



NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

April 28, 2010

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

**Re: NERC Notice of Penalty regarding Huntley Power LLC  
FERC Docket No. NP10-\_-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (NERC) hereby provides this Notice of Penalty<sup>1</sup> regarding Huntley Power LLC (Huntley),<sup>2</sup> NERC Registry ID# NCR07108,<sup>3</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>4</sup>

On October 3, 2008, after receiving notification of an upcoming Spot Check,<sup>5</sup> Huntley submitted a self-report of a possible violation of VAR-002-1 Requirement (R) 3.1 to Northeast Power Coordinating Council, Inc. (NPCC) for Huntley's failure to notify its Transmission Operator (TOP) within 30 minutes of a status change in an automatic voltage regulator (AVR). Subsequently, on January 22, 2009, Huntley submitted a self-report of a second possible violation of VAR-002-1 R3.1 for another failure to notify its Transmission Operator within 30 minutes of a status change in an AVR. This Notice of Penalty is being filed with the Commission because, based on information from NPCC, NPCC and Huntley have entered into a Settlement Agreement to resolve all outstanding issues arising from a preliminary and non-public

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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> Also concurrently being filed are two Notices of Penalty designated as NOC-463 and NOC-465 regarding separate Settlement Agreements between Northeast Power Coordinating Council, Inc. and two NRG Energy subsidiaries for alleged violations of VAR-002-1 R3.1.

<sup>3</sup> Northeast Power Coordinating Council, Inc. confirmed that Huntley was included on the NERC Compliance Registry as a Generator Operator (GOP) and as a Generator Owner (GO) on June 21, 2007. As a GOP and as a GO, Huntley is subject to the requirements of NERC Reliability Standard VAR-002-1.

<sup>4</sup> See 18 C.F.R. § 39.7(c)(2).

<sup>5</sup> NPCC issued the notice of the upcoming Spot Check to Huntley on August 27, 2008.

assessment resulting in NPCC's determination and findings of the enforceable alleged violations of VAR-002-1 R3.1. According to the Settlement Agreement, Huntley neither admits nor denies the alleged violations, but has agreed to the proposed penalty of nine thousand five hundred dollars (\$9,500) to be assessed to Huntley, in addition to other remedies and actions to mitigate the instant violations and facilitate future compliance under the terms and conditions of the Settlement Agreement. Accordingly, the alleged violations identified as NERC Violation Tracking Identification Numbers NPCC200800045 and NPCC200900062 are being filed in accordance with the NERC Rules of Procedure and the CMEP.

### Statement of Findings Underlying the Alleged Violations

This Notice of Penalty incorporates the findings and justifications set forth in the Settlement Agreement executed on January 13, 2010, by and between NPCC and Huntley, which is included as Attachment c. The details of the findings and basis for the penalty are set forth in the Settlement Agreement and herein. This Notice of Penalty filing contains the basis for approval of the Settlement Agreement by the NERC Board of Trustees Compliance Committee (NERC BOTCC). In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7 (2010), NERC provides the following summary table identifying each alleged violation of a Reliability Standard resolved by the Settlement Agreement, as discussed in greater detail below.

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Total Penalty (\$)
NPCC	Huntley Power LLC	464	NPCC200800045	VAR-002-1 <sup>6</sup>	3.1	Medium	9,500
			NPCC200900062	VAR-002-1 <sup>7</sup>	3.1	Medium	

#### 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 R3 requires a Generator Operator, such as Huntley, to 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 AVR and power system stabilizer and the expected duration of the change in status or capability; and

<sup>6</sup> VAR-002-1a was the version that was effective on January 16, 2008, the time of alleged violation. 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>7</sup> *Id.*

(R3.2) a status or capability change on any other Reactive Power resources under the Generator Operator's control and expected duration of the change in status or capability. VAR-002-1 R3 has a "Medium" Violation Risk Factor (VRF).

First Violation - NPCC200800045

On October 3, 2008, following an internal review by the Regulatory Compliance Group of NRG Energy, Huntley's parent company,<sup>8</sup> and after being notified of an upcoming Spot Check, Huntley submitted a self-report of a possible violation of VAR-002-1 R3.1 for its failure to notify its Transmission Operator within 30 minutes of a status change in an AVR.<sup>9</sup>

Huntley reported that on February 12, 2008 at 1800 hours, following the repair of Unit #68's HP Amplidyne AVR, the AVR equipment was returned to service without notification to its Transmission Operator within the required 30 minute time interval as required by the Standard. As stated in the Mitigation Plan for this alleged violation, proper notification was provided by Huntley's Power Marketing group to National Grid and the New York Independent System Operator (NYISO) Generator desk within the 30 minute requirement when the AVR was *removed from service*; however, Plant personnel cannot confirm proper notification was provided to the Transmission Operator when the AVR was *returned to service* on February 12, 2008. Huntley notified its Transmission Operator, through the Power Marketing group, 30 hours later. The responsibility for reporting operational status changes for the AVR equipment between the Huntley and the Transmission Operator is with the Power Marketing group.

When reviewing the Huntley documents produced for the self-report, NPCC Compliance Staff confirmed that proper notification was provided to the TOP when the AVR was initially removed from service and also confirmed that Huntley personnel did not notify the TOP within the required 30 minute time interval when restoring the unit AVR to service.

Therefore, NPCC determined that Huntley had an alleged violation of VAR-002-1 R3.1 because Huntley did not notify its Transmission Operator within the required 30 minute limit specified by the standard for a status or capability change of each AVR. NPCC further determined the duration of the alleged violation to be from February 12, 2008, the date the AVR was returned to service without notification to Huntley's Transmission Operator, through February 14, 2008, 30 hours later, when Huntley mitigated the violation by notifying its Transmission Operator of the change in its AVR status. The Mitigation Plan was completed on December 8, 2008.

NPCC Compliance Staff concluded that the violation did not pose a serious or substantial risk to the reliability of the bulk power system as the voltage for the transmission system was being monitored and maintained by the Generator Operator (Huntley) consistent with the required voltage schedule.

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<sup>8</sup> In preparation of an upcoming Spot Check at NRG Energy's Dunkirk Power LLC facility, NRG Energy discovered a possible violation at the Dunkirk Power LLC facility. The discovery of the possible violation prompted NRG Energy to initiate an internal compliance review of all its facilities in the NPCC Region.

<sup>9</sup> All of NRG's facilities in the NPCC Region communicate changes in AVR status to required parties through the NRG Power Marketing LLC.

Second Violation - NPCC200900062

On January 22, 2009, Huntley self-reported a second possible violation of VAR-002-1 R3 and specifically R3.1, for its failure to notify its Transmission Operator within 30 minutes of a change in an AVR.

Huntley self-reported that on November 6, 2008 at 2243, Unit #68's AVR could not be placed in the automatic mode due to a defective coil following the unit's return to service after a scheduled outage for over-speed testing. In this instance, Huntley plant personnel made the notification to the NRG Power Marketing LLC personnel and continued to investigate whether the AVR could be returned to service prior to Huntley's annual month-long maintenance outage scheduled to start November 7, 2008. After it was determined that the AVR could not be returned to service prior to the annual outage, NRG Power Marketing personnel notified Huntley's Transmission Operator. The notification was made at 1038 on November 7, 2008, resulting in a 12 hour delay in notification.

Therefore, NPCC determined that Huntley had an alleged violation of VAR-002-1 R3.1 because Huntley did not notify its Transmission Operator within the required 30 minute limit specified by the standard. NPCC further determined the duration of the alleged violation to be from November 6, 2008, the date the AVR could not be returned to service, through November 7, 2008, 12 hours later, when Huntley mitigated the violation by notifying its Transmission Operator of the change in its AVR status. The Mitigation Plan was completed on December 8, 2008.

NPCC Compliance Staff concluded that the violation did not pose a serious or substantial risk to the reliability of the bulk power system as the voltage schedule for the transmission system was being monitored and maintained by the Generator Operator (Huntley) consistent with the required voltage schedule. Further, during the short duration of operation when the AVR was not available, Huntley followed the voltage requirements of the Transmission Operator.

Regional Entity's Basis for Penalty

According to the Settlement Agreement, NPCC has assessed a penalty of nine thousand five hundred dollars (\$9,500) for the referenced alleged violations. In reaching this determination, NPCC considered the following factors:

- (1) The alleged violation reported by Huntley after NPCC issued a notice of an upcoming Spot Check to Huntley;
- (2) These alleged violations constituted Huntley's first occurrence of violations of NERC Reliability Standards and both related to the same Reliability Standard;
- (3) NPCC reported Huntley was cooperative throughout the compliance enforcement process;
- (4) there was no evidence of any attempt to conceal a violation nor evidence of intent to do so; and
- (5) NPCC determined that the alleged violations did not pose a serious or substantial risk to the bulk power system, as discussed above.

After consideration of the above factors, NPCC determined that, in this instance, the penalty amount of nine thousand five hundred dollars (\$9,500) is appropriate and bears a reasonable relation to the seriousness and duration of the alleged violation.

**Status of Mitigation Plan**<sup>10</sup>

First Violation - NPCC200800045

Huntley's Mitigation Plan to address its alleged violation of VAR-002-1 R3.1 was submitted to NPCC on October 7, 2008,<sup>11</sup> with a completion date of December 8, 2008. The Mitigation Plan was accepted by NPCC on October 31, 2008 and approved by NERC on November 6, 2008. The Mitigation Plan for this alleged violation is designated as MIT-08-1103 and was submitted as non-public information to FERC on November 6, 2008 in accordance with FERC orders.

