



NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

July 6, 2010

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

**Re: NERC Notice of Penalty regarding Hermiston Generating Co., L.P.  
FERC Docket No. NP10-\_-000**

Dear Secretary Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty<sup>1</sup> regarding Hermiston Generating Co., L.P. (HERM), NERC Registry ID# NCR05181,<sup>2</sup> 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)).<sup>3</sup>

On July 17, 2009, HERM self-certified violations<sup>4</sup> of PRC-005-1 Requirement (R) 1 and R2 to Western Electricity Coordinating Council (WECC) because (1) HERM did not have documentation of testing summaries, intervals, and the basis for the testing intervals for some relays, DC circuitry and Current and Potential Transformers (CTs and PTs); and (2) HERM did not have evidence that intervals were followed and did not have the last test dates for its DC circuitry, CTs and PTs.

On July 20, 2009, HERM also self-certified a violation of CIP-001-1 R1 to WECC because its sabotage reporting plan did not fully address the procedures necessary for the recognition of

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<sup>1</sup> *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 (2010). *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). *See* 18 C.F.R. § 39.7(c)(2).

<sup>2</sup> Western Electricity Coordinating Council confirmed that HERM was included on the NERC Compliance Registry as a Generator Operator and Generator Owner on June 17, 2007. As a Generator Operator, HERM is subject to the requirements of NERC Reliability Standards VAR-002-1 and CIP-001-1 and, as a Generator Owner, HERM is subject to the requirements of NERC Reliability Standard PRC-005-1.

<sup>3</sup> *See* 18 C.F.R. § 39.7(c)(2).

<sup>4</sup> For purposes of this document, the violations at issue are described as "violations," regardless of their procedural posture and whether they were possible, alleged or confirmed violations.

sabotage events and because its emergency plan did not fully describe sabotage events or provide procedures for making plant personnel aware of sabotage events.<sup>5</sup>

On July 31, 2009, HERM self-reported violations of VAR-002-1 R1 and R3 to WECC because HERM failed to (1) notify its Transmission Operator that its Automatic Voltage Regulation (AVR) had been switched to manual mode; and (2) notify its Transmission Operator within 30 minutes of a status change on reactive power resource.

This Notice of Penalty is being filed with the Commission because HERM does not dispute the violations of PRC-005-1 R1 and R2, VAR-002-1 R1 and R3, and CIP-001-1 R1 and the proposed fifty nine thousand five hundred dollar (\$59,500) penalty to be assessed to HERM. Accordingly, the violations identified as NERC Violation Tracking Identification Numbers WECC200901517, WECC200901518, WECC200901630, WECC200901631 and WECC200901740 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 (NOCV) issued on January 6, 2010, by WECC. 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 (BOTCC). In accordance with Section 39.7 of the Commission's Regulations, 18 C.F.R. § 39.7, NERC provides the following summary table identifying the Reliability Standard at issue in this Notice of Penalty.

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Total Penalty (\$)
WECC	Hermiston Generating Co., L.P.	NOC-458	WECC200901517	PRC-005-1	1	High <sup>6</sup>	59,500
			WECC200901518	PRC-005-1	2	High <sup>7</sup>	

<sup>5</sup> Upon review, WECC noted in both the Notice of Alleged Violation and Proposed Penalty and Sanction and the Notice of Confirmed Violation its determination that HERM maintained compliance with CIP-001-1 Requirements 2, 3, and 4.

<sup>6</sup> When NERC filed VRFs for PRC-005-1, NERC originally assigned a "Medium" VRF to PRC-005-1 R1. In the Commission's May 18, 2007 Order on Violation Risk Factors, the Commission approved the VRF as filed but directed modifications. On June 1, 2007, NERC filed a modified "High" VRF for PRC-005 R1 for approval. On August 6, 2007, the Commission issued an Order approving the modified VRF. Therefore, the "Medium" VRF was in effect from June 18, 2007 until August 9, 2007 and the "High" VRF has been in effect since August 9, 2007.

<sup>7</sup> PRC-005-1 R2 has a "Lower" VRF; R2.1 and R2.2 each have a "High" VRF. During a final review of the standards subsequent to the March 23, 2007 filing of the Version 1 VRFs, NERC identified that some standards requirements were missing VRFs; one of these include PRC-005-1 R2.1. On May 4, 2007, NERC assigned PRC-005 R2.1 a "High" VRF. In the Commission's June 26, 2007 Order on Violation Risk Factors, the Commission approved the PRC-005-1 R2.1 "High" VRF as filed. Therefore, the "High" VRF was in effect from June 26, 2007. WECC determined that the "High" VRF was more applicable.

			WECC200901630	VAR-002-1 <sup>8</sup>	1	Medium	
			WECC200901631	VAR-002-1 <sup>9</sup>	3	Medium	
			WECC200901740	CIP-001-1	1	Medium	

#### PRC-005-1

The purpose of Reliability Standard PRC-005-1 is to ensure all transmission and generation Protection Systems<sup>10</sup> affecting the reliability of the bulk power system (BPS) are maintained and tested.

PRC-005-1 R1 requires that:

Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall have a Protection System maintenance and testing program for Protection Systems that affect the reliability of the BPS. The program shall include:

R1.1. Maintenance and testing intervals and their basis.

R1.2. Summary of maintenance and testing procedures.

PRC-005-1 R1 has a “High” Violation Risk Factor (VRF). The violation applies to HERM’s Generator Owner function.

PRC-005-1 R2 requires that:

Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Entity on request (within 30 calendar days). The documentation of the program implementation shall include:

R2.1. Evidence Protection System devices were maintained and tested within the defined intervals.

R2.2. Date each Protection System device was last tested/maintained.

PRC-005-1 R2 has a “Lower” VRF and its sub-requirements have a “High” VRF. The violation of PRC-005-1 R2 applies to HERM’s Generator Owner function.

<sup>8</sup> VAR-002-1 was enforceable from June 18, 2007 through August 27, 2008. VAR-002-1a was approved by the Commission and became enforceable on August 28, 2008. VAR-002-1.1a is the current enforceable Standard as of May 13, 2009. The subsequent interpretations provide clarity regarding the responsibilities of a registered entity and do not change the meaning or language of the original NERC Reliability Standard and its requirements. For consistency in this filing, the original NERC Reliability Standard, VAR-002-1, is used throughout.

<sup>9</sup> *Id.*

<sup>10</sup> *The NERC Glossary of Terms Used in Reliability Standards* defines Protection System as “Protective relays, associated communication systems, voltage and current sensing devices, station batteries and DC control circuitry.”

On July 17, 2009, HERM self-certified a violation of PRC-005-1 R1 because it did not have formal documentation of testing summaries, intervals, and the basis for the testing intervals for more than 75% of its DC circuitry, CTs and PTs.

WECC reviewed HERM's Self-Certification along with the findings of WECC's Subject Matter Expert (WECC SME) and determined that HERM had a violation of PRC-005-1 R1 because it (1) did not have a documented maintenance and testing program for its Protection System; (2) did not have a summary of its maintenance and testing procedures; and (3) could not provide the basis for its maintenance and testing intervals for some relays, DC circuitry, CTs and PTs.

WECC determined the duration of the violation to be from June 18, 2007, the date the Standard became enforceable, through August 27, 2009, when HERM completed the portion of its Mitigation Plan applicable to its violation of PRC-005-1 R1.

WECC determined that the violation of PRC-005-1 R1 did not pose a serious or substantial risk to the BPS because, although HERM did not have a documented maintenance and testing program that covered all of the required elements, especially the DC circuitry, CTs and PTs, HERM had been regularly conducting maintenance and testing.

With regard to PRC-005-1 R2, HERM self-certified on July 17, 2009, a violation of PRC-005-1 R2.1 because it did not have evidence, since intervals were not documented, that intervals were followed nor did it have evidence of the last test dates for DC circuitry, CTs and PTs and HERM was also unable to provide the date it last maintained or tested its protective devices.

WECC reviewed HERM's Self-Certification along with the findings of WECC SMEs and determined that HERM had a violation of PRC-005-1 R2 because it (1) did not have documentation that it implemented a maintenance and testing program for its Protection System; (2) did not have evidence it maintained and tested its protective devices within defined intervals; and (3) could not provide the date it last conducted maintenance and testing on approximately 75% of its protective devices, specifically some relays, DC circuitry, CTs and PTs..

WECC determined the violation started on June 18, 2007, the date the Standard became enforceable, and is scheduled to be mitigated by October 31, 2010.

WECC determined that the violation of PRC-005-1 R2 did not pose a serious or substantial risk to the BPS because, although HERM was not conducting maintenance and testing in accordance with the subject Standard, HERM had been conducting maintenance and testing of its relays and visual inspections of the CTs and PTs during the regularly scheduled outages.

#### VAR-002-1

The purpose of Reliability Standard VAR-002-1 is to ensure generators provide reactive and voltage control necessary to ensure voltage levels, reactive flows and reactive resources are maintained within applicable Facility Ratings to protect equipment and the reliable operation of the Interconnection.

VAR-002-1 R1 requires that “The Generator Operator shall operate each generator connected to the interconnected transmission system in the automatic voltage control mode (automatic voltage regulator in service and controlling voltage) unless the Generator Operator has notified the Transmission Operator.”

VAR-002-1 R1 has a “Medium” VRF. The violation of VAR-002-1 R1 applies to HERM’s Generator Operator function.

VAR-002-1 R3 requires that:

Each Generator Operator shall notify its associated Transmission Operator as soon as practical, but within 30 minutes of any of the following:

R3.1. A status or capability change on any generator Reactive Power resource, including the status of each automatic voltage regulator and power system stabilizer and the expected duration of the change in status or capability.

