Regional Entity Survey Analysis

Prepared for

By Stacey M. Jones, APR

Ariel Strategic Communications

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EXECUTIVE SUMMARY

This report reflects the analysis Ariel Strategic was commissioned to conduct on the Regional Entity survey that Southwest Power Pool (SPP) fielded in September and October 2009.

It is important to note that findings should be interpreted carefully as a small number (33) of the original group participated in the survey. It has been analyzed "directionally," meaning that actual numbers are shown rather than percentages to avoid communicating that opinions expressed by this group can be safely projected on the larger group. This does not mean, however, that the information or data is not worth considering, and Southwest Power Pool leadership will want to use this survey to understand the opinions of this group of respondents to identify strengths and weaknesses of the organization.

Overall, those participating in the survey rated SPP RE highly on all scales. The organization's professionalism stands out as a clear strength from these indicators. Areas the organization may want to assess for possible change and improvement are the two related areas of communication and response time. These were items that emerged throughout the study as a concern of respondents. This doesn't seem to be a serious issue – yet – but one thing such a survey of a limited number of people can do is alert an organization to a simmering issue. Respondents indicated they would like fewer e-mails, more consolidated information and more rapid response to individual issues.

Each item in the detailed findings should be reviewed by the organization's leadership for information its members can view in context of Southwest Power Pool's RE relationships.

INTRODUCTION

Ariel Strategic Communications was commissioned by Southwest Power Pool (SPP) to analyze the results of its Regional Entity survey, which was designed and fielded by SPP itself. While specific survey objectives do not exist, the survey is conducted so that SPP can provide its Regional Entity stakeholders with a formal avenue for feedback, and so that SPP can assess and respond to that feedback appropriately.

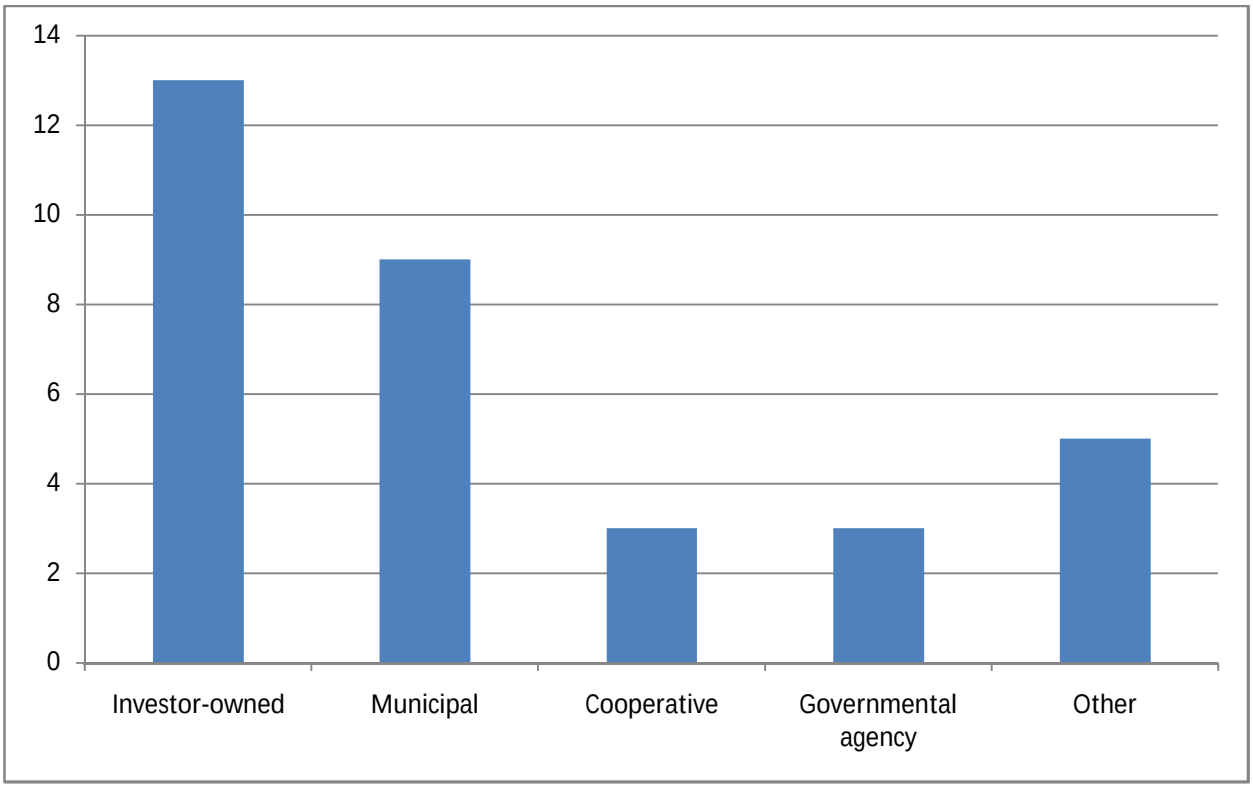
The survey was opened on September 28 and was originally scheduled to close on October 8; however, due to low response rates, SPP sent a reminder and left the survey open until October 13. Total number of respondents is 33.

While an SPP RE survey was done in 2008, the survey instrument differed. The organization also has made some changes in this area. Ariel Strategic recommends reserving year-over-year analysis until next year, when the survey instrument will be similar enough to yield clear results for comparison with 2009's findings.

DETAILED FINDINGS

The following information provides the basis for this report's executive summary.

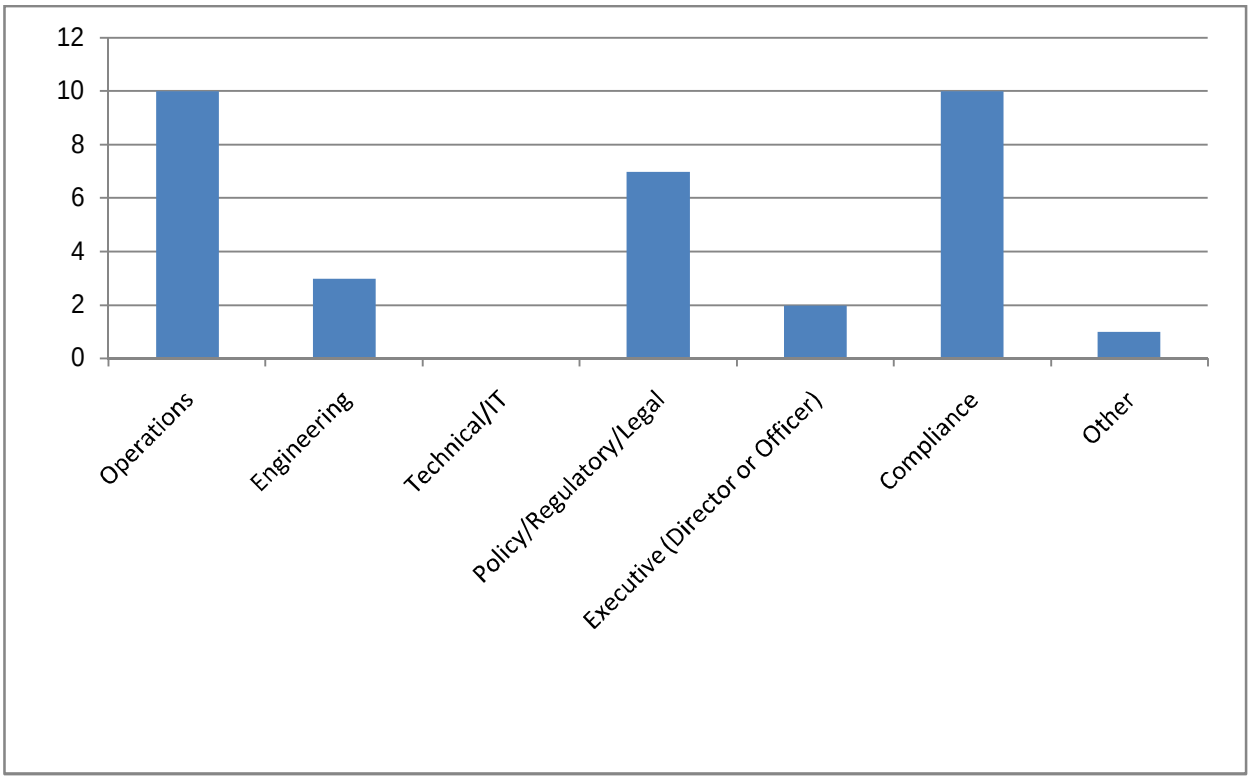
Question 1: My organization is:



n=33

Most participants are either in investor-owned or municipal organizations, with cooperative, governmental and "other" being represented by smaller numbers of survey participants.

