

Version 0 Risk Factors — Modeling

Summary Consideration:

Several entities suggested that there were too many requirements with a 'HIGH' rating. There are 118 requirements in this sequence of standards — of the 118 requirements, only 2 were assigned a 'HIGH' rating, and only 19 were assigned a 'MEDIUM' rating — all other requirements were assigned a 'LOWER' rating. While several commenters made suggestions to change one or more of the ratings, there was no consensus to change any one of the ratings, therefore, no changes were made to the violation risk factors for this set of requirements.

Company	Segment	Balloter	Comments
ALCOA Yadkin/Tapoco Divisions	1	Marion Lucas	MOD-011-0 R1 requests a comprehensive set of data requirements and reporting procedures needed for modeling purposes. The model is important but the ranking of requirements/procedures/processes as high would not follow the definition of a high risk factor nor would it directly cause or contribute to bulk power instability, separation, or a cascading sequence of failures. This requirement should be medium or lower. MOD-011-0 R1.1, R1.3, R1.5, MOD-012-0 R1 and R2 should be lower and should not reference other standards since there is a VRF in those standards. MOD-013-0 R1.1 should be medium. It is a standard for supplying consistent data requirements and reporting procedures in the interconnected system.
Response: The industry determined the VRFs for the Standards/requirements by majority vote. There are not enough comments on the standards/requirements you reference to override the industry's VRF values. The drafting team cannot make changes to the requirements in the standards. Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details.			
APPA	1	E. Nick Henery	Given the importance of the Violation Risk Factors in applying \$\$ Sanctions. A large number of the MOD standards are FILL IN THE Blanks. Why would the STD require a VRF of anything higher than Low, until the Industry would make a decision on the final Standard and truly understand the impact of rating the Requirement a Med or High? Recommend any standard that requires modification to become mandatory and enforceable that all VRF's be rated LOW until the

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

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			industry has a chance to see the Requirements actual impact on dollar Sanctions.
Response: The industry determined the VRFs for the standards/requirements by majority vote. Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details. Note that violation risk factors will only be applicable to standards that receive applicable regulatory approvals.			
Baltimore Gas & Electric Company	1	John Moraski	Should consider having the same risk factor for MOD-010 and MOD-012. If the requirement for providing dynamic data is described as MEDIUM, the same should hold for providing steady state data, i.e. should not be seen as an administrative requirement.
Response: The industry determined the VRFs for the Standards/requirements by majority vote. There are not enough comments on the standards/requirements you reference to override the industry's VRF values. Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details.			
Dominion Virginia Power VAP	1	William Thompson	MOD-013-0 is superceded by MOD-013-1, so why ballot as a version 0 standard?
Response: NERC submitted all standards approved by the NERC BOT to FERC and other regulatory authorities for approval. Several of the Version 0 standards that were submitted to FERC and other regulatory authorities have been displaced by Version 1 standards that have also been submitted to the same authorities – however at this point we don't know which standards will receive final approval from these regulatory authorities, so as a precaution, we developed violation risk factors to all standards already approved by the NERC BOT. If MOD-013-1 is approved by FERC and other regulatory authorities, then the Version 0 standard and its associated violation risk factors will be retired.			
JDRJC Associates	1	Jim Cyrulewski	Many of the standards will likely be revised because of the FERC NOPR. Thus voting on only risk factors is premature.
Response: NERC believes that FERC and other regulatory authorities will approve most of the standards and will direct NERC to follow through with its plan for upgrading the standards over the next several years. Note that violation risk factors will only be applicable to standards that receive applicable regulatory approvals.			
Oncor	1	Charles W Jenkins	The risk factors are too heavily weighted toward HIGH inconsistent with the definitions
Response: The industry determined the VRFs for the Standards/requirements by majority vote. There are 118 requirements in this sequence of standards – of the 118 requirements; only 2 were assigned a 'high' rating.			
Pacific Gas & Electric PG&E	1	Chifong Thomas	PG&E understands that the VRF Drafting Team assigned the Violation Risk Factors (VRF) based on the VRF definitions filed by NERC. However, PG&E continues to believe that inconsistency