Huntley's Mitigation Plan required it to complete the following actions:

1. install magnetic signs on all units indicating instructions for reporting AVR change by September 25, 2008;
2. voice recording of control room telephones at Huntley were installed and telephones are now monitored so that calls affecting generation between Huntley and Commercial Operations and/or National Grid (Transmission Owner) could be verified as necessary;
3. conduct an informal review of communications with operations personnel by September 25, 2008;
4. conduct refresher training on the corporate policy OCC-004 on "Voltage Control" by October 2, 2008;<sup>12</sup>
5. provide station operating instruction, *Control Room Communications #S3-46.0, Index #R6B* by October 31, 2008;
6. conduct training of proper communications for all affected station personnel, *Station Instruction #S3-46.0* by November 30, 2008; and
7. complete all follow up reporting to close out Mitigation Plan by December 8, 2008.

Huntley certified on December 8, 2008 that the above Mitigation Plan requirements were completed as of that same day. As evidence of completion of its Mitigation Plan, Huntley submitted the following:

1. Photos of the U67 and U68 Signs. The magnetic signs were first placed on April 30, 2008; later the signs were revised and placed in service on September 25, 2008;

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<sup>10</sup> See 18 C.F.R § 39.7(d)(7).

<sup>11</sup> The Mitigation Plan dated October 7, 2008 is marked as Revision 1 due to prior drafts, but was the plan that was accepted by NPCC. The Settlement Agreement incorrectly states that the Mitigation Plan was submitted with the Self-Report on October 3, 2008.

<sup>12</sup> The refresher training was completed by all Plant Operations at Huntley and Power Marketing in August 2008, with the exception of one non-control room operator who completed the training on October 2, 2008.

2. Memo from Huntley Plant Manager indicating informal review of communications with operations personnel meeting was held.
3. OCC 004 Training Roster indicating that training for all operators requiring the training was completed by November 20, 2008;
4. *Control Room Communications* protocol issued on October 31, 2008. A Station Operating Instruction, *Control Room Communications*, No. S3 - 46.0, Index No. R 6 B; that parallels Corporate Policy OCC-001, Communications and Coordination, and OCC-013 titled *Regulatory Compliance Communication Policy* was developed and issued on October 31, 2008. This Station Operating Instruction states the required communication protocol to be followed whenever communications is needed concerning status changes to an operating unit, including requests for switching and requests for MVAR support.
5. S3-46.0 Training Roster indicating that training for the Station Operating Instruction S3-46.0, *Control Room Communications* was completed on November 26, 2008. Training also included a review of the Corporate Policies within Volume 5, Operations and Commercial Compliance: OCC-001, OCC-002, OCC-003, OCC-004, OCC-005, OCC-006, OCC-007, OCC-010, OCC-011, and OCC-012. The training included discussion of the importance of timely communications of events and requests as well as providing accurate written documentation of those communications in logbooks.

On December 12, 2008,<sup>13</sup> after reviewing Huntley's submitted evidence, NPCC verified that NPCC's Mitigation Plan was completed on December 8, 2008 and notified Huntley in a letter dated March 9, 2009.<sup>14</sup>

#### Second Violation - NPCC200900062

Huntley's Mitigation Plan to address its alleged violation of VAR-002-1 R3.1 was submitted to NPCC on February 17, 2009,<sup>15</sup> with a completion date of April 17, 2009. The Mitigation Plan was accepted by NPCC on February 18, 2009 and approved by NERC on April 9, 2009. The Mitigation Plan for this alleged violation is designated as MIT-08-1413 and was submitted as non-public information to FERC on April 9, 2009 in accordance with FERC orders.

Huntley's Mitigation Plan stated that it had completed the below actions:

1. provide supplemental training on current procedure for Power Marketing LLC real-time operators on shift by February 3, 2009;
2. post a quick reference guide for all information at the Real Time desk indicating the information that needs to be relayed to the Transmission Operator and Transmission Owner. This information includes the affected station, AVR status,

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<sup>13</sup> The Settlement Agreement incorrectly states that NPCC reviewed the evidence on December 12, 2009 (*see n.1*).

<sup>14</sup> The verification letter incorrectly states that NPCC verified completion of the Mitigation Plan submitted on October 23, 2008.

<sup>15</sup> The Mitigation Plan indicates that the plan dated February 17, 2009 is Revision 2. The February 17, 2009 Mitigation Plan is the plan that was accepted by NPCC, even though there were prior drafts.

- expected duration of AVR outage and contact numbers for the applicable Transmission Operators and Transmission Owners by January 20, 2009; and
3. revise the Internal Operating Procedure OCC-004 on "Voltage Control" by February 13, 2009.

Additionally, Huntley's Mitigation Plan required it to take the below actions:

1. revise training on the revised Operating Procedure OCC-004 "Voltage Control" by February 27, 2009;
2. complete training on the revised Operating Procedure OCC-004 "Voltage Control" by April 10, 2009; and
3. complete all follow up reporting to close out Mitigation Plan by April 17, 2009.

NRG, on behalf of Huntley, certified on April 15, 2009 that the above Mitigation Plan requirements were completed on April 8, 2009. As evidence of completion of its Mitigation Plan, Huntley submitted the following:

1. photographs of the signage placed on wall above generator controls;
2. a memo regarding the informal review with the Manager and operators;
3. training roster for the refresher training of Corporate Policy OCC-004 – "Voltage Control;"
4. signed and issued Operating Instructions – S3-46.0, "Control Room Communications;" and
5. sign-off document for training of Operating Instructions – S3-46.0, "Control Room Communications."

On April 27, 2009, after reviewing Huntley's submitted evidence, NPCC verified that Huntley's Mitigation Plan<sup>16</sup> was completed on April 8, 2009 and that Huntley was in compliance with VAR-002-1 R3.1.

## **Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed<sup>17</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 Guidance Order,<sup>18</sup> the NERC BOTCC reviewed the Settlement Agreement and supporting documentation on March 10, 2010. The NERC BOTCC approved the Settlement Agreement, including NPCC's imposition of a financial penalty, assessing a penalty of nine thousand five hundred dollars (\$9,500) against Huntley and

<sup>16</sup> NPCC's Verification of Completion incorrectly states that Huntley completed its Mitigation Plan that was submitted on January 27, 2009. It also incorrectly states that the NERC Violation ID is NPCC200800062.

<sup>17</sup> See 18 C.F.R § 39.7(d)(4).

<sup>18</sup> *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008).

other actions to facilitate future compliance required under the terms and conditions of the Settlement Agreement. In approving the Settlement Agreement, the NERC BOTCC reviewed the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the alleged violations at issue.

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

- (1) The alleged violation was reported after NPCC issued a notice of an upcoming Spot Check to Huntley;
- (2) these alleged violations constituted Huntley's first occurrence of violations of NERC Reliability Standards and both related to the same Reliability Standard;
- (3) NPCC reported Huntley was cooperative throughout the enforcement process;
- (4) NPCC determined that the alleged violations did not pose a serious or substantial risk to the bulk power system, as discussed above; and
- (5) there was no evidence of any attempt to conceal a violation nor evidence of intent to do so.

**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 and material:

- a) Huntley's Self-Report for its first alleged violation of VAR-002-1 R3.1 dated October 3, 2008, included as Attachment a;
- b) Huntley's Self-Report for its second alleged violation of VAR-002-1 R3.1 dated January 22, 2009, included as Attachment b;
- c) Settlement Agreement by and between NPCC and Huntley executed January 13, 2010, included as Attachment c;
- d) Huntley's Mitigation Plan designated as MIT-08-1103 for its first alleged violation of VAR-002-1 R3.1, submitted October 7, 2008, included as Attachment d;
- e) Huntley's Mitigation Plan designated as MIT-08-1413 for its second alleged violation of VAR-002-1 R3.1, submitted February 17, 2009, included as Attachment e;
- f) Huntley's Certification of Completion of the Mitigation Plan for its first alleged violation of VAR-002-1 R3.1, submitted December 8, 2008, included as Attachment f;
- g) Huntley's Certification of Completion of the Mitigation Plan for its second alleged violation of VAR-002-1 R3.1, submitted April 15, 2009, included as Attachment g;
- h) NPCC's Verification of Completion of the Mitigation Plan for its first alleged violation of VAR-002-1 R3.1, dated March 9, 2009, included as Attachment h; and
- i) NPCC's Verification of Completion of the Mitigation Plan for its second alleged violation of VAR-002-1 R3.1, dated April 27 2009, included as Attachment i.

