

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Summary Consideration: The VSL DT appreciates the industry's comments received during the initial ballot of the proposed INT, PER, NUC Violation Severity Levels (VSLs). The FERC Order to replace Levels of Non-compliance with Violation Severity Levels has a firm due date of March 1, 2008. In the interest of delivering the best set of VSLs practical given the time constraints of this project, the Standards Committee has authorized the drafting team to use stakeholder comments from the initial ballot to make improvements to the VSLs before proceeding with another ballot. Several balloters made specific suggestions for improvements to the proposed VSLs, and, based on those comments the drafting team has revised the VSLs for the following requirements:

INT-006-1 — Response to Interchange Authority

- Requirement 1.1
- Requirement 1.1.1
- Requirement 1.1.2
- Requirement 1.1.3

PER-002-0 — Operating Personnel Training

- Requirement 2.1
- Requirement 2.2
- Requirement 3.1
- Requirement 3.3
- Requirement 4

PER-004-1 — Reliability Coordination — Staffing

- Requirement 2

The proposed set of VSLs represents a reasonable and consistent approach to classifying severity for a non-compliant condition. The VSL DT also recognizes that, as demonstrated by comments received, additional improvements are needed. Any additional VSL improvements are best made in concurrence with revising the language of the requirements. The VSL DT concludes that many of the comments received are related to the clarity of the requirement or the lack of clear measures within the standard, and not the VSLs themselves. It is important to note that the scope

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of this project is limited to replacing the Levels of Non-compliance with VSLs. The VSL DT cannot make revisions to requirements or measures within the scope of this project. Therefore we expect that additional improvements to the VSLs will occur as on-going and future standard drafting teams make revisions to the standards, including requirements, measures and compliance elements. All NERC Standards are slated for review in the course of the Reliability Standards Work Plan established by NERC. We encourage all stakeholders to participate in the standard development process.

In reviewing the comments, it was evident that many of the responders have similar concerns. The VSL DT offers the following response to the recurring comments.

DOUBLE JEOPARDY: The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. Most of the standards addressed in this project are “Version 0” standards that were translated from Operating Policies and Planning Standards without regard to the format of the requirement and its subrequirements. In some cases, a single subrequirement (child) was more important to reliability than the main requirement (parent). When the violation risk factors (VRFs) were assigned to these standards, because of the mismatch in importance between the “parent” and “child”, the VRF drafting team (which could not modify the requirements or subrequirements) defaulted to adding a VRF to each requirement and each subrequirement. The intent of the VRF DT was to ensure that none of the “children” critical to reliability were overlooked because they were associated with a “parent” requirement that was not critical to reliability. These standards are undergoing revision as part of the Reliability Standards Work Plan – and drafting teams that are revising these standards are only assigning a single VRF to the “parent” requirement – and are only required to develop a single set of VSLs for that requirement. These modifications will involve stakeholder participation.

GENERIC LANGUAGE: The VSL DT appreciates the commenters’ concerns around using generic language in the VSLs. Many of the commenters had concerns with terms such as “minor” or “significant” and the subjectivity that these terms create in application of the VSLs. Throughout the VSL development process, the VSL DT attempted to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process.

BALLOTING PROCESS / GROUPINGS: The VSL DT received several comments regarding the ballot makeup. The ballot groupings were selected by the VSL DT to logically group standards for stakeholder input while ensuring that a quorum would be achieved in each of the ballots by not having too many ballots.

COMMENTS THAT CONSIDER RISK: Some comments received included discussion of “risk” (i.e. Violation Risk Factors). The VSL is a separate compliance element that does not take reliability-related risk into account. The VSLs are determined with no consideration of the risk associated with the requirement – VSLs are used to break down non-compliance into various levels to describe a range of performance from the level where an entity is mostly compliant (Lower VSL) to a level where the entity missed most or all of the requirement (Severe VSL). More detailed information is available in the VSL Development Guidelines Criteria Criteria document.

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BINARY ISSUE: Many commenters observed that there is inconsistency in the assignment of VSL level for binary requirements. The VSL DT and the industry could not reach consensus on how best to address this issue. At this point in the process, and with consideration that this group of standards received an affirmative vote in the initial ballot, the VSL DT has decided not to make revisions to the proposed binary VSLs. It is expected that through on-going standards development projects and future projects, this issue will be addressed. These modifications will involve stakeholder participation.

FOR SPECIFIC VSL COMMENTS: The VSL DT thanks those that provided specific suggestions for improving a VSL. These comments will be made available to future drafting teams to use in developing VSLs in the on-going standards development process.

Company	Segment	Ballot	Comments
AEP Service Corp. -- Transmission System AEP	1	Negative	<p>AEP does not support the proposed VSL in there current form, due to a number of overarching issues that should be addressed. AEP, in previous comments suggested that the Standard Drafting Team adhere to and develop the Violation Severity Levels using a similar approach as FERCs guidance on Violation Risk Factors. Where, per FERC's response in their consideration of the Violation Risk Factor, FERC stated that in determining Violation Risk Factor there should be; consistency within a Reliability Standard, i.e., among sub- and main Requirements of the same Reliability Standard, consistency among Reliability Standards with similar Requirements, consistency with NERC's proposed definition of the Violation Risk Factor level, and assignment of a Violation Risk Factor level to those Requirements in certain Reliability Standards that co-mingle a higher risk reliability objective and a lesser risk reliability objective. It is not clear, based on this draft of the VSLs, how the Standard Drafting Team consistently addresses the VSLs on each of the requirements and sub-requirements.</p> <p>Additionally, we cannot find any information that states that an entity will not be subject to double jeopardy for the same violation. For example, if an entity is non-compliant with respect to R1.3 of a standard and R1.3 is a sub-requirement of R1, can the entity be in violation of the parent requirement as well? If not what will determine which requirement has been violated and what VRF and VSL will be applied in the penalty matrix? Depending upon the VSL and the VRF, it is possible the financial penalties will be different. This was discussed during the Standard Drafting Team led conference call, but there was not a clear answer to the situation. There are examples whereby a violation can fit into multiple VSL for a given requirements.</p> <p>Finally, there is no consistency in the application of the VSL between related standards in particular the MOD and PRC standards. The Standard Drafting Team has developed the Violation Severity Level Development Guidelines, but it is our understanding that guidelines will not be balloted any time soon and are subject to change. This appears to be putting the cart before the horse and if the guidelines are needed they should be included in the balloting. There is ambiguity regarding some of the VSL that are</p>

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Company	Segment	Ballot	Comments
			<p>proposed. The drafting team has removed many instances of "minor" and other vague terms, but there are still many requirements that have VSL that are not clear. Similarly, it appears that some VSL provide additional details than what is written into the requirements or measures. Obviously, establishing fair, effective and consistent VSLs is a daunting task and we are confident that the Standard Drafting Team worked diligently to produce what could be done to meet the schedule. However, we feel that more time is needed and we should keep to the Standard Development process that has been developed.</p> <p>PER-002, R3.1 - Past interpretation for the intent of this requirement has been that of having a "set of program objectives" for the overall training plan and programs that reference and support the initial and continuing training and curriculum, which training and curriculum in-turn supports reliability, and references the knowledge and competencies required for performing tasks that support the NERC, RRO, entity, and regulatory procedures/requirements.</p> <p>AEP disagrees with the proposed VSLs for R3.1 because they broaden the scope of interpretation and definition for the "set of program objectives", from that of past RRO compliance audits and interpretation. Listing individual objectives that reference the knowledge and competencies for every requirement of every NERC standard is huge within itself, let alone including objectives for all the RRO, entity and regulatory requirements and procedures. AEP questions the ability to even audit such a requirement based on VSLs that specify a 25%, 50%, 75%, and 100% scale of compliance.</p>
<p>Response: The VSL DT thanks you for your comments. As described in the VSL Development Guidelines Criteria Criteria document, the VRFs and VSLs are distinctly different compliance elements and are therefore developed differently. The VSL DT attempted to achieve consistency with the assignment of VSL within the guidelines. Some requirements do not fit neatly into one of the criteria "buckets" and have to be dealt with on a case by case basis. The VSLs will be refined through the on-going standards development process.</p> <p>The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These "parent-child" requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p> <p>The VSL Development Guidelines Criteria document was developed to provide guidance to the VSL DT in the assignment of VSLs per the FERC order and to help ensure consistency in the process. We are providing this document for other teams to use as a guideline for them to consider</p>			

