

SERC Compliance Monitoring and Enforcement Program

Implementation Procedure 3.5 Self-Reporting



SERC CMEP Implementation Procedure 3.5: Self-Reporting

Revision History

Revision	Date	Originator	Comments
0	May 31, 2007	Galloway	Document Origination.
1	April 22, 2008	John Wolfmeyer	Incorporate new CMEP requirements and SERC processes, added note in response to industry comment
2	April 21, 2009	N. Fallon	Added detail to Purpose, and to Procedure Steps to better align with SERC CMEP. Removed appendices. Added Cross Reference Table.

Cross Reference Table

The procedures listed in the table below refer to this procedure, Compliance Implementation Procedure 3.5: Self Reporting. As revisions are made to Procedure 3.5, the Originator should review the procedures listed to determine if corresponding changes to these procedures are warranted.

Procedure Number	Procedure Title
5.0	Consolidated Compliance Enforcement Tracking

Responsible SERC Group(s)

SERC Board Compliance Committee (BCC)

Review and Re-Approval Requirements

This document will be reviewed every two years or as appropriate for possible revision. The existing or revised document will be re-approved by the SERC Board Compliance Committee (BCC), distributed by the Compliance Director to all applicable SERC staff, and posted on the website for Registered Entity and SERC Member reference.

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1.0 Purpose

The purpose of this procedure is to describe how a Registered Entity submits a Self-Report and how SERC handles a Self-Report once it is received.

A Self-Report is defined in the NERC Compliance Monitoring and Enforcement Program (CMEP) document as: A report by a Registered Entity of a violation of a Reliability Standard, based on its own assessment, in order to provide prompt reports of any Reliability Standard violation and the actions that were taken or will be taken to resolve the violation.

This procedure augments Section 3.5 of the SERC Compliance Monitoring and Enforcement Program document.

2.0 Responsibilities

- The Compliance Director establishes and maintains a weekly on-call rotation of compliance staff and associated notification methods to ensure initial screening / assessment of potential non-compliances / alleged violations within 48 hours of receipt of Self-Reports.
- Compliance staff develops and maintains Self-Reporting forms and associated instructions and posts them on the SERC website (www.serc1.org).

3.0 References

SERC CMEP Section 3.5

4.0 Procedure Steps

Self-Reporting is encouraged at the time a Registered Entity becomes aware (i) of a violation of a Reliability Standard, or (ii) a change in the Violation Severity Level (VSL) of a previously reported violation. For changes in VSLs, the Registered Entity may supplement its prior Self-Report with additional information to account for a change in the VSL; the Registered Entity is not required to submit a new Self-Report.

Self-Reporting of a violation of a Reliability Standard is encouraged regardless of whether the Reliability Standard requires reporting on a pre-defined schedule in the Compliance Program or the violation is determined outside the pre-defined reporting schedule.

- 4.1 Compliance staff posts the Self-Reporting forms and associated instructions on the SERC website.
- 4.2 The Compliance Director approves a weekly on-call rotation of compliance staff and associated notification methods to ensure initial screening / assessment of possible violations within 48 hours of receipt of self-reports.

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4.3 Registered Entities submit Self-Reporting information regarding possible violations to SERC in any number of ways. These methods, in order of preference, include the following:

NOTE: Only individuals authorized use of the SERC portal should submit Self-Reports to SERC.

- Completion and electronic submittal of the Self-Reporting forms located on the SERC public website(www.serc1.org)
- Calls to the SERC Self-Report / Complaint Hotline (1-877-644-SERC)
- Emails to SERC Compliance Staff (with positive confirmation of receipt)
- Reports directly to SERC Compliance Staff, either by phone or fax

If Registered Entities provide initial Self-Reporting information by phone, fax or other communication, in all cases the Registered Entity shall follow the preliminary self-report with a submittal of the Self-Reporting form.

Note: Registered entities should take whatever immediate actions are appropriate to preserve reliability based on the possible violations identified. However, prompt Self-Reporting should not be delayed to support longer-term mitigation plan development. A Self-Report, in itself, is neither an admission of a violation, nor evidence of a violation, and will not be treated as such by SERC in its evaluation.

4.4 All Self-Reports are promptly forwarded to the on-call Compliance Staff Screener for screening and other action as needed. The Screener follows-up with Registered Entity as needed to obtain the following information:

- Contact information (Individual name and phone number)
- A brief description of the potential noncompliance / alleged violation
- Applicable Reliability Standards and requirements
- Current condition (is the issue an active threat to the bulk electric system)
- Any immediate / remedial actions already taken by the Registered Entity

4.5 Within 24 hours of SERC receipt of the Self-Report, the on-call Compliance Staff member takes the following actions:

- Enters the possible violation into the compliance tracking database and obtains an issue number from the database
- Establishes a tracking folder on the S: drive and names the file *XX-YYY Entity Short Name Standard No.*, where XX-YYY is the tracking number.
- Obtains additional clarifying information from the reporting Entity if necessary
- Performs initial screening of Self-Report for 48 hour reporting and Imminent Threat to Bulk Electric System in accordance with SERC Compliance Implementation Procedure 5.0.

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- Notifies the Compliance Director, Compliance Enforcement Manager, and Audit Manager and includes the pertinent information on the next Screener Report.
 - Ensures a compliance staff meeting or teleconference is scheduled to occur within the next 48 hours or, arranges for such a meeting or teleconference.
 - Leads a discussion of initial screening / assessment results during the next scheduled compliance staff meeting or conference call.
- 4.6 For each Self-Report of a possible violation received by SERC, the SERC Compliance Enforcement Manager or Compliance Director will assign a Single Point of Contact (SPOC) to process the report and enforcement action through conclusion and to work with the relevant Registered Entity throughout the process. The SPOC will (1) review the Self-Report and perform an initial coarse screening to determine if the Reliability Standard that is the subject of the Self-Report has been approved by the Commission and is therefore enforceable and that the approved Reliability Standard is applicable to the Entity; (2) assess whether the reported possible violation has the potential to result in a reduced level of reliability of the bulk power system (formerly known as 48-hour reportable standard requirements); and (3) prepare a Preliminary Determination describing the possible violation and its potential impact on the reliability of the bulk power system.
- 4.7 Upon completion of the Preliminary Determination, if the indicated possible violation involves an approved and enforceable Reliability Standard and is properly applicable to the subject Registered Entity, the Compliance Enforcement Manager will issue to the Registered Entity via email a Compliance Assessment Notice (CAN) advising the Registered Entity of the initiation of a formal assessment to determine its compliance relative to the applicable Reliability Standard and directing the Registered Entity to preserve all relevant records and information. The SPOC will coordinate the enforcement process for the possible violation(s) in accordance with the CMEP and SERC Implementation Procedure 5.0.
- 4.8 If the Preliminary Determination results indicate that the possible violation does not involve an approved and enforceable Reliability Standard or is not properly applicable to the subject Registered Entity, the SPOC will prepare a final Determination for approval by the Compliance Enforcement Manager and Compliance Director. The Compliance Director will issue to the Registered Entity via certified mail and email an Insufficient Basis Letter (IBL) Notice advising the Registered Entity that SERC staff has concluded that insufficient basis exists to allege a violation or noncompliance of the relevant NERC Reliability Standard.
- 4.9 If no violations are found, this process normally completes within sixty (60) days following receipt of the Registered Entity's Self-Report.