alleged violation of CIP-001-1 R4 that "bears a reasonable relation to the seriousness and duration of the violation and takes into consideration [SWECI's] voluntary efforts to remedy the violation in a timely manner,"⁴ SERC Staff also considered SWECI's cooperation throughout the proceeding, and the absence of a prior violation history for SWECI of this standard or a closely-related requirement.

Status of Mitigation Plan

SWECI's October 1, 2008 Mitigation Plan to address CIP-001-1 R4 was submitted to SERC on October 9, 2008. The Mitigation Plan was revised on December 9, 2008 to correct the typographical error in the completion date to properly reflect July 28, 2008, the date SWECI revised its sabotage reporting procedure. The revised Mitigation Plan retained the original submittal date, with SERC Staff's concurrence, because the only change was the correction of a typographical error. SERC accepted SWECI's Mitigation Plan on December 18, 2008 and NERC approved the Mitigation Plan on January 12, 2009. The Mitigation Plan for this violation is designated as MIT-07-1255 and was submitted as non-public information to FERC on January 12, 2009 in accordance with FERC orders. SWECI certified on November 14, 2008 that the subject Mitigation Plan was completed on July 28, 2008.

Actions implemented by SWECI in its Mitigation Plan eliminated the deficiency that gave rise to the alleged violation and will help to prevent a recurrence of any similar violation. Pursuant to the Mitigation Plan, SWECI completed the following actions. SWECI:

⁴ 16 U.S.C. § 824o(e)(6).

1. Fully documented its contact information for notifying the FBI to report relevant issues of sabotage; and
2. Included this information in the appropriate operating procedures.

SWECI submitted and SERC Staff reviewed the following evidence in support of SWECI's certification that its Mitigation Plan was completed:

1. Letter dated July 28, 2008 to SWECI from the FBI, evidencing that communications had been established with the local FBI; and
2. SWECI's *Suspicious Activity, Sabotage, and Threatening Call Reporting Protocol, Page 5, section 2.6 dated July 28, 2008*, which contains SWECI's Emergency Response Plan Phone Numbers for communicating possible sabotage events.

On December 31, 2008, SERC Staff completed its review of the evidence submitted by SWECI in support of its Certification of Completion of the subject Mitigation Plan. SERC Staff verified the Mitigation Plan had been completed as of July 28, 2008.

Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed

Basis for Determination

Taking into consideration the Commission's directions in Order No. 693, the NERC Sanction Guidelines, and the Commission's July 3, 2008 Guidance Order,⁵ the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on May 4, 2009. The NERC BOTCC approved the Settlement Agreement, including SERC's imposition of a financial penalty of \$3,000 against SWECI, in addition to other actions to promote prospective compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the alleged violation at issue.

In reaching this determination, the NERC BOTCC considered the following factors:

1. SERC Staff concluded that the alleged violation did not pose a serious or substantial risk to the reliable operation of the bulk power system because of SWECI's small size in relation to the bulk power system, the limited scope of the alleged violation, and SWECI's then-existing sabotage reporting procedure that provided for contacting local law enforcement officials;
2. SWECI has no prior violation of this standard or any closely-related standard;
3. SWECI cooperated in a timely manner with SERC Staff during the assessment and agreed to expeditiously resolve this issue via settlement; and
4. SWECI possessed a clear lack of intent to commit or to conceal the alleged violation.

For the foregoing reasons, NERC BOTCC approves the Settlement Agreement and believes that the proposed \$3,000 financial penalty is appropriate for the violation and circumstances in

⁵ *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008).

question, and consistent with NERC's goal to promote and ensure reliability of the bulk power system.

Pursuant to Order No. 693, the penalty will be effective upon expiration of the 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.

Attachments to be Included as Part of the Notice of Penalty

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

- a) SERC's Audit Screening Worksheet, included as Attachment a;
- b) Settlement Agreement by and between SWECI and SERC, executed on February 19, 2009 and included as Attachment b;
 - i) SWECI's Mitigation Plan designated as MIT-07-1255, included in the Settlement Agreement as Appendix A-1;
 - ii) SWECI's certification of completion of the Mitigation Plan dated November 14, 2008, included in the Settlement Agreement as Appendix A-2; and
 - iii) SERC's statement of verification that the Mitigation Plan has been completed, dated December 31, 2008, included in the Settlement Agreement as Appendix A-3.

A Form of Notice Suitable for Publication

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

Notices and Communications

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

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*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.