R3.2. A status or capability change on any other Reactive Power resources under the Generator Operator’s control and the expected duration of the change in status or capability.

VAR-002-1 R3 has a “Medium” VRF. The violation of VAR-002-1 R3 applies to HERM’s Generator Operator function.

On July 31, 2009, HERM self-reported a violation of VAR-002-1 R1 for failure to notify its Transmission Operator of HERM’s Unit 1 switch from AVR to manual mode. On July 4, 2009 at 18:09, HERM’s Control Room received an alarm that the AVR on Unit 1 Steam Turbine had switched to the manual mode. The Lead Operator and Maintenance Technician (Lead O&M Tech) responded to the alarm and investigated the situation. The Lead O&M Tech determined that the cause of the alarm was the failure of the air conditioning units in the enclosure where the voltage regulating equipment is located. The operator took measures to correct the situation (*i.e.* opening doors and resetting air conditioning units). At 21:29 of the same evening, the AVR was returned to automatic mode. During the time the AVR was in manual, the Lead O&M Tech kept the megavolt-ampere reactive (MVAR) output of the machine at approximately 9-10 MVAR to meet the Bonneville Power Administration (BPA) voltage schedule. WECC noted that the voltage schedule was not affected during the time the AVR was in manual mode, but HERM did not notify its Transmission Operator that the AVR switched to manual mode.

WECC reviewed HERM’s Self-Report along with the findings of the WECC SME and determined that HERM had a violation of VAR-002-1 R1 because it did not notify its Transmission Operator that it was operating its AVR in manual voltage control mode.

WECC determined the duration of the violation to be from July 4, 2009, the date HERM controlled its voltage manually without notifying its Transmission Operator, through August 22, 2009, when HERM completed its Mitigation Plan.

WECC determined that the violation of VAR-002-1 R1 did not pose a serious or substantial risk to the BPS because the violation was limited to one of HERM's four generating units and did not impact the voltage schedule, due to the actions of the operator.

With regard to VAR-002-1 R3, HERM self-reported on July 31, 2009 a violation of VAR-002-1 R3 because on July 4, 2009, the AVR on HERM's Unit 1 switched to manual mode and HERM did not notify its Transmission Operator within 30 minutes of the change in the status of its AVR. Details of the event and the HERM operator's actions are noted above in the discussion of the violation of VAR-002-1 R1.

WECC reviewed HERM's Self-Report along with the findings of the WECC SME and determined that HERM had a violation of VAR-002-1 R3 because it failed to notify its Transmission Operator, within 30 minutes, after the status of its AVR had changed.

WECC determined the duration of the violation to be from July 4, 2009, the date HERM failed to notify its Transmission Operator of a status change to its AVR, through August 22, 2009, when HERM completed its Mitigation Plan.

WECC determined that the violation of VAR-002-1 R3 did not pose a serious or substantial risk to the BPS because the violation was limited to one of HERM's four generating units and, due to the proactive actions of the Operator, it did not impact the voltage schedule.

#### CIP-001-1

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

CIP-001-1 R1 requires that

“Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall have procedures for the recognition of and for making their operating personnel aware of sabotage events on its facilities and multi-site sabotage affecting larger portions of the Interconnection.”

CIP-001-1 R1 has a “Medium” VRF. The violation of CIP-001-1 R1 applies to HERM's Generator Operator function.

On July 20, 2009, HERM self-certified a violation of CIP-001-1 R1 because although operators and management were fully aware of potential and actual sabotage events that could occur, its sabotage reporting plan did not fully address the procedures necessary for the recognition of sabotage events nor did it address the necessary procedures for making its operating personnel aware of sabotage events.

WECC reviewed HERM's Self-Certification along with the findings of the WECC SME and determined that HERM had a violation of CIP-001-1 R1 because its procedure for the recognition of and making its operating personnel aware of sabotage events was incomplete.



HERM's procedure did not include specific provisions for making its operating personnel aware of sabotage events on its facilities and it did not have an explicit procedure for the recognition of sabotage events.

WECC determined the duration of the violation to be from June 18, 2007, the date the Standard became enforceable, through August 17, 2009, when HERM completed its Mitigation Plan.

WECC determined that the violation of CIP-001-1 R1 did not pose a serious or substantial risk to the BPS because, although HERM's procedure was not sufficient to meet the subject Standard, HERM's operating personnel were trained on the recognition of sabotage events.

#### Regional Entity's Basis for Penalty

WECC assessed an aggregate penalty of fifty nine thousand five hundred dollars (\$59,500) for the referenced violations. In reaching this determination, WECC considered the following mitigating factors: (1) these violations were HERM's first assessed non-compliance with the applicable Standards; (2) HERM was cooperative throughout the compliance enforcement process; (3) there was no evidence of any attempt to conceal a violation nor evidence of intent to do so; (4) the applicable Violation Risk Factors and Violation Severity Levels, (5) the durations of each violation, (5) there were no aggravating factors warranting a penalty higher than the assessed penalty, and (6) WECC determined that the violations did not pose a serious or substantial risk to the reliability of the BPS.

After consideration of the above factors, WECC determined that, in this instance, the penalty amount of fifty nine thousand five hundred dollars (\$59,500) is appropriate and bears a reasonable relation to the seriousness and duration of the subject violations.

#### **Status of Mitigation Plans<sup>11</sup>**

##### PRC-005-1

HERM's Mitigation Plan<sup>12</sup> to address its violations of PRC-005-1 R1 and R2 was submitted to WECC on July 11, 2009 with a proposed completion date of August 31, 2009. The Mitigation Plan was accepted by WECC on August 14, 2009 and approved by NERC on August 19, 2009. The Mitigation Plan for this violation is designated as MIT-07-1898 and was submitted as non-public information to FERC on August 19, 2009 in accordance with FERC orders.

HERM's Mitigation Plan required HERM to formalize its maintenance and testing procedure.

HERM certified August 28, 2009 that its Mitigation Plan was completed on August 27, 2009. As evidence of completion of, HERM submitted *Maintenance Procedure 8-PR-1: Relay Maintenance and Testing* which was dated August 27, 2009.

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<sup>11</sup> See 18 C.F.R. § 39.7(d)(7).

<sup>12</sup> The Mitigation Plan incorrectly states that the violation was discovered on July 6, 2009 and that the method of detection for the violations was by self-report.

On October 29, 2009, after reviewing HERM's submitted evidence and conducting interviews with HERM's staff, WECC determined that, although HERM mitigated the PRC-005-1 R1 violation by August 27, 2009, HERM was still not in full compliance with PRC-005-1 R2 because HERM was not able to verify the dates on which it last tested its CTs and PTs. WECC notified HERM in a letter dated November 9, 2009 that HERM was in compliance with PRC-005-1 R1 and it was not in full compliance with PRC-005-1 R2.

HERM's revised Mitigation Plan to address its violation of PRC-005-1 R2 was submitted to WECC on November 17, 2009 with a proposed completion date of October 27, 2010. The revised Mitigation Plan was accepted by WECC on December 14, 2009, approved by NERC on December 28, 2009 and submitted as non-public information to FERC on December 28, 2009 in accordance with FERC orders.

The revised Mitigation Plan requires HERM to schedule and conduct functional testing of its CTs/PTs. The Mitigation Plan remains open with a scheduled completion date October 27, 2010 as the testing can only be performed while the units are offline. HERM has unit outages scheduled for May 2010 and October 2010; testing will be conducted at those times.

#### VAR-002-1

HERM's Mitigation Plan to address its violations of VAR-002-1 R1 and R3 was submitted to WECC on July 24, 2009<sup>13</sup> with a proposed completion date of August 31, 2009. The Mitigation Plan was accepted by WECC on December 3, 2009 and approved by NERC on December 8, 2009. The Mitigation Plan for this violation is designated as MIT-09-2163 and was submitted as non-public information to FERC on December 8, 2009 in accordance with FERC orders.

HERM's Mitigation Plan required HERM to:

1. restore the AVR to service which was done after approximately five hours and 20 minutes;
2. notify the operations crews of the need to notify the Transmission Operator; and
3. conduct additional Operator Awareness Training on the proper reporting/notification protocol in the event that AVR is lost.

HERM certified on August 31, 2009 that its Mitigation Plan was completed on August 22, 2009. As evidence of completion, HERM submitted the following:

- a training agenda titled *Hermiston Generating Plant – Bonneville Power Communication Protocol* dated August 19, 2009; and
- e-mails regarding refresher training for HERM's personnel.

On December 3, 2009, after WECC's review of HERM's submitted evidence, WECC verified that HERM's Mitigation Plan MIT-09-2163 was completed on August 22, 2009 and that HERM

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<sup>13</sup> The Mitigation Plan was signed on July 30, 2009.



was in compliance with VAR-002-1 R1 and R3 and notified HERM in a letter dated December 11, 2009 that HERM was in compliance.

#### CIP-001-1

HERM's Mitigation Plan to address its violation of CIP-001-1 R1 was submitted to WECC on July 11, 2009 with a proposed completion date of August 31, 2009. The Mitigation Plan was accepted by WECC on November 25, 2009 and approved by NERC on December 15, 2009. The Mitigation Plan for this violation is designated as MIT-07-2166 and was submitted as non-public information to FERC on December 15, 2009 in accordance with FERC orders.

HERM's Mitigation Plan required HERM to revise its Emergency Response Plan to include specific procedures for the recognition of sabotage events as well as procedures for the communication to the Reliability Coordinator, Balancing Authority and Transmission Operators regarding the sabotage events that could affect the interconnection.