**A Form of Notice Suitable for Publication<sup>19</sup>**

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

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<sup>19</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, N.J. 08540-5721 (609) 452-8060 (609) 452-9550 – facsimile gerry.cauley@nerc.net david.cook@nerc.net</p> <p>Christopher O’Hara* Assistant General Counsel- Regulatory Compliance Officer NRG Energy, Inc. 211 Carnegie Center Princeton, New Jersey 08540 (609) 524-4601 Chris.Ohara@nrgenergy.com</p> <p>Patricia Lynch* Director of Regulatory Compliance NRG Energy, Inc. 211 Carnegie Center Princeton, New Jersey 08540 (609) 524-5147 (609) 524-4501 – facsimile patricia.lynch@nrgenergy.com</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 North American Electric Reliability Corporation 1120 G Street, N.W. Suite 990 Washington, D.C. 20005-3801 (202) 393-3998 (202) 393-3955 – facsimile rebecca.michael@nerc.net holly.hawkins@nerc.net</p> <p>Edward A. Schwerdt* President and Chief Executive Officer Northeast Power Coordinating Council, Inc. 1040 Avenue of the Americas-10th Fl. New York, N.Y. 10018-3703 (212) 840-1070 (212) 302-2782 – facsimile eschwerdt@npcc.org</p> <p>Stanley E. Kopman* Assistant Vice President of Compliance Northeast Power Coordinating Council, Inc. 1040 Avenue of the Americas-10th Fl. New York, N.Y. 10018-3703 (212) 840-1070 (212) 302-2782 – facsimile skopman@npcc.org</p> <p>Walter Cintron* Manager of Compliance Enforcement Northeast Power Coordinating Council, Inc. 1040 Avenue of the Americas-10th Fl. New York, N.Y. 10018-3703 (212) 840-1070 (212) 302-2782 – facsimile wcintron@npcc.org</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,

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, N.J. 08540-5721  
(609) 452-8060  
(609) 452-9550 – facsimile  
gerry.cauley@nerc.net  
david.cook@nerc.net

/s/ Rebecca J. Michael  
Rebecca J. Michael  
Assistant General Counsel  
Holly A. Hawkins  
Attorney  
North American Electric Reliability  
Corporation  
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Suite 990  
Washington, D.C. 20005-3801  
(202) 393-3998  
(202) 393-3955 – facsimile  
rebecca.michael@nerc.net  
holly.hawkins@nerc.net

cc: Huntley Power LLC  
Northeast Power Coordinating Council, Inc.

Attachments

## **Attachment a**

### **Huntley's Self-Report for its first alleged violation of VAR-002-1 R3.1 dated October 3, 2008**



Logged in as:

**Robert Peplinski**

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- System Administration
- Committees
- Compliance
  - GOP Forms
  - GO Forms
  - All Forms
  - Self Report
  - Self Report Forms
  - Historical Forms
  - Certification Statements
  - Reports
- Assessments
- Mitigation Plans
- Plants & Generators

### VAR-002-1 Self Report (GOP)

[Save Item](#) | [Delete Item](#) | [Cancel Changes](#) | [Return To Search Results](#)

[New Mitigation Plan](#) | [Attachments \(1\)](#)

**This form was marked as ready for authorized signatory approval on 10/3/2008**

\* Required Fields

Status

#### Technical Contact

\* [Patricia Lynch \(patricia.lynch@nrgenergy.com\)](#) [Find](#) | [Clear](#) | [New Contact](#)

The information in this submittal is designated as "Confidential". As such, it may include trade commercial or financial information that the submitter believes is commercially valuable and does not customarily disclose to the public. Disclosure of this information to the public could reasonably cause substantial competitive harm to the submitter. NPCC will disclose this information to NE third parties, only as required, and in accordance with established procedures pursuant to section 205 of the NERC rules of procedure.

As an authorized representative of **Huntley Power LLC**, I certify the following:

Huntley Power LLC is **Not in Compliance** with the following Requirements of NERC Reliability VAR-002-1 (indicated by checkmark) but is in compliance with all other Requirements of the standard. Huntley Power LLC has self-assessed its Non-Compliance Level/Violation Severity Level for NERC Standard VAR-002-1 as .

Check all requirements for which Huntley Power LLC is Not in Compliance:

- R1.** The Generator Operator shall operate each generator connected to the interconnect transmission system in the automatic voltage control mode (automatic voltage regulator controlling voltage) unless the Generator Operator has notified the Transmission Operator.
- R2.** Unless exempted by the Transmission Operator, each Generator Operator shall maintain generator voltage or Reactive Power output (within applicable Facility Ratings) as directed by the Transmission Operator.
  - R2.1.** When a generator's automatic voltage regulator is out of service, the Generator Operator shall use an alternative method to control the generator voltage and reactive output as directed by the Transmission Operator.
  - R2.2.** When directed to modify voltage, the Generator Operator shall comply or provide an explanation of why the schedule cannot be met.
- R3.** Each Generator Operator shall notify its associated Transmission Operator as soon as possible 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.
- R5.** After consultation with the Transmission Operator regarding necessary step-up transformer tap changes, the Generator Owner shall ensure that transformer tap positions are changed as directed by the Transmission Operator, unless such action would violate equipment rating, a regulatory requirement, or a statutory requirement. This requirement is for informational purposes only.

- R5.1.** If the Generator Operator can't comply with the Transmission Operator's speci Generator Operator shall notify the Transmission Operator and shall provide the tecl justification.

Date of Violation

Reason for the non-compliance Following repair of the Unit 68 amplidyne, the AVR equipment was returned to service without the proper notification to the TOP.

Reliability Impact Statement Impact is minimal as restoral to service improves th reliability of the system.

Mitigation Plan Included?  Yes  No

Additional Comments:

[Return to top](#)

Ready for Authorized Signatory Approval

 Save Item |  Delete Item | Cancel Changes | [Return To Search Results](#)

## **Attachment b**

**Huntley's Self-Report for its second alleged  
violation of VAR-002-1 R3.1 dated January 22,  
2009**



Logged in as:

Patricia Lynch

Log Out





**VAR-002-1 Self Report (GOP)**
 |  |  | 

New Mitigation Plan | Attachments (0)

**This form was marked as ready for authorized signatory approval on 1/22/2009.**

\*Required Fields

**Technical Contact**
  |  | 

NPCC 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.

As an authorized representative of **Huntley Power LLC**, I certify the following:

Huntley Power LLC is **Not in Compliance** with the following Requirements of NERC Reliability Standard VAR-002-1 (indicated by checkmark) but is in compliance with all other Requirements of the standard. Huntley Power LLC has self-assessed its Non-Compliance Level/Violation Severity Level for NERC Reliability Standard VAR-002-1 as

Check all requirements for which Huntley Power LLC is Not in Compliance:

- R1.** 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..
- R2.** Unless exempted by the Transmission Operator, each Generator Operator shall maintain the generator voltage or Reactive Power output (within applicable Facility Ratings1) as directed by the Transmission Operator.
- R2.1.** When a generator's automatic voltage regulator is out of service, the Generator Operator shall use an alternative method to control the generator voltage and reactive output to meet the voltage or Reactive Power schedule directed by the Transmission Operator.
- R2.2.** When directed to modify voltage, the Generator Operator shall comply or provide an explanation of why the schedule cannot be met.
- R3.** 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.
- R5.** After consultation with the Transmission Operator regarding necessary step-up transformer tap changes, the Generator Owner shall ensure that transformer tap positions are changed according to the specifications provided by the Transmission Operator, unless such action would violate safety, an equipment rating, a regulatory requirement, or a statutory requirement.
- R5.1.** If the Generator Operator can't comply with the Transmission Operator's specifications, the Generator Operator shall notify the Transmission Operator and shall provide the technical justification.

Date of Violation

Reason for the non-compliance

On 10:43 pm on November 6, 2008, Unit #68's LP automatic voltage regulator could not be placed in automatic mode due to a defective coil following return to service from a scheduled testing outage. Huntley Power LLC personnel notified the NRG Power Marketing LLC personnel concerning the status of the AVR while continuing to investigate whether the AVR could be returned to service prior to Huntley's annual month-long maintenance outage scheduled to start November 7. After it was determined that the AVR could not be returned to service prior to the annual outage, NRG Power Marketing personnel notified the TOP at 10:38 am on November 7, 2008. The approximately 10 hour delay in notification represents a potential violation of VAR-002-1a R3.

Reliability Impact Statement

There reliability impact is minimal. During the short period when the AVR was not available, Huntley Power followed the voltage requirements as required by the TOP. Unit #68 had been returned to service only a short period of time before the notification was provided to the TOP and there was little danger of any voltage excursion. Further, the TOP was aware that Unit #68 was scheduled to take an annual maintenance outage starting the same day.

Mitigation Plan Included?

Yes  No

Additional Comments:

[Return to top](#)

Ready for Authorized Signatory Approval

|  |  |



Logged in as:  
Patricia Lynch

Log Out

- System Administration
- Committees
- Compliance
- Mitigation Plans
- 2009 Schedule

**Edit Certification Statement**

**This form has been submitted and may no longer be edited.**

Status: Saved

\*Required Fields

Authorized Signatory:

\* Patricia Lynch

Form Name	Form Title	Functions	Compliance	Due Date	R
Self Report Form	Self Report Form	GOP	VSL - Lower Non-Compliant	1/22/2009	1

I certify the compliance information is accurate.

**Attachment c**

**Settlement Agreement by and between NPCC and  
Huntley executed January 13, 2010**

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**SETTLEMENT AGREEMENT  
OF  
HUNTLEY POWER, L.L.C.  
AND  
NORTHEAST POWER COORDINATING COUNCIL, INC.**

**I. INTRODUCTION**

1. Huntley Power LLC (“HUNTLEY”) and Northeast Power Coordinating Council, Inc. (“NPCC”) enter into this Settlement Agreement (“Agreement”) to resolve all outstanding issues arising from a preliminary and non-public assessment resulting from NPCC’s determination and findings, pursuant to the North American Electric Reliability Corporation (“NERC”) Rules of Procedure, of alleged violations by HUNTLEY of the NERC Reliability Standard VAR-002-1.

**II. STIPULATION**

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

**A. Background**

3. HUNTLEY is a registered Generator Owner and Generator Operator in New York, which was registered on the NERC Compliance Registry as of June 21, 2007. HUNTLEY owns and operates a 380 MW coal-fired generating facility located in Tonawanda, New York.