Question 2: What is your roll within the organization?

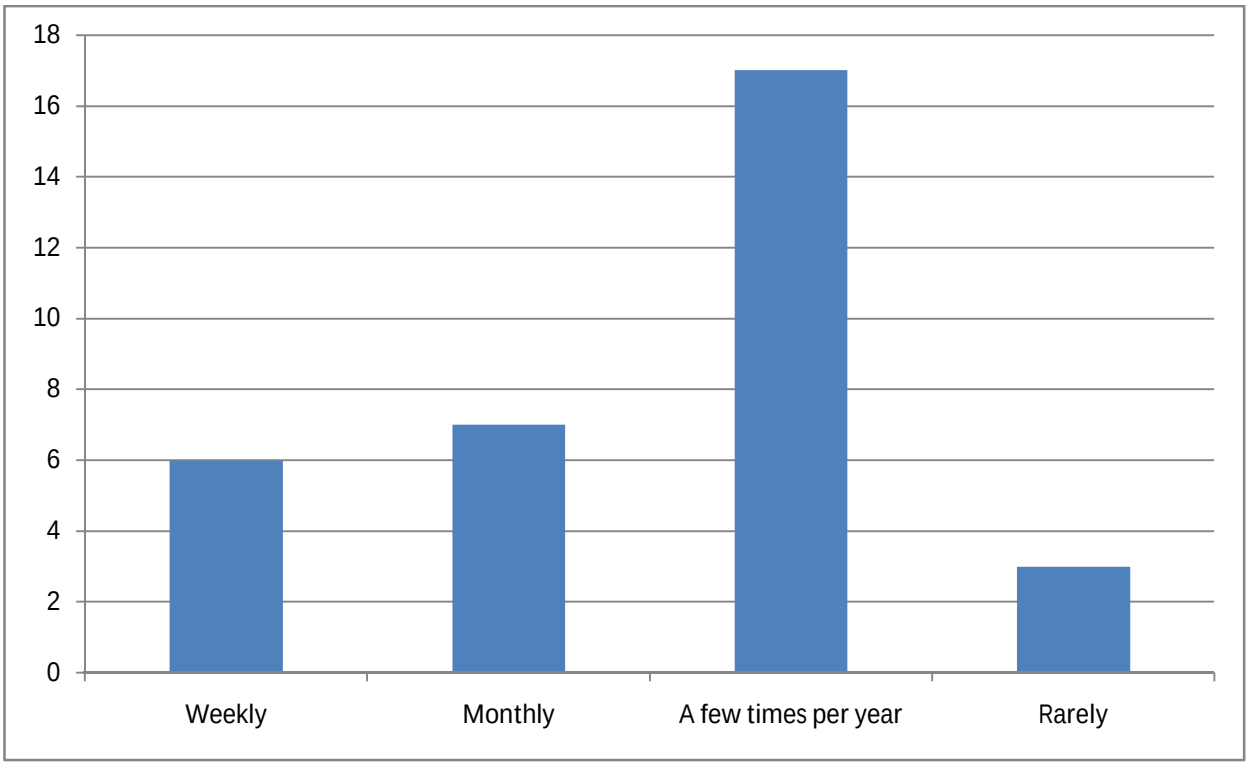


N=33

Operations and compliance roles were most represented, followed by policy/regulatory/legal. No technical/IT respondents participated. Other comprised the following, according to the survey responses:

- Multiple categories, including compliance
- Operations and Compliance

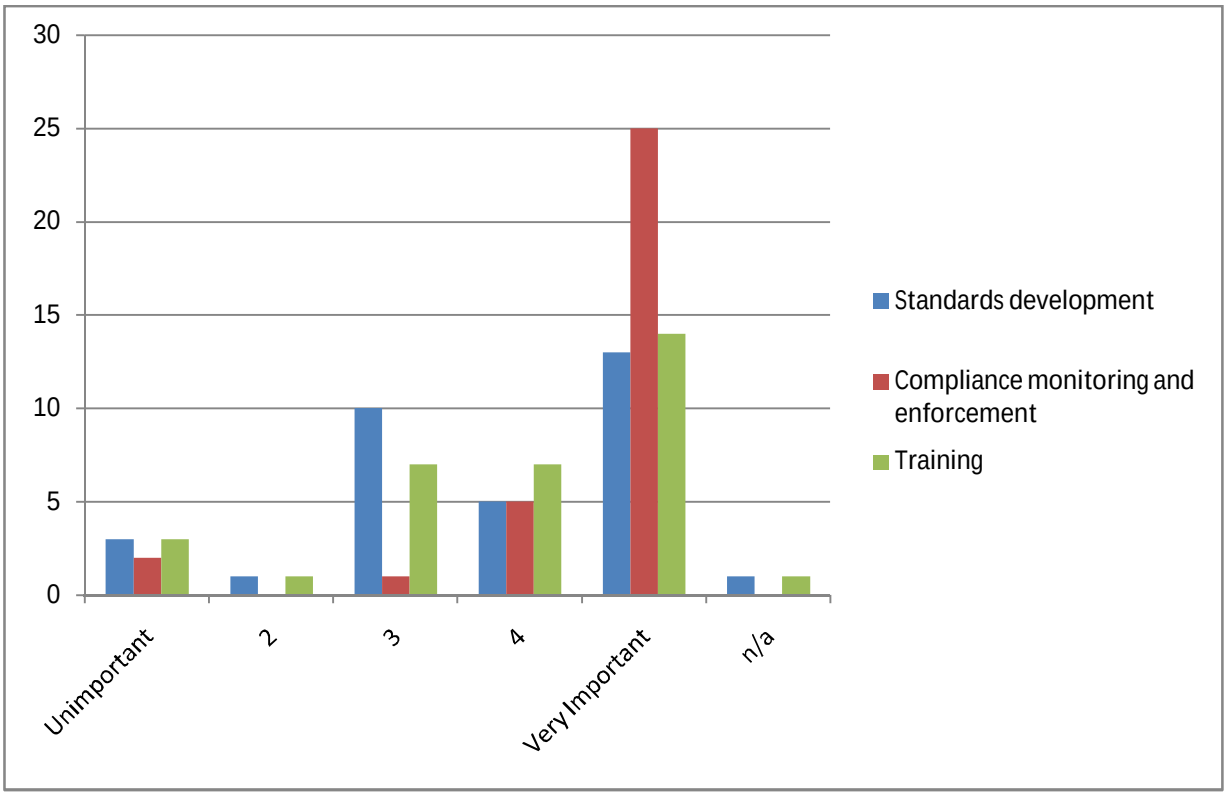
Question 3: How often do you interact with the SPP RE?



N=33

Most respondents (16) reported that they interact with the SPP RE only a few times per year. In fact, more reported this rate of interaction than all other options combined.

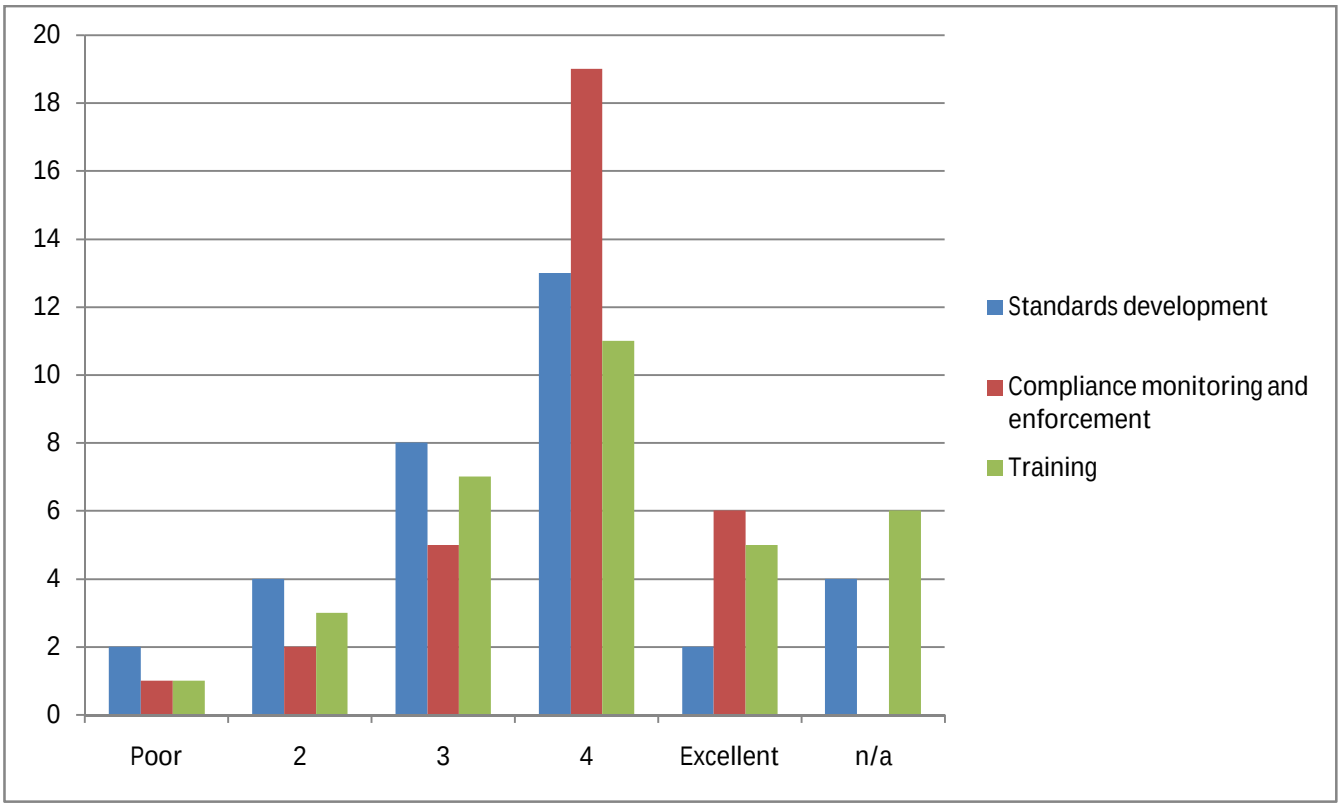
Question 4: How important are the following SPP RE services to you?



