Attachment a

Source Document

Compliance Audit Report
Public

City of Homestead
March 31 – April 1, 2008

NERC ID - NCR 00037

May 15, 2008

FINAL

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Executive Summary

As part of the Florida Reliability Coordinating Council, Inc. (FRCC) Compliance Monitoring and Enforcement Program (CMEP), the FRCC performs On-Site Compliance Audits of each Balancing Authority, Transmission Operator, and Reliability Coordinator within the Region once every three years.

The FRCC 2008 Compliance Audit of City of Homestead Electric Utilities (HST) was conducted on Monday March 30, 2008 and Tuesday April 1, 2008 at its facilities in Homestead, Florida.

The specific North American Electric Reliability Corporation (NERC) Reliability Standards, applicable requirements, along with HST documentation (where required to demonstrate compliance), were reviewed by the compliance audit team. Relevant copies of documents, detailed audit team notes, Reliability Standard Audit Worksheets and the detailed basis of the findings are included in the HST audit record file.

A total of forty-six (46) NERC Reliability Standards were reviewed, and the audit team found that:

- HST was fully compliant with thirty-three (33) standards.
- HST was found to have nine (9) possible violations within six (6) standards
- Seven (7) of the standards were not applicable to HST.

This audit report includes a violation severity level for each identified possible violation. The violation severity level is a measure of the degree to which HST violated a requirement of a reliability standard. This information will be used in the determination of any sanctions and penalties. The possible compliance violations will be processed through the FRCC Compliance Monitoring and Enforcement Program (CMEP). Any further actions related to possible compliance violations will be through that process.

Audit Process

The compliance audit team followed the audit process steps that are outlined in the FRCC CMEP. The audit included the use of the NERC Reliability Standard Audit Worksheets (RSAWs) along with the NERC reliability standards for definition of requirements. The FRCC CMEP generally conforms to the United States Government Accountability Office Government Auditing Standards and other generally accepted audit practices, as required by NERC.

Objectives

All Registered Entities are subject to audit for compliance with all reliability standards applicable to the functions for which the Entity is registered.[1] The audit objectives are to:

[1] North American Electric Reliability Corporation CMEP, paragraph 3.1, Compliance Audits

- Independently review HST's compliance with the requirements of the reliability standards that are applicable to HST based on HST's registered functions.
- Validate compliance with applicable reliability standards from the FRCC and NERC 2008 Implementation Plan list of actively monitored standards.
- Validate evidence of self-reported violations and previous self-certifications, confirm compliance with all other requirements of the standard(s) addressed in the self-report or self-certification, and review the status of any associated mitigation plan(s).
- Document HST's compliance culture.

Scope

A compliance audit will include all reliability standards applicable to the Registered Entity monitored in the NERC and FRCC Implementation Plans in the current and two previous years, and may include other reliability standards applicable to the Registered Entity. The scope of an on-site compliance audit can vary depending on whether it is scheduled as part of a regular, periodic scheduled audit or as part of a compliance investigation.

The specific scope of this audit included:

- Pre-audit review of submitted documentation at HST office location and the FRCC headquarters in Tampa, FL.
- On-site audit review of HST facilities.
- Validation of HST's 2007 self-certification documents.
- Review of HST compliance with the specifically monitored standards included in the 2008 FRCC Implementation Plan and did not include the period prior to June 18, 2007.
- Detailed review of procedures, plans, records (such as training and maintenance), and other documentation developed by HST to demonstrate compliance with the applicable NERC reliability standards requirements. See Documentation table in this report for a listing of evidence submitted by HST.

Confidentiality and Conflict of Interest

In order to ensure confidentiality and avoid conflict of interest, the FRCC required the volunteers who participated on the HST compliance audit team to execute confidentiality agreements. The NERC representative and FRCC staff signed Non-Disclosure Acknowledgements as per the NERC Rules of Procedures. The signed documents, work history and conflict of interest forms of each audit team participant were provided to HST in advance of the on-site audit. HST was given an opportunity to object to an audit team member on the basis of a possible conflict of interest or the existence of other circumstances that could interfere with the audit team member's impartial performance of duties. HST accepted the audit team participants with no objections.

On-site Audit

On December 20, 2007, the FRCC submitted the 60 day notice of on-site audit to HST by e-mail and US mail as required by the CMEP. The notice of the audit defined the process, the expectations, and a request for data submittal.

In addition, HST was provided with a pre-audit survey, the audit scope, folders containing the RSAW's and associated reliability standards, an agenda, and a table of the reliability standards to be reviewed during the audit.

Methodology

The audit team conducted a pre-audit review of the evidence of compliance supplied by HST, at the HST office on March 4 and 5, 2008 and on March 18, 2008 at the FRCC office in Tampa, Florida. After an initial review of the data using the RSAWs, the audit team advised HST that submittal of follow-up data was required for further determination and clarification of the evidence submitted. Letter from Mr. B. Pagel to Mr. R. Ramai, dated March 21, 2008, with HST responses, included at the end of this report.