**B. Alleged Violation(s)**

4. NERC Reliability Standard VAR-002-1 Generator Operation for Maintaining Network Voltage Schedules was written with the purpose of ensuring that generators provide reactive and voltage control necessary to ensure voltage levels, reactive flows, and reactive resources be maintained within applicable Facility Ratings to protect equipment and the reliable operation of the Interconnection. The standard requires that:

R3. Each Generator Operator shall notify its associated Transmission Operator as soon as practical, but within 30 minutes 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 and capability

5. NPCC Compliance Staff has determined that HUNTLEY was non-compliant with NERC Reliability Standard VAR-002-1 Requirement 3.1 for two incidents that were self-reported by HUNTLEY.
6. VAR-002-1 Reliability Standard Requirement 3.1 has a “Medium” Violation Risk Factor (VRF).

**C. Summary of Findings**

7. Incident #1. The NRG Regulatory Compliance group, in its review of past evidence to support compliance to VAR002, discovered a potential violation at this facility and proceeded to perform an extensive review of all NRG facilities in NPCC. On August 27, 2008 HUNTLEY was notified that NPCC would be performing a Spot check on its facility. On October 3, 2008, HUNTLEY self-reported a potential violation of compliance to NERC Reliability Standard VAR-002-1, Requirement 3.1. HUNTLEY reported that on February 12, 2008 at 1800 hours following the Automatic Voltage Regulator’s (AVR’s) return to service after replacement of a defective outboard bearing, plant personnel could not verify that proper notification was provided to the Transmission Operator (TOP) within the required 30 minute time interval. When reviewing the HUNTLEY documents produced for the self-report, NPCC Compliance Staff confirmed that HUNTLEY personnel did not notify the TOP within the required 30 minute time interval when restoring the unit AVR to service, resulting in non-compliance with NERC Reliability Standard VAR-002-1 Requirement 3. NPCC confirmed that proper notification was provided to the TOP when the AVR was initially removed from service.
8. NPCC confirmed on June 21, 2007 HUNTLEY’S NERC Registration Status as a Generator Owner and Generator Operator and that HUNTLEY, therefore, was subject to the Requirements of NERC’s Standard(s) VAR-002-1. NPCC staff reviewed the data submitted by HUNTLEY to confirm the violation self-reported by HUNTLEY. NPCC reviewed the procedures that were in place and found that HUNTLEY was non-compliant with Requirement 3.1 because the notification to the Transmission Operator were not made within the required 30 minute time interval after an AVR status change occurred for both incidents.
9. HUNTLEY submitted a Mitigation Plan to NPCC on October 3, 2008, and certified completion of it on December 8, 2008. In its Mitigation Plan,

HUNTLEY reviewed its procedures for complying with Reliability Standard VAR-002-1 Requirement 3.1, reviewed NERC reporting Requirements with all of its operational staff, installed signage on the AVR mode control switch to remind operators to notify the Transmission Operator within the required 30 minute time interval after an AVR status change, developed a new Control Room Communications protocol designed to prevent this type of miscommunication problem from occurring again, and provided remedial training to the entire HUNTLEY operating staff on the corporate policy and procedure changes. NPCC subsequently verified HUNTLEY's completion of its Mitigation Plan on March 9, 2009.<sup>1</sup>

10. NPCC issued a Preliminary Notice of Alleged Violation on October 8, 2008, identifying the alleged violation of NERC Reliability Standard VAR-002-1 Requirement 3.1, which occurred on February 12, 2008 and lasted for a period of 30 hours.
11. On October 8, 2008, HUNTLEY requested settlement discussions with NPCC to address the alleged violation of NERC Reliability Standard VAR-002-1 Requirement 3.1.
12. Incident #2. On January 22, 2009 following internal Regulatory Compliance program review of plant evidence, HUNTLEY self-reported that on November 6, 2008 at 10:43 PM the AVR could not be placed in the automatic mode following the unit's return to service after a scheduled outage for overspeed testing. Although the Huntley Power LLC plant personnel made the notification to the NRG Power Marketing LLC personnel, the NRG Power Marketing personnel did not notify the TOP until November 7, 2008 at 10:38 AM. This status change was not communicated to the TOP within the 30 minutes interval as required by the NERC Reliability Standard VAR-002-1.
13. The responsibility for reporting operational status changes for the AVR equipment between HUNTLEY and the Transmission Operator is by the Power Marketing group. In the first incident, the HUNTLEY operators did not make the notification of the AVR status change to the Power Marketing group. In the second incident, the HUNTLEY operators made the notification of the AVR

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<sup>1</sup> NPCC Compliance Staff verified completion of the plan with HUNTLEY on December 12, 2009 although the signed document for verification was completed on March 9, 2009.

status change to the Power Marketing group, but the Power Marketing group did not report it to the Transmission Operator.

14. NPCC Compliance Staff issued a Preliminary Notice of Alleged Violation on January 30, 2009, identifying the alleged violation of NERC Reliability Standard VAR-002-1 Requirement 3.1.
15. HUNTLEY submitted the initial Mitigation Plan to NPCC on January 27, 2009. The final accepted version was submitted on February 17, 2009. In this plan HUNTLEY provided training to the Power Marketing Real Time Operators, created a reference guide that indicates the information that is required to be transmitted between the TOP and TO, revised its Voltage Control Policy and provided training for the Power Marketing and Huntley Power personnel. HUNTLEY certified completion of the Mitigation Plan on April 15, 2009 and NPCC verified its completion on April 27, 2009.
16. Throughout the settlement process, HUNTLEY has cooperated fully with NPCC.
17. After review of the data submitted by HUNTLEY, NPCC Compliance Staff concluded there was no real-time impact to the bulk power system as a result of these violations. The violations did not pose a serious or substantial risk to the reliability of the transmission system as the voltage schedule for the transmission system was being maintained by the Generator Operator.

### **III. PARTIES' SEPARATE REPRESENTATIONS**

#### **A. Statement of NPCC**

18. HUNTLEY self-reported two potential violations of NERC Reliability Standard VAR-002-1 Requirement 3.1 on October 3, 2008 and January 22, 2009. After reviewing all the evidence submitted by HUNTLEY, the NPCC Compliance Staff confirmed HUNTLEY was non-compliant with VAR-002-1 Requirement 3.1 for the violations.
19. For the first violation that occurred on February 12, 2008, HUNTLEY could not verify that the Transmission Operator was properly notified, within the required thirty minute time interval, after returning the AVR to service following the replacement of a defective outboard bearing. In addition, HUNTLEY submitted the Mitigation Plan with the self-report to demonstrate

how the violation would be corrected. HUNTLEY certified completion of the Mitigation Plan on December 8, 2008, and NPCC verified it completed on March 9, 2009.<sup>2</sup>

20. For the second violation on November 6, 2008, the Power Marketing group did not report a status change of the AVR to the Transmission Operator. HUNTLEY submitted a Mitigation Plan to resolve the violation. HUNTLEY certified completion of the Mitigation Plan on April 15, 2009, and NPCC verified it completed on April 27, 2009.

21. NPCC agrees that this Agreement is in the best interest of the parties and in the best interest of bulk power system reliability.

**B. Statement of HUNTLEY**

22. HUNTLEY neither admits nor denies the facts set forth herein and agreed to by the parties for the purposes of this Agreement. However, after reviewing the events of February 12, 2008 with respect to compliance with VAR-002-1, Requirement 3, HUNTLEY identified a number of improvements to its AVR reporting methodologies that will improve its compliance with VAR-002-1, R 3. This included development of communications protocol for Plant operators and documentation in a NERC log, revisions to the corporate policy on VAR reporting, and installation of signage at the AVR controls. HUNTLEY has voluntarily re-trained its plant employees and strengthened its guidance to employees regarding proper reporting of changes of status in AVR availability. HUNTLEY has undertaken a similar process in response to the second incident, and has completed the process of retraining in reporting processes and feedback by the relevant NRG Power Marketing LLC personnel to enhance future compliance with VAR-002-1, R3.

23. HUNTLEY has agreed to enter into this Agreement with NPCC to avoid extended litigation with respect to the matters described or referred to herein, to avoid uncertainty, and to effectuate a complete and final resolution of the issues set forth herein. HUNTLEY agrees that this Agreement is in the best interest of the parties and is in the best interest of bulk power system reliability.

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<sup>2</sup> NPCC Compliance Staff verified completion of the plan with HUNTLEY on December 12, 2008 although the signed document for verification was completed on March 9, 2009.

24. For purposes of this Agreement, HUNTLEY has agreed to a penalty payment in the amount of \$9,500 (“Payment”) in addition to the additional terms and conditions set forth in Section V.

**IV. MITIGATING ACTIONS, REMEDIES AND SANCTIONS**

25. Incident #1. On October 3, 2008, HUNTLEY submitted a Mitigation Plan for the alleged violation of NERC Reliability Standard VAR-002-1 Requirement 3.1. For purposes of settling any and all disputes arising from NPCC’s investigation into the self report by HUNTLEY, HUNTLEY and NPCC agree that on and after the effective date of this Agreement, HUNTLEY has taken the following actions:

<b>Activity</b>	<b>Dates Completed<sup>3</sup></b>
i. Install signage on the AVR mode control switch to remind operators to notify the Transmission Operator within the required 30 minute time interval after an AVR status change.	September 25, 2008
ii. Informal review of communications with Operations personnel.	September 25, 2008
iii. Refresher training on Corporate Policy OCC-004 “Voltage Control”	November 20, 2008
iv. Station Operating Instruction – “Control Room Communications”, No. S3 – 46.0, Index No. R6B	October 31, 2008
v. Training of all affected Station personnel in proper communications, Station Instructions No. S3 – 46.0	November 26, 2008
vi. Complete all follow up reporting for the Huntley Mitigation Plan	December 8, 2008

26. Incident #2. On January 27, 2009, HUNTLEY submitted a Mitigation Plan for the alleged violation of NERC Reliability Standard VAR-002-1 Requirement

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<sup>3</sup> These activities have been certified completed by HUNTLEY on December 8, 2008 and NPCC has verified them completed on March 9, 2009.