n=33

When asked to rate the importance of SPP services, more respondents listed compliance monitoring and enforcement as "very important" than any other service. But all options given, which also included standards development and training, were listed as "very important" by more of the participants.

Question 5: How satisfied are you with the SPP RE's provision of the following services:



n=33

On the scale of 1 to 5, in which 1 indicates "poor" performance and 5 indicates "excellent" performance, more participants rated SPP's performance as a 4 for all three areas of standards development, compliance monitoring and enforcement. Compliance monitoring, which participants listed as important to them, received the most number of "4" ratings, indicating SPP is doing well at what its stakeholders need it to do for them most. While some poor ratings were given, the predominance of middle to excellent ratings indicates SPP's performance in these areas, with these respondents isn't troublesome.

Question 6 provided an opportunity for survey respondents to provide follow up comments, which are included unedited below:

- Standards development has been slow going. Some of the standard thresholds have been created without much data to support those thresholds. Training has been good, plenty of opportunities provided by Jim Gunnel and his staff. RE is trying but is behind in their own backlog of work, things process so slowly through the RE.
- All of us receive hoards of emails from multiple sources. It would be beneficial if SPP could work on making their communications more concise and to the point.
- We are disappointed that the SPP RE cancelled their fall compliance workshop.
- It is not clear to us that the SPP RE is involved with standards development. We thought this was being done by the SPP RTO. Since the SPP RE is the regulatory authority it seems to us that they should not write the standards they enforce.

- Since the standards development process is part of existing SPP RTO working groups, it is a little more challenging to follow the activities of the standards development. It is our preference to have the standards development process managed through a standalone process.

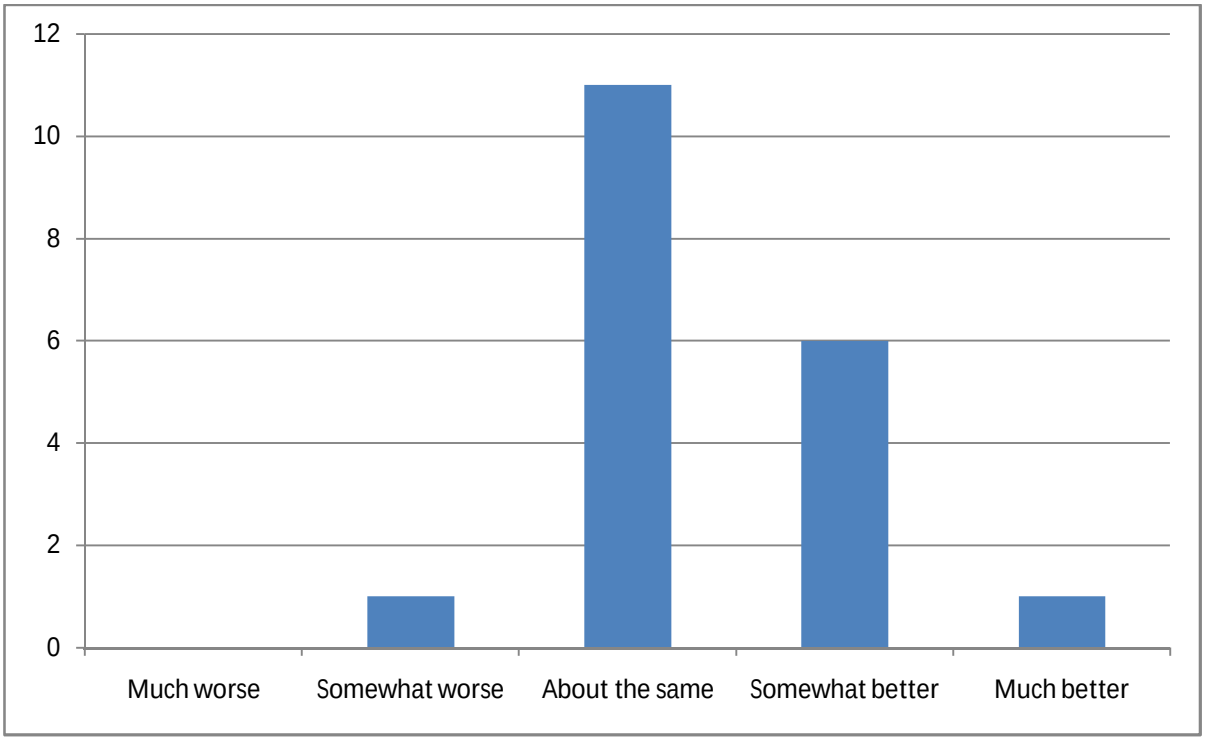
Question 7: Do you interact with other Regional Entities?

Yes	17
No	16

n=33

The respondents are essentially evenly split between those who do and those who do not interact with other regional entities.

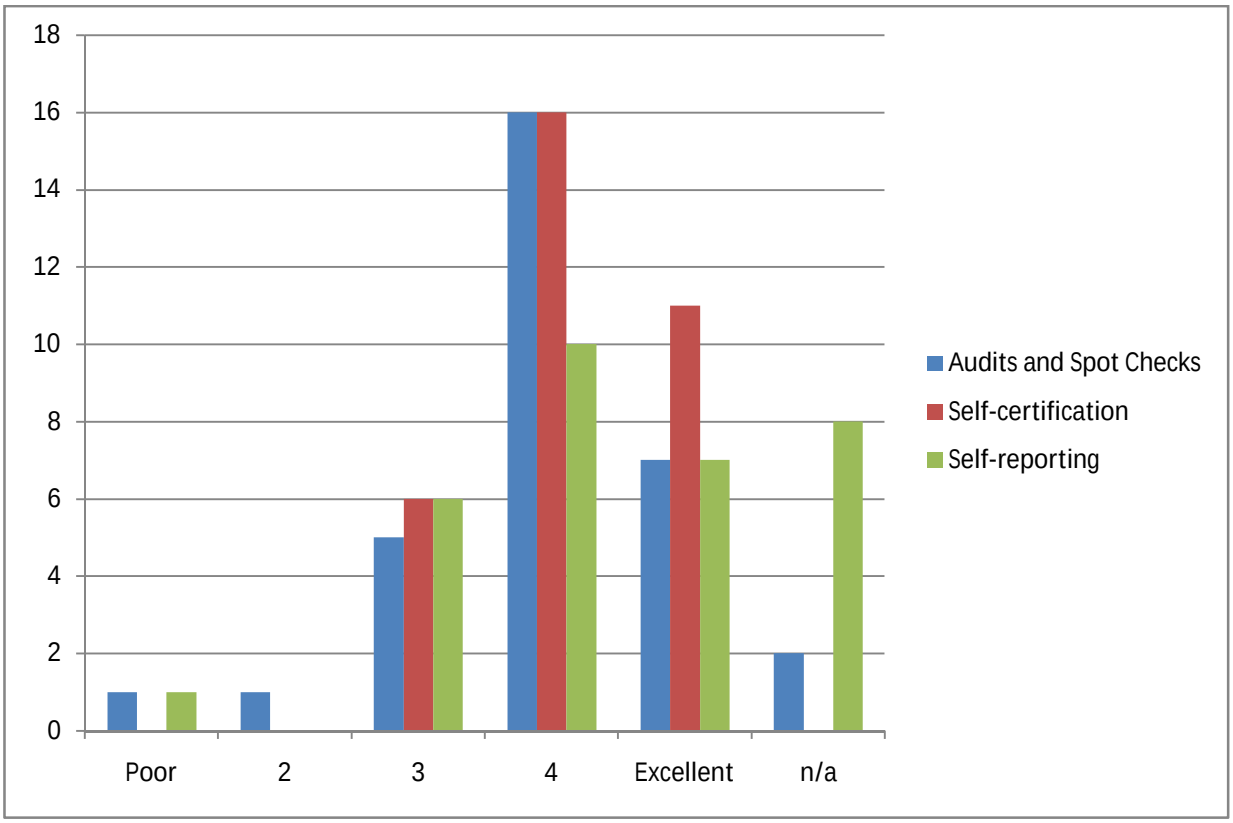
Question 8: How does the SPP RE compare with the Regional Entities with which you interact most often?



n=19

While only 17 of the respondents said they interact with other regional entities, 19 answered this question. Most who responded did not rate SPP higher or lower than other regional entities, and all but one other person said they perform better (somewhat or much) than other regional entities.

