

136 FERC ¶ 61,135
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Marc Spitzer, Philip D. Moeller,
John R. Norris, and Cheryl A. LaFleur.

North American Electric Reliability Corporation

Docket No. NP11-238-000

ORDER INITIATING REVIEW OF NOTICE OF PENALTY

(Issued August 29, 2011)

1. On July 28, 2011, the North American Electric Reliability Corporation (NERC) filed a Notice of Penalty in Docket No. NP11-238-000 that includes a \$19,500 penalty against Southwestern Power Administration (SWPA) for violations of Reliability Standards CIP-004-1 Requirements R2.1, R3.2 and R4.1, and CIP-007-1 Requirement R1, as determined by the Southwest Power Pool Regional Entity. On August 26, 2011, the U.S. Department of Energy (DOE) and SWPA filed an application for review of the Notice of Penalty as to these alleged violations.
2. Pursuant to section 215(e) of the Federal Power Act,¹ and section 39.7(c) of the Commission's regulations,² NERC, as the Commission-approved Electric Reliability Organization, must file a Notice of Penalty with the Commission before a Regional Entity's or NERC's penalty assessment for the violation of a Reliability Standard takes effect. Each such penalty determination is subject to Commission review, on its own motion or by the filing of an application for review by the subject of a penalty within thirty (30) days after the date NERC files the applicable Notice of Penalty.
3. The Commission initiates a review of the Notice of Penalty in Docket No. NP11-238-000. The Commission establishes a filing deadline for any answers, interventions or comments of twenty (20) days from the date of this order.

¹ 16 U.S.C. § 824o(e) (2006).

² 18 C.F.R. § 39.7(c) (2011).

The Commission orders:

(A) The Commission, based on application by SWPA, initiates a review of the Notice of Penalty in Docket No. NP11-238-000.

(B) Answers, interventions and comments are due twenty (20) days from the date of this order.

(C) The proposed penalty in Docket No. NP11-238-000 is stayed pending the conclusion of the Commission's review.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.