An audit overview meeting was held with HST via a conference call on March 24, 2008. The team leader went over the logistics and the agenda with HST and informed HST of the audit team's expectations while on site. During this meeting, the team leader confirmed the areas that would be investigated via an interview and requested that appropriate subject matter experts be available. HST was in agreement with the agenda. HST also provided the audit team with instructions of where to enter its facility and confirmed that the necessary personnel would be available during the on-site audit.

The audit team leader requested interviews with the HST employees representing subject matter expertise regarding all of registered functions of HST. These interviews in conjunction with evidence provide the audit team with a basis for professional judgment when validating compliance with reliability standards.

The final compliance audit was conducted on March 31 – April 1, 2008 at the City of Homestead's office in Homestead, Florida.

Audit Overview

Upon arrival at HST, the team leader presented an overview of the audit agenda to HST's audit participants. A brief discussion took place regarding the coordination of interviews. HST was informed of when the preliminary compliance audit findings would be presented to its participants. The audit team later broke out into two groups and reviewed the audit folders requiring follow-up of additional evidence of compliance from HST.

During the on-site audit, the audit team conducted interviews with the appropriate subject matter experts within the various areas to validate data and processes were being met by HST as required by the reliability standards. The interviews confirmed HST's personnel were well informed of the processes in accordance to their specific job function(s). The following subject areas were clarified during the on-site interviews:

- Transmission planning
- System operator tools
- Facility ratings
- Relay maintenance

The audit team had direct communication with management as well as the subject matter experts who were collectively the audit participants. These interviews, in conjunction with submitted evidence, provided the audit team with a basis for their professional judgment when validating compliance with reliability standards. In accordance to the Generally Accepted Government Auditing Standard 3.31 - Auditors must use professional judgment in planning and performing audits and in reporting the results. The audit team was pleased with HST's flexibility to accommodate its schedules and to be readily available to answer questions regarding the assessed reliability standards.

The audit team requested additional documentation from HST and asked the audit participants to clarify any questions or concerns the audit team had in validating compliance. If a possible violation was determined, the team discussed their findings as to where HST failed to provide evidence of compliance and reached consensus.

Exit Briefing

At the completion of the compliance audit, preliminary findings were presented to HST's audit participants. (A list of the participants is included in this report). The monitored reliability standards were summarized. Possible violations along with how each was determined and were reviewed with HST. HST was informed of the following next steps:

- The draft audit report will be provided for HST's review.
- HST is to provide written comments to FRCC within fourteen (14) days of receipt of the draft report.
- The audit team will finalize the report and provide to FRCC Compliance Staff.
- The FRCC Compliance Staff will review the audit report and determine the initial findings of alleged violation(s).
- The FRCC Compliance Committee will review the compliance staff's determination of alleged violations.
- Notice of alleged violation and penalty will be submitted to HST.
- The final audit report will be issued and forwarded to NERC for posting in accordance with the FRCC CMEP.
- HST feedback of the audit process will be requested.

Company Profile

HST is registered on the NERC compliance registry with the following designated functions: Balancing Authority, Distribution Provider, Load Serving Entity, Planning Authority, Purchasing Selling Entity, Resource Planner, Transmission Owner, and Transmission Operator.

Mission Statement
The mission of the Electric Utility is to be a positive factor in the economic development of the City by providing safe, reliable electric services at a competitive price.

Services, Functions and Activities

The Electric Utility generates, distributes and sells energy services. In addition to the operation and maintenance of the Power Plant, the Utility maintains transmission and distribution services to provide a reliable source of energy. The Electric Utility buys and sells power when it is economically advantageous to the City of Homestead.

Fiscal Year Highlights

New Substations & Transmission Lines
Construction of two new substations and their related transmission lines were completed in 2007.

Strategic Plan
A Strategic Plan will be developed for Homestead Energy Services with focus on improving reliability while remaining competitive. The primary elements of the Plan are a comprehensive Capital Improvement Plan, a Management Processes and Staffing Analysis and a Financial Plan.

Implementation of the Strategic Plan will begin this year with a Cost of Service and Rate Study and engineering analysis of the power plant, administration, TD&M facilities and a system control and operations center.

Audit Specifics

Audit Team

Audit Team Role	Title	Company
Lead	Compliance Auditor	FRCC
Member	Manager of Compliance	FRCC
Member	Director, Electric Compliance	JEA

Audit Team Role	Title	Company
Member	Director of System Operations	Seminole Electric Cooperative, Inc.
Observer	Regional Compliance Program Coordinator	NERC
Observer	Regional Compliance Program Coordinator	NERC

City of Homestead Audit Participants

Title	Organization
Assistant Director of Utilities	City of Homestead
System Operations Supervisor	City of Homestead
Superintendent of Engineering	City of Homestead
System Protection & Relay Supervisor	City of Homestead
System Operator	City of Homestead
System Operator	City of Homestead
FMPA Compliance Officer	Florida Municipal Power Authority (FMPA)

Audit Results

Findings

The following table summarizes the auditor notes relating to evidence reviewed for compliance with the reliability standards listed in the FRCC and NERC 2008 Implementation Plan. This table also includes details summarizing auditor notes relating to evidence reviewed for reliability standard requirements for self-reported violations, ongoing mitigation plans, and other discussions.