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Company	Segment	Ballot	Comments
<p>in development of VSLs. This document was posted twice for comment by the industry and appropriate revisions were made based on that feedback. The guidelines document is not a NERC standard or a part of a standard, and therefore does not require balloting. The VSL criteria will be provided to FERC for informational purposes; NERC will not ask for FERC approval of the VSL Development Guidelines Criteria document.</p> <p>The VSL DT appreciates the commenter’s concerns around using generic language in the VSL. Many of the commenters had concerns with terms such as “minor” or “significant” and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT attempted to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process.</p> <p>Regarding, R3.1 the VSL DT has adjusted the VSL text to specifically refer to applicable BA & TOP standards.</p>			
Ameren Services Company	1	Negative	The grouping of 83 standards into only nine ballots, mainly due to time constraint, does not provide the granularity required for voting on such an important issue.
<p>Response: The VSL DT thanks you for your comment. The VSL DT received several comments regarding the ballot make up. The ballot groupings were selected by the VSL DT to maximize the opportunity for stakeholder input while ensuring that a quorum would be achieved in each of the ballots.</p>			
American Transmission Company, LLC	1	Affirmative	<p>PER-002 R3.2 - ATC would recommend that the number of VSL be reduced to only two. The current language seems like that VSL are being forced into four categories.</p> <p>PER-002 R4 - PER-002-0 R4 All VSLs - If five days were provided, that is also at least one, two, three, or four days, so all VSLs apply.</p>
<p>Response: PER-002 R3.2 – Most balloters seem to agree with the proposed VSLs and they were not changed. PER-002 R4 - The VSLDT agrees with your comment and has modified the VSLs.</p>			
Bonneville Power Administration	1	Negative	<p>I share the same concerns other BPA balloters have shared: We are concerned about the inconsistencies between this set of VSLs, and believe there needs to be further review.</p> <p>Here is just one example: INT 004-1 R2.2 requires a dynamic tag to be updated when the past hour's actual is off from the tagged value by more than 25 MWs. The VSL is of the 0-25% = LOW variety. If every hour of the year required an update a PSE could have over 2,000 violations and still be in a LOW VSL. They wouldn't be into a SEVERE VSL until over 6,000 violations had occurred. If only 1/4th of the hours in the year required the tag to be updated, those numbers would change to over 500 occurrences</p>

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			<p>to still be LOW and over 1,600 before getting into the SEVERE level.</p> <p>By contrast INT 001R 1.1 requires All Dynamic Schedules at the expected average MW profile for each hour. This has the 1, 2, 3, 4 VSL type so failure to submit a tag for only 4 hours would result in a SEVERE violation level. 4 hours in one case; over 6,000 in the other? What is even stranger is the fact that the more punitive VSL applies to the prescheduled timeframe when there is less reliable information on what the actual will be. The VSL which allows for potentially thousands of violations is related to the tag updates for the next scheduled operating hour (very close to real time) for which more accurate information is most likely available and which is far more relevant for Reliability purposes.</p>
<p>Response: The VSL DT thanks you for your comment. In your two examples, there are subtle differences in wording of the requirement that lend themselves to different VSLs. INT-004, R2 requires that “The Purchasing-Selling Entity responsible for tagging a Dynamic Interchange Schedule shall ensure” while INT-001, R1 requires that “The Load-Serving, Purchasing-Selling Entity shall ensure that Arranged Interchange is submitted to the Interchange Authority for:” and INT-001, R1.1 states: “All Dynamic Schedules at the expected average MW profile for each hour.”</p> <p>The VSL DT recognizes that, as demonstrated by comments received, additional improvements are needed. Any additional VSL improvements are best made in concurrence with revising the language of the requirements. Therefore we would expect that additional improvements to the VSLs will occur as on-going and future standard drafting teams make revisions to the standards, including requirements, measures and compliance elements. All NERC Standards are slated for review in the course of the Standards Development Work Plan established by NERC. We encourage all stakeholders to participate in the standard development process.</p>			
Consolidated Edison Co. of New York	1	Negative	<p>Con Edison would like to thank the drafting team for their effort in reviewing the standard requirements and developing VSL's. Our thoughts on this process is as follows: When a Requirement has Sub-requirements, only one or the other can have VSL's. This eliminates any potential "double jeopardy" issues. The following Requirements have Sub-Requirements with VSL's assigned. Therefore, the following list of Requirements should be assigned "NA" VSL's. They are: INT-001-R1, R2, INT-003-R1, INT-004-R2, INT-005-R1, INT-006-R1, INT-007-R1, INT-008-R1, PER-002-R2, R3, PER-003-R1. The drafting team may also consider assigning VSL's to the Requirement, and eliminate the Sub-Requirement VSL.</p>
<p>Response: The VSL DT thanks you for your comment. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p>			

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Dominion Virginia Power	1	Negative	<p>The announcement of the pre-ballot window stated that the drafting team has modified "more than half of the VSLs but does not have time to collect additional feedback on the acceptability of the modifications before proceeding to ballot". Consequently, Dominion Virginia Power cannot verify that the changes made to the VSLs are acceptable because we have no basis of comparison and no indication of what was specifically changed. In addition, the drafting team seems to have ignored many of the comments submitted by the SERC Operating Committee that Dominion Virginia Power helped prepare.</p>
<p>Response: The VSL DT thanks you for your comment. The VSL DT received many comments on the VSLs during the 45 day comment period. Each comment was considered in deciding whether any revisions were necessary. The revised VSLs were posted for the pre-ballot period.</p>			
Duke Energy Carolina	1	Affirmative	<p>We would appreciate our comments being incorporated into those considered by the team however they are not in a format that can be entered into this comment form. The red-lined document has been sent to sarcomm@nerc.net and is available upon request by sending an email to doug.hils@duke-energy.com. Thank you.</p>
<p>Response: The comments were received during the initial ballot window and are in a table appended to the end of this report – please see the drafting team’s consideration of the proposed revisions at the end of the table.</p>			
FirstEnergy Energy Delivery	1	Affirmative	<p>GENERAL VSL COMMENTS EXPLANATORY TEXT: We commend the VSL SDT for removing references to the “Explanatory Text” VSL category described in its VSL guideline document. FE believes doing so is an improvement in the guidance being provided to future standard drafting teams. However, FE believes there are cases in the standards where a Violation Risk Factor (VRF) was inadvertently assigned to an explanatory type “requirement” and that steps should be taken at this point to remove the VRF which would negate the need for a VSL.</p> <p>As an example, in FAC-002, R3.1 states “Multiple sustained outages on an individual line, if caused by the same vegetation, shall be reported as one outage regardless of the actual number of outages within a 24-hour period” This is clearly explanatory to the parent (R3) requirement which requires quarterly reporting of vegetation management outages by a Transmission Owner to its Regional Reliability Organization. Requirement R3.1 now has a “Lower VSL” assigned to it which reads “The Transmission Owner failed to report, as a single outage, multiple sustained outages within a 24-hour period on an individual line, if caused by the same vegetation”. It does not seem appropriate to penalize someone for reporting too much information and one must ask what the reliability risk the Bulk Electric System was exposed to by doing so. Clearly, the standards require improvement.</p> <p>FE supports the “explanatory requirement” VSL as the best approach for the interim based on the existing state of the standards with the understanding that the standards will be refined through the standards development process. To assist the SDT and NERC</p>

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			in identifying all the explanatory text in existence today that have a VRF assigned to them, FE will send a complete spreadsheet to the chair of the VSL SDT in a separate correspondence.
<p>Response: The VSL DT thanks you for your comment. Removing or revising VRFs is outside the scope of this project. These comments will be made available to future drafting teams to use in developing VSLs in the on-going standards development process.</p>			
Kansas City Power & Light Co.	1	Negative	<p>PER-002-0 R2-This is a double jeopardy penalty. There should not be VSL's for sub-requirements when there are VSL's defined for the main requirement that are tied to the sub-requirements.</p> <p>PER-002-0 R3-This is a double jeopardy penalty. There should not be VSL's for sub-requirements when there are VSL's defined for the main requirement that are tied to the sub-requirements.</p> <p>PER-003-0 R1-This is a double jeopardy penalty. There should not be VSL's for sub-requirements when there are VSL's defined for the main requirement that are tied to the sub-requirements.</p>
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These "parent-child" requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements.. This will require stakeholder participation.</p>			
Manitoba Hydro	1	Negative	<ul style="list-style-type: none"> - The VSL Development Guidelines Criteria does not explain how penalties are assigned when a requirement and its sub requirements have a full range of VSLs. Is it possible to be penalized twice for the same violation? The application of penalties in these situations must be clarified. Refer to INT-001-2 (R1 - R1.1), INT-00102 (R2-R2.2), INT-003-1 (R1 - R1.2), INT-004-1 (R2 - R2.3), INT-006-1 (R1 - R1.1.3), INT-007-1 (R1 - R1.3.4), INT-008-1 (R1 - R1.1.2), PER-002-0 (R2 - R2.2), PER-002-0 (R3 - R3.4), and PER-003-0 (R1 - R1.2) as examples. - Manitoba Hydro objects to the use of ambiguous language (minor, mostly compliant, substantially deficient) in VSLs for INT-007-1 (R1.4) - For NUC-001-1 where are the VSLs for sub-requirements? There is an inconsistent application of the VSL Criteria document in comparison to the VSLs for other standards.
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders</p>			