3.1. For purposes of settling any and all disputes arising from NPCC’s investigation into the self report by HUNTLEY, HUNTLEY and NPCC agree that on and after the effective date of this Agreement, HUNTLEY has taken the following actions:

<b>Activity</b>	<b>Dates Completed<sup>4</sup></b>
i. Supplemental training for real time operators on shift on current procedure.	February 3, 2009
ii. Post quick reference guide for required information at the Real Time Desk	January 20, 2009
iii. Revise Internal Operating Procedure OCC-004 Voltage Control	February 12, 2009
iv. Revise training on revised procedure OCC-004 Voltage Control	February 26, 2009
v. Complete training on revised procedure OCC-004 Voltage Control	April 8, 2009
vi. Complete all follow up reporting for the Mitigation Plan	April 15, 2009

**i Payment to NPCC**

27. Based on HUNTLEY’s mitigation of the alleged violations, the above actions taken by HUNTLEY, HUNTLEY agrees to pay \$9,500 (the Payment) to NPCC. In agreement with the payment NPCC has taken into consideration HUNTLEY’s cooperation exhibited during the self-report investigation, in providing the information necessary to conform to the NERC Rules of Procedure, and its cooperation and commitment in this settlement process. NPCC has determined that the lack of reporting the AVR status changes to the Transmission Operator resulted in no real time voltage changes in the Transmission Operators voltage schedule and resulted in minimal risk to the Bulk Electric System. NPCC Compliance Staff has determined that the total \$9,500 penalty bears a reasonable relation to the seriousness of the violations.

**ii Timing of Payment**

28. HUNTLEY shall remit the Payment to NPCC, via wire transfer to an account to be identified by NPCC (“NPCC Account”). By the later of (i) twenty days after

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<sup>4</sup> These activities have been certified completed by HUNTLEY on April 15, 2009 and NPCC has verified them completed on April 27, 2009.

this Agreement is either approved by the Commission or by operation of law and (ii) twenty days after NPCC provides HUNTLEY the NPCC Account, HUNTLEY shall remit the Payment. NPCC shall notify NERC if the payment is not timely received. If HUNTLEY does not remit the Payment by the required date, interest payable to NPCC will begin to accrue pursuant to FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii) from the date that payment is due, and shall be payable in addition to the Payment.

**iii Failure to Comply with this Agreement**

29. Failure to make a timely penalty payment or to comply with any of the terms and conditions agreed to herein, or any other conditions of this Settlement Agreement, shall be deemed to be either the same alleged violations that initiated this Settlement and/or additional violation(s) and may subject HUNTLEY to new or additional enforcement, penalty or sanction actions in accordance with the NERC Rules of Procedure.
30. It is understood that NPCC staff shall track the progress of mitigation plans and any other remedies of this Agreement, including, but not limited to site inspection, interviews, and request other documentation to validate progress and/or completion of the mitigation plans and any other remedies of this Agreement. NPCC shall reasonably coordinate its review and information requests with HUNTLEY related to this Agreement.

**V. ADDITIONAL TERMS**

31. The signatories to the Agreement agree that they enter into the Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent or representative of NPCC or HUNTLEY has been made to induce the signatories or any other party to enter into the Agreement.
32. NPCC shall report the terms of all settlements of compliance matters to NERC. NERC will review the settlement for the purpose of evaluating its consistency with other settlements entered into for similar violations or under other, similar circumstances. Based on this review, NERC will either approve the settlement or reject the settlement and notify the Regional Entity and the Registered Entity of changes to the settlement that would result in approval. If NERC rejects the settlement, NERC will provide specific written reasons for such rejection and the NPCC will attempt to negotiate a revised settlement agreement with HUNTLEY including any changes to the settlement specified by NERC. If a settlement cannot be reached, the enforcement process shall continue to conclusion. If NERC approves the settlement, NERC will (i) report the approved settlement to the Commission for the Commission's review and approval by order or operation

of law and (ii) publicly post the alleged violation and the terms provided for in the settlement.

33. This Agreement shall become effective upon the Commission's approval of the Agreement by order or operation of law as submitted to it or as modified in a manner acceptable to the parties.
34. HUNTLEY agrees that this Agreement, when approved by NERC and the Commission, shall represent a final settlement of all matters set forth herein and HUNTLEY waives its right to further hearings and appeal, unless and only to the extent that HUNTLEY contends that any NERC or Commission action on the Agreement contains one or more material modifications to the Agreement NPCC reserves all rights to initiate enforcement, penalty or sanction actions against HUNTLEY in accordance with the NERC Rules of Procedure in the event that HUNTLEY fails to comply with the mitigation plan and compliance program agreed to in this Agreement. In the event HUNTLEY fails to comply with any of the stipulations, remedies, sanctions or additional terms, as set forth in this Agreement, NPCC will initiate enforcement, penalty, or sanction actions against HUNTLEY to the maximum extent allowed by the NERC Rules of Procedure, up to the maximum statutorily allowed penalty. HUNTLEY shall retain all rights to defend against such enforcement actions, also according to the NERC Rules of Procedure.
35. Huntley consents to the use of NPCC's determinations, findings, and conclusions set forth in this Agreement for the purpose of assessing the factors, including the factor of determining the company's history of violations, in accordance with the NERC Sanction Guidelines and applicable Commission orders and policy statements. Such use may be in any enforcement action or compliance proceeding undertaken by NERC and/or Regional Entity; provided, however, that Huntley does not consent to the use of the specific acts set forth in this Agreement as the sole basis for any other action or proceeding brought by NERC and/or NPCC, nor does Huntley consent to the use of this Agreement by any other party in any other action or proceeding.
36. Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to bind such entity and accepts the Agreement on the entity's behalf.
37. The undersigned representative of each party affirms that he or she has read the Agreement, that all of the matters set forth in the Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that the Agreement is entered into by such party in express reliance on those representations, provided, however, that such affirmation by each party's representative shall not apply to the other party's statements of position set forth in Section III of this Agreement.

38. The Agreement may be signed in counterparts.

39. This Agreement is executed in duplicate, each of which so executed shall be deemed to be an original.

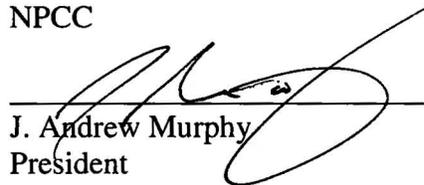
*Remainder of page intentionally blank.  
Signatures to be affixed to the following page*

Agreed to and accepted:



Edward A. Schwerdt  
President & CEO  
NPCC

1/13/10  
Date



J. Andrew Murphy  
President  
Huntley Power LLC

1/07/2010  
Date

## **Attachment d**

**Huntley's Mitigation Plan designated as MIT-08-1103 for its first alleged violation of VAR-002-1 R3.1, submitted October 7, 2008**



# Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: *October 7, 2008* Revision 1

## Section A: Compliance Notices & Mitigation Plan Requirements

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Attachment A - Compliance Notices & Mitigation Plan Requirements" to this form.
- A.2  I have reviewed Attachment A and understand that this Mitigation Plan Submittal Form will not be accepted unless this box is checked.

## Section B: Registered Entity Information

B.1 Identify your organization:

Company Name: *Huntley Power, LLC*  
 Company Address: *3500 River Rd*  
*Tonawanda, NY 14150*  
 NERC Compliance Registry ID: *NCR07108*

B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan.

Name: *D. Samuel Loquasto*  
 Title: *Senior Engineer*  
 Email: *sam.loquasto@huntleypower.com*  
 Phone: *(716) 879-3867*

## Section C: Identification of Alleged or Confirmed Violation(s) Associated with this Mitigation Plan

C.1 This Mitigation Plan is associated with the following Alleged or Confirmed violation(s) of the reliability standard listed below.

Applicable Standard, Requirement(s) and dates:

NERC Violation ID #	Reliability Standard	Requirement Number	Violation Risk Factor	Alleged or Confirmed Violation Date <sup>(*)</sup>	Method of Detection (e.g., Audit, Self-report,



**NPCC, Inc.**

NORTHEAST POWER COORDINATING COUNCIL, INC.  
1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

		Rn.n.n		MM/DD/YY	Investigation)
aaaaaYYY Ynnnnn					
	VAR-002-1	R3.1	Medium	02/12/08	Self report

(\*) Note: The Alleged or Confirmed Violation Date shall be expressly specified by Registered Entity, and subject to modification by [RE acronym], as: (i) the date the Alleged or Confirmed violation occurred; (ii) the date that the Alleged or Confirmed violation was self-reported; or (iii) the date that the Alleged or Confirmed violation has been deemed to have occurred on by [RE acronym]. Questions regarding the date to use should be directed to the [RE acronym] contact identified in Section G of this form.

C.2 Identify the cause of the Alleged or Confirmed violation(s) identified above. Additional detailed information may be provided as an attachment:

On 2/11/08, Plant Operations removed the Unit 68 HP Amplidyne (AVR) from service to replace the outboard bearing. Proper notification was provided to National Grid and the NYISO Gen desk within the 30 minute requirement. The equipment was returned to service on 2/12/08 at 1800. However, Plant personnel cannot confirm proper notification was provided to the TOP at this time as the documentation does not support this.

