



NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

December 30, 2009

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

**Re: NERC Notice of Penalty regarding Alliant Energy – West,  
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 Alliant Energy – West (ALTW), NERC Registry ID NCR00962,<sup>2</sup> in accordance with the Federal Energy Regulatory Commission’s (Commission or FERC) rules, regulations and orders, as well as NERC Rules of Procedure including Appendix 4C (NERC Compliance Monitoring and Enforcement Program (CMEP)).<sup>3</sup>

On February 18, 2009, ALTW self-reported to the Midwest Reliability Organization (MRO) its non-compliance with VAR-002-1 Requirement (R) 3.1 for its failure to notify its Transmission Operator, within thirty minutes of the change where an automatic voltage regulator (AVR) was being taken out of service on February 14, 2009. This Notice of Penalty is being filed with the

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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 (2008). *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> Midwest Reliability Organization confirmed that ALTW was included on the NERC Compliance Registry as a Balancing Authority, Distribution Provider, Generator Operator (GOP), Generator Owner (GO), Load Serving Entity, Purchasing-Selling Entity and Resource Planner on May 30, 2007. Subsequently, on September 11, 2009, ALTW entered into a JRO, number JRO00001, for its Balancing Authority function, with (1) In the MRO region: Minnesota Power, Madison Gas and Electric Company, MidAmerican Energy Company, Midwest Independent Transmission System Operator, Inc., Wisconsin Public Service Corporation, Alliant Energy – East, Muscatine Power & Water, Great River Energy, Montana-Dakota Utilities Company, Northern States Power (Xcel Energy), Otter Tail Power Company, Southern Minnesota Municipal Power Agency and the Upper Peninsula Power Company; and (2) in the SERC region: Midwest Independent Transmission System Operator, Inc., the City of Columbia, MO, Southern Illinois Power Cooperative and the City of Springfield, IL – CWLP. As a GOP, ALTW was subject to the requirements of NERC Reliability Standard VAR-002-1 R3.

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

Commission because, based on information from MRO, ALTW does not dispute the violation of VAR-002-1 R3.1 and the proposed penalty of two thousand five hundred dollars (\$2,500) to be assessed to ALTW. Accordingly, the violation identified as NERC Violation Tracking Identification Number MRO200900083 is a Confirmed Violation as that term is defined in 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 Notice of Confirmed Violation and Proposed Penalty or Sanction (NOCV) issued by MRO on July 28, 2009. The details of the findings and basis for the penalty are set forth herein. This Notice of Penalty filing contains the basis for approval of this Notice of Penalty by the NERC Board of Trustees Compliance Committee (BOTCC). In accordance with Section 39.7 of the Commission's regulations, 18 C.F.R. § 39.7 (2007), NERC provides the following summary table identifying the Reliability Standard at issue in this Notice of Penalty.

Region	Registered Entity	NOC ID	NERC Violation ID	Reliability Std.	Req. (R)	VRF	Total Penalty (\$)
MRO	Alliant Energy-West	NOC-246	MRO200900083	VAR-002-1	3.1	Medium	2,500

The purpose of Reliability Standard VAR-002-1<sup>4</sup> is to ensure generators provide the reactive and voltage control necessary to ensure voltage levels, reactive flows, and that reactive resources are maintained within applicable Facility Ratings to protect equipment and the reliable operation of the Interconnection.

VAR-002-1 R3 and R3.1 require each Generator Operator, such as ALTW, to notify its associated Transmission Operator as soon as practical, but within 30 minutes of 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. VAR-002-1 R3 and R3.1 both have "Medium" Violation Risk Factors (VRFs).

On February 14, 2009, at 11:30 a.m., ALTW's Sutherland Generating Station (SGS) Operator contacted the General Dispatch Center (GDC) Operator to report that the "Amplidyne" on Steam Unit #2 was being taken out of service and that the VARs would need to be controlled manually. The GDC Operator did not understand the term "Amplidyne" to mean the AVR and therefore did not log the change nor contact ALTW's Transmission Operator, ITC Midwest LLC (ITC Midwest).

<sup>4</sup> This violation is subject to compliance with VAR-002-1 as it was the enforceable standard at the time of discovery. VAR-002-1a was approved by the Commission and became enforceable on August 27, 2008. VAR-002-1.1a was approved by the Commission and became enforceable on May 13, 2009. The interpretation and subsequent errata provide clarity regarding the responsibilities of a registered entity. These do not change the meaning or language of the NERC Reliability Standard and its requirements.