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			<p>have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p> <p>- The VSL DT appreciates the commenters concerns around using generic language in the VSL. Many of the commenters had concerns with terms such as “minor” or “significant” and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT attempted to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process.</p> <p>- Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). NUC-001-1 only assigns VRFs to the primary requirements.</p>
National Grid	1	Negative	<p>Due to a lack of clarity with regard to the implementation of various Violation Severity Levels (VSLs) associated with some of the requirements, National Grid must vote "no" at this time. Specifically, it is unclear how requirements with sub-requirements will be treated when a sub-requirement is assigned a "low" to "severe" Violation Severity Level and the "parent" requirement specifies a numeric or percentage amount of violations to the sub-requirements resulting in a "low " to "severe" Violation Severity Level assigned to the overall requirement. If an entity violates only one sub-requirement (out of four), and does so in a "severe" manner as indicated by the sub-requirement VSL, does the VSL get "lowered" to a "low" VSL because only one sub-requirement was violated? If this is the case, then the assignment of more than just "low" to the sub-requirements is not necessary and causes confusion. If the intent of the "severe" VSL on the sub-requirements is to override the "low", "moderate" and "high" in the "parent" requirement, then there is no need to assign a number value to the "parent" requirement. Additionally, in order to ensure no "double jeopardy" sanctions occurring, it is of the understanding of National Grid that the assignment of a VSL on a sub-requirement cannot be assigned with an additional assignment of a VSL on the "parent" requirement, it has to be one or the other. This situation applies to PER-002 R3.</p>
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p>			

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PP&L, Inc.	1	Abstain	For the NUC requirements, VSLs are missing for Requirement R4.1. 4.2, 4.3 (page 20) and for R9.1 and R9.2 and all the sub-requirements under them (page 23).
<p>Response: The VSL DT thanks you for your comment. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). NUC-001-1 only assigns VRFs to the primary requirements.</p>			
Salt River Project	1	Negative	<p>SRP has identified issues with the proposed VSLs listed below. Our comments are included. We were unable to provide comments on all VSLs based on the short time frame available to us. However, we believe that there are other proposed VSLs that require modification. We will plan to comment on these in the second ballot.</p> <p>The range between Lower VSL and Severe VSL is too narrow.</p> <p>The definition of dedicated training time is not identified in the VSLs. The term dedicated is adding to the language in the requirement. The VSL should state that only operating positions that require NERC certified personnel are required to be staffed with NERC certified personnel.</p> <p>The VSL should relieve the Transmission Entity of responsibility for non-compliance if the Nuclear Plant Generator Operator has not provided the necessary NPIR to the Transmission Entity.</p>
<p>Response: The VSL DT thanks you for your comment. Your comment regarding the range does not provide enough information for the VSL DT to respond.</p> <p>The VSL DT agrees with the SRP comment and has deleted the word "dedicated" for the PER-002-0 R3.3.</p> <p>The last comment is pointed to a compliance issue that is outside the scope of the VSL DT.</p>			

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Independent Electricity System Operator	2	Affirmative	<p>INT-004 through 006 – There are some redundant wording in the sub-requirements (same as the main requirement), e.g.: R2 in INT-004, R1 in INT-005 and R1.1 in INT-006.</p> <p>Similarly for INT-007 there are requirements, specifically R1.3.1 and R1.3.4, the elements of which are to be included in R1.3 but they are assigned multiple VSLs – an approach that is incorrect and inconsistent with the approach adopted in VAR-002.</p> <p>For PER-002 R2) and PER-003 (R1), there is also the fact that there are requirements and sub-requirements of these parent requirements in many standards in-effect creating a parent-child relationship. Many of these requirements and sub-requirements have multiple VSLs (Low, Moderate, High, Severe) attached to them. There is a lot of confusion on how these would be applied in enforcement of penalties and sanctions: What takes precedence – violation of a requirement or the violation of a sub-requirement? The way that these are currently written is unclear since violation of a parent requirement should always take precedence over the violation of a child requirement (sub-requirement). What if there are multiple violations of child requirements? Do these roll up to the parent requirement and if they do then how do they roll up and is it consistent in application across all the standards?</p> <p>Additionally, for the NUC-001 standard, we believe that the 3 VSLs for each of the requirements, R3 through R8, should all shift to the next higher level.</p>

Response: The VSL DT thanks you for your comments.

It is beyond the scope of the VSL DT to modify or change standard requirements.

The proposed set of VSLs represent a reasonable and consistent approach to assigning severity for a non-compliant condition. The VSL DT also recognizes that, as demonstrated by comments received, additional improvements are needed. Any additional VSL improvements are best made in concurrence with revising the language of the requirements. Therefore we would expect that additional improvements to the VSLs will occur as on-going and future standard drafting teams make revisions to the standards, including requirements, measures and compliance elements. All NERC Standards are slated for review in the course of the Standards Development Work Plan established by NERC. We encourage all stakeholders to participate in the standard development process.

The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
<p>assigned to subrequirements. This will require stakeholder participation.</p>			
<p>- The VSL DT reviewed the NUC VSLs and deemed them to be appropriate.</p>			
Midwest ISO, Inc.	2	Negative	<p>The reason we are voting No for this ballot is that several items in the INT standards that apply to the Interchange Authority are actually things done by the tagging vendors. It is inappropriate to move standards forward that are flawed in this way. Below are our other concerns that we have. We understand and appreciate that NERC was directed to create these VSLs on a tight deadline. Still, we understood from NERC staff that these VSLs weren't necessary for the FERC to issue sanctions. Our concern is that the outcome of hastily done VRFs and VSLs means there will be future changes triggered via due process.</p> <p>Many things labeled in the standards as requirements are not truly requirements, but explanatory text. This is the outcome of the bulk conversion of NERC policies into the VO standards. We, as an industry and NERC, looked the other way on this issue with the VRF exercise. We did it again with VSLs. The next iteration the industry will have to undertake is to figure out ways to measure things that were never intended to be measured. It's time to clarify and distill the standards to the core requirements to focus on what is important to reliability. We have noted there is an obvious tendency to make yes-no requirements Severe VSLs. This is the equivalent of saying you always are in last place in a one runner race. While it appears we are serving reliability by elevating the VSLs and VRFs, arbitrary escalation of sanctions will tie up due process. We also have a concern that there will be multiple iterations of Orders directing changes to particular VSLs. Responding to such changes takes focus away from the things to which we should be paying attention. The industry should be given deference with regard to the development of standards and compliance elements until it is proven the process doesn't work.</p> <p>Finally, we have a concern where a broad-brush action is taken to all the standards and then the ballot is split. When this is done, very few blocks of standards apply to the bulk of the ballot body. While this increases the chances the ballot will pass, is this the goal or is the goal to have a quality product prior to adoption?</p>
<p>Response: The VSL DT thanks you for your comments: It is beyond the scope of the VSL DT to modify or change standard requirements.</p> <p>The VSL DT thanks you for your comments. These comments will be made available to future drafting teams to use in developing VSLs in the on-going standards development process.</p> <p>VSL DT received several comments regarding the ballot make up. The ballot groupings were selected by the VSL DT to maximize the opportunity for stakeholder input while ensuring that a quorum would be achieved in each of the ballots.</p>			

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Company	Segment	Ballot	Comments
American Electric Power	3	Negative	<p>Overall Comments: AEP does not support the proposed VSL in there current form, due to a number of overarching issues that should be addressed. AEP, in previous comments suggested that the Standard Drafting Team adhere to and develop the Violation Severity Levels using a similar approach as FERCs guidance on Violation Risk Factors. Where, per FERCs response in their consideration of the Violation Risk Factor, FERC stated that in determining Violation Risk Factor there should be; consistency within a Reliability Standard, i.e., among sub- and main Requirements of the same Reliability Standard, consistency among Reliability Standards with similar Requirements, consistency with NERC’s proposed definition of the Violation Risk Factor level, and assignment of a Violation Risk Factor level to those Requirements in certain Reliability Standards that co-mingle a higher risk reliability objective and a lesser risk reliability objective. It is not clear, based on this draft of the VSLs, how the Standard Drafting Team consistently addresses the VSLs on each of the requirements and sub-requirements.</p> <p>Additionally, we cannot find any information that states that an entity will not be subject to double jeopardy for the same violation. For example, if an entity is non-compliant with respect to R1.3 of a standard and R1.3 is a sub-requirement of R1, can the entity be in violation of the parent requirement as well? If not what will determine which requirement has been violated and what VRF and VSL will be applied in the penalty matrix? Depending upon the VSL and the VRF, it is possible the financial penalties will be different. This was discussed during the Standard Drafting Team led conference call, but there was not a clear answer to the situation. There are examples whereby a violation can fit into multiple VSL for a given requirements.</p> <p>Finally, there is no consistency in the application of the VSL between related standards in particular the MOD and PRC standards. The Standard Drafting Team has developed the Violation Severity Level Development Guidelines, but it is our understanding that guidelines will not be balloted any time soon and are subject to change. This appears to be putting the cart before the horse and if the guidelines are needed they should be included in the balloting. There is ambiguity regarding some of the VSL that are proposed. The drafting team has removed many instances of "minor" and other vague terms, but there are still many requirements that have VSL that are not clear. Similarly, it appears that some VSL provide additional details than what is written into the requirements or measures. Obviously, establishing fair, effective and consistent VSLs is a daunting task and we are confident that the Standard Drafting Team worked diligently to produce what could be done to meet the schedule. However, we feel that more time is needed and we should keep to the Standard Development process that has been</p>

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Company	Segment	Ballot	Comments
			<p>developed.</p> <p>Specifically: PER-002, R3.1 - Past interpretation for the intent of this requirement has been that of having a "set of program objectives" for the overall training plan and programs that reference and support the initial and continuing training and curriculum, which training and curriculum in-turn supports reliability, and references the knowledge and competencies required for performing tasks that support the NERC, RRO, entity, and regulatory procedures/requirements. AEP disagrees with the proposed VSLs for R3.1 because they broaden the scope of interpretation and definition for the "set of program objectives", from that of past RRO compliance audits and interpretation. Listing individual objectives that reference the knowledge and competencies for every requirement of every NERC standard is huge within itself, let alone including objectives for all the RRO, entity and regulatory requirements and procedures. AEP questions the ability to even audit such a requirement based on VSLs that specify a 25%, 50%, 75%, and 100% scale of compliance.</p>

Response: The VSL DT thanks you for your comments. As described in the VSL Development Guidelines Criteria document, the VRFs and VSLs are distinctly different compliance elements and are therefore developed differently. The VSL DT attempted to achieve consistency with the assignment of VSL within the guidelines. Some requirements do not fit neatly into one of the criteria "buckets" and have to be dealt with on a case by case basis. The VSLs will be refined through the on-going standards development process.