C.3 Provide any additional relevant information regarding the Alleged or Confirmed violations associated with this Mitigation Plan. Additional detailed information may be provided as an attachment:

We cannot confirm notification at time the AVR equipment was returned to service. This equipment restoration increased system reliability and did not negatively impact the grid. Furthermore, this return to service followed notification of a problem and repair of short duration.

**Section D: Details of Proposed Mitigation Plan**

**Mitigation Plan Contents**



**NPCC, Inc.**

NORTHEAST POWER COORDINATING COUNCIL, INC.  
1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

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 Alleged or Confirmed violations identified above in Part C.1 of this form. Additional detailed information may be provided as an attachment:

After the incident but prior to the detection, Huntley Power LLC personnel as well as NRG Power Marketing LLC personnel (who serve as part of the communication chain) had received refresher training in the revised Corporate Policy OCC-004 on Voltage Control (dated April 16, 2008) which added clarity to the communication process in the event of an AVR outage during operation. This training was completed by all Plant Operations at Huntley and Power Marketing in August 2008, with the exception of one non-control room operator who completed this training on October 2, 2008.

Additionally, magnetic signs were placed at the AVR controls to act as a reminder to call when equipment affecting generating conditions is removed or restored to service. Voice recording of Control Room telephones at Huntley has been installed and telephones are now monitored so that calls affecting generation between Huntley and Commercial Operations and/or National Grid (Transmission Owner) can be verified as necessary.

Upon discovery of this incident, Operations management reviewed the importance of proper communications and documentation with operating personnel when communicating with Commercial Operations and external parties whenever equipment affecting generation is removed from service and/or returned to service. A more formal training will occur following development of the communications protocol.

Huntley Power, LLC will develop a communications protocol which is fully described in Station Operating Instruction number 53 - 46.0, Index R 6 B, "Control Room Communications". All operating personnel will review, date, and sign. The communications protocol will require the operator to communicate the following information: date, time, name and affiliation of the person making the request or providing instructions, description of what was requested or provided, and description of how Huntley complied with the request as well as confirmation of understanding by both parties. Additionally these communications will be entered in the NERC Communications Log Book. Meetings will be held with all affected personnel and their supervision concerning the importance of accurately recording this information.



**Mitigation Plan Timeline and Milestones**

D.2 Provide the date by which full implementation of the Mitigation Plan will be, or has been, completed with respect to the Alleged or Confirmed violations identified above. State whether the Mitigation Plan has been fully implemented: This mitigation plan will be fully implemented on or before December 8, 2008. Meetings with the affected operating personnel will begin on or about November 3, 2008 and will be completed on or about November 30, 2008.

D.3 Enter Milestone Activities, with due dates, that your organization is proposing, or has completed, for this Mitigation Plan:

Milestone Activity	Proposed/Actual Completion Date* (shall not be more than 3 months apart)
Magnetic signs installed indicating AVR status change	Completed on April 30, 2008 Revised on Completed on September 25, 2008
Informal review of communications with Operations personnel	Completed on September 25, 2008
Refresher training on Corporate Policy OCC-004 "Voltage Control"	Completed on October 2, 2008
Station Operating Instruction - "Control Room Communications", No. 53 - 46.0, Index No. R 6 B	To be Completed and Issued by October 31, 2008
Training of all affected Station personnel in proper communications, Station Instruction 53 - 46.0	To be Completed by November 30, 2008
Complete all follow up reporting for this Mitigation Plan	To be Completed by December 8, 2008

(\* ) Note: Implementation milestones no more than three (3) months apart are permissible only for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.



**NPCCG, Inc.**

NORTHEAST POWER COORDINATING COUNCIL, INC.  
1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

## **Section E: Interim and Future Reliability Risk**

### **Abatement of Interim BPS Reliability Risk**

- E.1 While your organization is implementing this Mitigation Plan the reliability of the Bulk Power System (BPS) may remain at higher risk or be otherwise negatively impacted until the plan is successfully completed. To the extent they are, or may be, known or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take to mitigate this increased risk to the reliability of the BPS. Additional detailed information may be provided as an attachment:

Following the incident but prior to the detection, Huntley Power LLC personnel as well as NRG Power Marketing LLC personnel (who serve as part of the communication chain) had received refresher training in the revised Corporate Policy OCC-004 on Voltage Control (dated April 16, 2008) which added clarity to the communication process in the event of an AVR outage during operation. This training was completed by all Plant Operations at Huntley and Power Marketing in August 2008, with the exception of one non-control room operator who completed this training on October 2, 2008.

Upon discovery of this incident, Operations management reviewed the importance of proper communications and documentation with operating personnel when communicating with Commercial Operations and external parties whenever equipment affecting generation is removed from service and/or returned to service. A more formal training will occur following development of the communications protocol.

Additionally, magnetic signs were placed at the AVR controls to act as a reminder to call when equipment affecting generating conditions is removed or restored to service. Voice recording of Control Room telephones at Huntley has been installed and telephones are now monitored so that calls affecting generation between Huntley and Commercial Operations and/or National Grid (Transmission Owner) can be verified as necessary.

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

- E.2 Describe how successful completion of this Mitigation Plan will prevent or minimize the probability that your organization incurs further risk or Alleged violations of the same or similar reliability standards requirements in the future. Additional detailed information may be provided as an attachment:

Training on the new communications protocol will reinforce the requirement of accurate, complete, and timely reporting of essential communication through the



NORTHEAST POWER COORDINATING COUNCIL, INC.  
1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

proper channels and the need for accurate documentation of these communications in the NERC Communications Log Book.

In addition, NRG Energy Inc. is in the process of rolling out the new Regulatory Compliance Database for monitoring and tracking which will provide for automated monthly assessment of activities assigned to specific individuals for compliance to the NERC standards. Development of the database had been in progress for the last 9 months and the roll out had already been planned for Q4 2008.



**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 this Mitigation Plan for acceptance by NPCC and approval by NERC, and
- b) If applicable, certifies that this Mitigation Plan was completed on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
  1. I am Michael Bramnick of NRG Energy Inc.
  2. I am qualified to sign this Mitigation Plan on behalf of Huntley Power LLC.
  3. I understand Huntley Power LLC's obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).
  3. I have read and am familiar with the contents of this Mitigation Plan.
  4. Huntley Power, LLC agrees to comply with, this Mitigation Plan, including the timetable completion date, as accepted by [RE acronym] and approved by NERC.

Authorized Individual Signature

A handwritten signature in purple ink, appearing to read 'Michael R. Bramnick', is written over a horizontal line.

Name (Print): Michael Bramnick

Title: Deputy General Counsel and Chief Compliance Officer

Date: October 7, 2008



**NPCC, Inc.**

NORTHEAST POWER COORDINATING COUNCIL, INC.  
1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

**Section G: Regional Entity Contact**

Please direct any questions regarding completion of this form to:

D. Samuel Loquasto  
Senior Engineer  
Huntley Power, LLC  
3500 River Rd  
Tonawanda, NY 14150  
(716) 879-3867  
Sam.loquasto@huntleypower.com



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

- I. Section 6.2 of the CMEP<sup>1</sup> sets forth the information that must be included in a Mitigation Plan. The Mitigation Plan must include:
- (1) The Registered Entity's point of contact for the Mitigation Plan, who shall be a person (i) responsible for filing the Mitigation Plan, (ii) technically knowledgeable regarding the Mitigation Plan, and (iii) authorized and competent to respond to questions regarding the status of the Mitigation Plan. This person may be the Registered Entity's point of contact described in Section 2.0.
  - (2) The Alleged or Confirmed Violation(s) of Reliability Standard(s) the Mitigation Plan will correct.
  - (3) The cause of the Alleged or Confirmed Violation(s).
  - (4) The Registered Entity's action plan to correct the Alleged or Confirmed Violation(s).
  - (5) The Registered Entity's action plan to prevent recurrence of the Alleged or Confirmed violation(s).
  - (6) The anticipated impact of the Mitigation Plan on the bulk power system reliability and an action plan to mitigate any increased risk to the reliability of the bulk power-system while the Mitigation Plan is being implemented.
  - (7) A timetable for completion of the Mitigation Plan including the completion date by which the Mitigation Plan will be fully implemented and the Alleged or Confirmed Violation(s) corrected.
  - (8) Implementation milestones no more than three (3) months apart for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.
  - (9) Any other information deemed necessary or appropriate.
  - (10) The Mitigation Plan shall be signed by an officer, employee, attorney or other authorized representative of the Registered Entity, which if applicable, shall be the person that signed the Self-Certification or Self Reporting submittals.
- II. This submittal form must be used to provide a required Mitigation Plan for review and acceptance by NPCC and approval by NERC.
- III. This Mitigation Plan is submitted to the regional entity(ies) and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.

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



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NORTHEAST POWER COORDINATING COUNCIL, INC.  
1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

- IV. This Mitigation Plan Submittal 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 Alleged or Confirmed violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is accepted by NPCC and approved by NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. NPCC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- VII. Remedial action directives also may be issued as necessary to ensure reliability of the BPS.

## **Attachment e**

**Huntley's Mitigation Plan designated as MIT-08-1413 for its second alleged violation of VAR-002-1 R3.1, submitted February 17, 2009**



## Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: February 17, 2009-Revision 2

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

- A.1 Notices and requirements applicable to Mitigation Plans and this Submittal Form are set forth in "Attachment A - Compliance Notices & Mitigation Plan Requirements" to this form.
- A.2  I have reviewed Attachment A and understand that this Mitigation Plan Submittal Form will not be accepted unless this box is checked.