Question 9: Please rate the quality of SPP's regional processes.



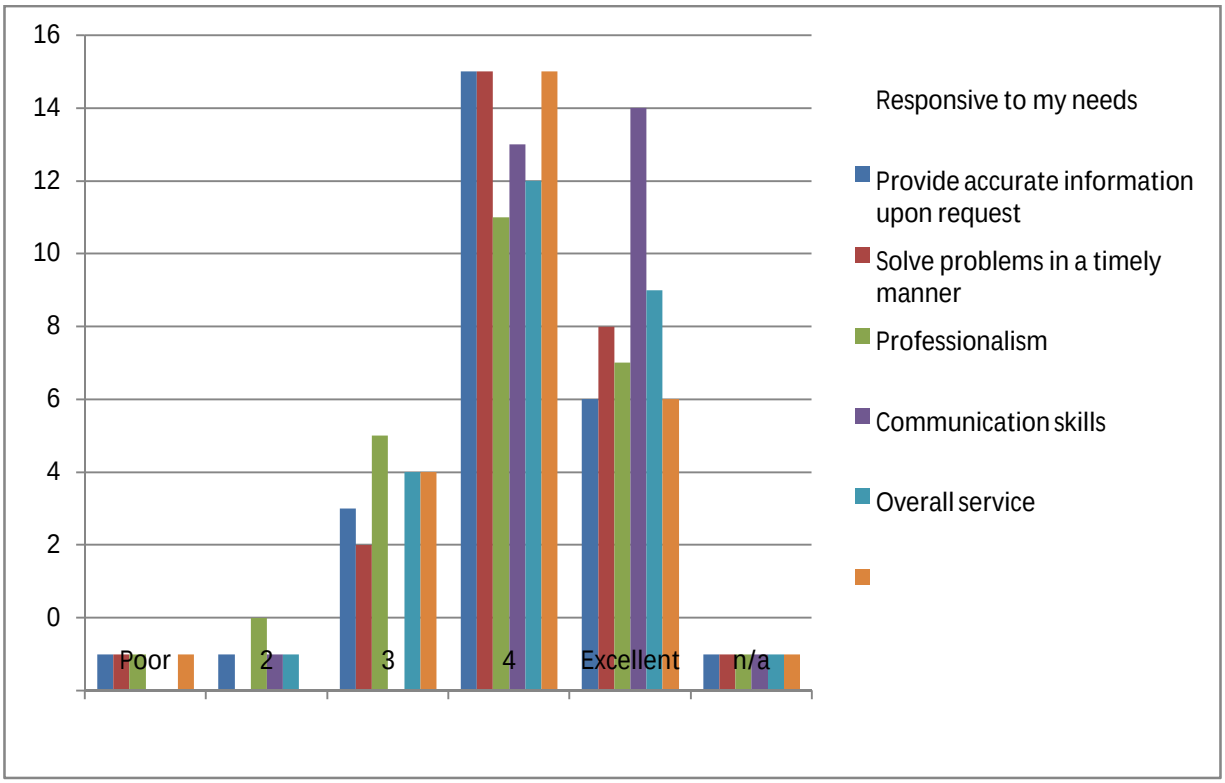
n=33

Most participants rated most functions as "4" on a scale of 1 to 5, in which 1 is "poor" and 5 indicates "excellent" performance. But overall, most participants rated SPP 3 or above, indicating adequate to excellent performance of regional processes listed.

Comments to follow up the ratings included the following (unedited).

- Once I had some practice time with the portal it became more efficient and less frustrating. Calpine is in all 8 regions and 6 use the other style of portal so it there is an adjustment period.
- The results from Audits and Spot Checks need to be communicated back to the registered entity in a more timely manner.
- The CDMS system does not allow the designated rep to exclusively signoff on self-certification. Anyone with the password can approve the documents.
- Again, the communication is subpar. I've had emails that are not answered in a timely fashion and calls that go to voicemail.
- The portal system used by the WECC, NPCC and TRE is much more user friendly.

Question 11: Please rate the SPP RE staff's customer service ability.



n=33

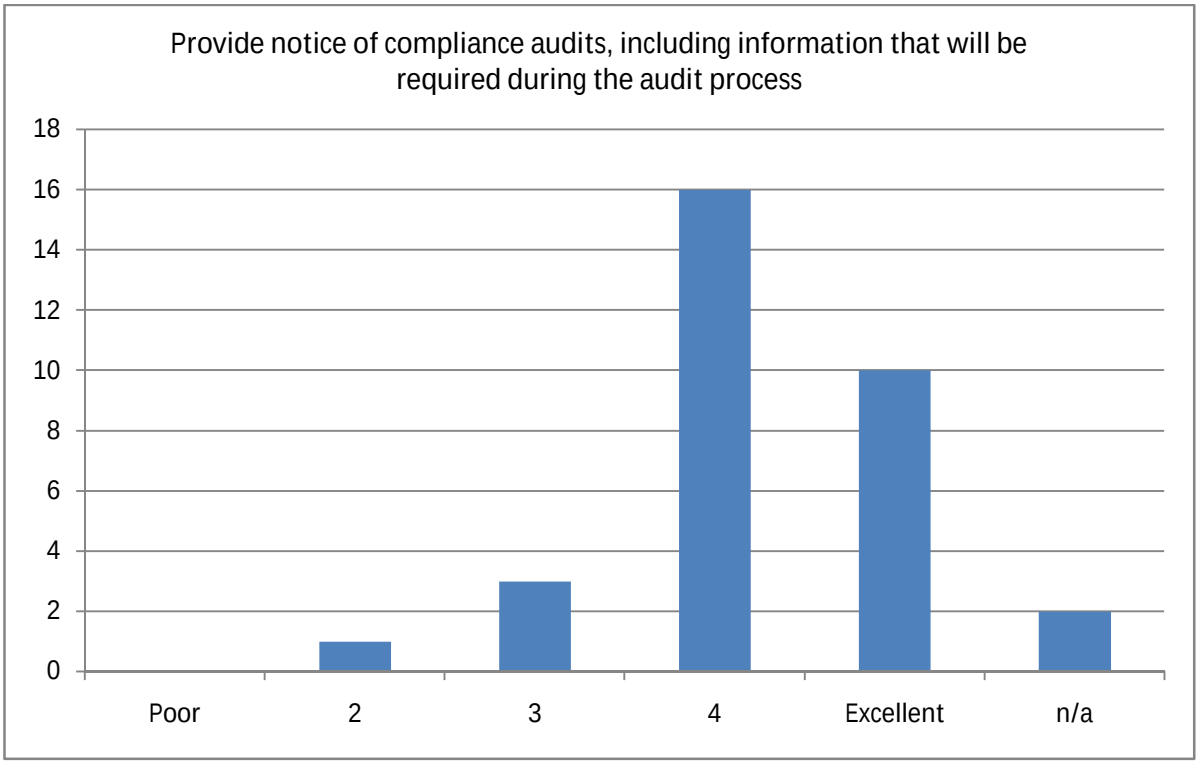
When rating customer service abilities, participants, again, clearly approve of SPP performance, particularly in the area of "professionalism." "Responsive to my needs," "Provide accurate information upon request" and "Overall service" received a high number of "4" ratings, as well. It may be worthwhile to look at the item "Solve problems in a timely manner," as it received lower ratings than the other items tested in the survey.

Comments on the item ratings include the following:

- They do not always respond to calls, or emails in a timely fashion. At times, they gave not returned my calls, or requests, at all.
- Always very helpful and attentive.
- This depends on the staff member that we are corresponding with. Some are more responsive than others; however, the survey responses are based on averages.
- It took us several months and multiple emails and phone calls to the SPP to get our name changed on our NERC registration when our company was acquired.