Audit Findings Summary Table

Reliability Standard	Requirement	Finding
BAL-001-0	R1.	Compliant
BAL-001-0	R2.	Compliant
BAL-001-0	R3.	Not Applicable
BAL-001-0	R4.	Not Applicable
BAL-002-0	R1.	Compliant
BAL-002-0	R2.	Not Applicable
BAL-002-0	R3.	Compliant
BAL-002-0	R4.	Compliant
BAL-002-0	R5.	Compliant
BAL-002-0	R6.	Compliant
BAL-003-0	R1.	Compliant
BAL-003-0	R2.	Compliant
BAL-003-0	R3.	Compliant
BAL-003-0	R4.	Not Applicable
BAL-003-0	R5.	Compliant
BAL-003-0	R6.	Not Applicable
BAL-004-0	R1.	Not Applicable
BAL-004-0	R2.	Not Applicable
BAL-004-0	R3.	Compliant
BAL-004-0	R4.	Compliant
BAL-005-0	R1.	Compliant
BAL-005-0	R2.	Possible Violation
BAL-005-0	R3.	Not Applicable
BAL-005-0	R4.	Not Applicable
BAL-005-0	R5.	Not Applicable
BAL-005-0	R6.	Compliant

Reliability Standard	Requirement	Finding
BAL-005-0	R7.	Possible Violation
BAL-005-0	R8.	Possible Violation
BAL-005-0	R9.	Compliant
BAL-005-0	R10.	Not Applicable
BAL-005-0	R11.	Possible Violation
BAL-005-0	R12.	Compliant
BAL-005-0	R13.	Compliant
BAL-005-0	R14.	Compliant
BAL-005-0	R15.	Compliant
BAL-005-0	R16.	Compliant
BAL-005-0	R17.	Compliant
BAL-006-1	R1.	Compliant
BAL-006-1	R2.	Compliant
BAL-006-1	R3.	Compliant
BAL-006-1	R4.	Compliant
BAL-006-1	R5.	Compliant
CIP-001-1	R1.	Compliant
CIP-001-1	R2.	Compliant
CIP-001-1	R3.	Compliant
CIP-001-1	R4.	Compliant
COM-001-1	R2.	Compliant
.COM-001-1	R5.	Compliant
COM-002-2	R1.	Compliant
COM-002-2	R2.	Compliant
EOP-001-0	R1.	Compliant
EOP-001-0	R2.	Not Applicable
EOP-001-0	R3.	Compliant
EOP-001-0	R4.	Compliant
EOP-001-0	R5.	Compliant
EOP-001-0	R6.	Possible Violation
EOP-001-0	R7.	Compliant
EOP-002-2	R1.	Compliant
EOP-002-2	R2.	Compliant
EOP-002-2	R3.	Compliant
EOP-002-2	R4.	Compliant
EOP-002-2	R5.	Compliant

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Reliability Standard	Requirement	Finding
EOP-002-2	R6.	Compliant
EOP-002-2	R7.	Compliant
EOP-002-2	R8.	Not Applicable
EOP-002-2	R9.	Not Applicable
EOP-003-1	R1.	Compliant
EOP-003-1	R2.	Compliant
EOP-003-1	R3.	Compliant
EOP-003-1	R4.	Compliant
EOP-003-1	R5.	Compliant
EOP-003-1	R6.	Compliant
EOP-003-1	R7.	Compliant
EOP-003-1	R8.	Compliant
EOP-004-1	R1.	Not Applicable
EOP-004-1	R2.	Compliant
EOP-004-1	R3.	Compliant
EOP-004-1	R4.	Not Applicable
EOP-004-1	R5.	Not Applicable
EOP-005-1	R1.	Compliant
EOP-005-1	R2.	Compliant
EOP-005-1	R3.	Compliant
EOP-005-1	R4.	Compliant
EOP-005-1	R5.	Compliant
EOP-005-1	R6.	Compliant
EOP-005-1	R7.	Compliant
EOP-005-1	R8.	Compliant
EOP-005-1	R9.	Compliant
EOP-005-1	R10.	Compliant
EOP-005-1	R11.	Compliant
EOP-006-1	R1.	Not Applicable
EOP-006-1	R2.	Not Applicable
EOP-006-1	R3.	Not Applicable
EOP-006-1	R4.	Not Applicable
EOP-006-1	R5.	Not Applicable
EOP-006-1	R6.	Not Applicable

Reliability Standard	Requirement	Finding
EOP-008-0	R1.	Compliant
EOP-009-0	R1.	Not Applicable
EOP-009-0	R2.	Not Applicable
FAC-003-1	R1.	Not-Applicable
FAC-003-1	R2.	Not-Applicable
FAC-003-1	R3.	Not-Applicable
FAC-003-1	R4.	Not-Applicable
FAC-008-1	R1.	Possible Violation
FAC-008-1	R2.	Compliant
FAC-008-1	R3.	Compliant
FAC-009-1	R1.	Possible Violation
FAC-009-1	R2.	Compliant
FAC-013-1	R1.	Compliant
FAC-013-1	R2.	Compliant
INT-001-2	R1.	Not Applicable
INT-001-2	R2.	Compliant
INT-003-2	R1.	Compliant
INT-004-1	R1.	Not Applicable
INT-004-1	R2.	Not Applicable
IRO-001-1	R1.	Not Applicable
IRO-001-1	R2.	Not Applicable
IRO-001-1	R3.	Compliant
IRO-001-1	R4.	Not Applicable
IRO-001-1	R5.	Not Applicable
IRO-001-1	R6.	Not Applicable
IRO-001-1	R7.	Not Applicable
IRO-001-1	R8.	Compliant
IRO-001-1	R9.	Not Applicable
IRO-003-2	R1.	Not Applicable