HERM certified on August 28, 2009 that its Mitigation Plan was completed on August 17, 2009. As evidence of completion, HERM submitted a document titled *Recognition, Response and Reporting of Sabotage Events* dated August 17, 2009 which contained procedures for the recognition of sabotage events as well as procedures for making its operating personnel aware of sabotage events.

On November 25, 2009, after reviewing HERM's submitted evidence, WECC verified that HERM's Mitigation Plan was completed on August 17, 2009 and notified HERM in a letter dated December 4, 2009 that the Mitigation Plan for CIP-001-1 R1 had been completed..

### **Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed<sup>14</sup>**

#### **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 and October 26, 2009 Guidance Orders,<sup>15</sup> the NERC BOTCC reviewed the NOCV and supporting documentation on May 14, 2010. The NERC BOTCC approved the assessment of a fifty nine thousand five hundred dollar (\$59,500) financial penalty against HERM based upon WECC'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, the NERC BOTCC considered the following factors:

- (1) These violations were HERM's first assessed non-compliance with the applicable Standards;

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<sup>14</sup> See 18 C.F.R. § 39.7(d)(4).

<sup>15</sup> *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008); *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 129 FERC ¶ 61,069 (2009)."

- (2) WECC reported HERM was cooperative throughout the compliance enforcement process;
- (3) there was no evidence of any attempt to conceal a violation nor evidence of intent to do so; and
- (4) WECC determined that the violations did not pose a serious or substantial risk to the BPS, as discussed above.

For the foregoing reasons, the NERC BOTCC believes that the proposed penalty of fifty nine thousand five hundred dollars (\$59,500) is appropriate for the violations and circumstances in question, and is consistent with NERC's goal to promote and ensure reliability of the BPS.

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 this Notice of Penalty**

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

- a) Record documents for the violations of PRC-005-1 R1 and R2, included as Attachment a:
  - 1. HERM's Self-Certification for PRC-005-1 R1 and R2 dated July 17, 2009;
  - 2. HERM's Mitigation Plan designated as MIT-07-1898 for PRC-005-1 R1 and R2 submitted July 11, 2009;
  - 3. HERM's Certification of Completion of the Mitigation Plan for PRC-005-1 R1 dated August 28, 2009;
  - 4. WECC's Verification of Completion of the Mitigation Plan for PRC-005-1 R1 dated November 11, 2009; and
  - 5. HERM's Revised Mitigation Plan designated as MIT-07-1898 revised for PRC-005-1 R2 submitted November 17, 2009.
- b) Record documents for the violations of VAR-002-1 R1 and R3, included as Attachment b:
  - 1. HERM's Self-Report for VAR-002-1 R1 and R3 dated July 31, 2009;
  - 2. HERM's Mitigation Plan designated as MIT-09-2163 for VAR-002-1 R1 and R3 submitted July 24, 2009;
  - 3. HERM's Certification of Completion of the Mitigation Plan for VAR-002-1 R1 and R3 dated August 31, 2009; and
  - 4. WECC's Verification of Completion of the Mitigation Plan for VAR-002-1 R1 and R3 dated December 11, 2009.
- c) Record documents for the violations of CIP-001-1 R1, included as Attachment c:
  - 1. HERM's Self-Certification for CIP-001-1 R1 dated July 20, 2009;
  - 2. HERM's Mitigation Plan designated as MIT-07-2166 for CIP-001-1 R1 submitted July 11, 2009;
  - 3. HERM's Certification of Completion of the Mitigation Plan for CIP-001-1 R1 dated August 28, 2009; and
  - 4. WECC's Verification of Completion of the Mitigation Plan for CIP-001-1 R1 dated December 4, 2009.

**A Form of Notice Suitable for Publication<sup>16</sup>**

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

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<sup>16</sup> 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:

<p>Gerald W. Cauley* 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 gerry.cauley@nerc.net david.cook@nerc.net</p> <p>Bradley Knight* Engineering Manager Hermiston Generating Co., L.P. 78145 Westland Road Hermiston, OR 97838 (541) 564-8319 (541) 564-8333 – facsimile bradley.knight@perennialpower.net</p> <p>Christopher Luras* Manager of Compliance Enforcement Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6887 (801) 883-6894 – facsimile CLuras@wecc.biz</p> <p>*Persons to be included on the Commission's service list are indicated with an asterisk. NERC requests waiver of the Commission's rules and regulations to permit the inclusion of more than two people on the service list.</p>	<p>Rebecca J. Michael* Assistant General Counsel Holly A. Hawkins* Attorney V. Davis Smith* Attorney (admitted in IN; application pending in NJ; not admitted in D.C.) North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, DC 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net holly.hawkins@nerc.net davis.smith@nerc.net</p> <p>Louise McCarren* Chief Executive Officer Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6868 (801) 582-3918 – facsimile Louise@wecc.biz</p> <p>Steven Goodwill* General Counsel Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6857 (801) 883-6894 – facsimile SGoodwill@wecc.biz</p> <p>Constance White* Vice President of Compliance Western Electricity Coordinating Council 155 North 400 West, Suite 200 Salt Lake City, UT 84103 (801) 883-6885 (801) 883-6894 – facsimile CWhite@wecc.biz</p>
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## Conclusion

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

Respectfully submitted,

/s/ Rebecca J. Michael

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pending in NJ; not admitted in D.C.)  
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cc: Hermiston Generating Co. L.P.  
Western Electricity Coordinating Council

Attachments

## **Attachment a**

### **Record documents for the violations of PRC-005-1 R1 and R2**

- 1. HERM's Self-Certification for PRC-005-1 R1 and R2 dated July 17, 2009;**
- 2. HERM's Mitigation Plan designated as MIT-07-1898 for PRC-005-1 R1 and R2 submitted July 11, 2009;**
- 3. HERM's Certification of Completion of the Mitigation Plan for PRC-005-1 R1 dated August 28, 2009;**
- 4. WECC's Verification of Completion of the Mitigation Plan for PRC-005-1 R1 dated November 11, 2009; and**
- 5. HERM's Revised Mitigation Plan designated as MIT-07-1898 revised for PRC-005-1 R2 submitted November 17, 2009.**



Logged in as:  
Cathy Hastings

Log Out

System Administration

Compliance

All Forms

Event Forms

Self-Certification Forms

Submittal Forms

BAL Forms

CIP Forms

COM Forms

FAC Forms

IRO Forms

PRC Forms

TOP Forms

VAR Forms

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Certification Statements

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File Upload

### PRC-005-1 Self Certification - Transmission and Generation Protection System Maintenance and Testing - July 1, 2008 - June 30, 2009

Save Item | Delete Item | Cancel Changes | Save PDF | Return To Search Results

New Mitigation Plan | Attachments (0)

This form was marked as ready to be added to a certification statement on 7/17/2009.

\* Required Fields

Status: Saved

#### Technical Contact

\* Cathy Hastings (catherine.hastings@perennialpow) Find | Clear | New Contact

WECC will disclose this information to NERC and other third parties, only as required, and in accordance with established procedures pursuant to section 1500 of the NERC rules of procedure.

#### Applicable Function(s): GO

As an authorized representative of **Hermiston Generating LLC**, I certify the following:

C NC N/A **R1.** Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall have a Protection System maintenance and testing program for Protection Systems that affect the reliability of the BES. The program shall include:

**R1.1.** Maintenance and testing intervals and their basis.

**R1.2.** Summary of maintenance and testing procedures.

Violation was previously self-reported or identified by Hermiston Generating LLC

Yes No

Date of Violation

4/17/2009

Additional Comments (Violation)

HGP believes that this is a documentation issue. With the development of the formal HGP Protection System Maintenance and Testing Program, HGP has not changed any of its schedules or methods in regards to relay maintenance and testing.

Violation Severity Level (Levels of Non-Compliance)

VSL - Lower

Provide a detailed explanation of non-compliance

Hermiston Generating Plant (HGP), is a generating facility that is connected by a radial to the BPA 230 KV system through one 230 KV line. Since the facility was commissioned, HGP has always contracted for relay maintenance and related engineering services with a qualified relay maintenance company (contract service provider). HGP contracts to have relay maintenance and testing completed during unit outages that are scheduled on a three-year basis. The contract service provider recommends

maintenance and testing procedures based on their professional judgment and operations and maintenance (O&M) engineering expertise. HGP reviewed and approved the service provider recommended program. Maintenance and testing (M&T) services provided by the service provider accomplished many, if not all, of the M&T procedures required in the reliability standard.

In March, 2009, HGP put into place a comprehensive Protection System Maintenance and Testing Program. The new program details HGP's relay maintenance and testing procedures. HGP intends to use this program in the future when issuing RFPs for relay maintenance and testing.

#### Possible Alleged Violations - Requirement 1

Prior to the formal implementation of the HGP Protection System Maintenance and Testing Program in March 2009, HGP did not have formal documentation of testing summaries, intervals, and the basis for the testing intervals for some relays, DC circuitry and CTs/PTs.

(Note: formal documentation does exist in the form of unit outage schedules and proposals, contracts and test results, exchanged between HGP and the contract service provider, showing that the testing was done on a three-year cycle).

HGP would like to again point out that while not having a formal Protection System Maintenance and Testing Program, HGP maintenance practices ensured that testing of all HGP relays was always completed on a three-year cycle which corresponded with scheduled unit outages. HGP depended on the professional judgement of the contract service provider to ensure that adequate and timely testing was done on all relays and associated equipment. In the development of the HGP Protection System Maintenance and Testing Program, HGP has determined that the maintenance and testing that was performed on a three-year basis, was in line with manufacturer recommendations or industry standards.