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

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			<p>exists in the assignments of the VRFs -- High, Medium or Lower -- amongst similar Standards. That is, while the VRF assigned to each requirement may appear reasonable individually, they are not always consistent when compared to other similar requirements in similar standards. Therefore, PG&E's affirmative vote is made with the expectation that the VRFs will be further reviewed and refined during the three-year review of the entire set of standards planned to be accomplished by NERC's Reliability Standards Development Plan: 2007-2009. PG&E also urges that field tests be conducted to refine the VRFs and to ensure smooth implementation.</p>
<p>Response: The industry determined the VRFs for the Standards/requirements by majority vote. Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details.</p>			
Potomac Electric Power Company PEPW	1	Richard Kafka	<p>While these INT risk factors may be higher than necessary, the industry has moved to a point where a transaction will not be scheduled without supplying the required information.</p>
<p>Response: The drafting believes you intended to post this comment on the INT series of standards.</p>			
PP&L PAPL	1	Ray Mammarella	<p>General Comments: 1) There is much inconsistency with the weighting factors, as noted by others. There appears to be a desire to rate each sub point for each requirement as if it is a stand alone entity, even if the sub point makes no sense when standing alone. Each requirement should be viewed as a whole considering all of the sub points for an overall "requirement" weight. 2) Sub points should not be weighted. If the main requirement is High, then all the sub points are high as well. Likewise, if the major requirement is rated Lower, then the sub points can not be rated any higher. Eliminating the rating of the sub points would eliminate a lot of the inconsistency. This would mean that whatever the major or main requirement weight is, all sub points have the same weighting (i.e. they contribute to the overall</p>

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

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			<p>requirement weighting, but should not be weighted individually). Specific comments: For MOD-001-0, only R1 and R2 should have a weighting of LOWER. Eliminate all sub point ratings. For MOD-002-0, all requirements should have weighting of LOWER. For MOD-003-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For MOD-004-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For MOD-005-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For MOD-006-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For MOD-007-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For MOD-008-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For MOD-009-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For MOD-010-0, all requirements should have weighting of LOWER. For MOD-011-0, all requirements should have weighting of MEDIUM. In this case, all sub points of R1 have a Medium rank, but R1 is rated High - the main requirement can only be as important as its parts. Further, eliminate all sub point ratings. Requirement R2 should have rating of LOWER. For MOD-012-0, all requirements should have weighting of MEDIUM. For MOD-013-0, requirement R1 should have weighting of MEDIUM. Similar to MOD-011-0, a sub requirement is rated High, but the Main requirement is Medium. Eliminate all sub point ratings and go with the Medium weighting. Requirement R2 should have rating of LOWER. For MOD-014-0, all requirements should have weighting of LOWER. For MOD-015-0, requirement R1 should have weighting of MEDIUM. Requirement R2 should have rating of</p>

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

Company	Segment	Balloter	Comments
			<p>LOWER. Eliminate all sub point ratings. For MOD-016-0, requirement R1 should have weighting of MEDIUM. Requirement R2 should have rating of LOWER. Eliminate all sub point ratings. For MOD-017-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For MOD-018-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For MOD-019-0, all requirements should have weighting of LOWER. For MOD-020-0, all requirements should have weighting of LOWER. For MOD-021-0, all requirements should have weighting of LOWER.</p> <p>+++++ For PRC-001-0, all requirements should have weighting of HIGH. Eliminate all sub point ratings. Note that R1, R2 and R6 are called medium - I disagree. They should be High. For PRC-002-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For PRC-003-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. For PRC-004-0, all requirements should have weighting of LOWER. For PRC-005-0, requirement R1 should have weighting of HIGH. Eliminate all sub point ratings. Requirement R2 should have a rating of LOWER. For PRC-006-0, requirement R1 should have weighting of HIGH. Eliminate all sub point ratings. Requirement R2 and R3 should have a rating of LOWER. For PRC-007-0, all requirements should have weighting of LOWER. I disagree with the rank of R1 being medium. For PRC-008-0, requirement R1 should have weighting of MEDIUM. Requirement R2 should have a rating of LOWER. For PRC-009-0, requirement R1 should have weighting of MEDIUM. Eliminate all sub point ratings. Requirement R2 should have a rating of LOWER. For PRC-010-0, requirement R1 should have weighting of MEDIUM. Eliminate</p>