Reliability Standard	Requirement	Finding
IRO-003-2	R2.	Not Applicable
IRO-004-1	R1.	Not Applicable
IRO-004-1	R2.	Not Applicable
IRO-004-1	R3.	Not Applicable
IRO-004-1	R4.	Compliant
IRO-004-1	R5.	Not Applicable
IRO-004-1	R6.	Not Applicable
IRO-004-1	R7.	Compliant
IRO-005-1	R1.	Not Applicable
IRO-005-1	R2.	Not Applicable
IRO-005-1	R3.	Not Applicable
IRO-005-1	R4.	Not Applicable
IRO-005-1	R5.	Not Applicable
IRO-005-1	R6.	Not Applicable
IRO-005-1	R7.	Not Applicable
IRO-005-1	R8.	Compliant
IRO-005-1	R9.	Not Applicable
IRO-005-1	R10.	Not Applicable
IRO-005-1	R11.	Not Applicable
IRO-005-1	R12.	Not Applicable
IRO-005-1	R13.	Compliant
IRO-005-1	R14.	Not Applicable
IRO-005-1	R15.	Not Applicable
IRO-005-1	R16.	Not Applicable
IRO-005-1	R17.	Not Applicable
IRO-006-3	R1.	Not Applicable
IRO-006-3	R2.	Not Applicable

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Reliability Standard	Requirement	Finding
IRO-006-3	R3.	Not Applicable
IRO-006-3	R4.	Not Applicable
IRO-006-3	R5.	Not Applicable
IRO-006-3	R6.	Compliant
IRO-014-1	R1.	Not Applicable
IRO-014-1	R2.	Not Applicable
IRO-014-1	R3.	Not Applicable
IRO-014-1	R4.	Not Applicable
IRO-015-1	R1.	Not Applicable
IRO-015-1	R2.	Not Applicable
IRO-015-1	R3.	Not Applicable
IRO-016-1	R1.	Not Applicable
IRO-016-1	R2.	Not Applicable
PER-002-0	R1.	Compliant
PER-002-0	R2.	Compliant
PER-002-0	R3.	Compliant
PER-002-0	R4.	Compliant
PER-003-0	R1.	Compliant
PER-004-1	R1.	Not Applicable
PER-004-1	R2.	Not Applicable
PER-004-1	R3.	Not Applicable
PER-004-1	R4.	Not Applicable
PER-004-1	R5.	Not Applicable
PRC-004-1	R1.	Compliant
PRC-004-1	R2.	Compliant
PRC-004-1	R3.	Compliant
PRC-005-1	R1.	Possible Violation
PRC-005-1	R2.	Compliant
PRC-008-0	R1.	Compliant
PRC-008-0	R2.	Compliant

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Reliability Standard	Requirement	Finding
PRC-010-0	R1.	Not Applicable
PRC-010-0	R2.	Not Applicable
PRC-011-0	R1.	Not Applicable
PRC-011-0	R2.	Not Applicable
PRC-016-0	R1.	Not Applicable
PRC-016-0	R2.	Not Applicable
PRC-016-0	R3.	Not Applicable
PRC-017-0	R1.	Not Applicable
PRC-017-0	R2.	Not Applicable
PRC-021-1	R1.	Not Applicable
PRC-021-1	R2.	Not Applicable
TOP-002-2	R1.	Compliant
TOP-002-2	R2.	Compliant
TOP-002-2	R3.	Compliant
TOP-002-2	R4.	Compliant
TOP-002-2	R5.	Compliant
TOP-002-2	R6.	Compliant
TOP-002-2	R7.	Compliant
TOP-002-2	R8.	Compliant
TOP-002-2	R9.	Possible Violation
TOP-002-2	R10.	Compliant
TOP-002-2	R11.	Compliant
TOP-002-2	R12.	Not Applicable
TOP-002-2	R13.	Not Applicable
TOP-002-2	R14.	Not Applicable
TOP-002-2	R15.	Not Applicable
TOP-002-2	R16.	Compliant
TOP-002-2	R17.	Compliant
TOP-002-2	R18.	Compliant
TOP-002-2	R19.	Compliant
TOP-003-0	R1.	Compliant