### Section B: Registered Entity Information

- B.1 Identify your organization:

Company Name: Huntley Power, LLC  
 Company Address: 3500 River Rd  
 Tonawanda, NY 14150  
 NERC Compliance Registry ID: NCR07108

- B.2 Identify the individual in your organization who will be the Entity Contact regarding this Mitigation Plan.

Name: Patricia Lynch  
 Title: Director of Regulatory Compliance  
 Email: patricia.lynch@nrgenergy.com  
 Phone: 609-524-5147

### Section C: Identification of Alleged or Confirmed Violation(s) Associated with this Mitigation Plan

- C.1 This Mitigation Plan is associated with the following Alleged or Confirmed violation(s) of the reliability standard listed below.

Applicable Standard, Requirement(s) and dates:

NERC Violation ID #	Reliability Standard	Requirement Number	Violation Risk Factor	Alleged or Confirmed Violation Date <sup>(*)</sup>	Method of Detection (e.g., Audit, Self-report, Investigation)



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NPCC2009 00062	VAR-002- 1	R3.1	Medium	11/06/08	Self report

(\*) Note: The Alleged or Confirmed Violation Date shall be expressly specified by Registered Entity, and subject to modification by [RE acronym], as: (i) the date the Alleged or Confirmed violation occurred; (ii) the date that the Alleged or Confirmed violation was self-reported; or (iii) the date that the Alleged or Confirmed violation has been deemed to have occurred on by [RE acronym]. Questions regarding the date to use should be directed to the [RE acronym] contact identified in Section G of this form.

C.2 Identify the cause of the Alleged or Confirmed violation(s) identified above. Additional detailed information may be provided as an attachment:

Following overspeed testing of Unit #68 and subsequent return to service on November 6, 2008 at 10:43 pm, the Unit #68 LP automatic voltage regulator (AVR) would not switch to automatic mode due to a defective coil. Huntley Power LLC personnel promptly notified the NRG Power Marketing LLC personnel at this time concerning the status of the automatic voltage regulator while continuing to investigate the problem. Plant personnel determined that the AVR could not be returned to service prior to the annual outage scheduled to start the following day and communicated the status to NRG Power Marketing LLC personnel, expected duration of repair and restoration to service (following the outage). At 10:38AM on November 7, 2008, NRG Power Marketing LLC personnel provided proper notification and expected duration to National Grid but not within the proper notification interval of 30 minutes.

C.3 Provide any additional relevant information regarding the Alleged or Confirmed violations associated with this Mitigation Plan. Additional detailed information may be provided as an attachment:



The reliability impact to the bulk electric system was minimal during this period. During the short duration of operation when the automatic voltage regulator was not available, Huntley Power LLC followed the voltage requirements of the Transmission Operator. Unit #68 returned to service with the AVR not available resulting in no voltage excursion. Furthermore, the Transmission Operator was aware that Unit #68 was scheduled to shutdown for the annual maintenance outage later that day.

## **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 Alleged or Confirmed violations identified above in Part C.1 of this form. Additional detailed information may be provided as an attachment:

Immediately following identification of the violation which was found upon review of operator logs, the NRG Power Marketing LLC real-time operator involved in this incident was provided additional supplemental training to review the existing internal corporate procedure OCC-004 entitled "Voltage Control" and the specific communication steps required upon notification of an automatic voltage regulator status change. This was completed on January 20, 2009. The remainder of the NRG Power Marketing LLC personnel will review the existing policy by February 3, 2009.

A quick reference guide has been placed at the NRG Power Marketing desk indicating the information that needs to be relayed to the TOP and TO. This information includes the affected station, AVR status, expected duration of AVR outage and contact numbers for the applicable Transmission Operators and Owners. This information has been placed on the phone as well as speed dial information. This was completed on January 20, 2009. See Attachment 1.



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The current NRG corporate policy, OCC-004 entitled "Voltage Control" will be revised to include more specific communication requirements and an additional step for the NRG Power Marketing LLC to provide confirmation that the appropriate notification is made to the plant personnel. Updates to the procedure will be completed by February 13, 2009. Development of the training module to reflect this updated policy will be completed by February 27, 2009.

Following revisions to the corporate policy OCC-004, NRG Power Marketing LLC and Huntley Power LLC personnel will be trained in the policy by April 10, 2009.

Finally, all follow up reporting pertaining to completion of the mitigation plan will be finished by April 17, 2009.

#### Mitigation Plan Timeline and Milestones

- D.2 Provide the date by which full implementation of the Mitigation Plan will be, or has been, completed with respect to the Alleged or Confirmed violations identified above. State whether the Mitigation Plan has been fully implemented: This mitigation plan will be fully implemented on or before April 17, 2009.
- D.3 Enter Milestone Activities, with due dates, that your organization is proposing, or has completed, for this Mitigation Plan:

Milestone Activity	Proposed/Actual Completion Date* (shall not be more than 3 months apart)
Supplemental training for real-time operators on shift on current procedure	To be completed on February 3, 2009
Post quick reference guide for required information at the Real Time desk	Completed on January 20, 2009
Revise Internal Operating Procedure OCC-004 Voltage Control	To be completed by February 13, 2009



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Revise training on revised procedure <i>OCC-004 Voltage Control</i>	To be completed by February 27, 2009
Complete training on revised procedure <i>OCC-004 Voltage Control</i>	To be completed by April 10, 2009
Complete all follow up reporting for this Mitigation Plan	To be Completed by April 17, 2009

(\* Note: Implementation milestones no more than three (3) months apart are permissible only for Mitigation Plans with expected completion dates more than three (3) months from the date of submission. Additional violations could be determined for not completing work associated with accepted milestones.



**NPCCC, Inc.**

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1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

## **Section E: Interim and Future Reliability Risk**

### **Abatement of Interim BPS Reliability Risk**

- E.1 While your organization is implementing this Mitigation Plan the reliability of the Bulk Power System (BPS) may remain at higher risk or be otherwise negatively impacted until the plan is successfully completed. To the extent they are, or may be, known or anticipated: (i) identify any such risks or impacts; and (ii) discuss any actions that your organization is planning to take to mitigate this increased risk to the reliability of the BPS. Additional detailed information may be provided as an attachment:

This event was due to a failure to follow each step of NRG's existing procedure OCC-004 concerning AVR reporting. To help mitigate risk of future communication issues until all steps of the mitigation plan are completed, NRG Power Marketing LLC will reinforce the importance of following each step with each of the operators on the real-time desk in Princeton. A quick reference guide has been placed at the desk including phone numbers and speed dials for the applicable Transmission Operators and Owners.

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

- E.2 Describe how successful completion of this Mitigation Plan will prevent or minimize the probability that your organization incurs further risk or Alleged violations of the same or similar reliability standards requirements in the future. Additional detailed information may be provided as an attachment:

The updated procedure will include clarification and additional steps that will ensure that communication between the plant personnel, the Princeton real-time desk and notification to the Transmission Operator and Transmission Owner upon notification of an automatic voltage regulator or power system stabilizer status change occurs in accordance with VAR-002-1. In addition, the Princeton real-time desk will be required to provide a feedback confirmation for each notification. This, along with the more formalized communication requirements, will ensure information is communicated properly



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1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

through to the appropriate parties as required.



**NPCC, Inc.**

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1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

**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 this Mitigation Plan for acceptance by NPCC and approval by NERC, and
- b) If applicable, certifies that this Mitigation Plan was completed on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- c) Acknowledges:
  1. I am Michael Bramnick of NRG Energy Inc.
  2. I am qualified to sign this Mitigation Plan on behalf of Huntley Power LLC.
  3. I understand Huntley Power LLC's obligations to comply with Mitigation Plan requirements and ERO remedial action directives as well as ERO documents, including, but not limited to, the NERC Rules of Procedure, including Appendix 4(C) (Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation" (NERC CMEP)).
  3. I have read and am familiar with the contents of this Mitigation Plan.
  4. Huntley Power LLC agrees to comply with, this Mitigation Plan, including the timetable completion date, as accepted by NPCC and approved by NERC.

**Authorized Individual Signature**

Name (Print): Michael Bramnick

Title: Deputy General Counsel and Chief Compliance Officer

Date: February 17, 2009



**NPCC, Inc.**

NORTHEAST POWER COORDINATING COUNCIL, INC.  
1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

**Section G: Regional Entity Contact**

Please direct any questions regarding completion of this form to:

Walter Cintron  
Manager, Compliance Enforcement  
Northeast Power Coordinating Council, Inc.  
1515 Broadway – 43<sup>rd</sup> Floor  
New York, N.Y. 10036 -8901  
Tel: 212-840-1070  
Fax: 212-302-2782  
E-mail: [wcintron@npcc.org](mailto:wcintron@npcc.org)



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

- I. Section 6.2 of the CMEP<sup>1</sup> 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).
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  - (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.
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  - (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 must be used to provide a required Mitigation Plan for review and acceptance by NPCC and approval by NERC.
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<sup>1</sup> "Uniform Compliance Monitoring and Enforcement Program of the North American Electric Reliability Corporation;" a copy of the current version approved by the Federal Energy Regulatory Commission is posted on NERC's website.