The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These "parent-child" requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.

The VSL Development Guidelines Criteria document was developed to provide guidance to the VSL DT in the assignment of VSLs per the FERC order and to help ensure consistency in the process. We are providing this document for other teams to use as a guideline for them to consider in development of VSLs. This document was posted twice for comment by the industry and appropriate revisions were made based on that feedback. The guidelines document is not a NERC standard or a part of a standard, and therefore does not require balloting. The VSL criteria will be provided to FERC for informational purposes; NERC will not ask for FERC approval of the VSL Development Guidelines Criteria document.

The VSL DT appreciates the commenters' concerns around using generic language in the VSL. Many of the commenters had concerns with terms such as "minor" or "significant" and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard

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Company	Segment	Ballot	Comments
<p>development process.</p> <p>Regarding, R3.1 the VSL DT has adjusted the VSL text to specifically refer to applicable BA & TOP standards.</p>			
Bonneville Power Administration	3	Negative	<p>We are concerned about the inconsistencies between this set of VSLs, and believe there needs to be further review.</p> <p>Here is just one example: INT 004-1 R2.2 requires a dynamic tag to be updated when the past hour's actual is off from the tagged value by more than 25 MWs. The VSL is of the 0-25% = LOW variety. If every hour of the year required an update a PSE could have over 2,000 violations and still be in a LOW VSL. They wouldn't be into a SEVERE VSL until over 6,000 violations had occurred. If only 1/4th of the hours in the year required the tag to be updated, those numbers would change to over 500 occurrences to still be LOW and over 1,600 before getting into the SEVERE level.</p> <p>By contrast INT 001R 1.1 requires All Dynamic Schedules at the expected average MW profile for each hour. This has the 1, 2, 3, 4 VSL type so failure to submit a tag for only 4 hours would result in a SEVERE violation level. 4 hours in one case; over 6,000 in the other????? What is even stranger is the fact that the more punitive VSL applies to the prescheduled timeframe when there is less reliable information on what the actual will be. The VSL which allows for potentially thousands of violations is related to the tag updates for the next scheduled operating hour (very close to real time) for which more accurate information is most likely available and which is far more relevant for Reliability purposes.</p>
<p>Response: The VSL DT thanks you for your comment. In your two examples, there are subtle differences in wording of the requirement that lend themselves to different VSLs. INT-004, R2 requires that "The Purchasing-Selling Entity responsible for tagging a Dynamic Interchange Schedule shall ensure" while INT-001, R1 requires that "The Load-Serving, Purchasing-Selling Entity shall ensure that Arranged Interchange is submitted to the Interchange Authority for:" and INT-001, R1.1 states: "All Dynamic Schedules at the expected average MW profile for each hour."</p> <p>The VSL DT recognizes that, as demonstrated by comments received, additional improvements are needed. Any additional VSL improvements are best made in concurrence with revising the language of the requirements. Therefore we would expect that additional improvements to the VSLs will occur as on-going and future standard drafting teams make revisions to the standards, including requirements, measures and compliance elements. All NERC Standards are slated for review in the course of the Standards Development Work Plan established by NERC. We encourage all stakeholders to participate in the standard development process.</p>			

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Company	Segment	Ballot	Comments
City of Tallahassee	3	Negative	<p>The use of a VSL in a “base” requirement (i.e. INT-003-2) implies that an entity could be found deficient twice for a single violation. If a violation of INT-003-2, R1.1.1 occurs, would the entity suffer punishment under R1.1.1 and then R1.1 and again under R1? This has the potential to undermine the legitimate efforts of an entity. Triple jeopardy is a hard pill to swallow.</p> <p>INT-006-1, R1.1 INT-006-1 There is a large disconnect between the VSLs for R1, R1.1 (& subs) and R1.2.</p> <p>INT-007-1 Same comment as INT-006-1 on % vs. count.</p> <p>INT-007-1, R4 Measures are subjective. “Minor exception”, “some exception”, “substantially deficient”!</p> <p>INT-008-1 Same comment as INT-006-1 on % vs. count.</p> <p>INT-009-1 Same comment as INT-006-1 on % vs. count.</p> <p>PER-002-0 VSLs change the standard. The VSL implies that every single NERC/Regional standard must be trained on. This is contrary to the text of the standard and the intent of the current training plan development process. The VSLs should not dictate what must be trained on.</p> <p>PER-003-0, R1 The delta time period!</p> <p>PER-004-1, R1</p>
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p> <p>- INT-006: The VSLs have been revised to reflect your comment.</p> <p>- INT-007, 008 and 009 – The VSLs reflect the existing Levels of Non-compliance</p> <p>- The VSL DT appreciates the commenters’ concerns around using generic language in the VSL. Many of the commenters had concerns with</p>			

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
<p>terms such as “minor” or “significant” and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT attempted to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process.</p> <p>- The VSL DT believes your comment PER-002-0 is directed toward R3.1 which requires the TO and BA to define the training program “based on NERC and Regional Reliability Organization standards, entity operating procedures, and applicable regulatory requirements.” The VSL DT has revised the R3.1 VSLs to clarify that the percentages apply to “applicable” NERC and Regional standards, operating procedures, and regulatory requirements.</p> <p>With regard to PER-003, the VSLs follow the existing levels of Non-compliance.</p>			
Consolidated Edison Co. of New York	3	Negative	<p>When a Requirement has Sub-requirements, only one or the other can have VSL's. This eliminates any potential "double jeopardy" issues. The following Requirements have Sub-Requirements with VSL's assigned. Therefore, the following list of Requirements should be assigned "NA" VSL's. They are: INT-001-R1, R2, INT-003-R1, INT-004-R2, INT-005-R1, INT-006-R1, INT-007-R1, INT-008-R1, PER-002-R2, R3, PER-003-R1. The drafting team may also consider assigning VSL's to the Requirement, and eliminate the Sub-Requirement VSL.</p>
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p>			
FirstEnergy Solutions	3	Affirmative	<p>GENERAL VSL COMMENTS EXPLANATORY TEXT: We commend the VSL SDT for removing references to the “Explanatory Text” VSL category described in its VSL guideline document. FE believes doing so is an improvement in the guidance being provided to future standard drafting teams. However, FE believes there are cases in the standards where a Violation Risk Factor (VRF) was inadvertently assigned to an explanatory type “requirement” and that steps should be taken at this point to remove the VRF which would negate the need for a VSL.</p> <p>As an example, in FAC-002, R3.1 states “Multiple sustained outages on an individual line, if caused by the same vegetation, shall be reported as one outage regardless of the actual number of outages within a 24-hour period” This is clearly explanatory to the parent (R3) requirement which requires quarterly reporting of vegetation management outages by a Transmission Owner to its Regional Reliability Organization. Requirement</p>

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Company	Segment	Ballot	Comments
			<p>R3.1 now has a “Lower VSL” assigned to it which reads “The Transmission Owner failed to report, as a single outage, multiple sustained outages within a 24-hour period on an individual line, if caused by the same vegetation”. It does not seem appropriate to penalize someone for reporting too much information and one must ask what the reliability risk the Bulk Electric System was exposed to by doing so. Clearly, the standards require improvement.</p> <p>FE supports the “explanatory requirement” VSL as the best approach for the interim based on the existing state of the standards with the understanding that the standards will be refined through the standards development process. To assist the SDT and NERC in identifying all the explanatory text in existence today that have a VRF assigned to them, FE will send a complete spreadsheet to the chair of the VSL SDT in a separate correspondence.</p>
<p>Response: The VSL DT thanks you for your comment. Removing or revising VRFs is outside the scope of this project. These comments will be made available to future drafting teams to use in developing VSLs in the on-going standards development process.</p>			
Manitoba Hydro	3	Negative	<p>The VSL Development Guidelines Criteria Criteria does not explain how penalties are assigned when a requirement and its sub requirements have a full range of VSLs. Is it possible to be penalized twice for the same violation? The application of penalties in these situations must be clarified. Refer to INT-001-2 (R1 - R1.1), INT-00102 (R2-R2.2), INT-003-1 (R1 - R1.2), INT-004-1 (R2 - R2.3), INT-006-1 (R1 - R1.1.3), INT-007-1 (R1 - R1.3.4), INT-008-1 (R1 - R1.1.2), PER-002-0 (R2 - R2.2), PER-002-0 (R3 - R3.4), and PER-003-0 (R1 - R1.2) as examples.</p> <p>Manitoba Hydro objects to the use of ambiguous language (minor, mostly compliant, substantially deficient) in VSLs for INT-007-1 (R1.4)</p> <p>For NUC-001-1 where are the VSLs for sub-requirements?</p> <p>There is an inconsistent application of the VSL Criteria document in comparison to the VSLs for other standards.</p>
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p>			
<p>- The VSL DT appreciates the commenters concerns around using generic language in the VSL. Many of the commenters had concerns with</p>			