On February 16, 2009, at approximately 2:30 p.m., the SGS Operator contacted the GDC Operator to report the “Amplidyne” was back in service. It was realized at that time that the Transmission Operator was not given appropriate notification of the initial off-line status, so ITC Midwest and the Regional Transmission Organization, Midwest Independent Transmission System Operator, Inc. (MISO) were immediately contacted. As a result, the initial notification of the change in AVR status and its expected duration were not communicated to the Transmission Operator within 30 minutes of the change as required by VAR-002-1 R3.1.

On February 18, 2009, ALTW self-reported the violation to MRO and stated the violation occurred because the GDC Operator did not have adequate knowledge of voltage control equipment terminology. MRO Enforcement Staff determined that the duration of the VAR-002-1 R3.1 violation was from 12:00 p.m. February 14, 2009, thirty minutes after the AVR was removed from service, until approximately 2:30 p.m. on February 16, 2009, when the Automatic Voltage Regulator was returned to service. On September 21, 2009, ALTW completed its Mitigation Plan.

MRO has assessed a penalty of two thousand five hundred dollars (\$2,500) for this violation. In reaching this determination, MRO considered the following factors: (1) ALTW self reported the violation; (2) ALTW made no attempt to conceal the violation; (3) ALTW demonstrated a strong internal compliance program by taking necessary corrective actions in a timely fashion; (4) ALTW cooperated with MRO throughout the enforcement process; (5) MRO determined the violation did not pose a serious risk to the bulk power system because Steam Unit #2 represented 30 MW of 140 MW online and provided voltage regulation, and real-time voltage monitoring alarms would have been activated and sent to the Transmission Operator if the bandwidth fell outside the acceptable default voltage schedule; (6) ALTW analysis under simulated conditions showed that all of the fixed MVAR output levels for Steam Unit #2 were within system operating limits; and (7) ALTW had no violation history for this standard. Therefore, MRO determined that, in this instance, the penalty amount of two thousand five hundred dollars (\$2,500) is appropriate and bears a reasonable relation to the seriousness and duration of the violation.

### **Status of Mitigation Plan<sup>5</sup>**

ALTW’s Mitigation Plan to address its self reported violation of VAR-002-1 R3.1 was initially submitted to MRO on April 17, 2009 and was revised on May 7, 2009. The revised Mitigation Plan was accepted by MRO on May 8, 2009 and approved by NERC on May 13, 2009. The Mitigation Plan for this violation is designated as MIT-09-1637 and was submitted as non-public information to FERC on May 13, 2009 in accordance with FERC orders.

ALTW’s Mitigation Plan required the following five milestone activities:

1. On February 17, 2009, the description of the violation was distributed to all GDC System Operators to ensure that all of them would understand the term “Amplidyne.”

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<sup>5</sup> See 18 C.F.R § 39.7(d)(7).

2. On March 10, 2009, supplemental training was completed by all GDC Operators. This training program reinforced knowledge of generator voltage regulation equipment and various accomplishment methods.
3. By May 31, 2009, supplemental training for all 16 generating station operators at ALTW and its sister company, Alliant Energy – East (ALTE) was developed to reinforce communication required for operation of voltage control devices.
4. By June 30, 2009, all generating station operators were scheduled for the above training sessions on the supplemental program.
5. By September 30, 2009, all generating station operators received the above supplemental training including refreshers of their job responsibilities at all 16 generating stations.

ALTW certified on September 22, 2009 that its Mitigation Plan was completed as of September 21, 2009.<sup>6</sup> As evidence, ALTW provided a copy of the PowerPoint presentation training that was provided to its Generator Station Operators detailing the requirements for complying with NERC standards with an emphasis on the VAR standards. Additionally, ALTW provided a copy of its Generating Station AVR, Power System Stabilizer (PSS), and other Reactive Resources Operating and Reporting Procedure with an implementation date of August 31, 2009. Finally, ALTW provided copies of training rosters from each of its Generator Stations evidencing that training sessions were conducted at each of the stations between June 17, 2009 and September 19, 2009.

On September 23, 2009, MRO completed its review of ALTW's submitted evidence and verified that ALTW's Mitigation Plan was completed as of September 19, 2009. With the completion of ALTW's Mitigation Plan verified, MRO determined that ALTW was in compliance with VAR-002-1 R3.1.

### **Statement Describing the Proposed Penalty, Sanction or Enforcement Action Imposed<sup>7</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>8</sup> the NERC BOTCC reviewed the NOCV and supporting documentation on November 6, 2009. The NERC BOTCC affirmed MRO's determination to impose a financial penalty of two thousand five hundred dollars (\$2,500) against ALTW, based upon the NERC BOTCC's review of the applicable requirements of the Commission-approved Reliability Standards and the underlying facts and circumstances of the violation.

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

- (1) ALTW self reported the violation;

<sup>6</sup> ALTW stated September 21, 2009 as the date it completed its Mitigation Plan. However, when MRO reviewed the training rosters, it determined that all required training was complete by September 19, 2009 and therefore MRO verified that ALTW completed its Mitigation Plan as of September 19, 2009.