**NPCC, Inc.**

NORTHEAST POWER COORDINATING COUNCIL, INC.  
1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

- IV. This Mitigation Plan Submittal 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 Alleged or Confirmed violations with respect to each additional Reliability Standard, as applicable.
- V. If the Mitigation Plan is accepted by NPCC and approved by NERC, a copy of this Mitigation Plan will be provided to the Federal Energy Regulatory Commission in accordance with applicable Commission rules, regulations and orders.
- VI. NPCC or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- VII. Remedial action directives also may be issued as necessary to ensure reliability of the BPS.

## Attachment 1:

### Voltage Control Reporting Procedure

1. Get the information from the plant (unit, equipment, status change, duration)
2. Repeat information back to confirm
3. Call local T.O.
4. Call ISO
5. Call plant back to confirm communications to T.O. and ISO
6. Log all information and communications in PMS
7. Submit AVR ticket for PJM units

#### PJM – (610) 666-8809

Indian River – Delmarva Power and Light – (302) 454-4584  
Vienna - Delmarva Power and Light – (302) 454-4584  
Kent Dover - Delmarva Power and Light – (302) 454-4584

Paxton Creek – PPL – (717) 257-5917

Rockford – Commonwealth Edison - (630) 932-3704

#### NYISO – (518) 356-6028

Huntley – National Grid – (315) 460-2130  
Dunkirk - National Grid – (315) 460-2130  
Oswego - National Grid – (315) 460-2130

Arthur Kill – Con Ed – Plant calls T.O., we call ISO  
Astoria - Con Ed – Plant calls T.O., we call ISO

#### NEPOOL – (413) 535-4303

Connecticut Jets – Convex – (800) 296-0053  
Devon – Convex – (800) 296-0053  
Middletown – Convex – (800) 296-0053  
Montville – Convex – (800) 296-0053



**NPCC, Inc.**

Norwalk – Convex – (800) 296-0053

Somerset - National Grid New England – (800) 423-6029

NORTHEAST POWER COORDINATING COUNCIL, INC.

1515 BROADWAY, NEW YORK, NY 10036-8901 TELEPHONE: (212) 840-1070 FAX: (212) 302-2782

## **Attachment f**

**Huntley's Certification of Completion of the  
Mitigation Plan for its first alleged violation of  
VAR-002-1 R3.1, submitted December 8, 2008**

**Huntley Power LLC**  
**Violation Mitigation Plan Closure Form**  
**NERC Violation ID # NPCC200800045**

Name of registered entity submitting certification: Huntley Power, LLC (NCR07108)

Date of Certification: December 8, 2008

Name of Standard and the Requirement of which a violation was mitigated: VAR-002-1, R3.1

Date of completion of the mitigation plan: December 8, 2008

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 Bramnick

Title: Deputy General Counsel and Chief Compliance Officer

Entity: Huntley Power LLC

Email: Michael.bramnick@nrgenergy.com

Phone: (609) 524-4598

Executive Signature



Date

12/8/08

**NERC Violation ID# NPCC200800045- VAR-002-1, R3.1**

**Mitigation Plan Completion for Huntley Power LLC:**

- 1. Install magnetic signage at the AVR Controls that remind operators to notify Com Ops of any change in status of the AVR's.**

Magnetic signs were first placed on April 30, 2008; later the signs were revised and placed in service on September 25, 2008. Refer to Attachment 1 and Attachment 2.

- 2. Informal review of communications protocol was conducted with operating personnel.**

The Operations Manager and Station Shift Supervisors (SSS) each met with the operators on shift to discuss the importance and requirements of proper communications to Com Ops whenever there is a request to adjust MVARs, equipment status changes occur, etc. The discussion also emphasized recording the request and response to the request in the "NERC" Logbook. This was completed on September 25, 2008.

**3. Refresher training on Corporate Policy OCC-004, “Voltage Control” (VAR-001 and VAR-002), revision 2.**

All operating personnel completed the required refresher training on OCC-004, revision 2 “Voltage Control” (VAR-001 and VAR-002) by October 2, 2008; with the exception of two operators who had started the course in May 2008 without formally completing it. One individual is not presently subject to the standard and not required to attend the training. However, he will complete the training upon his return from sick absence as he may be subject to this standard in the near future. The other operator completed the required training on November 20, 2008. Refer to Attachment 3 for roster of completed training.

**4. Development of a new Station Operating Instruction – “Control Room Communications”, No. S3 – 46.0, Index No. R 6 B.**

A Station Operating Instruction, “Control Room Communications”, No. S3 - 46.0, Index No. R 6 B; that parallels Corporate Policy OCC-001, Communications and Coordination, and OCC-013 entitled “Regulatory Compliance Communication policy” was developed and issued on October 31, 2008. This Station Operating Instruction states the required communication protocol to be followed whenever communications is needed concerning status changes to an operating unit, requests for switching, requests for MVAR support, etc. occur. Refer to Attachment 4 for the Station communication protocol.

**5. Training of all affected Station personnel in proper communications, Station Instruction S3 – 46.0, “Control Room Communications”.**

Formal training concerning the Station Operating Instruction S3 – 46.0, “Control Room Communications”, was completed on November 26, 2008 as indicated by Attachment 5. Training also included a review of the Corporate Policies within Volume 5, Operations and Commercial Compliance: OCC-001, OCC-002, OCC-003, OCC-004, OCC-005, OCC-006, OCC-007, OCC-010, OCC-011, and OCC-012. The training included discussion of the importance of timely communications of events and requests as well as providing accurate written documentation of those communications in logbooks. All affected operating personnel were advised that failure to act in a timely fashion in regard to these policies and instructions could have a negative impact on the Company and involved operating personnel. Refer to Attachment 5 for the training roster.

**6. Complete all follow up reporting for this Mitigation Plan**

This document represents the final closeout document for the Mitigation Plan associated with violation NPCC200800045, VAR-002-1, R3.1 that was submitted for Huntley Power (ID # NCR07108) on October 3, 2008. All requirements of the Mitigation Plan have been fully completed on December 8, 2008.

- Attachments: 1. U67\_Signs  
2. U68\_Signs  
3. OCC\_004\_Roster  
4. CONTROL ROOM COMMUNICATIONS-Final  
5. S3\_46.0\_Roster

## **Attachment g**

# **Huntley's Certification of Completion of the Mitigation Plan for its second alleged violation of VAR-002-1 R3.1, submitted April 15, 2009**



NRG Energy, Inc.  
211 Carnegie Center  
Princeton, NJ 08540

Phone: 609.524.4598  
Fax: 609.524.4589

April 15, 2009

**Via First-Class Mail**

Mr. Walter Cintron  
Manager-Compliance Enforcement  
Northeast Power Coordinating Council, Inc.  
1515 Broadway  
New York, NY 10036

Re: NERC Violation ID Number NPCC200900062  
NERC Registry ID Number NCR07108

Dear Mr. Cintron:

Effective April 8, 2009, Huntley Power LLC has completed the approved mitigation plan under NERC Violation ID Number NPCC200900062 in accordance with the NPCC Compliance Enforcement Program. Enclosed please find a summary of the activities that were completed by Huntley Power LLC in accordance with the approved mitigation plan as well as the evidence to support these activities.

Should you have any questions or concerns, please do not hesitate to contact me at (609) 524-4598 or via electronic mail at michael.bramnick@nrenergy.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael R. Bramnick". The signature is fluid and cursive, with the first and last names being more prominent.

Michael R. Bramnick  
Senior Vice President  
& General Counsel

MRB/cm

## **Attachment h**

### **NPCC's Verification of Completion of the Mitigation Plan for its first alleged violation of VAR-002-1 R3.1, dated March 9, 2009**

**Confidential**

March 9, 2009

Ms. Patricia Lynch  
Director of Regulatory Compliance  
NRG Energy, Inc.  
211 Carnegie Center  
Princeton, New Jersey 08540

Re: Mitigation Plan Tracking # MIT-08-1103, NERC Violation # NPCC200800045

This letter is to notify you that on December 12, 2008, NPCC verified the completion of the mitigation plan Huntley Power LLC submitted on October 23, 2008.

NPCC thanks you for your cooperation in this matter and for improving the reliability of the bulk electric system.

Please do not hesitate to call if you have any questions regarding this issue.

Sincerely,

Walter Cintron  
Manager, Compliance Enforcement  
Tel: 212 840-1070  
Fax: 212 302-2782  
wcintron@npcc.org

## **Attachment i**

### **NPCC's Verification of Completion of the Mitigation Plan for its second alleged violation of VAR-002-1 R3.1, dated April 27, 2009**



NORTHEAST POWER COORDINATING COUNCIL, INC.  
1040 AVE OF THE AMERICAS, NEW YORK, NY 10018 TELEPHONE (212) 840-1070 FAX (212) 302-2782

**Confidential**

April 27, 2009

Ms. Patricia Lynch  
Director of Regulatory Compliance  
NRG Energy, Inc.  
211 Carnegie Center  
Princeton, New Jersey 08540

Re: Mitigation Plan Tracking # MIT-08-1413, NERC Violation # NPCC200800062

This letter is to notify you that on April 27, 2009, NPCC verified the completion of the mitigation plan Huntley Power LLC submitted on January 27, 2009.

NPCC thanks you for your cooperation in this matter and for improving the reliability of the bulk electric system.

Please do not hesitate to call if you have any questions regarding this issue.

Sincerely,

Walter Cintron  
Manager, Compliance Enforcement  
Tel: 212 840-1070  
Fax: 212 302-2782  
wcintron@npcc.org

**Attachment j**

**Notice of Filing**

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Huntley Power LLC

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

NOTICE OF FILING  
April 28, 2010

Take notice that on April 28, 2010, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Huntley Power LLC in the Northeast Power Coordinating Council, Inc. 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