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Company	Segment	Ballot	Comments
<p>terms such as “minor” or “significant” and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT attempted to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process.</p> <p>Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). NUC-001-1 only assigns VRFs to the primary requirements.</p> <p>The proposed set of VSLs represent a reasonable and consistent approach to categorizing severity for a non-compliant condition. The VSL DT also recognizes that, as demonstrated by comments received, additional improvements are needed. Any additional VSL improvements are best made in concurrence with revising the language of the requirements. The VSL DT concludes that many of the comments received were related to the clarity of the requirement or the lack of clear measures within the standard, and not the VSL itself. It is important to note that the VSLs are only intended to replace the Levels of Non-compliance and are to be used in determining sanctions for violation of requirements. The VSL DT cannot make revisions to requirements within the scope of this project. Therefore we would expect that additional improvements to the VSLs will occur as on-going and future standard drafting teams make revisions to the standards, including requirements, measures and compliance elements. All NERC Standards are slated for review in the course of the Standards Development Work Plan established by NERC. We encourage all stakeholders to participate in the standard development process.</p>			
Niagara Mohawk (National Grid Company)	3	Negative	<p>Due to a lack of clarity with regard to the implementation of various Violation Severity Levels (VSLs) associated with some of the requirements, National Grid must vote "no" at this time. Specifically, it is unclear how requirements with sub-requirements will be treated when a sub-requirement is assigned a "low" to "severe" Violation Severity Level and the "parent" requirement specifies a numeric or percentage amount of violations to the sub-requirements resulting in a "low " to "severe" Violation Severity Level assigned to the overall requirement. If an entity violates only one sub-requirement (out of four), and does so in a "severe" manner as indicated by the sub-requirement VSL, does the VSL get "lowered" to a "low" VSL because only one sub-requirement was violated? If this is the case, then the assignment of more than just "low" to the sub-requirements is not necessary and causes confusion. If the intent of the "severe" VSL on the sub-requirements is to override the "low", "moderate" and "high" in the "parent" requirement, then there is no need to assign a number value to the "parent" requirement. Additionally, in order to ensure no "double jeopardy" sanctions occurring, it is of the understanding of National Grid that the assignment of a VSL on a sub-requirement cannot be assigned with an additional assignment of a VSL on the "parent" requirement, it has to be one or the other.</p>
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double</p>			

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Company	Segment	Ballot	Comments
<p>jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p>			
Salt River Project	3	Negative	<p>The range between Lower VSL and Severe VSL is too narrow.</p> <p>The definition of dedicated training time is not identified in the VSLs. The term dedicated is adding to the language in the requirement.</p> <p>The VSL should state that only operating positions that require NERC certified personnel are required to be staffed with NERC certified personnel.</p> <p>The VSL should relieve the Transmission Entity of responsibility for non-compliance if the Nuclear Plant Generator Operator has not provided the necessary NPIR to the Transmission Entity.</p> <p>SRP has identified issues with the proposed VSLs listed below. Our comments are included. We were unable to provide comments on all VSLs based on the short time frame available to us. However, we believe that there are other proposed VSLs that require modification. We will plan to comment on these in the second ballot.</p>
<p>Response: The VSL DT thanks you for your comments</p> <ul style="list-style-type: none"> - Your comment regarding the range does not provide enough information for the VSL DT to respond. - The VSL DT agrees with the SRP comment and has deleted the word “dedicated” for the PER-002-0 R3.3. - Your comment regarding operating positions does not provide enough information for the VSL DT to respond. - The responsibility comment is pointed to a compliance issue that is outside the scope of the VSL DT. 			
South Carolina Electric & Gas Co.	3	Negative	<p>General comments: I believe that violations that do not negatively impact the reliability of the BES should be assigned a rating of “Lower VSL”. The higher levels of VSL’s should be reserved for those violations that do negatively impact the reliability of the BES.</p>
<p>Response: The VSL DT thanks you for your comment.</p> <p>As stated in the VSL Development Guidelines Criteria document, VSLs are used to categorize the level of non-compliance with a requirement after the violation has been determined. The Violation Severity Level for non-compliance is independent of the Violation Risk Factor associated with the requirement.</p>			

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Company	Segment	Ballot	Comments
Wisconsin Electric Power Marketing	3	Negative	<p>PER-002-0 R2, R2.1, R2.2 All VSLs A training program is required for operating personnel that are both responsible for real-time operation and are directly responsible for complying with NERC Standards, not one or the other.</p> <p>PER-002-0 R3.1 All VSLs Not all of the NERC and Regional Standards apply to a BA, so they would not have objectives related to them. This wording probably places a BA at the High VSL to start.</p> <p>PER-002-0 R3.2 All VSLs If the responsible entity does not have a plan for continuing training of operating personnel, they are at both the Lower and Moderate VSL. If the responsible entity does not have a plan for continuing training of operating personnel AND the responsible entity does not have a plan for initial training of operating personnel they are at both the High and Severe VSL.</p> <p>PER-002-0 R3.3 All VSLs The term "dedicated training time" needs to be explained. It is subjective.</p> <p>PER-002-0 R4 All VSLs If five days were provided, that is also at least one, two, three, or four days, so all VSLs apply.</p> <p>PER-003-0 R1, R1.1, R1.2 All VSLs The operating position must be both a real-time operating position and be directly responsible for complying with NERC Standards. The NERC certification must be the appropriate one.</p> <p>PER-004-1 R2 Severe VSL This is inconsistent with PER-002 R4. A BA must provide at least one day to be at the Severe VSL but an RC can be one day or less.</p>

Response: The VSL DT thanks you for your comment.

- It is beyond the scope of the VSL DT to modify or change standard requirements. PER-002-0 R2, as written, does not specify that the training program is only required for operating personnel that are responsible for both real-time operation and for complying with NERC standards.
- The VSL DT modified PER-0 R3.1 to include the word, "applicable" in support of you comment.
- The VSLs established a level of non-compliance thereby allowing the audit to assess a less VSL level if the training program had some of the requirement elements In PER-003-0 R3.2, the VSL for Moderate is looking for a combination of two factors – no plan for continuing training in combination with not addressing the knowledge and competencies required for reliable operations – or the combination of not having a plan for initial training in combination with not addressing the knowledge and competencies required for reliable operations. The VSL for Lower is assigned if the responsible entity's program is missing just one of the three listed components.

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Company	Segment	Ballot	Comments
<ul style="list-style-type: none"> - As stated in the VSL Development Guidelines Criteria document, VSLs are used to categorize the level of non-compliance with a requirement after the violation has been determined. If an entity is not subject to a specific NERC Standard it would not be found in violation therefore the VSL would not apply. - PER-002-0 R3.3 the work “dedicated” has been removed for this VSL. - PER-002-0 R4 -VSLTD understands WEPM concerning and has reworded the VSLs to clarify the potential misinterpretation of the VSL descriptions. - It is beyond the scope of the VSL DT to modify or change standard requirements. <p>PER-004-1 R2 -VSLTD understands WEPM concerning and has reworded the VSLs to clarify the potential misinterpretation of the VSL descriptions.</p>			
Madison Gas and Electric Co.	4	Affirmative	<p>MG&E request that the wording “minor exception” be removed and replaced with a more specific measurable element in the following proposed VSL:INT-007-1, R1.4. The NERC Sanction Guide states; VSL’s are defined measurements of the degree to which a violator violated a requirement of a reliability standard. The word “minor” is open to interpretation.</p>
<p>Response: The VSL DT thanks you for your comment.</p> <p>The VSL DT appreciates the commenters concerns around using generic language in the VSL. Many of the commenters had concerns with terms such as “minor” or “significant” and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT attempted to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process.</p>			
Seminole Electric Cooperative, Inc.	4	Negative	<p>These VSL's should have been posted with solicitation of industry comment before the pre-ballot posting. In general, the severities are too high. In addition, the VSL's imply modification of requirements in some cases (PER-002-0.) The use of a VSL in a “base” requirement (i.e. INT-003-2) implies that an entity could be found deficient twice for a single violation. If a violation of INT-003-2, R1.1.1 occurs, would the entity suffer punishment under R1.1.1 and then R1.1 and again under R1?</p>
<p>Response: The VSL DT thanks you for your comment.</p> <p>The VSL DT received several comments regarding the ballot make up. The ballot groupings were selected by the VSL DT to maximize the opportunity for stakeholder input while ensuring that a quorum would be achieved in each of the ballots. The VSL DT posted the revised VSLs without another comment period because NERC is required to file the VSLs with FERC by March 1, 2008.</p>			