Reliability Standard	Requirement	Finding
TOP-003-0	R2.	Compliant
TOP-003-0	R3.	Compliant
TOP-003-0	R4.	Not Applicable
TOP-004-1	R6.	Compliant
TOP-005-1	R1.	Compliant
TOP-005-1	R2.	Not Applicable
TOP-005-1	R3.	Compliant
TOP-005-1	R4.	Compliant
TOP-007-0	R1.	Compliant
TOP-007-0	R2.	Compliant
TOP-007-0	R3.	Compliant
TOP-007-0	R4.	Not Applicable
TPL-001-0	R1.	Compliant
TPL-001-0	R2.	Compliant
TPL-001-0	R3.	Compliant
TPL-002-0	R1.	Compliant
TPL-002-0	R2.	Compliant
TPL-002-0	R3.	Compliant
TPL-003-0	R1.	Compliant
TPL-003-0	R2.	Compliant
TPL-003-0	R3.	Compliant
TPL-004-0	R1.	Compliant
TPL-004-0	R2.	Compliant
VAR-001-1	R1.	Compliant
VAR-001-1	R2.	Compliant
VAR-001-1	R3.	Compliant
VAR-001-1	R4.	Not Applicable
VAR-001-1	R5.	Compliant
VAR-001-1	R6.	Not Applicable
VAR-001-1	R7.	Compliant
VAR-001-1	R8.	Compliant
VAR-001-1	R9.	Compliant
VAR-001-1	R10.	Compliant
VAR-001-1	R11.	Not Applicable
VAR-001-1	R12.	Compliant

Reliability Standard	Requirement	Finding
VAR-002-1	R1.	Not Applicable
VAR-002-1	R2.	Not Applicable
VAR-002-1	R3.	Not Applicable
VAR-002-1	R4.	Not Applicable
VAR-002-1	R5.	Not Applicable

Compliance Culture

The City of Homestead's compliance culture was not reviewed by the audit team. The FRCC compliance staff will review the City of Homestead's compliance culture that was documented and presented to the audit team lead after the preliminary findings presentation.

Attachment b

Settlement Agreement(s)

FRCC
Florida Reliability Coordinating Council, Inc.

FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
1408 N. WESTSHORE BLVD., SUITE 1002
TAMPA, FLORIDA 33607-4512
PHONE 813.289.5644 • FAX 813.289.5646
WWW.FRCC.COM

VIA E-MAIL

September 1, 2009

Mr. Orestes J. Garcia
Electric System Compliance Engineer
675 N Flagler
Homestead, FL 33030-6173

Re: Notice of Proposed Expedited Disposition of Pending Violations or Alleged Violations

Dear Garcia,

This letter is giving notice that Florida Reliability Coordinating Council, Inc. proposes expedited disposition of the pending violations or alleged violations listed in **Attachment B**. **Please review the information below and respond in writing no later than five (5) days from the date of this Notice.** Responses should be directed to Barry Pagel, Manager of Compliance, at compliancemanger@frcc.com. If you have questions, please call Richard Gilbert at 813-207-7991 or Barry Pagel at 813-207-7968.

Florida Reliability Coordinating Council, Inc. intends to submit to the North American Electric Reliability Corporation ("NERC") for filing with the Federal Energy Regulatory Commission ("FERC" or "Commission") a request to expedite resolution of the pending violations or alleged violations listed in **Attachment B** and to accept disposition of these violations or alleged violations under the terms of the Agreement in **Attachment A** hereto, based on the following factors:

- The violations did not pose a serious or substantial risk to system reliability.
- The violations occurred, and were reported to or identified by Florida Reliability Coordinating Council, Inc., prior to July 3. 2008.
- The violations have been mitigated with mitigation plan completion verified by Florida Reliability Coordinating Council, Inc. or the violations are being mitigated under the terms of a mitigation plan that has been approved by Florida Reliability Coordinating Council, Inc. and NERC.

This proposed expedited disposition will result in the assessment of the penalty identified for each of the respective violations listed in **Attachment B** if this disposition is accepted by City of Homestead and approved by NERC and FERC.

If City of Homestead accepts this proposed expedited disposition, sign the attached Agreement and return it to Florida Reliability Coordinating Council, Inc. within five **(5) days** after the date of this Notice. ***If City of Homestead does not wish to accept this proposed expedited disposition, sign the attached OPT OUT ATTACHMENT A1 and return it to Florida Reliability Coordinating Council, Inc. within five (5) days after the date of this Notice.***

Sincerely,

Barry G. Pagel
Manager of Compliance

BP/rg

Attachments:
A – Agreement
A1– Decision to Opt Out
B – List of Violations and associated Penalties

ATTACHMENT A

AGREEMENT

City of Homestead and Florida Reliability Coordinating Council, Inc. agree to the following:

1. Acceptance of this Agreement results in the assessment of $47,000 (forty-seven thousand dollars) for the violations listed in **Attachment B**, subject to approval by the North American Electric Reliability Corporation ("NERC") and the Federal Energy Regulatory Commission ("FERC" or "Commission"). For monetary penalty payments the Florida Reliability Coordinating Council, Inc. will send an invoice to the City of Homestead within thirty-one (31) days after the Agreement is either approved by the Commission or is rendered effective by operation of law. Payment of this invoice must be made by check or by wire transfer to a Florida Reliability Coordinating Council, Inc. account outlined in the invoice within thirty-one (31) days after the receipt of the invoice. Florida Reliability Coordinating Council, Inc. shall notify NERC and NERC shall notify the Commission if the payment is not received.