<sup>7</sup> See 18 C.F.R § 39.7(d)(4)

<sup>8</sup> *North American Electric Reliability Corporation*, "Guidance Order on Reliability Notices of Penalty," 124 FERC ¶ 61,015 (2008).

- (2) There was no evidence of misrepresentation or that the violation was intentional;
- (3) ALTW had no prior violation of this standard or any closely-related standards during the mandatory reliability period; and
- (4) MRO reported that ALTW was cooperative throughout the investigation and enforcement process.

For the foregoing reasons, the NERC BOTCC believes that the proposed two thousand five hundred dollars (\$2,500) penalty amount is appropriate for the violation and circumstances in question, and is consistent with NERC's goal to promote and ensure reliability of the bulk power system.

Pursuant to Order No. 693, the penalty will be effective upon expiration of the 30 day period following the filing of this Notice of Penalty with FERC, or, if FERC decides to review the penalty, upon final determination by FERC.

#### **Attachments to be Included as Part of this Notice of Penalty**

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

- a) ALTW's Self-Report dated February 18, 2009, included as Attachment a;
- b) ALTW's Mitigation Plan designated as MIT-09-1637, submitted on April 17, 2009, and revised on May 7, 2009, included as Attachment b;
- c) ALTW's Response to MRO's Notice of Alleged Violation and Proposed Penalty or Sanction dated July 6, 2009, included as Attachment c;
- d) ALTW's Certification of Completion of the Mitigation Plan dated September 22, 2009, included as Attachment d; and
- e) MRO's Verification of Completion of the Mitigation Plan dated September 23, 2009, included as Attachment e.

#### **A Form of Notice Suitable for Publication<sup>9</sup>**

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

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<sup>9</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>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 david.cook@nerc.net</p> <p>For ALTW :</p> <p>Mr. Eliot Protsch* Alliant Energy-West 200 First St SE P.O. Box 351 Cedar Rapids, IA 52406-0351 Phone: 319-786-4136 Email: eliotprotsch@alliantenergy.com</p> <p>Mr. Kenneth Goldsmith* Manager of NERC Compliance Alliant Energy-West 200 First St SE P.O. Box 351 Cedar Rapids, IA 52406-0351 Phone: 319-786-4167 Email : kengoldsmith@alliantenergy.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>For MRO:</p> <p>Daniel P. Skaar* President Midwest Reliability Organization 2774 Cleveland Avenue North Roseville, MN 55113 Phone: 651-855-1731 Email: dp.skaar@midwestreliability.org</p> <p>Sara E. Patrick* Director of Regulatory Affairs and Enforcement Midwest Reliability Organization 2774 Cleveland Avenue North Roseville, MN 55113 Phone: 651-855-1708 Email: se.patrick@midwestreliability.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,

David N. Cook  
Vice President and General Counsel  
North American Electric Reliability Corporation  
116-390 Village Boulevard  
Princeton, NJ 08540-5721  
(609) 452-8060  
(609) 452-9550 – facsimile  
david.cook@nerc.net

/s/ Rebecca J. Michael  
Rebecca J. Michael  
Assistant General Counsel  
Holly A. Hawkins  
Attorney  
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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: Alliant -West  
Midwest Reliability Organization

Attachments

## **Attachment a**

**ALTW's Self-Report dated February 18, 2009**



<u>Registered Entity</u>	<u>Requirement</u>	<u>Violation Risk Factor</u>	<u>Date Of Occurrence</u>	<u>Submitted On</u>	<u>Status</u>
Alliant Energy-West	VAR-002-1 R3	Medium	Feb 14, 2009	Feb 18, 2009	Validated

**Description:**

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

## Self Report Maintenance

## Self Report Details

\* Date Alleged Violation

Occurred 

\* Standard Requirement

Today is Jul 28, 2009

\* Alleged Violation Description and Cause

**ALLEGED VIOLATION:**

**Failure to notify Transmission Operator within 30 minutes of a generator automatic voltage regulator being taken off automatic.**

**CAUSE:**

**At ~11:30 am on Saturday, 02/14/09 the Sutherland Generating Station (SGS) Operator call the Generation Dispatch Center (GDC) to report that the "Amplidyne" on Steam Unit #2 was being taken out of service, and that VARS would need to be controlled manually.**

**The GDC System Operator did not recognize that the Amplidyne was the Automatic Voltage Regulator so did not log it as an event, or contact ITC Midwest LLC, the Transmission Operator.**

**The error was discovered on Monday, 02/16/09 when the SGS Operator called to report the Amplidyne was back in service**

\* Potential Impact to the Bulk Power System.