#### Reliability Impact to the Bulk Power System

Minimal

#### Describe the Reliability Impact of this Non-Compliance

As explained above, HGP has always done relay maintenance and testing on a three-year cycle using a qualified relay maintenance and testing company. The three-year cycle is in line with manufacture recommendations or industry standards. HGP believes that this violation has a minimal impact to reliability.

C NC N/A **R2.** Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include:

- R2.1.** Evidence Protection System devices were maintained and tested within the defined intervals.
- R2.2.** Date each Protection System device was last tested/maintained.

Violation was previously self-reported or identified by Hermiston Generating LLC

Yes No

#### Violation Severity Level (Levels of Non-Compliance)

VSL - Lower

Provide a detailed explanation of non-compliance

Possible Alleged Violations - Requirement 2

R2.1 – Since HGP did not have defined intervals for some relays, DC circuitry and CTs / PTs, it can not have evidence that intervals were followed.

R2.2 – HGP does not have last test dates for DC circuitry and CTs / PTs.

HGP would like to point out the following:

- HGP maintenance records confirm that relays were tested on a three-year cycle.
- DC circuitry was tested through a combination of functional tests performed after each relay test and operation of circuit breakers during relay operations and normal plant operations.
- CTs / PTs were inspected during unit outages when compartments and cubicles were opened and cleaned.

Reliability Impact to the Bulk Power System

Minimal

Describe the Reliability Impact of this Non-Compliance

As explained above, HGP has always done relay maintenance and testing on a three-year cycle using a qualified relay maintenance and testing company. The three-year cycle is in line with manufacture recommendations or industry standards. HGP believes that this violation has a minimal impact to reliability.

Summary of Self Certification Submittal [Auto Populated from responses]:

Hermiston Generating LLC is Non-Compliant with NERC Reliability Standard PRC-005-1 Requirement(s): R1,R2

[Return to top](#)

**b** Ready to Create Certification Statement



Save Item



Delete Item

Cancel Changes



Save PDF

Return To Search Results



## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: July 11, 2009

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

### **Section A: Compliance Notices & Mitigation Plan Requirements**

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

### **Section B: Registered Entity Information**

- B.1 Identify your organization:

Registered Entity Name: Hermiston Generating LLC  
Registered Entity Address: 78145 Westland Road, Hermiston, OR  
97838  
NERC Compliance Registry ID: NCR05181

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.<sup>1</sup>

Name: Catherine Hastings  
Title: Environmental Health And Safety Manager  
Email: catherine.hastings@perennialpower.net

<sup>1</sup> A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.



### **Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan**

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: PRC-005-1  
*[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]	WECC Violation ID # [if known ]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date <sup>(*)</sup> (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1		7/6/2009	Self-Report
		R2		7/6/2009	Self-Report

(\*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

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

Note: the following violation description is taken from the corresponding Self-Report form. Please refer to the Self-Report form for full details.

Hermiston Generating Plant (HGP), is a generating facility that is connected by a radial line to the BPA 230 KV system through one 230 KV line. Since the facility was commissioned, HGP has always contracted for relay maintenance and related engineering services with a qualified relay maintenance company (contract service provider). HGP contracts to have relay maintenance and testing completed during unit outages that are scheduled on a three-year basis. The contract service

provider recommends maintenance and testing procedures based on their professional judgment and operations and maintenance (O&M) engineering expertise. HGP reviewed and approved the service provider recommended program. Maintenance and testing (M&T) services provided by the service provider accomplished many, if not all, of the M&T procedures required in the reliability standard.

In March 2009, HGP put into place a comprehensive Protection System Maintenance and Testing Program. The new program details HGP's relay maintenance and testing procedures. HGP intends to use this program in the future when issuing RFPs for relay maintenance and testing.

#### Possible Alleged Violations - Requirement 1

Prior to the formal implementation of the HGP Protection System Maintenance and Testing Program, in March 2009, HGP did not have formal documentation of testing summaries, intervals, and the basis for the testing intervals, for some relays, DC circuitry and CTs/PTs.

(Note: formal documentation does exist in the form of unit outage schedules and proposals, contracts and test results, exchanges between HGP and the contract service provider, showing that the testing was done on a three-year cycle).

HGP would like to again point out that while not having a formal Protection System Maintenance and Testing Program, HGP maintenance practices ensured that testing of all HGP relays was always completed on a three-year cycle which corresponded with scheduled unit outages. HGP depended on the professional judgement of the contract service provider to ensure that adequate and timely testing was done on all relays and associated equipment. In the development of the HGP Protection System Maintenance and Testing Program, HGP has determined that the maintenance and testing that was performed on a three-year basis, in line with manufacturer recommendations or industry standards.

#### Possible Alleged Violations - Requirement 2

R2.1 – Since HGP did not have defined intervals for some relays, DC circuitry and CTs / PTs, it can not have evidence that intervals were followed.



R2.2 – HGP does not have last test dates for DC circuitry and CTs / PTs.

HGP would like to point out the following:

- HGP maintenance records confirm that relays were tested on a three-year cycle.
- DC circuitry was tested through a combination of functional tests performed after each relay test and operation of circuit breakers during relay operations and normal plant operations.
- CTs / PTs were inspected during unit outages when compartments and cubicles were opened and cleaned.

[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 alleged or confirmed violations associated with this Mitigation Plan:

As explained above, HGP has always done relay maintenance and testing on a three-year cycle using a qualified relay maintenance and testing company. The three-year cycle is in line with manufacturer recommendations or industry standards.

HGP believes that this is a documentation issue. With the development of the formal HGP Protection System Maintenance and Testing Program, HGP has not changed any of its schedules or methods in regards to relay maintenance and testing.

[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:



Western Electricity Coordinating Council



HGP is drafting a formal Protection System Maintenance and Testing Program based on past maintenance and testing practices and schedules.

[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 alleged or confirmed violations associated with this Mitigation Plan corrected: The first draft of the Protection System Maintenance and Testing Program was completed in March of 2009. The program is currently in final review and is anticipated to be finalized by August 31, 2009.

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

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Procedure finalized.	August 31, 2009

(\*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

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

#### **Additional Relevant Information (Optional)**



*Western Electricity Coordinating Council*



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:

The formal documentation of the program is basically complete and in effect. Final reviews are being conducted by subject matter experts. HGP has indicated a completion date of August 31, 2009. It is likely that the final document will be completed before that date.  
[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, 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 known, reasonably suspected 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:

There is no additional risk to the Bulk Power System. HGP has not changed any of its relay maintenance and testing practices or schedules. HGP has developed a formal procedure of practices that were previously only outlined in contract service provider detailed scope of work documents.

[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 will incur further violations of the same or similar reliability standards requirements in the future:

With the finalization of the HGP Protection System Maintenance and Testing Program, HGP will be in compliance with PRC-005-1 and should incur no further Protection System Maintenance and Testing Program violations. [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:

None

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



## 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 WECC for acceptance by WECC 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 [Greg Cook] of Hermiston Generating LLC.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Hermiston Generating LLC.
  3. I understand Hermiston Generating LLC obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
  4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
  5. Hermiston Generating LLC agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature: \_\_\_\_\_

(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Greg Cook

Title: General Manager

Date: 07/11/09





### **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.

None

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

### **Section H: WECC Contact and Instructions for Submission**

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: [mike@wecc.biz](mailto:mike@wecc.biz)

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

## **Attachment A – Compliance Notices & Mitigation Plan Requirements**

- I. Section 6.2 of the WECC CMEP sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
  - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 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.
  - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



Western Electricity Coordinating Council



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. This Mitigation Plan form may be used to address one or more related Alleged or Confirmed Violations of one Reliability Standard. A separate Mitigation Plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.





**Non-Public and CONFIDENTIAL**

## **Certification of Mitigation Plan Completion Form**

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

**Registered Entity:** Hermiston Generating Co., L.P.

**NERC Registry ID:** NRC05181

**Date of Submittal of Certification:** 08/28/09

**NERC Violation ID No(s) (if known):** Unknown

**Standard:** PRC-005-1

**Requirement(s):** R1 and R2

**Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan (if applicable):** 08/31/09

**Date Mitigation Plan was actually completed:** 08/27/09

**Additional Comments (or List of Documents Attached):** On July 10, 2009, HGP submitted a self-report for PRC-005-1 Requirements 1 and 2. HGP submitted a mitigation plan and committed to establishing a written procedure detailing the HGP relay and maintenance testing program. Attached is the procedure, per the obligation in the mitigation plan, for relay maintenance and testing that will be used by the Hermiston Generating Plant. Included in the procedure is formal documentation of testing summaries, intervals, and the basis for the testing intervals for relays, DC circuitry and CTs/PTs per R1 and R2.

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

**Name:** Michael Palmer

**Title:** Operations and Maintenance Manager



**Non-Public and CONFIDENTIAL**

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Email: michael.palmer@perennialpower.net

Phone: 541-564-8346

Authorized Signature: *Michael Palmer*

Date: *8/28/09*

**CONFIDENTIAL**



Laura Scholl  
Managing Director - Compliance

(801) 819-7619  
Lscholl@wecc.biz

November 11, 2009

Bradley Knight  
Engineering Manager  
Hermiston Generating Co., L.P.  
78145 Westland Road  
Hermiston, Oregon 97838

NERC Registration ID: NCR05181

Subject: Certification of Completion Response Letter

Dear Bradley,

The Western Electricity Coordinating Council (WECC) received the Certification of Completion and supporting evidence of Hermiston Generating Co., L.P. (HERM) on 8/28/2009 for the alleged violation of Reliability Standard PRC-005-1.