2. The violations listed in **Attachment B** will be considered Confirmed Violations for all purposes and may be used as aggravating factors in accordance with the NERC Sanction Guidelines for determining appropriate monetary penalties or sanctions for future violations.

3. City of Homestead attests there have been no repeat occurrences of the violations listed in **Attachment B** as of the date of this attestation.

4. If City of Homestead does not make the monetary penalty payment above at the times agreed by the parties, interest payable to Florida Reliability Coordinating Council, Inc. will begin to accrue pursuant to the Commission's regulations at 18 C.F.R. § 35.19(a)(2)(iii) from the date that payment is due, in addition to the penalty specified above.

5. In the event City of Homestead fails to make the monetary penalty payment set forth below, Florida Reliability Coordinating Council, Inc. will initiate enforcement, penalty, or sanction actions against City of Homestead to the maximum extent allowed by the NERC Rules of Procedure, up to the maximum statutorily allowed penalty. Except as otherwise specified in this Disposition Agreement, City of Homestead shall retain all rights to defend against such enforcement actions, also according to the NERC Rules of Procedure.

6. The expedited disposition agreed to herein represents a full and final disposition of the violations listed in **Attachment B**, subject to approval by NERC and FERC.

Accepted:

City of Homestead

By _____ Date 9-4-09

Florida Reliability Coordinating Council, Inc.

By Linda D. Campbell
VP and Executive Director
Standards & Compliance

Date 9/9/09

OPT OUT ATTACHMENT A1

Decision to Opt Out

City of Homestead declines to participate in the expedited resolution of the identified violations or alleged violations.

City of Homestead

_____ _____

By Date

ATTACHMENT B

List of Violations

NERC Violation ID	REGISTERED ENTITY	Standard	Requirement	Penalty
FRCC200800073	City of Homestead	BAL-005-0	R8	$5,000
FRCC200800072	City of Homestead	BAL-005-0	R7	$5,000
FRCC200800071	City of Homestead	BAL-005-0	R2	$15,000
FRCC200800074	City of Homestead	BAL-005-0	R11	$5,000
FRCC200800075	City of Homestead	EOP-001-0	R6	$1,000
FRCC200800076	City of Homestead	FAC-008-1	R1	$1,000
FRCC200800077	City of Homestead	FAC-009-1	R1	$7,000
FRCC200800078	City of Homestead	PRC-005-1	R1	$4,000
FRCC200800079	City of Homestead	TOP-002-2	R9	$4,000
			Total	**$47,000**

Attachment c

Mitigation Plan

For Public Release - October 14, 2009

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 6/19/2008

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 x 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: City of Homestead
Company Address: 675 N Flagler Avenue
NERC Compliance Registry ID: NCR 00037

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

Name: Renny Ramai
Title: Systems Operations Supervisor
Email: vramai@cityofhomestead.com
Phone: 305-224-4744

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.

For Public Release - October 14, 2009

Applicable Standard, Requirement(s) and dates:

NERC Violation ID #	Reliability Standard	Requirement Number	Violation Risk Factor	Alleged or Confirmed Violation Date(*)	Method of Detection (*e.g.*, Audit, Self-report, Investigation)
FRCC200800074	BAL-005-0	11		04/01/2008	Audit

(*) Note: The Alleged or Confirmed Violation Date shall be expressly specified by Registered Entity, and subject to modification by the FRCC, 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 the FRCC. Questions regarding the date to use should be directed to the FRCC 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:

Evidence indicated HST does not include the effects of ramp rates in its interchange schedules

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:

HST has a peak load of 88 MW's. Due to its completely residential load base, the average load change per hour is 1-2 MW's. Neither the HST EMS, nor FPL can accommodate a ramp in KW.

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

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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:

Due to the small changes in hourly schedules (approx 1-2 MW range per hour), the only way to implement the 20-minute ramp is ramping in KW. Currently HST is working with both Florida Power & Light and the EMS vendor to provide a solution for ramping in KWs

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:

The mitigation plan is to either get an approval notice from Florida Power and Light or to modify the existing EMS software to accommodate the ramping. Currently waiting an approval notice from Florida Power & Light, in the interim, HST is also awaiting a quote from its EMS vendor to modify the EMS software

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)
Notice from FPL	07/01/208
Quote from EMS vendor	06/30/2008
Internal Approval Process	08/31/2008
EMS software Implementation	12/31/2008

(*) 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.

For Public Release - October 14, 2009

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:

Due to the small changes in hourly schedules (approx 1-2 MW range per hour), the only way to implement the 20-minute ramp is ramping in KW. This minimal change of load per hour is insignificant to BES.

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:

HST is identifying ways to ramp in KW with its EMS vendor and FPL. The load changes are insignificant to the BES. In addition, HST has adopted a Compliance Program to help identify issues in the future.

For Public Release - October 14, 2009

FRCC
Florida Reliability Coordinating Council, Inc.

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 the FRCC 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 Kenneth Konkol of City of Homestead.

2. I am qualified to sign this Mitigation Plan on behalf of City of Homestead].

3. I understand City of Homestead'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. City of Homestead agrees to comply with, this Mitigation Plan, including the timetable completion date, as accepted by the FRCC and approved by NERC.