Little to no potential impact on the Bulk Electric System. Unit 1 was on-line with its AVR in automatic and Unit 3 was on for most of the time with its AVR in automatic. Units 1 and 3 would have been able to control the voltage in the vicinity, with the voltage output of Unit 2 being held constant.

## Entity Comments And Documents

## Entity Comments

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**When the incident was recognized, the appropriate notifications were made immediately to ITC Midwest LLC and MISO. In addition a note was sent to the GDC System Operators to insure everyone understood the terminology, and a training addendum is being prepared and all the System Operators will complete it by 03/13/09.**

## **Attachment b**

**ALTW's Mitigation Plan designated as MIT-09-1637, submitted April 17, 2009 and revised on May 7, 2009**



## **Mitigation Plan**

Mitigation Plan submitted on: **Apr 17, 2009**

Mitigation Plan Completed (Yes/No):

Mitigation Plan Completed On:

Midwest Reliability Organization



## **Section A: Compliance Notices**

• Section 6.2 of the NERC 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 B.

(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) Key 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 or recommended to the Applicable Governmental Authority 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.

• This submittal form may be used to provide a required Mitigation Plan for review and approval by regional entity(ies) and NERC.

• The Mitigation Plan shall be submitted to the regional entity(ies) and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.

• This Mitigation Plan form may be used to address one or more related alleged or confirmed violations of one Reliability Standard. A separate mitigation plan is required to address alleged or confirmed violations with

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.

***Midwest Reliability Organization***



respect to each additional Reliability Standard, as applicable.

- If the Mitigation Plan is accepted by regional entity(ies) 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.
- Regional Entity(ies) or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.
- The user has read and accepts the conditions set forth in these Compliance Notices.



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

### **B.1**

Identify your organization:

Entity Name: **Alliant Energy - West**

Address: **200 First Street SE, Cedar Rapids, Iowa 52406-0351, United States**

NERC Compliance Registry ID: *[If known]* **NCR00962**

### **B.2**

Identify the individual in your organization who will serve as the Contact to Regional Entity regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Regional Entity regarding this Mitigation Plan.:

Name: **Ken Goldsmith**

Title: **Manager TIS Compliance**

Email: **kengoldsmith@alliantenergy.com**

Phone: **319-786-4167**



## **Section C: Identity of Reliability Standard Violation associated with this Mitigation Plan**

### **C.1**

This Mitigation Plan is associated with the following violation(s) of the reliability standard listed below:

Standard Requirement: *VAR-002-1 R3*

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

Violation Date: *Feb 14, 2009*

### **C.2**

Identify the cause of the violation(s) identified above:

*Failure to notify Transmission Operator within 30 minutes of a generator automatic voltage regulator being taken off automatic.*

#### **CAUSE:**

*At ~11:30 am on Saturday, February 14, 2009 the Sutherland Generating Station (SGS) Operator called the Generation Dispatch Center (GDC) to report that the "Amplidyne" on Steam Unit #2 was being taken out of service, and the VARS would need to be controlled manually. The GDC System Operator did not recognize that the Amplidyne was the Automatic Voltage Regulator so did not log it as an event, or contact ITC Midwest LLC, the Transmission Operator. The oversight was discovered on Monday, February 16, 2009 when the SGS Operator called to report the Amplidyne was back in service.*

### **C.3**

Provide any relevant information regarding the violations associated with this Mitigation Plan: *[If known] Alliant Energy - West (ALTW) is registered as a Balancing Authority (BA), a Generator Owner (GO), a Generator Operator (GOP), and several other functions within the MRO. ALTW has the BA System Operator designated to carry out the GOP functions for the NERC standards relating to coordinating activities with the TOP. This is done because ALTW has more than 45 electric generating units and it is more efficient and effective to have the BA System Operator coordinate the reporting of the individual units. The BA System Operator is responsible to implement the voltage schedules requested by the Transmission Operator (TOP) and coordinates with the individual generating units as needed. Making the calls from the generating station operators directly to the TOP would result in a much higher volume of calls that would be more disruptive than informative, and centralizing the calling process helps maintain efficient coordination of communications, especially considering that the BA requires the information as well.*

*For Automatic Voltage Regulation (AVR), Power System Stabilizers (PSS), or any reactive power resource reporting, the communication is accomplished in the following manner. The plant*

**Midwest Reliability Organization**



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*operator immediately informs the GDC system operator upon any status or capability change on any generator reactive power resource, including the status of each AVR or PSS, and the expected duration of the change in status or capability. The GDC system operator will notify the TOP as soon as practical, but within 30 minutes of the change and will document the status change in the system operations log.*