WECC has accepted the Certification of Completion for Requirement 1 of the Reliability Standard PRC-005-1 and has found these requirements to be fully mitigated. No further mitigation of these requirements will be required at this time.

WECC has rejected the Certification of Completion for Requirement 2.1 of the Reliability Standard PRC-005-1 because, in reviewing the information submitted, the last test dates (R2.2) for the DC circuitry, CT and PT were not found.

HERM may now submit a new Mitigation Plan addressing the rejected requirements above or in accordance with Section 6.6 of the Compliance Monitoring and Enforcement Program (CMEP), HERM will be required to submit a new Mitigation Plan to be reviewed by WECC within 30 days of receiving the official 'Notice of Alleged Violations and or Penalty Sanctions'.

When submitting a new Mitigation Plan, please submit via the Compliance Web Portal; the Mitigation Plan template form can be found on the WECC Compliance website under Quick Forms at:


<http://compliance.wecc.biz/Application/ContentPageView.aspx?ContentId=73>.



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If you have any questions or concerns, please contact Phil O'Donnell at podonnell@wecc.biz. Thank you for your assistance in this effort.

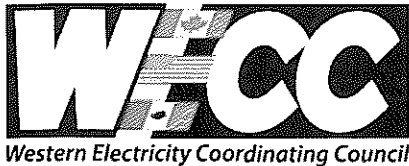
Sincerely,

A handwritten signature in black ink, appearing to read "Laura Scholl", with a stylized flourish at the end.

Laura Scholl  
Managing Director of Compliance

LS:rh

cc: Catherine Hastings, HERM Environmental Health and Safety Manager  
Lisa Milanes, WECC Manager of Compliance Program Administration  
Phil O'Donnell, WECC Senior Compliance Engineer



## Mitigation Plan Submittal Form

New ☐ or Revised ☒

Date this Mitigation Plan is being submitted: November 17, 2009

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

### **Section A: Compliance Notices & Mitigation Plan Requirements**

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

### **Section B: Registered Entity Information**

- B.1 Identify your organization:

Registered Entity Name: Hermiston Generating LLC  
Registered Entity Address: 78145 Westland Road, Hermiston, OR 97838  
NERC Compliance Registry ID: NCR05181

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.<sup>1</sup>

Name: Bradley Knight  
Title: Engineering Manager  
Email: bradley.knight@perennialpower.net

<sup>1</sup> A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

### **Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan**

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

C.1 Standard: PRC-005-1  
*[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]	WECC Violation ID # [if known ]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date <sup>(*)</sup> (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R2		11/09/09	Self-Report

(\*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

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

Note: the following violation description is taken from the corresponding Self-Report form. Please refer to the Self-Report form for full details.

Hermiston Generating Plant (HGP), is a generating facility that is connected by a radial line to the BPA 230 KV system through one 230 KV line. Since the facility was commissioned, HGP has always contracted for relay maintenance and related engineering services with a qualified relay maintenance company (contract service provider). HGP contracts to have relay maintenance and testing completed during unit outages that are scheduled on a three-year basis. The contract service



provider recommends maintenance and testing procedures based on their professional judgment and operations and maintenance (O&M) engineering expertise. HGP reviewed and approved the service provider recommended program. Maintenance and testing (M&T) services provided by the service provider accomplished many, if not all, of the M&T procedures required in the reliability standard.

In March 2009, HGP put into place a comprehensive Protection System Maintenance and Testing Program. The new program details HGP's relay maintenance and testing procedures. HGP intends to use this program in the future when issuing RFPs for relay maintenance and testing.

#### Possible Alleged Violations - Requirement 2

R2.1 – Since HGP did not have defined intervals for some relays, DC circuitry and CTs / PTs, it can not have evidence that intervals were followed.

R2.2 – HGP does not have last test dates for DC circuitry and CTs / PTs.

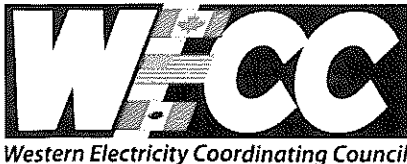
HGP would like to point out the following:

- HGP maintenance records confirm that relays were tested on a three-year cycle.
- DC circuitry was tested through a combination of functional tests performed after each relay test and operation of circuit breakers during relay operations and normal plant operations.
- CTs / PTs were inspected during unit outages when compartments and cubicles were opened and cleaned.

[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 alleged or confirmed violations associated with this Mitigation Plan:

As explained above, HGP has always done relay maintenance and testing on a three-year cycle using a qualified relay maintenance and testing company. The three-year cycle is in line with manufacturer recommendations or industry standards.



HGP believes that this is a documentation issue. With the development of the formal HGP Protection System Maintenance and Testing Program, HGP has not changed any of its schedules or methods in regards to relay maintenance and testing.

[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**

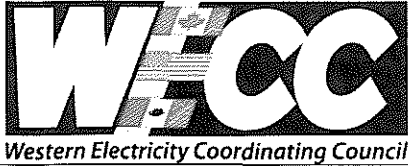
- D.1 Identify and describe the action plan, including specific tasks and actions that your organization is proposing to undertake, or which it undertook if this Mitigation Plan has been completed, to correct the violations identified above in Part C.2 of this form:

HGP is scheduling functional testing and CT/PT inspection and testing in late November 2009 with the expectation of completing the testing at that time. However, if dispatch determines that the plant output is needed, testing may not occur until the May and October outages.  
[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 alleged or confirmed violations associated with this Mitigation Plan corrected: Functional Testing and PT/CT inspection and testing is expected to be completed in November. However, if testing cannot be completed at that time, HGP will schedule the above tasks at the next available outage period.
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:



Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
See Attached Milestone Activity for Mitigation Plan	

(\*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[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:

HGP has tried to schedule outages in order to complete the remaining testing for Unit 1 and Unit 2 but have been unable to do so due to dispatch. Currently the plant is scheduled to come offline the week of November 16, 2009 and HGP plans to complete testing at that date. However, if dispatch does not allow for a unit outage during that timeframe, final testing may be delayed until the Unit outages scheduled for May 2010 and October 2010. The outage schedule accounts for the lengthy milestone completion dates set for testing.  
[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, 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 known, reasonably suspected 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:

There is no additional risk to the Bulk Power System. HGP has not changed any of its relay maintenance and testing practices or schedules. HGP has developed a formal procedure of practices that were previously only outlined in contract service provider detailed scope of work documents.

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

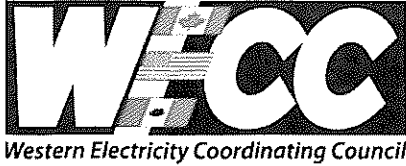
### **Prevention of Future BPS Reliability Risk**

- 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 will incur further violations of the same or similar reliability standards requirements in the future:

With the finalization of the HGP Protection System Maintenance and Testing Program and completion of the testing scheduled for November but not to be completed later than October 2010, HGP will be in compliance with PRC-005-1 and should incur no further Protection System Maintenance and Testing Program violations. Relay maintenance and testing is set up in the job maintenance program and will be conducted per the procedure on the scheduled testing intervals.

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

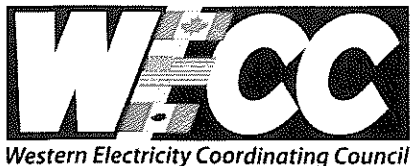




E.3 Your organization may be taking or planning other action, beyond that listed in the Mitigation Plan, as proposed in Part D.1, to prevent or minimize the probability of incurring further violations of the same or similar standards requirements listed in Part C.2, or of other reliability standards.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

None

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



## 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 WECC for acceptance by WECC 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 Mike Palmer of Hermiston Generating LLC.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Hermiston Generating LLC.
  3. I understand Hermiston Generating LLC obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
  4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
  5. Hermiston Generating LLC agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature:   
(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Mike Palmer  
Title: Plant Superintendent  
Date: November 17, 2010



### **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.

None

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

### **Section H: WECC Contact and Instructions for Submission**

Please direct any questions regarding completion of this form to:

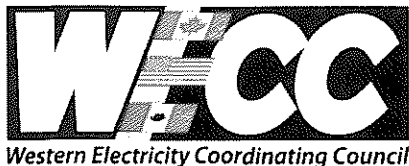
Mike Wells, Sr. Compliance Engineer

Email: [mike@wecc.biz](mailto:mike@wecc.biz)

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>



## **Attachment A – Compliance Notices & Mitigation Plan Requirements**

- I. Section 6.2 of the WECC CMEP sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
  - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 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.
  - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



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- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. This Mitigation Plan form may be used to address one or more related Alleged or Confirmed Violations of one Reliability Standard. A separate Mitigation Plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



**Hermiston Generating Plant  
Milestone Dates for Completion of Mitigation Plan**

<b>Milestone Activity:</b>	<b>Proposed Completion Date:</b>
Complete or prepare to complete required PT/CT testing/Inspection Unit 1	January 31, 2010
Complete or prepare to complete required PT/CT testing and functional testing on Unit 2	January 31, 2010
Complete or prepare to complete required PT/CT testing/Inspection Unit 1	April 30, 2010
Complete or prepare to complete required PT/CT testing and functional testing on Unit 2	April 30, 2010
Complete or prepare to complete required PT/CT testing/Inspection Unit 1	July 29, 2010
Complete or prepare to complete required PT/CT testing and functional testing on Unit 2	July 29, 2010
Complete required PT/CT testing and inspection for Unit 1	October 27, 2010
Complete PT/CT testing and inspection and functional testing on Unit 2	October 27, 2010