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

Company	Segment	Balloter	Comments
			<p>all sub point ratings. Requirement R2 should have a rating of LOWER. For PRC-011-0, requirement R1 should have weighting of HIGH. Eliminate all sub point ratings. Requirement R2 should have a rating of LOWER. I disagree with the Medium rating. For PRC-012-0, requirement R1 should have weighting of MEDIUM. Eliminate all sub point ratings. Requirement R2 should have a rating of LOWER. Because SPS schemes that have major system impacts are, in theory, temporary in nature, I can agree with a medium rank. If the rule ever changes, this should become High. For PRC-013-0, all requirements should have weighting of LOWER. For PRC-014-0, requirement R1 should have weighting of MEDIUM. Eliminate all sub point ratings. Requirement R2 and R3 should have a rating of LOWER. For PRC-015-0, requirement R1 and R2 should have weighting of MEDIUM. Requirement R3 should have a rating of LOWER. For PRC-016-0, requirement R1 and R2 should have weighting of MEDIUM. Requirement R3 should have a rating of LOWER. For PRC-017-0, requirement R1 should have weighting of HIGH. Eliminate all sub point ratings. Requirement R2 should have a rating of LOWER.</p> <p>+++++ For TPL-001-0, requirement R1 and R2 should have weighting of MEDIUM. Requirement R3 should have a rating of LOWER. I disagree with indicated weighting. For TPL-002-0, all requirements should have weighting of HIGH. Eliminate all sub point ratings. Note - this is long term planning and is critical to the reliability of the system. I disagree with Medium weighting. For TPL-003-0, all requirements should have weighting of HIGH. Eliminate all sub point ratings. Note - this is long term planning and is critical to the reliability of the system. I disagree with any Medium weighting.</p>

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

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			<p>For TPL-004-0, all requirements should have weighting of LOWER. Eliminate all sub point ratings. Note - these are NERC Category D contingencies which are beyond planning criteria. For TPL-005-0, all requirements should have weighting of MEDIUM. Eliminate all sub point ratings. Note - in my opinion, these assessments are as critical as NERC Cat D. For TPL-006-0, all requirements should have weighting of MEDIUM. Eliminate all sub point ratings.</p>
<p>Response: The industry determined the VRFs for the Standards/requirements by majority vote. There are not enough comments on the standards/requirements you reference to override the industry's VRF values. Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details.</p>			
Westar Energy WR	1	Allen Klassen	Does not consistently apply the three levels of risk as defined in Appendix 4 of the ERO Sanction Guidelines document.
<p>Response: The industry determined the VRFs for the Standards/requirements by majority vote.</p>			
British Columbia Transmission Corporation	2	Phil Park	See attached document which includes comments on seven MOD VRFs.
<p>Response: The drafting team attached your comments to the end of this document. Please see the response to the attached document.</p>			
ISO New England Inc ISNE	2	Kathleen Goodman	<p>Although ISO New England is voting for the adoption of the Violation Risk Factors as drafted for adoption in these Standards; we believe that there is more work to be done in this area. We support adoption of these Risk Factors for the purpose of moving forward with enforceable Reliability Standards but request that, as these standards are reviewed and revised to enhance and improve them, these facets, along with the Requirements and other aspects of the Standards be revisited to achieve the ultimate goal of having specific, clear and unambiguous Reliability Standards as envisioned by the industry.</p>
<p>Response: Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details.</p>			
Midwest Independent Transmission System Operator, Inc.	2	Terry Bilke	This risk factor effort has been a well-intentioned effort that has gotten off-target. Many of the paragraphs in the standards are not really