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Conclusion

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

Respectfully submitted,

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cc: Southwestern Electric Cooperative, Inc.
SERC Reliability Corporation

Attachments

Attachment a

SERC's Audit Screening Worksheet

Screening Worksheet

Tracking Number
No # or SPOC Assigned

Entity Name
Southwestern Electric Cooperative, Inc

Is Entity Registered?
Yes

Entity Contact
Roger Stegeman roger.stegeman@sweci.com

Entity Telephone Number
618-664-5953

Standard	Requirement
CIP-001-1	R4

Is Issue Still Occurring?
No

Remedial Action Directive?

Date Issue Occurred

Date Issue/Event Reported

Method of Discovery
Compliance Audit

NERC 48-Hour Reportable?
No

Threat to BES?
No

Alleged Violation Applies to:													
BA	DP	GO	GOP	LSE	PA	PSE	RC	RP	RSG	TO	TOP	TP	TSP
	X			X		X							

Brief Description
During the on site audit, SWECI was not able to produce evidence that it had correct and working contact information with the FBI prior to July 28, 2008.

Detailed Description
During the audit SWECI produced a July 28, 2008 memo from the FBI which verified that they had contact information from that date. SWECI staff was asked if they had contact information prior to this date back to June 2007, and they stated they did not. SWECI documentation concerning R4 did provide contact information for the local sheriff and other law enforcement agencies, but no information could be furnished concerning FBI contact information prior to the FBI memo. It appeared that SWECI had not considered the FBI prior to July 28, 2008 when they were preparing for the audit.

Prepared By	Date
Steve Gibe	9/19/2008

Attachment b

Settlement Agreement by and between SWECI and SERC executed February 19, 2009

**SETTLEMENT AGREEMENT
OF
SERC RELIABILITY CORPORATION
AND
SOUTHWESTERN ELECTRIC COOPERATIVE, INC**

I. INTRODUCTION

1. **SERC RELIABILITY CORPORATION** (“SERC”) and **SOUTHWESTERN ELECTRIC COOPERATIVE, INC** (“SWECI”) (NERC Compliance Registry ID# 01324) enter into this Settlement Agreement (“Agreement”) to resolve all outstanding issues arising from a preliminary and non-public assessment resulting in SERC’s determination and findings, pursuant to the North American Electric Reliability Corporation (“NERC”) Rules of Procedure, of an alleged violation by SWECI of the NERC Reliability Standard CIP-001-1, Requirement 4 (SERC Issue Tracking No. 08-118; NERC Violation ID SERC200800202).

II. STIPULATION

2. The facts stipulated herein are stipulated solely for the purpose of resolving between SERC and SWECI the matters discussed herein and do not constitute stipulations or admissions for any other purpose. SERC and SWECI hereby stipulate and agree to the following:

Background

3. SOUTHWESTERN ELECTRIC COOPERATIVE, INC was formed in 1939 with a loan from the Rural Electrification Administration (REA), Southwestern Electric is a not-for-profit, member-owned cooperative located in southwestern Illinois. Southwestern Electric Cooperative serves more than 18,000 residential, commercial, agricultural, and municipal members in parts of Bond, Clinton, Fayette, Effingham, Macoupin, Madison, Marion, Montgomery, Shelby, and St. Clair Counties.
4. SWECI is headquartered in Greenville, Ill., and also maintains nearly 3,500 miles of power line, employs more than 80 people and owns two subsidiary companies—New Illinois Cooperative Energy (NICE) and Propane Plus.