## **Attachment b**

### **Record documents for the violations of VAR-002-1 R1 and R3**

- 1. HERM's Self-Report for VAR-002-1 R1 and R3 dated July 31, 2009;**
- 2. HERM's Mitigation Plan designated as MIT-09-2163 for VAR-002-1 R1 and R3 submitted July 24, 2009;**
- 3. HERM's Certification of Completion of the Mitigation Plan for VAR-002-1 R1 and R3 dated August 31, 2009; and**
- 4. WECC's Verification of Completion of the Mitigation Plan for VAR-002-1 R1 and R3 dated December 11, 2009.**



## Self-Reporting Form

Date Submitted by Registered Entity: July 31, 2009

NERC Registry ID: NCR05179

Joint Registration Organization (JRO) ID:

Registered Entity: Hermiston Generating LLC

Registered Entity Contact: Catherine Hastings

Function(s) Applicable to Self-Report:

<input type="checkbox"/> BA	<input type="checkbox"/> TOP	<input type="checkbox"/> TO	<input checked="" type="checkbox"/> GO	<input checked="" type="checkbox"/> GOP	<input type="checkbox"/> LSE
<input type="checkbox"/> DP	<input type="checkbox"/> PSE	<input type="checkbox"/> TSP	<input type="checkbox"/> PA	<input type="checkbox"/> RP	<input type="checkbox"/> TP
<input type="checkbox"/> RSG	<input type="checkbox"/> RC	<input type="checkbox"/> IA	<input type="checkbox"/> RRO		

Standard: VAR-002-1.1a

Requirement: R1 and R3.1

Has this violation previously been reported or discovered: ☐ Yes ☒ No

If Yes selected: Provide NERC Violation ID (if known):

Date violation occurred: July, 4, 2009

Date violation discovered: July 10, 2009

Is the violation still occurring? ☐ Yes ☒ No

Detailed explanation and cause of violation: The Hermiston Generating Plant is a nominal 480 MW generating plant that connects to the Bonneville Power Administration (BPA) McNary Substation via a 230 kV radial line. BPA is the Transmission Operator for the line.

On July 4, 2009 at 18:09 the HGP Control Room received an alarm that the Automatic Voltage Regulation (AVR) on Unit 1 Steam Turbine had switched to the manual mode. The Lead Operator and Maintenance Technician (Lead O&M Tech) responded to the alarm and investigated the situation. The operator determined that the cause of the alarm was the failure of the air conditioning units in the enclosure where the voltage regulating equipment is located. The operator took measures to correct the situation (ie opening doors and resetting air conditioning units). At 21:29 of the same evening, the voltage regulator was returned to Automatic Mode. During the time the AVR was in manual, the Lead O&M Tech kept the MVAR output of the machine at approximately 9-10 MVAR to meet the BPA voltage schedule.

Although the voltage schedule was not impacted during this time, and the operator took reasonable action to restore AVR, the operator did not notify the TOP of the AVR being in manual (R1). In addition, the Lead O&M Tech did not notify the TOP within 30 minutes of a status change on the ST reactive power resource or the expected duration of the change (R3.1).

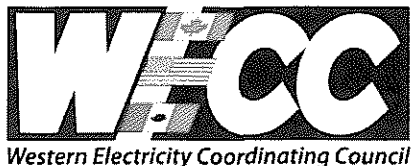
**Potential Impact to the Bulk Power System (minimal, moderate, or severe): Minimal**

**Detailed explanation of Potential Impact:** HGP follows the BPA voltage schedule and under normal conditions exports approximately 60 MVARs total from the (4) generating units. The impact to the system was minimal since the event occurred only on 1 steam turbine generator excitation system which under normal operating conditions exports approximately 9-10 MVARs to the system and could at the maximum export approximately 25 VARs if a system excursion had occurred. During this time the other three generators were in operating in the automatic mode and the BPA voltage schedule was being followed. Unit 1 ST was following the BPA voltage schedule in the manual mode.

**Additional Comments:**

---

**NOTE:** While submittal of a mitigation plan is not required until after a determination of a violation is confirmed, early submittal of a mitigation plan to address and remedy an identified deficiency is encouraged. Submittal of a mitigation plan shall not be deemed an admission of a violation. (See NERC Rules of Procedure, Appendix 4C, Section 6.4.)



## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: July 24, 2009

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

### **Section A: Compliance Notices & Mitigation Plan Requirements**

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☒ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

### **Section B: Registered Entity Information**

- B.1 Identify your organization:

Registered Entity Name: Hermiston Generating LLC  
Registered Entity Address: 78145 Westland Road, Hermiston, OR  
97838  
NERC Compliance Registry ID: NCR05181

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.<sup>1</sup>

Name: Catherine Hastings  
Title: Environmental Health And Safety Manager  
Email: catherine.hastings@perennialpower.net

<sup>1</sup> A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.





**Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan**

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

Standard: VAR-002-1.1a

C.1

*[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]	WECC Violation ID # [if known ]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date <sup>(*)</sup> (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1		07/04/2009	Self-Report
		R3		07/04/2009	Self-Report

(\*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

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

Note: the following violation description is taken from the corresponding Self-Report form.

The Hermiston Generating Plant is a nominal 480 MW generating plant that connects to the Bonneville Power Administration (BPA) McNary Substation via a 230 kV radial line. BPA is the Transmission Operator for the line.



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On July 4, 2009 at 18:09 the HGP Control Room received an alarm that the Automatic Voltage Regulation (AVR) on Unit 1 Steam Turbine had switched to the manual mode. The Lead Operator and Maintenance Technician (Lead O&M Tech) responded to the alarm and investigated the situation. The operator determined that the cause of the alarm was the failure of the air conditioning units in the area where the excitation system is located. The operator took measures to correct the situation (ie opening doors and resetting air conditioning unit). At 21:29 of the same evening, the unit was returned to AVR. During the time the AVR was in manual, the Lead O&M Tech kept the MVAR output of the machine at approximately 9-10 MVAR to meet the BPA voltage schedule.

Although the voltage schedule was not impacted during this time, and the operator took reasonable action to restore AVR, the operator did not notify the TOP of the AVR being in manual (R1). In addition, the Lead O&M Tech did not notify the TOP within 30 minutes of a status change on the ST reactive power resource or the expected duration of the change (R3.1)

#### Possible Alleged Violations - Requirement 1

HGP did not notify the TOP that the Unit 1 Steam Turbine was not being run in AVR due to the problems explained above.

#### Possible Alleged Violations - Requirement 3

R3.1 – HGP did not notify the TOP within 30 minutes in the status change from Automatic to Manual Voltage Regulation.

[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 alleged or confirmed violations associated with this Mitigation Plan:

HGP follows the BPA voltage schedule and under normal conditions exports approximately 60 MVARs total from the (4) generating units. The impact to the system was minimal since the event occurred only on 1 steam turbine generator excitation system which could at the maximum export approximately 25 VARs if a system excursion had occurred. During this time the other three generators were in AVR and the BPA voltage schedule was being followed.



Western Electricity Coordinating Council

NERC  
NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

[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:

HGP has notified the operations crews of the event that occurred and the need to notify the TOP. HGP will conduct additional Operator Awareness Training on the proper reporting/notification protocol in the event that AVR is lost and the generators are in manual voltage regulation, or any other event, which changes the status of the AVR, occurs.

[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 alleged or confirmed violations associated with this Mitigation Plan corrected: The operators have already been notified of the need to report such events via email. Additional Operator Awareness training on the standard and the HGP Procedure will be completed by August 31, 2009.
- D.3 Enter Milestone Activities, with completion dates, that your organization is proposing for this Mitigation Plan:

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
--------------------	--



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Operators notified of event and failure of notification and instructions on reporting	07/17/09
Training Completed	August 31, 2009

(\*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[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, 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 known, reasonably suspected 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:

HGP has already made the operators aware of the required notifications if a change of status occurs for reactive power resources. HGP will conduct additional operator training on the standard and the HGP procedure for notification in the event of status change or loss of AVR.  
[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 will incur further violations of the same or similar reliability standards requirements in the future:

HGP believes this is an operational awareness issue and with proper training on the procedures for notification in such an event, HGP will insure that this violation does not occur in the future.  
[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





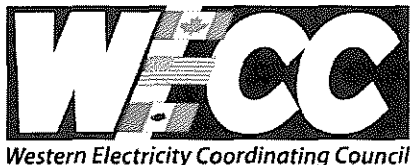
*Western Electricity Coordinating Council*



standards. If so, identify and describe any such action, including milestones and completion dates:

None

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



## Section F: Authorization

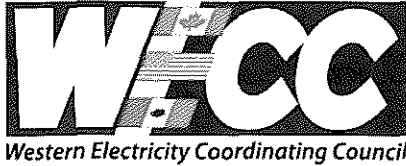
An authorized individual must sign and date this Mitigation Plan Submittal Form. By doing so, this individual, on behalf of your organization:

- a) Submits the Mitigation Plan, as laid out in Section D of this form, to WECC for acceptance by WECC 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 Greg Cook of Hermiston Generating LLC.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Hermiston Generating LLC.
  3. I understand Hermiston Generating LLC obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
  4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
  5. Hermiston Generating LLC agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

Authorized Signature: \_\_\_\_\_

(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Greg Cook  
Title: General Manager  
Date: July 30, 2009



### **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.

None

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

### **Section H: WECC Contact and Instructions for Submission**

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: [mike@wecc.biz](mailto:mike@wecc.biz)

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>



## **Attachment A – Compliance Notices & Mitigation Plan Requirements**

- I. Section 6.2 of the WECC CMEP sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
  - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 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.
  - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.