Authorized Individual Signature _____

Name (Print): Kenneth J Konkol
Title: Assistant Director of Utilities
Date: June 19, 2008

For Public Release - October 14, 2009

Section G: **Regional Entity Contact**

Please direct any questions regarding completion of this form to:

Madeline Alba, FRCC Compliance Program Administrator
813-207-7965
malba@frcc.com

For Public Release - October 14, 2009

Attachment A – Compliance Notices & Mitigation Plan Requirements

I. Section 6.2 of the CMEP[1] 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 the FRCC and approval by NERC.

III. This Mitigation Plan is submitted to the FRCC and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.

---

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

For Public Release - October 14, 2009

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 the FRCC 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. The FRCC 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.

For Public Release - October 14, 2009

Mitigation Plan Submittal Form

Date this Mitigation Plan is being submitted: 07/25/08

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 x 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: City of Homestead
Company Address: 675 N Flagler Avenue
NERC Compliance Registry ID: NCR 00037

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

Name: Renny Ramai
Title: Systems Operations Supervisor
Email: vramai@cityofhomestead.com
Phone: 305-224-4744

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.

For Public Release - October 14, 2009

Applicable Standard, Requirement(s) and dates:

NERC Violation ID #	Reliability Standard	Requirement Number	Violation Risk Factor	Alleged or Confirmed Violation Date(*)	Method of Detection (*e.g.*, Audit, Self-report, Investigation)
FRCC200800074	BAL-005-0	11		04/01/2008	Audit

(*) Note: The Alleged or Confirmed Violation Date shall be expressly specified by Registered Entity, and subject to modification by the FRCC, 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 the FRCC. Questions regarding the date to use should be directed to the FRCC 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:

Evidence indicated HST does not include the effects of ramp rates in its interchange schedules

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:

HST has a peak load of 88 MW's. Due to its completely residential load base, the average load change per hour is 1-2 MW's. Neither the HST EMS, nor FPL can accommodate a ramp in KW.

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

For Public Release - October 14, 2009

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:

Due to the small changes in hourly schedules (approx 1-2 MW range per hour), the only way to implement the 20-minute ramp is ramping in KW. Currently HST is working with both Florida Power & Light and the EMS vendor to provide a solution for ramping in KWs

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:

The mitigation plan is to either get an approval notice from Florida Power and Light or to modify the existing EMS software to accommodate the ramping. Currently waiting an approval notice from Florida Power & Light, in the interim, HST has issued a purchase order to its EMS vendor for modification of HST EMS software

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)
Quote from EMS vendor	06/13/208
PO issued to EMS vendor	07/24/2008
EMS software implementation	09/30/2008

(*) 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.

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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:

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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:

HST is identifying ways to ramp in KW with its EMS vendor and FPL. The load changes are insignificant to the BES. In addition, HST has adopted a Compliance Program to help identify issues in the future.

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FRCC
Florida Reliability Coordinating Council, Inc.

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 the FRCC 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 Kenneth Konkol of City of Homestead.

2. I am qualified to sign this Mitigation Plan on behalf of City of Homestead].

3. I understand City of Homestead'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. City of Homestead agrees to comply with, this Mitigation Plan, including the timetable completion date, as accepted by the FRCC and approved by NERC.

Authorized Individual Signature _____

Name (Print): Kenneth J Konkol
Title: Assistant Director of Utilities
Date: July 29, 2008

For Public Release - October 14, 2009

Section G: **Regional Entity Contact**

Please direct any questions regarding completion of this form to:

Madeline Alba, FRCC Compliance Program Administrator
813-207-7965
malba@frcc.com

For Public Release - October 14, 2009

Attachment A – Compliance Notices & Mitigation Plan Requirements

I. Section 6.2 of the CMEP[1] 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 the FRCC and approval by NERC.

III. This Mitigation Plan is submitted to the FRCC and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.

---

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

For Public Release - October 14, 2009

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 the FRCC 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. The FRCC 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 d

Registered Entity's Certification of Completion

FRCC Mitigation Plan Completion Form

Certification of a Completed Mitigation Plan

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

Registered Entity Information
Company Name: City of Homestead
Company Address: 675 N. Flagler Avenue, Homestead, FL 33030
NERC Compliance Registry ID (*if known*): NCR 00037

Date Original Mitigation Plan was submitted to FRCC: 6/19/08

Date Mitigation Plan was completed: 09-04-2008

Name of Standard and the Requirement(s) covered under the accepted Mitigation Plan: BAL-005-0 R11

NERC Violation ID # (*if known*): **FRCC200800074**

Date of Certification:

I certify that the mitigation plan for the above named alleged or confirmed violation has been completed on the date shown above, and that all information submitted information is complete and correct to the best of my knowledge.

Name: Kenneth Konkol
Title: Assistant Director of Utilities
Email: kkonkol@cityofhomestead.com
Phone: 305-224-4707
Authorized Individual Signature

To close out a completed Mitigation Plan, fill out this form, save and email it to compliancemanager@frcc.com.

Attachment e

Regional Entity's Verification of Completion

FRCC
Florida Reliability Coordinating Council, Inc.