For question 13, individual staff rating items were broken out into their own graphs so that they could be examined more closely by area.

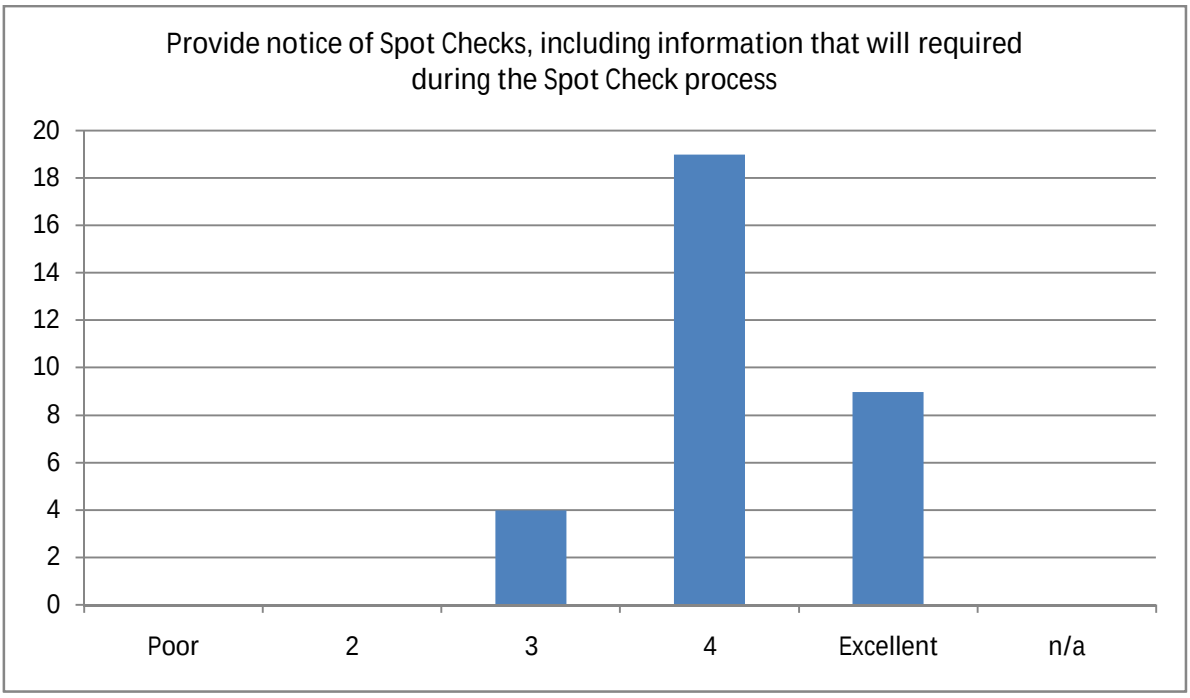
Question 13: Please rate the SPP staff's performance in the following areas.



n=32

Participants rated provision of compliance audits high, with a majority responding in the "top-two" boxes.

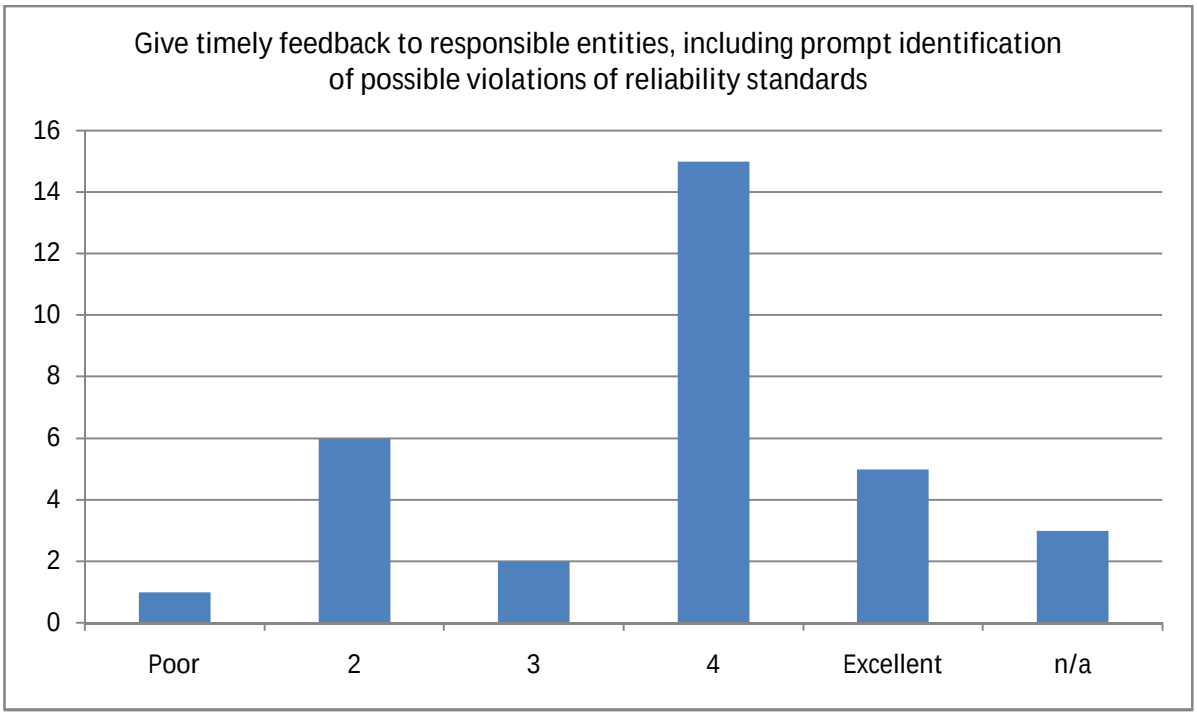
Question 13 Continued



N=32

Performance regarding notice of spot checks was also rated highly, with no negative ratings.

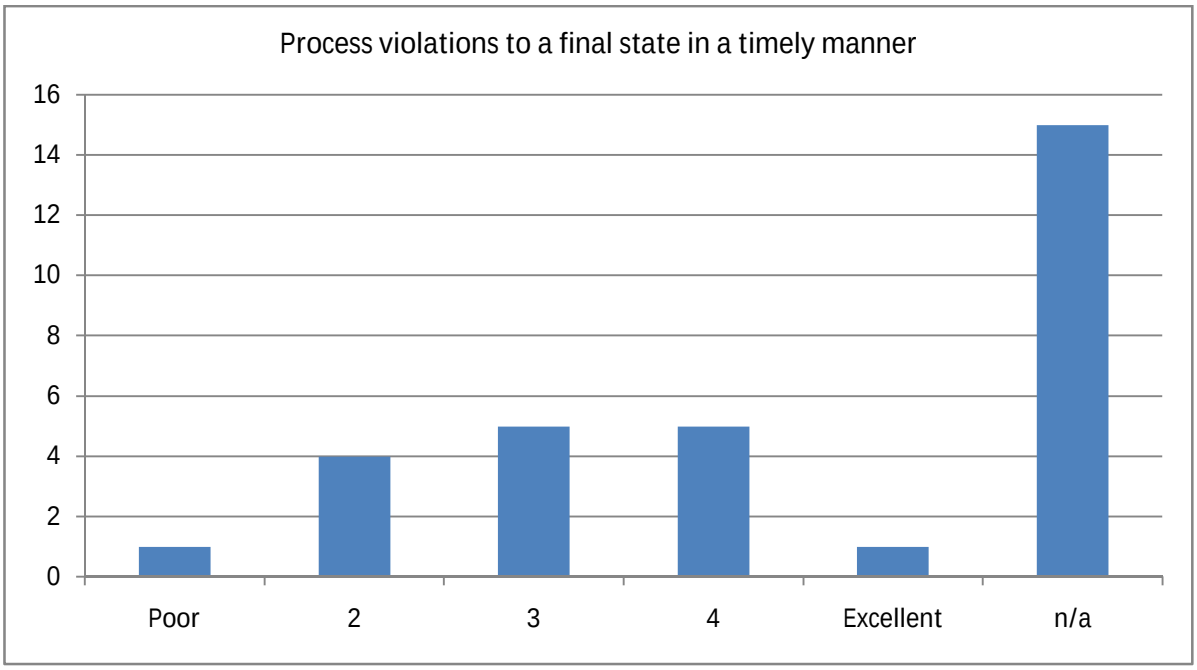
Question 13 Continued



n=32

Performance on timely feedback moved to lower areas on the scale, somewhat. The majority still chose "4," which is a high-performance rating, but more people chose 2 or 1, than on previous items. Making this item one to watch or investigate more closely.