*Western Electricity Coordinating Council*



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. This Mitigation Plan form may be used to address one or more related Alleged or Confirmed Violations of one Reliability Standard. A separate Mitigation Plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.





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## Certification of Mitigation Plan Completion Form

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

Registered Entity: Hermiston Generating Co., L.P.

NERC Registry ID: NRC05181

Date of Submittal of Certification: 08/31/09

NERC Violation ID No(s) (if known): Unknown

Standard: ~~VAR-STD-1.1a~~<sup>CAH</sup> VAR-002-1.1a

Requirement(s): R1 and R3

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan (if applicable): 08/31/09

Date Mitigation Plan was actually completed: 08/22/09

Additional Comments (or List of Documents Attached): VAR-002-1.1a  
On July 31, 2009 HGP self reported a violation of standard ~~VAR-STD-1.1a~~<sup>CAH</sup> because the operator did not notify the TOP of the AVR being in manual (R1). In addition, the Lead O&M Tech did not notify the TOP within 30 minutes of a status change on the ST reactive power resource or the expected duration of the change (R3.1). HGP submitted a mitigation plan and committed to training in order to insure that the necessary operators are aware of the plant obligations under Standard ~~VAR-STD-1.1a~~<sup>CAH</sup> VAR-002-1.1a. Attached are the training certifications sheet and the information that was included in the training. The training consisted of the attached material and discussion on the standard which each of the signed operators.

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

Name: Michael Palmer



Western Electricity Coordinating Council

Non-Public and CONFIDENTIAL

Title: Operations and Maintenance Manager

Email: michael.palmer@perennialpower.net

Phone: 541-564-8346

Authorized Signature:

A handwritten signature in blue ink, reading 'Michael K. Palmer', is written over the 'Authorized Signature:' label.

Date:

8/31/09

**CONFIDENTIAL**



*Western Electricity Coordinating Council*

Laura Scholl  
Managing Director of Compliance

801-819-7619  
[lscholl@wecc.biz](mailto:lscholl@wecc.biz)

VIA COMPLIANCE WEB PORTAL

December 11, 2009

Bradley Knight  
Engineering Manager  
Hermiston Generating Co., L.P.  
78145 Westland Road  
Hermiston, Oregon 97838

NERC Registration ID: NCR05181

Subject: Certification of Completion Response Letter

Dear Bradley,

The Western Electricity Coordinating Council (WECC) received the Certification of Completion and supporting evidence of Hermiston Generating Co., L.P. (HERM) on 8/31/2009 for the alleged violation of Reliability Standard VAR-002-1 Requirements 1 and 3.

WECC has accepted the Certification of Completion for Requirements 1 and 3 of the Reliability Standard VAR-002-1 and has found these requirements to be fully mitigated. No further mitigation of these requirements will be required at this time.

If you have any questions or concerns, please contact Mike Wells at [mike@wecc.biz](mailto:mike@wecc.biz). Thank you for your assistance in this effort.

Sincerely,

Laura Scholl  
Managing Director of Compliance

LS:rh

cc: Catherine Hastings, HERM Environmental Health and Safety Manager  
Lisa Milanese, WECC Manager of Compliance Program Administration  
Mike Wells, WECC Senior Compliance Engineer

## **Attachment c**

### **Record documents for the violations of CIP-001-1 R1**

- 1. HERM's Self-Certification for CIP-001-1 R1 dated July 20, 2009;**
- 2. HERM's Mitigation Plan designated as MIT-07-2166 for CIP-001-1 R1 submitted July 11, 2009;**
- 3. HERM's Certification of Completion of the Mitigation Plan for CIP-001-1 R1 dated August 28, 2009; and**
- 4. WECC's Verification of Completion of the Mitigation Plan for CIP-001-1 R1 dated December 4, 2009.**

# Compliance

## Member Portal

Hermiston Generating LLC

Logged in as:  
Cathy Hastings

Log Out

System Administration  
Compliance  
File Upload

### CIP-001-1 Self Certification - Sabotage Reporting - As of June 30, 2009

Save Item | Delete Item | Cancel Changes | Save PDF | Return To Search Results

New Mitigation Plan | Attachments (0)

**This form was marked as ready to be added to a certification statement on 7/20/2009.**

\* Required Fields

Status: Saved

#### Technical Contact

\* Cathy Hastings (catherine.hastings@perennialpow Find | Clear | New Contact

WECC will disclose this information to NERC and other third parties, only as required, and in accordance with established procedures pursuant to section 1500 of the NERC rules of procedure.

#### Applicable Function(s): GOP

As an authorized representative of **Hermiston Generating LLC**, I certify the following:

C NC NA R1. Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall have procedures for the recognition of and for making their operating personnel aware of sabotage events on its facilities and multi-site sabotage affecting larger portions of the Interconnection.

Violation was previously self-reported or identified by Hermiston Generating LLC

Yes No

Violation Severity Level (Levels of Non-Compliance)

VSL - Lower

Provide a detailed explanation of non-compliance

The Hermiston Generating Plant (HGP) is a nominal 484 MW combined cycle unit connected to the Bonneville Power Administration (BPA) McNary Substation by a 230kV radial line. PacifiCorp West (PCorp) is the Balancing Authority for HGP and HGP is dynamically schedule by PCorp although physically located in an area controlled by BPA.

While the HGP Emergency Response Plan has for a long period of time contained sections on threatening phone calls and bomb threats, on July 24, 2007 HGP added a section to the plant Emergency Response Plan that dealt with sabotage reporting. Included in this section were guidelines for new employee hiring, plant security and access control, and security awareness. Included in the security awareness section are guidelines for dealing with the following events:

- Parked vehicles around the facilities in unusual locations
  - Suspicious persons loitering or driving slowly by or around the facilities e.g. a person with a camera that is not in a "tourist type" area.
  - People that appear out of place or oddly clothed.
- People walking on or around the railroad tracks for extended periods of time

•Suspicious packages or garbage lying around the perimeter of the facility

In addition, in June 2007, HGP created an Emergency Response Action Plan (ERAP) that detailed the response for personnel to take in the event of sabotage (see additional information below). Included in the Emergency Response Action Plan were notifications to PacifiCorp, the HGP balancing authority and the FBI. The FBI Pendleton office had been contacted in June 2007 and 2008 to establish and confirm contact information with the Pendleton FBI office. HGP explained that they would notify the Pendleton FBI office in the event of sabotage.

In October 2007, HGP conducted training for employees on the additions to the Emergency Response Plan and the Emergency Action Plans and instructed them to use and follow the ERAP for Sabotage Events if a suspected sabotage activity occurred.

In June 2009, HGP had a gap analysis done on various WECC/NERC procedures and it was determined at that time, that although the HGP Emergency Response Plan included a section on sabotage events and reporting, it did not fully address the procedures necessary for the recognition of sabotage events primarily those events that would be precursors to possible sabotage such as events that occurred on neighboring systems or facilities, and events that could signal possible sabotage after an incident such as holes in the outside fencing. HGP is in the process of evaluating changes needed to the plan and personnel training.

HGP feels that plant operators and management are fully aware of potential and actual sabotage events that could occur at the HGP facility; however the emergency plan did not fully describe these events and provide procedures for making the plant personnel aware.

#### Reliability Impact to the Bulk Power System

Minimal

#### Describe the Reliability Impact of this Non-Compliance

While the Emergency Response Plan did not fully address the procedures necessary for the recognition of sabotage events, the plant operators and management are fully aware of the types of sabotage that could occur at the HGP facility and would take all required actions and reporting if any sabotage events occurred. So HGP feels that the reliability impact is minimal.

C NC N/A **R2.** Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall have procedures for the communication of information concerning sabotage events to appropriate parties in the Interconnection.

#### Additional Comments

C NC N/A **R3.** Each Reliability Coordinator, Balancing Authority, Transmission Operator, Generator Operator, and Load Serving Entity shall provide its operating personnel with sabotage response guidelines, including personnel to contact, for reporting disturbances due to sabotage events.

#### Additional Comments



C NC N/A **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.

Additional Comments

Summary of Self Certification Submittal [Auto Populated from responses]:

Hermiston Generating LLC is in Compliance with NERC Reliability Standard CIP-001-1 Requirement(s): R2,R3,R4

Hermiston Generating LLC is Non-Compliant with NERC Reliability Standard CIP-001-1 Requirement(s): R1

[Return to top](#)

**b** Ready to Create Certification Statement



Save Item



Delete Item

Cancel Changes



Save PDF

Return To Search Results



## Mitigation Plan Submittal Form

New ☒ or Revised ☐

Date this Mitigation Plan is being submitted: July 11, 2009

If this Mitigation Plan has already been completed:

- Check this box ☐ and
- Provide the Date of Completion of the Mitigation Plan:

### **Section A: Compliance Notices & Mitigation Plan Requirements**

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Appendix A - Compliance Notices & Mitigation Plan Requirements" to this form. **Review Appendix A and check this box ☐ to indicate that you have reviewed and understand the information provided therein.** This Submittal Form and the Mitigation Plan submitted herein are incomplete and cannot be accepted unless the box is checked.