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
<p>The proposed set of VSLs represent a reasonable and consistent approach classifying severity for a non-compliant condition. The VSL DT also recognizes that, as demonstrated by comments received, additional improvements are needed. Any additional VSL improvements are best made in concurrence with revising the language of the requirements. The VSDLT concludes that many of the comments received were related to the clarity of the requirement or the lack of clear measures within the standard, and not the VSL itself. It is important to note that the VSLs are only intended to replace the Levels of Non-compliance and are to be used in determining sanctions for violation of requirements. The VSL DT cannot make revisions to requirements within the scope of this project. Therefore we would expect that additional improvements to the VSLs will occur as on-going and future standard drafting teams make revisions to the standards, including requirements, measures and compliance elements. All NERC Standards are slated for review in the course of the Standards Development Work Plan established by NERC. We encourage all stakeholders to participate in the standard development process.</p> <p>The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These "parent-child" requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p>			
Wisconsin Energy Corp.	4	Negative	<p>PER-002-0 R2, R2.1, R2.2 All VSLs A training program is required for operating personnel that are both responsible for real-time operation and are directly responsible for complying with NERC Standards, not one or the other.</p> <p>PER-002-0 R3.1 All VSLs Not all of the NERC and Regional Standards apply to a BA, so they would not have objectives related to them. This wording probably places a BA at the High VSL to start.</p> <p>PER-002-0 R3.2 All VSLs If the responsible entity does not have a plan for continuing training of operating personnel, they are at both the Lower and Moderate VSL. If the responsible entity does not have a plan for continuing training of operating personnel AND the responsible entity does not have a plan for initial training of operating personnel they are at both the High and Severe VSL.</p> <p>PER-002-0 R3.3 All VSLs The term "dedicated training time" needs to be explained. It is subjective.</p> <p>PER-002-0 R4 All VSLs If five days were provided, that is also at least one, two, three, or four days, so all VSLs apply.</p> <p>PER-003-0 R1, R1.1, R1.2 All VSLs The operating position must be both a real-time</p>

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
			<p>operating position and be directly responsible for complying with NERC Standards. The NERC certification must be the appropriate one.</p> <p>PER-004-1 R2 Severe VSL This is inconsistent with PER-002 R4. A BA must provide at least one day to be at the Severe VSL but an RC can be one day or less.</p>

Response: The VSL DT thanks you for your comment.

- It is beyond the scope of the VSL DT to modify or change standard requirements. PER-002-0 R2, as written, does not specify that the training program is only required for operating personnel that are responsible for both real-time operation and for complying with NERC standards.
- The VSL DT modified PER-002 R3.1 to include the word, “applicable” in support of you comment.
- The VSLs established a level of non-compliance thereby allowing the audit to assess a less VSL level if the training program had some of the requirement elements. In PER-002-0 R3.2, the VSL for Moderate is looking for a combination of two factors – no plan for continuing training in combination with not addressing the knowledge and competencies required for reliable operations – or the combination of not having a plan for initial training in combination with not addressing the knowledge and competencies required for reliable operations. The VSL for Lower is assigned if the responsible entity’s program is missing just one of the three listed components.
- The VSLs established a level of non-compliance thereby allowing the audit to assess a less VSL level if the training program had some of the requirement elements.
- As stated in the VSL Development Guidelines Criteria document, VSLs are used to classify the level of non-compliance with a requirement after the violation has been determined. If an entity is not subject to a specific NERC Standard it would not be found in violation therefore VSL would not apply.
- PER-002-0 R3.3 the work “dedicated” has been removed from this VSL.
- PER-002-0 R4 -VSLTD understands WEPM concerning and has reworded the VSLs to clarify the potential misinterpretation of the VSL descriptions.
- It is beyond the scope of the VSL DT to modify or change standard requirements and the VSLs are consistent,
- PER-004-1 R2 -VSLTD understands WEPM concerning and has reworded the VSLs to clarify the potential misinterpretation of the VSL descriptions.

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Company	Segment	Ballot	Comments
AEP Service Corp.	5	Negative	<p>AEP does not support the proposed VSL in their current form, due to a number of overarching issues that should be addressed. AEP, in previous comments suggested that the Standard Drafting Team adhere to and develop the Violation Severity Levels using a similar approach as FERCs guidance on Violation Risk Factors. Where, per FERC's response in their consideration of the Violation Risk Factor, FERC stated that in determining Violation Risk Factor there should be; consistency within a Reliability Standard, i.e., among sub- and main Requirements of the same Reliability Standard, consistency among Reliability Standards with similar Requirements, consistency with NERC's proposed definition of the Violation Risk Factor level, and assignment of a Violation Risk Factor level to those Requirements in certain Reliability Standards that co-mingle a higher risk reliability objective and a lesser risk reliability objective.</p> <p>It is not clear, based on this draft of the VSLs, how the Standard Drafting Team consistently addresses the VSLs on each of the requirements and sub-requirements. Additionally, we cannot find any information that states that an entity will not be subject to double jeopardy for the same violation. For example, if an entity is non-compliant with respect to R1.3 of a standard and R1.3 is a sub-requirement of R1, can the entity be in violation of the parent requirement as well? If not what will determine which requirement has been violated and what VRF and VSL will be applied in the penalty matrix? Depending upon the VSL and the VRF, it is possible the financial penalties will be different. This was discussed during the Standard Drafting Team led conference call, but there was not a clear answer to the situation. There are examples whereby a violation can fit into multiple VSL for a given requirements.</p> <p>Finally, there is no consistency in the application of the VSL between related standards in particular the MOD and PRC standards. The Standard Drafting Team has developed the Violation Severity Level Development Guidelines, but it is our understanding that guidelines will not be balloted any time soon and are subject to change. This appears to be putting the cart before the horse and if the guidelines are needed they should be included in the balloting. There is ambiguity regarding some of the VSL that are proposed. The drafting team has removed many instances of "minor" and other vague terms, but there are still many requirements that have VSL that are not clear. Similarly, it appears that some VSL provide additional details than what is written into the requirements or measures. Obviously, establishing fair, effective and consistent VSLs is a daunting task and we are confident that the Standard Drafting Team worked diligently to produce what could be done to meet the schedule. However, we feel that more time is needed and we should keep to the Standard Development process that has been developed.</p>

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
<p>Response: The VSL DT thanks you for your comments. As described in the VSL Development Guidelines Criteria document, the VRFs and VSLs are distinctly different compliance elements and are therefore developed differently. The VSL DT attempted to achieve consistency with the assignment of VSL within the guidelines. Some requirements do not fit neatly into one of the criteria “buckets” and have to be dealt with on a case by case basis. The VSLs will be refined through the on-going standards development process.</p> <p>The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p> <p>The VSL Development Guidelines Criteria document was developed to provide guidance to the VSL DT in the assignment of VSLs per the FERC order and to help ensure consistency in the process. We are providing this document for other teams to use as a guideline for them to consider in development of VSLs. This document was posted twice for comment by the industry and appropriate revisions were made based on that feedback. The guidelines document is not a NERC standard or a part of a standard, and therefore does not require balloting. The VSL criteria will be provided to FERC for informational purposes; NERC will not ask for FERC approval of the VSL Development Guidelines Criteria document.</p> <p>The VSL DT appreciates the commenters’ concerns around using generic language in the VSL. Many of the commenters had concerns with terms such as “minor” or “significant” and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT attempted both to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process</p>			
Bonneville Power Administration	5	Negative	<p>We are concerned about the inconsistencies between this set of VSLs, and believe there needs to be further review. Some have point requirements with no separation (1 violation = LOW, 2 = MODERATE, etc.) others have extremely wide ranges.</p> <p>Here is just one example of our concern: INT 004-1 R2.2 requires a dynamic tag to be updated when the past hour’s actual is off from the tagged value by more than 25 MWs. The VSL is of the 0-25% = LOW variety. If every hour of the year required an update a PSE could have over 2,000 violations and still be in a LOW VSL. They wouldn’t be into a SEVERE VSL until over 6,000 violations had occurred. If only 1/4th of the hours in the year required the tag to be updated, those numbers would change to over 500 occurrences to still be LOW and over 1,600 before getting into the SEVERE level. By contrast INT 001R 1.1 requires All Dynamic Schedules at the expected average MW profile for each hour. This has the 1, 2, 3, 4 VSL type so failure to submit a tag for only</p>