Alleged Violation

5. The relevant requirement of CIP-001-1, and the text thereof, is as follows:

R4. Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall establish communications contacts, as applicable, with local Federal Bureau of Investigation (FBI) or Royal Canadian Mounted Police (RCMP) officials and develop reporting procedures as appropriate to their circumstances.
6. On September 18, 2008, a scheduled compliance audit of SWECI was conducted by SERC resulting in the identification by the audit team of a possible violation of NERC Reliability Standard CIP-001-1, Requirement 4.
7. Following its receipt and review of the audit team's findings, SERC Compliance Enforcement Staff confirmed that SWECI was listed on the NERC Compliance Registry as a Load Serving Entity and that SWECI, therefore, was subject to the requirements of NERC Reliability Standard CIP-001-1, Requirement 4 to establish communications contacts with local FBI officials and to develop reporting procedures.
8. After confirming SWECI's NERC Registration Status, SERC Compliance Enforcement Staff commenced its detailed compliance assessment. On September 25, 2008, SERC Compliance Enforcement Staff issued to SWECI a Compliance Assessment Notice advising SWECI of the initiation of a formal assessment to determine its compliance relative to Reliability Standard CIP-001-1 and directing SWECI to preserve all relevant records and information. SERC Compliance Enforcement Staff promptly established direct contact with representatives of SWECI to begin the process of gathering information and documentation for the detailed compliance assessment. SERC Compliance Enforcement Staff also reported the possible violations to NERC which, in turn, reported the possible violations to the Federal Energy Regulatory Commission (the "Commission") in accordance with the Compliance Monitoring and Enforcement Program (CMEP) of the NERC Rules of Procedure.
9. During the compliance audit, in attempting to establish its compliance with CIP-001-1, Requirement 4, SWECI presented to the SERC audit team evidence of a reporting procedure and contact with the FBI dated July 28, 2008 but could not produce evidence of the existence of a procedure and local FBI contact prior to July 28, 2008. Thus, SERC Compliance Enforcement Staff concluded that SWECI, as a Load Serving Entity, was unable to demonstrate that it had a reporting procedure or had established communications contact with the local FBI as required by CIP-001-1, Requirement 4 for the period from June 18, 2007 (when the

Standard became enforceable) to July 28, 2008 (when a compliant procedure document including contact information was created), a period of 407 days.

10. On November 12, 2008, SERC Compliance Enforcement Staff held a conference call with representatives of SWECI to discuss SERC Compliance Enforcement Staff's determination of an alleged violation by SWECI of CIP-001-1, Requirement 4 covering a duration of 407 days. During the conference call, SERC Compliance Enforcement Staff reviewed the facts considered in reaching its determination, advised SWECI of the potential penalty that could be applied to the violation and the factors considered by SERC Compliance Enforcement Staff in establishing the proposed penalty amount, outlined SWECI's response option and next steps, and discussed the option for settlement negotiations.
11. On October 9, 2008, prior to the issuance by SERC Compliance Enforcement Staff of a formal Notice of Alleged Violation and Proposed Penalty or Sanction alleging a violation of CIP-001-1, Requirement 4, SERC received from SWECI a Mitigation Plan, dated October 1, 2008, documenting corrective action already taken to mitigate the identified violation of CIP-001-1, Requirement 4. The Mitigation Plan submittal documented what had already taken place by way of SWECI's revision of its Suspicious Activity, Sabotage, and Threatening Call Reporting protocol dated July 28, 2008. However the Mitigation Plan received by SERC on October 9, 2008 included an incorrect completion date of June 28, 2008. On November 14, 2008, SWECI submitted to SERC a Certification of a Completed Mitigation Plan certifying that the Mitigation Plan was completed on July 28, 2008. SWECI subsequently submitted a revised Mitigation Plan on December 9, 2008¹ correcting the completion date listed in the Mitigation Plan to match the completion date as certified by SWECI. SERC Compliance Enforcement Staff reviewed SWECI's evidence supporting Mitigation Plan completion and verified that the mitigating actions had been completed and SWECI had achieved compliance with Reliability Standard CIP-001-1 as of July 28, 2008. SERC's audit team had also confirmed during the onsite compliance audit of September 18, 2008 that SWECI's July 28, 2008 sabotage reporting procedure complied with the requirements of Reliability Standard CIP-001-1, Requirement 4.

¹ The corrected Mitigation Plan submitted by SWECI on December 9, 2008 is the version of the Mitigation Plan accepted by SERC and approved by NERC. The Mitigation Plan indicated the correct completion date of July 28, 2008 but still reflected October 1, 2008 as the submittal date.

12. In assessing the proposed penalty and sanctions associated with the Violation of CIP-001-1, Requirement 4, SERC Compliance Enforcement Staff determined that SWECI identified a gap in compliance prior to the audit and took corrective action, but failed to Self-Report the status of the compliance gap. SWECI did promptly submit a Mitigation Plan, and certified Mitigation Plan closure prior to receiving formal Notice of Alleged Violation and Proposed Penalty or Sanction communication from SERC Compliance Enforcement Staff.
13. On October 14, 2008, SWECI requested commencement of settlement discussions to resolve the allegation of the subject violation, prior to SERC issuing a formal Notice of Alleged Violation and Proposed Penalty or Sanction detailing the Alleged Violation of CIP-001-1, Requirement 4. SERC Compliance Enforcement Staff acknowledged SWECI's request for settlement and stayed any action to issue a formal Notice of Alleged Violation and Proposed Penalty or Sanction until settlement negotiations were concluded or otherwise terminated.