## 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 violation(s) identified above in Section C.1 of this form:

- 1) *On Tuesday, February 17, 2009, a description of the alleged event was distributed to all the GDC System Operators to alert them of the event, and insure that all the GDC System Operators understood the term "Amplidyne".*
- 2) *A supplemental training program for the GDC System Operators was developed to reinforce Generator Voltage Regulation and the various methods it is accomplished. The supplemental training for the GDC System Operators and Senior System Operators was completed on March 10, 2009.*
- 3) *A supplemental training program is being developed for the ALTE and ALTW generating station operators to reinforce the communications required for operation of the voltage control devices located at the generation stations. The supplemental training will be completed at the 16 generating stations by September 30, 2009.*

### Mitigation Plan Timeline and Milestones

#### D.2

Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the violations associated with this Mitigation Plan are corrected: **Sep 30, 2009**

#### D.3

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

Milestone Activity	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
Notify GDC System Operators of Alleged Violation so all would understand the term "Amplidyne".	Feb 18, 2009	Feb 17, 2009
Complete Supplemental Training on Generator Voltage Regulation Equipment	Mar 13, 2009	Mar 10, 2009
Complete the development of Supplemental Training for ALTE and ALTW Generating Station Operators.	May 31, 2009	
Schedule training sessions to be conducted at the ALTE and ALTW Generating Stations.	Jun 30, 2009	
Complete Supplemental Training for ALTE and ALTW Generating Station Operators.	Sep 30, 2009	

(\*) Note: 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.



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**Additional Relevant Information (Optional)**

**D.4**

If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:



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

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

#### **E.1**

While your organization is implementing the Mitigation Plan proposed in Section D of this form, the reliability of the Bulk Power System may remain at higher risk or be otherwise negatively impacted until the plan is successfully completed. To the extent they are, 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 or is proposing as part of the Mitigation Plan to mitigate any increased risk to the reliability of the bulk power system while the Mitigation Plan is being implemented:

***The reliability risk is small, if any. The GDC System Operators were informed of the Alleged Violation within 24 hours of its discovery, to make them aware of it and of the term "Amplidyne". Supplemental training went into more detail concerning the voltage control equipment and the GDC System Operators have adequate knowledge to operate safely and in a reliable manner.***

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

#### **E.2**

Describe how successful completion of the Mitigation Plan as laid out in Section D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

***The violation occurred because the GDC System Operator did not recognize the term "Amplidyne". With the completion of the supplemental training, not only will the GDC System Operations Staff know the various terms for the Automatic Voltage Regulators, the ALTE and ALTW generating station operators will have had their responsibilities refreshed as well.***

#### **E.3**

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

***No other actions are contemplated at this time.***



**Section F: Authorization**

An authorized individual must sign and date the signature page. By doing so, this individual, on behalf of your organization:

- (a) Submits the Mitigation Plan, as laid out in Section D, to the Regional Entity for acceptance and approval by NERC, and
- (b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and

(c) Acknowledges:

1. I am **Senior Executive VP and COO of Alliant Energy - West.**
2. I am qualified to sign this Mitigation Plan on behalf of **Alliant Energy - West.**
3. I have read and understand **Alliant Energy - West'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 and the applicable NERC CMEP.
4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
5. **Alliant Energy - West** agrees to be bound by, and comply with, this Mitigation Plan, including the timetable completion date, as accepted by the Regional Entity, NERC, and if required, the Applicable Governmental Authority.

**Authorized Individual Signature** \_\_\_\_\_

(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Name: **Eliot Protsch**  
Title: **Senior Executive VP and COO**  
Authorized On: **Apr 15, 2009**



## **Mitigation Plan**

Mitigation Plan submitted on: **Apr 17, 2009**

Mitigation Plan Completed (Yes/No):

Mitigation Plan Completed On:

Midwest Reliability Organization



## **Section A: Compliance Notices**

• Section 6.2 of the NERC 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 B.

(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) Key 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 or recommended to the Applicable Governmental Authority 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.

• This submittal form may be used to provide a required Mitigation Plan for review and approval by regional entity(ies) and NERC.

• The Mitigation Plan shall be submitted to the regional entity(ies) and NERC as confidential information in accordance with Section 1500 of the NERC Rules of Procedure.

• This Mitigation Plan form may be used to address one or more related alleged or confirmed violations of one Reliability Standard. A separate mitigation plan is required to address alleged or confirmed violations with

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.

***Midwest Reliability Organization***



respect to each additional Reliability Standard, as applicable.

- If the Mitigation Plan is accepted by regional entity(ies) 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.
- Regional Entity(ies) or NERC may reject Mitigation Plans that they determine to be incomplete or inadequate.
- Remedial action directives also may be issued as necessary to ensure reliability of the bulk power system.
- The user has read and accepts the conditions set forth in these Compliance Notices.