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

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			<p>requirements, but explanatory text. For example, the DCS standard has really one requirement (get back from all reportable disturbances within 15 minutes). The rest of the text just explains what this means and how it's handled as a BA vs. an RSG. The risk factors are supposed to be the likelihood that, failing to meet the requirement-taken by itself, is likely to lead to cascading. It's not the importance of the requirement or if a problem could develop if multiple other things when wrong, it's if failing to meet the requirement can directly and likely lead to cascading. If you follow accident and risk theory, the distribution of high-medium-low risk events should follow a pyramid shape, with generally 1 high risk activity for every 5-10 medium risk activities and 1 medium risk activity for every 5-10 low risk activities. Either we've done a woeful job of putting medium and low risk items in the standards, or we're misapplying the definition of risk. In almost every case where we've asked someone why they rating a requirement High, the response is "this is really important". Rather than a pure measurement of risk, this is more of a popularity contest for particular standards. IT people rate CIP standards highly, Planners rate FAC, MOD, etc. highly, BAs rate BAL highly, etc. The NERC OC and others noted that the general weighting of the factors were too high. Nothing was changed from the original ballot other than repackaging.</p>
<p>Response: The industry determined the VRFs for the Standards/requirements by majority vote. Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details. There are 118 requirements in this sequence of standards – of the 118 requirements only 2 were assigned a 'high' rating.</p>			
Municipal Electric Authority of Georgia MPWR	3	Steven Jackson	There is still too much uncertainty and ambiguity with the final language and actual method of compliance with these standards to accept these risk factors.

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

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<p>Response: NERC expects that most of the standards will be approved by FERC and other regulatory authorities. Note that violation risk factors will only be applicable to standards that receive applicable regulatory approvals.</p>			
Pacific Gas & Electric Company PGEU	3	Kevin Dasso	We believe a trial period for this concept should be included
<p>Response: Based on the preliminary comments from FERC, we do not anticipate approval of a trial period except for small entities that are new to the industry and not used to reliability standards.</p>			
Grant County PUD No.2 GCPD	4	Kevin John Conway	Grant County Supports the development of these factors, but recommends that the violation penalties always be assessed at the lowest monitory levels.
<p>Response: The NERC and Regional Compliance Entities will determine penalties in accordance with the sanctions guidelines included in the ERO Rules of Procedure.</p>			
Snohomish County PUD SNPD	4	John Martinsen	<p>It is difficult to assess violation levels of standards when the applicability of the standards is still unclear and has not been addressed. For example standards which apply to Transmission Operators or Transmission Planners should have a much different risk factor whether we are describing a 69 kV networked transmission line serving a local load area of 80 MW versus a 500 kV transmission line that is transferring firm power between large regions, and multiple balancing authorities. The functional model defines Transmission Operator, Transmission Planner, and so on, but does not define transmission, local networks, distribution, and so on. Using the definitions from the NERC reliability standards, "Bulk Electric System" or "Transmission Line" provides no distinction of scale of the system or whether they would have a material impact on reliability of the electric system beyond a local area. Transmission Line: A system of structures, wires, insulators and associated hardware that carry electric energy from one point to another in an electric power system. Lines are operated at relatively high voltages varying from 69 kV up to 765 kV, and are capable of transmitting large quantities of electricity over long distances Bulk</p>

