



June 30, 2010

**VIA ELECTRONIC FILING**

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

Re: North American Electric Reliability Corporation, Docket Nos. RR06-1-016 and RR06-1-017

Delegation Agreement Between the North American Electric Reliability Corporation and Florida Reliability Coordinating Council, Docket Nos. RR07-8-004 and RR07-8-005

Dear Ms. Bose:

In response to Paragraphs 127 and 128 of the Federal Energy Regulatory Commission's (FERC or the Commission) December 19, 2008 Order,<sup>1</sup> the North American Electric Reliability Corporation (NERC), on behalf of itself and the Florida Reliability Coordinating Council (FRCC) hereby submit this compliance filing. The Commission directed NERC and FRCC to submit a filing regarding FRCC's use of the compliance committee review process. The Commission directed:

NERC and FRCC [to] submit non-public reports to the Commission staff 30 days after the end of each calendar quarter on compliance committee reviews during that calendar quarter. We require that these submissions list: (i) the topic of each review initiated or continued during that quarter; (ii) the date on which the review began and ended; (iii) the reason why FRCC staff initiated the review; (iv) the persons who participated in the review; and (v) the result of the review. We also require NERC and FRCC to file, on or before June 30, 2010, a report that incorporates the results of these quarterly reports and proposes a schedule for the termination of the reviews or a justification for their continuation. Should FRCC's compliance staff have technical questions concerning its

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<sup>1</sup> *North American Electric Reliability Corporation*, "Order Accepting Compliance Filings, Subject to Conditions," 125 FERC ¶ 61,330 (2008).

its evaluation of alleged violations, FRCC's compliance staff is encouraged to seek advice from NERC or Commission staff.

NERC submitted FRCC's quarterly reports regarding compliance committee reviews to FERC on April 16, 2009, July 14, 2009, October 16, 2009, January 25, 2010 and May 4, 2010.<sup>2</sup> All five of the quarterly reports indicated that FRCC did not initiate any compliance committee technical reviews of alleged violations.

On February 17, 2009, NERC submitted a filing containing Revised Regional Delegation Agreements.<sup>3</sup> Among other proposed changes, the provision regarding compliance committee review processes was modified in Section 1.2 – Deviations from the NERC Compliance Monitoring and Enforcement Program of Exhibit D – Compliance Monitoring and Enforcement Program to the FRCC Delegation Agreement.<sup>4</sup> The modified section made it clear that all compliance committee reviews would be initiated by FRCC Compliance Staff and only when it would be deemed to help provide an increased understanding of how to comply with Reliability Standards. On June 1, 2009, the Commission accepted the February 17, 2009 compliance filing and the modified provisions of the FRCC Delegation Agreement.<sup>5</sup>

On March 10, 2010,<sup>6</sup> NERC submitted a filing for approval of (1) the Compliance Monitoring and Enforcement Program (CMEP) agreement between SERC Reliability Corporation (SERC) and FRCC; (2) the CMEP agreement between SERC and Southwest Power Pool Regional Entity (SPP RE); (3) the related amendments to the Regional Entity Bylaws; and (4) an amendment to the FRCC Regional Entity Delegation Agreement that stated FRCC would adopt the NERC Uniform CMEP with no deviations and to include it as a separate CMEP document. The specific amendment is the deletion of the existing text of Section 1.2 and replacement with the following text: "Florida Reliability Coordinating Council has no deviations." Additionally, there will no longer be an FRCC-specific CMEP included as an attachment to Exhibit D to the FRCC Regional Delegation Agreement.<sup>7</sup>

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<sup>2</sup> These are the dates the reports were submitted to FERC. The following dates are the dates FRCC submitted the information to NERC: April 16, 2009; July 13, 2009; October 15, 2009; January 8, 2010 and April 29, 2010.

<sup>3</sup> *North American Electric Reliability Corporation*, "Compliance Filing of the North American Electric Reliability Corporation in Response to December 19, 2008 Order," Docket Nos. RR06-1-016, RR06-1-017, RR07-8-004 and RR07-8-005 (February 17, 2009).

<sup>4</sup> *Id.* at pp. 31-32.

<sup>5</sup> *North American Electric Reliability Corporation*, "Order on Compliance Filing," 127 FERC ¶ 61,209 (2009).

<sup>6</sup> *North American Electric Reliability Corporation*, "Petition of the North American Electric Reliability Corporation for Approval of Compliance Monitoring and Enforcement Agreements between SERC Reliability Corporation and Florida Reliability Coordinating Council and Southwest Power Pool Regional Entity and Related Amendments to Delegation Agreements," Docket No. RR10-7-000 (March 10, 2010).

<sup>7</sup> *Id.* at pp 24-25.

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Upon Commission approval of the March 10, 2010 filing and the revised FRCC Regional Delegation Agreement, NERC respectfully requests that the Commission terminate the quarterly reporting requirement because FRCC no longer considers taking alleged violations for compliance committee review and it will be rendered moot due to the elimination of the referenced language.

Accordingly, NERC respectfully requests that the Commission accept this filing and terminate the quarterly reporting requirement as requested herein.

Respectfully submitted,

/s/ Rebecca J. Michael

Rebecca J. Michael

*Attorney for North American Electric  
Reliability Corporation*

cc: Official service list in Docket Nos. RR06-1-016, RR06-017, RR07-3-004 and  
RR07-3-005