III. PARTIES' SEPARATE REPRESENTATIONS

Statement of SERC and Summary of Findings

14. In regards to CIP-001-1, Requirement 4, SWECI presented as evidence a letter dated July 28, 2008 to SWECI's primary compliance contact from an FBI Special Agent. The FBI letter that SWECI presented had been incorporated in SWECI's Suspicious Activity, Sabotage, and Threatening Call Reporting protocol on page 5, section 2.6 dated July 28, 2008. Prior to July 28, 2008 SWECI's "Emergency Response Plan" phone numbers on page 24 dated June 15, 2005 did not have a working local FBI contact number listed, and contained reporting procedures for local law enforcement officials only. Thus, during the on-site compliance audit completed on September 18, 2008, SWECI was unable to produce evidence that it had established contact with local FBI officials and developed appropriate reporting procedures for the period prior to the July 28, 2008 document. In summary, SERC Compliance Enforcement Staff found SWECI in violation of CIP-001-1, Requirement 4 from June 18, 2007 until July 28, 2008, a period of 407 days.
15. A Violation Risk Factor ("VRF") of "Medium" is assigned to Requirement 4 of Reliability Standard CIP-001-1, as set forth in NERC's compliance filing in Docket Nos. RR07-9-004 and RR07-10-004, and as approved by the Commission on February 6, 2008. A "Severe" Violation Severity Level ("VSL") is indicated for a violation of this nature of CIP-001-1, Requirement 4, consistent with the VSL matrix included in NERC's filing in Docket No. RR06-1-007, and approved by the Commission on June 19, 2008, because SWECI "failed to establish communications contacts, as

applicable, with local Federal Bureau of Investigation (FBI) nor developed a reporting procedure.”

16. SERC Compliance Enforcement Staff determined the applicable violation duration associated with SWECI's violation of CIP-001-1, Requirement 4 was 407 days from June 18, 2007 through July 28, 2008 when the Mitigation Plan was submitted and certified as complete.
17. While compliance with CIP-001-1, Requirement 4 by all registered Load Serving Entities is collectively important in preventing sabotage events from impacting the Bulk-Power System, hence the assigned “Medium” VRF, SERC Compliance Enforcement Staff considered in this case that the actual and foreseeable impact of SWECI's deficiency in documenting a procedure for communicating sabotage events to the local FBI, and listing a contact number for the local FBI in its procedure, for its small, rural load serving facilities was a gap in compliance that represented a low actual and foreseeable risk to the reliability of the Bulk-Power System. In reaching this conclusion, SERC Compliance Enforcement Staff considered the limited scope of the violation, SWECI's then-existing sabotage reporting procedure that provided for contacting local law enforcement officials, and the prompt, voluntary action by SWECI to correct the deficiency and restore compliance.
18. Thus, in determining a proposed penalty for SWECI's alleged violation of CIP-001-1, Requirement 4 that “bears a reasonable relation to the seriousness and duration of the violation and takes into consideration [SWECI's] voluntary efforts to remedy the violation in a timely manner”² SERC Compliance Enforcement Staff considered the low actual and foreseeable impact of the alleged violation, SWECI's cooperation throughout the proceeding, the absence of prior violation history for SWECI of this standard or a closely-related requirement, and SWECI's actions to correct its documentation deficiency prior to the compliance audit. Furthermore, there was no indication of an attempt by SWECI to conceal any information, and no indication that the violation was intentional.
19. SERC agrees that this Agreement is in the best interest of the parties and in the best interest of bulk power system reliability.

² 16 U.S.C. § 824o(e)(6).

Statement of SWECI

20. SWECI neither admits nor denies that the facts set forth and agreed to by the parties for purposes of this Agreement constitute a violation of CIP-001-1, Requirement 4.
21. Although SWECI does not admit to, nor does it deny, the alleged violation, SWECI has agreed to enter into this Agreement with SERC to avoid extended litigation with respect to the matters described or referred to herein, to avoid uncertainty, and to effectuate a complete and final resolution of the issues set forth herein.
22. SWECI agrees that this Agreement is in the best interest of the parties and in the best interest of bulk-power system reliability.