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

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			<p>Electric System: As defined by the Regional Reliability Organization, the electrical generation resources, transmission lines, interconnections with neighboring systems, and associated equipment, generally operated at voltages of 100 kV or higher. Radial transmission facilities serving only load with one transmission source are generally not included in this definition. Without clear definition of the applicability of the NERC reliability standards I cannot assess the reliability risk associated with violating a particular NERC reliability standard.</p>
<p>Response: The sanctions guidelines provide some latitude in assigning penalties. NERC recognizes the need to refine the applicability section of standards to add more specificity to the description of the entities and facilities addressed by each standard and included the upgrade of the applicability section of standards as one of the focus areas in the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details.</p>			
APGI - Yadkin division	5	Alan Jones	<p>All MOD should be Medium or Lower. Modeling would not directly cause or contribute to real-time bulk power instability, or cascading failures of the bulk power system.</p>
<p>Response: The industry determined the VRFs for the Standards/requirements by majority vote. Note that the definitions for HIGH risk factors do allow selection of a high risk factor for planning requirements.</p>			
Detroit Edison	5	Ronald Bauer	<p>Similar concerns as MISO.</p>
<p>Response: See MISO response</p>			
Florida Power & Light FPL	5	Bob Birch	<p>MOD 001-021 System Modeling and Load Forecasting - A mix of Low and Medium VRFs. The VRFs are generally acceptable although many of the Medium ratings would seem to more appropriately to be Low.</p>
<p>Response: The industry determined the VRFs for the Standards/requirements by majority vote.</p>			
Michigan Public Power Agency MPPA	5	James Nickel	<p>MPPA's support for these Risk Factors is predicated on the understanding that they will be applied only to those entities which actually have a significant impact on the Bulk Electric System as now defined. Application of medium or high VRFs to violations by entities that have little or no potential to have a material impact on interconnected system operations of the BES is inappropriate.</p>

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

Company	Segment	Balloter	Comments
<p>Response: The NERC Compliance Organizational Registration process will determine the entities that need to register with the Regional Entities for compliance with the Reliability Standards.</p>			
Municipal Electric Authority of Georgia MEAG	5	Roger Brand	There is still too much uncertainty with the final language of these standards to accept these risk factors.
<p>Response: NERC expects that most of the standards will be approved by FERC and other regulatory authorities. Note that violation risk factors will only be applicable to standards that receive applicable regulatory approvals. Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details.</p>			
Pacific Gas & Electric Company PGEU	5	Richard Padilla	<p>"PG&E understands that the VRF Drafting Team assigned the Violation Risk Factors (VRF) based on the VRF definitions filed by NERC. However, PG&E continues to believe that inconsistency exists in the assignments of the VRFs -- High, Medium or Lower -- amongst similar Standards. That is, while the VRF assigned to each requirement may appear reasonable individually, they are not always consistent when compared to other similar requirements in similar standards. Therefore, PG&E's affirmative vote is made with the expectation that the VRFs will be further reviewed and refined during the three-year review of the entire set of standards planned to be accomplished by NERC's Reliability Standards Development Plan: 2007-2009. PG&E also urges that field tests be conducted to refine the VRFs and to ensure smooth implementation."</p>
<p>Response: Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details.</p>			
PPL Generation	5	Mark Heimbach	<p>1) There are too many HIGH risks in almost all of the areas. The only HIGH ones should be related to "situational awareness" and "vegetation management." 2) There are several inconsistencies. A couple of examples: TOP-006-0 R3. Each Reliability Coordinator, Transmission Operator, and Balancing Authority shall provide appropriate technical information concerning protective relays to their operating personnel. LOWER PRC-001-0 R1. Each Transmission</p>