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
			<p>4 hours would result in a SEVERE violation level. 4 hours in one case; over 6,000 in the other????? Also confusing is the fact that the more punitive VSL applies mostly to the prescheduled timeframe when there is less reliable information on what the actual will be. The VSL which allows for potentially thousands of violations is related to the tag updates for the next scheduled operating hour (very close to real time) for which more accurate information is most likely available and which is far more relevant for Reliability purposes. Respectfully Submitted, Francis Halpin BPA</p>
<p>Response: The VSL DT thanks you for your comment. In your two examples, there are subtle differences in wording of the requirement that lend themselves to different VSLs. INT-004, R2 requires that "The Purchasing-Selling Entity responsible for tagging a Dynamic Interchange Schedule shall ensure" while INT-001, R1 requires that "The Load-Serving, Purchasing-Selling Entity shall ensure that Arranged Interchange is submitted to the Interchange Authority for:" and INT-001, R1.1 states: "All Dynamic Schedules at the expected average MW profile for each hour."</p> <p>The VSL DT recognizes that, as demonstrated by comments received, additional improvements are needed. Any additional VSL improvements are best made in concurrence with revising the language of the requirements. Therefore we would expect that additional improvements to the VSLs will occur as on-going and future standard drafting teams make revisions to the standards, including requirements, measures and compliance elements. All NERC Standards are slated for review in the course of the Standards Development Work Plan established by NERC. We encourage all stakeholders to participate in the standard development process.</p>			
City of Tallahassee	5	Negative	<p>The use of a VSL in a "base" requirement (i.e. INT-003-2) implies that an entity could be found deficient twice for a single violation. If a violation of INT-003-2, R1.1.1 occurs, would the entity suffer punishment under R1.1.1 and then R1.1 and again under R1? This has the potential to undermine the legitimate efforts of an entity. Triple jeopardy is a hard pill to swallow.</p> <p>INT-006-1, R1.1 and sub-elements penalizes for not performing an analysis. What is going to be adequate evidence of an analysis being performed? Many tags are "analyzed" in a short amount of time due to the volume of tags handled by any one entity. To expect a documentation of an analysis (which is what compliance folks are looking for) is unnecessary and burdensome to the industry.</p> <p>INT-006-1 There is a large disconnect between the SVLs for R1, R1.1 (& subs) and R1.2. The use of a single count of events (1 through 4) in one standard and a percentage of events in another introduces a large disparity between the penalties applied for similar deficiencies. There are a lot of tags approved throughout the year. To</p>

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Company	Segment	Ballot	Comments
			<p>expect an entity to have zero deficiencies is a lofty goal and one that, although achievable, introduces an unnecessary burden to the real time operators that have more than one function to perform.</p> <p>INT-007-1 Same comment as INT-006-1 on % vs. count. INT-007-1, R4 Measures are subjective. "Minor exception", "some exception", "substantially deficient" are all subject to interpretation and drift from the "clear and unambiguous" target we are shooting for. Additionally, the need for this requirement is no longer valid. Since the abatement of "passive approvals" if a tag is not approved, it does not flow. The requirement does not allow for the analysis to be made not be approved for security reasons.</p> <p>INT-008-1 Same comment as INT-006-1 on % vs. count.</p> <p>INT-009-1 Same comment as INT-006-1 on % vs. count.</p> <p>PER-002-0 VSLs change the standard. The VSL implies that every single NERC/Regional standard must be trained on. This is contrary to the text of the standard and the intent of the current training plan development process. The VSLs should not dictate what must be trained on.</p> <p>PER-003-0, R1 The period of time for emergencies should not be counted against the entity. (Building evacuations, transitioning to the BUCC, etc.)</p> <p>PER-004-1, R1 The period of time for emergencies should not be counted against the entity. (Building evacuations, transitioning to the BUCC, etc.)</p>
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These "parent-child" requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p> <p>INT-006 R1 and R1.1: The VSLs have been revised to reflect your comment.</p> <p>INT-007, 008 and 009 – The VSLs reflect the existing Levels of Non-compliance. - The VSL DT appreciates the commenters' concerns around using generic language in the VSLs. Many of the commenters had concerns with terms such as "minor" or "significant" and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT attempted to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected</p>			

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
			<p>that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process.</p> <p>- The VSL DT believes your comment PER-002-0 is directed toward R3.1 which requires the TO and BA to define the training program “based on NERC and Regional Reliability Organization standards, entity operating procedures, and applicable regulatory requirements.” The VSL DT has revised the R3.1 VSLs to clarify that the percentages apply to “applicable” NERC and Regional standards, operating procedures, and regulatory requirements.</p> <p>With regard to PER-003 and 004 – The Measures of the requirement take this into account. The VSL only applies to the situation where the entity is found non-compliant.</p>
FirstEnergy Solutions	5	Affirmative	<p>GENERAL VSL COMMENTS EXPLANATORY TEXT: We commend the VSL SDT for removing references to the “Explanatory Text” VSL category described in its VSL guideline document. FE believes doing so is an improvement in the guidance being provided to future standard drafting teams. However, FE believes there are cases in the standards where a Violation Risk Factor (VRF) was inadvertently assigned to an explanatory type “requirement” and that steps should be taken at this point to remove the VRF which would negate the need for a VSL. As an example, in FAC-002, R3.1 states “Multiple sustained outages on an individual line, if caused by the same vegetation, shall be reported as one outage regardless of the actual number of outages within a 24-hour period” This is clearly explanatory to the parent (R3) requirement which requires quarterly reporting of vegetation management outages by a Transmission Owner to its Regional Reliability Organization. Requirement R3.1 now has a “Lower VSL” assigned to it which reads “The Transmission Owner failed to report, as a single outage, multiple sustained outages within a 24-hour period on an individual line, if caused by the same vegetation”. It does not seem appropriate to penalize someone for reporting too much information and one must ask what the reliability risk the Bulk Electric System was exposed to by doing so. Clearly, the standards require improvement. FE supports the “explanatory requirement” VSL as the best approach for the interim based on the existing state of the standards with the understanding that the standards will be refined through the standards development process. To assist the SDT and NERC in identifying all the explanatory text in existence today that have a VRF assigned to them, FE will send a complete spreadsheet to the chair of the VSL SDT in a separate correspondence.</p>
<p>Response: The VSL DT thanks you for your comment. Removing or revising VRFs is outside the scope of this project. These comments will be made available to future drafting teams to use in developing VSLs in the on-going standards development process.</p>			

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
Manitoba Hydro	5	Negative	<p>* The VSL Development Guidelines Criteria does not explain how penalties are assigned when a requirement and its sub requirements have a full range of VSLs. Is it possible to be penalized twice for the same violation? The application of penalties in these situations must be clarified. Refer to INT-001-2 (R1 - R1.1), INT-00102 (R2-R2.2), INT-003-1 (R1 - R1.2), INT-004-1 (R2 - R2.3), INT-006-1 (R1 - R1.1.3), INT-007-1 (R1 - R1.3.4), INT-008-1 (R1 - R1.1.2), PER-002-0 (R2 - R2.2), PER-002-0 (R3 - R3.4), and PER-003-0 (R1 - R1.2) as examples.</p> <p>* Manitoba Hydro objects to the use of ambiguous language (minor, mostly compliant, substantially deficient) in VSLs for INT-007-1 (R1.4)</p> <p>* For NUC-001-1 where are the VSLs for sub-requirements? There is an inconsistent application of the VSL Criteria document in comparison to the VSLs for other standards.</p>
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p> <p>- The VSL DT appreciates the commenters concerns around using generic language in the VSL. Many of the commenters had concerns with terms such as “minor” or “significant” and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT attempted both after the initial comment period and during the initial ballot comments, to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process.</p> <p>- Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). NUC-001-1 only assigns VRFs to the primary requirements.</p>			
Ontario Power Generation Inc.	5	Negative	<p>Internal inconsistencies exist between the VSL ratings associated with main requirements versus those associated with corresponding sub-requirements. This is a serious structural problem that occurs throughout the VSL documents and will lead to ambiguity regarding determination of the appropriate level of non-compliance, or potentially multiple penalties, for a given breach.</p>
<p>Response: The proposed set of VSLs represent a reasonable and consistent approach to classifying severity for a non-compliant condition. The VSL DT also recognizes that, as demonstrated by comments received, additional improvements are needed. Any additional VSL improvements are best made in concurrence with revising the language of the requirements. The VSDLT concludes that many of the comments received were related to the clarity of the requirement or the lack of clear measures within the standard, and not the VSL itself. It is important</p>			

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
<p>to note that the VSLs are only intended to replace the Levels of Non-compliance and are to be used in determining sanctions for violation of requirements. The VSL DT cannot make revisions to requirements within the scope of this project. Therefore we would expect that additional improvements to the VSLs will occur as on-going and future standard drafting teams make revisions to the standards, including requirements, measures and compliance elements. All NERC Standards are slated for review in the course of the Standards Development Work Plan established by NERC. We encourage all stakeholders to participate in the standard development process.</p> <p>The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These "parent-child" requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p>			
PPL Generation LLC	5	Abstain	For the NUC requirements, VSLs are missing for Requirement R4.1. 4.2, 4.3 (page 20) and for R9.1 and R9.2 and all the sub-requirements under them (page 23).
<p>Response: Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). NUC-001-1 only assigns VRFs to the primary requirements.</p>			
Salt River Project	5	Negative	<p>SRP has identified issues with the proposed VSLs listed below. Our comments are included. We were unable to provide comments on all VSLs based on the short time frame available to us. However, we believe that there are other proposed VSLs that require modification. We will plan to comment on these in the second ballot.</p> <p>R.1.The VSL should state that only operating positions that require NERC certified personnel are required to be staffed with NERC certified personnel.</p> <p>R.2. The VSL should relieve the Transmission Entity of responsibility for non-compliance if the Nuclear Plant Generator Operator has not provided the necessary NPIR to the Transmission Entity.</p>
<p>Response: The VSL DT thanks you for your comment.</p> <p>The VSL are only applied after a violation has been identify, therefore the determination as to the certification requirements of an operator has already be determined.</p> <p>The responsibility comment is pointed to a compliance issue that is outside the scope of the VSL DT.</p>			