IV. MITIGATING ACTIONS, REMEDIES AND SANCTIONS

23. For purposes of settling any and all disputes regarding SERC's assessment of an alleged violation by SWECI of Reliability Standard CIP-001-1, Requirement 4 arising from the September 18, 2008 audit of SWECI, SERC and SWECI herein agree that on November 14, 2008, SWECI provided SERC a letter, attached hereto as Appendix A-2, certifying that it had completed implementation of the Mitigation Plan accepted by SERC and approved by NERC, attached hereto as Appendix A-1. In addition to the actions completed by SWECI pursuant to the Mitigation Plan, SWECI shall pay a monetary penalty of \$3,000 to SERC via check within twenty days after receipt of an invoice from SERC to be issued after this Agreement has either been approved by the Commission or has become effective by operation of law. SERC shall notify SWECI and NERC if the payment is not received.
24. On October 9, 2008, SERC received from SWECI a Mitigation Plan for CIP-001, Requirement 4 dated October 1, 2008. The Mitigation Plan was revised on December 9, 2008 to correct the completion date to properly reflect July 28, 2008, the date SWECI revised its sabotage reporting procedure. SERC accepted SWECI's Mitigation Plan on December 18, 2008 and NERC approved the Mitigation Plan on January 12, 2009. The Mitigation Plan is identified as MIT-07-1255 and was submitted as non-public information to the Commission on January 12, 2009 in accordance with Commission orders. SWECI certified on November 14, 2008 that the Mitigation Plan was completed on July 28, 2008. SWECI's Mitigation Plan and its Certification of Mitigation Plan Completion are attached hereto as Appendix A.

25. Actions implemented by SWECI in its Mitigation Plan (see Appendix A-1) eliminated the deficiency that gave rise to the alleged violation and will help to prevent a recurrence of any similar violation. Pursuant to the Mitigation Plan, SWECI completed the following actions:

- i. Fully documented its contact information for notifying the FBI to report relevant issues of sabotage; and,
- ii. Included this information in the appropriate operating procedures.

26. The parties agree that the actions taken referenced in paragraph 25 have been completed as of July 28, 2008.

27. SERC Staff considered the specific facts and circumstances of the alleged violation and SWECI's actions in response to the alleged violation in determining a proposed penalty that meets the requirement in Section 215 of the Federal Power Act that "[a]ny penalty imposed under this section shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of [SWECI] to remedy the violation in a timely manner."³ The factors considered by SERC Staff in the determination of the appropriate penalty for SWECI's alleged violation of CIP-001-1 pursuant to this Agreement included the following:

- i. The alleged violation had minimal actual or foreseeable impact on the reliability of the bulk-power system because of SWECI's small size in relation to the bulk-power system, the limited scope of the alleged violation, and SWECI's then-existing sabotage reporting procedure that provided for contacting local law enforcement officials;
- ii. SWECI has no prior violation of this standard or any closely-related standard;
- iii. SWECI cooperated in a timely manner with SERC Compliance Enforcement Staff during the assessment and agreed to expeditiously resolve this issue via settlement and had already mitigated the documentation deficiency before receiving a Notice of Alleged Violation from SERC.
- iv. SWECI possessed a clear lack of intent to commit or to conceal the alleged violation.

28. Based on the above factors, as well as the actions taken by SWECI described in Paragraph 25 to mitigate the alleged violation and

³ 16 U.S.C. § 824o(e)(6).

documentation deficiencies, SWECI shall pay a monetary penalty of \$3,000 to SERC within twenty days after receipt of the invoice from SERC.

29. Failure to make a timely penalty payment or to comply with any of the terms and conditions agreed to herein, or any other conditions of this Agreement, shall be deemed to be either the same alleged violation that initiated this Agreement and/or additional violation and may subject SWECI to new or additional enforcement, penalty or sanction actions in accordance with the NERC Rules of Procedure.
30. If SWECI does not make the monetary penalty payment above at the times agreed by the parties, interest payable to SERC will begin to accrue pursuant to the Commission's regulations at 18 C.F.R. § 35.19(a)(2)(iii) from the date that payment is due, in addition to the penalty specified above.

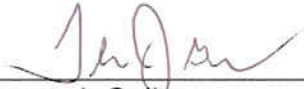
V. ADDITIONAL TERMS

31. The signatories to this Agreement agree that they enter into this Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent or representative of SWECI or SERC has been made to induce the signatories or any other party to enter into this Agreement.
32. SERC shall report the terms of all settlements of compliance matters to NERC. NERC will review the settlement for the purpose of evaluating its consistency with other settlements entered into for similar Violation or under other, similar circumstances. Based on this review, NERC will either approve the settlement or reject the settlement and notify SERC and SWECI of changes to the settlement that would result in approval. If NERC rejects the settlement, NERC will provide specific written reasons for such rejection and SERC will attempt to negotiate a revised settlement agreement with SWECI including any changes to the settlement specified by NERC. If a settlement cannot be reached, the enforcement process shall continue to conclusion. If NERC approves the settlement, NERC will (i) report the approved settlement to the Commission for the Commission's review and approval by order or operation of law and (ii) publicly post the alleged violation and the terms provided for in the settlement.
33. This Agreement shall become effective upon the Commission's approval of the Agreement by order or operation of law as submitted to it or as modified in a manner acceptable to the parties.