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

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			<p>Operator, Balancing Authority, and Generator Operator shall be familiar with the purpose and limitations of protection system schemes applied in its area. MEDIUM It is MEDIUM risk if a TOP doesn't know the protective schemes but it is LOWER risk if you are not provided with the information. VAR-001-0 R4. The Transmission Operator shall know the status of all transmission reactive power resources, including the status of voltage regulators and power system stabilizers. MEDIUM TOP-002-0 R14. Generator Operators shall, without any intentional time delay, notify their Balancing Authority and Transmission Operator of changes in capabilities and characteristics including but not limited to: MEDIUM TOP-002-0 R14.1. Changes in real and reactive output capabilities. HIGH TOP-002-0 R14.2. Automatic Voltage Regulator status and mode setting. LOWER Is voltage regulator status and generator reactive capability, which is affected by the VR status during a disturbance, HIGH, MEDIUM, or LOW? IRO-002-0 R6. Each Reliability Coordinator shall monitor Bulk Electric System elements (generators, transmission lines, buses, transformers, breakers, etc.) that could result in SOL or IROL violations within its Reliability Coordinator Area. Each Reliability Coordinator shall monitor both real and reactive power system flows, and operating reserves, and the status of Bulk Electric System elements that are or could be critical to SOLs and IROLs and system restoration requirements within its Reliability Coordinator Area. HIGH PER-004-0 R5. Reliability Coordinator operating personnel shall place particular attention on SOLs and IROLs and inter-tie facility limits. The Reliability Coordinator shall ensure protocols are in place to allow Reliability Coordinator operating personnel to have the best available information at all times.</p>

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

Company	Segment	Balloter	Comments
			MEDIUM Is paying attention to SOL & IROL limits HIGH or MEDIUM?
<p>Response: The industry determined the VRFs for the Standards/requirements by majority vote. Note that none of the standards you referenced are in the MOD sequence of standards. Only 2 of the Modeling requirements have a 'HIGH' violation risk factor – most have a 'LOWER' risk factor.</p>			
Xcel Energy Services Inc	6	David Lemmons	Generally, the standards are still heavily weighted to the high risk end of the matrix and this does not seem reasonable.
<p>Response: The industry determined the VRFs for the Standards/requirements by majority vote. Only 2 of the Modeling requirements have a 'HIGH' violation risk factor – most have a 'LOWER' risk factor.</p>			
ALCOA Inc.	7	Thomas Gianneschi	MOD-011-0 R1 requests a comprehensive set of data requirements and reporting procedures needed for modeling purposes. The model is important but the ranking of requirements/procedures/processes as high would not follow the definition of a high risk factor nor would it directly cause or contribute to bulk power instability, separation, or a cascading sequence of failures. This requirement should be medium or lower. MOD-011-0 R1.1, R1.3, R1.5, MOD-012-0 R1 and R2 should be lower and should not reference other standards since there is a VRF in those standards. MOD-013-0 R1.1 should be medium. It is a standard for supplying consistent data requirements and reporting procedures in the interconnected system
<p>Response: The industry determined the VRFs for the Standards/requirements by majority vote. There are not enough comments on the standards/requirements you reference to override the industry's VRF values. Changes to Standards will be addressed by the NERC Reliability Standards Development Plan: 2007-2009 which will review and revise as necessary all reliability standards. Please refer to the posted work plan for details.</p>			
Alcoa Inc.	8	Michael Caufield	Do not believe that INT-003-0 R1, R1.1, R1.1.1 and R1.1.2 are requirements that should be given a risk factor and if it must have one it should be lower.
<p>Response: This comment is not applicable to the MOD series of requirements.</p>			

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

BCTC has some concerns with the recommended VRFs. However, the value of implementing the majority of VRFs for this group of standards overrides the need to resolve our remaining concerns at this time. We provide the following comments for future consideration.