### **Section B: Registered Entity Information**

- B.1 Identify your organization:

Registered Entity Name: Hermiston Generating LLC  
Registered Entity Address: 78145 Westland Road, Hermiston, OR 97838  
NERC Compliance Registry ID: NCR05181

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan. Please see Section 6.2 of the WECC Compliance Monitoring and Enforcement Program (CMEP) for a description of the qualifications required of the Entity Contact.<sup>1</sup>

Name: Catherine Hastings  
Title: Environmental Health And Safety Manager  
Email: catherine.hastings@perennialpower.net

<sup>1</sup> A copy of the WECC CMEP is posted on WECC's website at <http://www.wecc.biz/documents/library/compliance/manuals/Att%20A%20-%20WECC%20CMEP.pdf>. Registered Entities are responsible for following all applicable WECC CMEP procedures. WECC strongly recommends that registered entities become familiar with the WECC CMEP and its requirements, as they may be amended from time to time.

### **Section C: Identity of Alleged or Confirmed Reliability Standard Violations Associated with this Mitigation Plan**

This Mitigation Plan is associated with the alleged or confirmed violation(s) of the reliability standard/requirements listed below:

- C.1 Standard: CIP-001-1  
*[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]	WECC Violation ID # [if known ]	Requirement Violated (e.g. R3)	Violation Risk Factor	Alleged or confirmed Violation Date <sup>(*)</sup> (MM/DD/YY)	Method of Detection (e.g. audit, self-report, investigation)
		R1		July 7, 2009	Self-Report

(\*) Note: The Alleged or Confirmed Violation Date shall be: (i) the date the violation occurred; (ii) the date that the violation was self-reported; or (iii) the date upon which WECC has deemed the violation to have occurred. Please contact WECC if you have questions regarding which date to use .

- C.3 Identify the cause of the alleged or confirmed violation(s) identified above:

Note: The following violation description is taken from the corresponding Self-Report form. Please refer to the Self-Report form for full details.

During a review of the HGP Emergency Response Plan, HGP determined that while the plan does include a section on sabotage events and reporting it did not fully address the procedures necessary for the recognition of sabotage events.

Plant operators and management are fully aware of potential and actual sabotage events that could occur at the HGP facility, however the





Western Electricity Coordinating Council



emergency plan did not fully describe these events and provide procedures for making the plant personnel aware.

[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 alleged or confirmed violations associated with this Mitigation Plan:

While the Emergency Response Plan did not fully address the procedures necessary for the recognition of sabotage events, the plant operators and management are fully aware of the types of sabotage that could occur at the HGP facility and would take all required actions and reporting if any sabotage events occurred.

[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:

HGP is revising its Emergency Response Plan to include specific procedures for the recognition of sabotage events. The revised plan will also address additional communication requirements with the RC, BA and TOP regarding sabotage events that could affect the interconnection.

[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 alleged or confirmed violations associated with this Mitigation



Plan corrected: HGP will have the revisions to the Emergency Response Plan complete by August 31, 2009.

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

Milestone Activity	Proposed Completion Date* (milestones cannot be more than 3 months apart)
Emergency Response Plan revisions complete.	August 31, 2009

(\*) Note: Implementation milestones should be no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. As set forth in CMEP section 6.6, adverse consequences could result from failure to complete, on a timely basis, all required actions in this Mitigation Plan, including implementation of milestones. A request for an extension of the completion date of any milestone or of the Mitigation Plan must be received by WECC at least five (5) business days before the relevant milestone or completion date.

[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:

None

[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, 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 known, reasonably suspected 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:

There is no additional risk to the Bulk Power System associated with this violation. While procedures for recognition of sabotage events is not included in the Emergency Response Plan, the plant operators and plant management personnel are fully aware of sabotage events that could occur at the HGP facility and would take all appropriate actions if an event were to occur.  
[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 will incur further violations of the same or similar reliability standards requirements in the future:

Inclusion of procedures for the recognition of sabotage events in the Emergency Response Plan will fully mitigate this alleged violation and will prevent a reoccurrence of it in the future. There are no other requirements that are similar in nature to this one.  
[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:

None

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



## **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 WECC for acceptance by WECC 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 Greg Cook of Hermiston Generating LLC.
  2. I am an officer, employee, attorney or other person authorized to sign this Mitigation Plan on behalf of Hermiston Generating LLC.
  3. I understand Hermiston Generating LLC obligations to comply with Mitigation Plan requirements and WECC or ERO remedial action directives and I have reviewed the WECC and ERO documents related to these obligations, including, but not limited to, the WECC CMEP and the NERC Rules of Procedure.
  4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
  5. Hermiston Generating LLC agrees to be bound by, and comply with, the Mitigation Plan, including the timetable completion date, as approved by WECC and approved by NERC.

**Authorized Signature:** \_\_\_\_\_

(Electronic signatures are acceptable; see CMEP Section 3.0)

Name (Print): Greg Cook

Title: General Manager

Date: July 11, 2009



### **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.

None

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

### **Section H: WECC Contact and Instructions for Submission**

Please direct any questions regarding completion of this form to:

Mike Wells, Sr. Compliance Engineer

Email: [mike@wecc.biz](mailto:mike@wecc.biz)

Phone: (801) 883-6884

For guidance on submitting this form, please refer to the "*WECC Compliance Data Submittal Policy*". This policy can be found on the Compliance Manuals website as Manual 2.12:

<http://www.wecc.biz/wrap.php?file=/wrap/Compliance/manuals.html>

## **Attachment A – Compliance Notices & Mitigation Plan Requirements**

- I. Section 6.2 of the WECC CMEP sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
  - (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 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.
  - (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.
- II. This submittal form may be used to provide a required Mitigation Plan for review and approval by WECC and NERC.





*Western Electricity Coordinating Council*



- III. The Mitigation Plan shall be submitted to the WECC and NERC as confidential information in accordance with Section 9.3 of the WECC CMEP and Section 1500 of the NERC Rules of Procedure.
- IV. This Mitigation Plan form may be used to address one or more related Alleged or Confirmed Violations of one Reliability Standard. A separate Mitigation Plan is required to address violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is approved by WECC and NERC, a copy of the Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. Either WECC or NERC may reject a Mitigation Plan that it determines to be incomplete or inadequate. If the Mitigation Plan is rejected by either WECC or NERC, the Registered Entity will be notified and required to submit a revised Mitigation Plan.
- VII. In accordance with Section 7.0 of the WECC CMEP, remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.



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## **Certification of Mitigation Plan Completion Form**

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

**Registered Entity:** Hermiston Generating Co., L.P.

**NERC Registry ID:** NRC05181

**Date of Submittal of Certification:** 08/28/09

**NERC Violation ID No(s) (if known):** Unknown

**Standard:** CIP-001-1

**Requirement(s):** R1

**Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan (if applicable):** 08/31/09

**Date Mitigation Plan was actually completed:** 08/17/09

**Additional Comments (or List of Documents Attached):** On July 10, HGP submitted a self report for CIP-001-1. In the report HGP noted that the alleged violation was due to the fact that HGP had no procedures for sabotage recognition. In the Mitigation Plan submitted on July 11, 2009, HGP committed to updating the Emergency Response Procedure to include a procedure for recognition of sabotage events. Attached is the procedure created, added as an attachment to the HGP Emergency Response Plan, which includes a section on the recognition of sabotage events. The procedure has been incorporated into the plant emergency response plan as Attachment 11. The procedure provides guidelines for recognition of sabotage events and explain those types of situations that may apply.

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

**Name:** Michael Palmer





**Non-Public and CONFIDENTIAL**

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**Western Electricity Coordinating Council**

**Title: Operations and Maintenance Manager**

**Email: michael.palmer@perennialpower.net**

**Phone: 541-564-8346**

**Authorized Signature:** *Michael K Palmer*

**Date:** *8/28/09*

**CONFIDENTIAL**



*Western Electricity Coordinating Council*

Laura Scholl  
Managing Director of Compliance

801-819-7619  
[lscholl@wecc.biz](mailto:lscholl@wecc.biz)

VIA COMPLIANCE WEB PORTAL

December 4, 2009

Bradley Knight  
Engineering Manager  
Hermiston Generating Co., L.P.  
78145 Westland Road  
Hermiston, Oregon 97838

NERC Registration ID: NCR05181

Subject: Certification of Completion Response Letter

Dear Bradley Knight,

The Western Electricity Coordinating Council (WECC) received the Certification of Completion and supporting evidence of Hermiston Generating Co., L.P. (HERM) on 8/28/2009 for the alleged violation of Reliability Standard CIP-001-1 Requirement 1.

WECC has accepted the Certification of Completion for Requirement 1 of the Reliability Standard CIP-001-1 and has found this requirement to be fully mitigated. No further mitigation of this requirement will be required at this time.

If you have any questions or concerns, please contact Patrick Miller at [pmiller@wecc.biz](mailto:pmiller@wecc.biz). Thank you for your assistance in this effort.

Sincerely,

Laura Scholl  
Managing Director of Compliance

LS:rh

cc: Catherine Hastings, HERM Environmental Health and Safety Manager  
Lisa Milanese, WECC Manager of Compliance Program Administration  
Patrick Miller, WECC Manager of CIP Audits and Investigations

**Attachment d**

**Notice of Filing**

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Hermiston Generating Co. L.P.

Docket No. NP10-\_\_\_\_-000

NOTICE OF FILING  
July 6, 2010

Take notice that on July 6, 2010, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Hermiston Generating Co. L.P. in the Western Electricity Coordinating Council 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](mailto:FERCOnlineSupport@ferc.gov), or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: [BLANK]

Kimberly D. Bose,  
Secretary