34. SWECI agrees that this Agreement, when approved by NERC and the Commission, shall represent a final settlement of all matters set forth herein and SWECI waives its right to further hearings and appeal, unless and only to the extent that SWECI contends that any NERC or Commission action on the Agreement contains one or more material modifications to the Agreement. SERC preserves all rights to initiate enforcement, penalty or sanction actions against SWECI in accordance with the NERC Rules of Procedure in the event that SWECI fails to comply with the mitigation plan and compliance program agreed to in this Agreement. In the event SWECI fails to comply with any of the stipulations, remedies, sanctions or additional terms, as set forth in this Agreement, SERC will initiate enforcement, penalty, or sanction actions against SWECI to the maximum extent allowed by the NERC Rules of Procedure, up to the maximum statutorily allowed penalty. SWECI shall retain all rights to defend against such enforcement actions, also according to the NERC Rules of Procedure.
35. Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to bind such entity and accepts this Agreement on the entity's behalf.
36. The undersigned representative of each party affirms that he or she has read this Agreement, that all of the matters set forth in this Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that this Agreement is entered into by such party in express reliance on those representations, provided; however, that such affirmation by each party's representative shall not apply to the other party's statements of position set forth in Section III of this Agreement.
37. This Agreement may be signed in counterparts.
38. This Agreement is executed in duplicate, each of which so executed shall be deemed to be an original.

***Remainder of page intentionally blank.
Signatures to be affixed to the following page.***

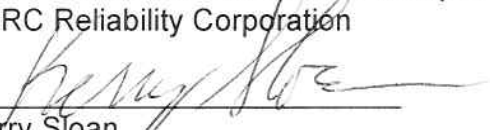
Agreed to and accepted:



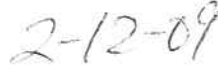
Thomas J. Galloway
Vice President and Director of Compliance
SERC Reliability Corporation



Date



Kerry Sloan
President and CEO
Southwestern Electric Cooperative, Inc



Date

**APPENDIX A
TO
SETTLEMENT AGREEMENT
OF
SERC RELIABILITY CORPORATION
AND
SOUTHWESTERN ELECTRIC COOPERATIVE, INC**

- (1) SWECI's Mitigation Plan
- (2) SWECI's Certification of Mitigation Plan Completion
- (3) SERC Staff Statement Regarding Mitigation Plan Completion



Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 10/01/08

If this Mitigation Plan has already been completed:

- Check this box and
- Provide the Date of Completion of the Mitigation Plan: 7/28/2008

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.

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.

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- This submittal form shall be used to provide a required Mitigation Plan for review and approval by SERC and NERC.
- The Mitigation Plan shall be submitted to SERC 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 SERC 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.
- SERC 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: Southwestern Electric Cooperative, Inc.
Company Address: 525 US Route 40, Greenville, Illinois 62246
NERC Compliance Registry ID [*if known*]: 14046

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

Name: Roger Stegeman
Title: Director Of Safety, Loss Control And Environmental Compliance
Email: roger.stegeman@sweci.com
Phone: (618) 664-5953

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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: CIP-001-01
[Identify by Standard Acronym (e.g. FAC-001-1)]

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

NERC Violation ID # [if known]	SERC Violation ID # [if known]	Requirement Violated (e.g. R3.2)	Violation Date ^(*)
SERCYYYYnnnnn	YYYY-nnn	Rn.n.n	MM/DD/YYYY
08-118	08-118	R4	09/18/2008

(*) Note: The Violation Date shall be: (i) the date that 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 SERC. Questions regarding the date to use should be directed to SERC.

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

The violation was caused by a misinterpretation of the standards. Southwestern Electric owns no bulk electric systems assets.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]

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

Evidence was presented at the audit by Southwestern Electric of a letter received from the Federal Bureau of Investigation establishing communications contacts.
[Provide your response here; additional detailed information may be provided as an attachment as necessary]



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:

Communications have been established with the Federal Bureau of Investigation. FBI letter dated July 28, 2008 to (SWECI) from FBI Special Agent. Also, Suspicious Activity, Sabotage, and Threatening Call Reporting, Page 5, section 2.6 July 28, 2008. Emergency Response Plan Phone Numbers.

