Southwest Power Pool
Regional Entity

SPP Regional Entity Compliance Report

July 26, 2010

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Enforceable Violations Reported as of June 30, 2010

- **Post June 18, 2007**
  - **316 total [Increase of 23 since June 9, 2010]**
    1. **79 – Self Report [+0]**
    2. **181 – Compliance Audit/Spot Check [+23]**
    3. **55 – Self Certification [+0]**
    4. **1 – Periodic Data Submittal [+0]**
    5. **0 – Investigation [+0]**

MOST VIOLATED STANDARDS
[BASED ON ROLLING 12 MONTHS THRU June 30, 2010]

Standard	Description	#	NERC Top 10	Risk Factor
CIP-004 *	Personnel & Training	32 [+6]	2	Lower
PRC-005 *	Protection System Maintenance	28 [+2]	1	High
CIP-003*	Security Management Controls	20 [+2]	5	Lower/Medium
FAC-001	Facilities Connection Requirements	19 [+0]	NR	Medium
CIP-007*	Systems Security Management	19 [+4]	3	Medium/Lower
CIP-002*	Critical Cyber Asset Identification	14 [+3]	9	High/Lower
CIP-009	Recovery Plans for Critical Assets	14 [+4]	NR	Medium/Lower
FAC-009	Establish Facility Ratings	12 [+2]	NR	Medium
FAC-008 *	Facility Rating Methodology	11 [+1]	8	Medium
CIP-001*	Sabotage Reporting	9 [+0]	4	Medium

* In the NERC Top 10 as of 6-30-10

SPP RE Performance Metrics [as of June 30, 2010]

- **Audit Reports**
  - **16 [+1 since June 9, 2010] Reports issued in 2010**
    1. **Average time to publication - 73 [+1] days**
    2. **2010 Performance Metric - 90 days**
- **Spot Check Reports**
  - **30 [+2 since June 9, 2010] issued in 2010**
    1. **Average time to publication – 115 [-5] days**
    2. **2010 Performance metric - 90 days**

Upcoming Activities

- **On-Site Activities**
  - **Audits**
    1. **Springfield [incl. CIP] – Week of September 13th**
    2. **Westar – Week of October 4th**
    3. **SPS – Week of November 8th**

Upcoming Activities [cont.]

- **Required On-Site Spot Checks [CIP Related]**

1. **Mandatory Program Completed for 2010**

Upcoming Activities [cont.]

- **Off-site Audits**
  - **BP Energy**
  - **Kansas Energy**
  - **NewCorp Electric Resources Cooperative**
  - **Rayburn Country**

Standard Review

- **TOP-002 -2a Requirement 11**
  - **Applicable to the Transmission Operator**
    1. **Transmission Operator is the responsible party for performing the activities unless it has transferred the responsibility [via a written agreement] to another registered entity**
    2. **TOP can perform studies on its own**
    3. **TOP can contract with 3rd party for performance of the studies but retains the ultimate responsibility for producing evidence of compliance**

TOP-002-2a R11

- **Main Components**
  - **Performance of initial studies**
  - **Coordinated SOL values on common facilities**
  - **Update of studies**
  - **Make results available to other parties**

TOP-002-2a R11

- **Performance of initial studies**
  - **Entities are relying on SPP RC next day & current day postings**
    1. **SPP RC has an independent requirement to produce next-day study**
    2. **SPP RC has no statutory requirement to produce a current day study**
    3. **SPP RC does not acknowledge that it performs studies to meet the TOP requirements**
    4. **TOPs are relying on SPP RC to contact them if issues appear in the SPP RC studies**
    5. **TOPs have no process, records, or logs indicating that they have reviewed the SPP RC studies**

TOP-002-2a R11

- **Performance of initial studies [cont]**
  - **SPP RC studies are not TOP centric**
    1. **Modeling assumptions**
       A. **Transmission status**
       B. **Generator status**
    2. **Reactive profiles**
    3. **Study Output Profiles**
    4. **Posting Time**