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

### **B.1**

Identify your organization:

Entity Name: **Alliant Energy - West**

Address: **200 First Street SE, Cedar Rapids, Iowa 52406-0351, United States**

NERC Compliance Registry ID: *[If known]* **NCR00962**

### **B.2**

Identify the individual in your organization who will serve as the Contact to Regional Entity regarding this Mitigation Plan. This person shall be technically knowledgeable regarding this Mitigation Plan and authorized to respond to Regional Entity regarding this Mitigation Plan.:

Name: **Ken Goldsmith**

Title: **Manager TIS Compliance**

Email: **kengoldsmith@alliantenergy.com**

Phone: **319-786-4167**





## **Section C: Identity of Reliability Standard Violation associated with this Mitigation Plan**

### **C.1**

This Mitigation Plan is associated with the following violation(s) of the reliability standard listed below:

Standard Requirement: *VAR-002-1 R3*

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

Violation Date: *Feb 14, 2009*

### **C.2**

Identify the cause of the violation(s) identified above:

*Failure to notify Transmission Operator within 30 minutes of a generator automatic voltage regulator being taken off automatic.*

#### **CAUSE:**

*At ~11:30 am on Saturday, February 14, 2009 the Sutherland Generating Station (SGS) Operator called the Generation Dispatch Center (GDC) to report that the "Amplidyne" on Steam Unit #2 was being taken out of service, and the VARS would need to be controlled manually. The GDC System Operator did not recognize that the Amplidyne was the Automatic Voltage Regulator so did not log it as an event, or contact ITC Midwest LLC, the Transmission Operator. The oversight was discovered on Monday, February 16, 2009 when the SGS Operator called to report the Amplidyne was back in service.*

### **C.3**

Provide any relevant information regarding the violations associated with this Mitigation Plan: *[If known] Alliant Energy - West (ALTW) is registered as a Balancing Authority (BA), a Generator Owner (GO), a Generator Operator (GOP), and several other functions within the MRO. ALTW has the BA System Operator designated to carry out the GOP functions for the NERC standards relating to coordinating activities with the TOP. This is done because ALTW has more than 45 electric generating units and it is more efficient and effective to have the BA System Operator coordinate the reporting of the individual units. The BA System Operator is responsible to implement the voltage schedules requested by the Transmission Operator (TOP) and coordinates with the individual generating units as needed. Making the calls from the generating station operators directly to the TOP would result in a much higher volume of calls that would be more disruptive than informative, and centralizing the calling process helps maintain efficient coordination of communications, especially considering that the BA requires the information as well.*

*For Automatic Voltage Regulation (AVR), Power System Stabilizers (PSS), or any reactive power resource reporting, the communication is accomplished in the following manner. The plant*

**Midwest Reliability Organization**



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*operator immediately informs the GDC system operator upon any status or capability change on any generator reactive power resource, including the status of each AVR or PSS, and the expected duration of the change in status or capability. The GDC system operator will notify the TOP as soon as practical, but within 30 minutes of the change and will document the status change in the system operations log.*



## 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 violation(s) identified above in Section C.1 of this form:

- 1) *On Tuesday, February 17, 2009, a description of the alleged event was distributed to all the GDC System Operators to alert them of the event, and insure that all the GDC System Operators understood the term "Amplidyne".*
- 2) *A supplemental training program for the GDC System Operators was developed to reinforce Generator Voltage Regulation and the various methods it is accomplished. The supplemental training for the GDC System Operators and Senior System Operators was completed on March 10, 2009.*
- 3) *A supplemental training program is being developed for the ALTE and ALTW generating station operators to reinforce the communications required for operation of the voltage control devices located at the generation stations. The supplemental training will be completed at the 16 generating stations by September 30, 2009.*

### Mitigation Plan Timeline and Milestones

#### D.2

Provide the timetable for completion of the Mitigation Plan, including the completion date by which the Mitigation Plan will be fully implemented and the violations associated with this Mitigation Plan are corrected: **Sep 30, 2009**

#### D.3

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

Milestone Activity	*Proposed Completion Date (Shall not be greater than 3 months apart)	Actual Completion Date
Notify GDC System Operators of Alleged Violation so all would understand the term "Amplidyne".	Feb 18, 2009	Feb 17, 2009
Complete Supplemental Training on Generator Voltage Regulation Equipment	Mar 13, 2009	Mar 10, 2009
Complete the development of Supplemental Training for ALTE and ALTW Generating Station Operators.	May 31, 2009	
Schedule training sessions to be conducted at the ALTE and ALTW Generating Stations.	Jun 30, 2009	
Complete Supplemental Training for ALTE and ALTW Generating Station Operators.	Sep 30, 2009	

(\*) Note: 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.