<u>Standard Requirement</u>	<u>NERC VRF</u>	<u>BCTC VRF</u>	<u>Explanation of BCTC VRF</u>
FAC-005-0 R1	Lower	Medium	This VRF refers to having the rating data and should be consistent with R1.1. R1.1 refers to the requirement of rating methodology consistency and has VRF of Medium.
FAC-005-0 R2	Lower	Medium	This VRF refers to the need of providing the rating data and should be consistent with R1.
INT – 001–0 R1 to R5.	Medium	Lower	Violation Risk Factor should be “Lower” as all tagging issues are prior to check out for next hour and implementation into AGC.
INT – 002–0 R1 to R5.	Medium	Lower	Violation Risk Factor should be “Lower” as all tagging issues are prior to check out for next hour and implementation into AGC.
MOD-010-0 R1	Lower	Medium	This is the Requirement for Functional Entities to submit data to RROs, in conjunction with MOD-011-0 R1. This data is used by RROs and other parallel Functional Entities to model interconnected system performance. RROs make this data available for Functional Entities to model other interconnected Entities systems, and this is often the primary source of data. Although the violation risk is not well defined by the Medium category, the risk is certainly higher than that associated with an administrative function. Also, MOD-011-0 R1 is considered High. Violation of MOD-010-0 R1 impinges on the results of performing MOD-011-0 R1, which also supports at least a Medium VRF for MOD-010-0 R1. VRF for MOD-010-0 R1 should be the same as MOD-012-0 R1, R2, and Version 1 MOD Requirements, which are Medium.
MOD-010-0 R2	Lower	Medium	Same explanation as for MOD-010-0 R1. This will make the VRF for MOD-010-0 R2 consistent with the VRF for MOD-011-0 R1.
MOD-011-0 R1	High	Medium	This Requirement is a reporting procedure that applies in conjunction MOD-010-1 R1, specifying how the data is to be reported. While it is certainly an important Requirement, it does not equate to the risk level that could contribute to a widespread outage or delay system restoration. Literally read, it appears to be an administrative function. For the same reasons as MOD-010-0 R1, BCTC believes this requirement should have a VRF of Medium.
MOD-004-0 R1	Lower	Medium	This Requirement is for development and documentation of a methodology. We accept that the documentation is a Lower VRF. However, the development methodology, how CBM is determined, can affect the state of the electrical system, and is therefore a

Consideration of Comments on Initial Ballot of Version 0 Violation Risk Factors for Modeling Standards

			Medium VRF. Subrequirements can remain Lower as they primarily address the requirements of the documentation. Possibly these subrequirements would be more appropriately listed under MOD-005-0 R2, although we understand this is beyond the scope of the Drafting Team. A Medium VRF is consistent with Version 1 MOD Requirements which are Medium.
MOD-008-0 R1	Lower	Medium	Same as for MOD-004-0 R1. A Medium VRF is consistent with Version 1 MOD Requirements which are Medium.
MOD-016-0 R1 and MOD-017-0 R1	Medium Lower	Lower Medium	The VRFs for these two Requirements are reversed. Provision of the data is Medium; documentation is administrative and is Lower.
PRC-005-0 R1.1 to R1.6	High	Medium	PRC-005-0 R1 has a Violation Risk Factor of "Medium" all subsections should have a Violation Risk Factor equal to or less than Medium.
TOP-002-0 R2	Medium	Lower	This is a requirement to ensure Balancing Authority and Transmission Operator personnel participate in system planning and design process. Failure to comply will not lead to a violation that could directly affect the electrical state or the capability of the bulk electric system.
TOP-002-0 R3 & R4	Medium	Lower	This is a requirement that only applies if confidentiality agreements are in place and does not apply to the whole of the bulk power system therefore the factor should be lower.
TOP-002-0 R14.1	High	Medium	The "High" Violation Risk Factor should be reduced to "Medium" as a change in the generator real or reactive power output limit will not lead in itself system instability or cascading.
TOP-002-0 R18	Medium	Lower	Failure to use uniform line identifiers will not affect the state of the electric system. Line identifiers are an administrative matter.
VAR-001-0 R4	Medium	High	If a Transmission Operator of these facilities, incorrect assumptions can directly contribute to widespread outage. Incorrect assumptions regarding reactive power sources can directly contribute to voltage instability. Incorrect assumptions on PSS can directly contribute to transient instability.

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