TOP-002-2a R11

- **Coordinated SOL values on common facilities**
  - **Virtually all SOL values in SPP RE footprint are thermal in nature and are coordinated through model building and planning assessment process**
  - **Generally not noted as an issue with this standard**

TOP-002-2a R11

- **Update of studies**
  - **Studies are required to be updated to 'reflect current system conditions'**
    1. **TOPs that use Real-Time-Contingency –Analysis software generally can show a continuous series of updates to studies through file copies of results**
       A. **Reliability issues that come up are shared with neighbors and SPP RC**
          a) **Logs, phone records, e-mails, postings, etc.**
    2. **TOPs that do not use RTCA must perform new studies to reflect changes to system conditions**
       A. **Reliability issues that come up are shared with neighbors and SPP RC**
          a) **Logs, phone records, e-mails, postings, etc.**

TOP-002-2a R11

- **Update of studies [cont]**
  1. **TOPs that are relying on SPP RC studies do not have access to updates**
     - A. **Rely on SPP RC notification to them**
       - a) **Intent is for the TOP to notify RC**

- **Make results available to other parties**
  1. **TOP is expected to make results available to other TOP, BA and SPP RC**
     - A. **Logs, phone records, e-mails, postings, etc.**

TOP-002-2a R11

- **SPP RE Expectations**
  - **TOP is responsible for performing the studies [themselves or via a 3rd party] or the responsibility for performance of the studies has been shifted to another registered TOP, via written agreement, or JRO**
  - **Acceptable evidence includes evidence that the TOP keeps studies up-to-date reflecting current system changes**
    1. **Does not require new study every day but does require daily assessment of existing study or updated study reflecting system changes**
    2. **RTCA files or e-file copies can be used as evidence**

TOP-002-2a R11

- **SPP RE Expectations**
  - **TOP has evidence that results of studies and updates have been made available to neighboring TOP, BA and to SPP RC**
    1. **Generally we are looking for communications when reliability issues appear as results of updated studies**
  - **TOP operating personnel are familiar with the process of performing the studies, the location of the most current results and the process for communicating results, as required**
    1. **Who does them and when?**
    2. **What and where are the results?**
    3. **What is done with the results?**

VAR-001-1 R1

- **Voltage & Reactive Control for TOP**
  - **Formal Policies and Procedures**
  - **Individually or Jointly**
  - **Monitoring and Controlling**
  - **Voltage Levels and Mvar Flows**
- **Each of these items is looked at during review**
- **Older interconnection agreements generally do not include all of these items**
  - **Many entities have various versions of interconnection agreements; some are complex; some are elementary**
  - **Almost all were written before NERC Reliability Standards**
- **SPP Criteria does not address all of these items**

VAR-001-1 R1

- **SPP RE Expectations**
  - **Look for individual policies and procedures**

    OR
  - **Look for combination [jointly] of individual policies and procedures, interconnection agreements, and SPP Criteria**
  - **All attributes will need to be demonstrated**

PRC-005-1

- **Protection System Maintenance**
  - **Requires all elements in Protection System definition must be in the program**
  - **Requires identification of intervals between activities**
  - **Requires the basis for the intervals**
  - **Requires a summary of maintenance and testing procedures**
  - **Requires performance of the proposed activities and record keeping to show**
- **Nationally this is the most violated standard**

PRC-005-1

- **Version 2 of this standard is moving through the process and includes more specific information about all aspects of these requirements**

General Comments

- **Watch wording that appears in some standards**
  - **Roles and Responsibilities**
  - **Policies and Procedures**
  - **Monitoring and Control**
  - **Procedures and Responsibilities**
- **Read the entire Requirement**
  - **Some requirements have several connected items included**

General Comments

- **Pre-Audit Packages are being sent out ~ 90 days in advance versus 60 days per CMEP**
  - **Expectation is that more complete evidence is submitted by due date**
- **Expect sample sizes to increase for items such as protective system schemes, training records, daily reports, etc.**

Upcoming 2010 Workshop Activity

Compliance Workshops

September 21-22 Little Rock, Arkansas

SPP RTO Compliance Forums

September 23 Little Rock, Arkansas

QUESTIONS