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

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:

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)

(* 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.

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[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:

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

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:

(i) The mitigation plan has been completed and there exists no risks or impacts to the Bulk Power System as a result. (ii) Action was taken to mitigate this situation and no increased risk exists.

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

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:

The same reliability standard will not be affected. Our organization is better suited to satisfy similar reliability standards as a result of the audit process and

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mitigation process.

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

- 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:

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

Continued on Next Page

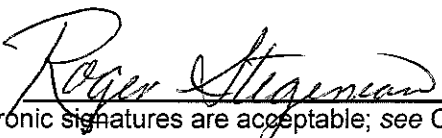


Section F: Authorization

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, to SERC for acceptance by SERC 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 Director of Safety, Loss Control & ENvironmental Compliance of Southwestern Electric Cooperative, Inc..
 2. I am qualified to sign this Mitigation Plan on behalf of Southwestern Electric Cooperative, Inc..
 3. I have read and understand Southwestern Electric Cooperative, Inc. 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 CMEP)).
 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
 5. Southwestern Electric Cooperative, Inc. agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by SERC and approved by NERC.

Authorized Individual Signature


 (Electronic signatures are acceptable; see CMEP)

Name (Print): Roger Stegeman

Title: Director of Safety, Loss Control & Environmental Compliance

Date: 10/1/2008

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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.

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

Submittal Instructions:

Please convert the completed and signed document to a text-searchable Adobe .pdf document using the following naming convention:

[(MP Entity Name (STD-XXX) MM-DD-YY).pdf]

Email the pdf file to serccomply@serc1.org.

Please direct any questions regarding completion of this form to:

Ken Keels
Manager, Compliance Enforcement
SERC Reliability Corporation
704-357-7372
kkeels@serc1.org

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Print on Registered Entity's Corporate Letterhead

To Close Out a Completed Mitigation Plan, fill out this form, save it as a text searchable pdf file or MS Word file, and email it to serccomply@serc1.org. Note that electronic signatures are acceptable.

All Mitigation Plan Completion Certification submittals shall include data or information sufficient for SERC to verify completion of the Mitigation Plan. SERC may request such additional data or information and conduct follow-up assessments, on-site or other Spot Checking, or Compliance Audits as it deems necessary to verify that all required actions in the Mitigation Plan have been completed and the Registered Entity is in compliance with the subject Reliability Standard. (CMEP Section 6.6) Data or information submitted may become part of a public record upon final disposition of the possible violation, therefore any confidential information contained therein should be marked as such in accordance with the provisions of Section 1500 of the NERC Rules of Procedure.

Certification of a Completed Mitigation Plan

SERC Reliability Corporation Violation Mitigation Plan Closure Form

Name of Registered Entity submitting certification: Southwestern Electric Cooperative, Inc.

Date of Certification: 11/14/2008

Name of Standard and the Requirement(s) of mitigated violation(s): CIP-001-01

SERC Tracking Number (contact SERC if not known): 08-118 SERC200800202

NERC Violation ID Number (if assigned):

Date of completion of the Mitigation Plan: 7/28/2008

Summary of all actions described in Part D of the relevant mitigation plan:
Communications have been established with the Federal Bureau of Investigation. FBI Letter Dated July 29, 2008 to (SWECI) from Special Agent. Suspicious Activity, Sabotage, and Threatening Call Reporting, page 5, section 2.6 July 28, 2008.

Description of the information provided to SERC for their evaluation: Evidence presented at the September audit.

I certify that the mitigation plan for the above-named violation has been completed on the date shown above. In doing so, I certify that all required mitigation plan actions described in Part D of the relevant mitigation plan have been completed, compliance has been restored, the above-named entity is currently compliant with all of the

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Print on Registered Entity's Corporate Letterhead

requirements of the referenced standard, and that all information submitted information is complete and correct to the best of my knowledge.

Name: Roger L Stegeman

Title: Director of Safety, Loss Control and Environmental Compliance

Entity: Southwestern Electric Cooperative, Inc.

Email: roger.stegeman@sweci.com

Phone: 618-664-5953

Designated Signature

Roger L. Stegeman

Date *11/14/2008*

[NOTE – Closure Form should be signed by same individual that signed Mitigation Plan]

(Form Revised August 13, 2008)



Statement of SERC Reliability Corporation Compliance Staff Regarding Completion of Mitigation Plan

Registered Entity:	Southwestern Electric Cooperative, Inc (SWECI)
SERC Tracking ID:	08-118
NERC Violation No:	SERC200800202
NERC Mitigation Plan ID:	MIT-07-1255
Standard:	CIP-001-1
Requirement:	R4

Violation Summary:

SWECI's reporting procedures for Sabotage events contained the local sheriff and other law enforcement agencies but not the applicable local FBI official. SWECI could not provide evidence that its procedures contained correct and working contact information for the applicable local FBI officials from June 18, 2007 through July 28, 2008.