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**Additional Relevant Information (Optional)**

***D.4***

If you have any relevant additional information that you wish to include regarding the mitigation plan, milestones, milestones dates and completion date proposed above you may include it here:



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

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

#### **E.1**

While your organization is implementing the Mitigation Plan proposed in Section D of this form, the reliability of the Bulk Power System may remain at higher risk or be otherwise negatively impacted until the plan is successfully completed. To the extent they are, 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 or is proposing as part of the Mitigation Plan to mitigate any increased risk to the reliability of the bulk power system while the Mitigation Plan is being implemented:

***The reliability risk is small, if any. The GDC System Operators were informed of the Alleged Violation within 24 hours of its discovery, to make them aware of it and of the term "Amplidyne". Supplemental training went into more detail concerning the voltage control equipment and the GDC System Operators have adequate knowledge to operate safely and in a reliable manner.***

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

#### **E.2**

Describe how successful completion of the Mitigation Plan as laid out in Section D of this form will prevent or minimize the probability that your organization incurs further violations of the same or similar reliability standards requirements in the future:

***The violation occurred because the GDC System Operator did not recognize the term "Amplidyne". With the completion of the supplemental training, not only will the GDC System Operations Staff know the various terms for the Automatic Voltage Regulators, the ALTE and ALTW generating station operators will have had their responsibilities refreshed as well.***

#### **E.3**

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

***No other actions are contemplated at this time.***



**Section F: Authorization**

An authorized individual must sign and date the signature page. By doing so, this individual, on behalf of your organization:

- (a) Submits the Mitigation Plan, as laid out in Section D, to the Regional Entity for acceptance and approval by NERC, and
- (b) If applicable, certifies that the Mitigation Plan, as laid out in Section D of this form, was completed (i) as laid out in Section D of this form and (ii) on or before the date provided as the 'Date of Completion of the Mitigation Plan' on this form, and
- (c) Acknowledges:
  - 1. I am **Senior Executive VP and COO of Alliant Energy - West**.
  - 2. I am qualified to sign this Mitigation Plan on behalf of **Alliant Energy - West**.
  - 3. I have read and understand **Alliant Energy - West'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 and the applicable NERC CMEP.
  - 4. I have read and am familiar with the contents of the foregoing Mitigation Plan.
  - 5. **Alliant Energy - West** agrees to be bound by, and comply with, this Mitigation Plan, including the timetable completion date, as accepted by the Regional Entity, NERC, and if required, the Applicable Governmental Authority.

**Authorized Individual Signature** \_\_\_\_\_

(Electronic signature was received by the Regional Office via CDMS. For Electronic Signature Policy see CMEP.)

Name: **Eliot Protsch**  
Title: **Senior Executive VP and COO**  
Authorized On: **Apr 15, 2009**

**ALTW**  
**ID# MRO200900083**  
**Mitigation Plan Addition**  
**Sent to MRO on 05/11/09**

AVR Mitigation Time Frame

- |    |   |                 |                 |     |
|----|---|-----------------|-----------------|-----|
| 1) | Notify GDC System Operators of Alleged Violation so all would understand the term "Amplidyne".    | Feb 18,<br>2009 | Feb 17,<br>2009 | Yes |
| 2) | Complete Supplemental Training on Generator Voltage Regulation Equipment                          | Mar 13,<br>2009 | Mar 10,<br>2009 | Yes |
| 3) | Complete the development of Supplemental Training for ALTE and ALTW Generating Station Operators. |                 |                 |     |
|    |   |                 | May 31, 2009    |     |
| 4) | Schedule training sessions to be conducted at the ALTE and ALTW Generating Stations.              |                 |                 |     |
|    |   |                 | June 30, 2009   |     |
| 5) | Complete Supplemental Training for ALTE and ALTW Generating Station Operators.                    |                 | Sep 30,<br>2009 |     |

**Attachment c**

**ALTW's Response to MRO's Notice of Alleged  
Violation and Proposed Penalty or Sanction, dated  
July 6, 2009**





Alliant Energy Corporation  
Alliant Tower  
200 First Street SE  
P.O. Box 351  
Cedar Rapids, IA 52406-0351

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July 6, 2009

Office: 1.800.822.4348  
www.alliantenergy.com

Ms. Sara E. Patrick  
Director of Regulatory Affairs and Enforcement  
Midwest Reliability Organization  
2774 Cleveland Avenue N  
Roseville, MN, 55113

Subj : VAR-002-1, R3.1 - Notice of Alleged Violation and Proposed Penalty or Sanction (NAVAPS)

Ref : Letter from the MRO dated 06/29/09 on the same subject  
NERC Violation Tracking ID No: MRO200900083

Dear Ms. Patrick:

ALTW has elected to exercise Option #1 of the subject NAVAPS:

ALTW agrees with or does not contest the Alleged Violation and proposed penalty or sanction, and agrees to submit and implement a mitigation plan to correct the violation and its underlying causes.