FLORIDA RELIABILITY COORDINATING COUNCIL, INC.
1408 N. WESTSHORE BLVD., SUITE 1002
TAMPA, FLORIDA 33607-4512
PHONE 813.289.5644 • FAX 813.289.5646
WWW.FRCC.COM

Via Email

September 9, 2008

Ramai Vinoosh
System Operations Supervisor
City of Homestead
675 N Flagler Avenue
Homestead, FL 33030

Re: HST Mitigation plans BAL-005-0-R2, R7, R11, FAC-008-1-R1, FAC-009-1-R1, TOP-002-2, R9

Dear Mr. Vinoosh,

As a follow-up to the telephone call, between Richard Gilbert, James Dodge and yourself, the Florida Reliability Coordinating Council, Inc. (FRCC) compliance staff has received the following items from the City of Homestead (HST):

FAC-008-1, Requirement 1

The Mitigation Plan Submittal Form, for the revised submittals, with a current submittal date and a signature of authorization is required.

FAC-009-1, Requirement 1

The Mitigation Plan Submittal Form, for the revised submittals, with a current submittal date and a signature of authorization is required.

The FRCC finds that the mitigations plans for FAC-008-1 and FAC-009-1, submitted by HST, are acceptable. The FRCC will also forward the mitigation plans to the North American Electric Reliability Corporation (NERC) for its review and approval. NERC will forward any approved mitigation plan to the Federal Energy Regulatory Commission (FERC) as non-public information.

FRCC is in receipt of the completed mitigation plan completion forms, with the dates of certification, for BAL-005-0, Requirement 11 and TOP-002-2, Requirement 9.

In addition, the FRCC compliance staff has determined that the additional evidence provided by HST to verify completion and compliance for BAL-005-0 Requirements 2, 7, and 11 and TOP-002-2, Requirement 9 indicates that HST has completed its mitigation plans. The FRCC will notify NERC accordingly.

Should you have any questions please contact me.

Respectfully,

Barry G. Pagel
Manager of Compliance
813-207-7968
813-289-5646 (fax)
bpagel@frcc.com

cc: E. Shockley, NERC
R. Jimenez, NERC

FRCC Compliance and Enforcement Program
Mitigation Plan Disposition and Completion Steps

Entity: **City of Homestead (HST)**
Date Submitted: **07/29/2008, revised**
Standard: **BAL-005-0**
Requirement(s): **R11**

Disposition Steps

FRCC acceptance	Yes	☒	No	☒
Date reviewed	08/08/2008			
(Within 30 days of receipt)				
Within 10 days of re-submittal				
Submit to NERC	Yes	☒	No	☐
Date submitted				
(Within 5 days of mitigation plan acceptance)				
NERC Approved	Yes	☐	No	☐
Resend to Entity to correct deficiencies	Yes	☐	No	☒
Date retuned to Entity				
Describe deficiencies				
Tickle for milestone	Yes	☐	No	☒
(10 days before completion date)				
Date for milestone				
Milestone dates from Mitigation Plan	06/13/2008 07/24/2008			
Proposed Completion date from Mitigation Plan	09/30/2008			
Milestone date extended/modified	Yes	☐	No	☒
Date NERC notified:				
(Within 5 business days)				
Quarterly updates required from Entity	Yes	☐	No	☒
Quarterly updates required to NERC	Yes	☐	No	☒

Reviewed by: James Dodge
Date reviewed: 08/08/2008

FRCC Compliance and Enforcement Program
Mitigation Plan Disposition and Completion Steps

Completion Steps

Entity submitted certification signed by the registered Entity's officer or equivalent for the plan, that all required actions described in the mitigation plan have been completed or information sufficient for the FRCC to verify completion.	Yes	☐	No	☒
Does FRCC require supporting information by conducting follow-up assessments, on-site or other Spot Checking, or Compliance Audits necessary to verify that all required actions in the Mitigation Plan have been completed?	Yes	☒	No	☐
Supporting information required.	Yes	☒	No	☐

Date request sent to Entity 9/8/2007 Discussed by telephone with HST, R. Gilbert and J. Dodge. HST did not submit a completed mitigation completion form. Missing Date of Certification.

Mitigation Plan completed on time	Yes	☒	No	☐

If not, describe further action required

Actual Mitigation Plan Completion Date: 9/4/2008

Reviewed by: **Jim Dodge**
Date reviewed: **9/8/2008**

Notes:

Review process:
HST provided a certification of completion for this mitigation plan on Monday September 8, 2008. FRCC reviewed evidence of completion and compliance provided by HST against the NERC Reliability Standard Audit Worksheet for BAL-005-0 Requirement 11.

Evidence submitted by the entity included:
HST provided documentation of EMS screen display prints indicating that its EMS has Interchange Transaction Scheduling mode turned ON. In addition, HST provided copies of vendor invoices for purchasing Open/composite software for interchange scheduling.

Review results:
The FRCC Compliance Staff after completing the above review determined, in their professional judgment, that the evidence submitted by HST did meet the

requirement of the NERC Reliability Standard BAL-005-0, requirement 11 in purchasing interchange transaction scheduling capability.