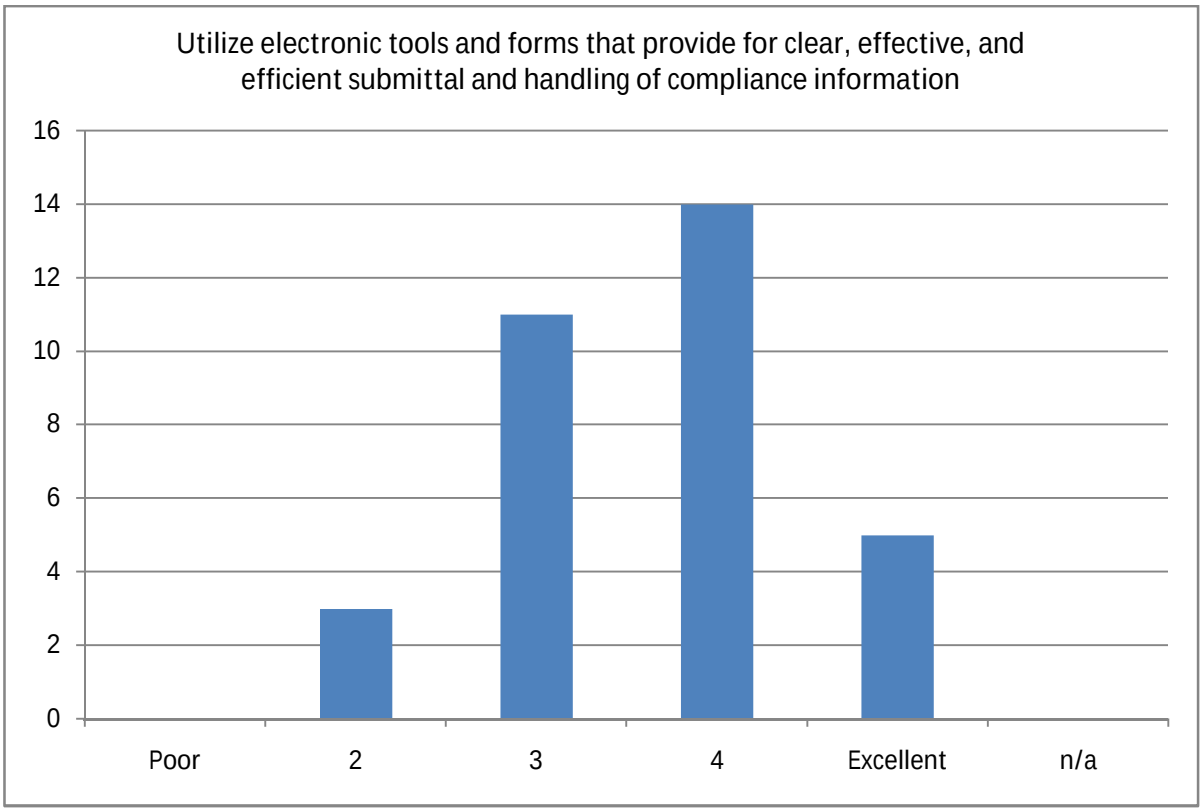
Question 13 Continued



n=31

This item has very few participants, because most said that it did not apply to them. Of those who marked a rating, only one said “excellent,” and one said “poor,” and the rest were evenly spread over the middle of the graph. This item may warrant some assessment.

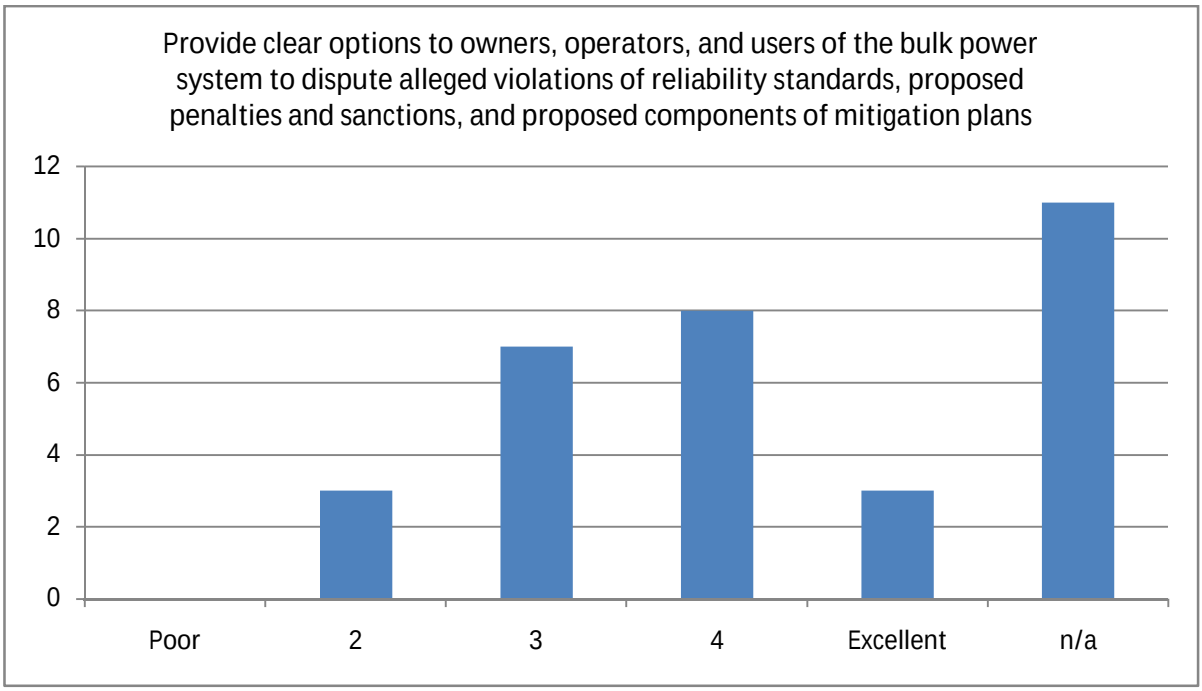
Question 13 Continued



n=33

The electronic tools item gets ratings strongly in the middle-to-excellent arena and seems to be a strength among these participants.

Question 13 Continued



N=32

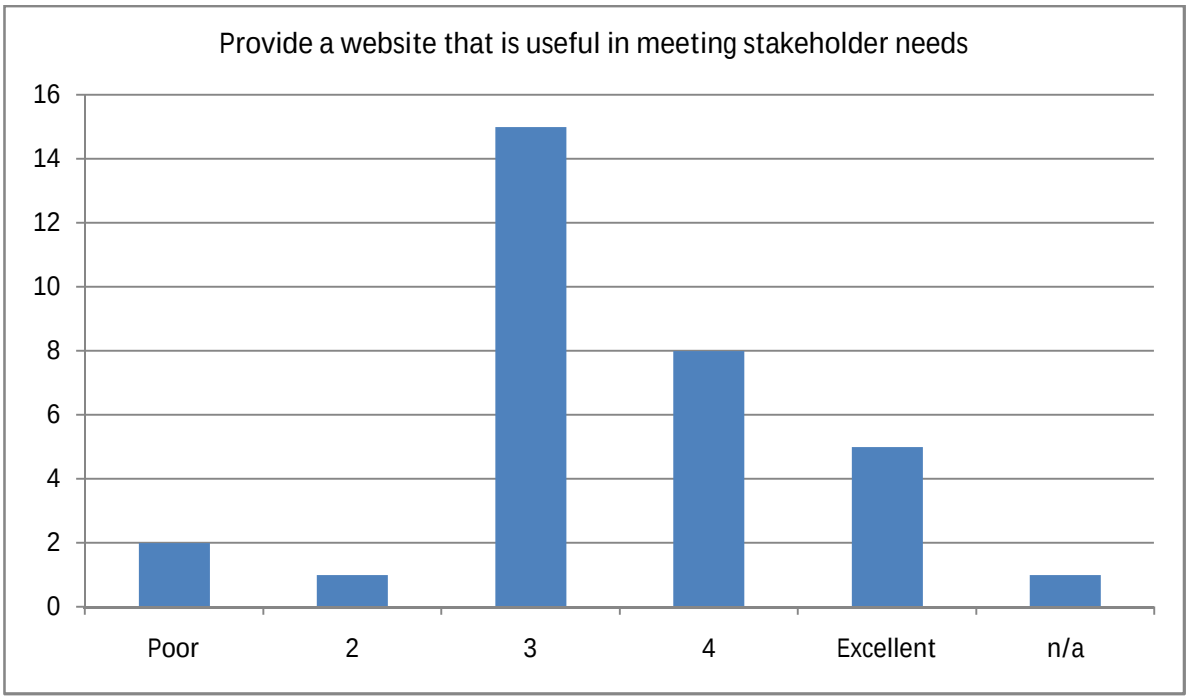
This item, again, was rated middle to excellent by those who felt they could participate in the question. Most, however, reported that it did not apply to them.