ALTW submitted a Mitigation Plan which has been accepted by the MRO and NERC as noted in the referenced letter.

ALTW agrees with the proposed penalty of \$2,500 and wishes to settle all issues related to Violation No MRO200900083.

If you need to talk to someone at Alliant Energy concerning this Alleged Violation, please contact Ken Goldsmith at (319) 786-4167.

Sincerely,

A handwritten signature in cursive script, appearing to read "Eliot Protsch".

Eliot Protsch

Senior Executive Vice President and Chief Operating Officer

cc:

Kenneth A. Goldsmith

## **Attachment d**

### **ALTW's Certification of Completion of the Mitigation Plan dated September 22, 2009**



## Certification of Mitigation Plan Completion

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

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Registered Entity Name: **Alliant Energy – West**

NERC Registry ID: **NCR-00962**

Date of Submittal of Certification: **09/22/09**

NERC Violation ID No(s): **MRO200900083**

Reliability Standard and the Requirement(s) of which a violation was mitigated: **VAR-002-1, Requirement 3.1**

Date Mitigation Plan was scheduled to be completed per accepted Mitigation Plan: **09/30/09**

Date Mitigation Plan was actually completed: **09/21/09**

Additional Comments (or List of Documents Attached): **Refer to e-mail dated 09/22/09 from Ken Goldsmith to Jim Burley with attachments that detail the final compliance..**

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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: **Kenneth A. Goldsmith**

Title: **Manager NERC Compliance**

Email: **kengoldsmith@alliantenergy.com**

Phone: **319-786-4167**

Authorized Signature

Date **09/22/09**

Please direct any questions regarding completion of this form to the Midwest Reliability Organization e-mail address [mco@midwestreliability.org](mailto:mco@midwestreliability.org)





MIDWEST  
RELIABILITY  
ORGANIZATION



Please submit the completed form via CDSM at [www.midwestreliability.org](http://www.midwestreliability.org)



2774 Cleveland Avenue N • Roseville, MN 55113 • Phone (651) 855-1760 • Fax (651) 855-1712 •

## **Attachment e**

### **MRO's Verification of Completion of the Mitigation Plan dated September 23, 2009**



Date: September 23, 2009

To: Mr. Eliot Protsch  
Alliant Energy-West  
200 First St SE  
P.O. Box 351  
Cedar Rapids, IA 52406-0351

Re: MRO Verification of Mitigation Plan Completion: MR0200900083

Dear Mr. Protsch,

MRO completed its review on September 23, 2009, of evidence of completion and compliance provided by Alliant Energy-West (ALTW) for the mitigation plan addressing the above violation.

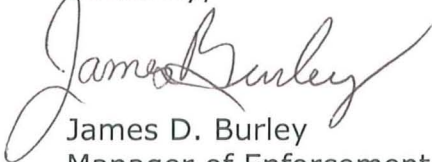
On February 18, 2009, ALTW self reported a violation of the above VAR-002-1, Requirement 3.1 because it had failed to notify the Transmission Operator within 30 minutes that the Automatic Voltage Regulator was being taken out of service as required by VAR-002-1, R3.1.

**ALTW provided the following supporting evidence:**

RELIABILITY STANDARD VAR-002-1, R3.1: ALTW provided a copy of the PowerPoint presentation training that was provided to its Generator Station Operators detailing the requirements for complying with NERC standards with an emphasis on the VAR standards. Additionally, ALTW provided a copy of its Generating Station Automatic Voltage Regulator (AVR), Power System Stabilizer (PSS), and other Reactive Resources—Operating and Reporting Procedure with an implementation date of August 31, 2009. Finally, ALTW provided copies of training rosters from each of its Generator Stations evidencing that training sessions were conducted at each of the stations between June 17, 2009 and September 19, 2009.

MRO's review of the documents provided by ALTW show that ALTW had developed the required training and conducted all required training sessions for Generator Station Operators prior to the September 30, 2009 Mitigation Plan completion date. The evidence submitted by ALTW demonstrates completion of the Mitigation Plan for the violation of NERC RELIABILITY STANDARD VAR-002-1, R3.1 as of September 19, 2009.

Sincerely,



James D. Burley  
Manager of Enforcement and Mitigation

cc: Ken Goldsmith, ALTW



**Attachment f**

**Notice of Filing**

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Alliant Energy – West Docket

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

NOTICE OF FILING  
December 30, 2009

Take notice that on December 30, 2009, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty regarding Alliant Energy – West in the Midwest Reliability Organization 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