Mitigation Plan Summary:

On October 9, 2008 SERC received from SWECI a Mitigation Plan, dated October 1, 2008, documenting corrective action already taken to mitigate the identified violation of CIP-001-1, Requirement 4. The Mitigation Plan submittal documented what had already taken place by way of SWECI's revision of its Suspicious Activity, Sabotage, and Threatening Call Reporting protocol dated July 28, 2008. However the Mitigation Plan received by SERC on October 9, 2008 included an incorrect completion date of June 28, 2008. On November 14, 2008, SWECI submitted to SERC a Certification of a Completed Mitigation Plan certifying that the Mitigation Plan was completed on July 28, 2008. SWECI subsequently submitted a revised Mitigation Plan on December 9, 2008 correcting the completion date listed in the Mitigation Plan to match the completion date as certified by SWECI. The Mitigation Plan was accepted by SERC on December 18, 2008 and approved by NERC on January 12, 2009. The Mitigation Plan is identified as MIT-07-1255 and was submitted as non-public information to FERC on January 12, 2009 in accordance with FERC orders.

SWECI has formally established contact with local FBI and has completed development of its sabotage reporting procedures to conform to the standard's requirement. The Mitigation Plan was completed on July 28, 2008.

SERC's Monitoring of Registered Entity's Mitigation Plan Progress:

SERC Reliability Corporation Compliance Staff ("SERC Staff") monitors the Registered Entity's progress towards completion of its Mitigation Plans in accordance with Section 6.0 of the uniform Compliance Monitoring and Enforcement Program, ("CMEP"). Pursuant to the CMEP, Registered Entities are required to establish implementation milestones no more than three (3) months apart. SERC Staff solicits quarterly reports from all Registered Entities with open mitigation plans to monitor the progress on completion of milestones. SERC Staff also produces and reviews daily Mitigation Plan status reports highlighting Mitigation Plans that are nearing the scheduled completion date. If the Registered Entity fails to complete its Mitigation



Plan according to schedule, appropriate additional enforcement action is initiated to assure compliance is attained.

In this case, SWECI submitted the Mitigation Plan as complete and no additional monitoring of progress was necessary.

Mitigation Plan Completion Review Process:

SWECI certified on November 14, 2008 that the subject Mitigation Plan was completed on July 28, 2008. A SERC compliance staff member reviewed the evidence submitted in a manner similar to a compliance audit. That action was followed by another compliance staff member's peer review of the initial conclusion.

Evidence Reviewed:

SWECI submitted and SERC Staff reviewed the following evidence in support of its certification that its Mitigation Plan was completed in accordance with its terms:

Letter dated July 28, 2008 to (SWECI) from an FBI Special Agent

The letter provides evidence that communications had been established with the local Federal Bureau of Investigation.

SWECI's Suspicious Activity, Sabotage, and Threatening Call Reporting Protocol, Page 5, section 2.6 dated July 28, 2008

Contains SWECI's Emergency Response Plan Phone Numbers, providing evidence of a working phone number for communicating possible sabotage events.

SERC's audit team had also confirmed during the onsite compliance audit of September 18, 2008 that SWECI's July 28, 2008 sabotage reporting procedure complied with the requirements of Reliability Standard CIP-001-1, Requirement 4.

Conclusion:

On December 31, 2008, SERC Reliability Corporation Compliance Staff ("SERC Staff") completed its review of the evidence submitted by SWECI in support of its Certification of Completion of the subject Mitigation Plan. Based on its review of the evidence submitted, SERC Staff verifies that, in its professional judgment, all required actions in the Mitigation Plan have been completed and SWECI is in compliance with the subject Reliability Standard Requirements.

This Statement, along with the subject Mitigation Plan, may become part of a public record upon final disposition of the possible violation.

Respectfully Submitted,

Mickey Bellard
Mike Vastano

Attachment c

Notice of Filing

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Southwestern Electric Cooperative, Inc.

Docket No. NP10-____-000

NOTICE OF FILING
December 30, 2009

Take notice that on December 30, 2009, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Southwestern Electric Cooperative, Inc. in the SERC Reliability Corporation 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