Question 13 Continued

n=32

As with most professionalism ratings, this one also garnered high marks, with no negative ratings. Again, however, many of those participating said this item did not apply to them.

Question 13 Continued



n=32

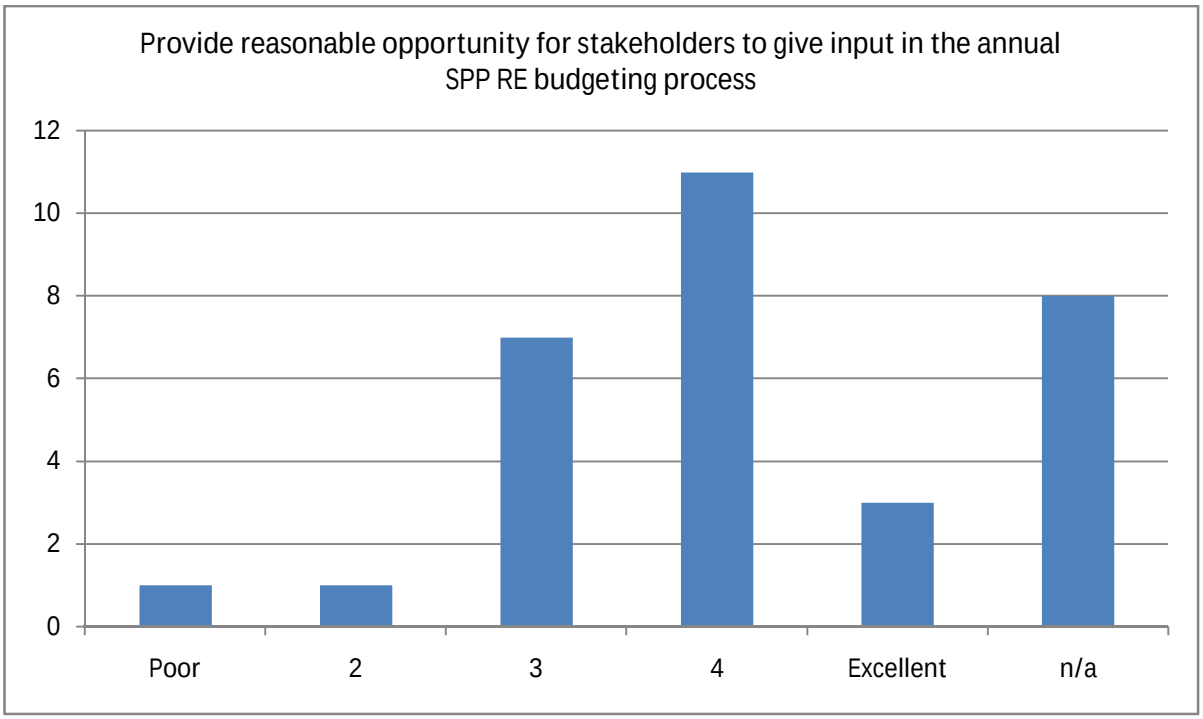
Participants had more of a positive than a negative response to this, but there seems to be room for improvement as most rated the item a middle "3."

Question 13 Continued

n=33

This item saw responses clustered around the “4” rating, with more “excellent” ratings than on the poor side.

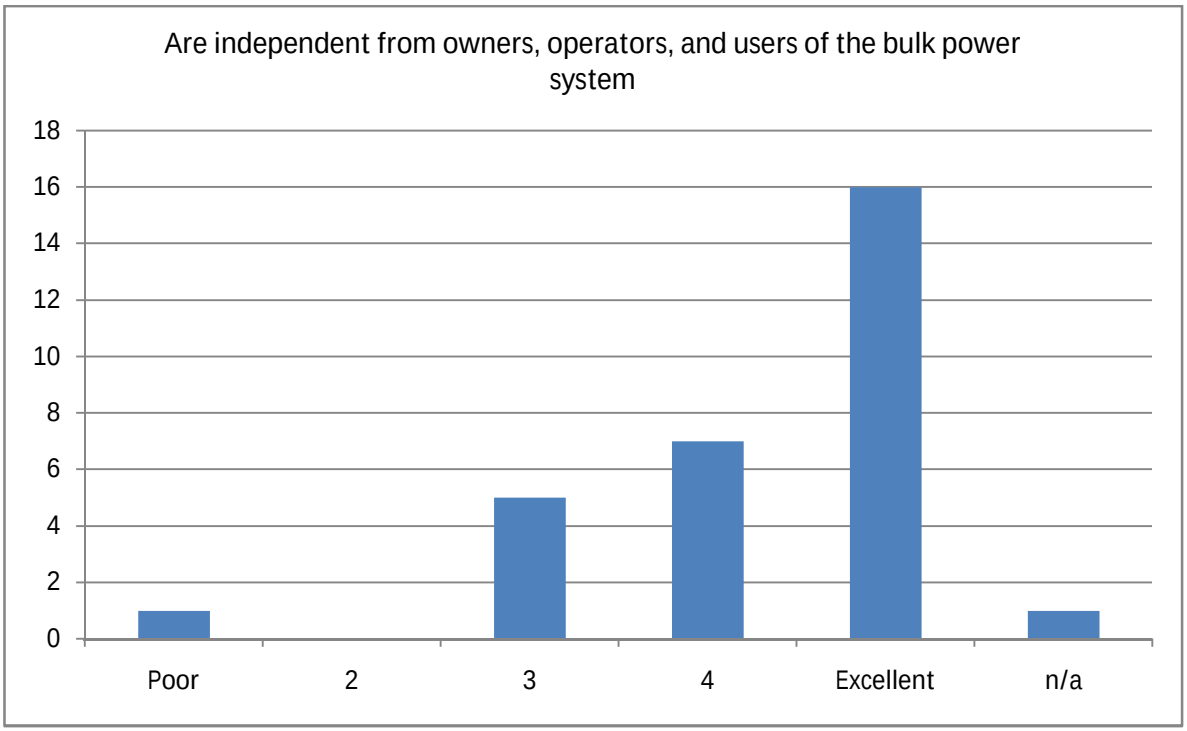
Question 13 Continued



n=31

This item was also rated positively by those who participated, with the majority of respondents giving this attribute a “4” on the scale.

Question 13 Continued



n=30

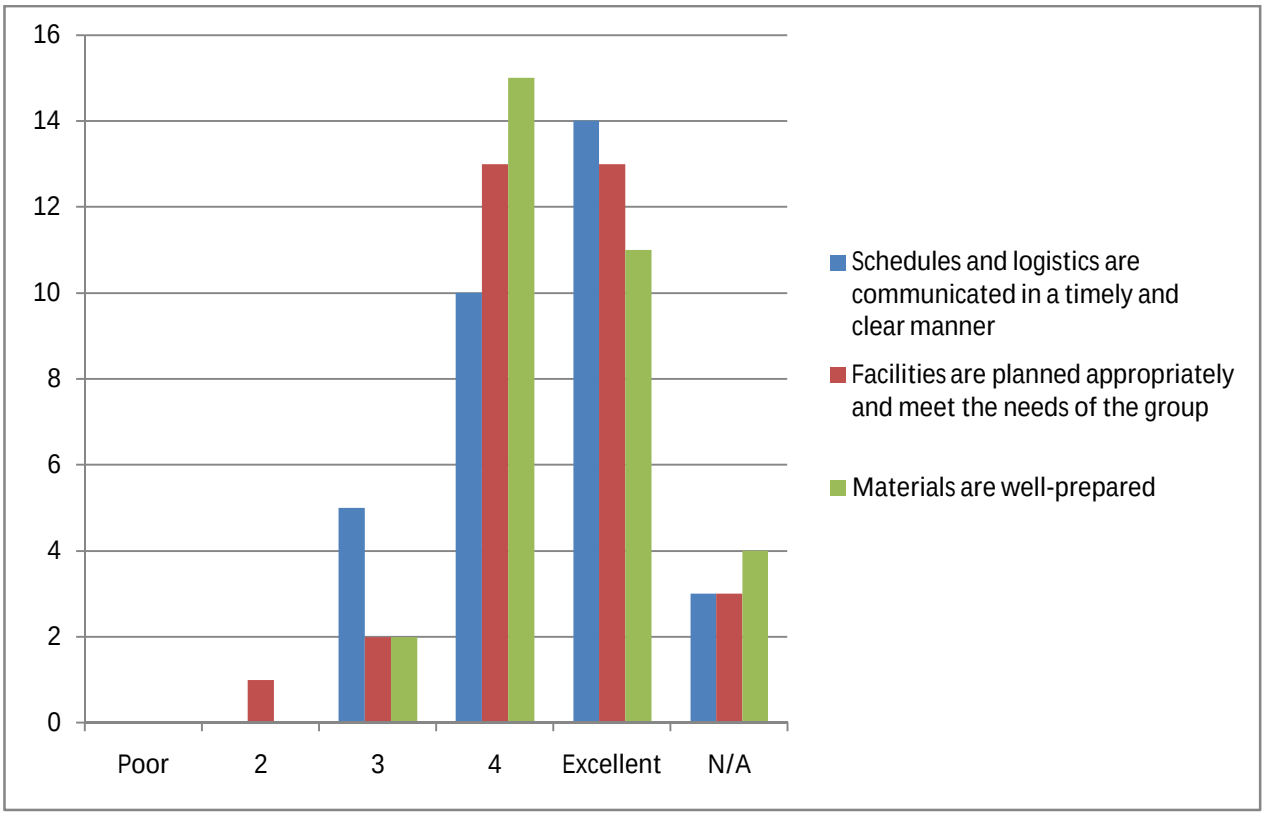
This item got a very strong rating, with most respondents rating it "excellent" – or as high as they could.

Question 14: Comments on performance ratings

The following are the comments left by survey participants on the items rated in Question 13.

- SPP website could be easier to navigate. Might be easier to find compliance info if RE had its own website.
- a. Would like to see some improvements to the website - offering a bit more information on NERC standards that are being revised, reviewed, etc.
  b. Recently, the RE sent out an email listing the NERC standards that are currently being reviewed. That was very helpful. Additionally, a newsletter regarding SPP and NERC standards, updates, etc would be beneficial. There is so much information being sent via email on a daily basis that a summary of active items via monthly or semi-monthly would be helpful.
- Relay misoperations reporting database needs work. For instance, it doesn't allow for inputting of generator voltages.
- While we have been using the CDMS system for a number of years, the other regions where we are registered have migrated to another portal system that is used by six of the eight NERC REs. Obviously, there are positive and negative aspects of all system and we do not have any substantial concerns with the CDMS system that the SPP RE uses. However, it would help entities registered in other regions if a similar platform was utilized. Furthermore, the portal used by the other regions has more flexibility of allowing multiple users each having unique accounts and different roles.

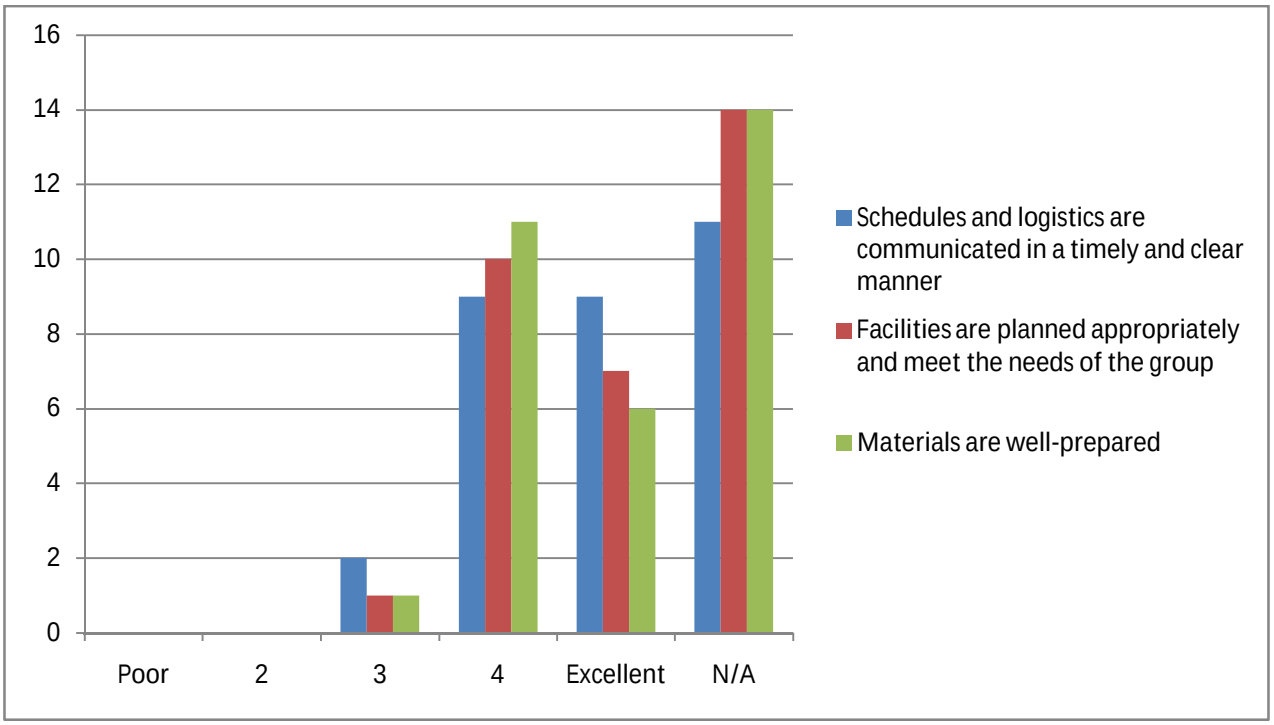
Question 15: Please rate the SPP RE's service and support of compliance workshops



n=32

Compliance workshop ratings overall were very good, as well, with most respondents reporting "4" or "excellent" on the scale. The item with the poorest rating was "Schedules and logistics are communicated in a timely and clear manner."

Question 16: Please rate the SPP RE's service and support of training classes



n=32

Most respondents stated that this item was not applicable to them, but of those who did answer, this item, in all areas, received positive ratings.

Question 17 asked for comments on Question 16's items and ratings.

- I am unable to comment since I have not (attended) a training class yet.
- Overall, we are satisfied with the SPP RE. The semi-annual compliance workshops are a plus, as are other workshops (e.g. CIP) that are offered periodically. Would like to see a monthly or semi-monthly newsletter either from RE or RTO related to active projects, NERC updates, etc. consolidating information.
- We are disappointed that the SPP RE cancelled their fall compliance workshop.
- Fall workshop cancelled.

Question 18 asked respondents to list attributes of the SPP RE with which they are satisfied.

- Overall [an] ethical group of people
- Several of the staff members we are in contact with are very knowledgeable and helpful. The Compliance Workshops are definitely a benefit as are the RTO workshops that have started in the past year or so.
- We had our 6 year audit in 2009 and we thought the SPP RE performed their role quite well.
- We had a really good experience with the SPP during our compliance audit. Staff was professional, competent, friendly and efficient. We truly felt that they did their job thoroughly but without making us feel like they were out to get us.
- Compliance workshop information is well presented and up to date.
- Every interaction with the SPP RE staff has demonstrated that the staff is very professional and courteous. It is always a pleasure to work with the RE staff members and the staff promptly address any questions.

Question 19 asked respondents to list any attributes of the SPP RE with which they are dissatisfied.

- Backlogs in the compliance system. Although NERC is responsible for some of this problem.
- The staff is too hard lined and there is no give. Communication and discussions are a one way street. It seems at times that our input and opinions are a waste of time.
- Would like to see a little more organization on written documentation sent to entities. i.e., newsletters summarizing ongoing projects, NERC updates, standard updated, etc. The quantity of emails and information is vast and received only individually is sometimes a bit disjointed.
- Communication needs to be more concise and to the point.
- None
- We do not like the portal system utilized by both the SPP and MRO. We operate in 6 NERC regions and the rest of the regions us another portal system that is much more [user] friendly and intuitive.
- Please see comments under item 14 regarding the CDMS compliance portal.

Question 20 gave respondents an opportunity to share any other thoughts or comments that they survey brought to mind for them.

- The SPP auditors are very professional and competent. The hired consultants are not at that same level of professionalism. During an audit, comments like "my preference" or "I would do it differently" should not be made by the audit team. Recommendations from the audit team are perfectly acceptable but personal preferences are not. These did not originate from SPP employees but from the outside consultants on the audit team.
- It would be helpful to prepare an annual compliance calendar for submittal of all self-certifications or compliance reports.
- None
- Other than a significant delay in getting our name changed for our NERC registration, we have been very satisfied with the SPP and how they run their compliance program.
- Currently, Self-certifications for PRC-004 and PRC-016 are due by the middle of the month following each quarter. But, the submission of misoperations relating to the requirements for PCR-004 and PRC-016 are due by the end of the month following the quarter. It would make

more sense to have the self-certification due the same time or after the data is submitted for each quarter.