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
Wisconsin Electric Power Co.	5	Negative	<p>PER-002-0 R2, R2.1, R2.2 All VSLs A training program is required for operating personnel that are both responsible for real-time operation and are directly responsible for complying with NERC Standards, not one or the other.</p> <p>PER-002-0 R3.1 All VSLs Not all of the NERC and Regional Standards apply to a BA, so they would not have objectives related to them. This wording probably places a BA at the High VSL to start.</p> <p>PER-002-0 R3.2 All VSLs If the responsible entity does not have a plan for continuing training of operating personnel, they are at both the Lower and Moderate VSL. If the responsible entity does not have a plan for continuing training of operating personnel AND the responsible entity does not have a plan for initial training of operating personnel they are at both the High and Severe VSL.</p> <p>PER-002-0 R3.3 All VSLs The term "dedicated training time" needs to be explained. It is subjective.</p> <p>PER-002-0 R4 All VSLs If five days were provided, that is also at least one, two, three, or four days, so all VSLs apply.</p> <p>PER-003-0 R1, R1.1, R1.2 All VSLs The operating position must be both a real-time operating position and be directly responsible for complying with NERC Standards. The NERC certification must be the appropriate one.</p> <p>PER-004-1 R2 Severe VSL This is inconsistent with PER-002 R4. A BA must provide at least one day to be at the Severe VSL but an RC can be one day or less.</p>
<p>Response: The VSL DT thanks you for your comment.</p> <ul style="list-style-type: none"> - It is beyond the scope of the VSL DT to modify or change standard requirements. PER-002-0 R2, as written, does not specify that the training program is only required for operating personnel that are responsible for both real-time operation and for complying with NERC standards. - The VSL DT modified PER-0 R3.1 to include the word, "applicable" in support of you comment. - The VSLs established a level of non-compliance thereby allowing the audit to assess a less VSL level if the training program had some of the requirement elements In PER-003-0 R3.2, the VSL for Moderate is looking for a combination of two factors – no plan for continuing training in combination with not addressing the knowledge and competencies required for reliable operations – or the combination of not having a plan for initial training in combination with not addressing the knowledge and competencies required for reliable operations. The VSL for Lower is assigned if the responsible entity's program is missing just one of the three listed components. - The VSLs established a level of non-compliance thereby allowing the audit to assess a less VSL if the training program had some of the 			

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
			<p>requirement elements.</p> <ul style="list-style-type: none"> - As stated in the VSL Development Guidelines Criteria document, VSLs are used to classify the level of non-compliance with a requirement after the violation has been determined. If an entity is not subject to a specify NERC Standard it would not be found in violation therefore VSL would not apply. - PER-002-0 R3.3 the word "dedicated" has been removed for this VSL. - PER-002-0 R4 -VSLTD understands WEPM concerning and has reworded the VSLs to clarify the potential misinterpretation of the VSL descriptions. - It is beyond the scope of the VSL DT to modify or change standard requirements. - PER-004-1 R2 -VSLTD understands WEPM concerning and has reworded the VSLs to clarify the potential misinterpretation of the VSL descriptions.
AEP Service Corp.	6	Negative	<p>VSLs for Interchange, Personnel and Nuclear PER-002, R3.1 - Past interpretation for the intent of this requirement has been that of having a "set of program objectives" for the overall training plan and programs that reference and support the initial and continuing training and curriculum, which training and curriculum in-turn supports reliability, and references the knowledge and competencies required for performing tasks that support the NERC, RRO, entity, and regulatory procedures/requirements. AEP disagrees with the proposed VSLs for R3.1 because they broaden the scope of interpretation and definition for the "set of program objectives", from that of past RRO compliance audits and interpretation. Listing individual objectives that reference the knowledge and competencies for every requirement of every NERC standard is huge within itself, let alone including objectives for all the RRO, entity and regulatory requirements and procedures. AEP questions the ability to even audit such a requirement based on VSLs that specify a 25%, 50%, 75%, and 100% scale of compliance.</p>
<p>Response: The VSL DT thanks you for your comment. Regarding, R3.1 the VSL DT has adjusted the VSL text to specifically refer to applicable BA & TOP standards.</p>			

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
Bonneville Power Administration	6	Negative	<p>We are concerned about the inconsistencies between this set of VSLs, and believe there needs to be further review. Here is just one example: INT 004-1 R2.2 requires a dynamic tag to be updated when the past hour's actual is off from the tagged value by more than 25 MWs. The VSL is of the 0-25% = LOW variety. If every hour of the year required an update a PSE could have over 2,000 violations and still be in a LOW VSL. They wouldn't be into a SEVERE VSL until over 6,000 violations had occurred. If only 1/4th of the hours in the year required the tag to be updated, those numbers would change to over 500 occurrences to still be LOW and over 1,600 before getting into the SEVERE level. By contrast INT 001R 1.1 requires All Dynamic Schedules at the expected average MW profile for each hour. This has the 1, 2, 3, 4 VSL type so failure to submit a tag for only 4 hours would result in a SEVERE violation level. 4 hours in one case; over 6,000 in the other????? What is even stranger is the fact that the more punitive VSL applies to the prescheduled timeframe when there is less reliable information on what the actual will be. The VSL which allows for potentially thousands of violations is related to the tag updates for the next scheduled operating hour (very close to real time) for which more accurate information is most likely available and which is far more relevant for Reliability purposes.</p>
<p>Response: The VSL DT thanks you for your comment. In your two examples, there are subtle differences in wording of the requirement that lend themselves to different VSLs. INT-004, R2 requires that "The Purchasing-Selling Entity responsible for tagging a Dynamic Interchange Schedule shall ensure" while INT-001, R1 requires that "The Load-Serving, Purchasing-Selling Entity shall ensure that Arranged Interchange is submitted to the Interchange Authority for:" and INT-001, R1.1 states: "All Dynamic Schedules at the expected average MW profile for each hour."</p> <p>The VSL DT recognizes that, as demonstrated by comments received, additional improvements are needed. Any additional VSL improvements are best made in concurrence with revising the language of the requirements. Therefore we would expect that additional improvements to the VSLs will occur as on-going and future standard drafting teams make revisions to the standards, including requirements, measures and compliance elements. All NERC Standards are slated for review in the course of the Standards Development Work Plan established by NERC. We encourage all stakeholders to participate in the standard development process.</p>			
Consolidated Edison Co. of New York	6	Negative	<p>Con Edison would like to thank the drafting team for their effort in reviewing the standard requirements and developing VSL's. Our thoughts on this process is as follows: When a Requirement has Sub-requirements, only one or the other can have VSL's. This eliminates any potential "double jeopardy" issues. The following Requirements have Sub-Requirements with VSL's assigned. Therefore, the following list of Requirements should be assigned "NA" VSL's. They are: INT-001-R1, R2, INT-003-R1, INT-004-R2, INT-005-R1, INT-006-R1, INT-007-R1, INT-008-R1, PER-002-R2, R3, PER-003-R1. The drafting team may also consider assigning VSL's to the Requirement, and eliminate the Sub-Requirement VSL.</p>

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p>			
Entergy Services, Inc.	6	Negative	Comments regarding these VSLs are as submitted previously during the comment period.
<p>Response: The VSL DT thanks you for your previous comments. The VSL DT considered feedback from stakeholders and adjusted VSLs based on industry consensus.</p>			
Manitoba Hydro	6	Negative	<p>The VSL Development Guidelines Criteria does not explain how penalties are assigned when a requirement and its sub requirements have a full range of VSLs. Is it possible to be penalized twice for the same violation? The application of penalties in these situations must be clarified. Refer to INT-001-2 (R1 - R1.1), INT-00102 (R2-R2.2), INT-003-1 (R1 - R1.2), INT-004-1 (R2 - R2.3), INT-006-1 (R1 - R1.1.3), INT-007-1 (R1 - R1.3.4), INT-008-1 (R1 - R1.1.2), PER-002-0 (R2 - R2.2), PER-002-0 (R3 - R3.4), and PER-003-0 (R1 - R1.2) as examples.</p> <p>Manitoba Hydro objects to the use of ambiguous language (minor, mostly compliant, substantially deficient) in VSLs for INT-007-1 (R1.4) For NUC-001-1 where are the VSLs for sub-requirements? There is an inconsistent application of the VSL Criteria document in comparison to the VSLs for other standards.</p>
<p>Response: The VSL DT thanks you for your comments. The double jeopardy issue is outside the scope of the VSL DT. This is a compliance issue and we refer you to section 3.10 of the NERC Sanctions Guidelines for information on this issue. However, many of the stakeholders have asked the VSL DT for more information regarding the application of the VSLs in real-time and the potential for being exposed to double jeopardy, or multiple sanctions for a single violation. Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). These “parent-child” requirements are at the heart of the double jeopardy concerns. It is expected that through on-going standards development projects and future projects, the application of VRFs and VSLs will be limited to the requirement and will not be assigned to subrequirements. This will require stakeholder participation.</p> <p>- The VSL DT appreciates the commenters concerns around using generic language in the VSL. Many of the commenters had concerns with terms such as “minor” or “significant” and the subjectivity that these terms create in application of the VSL. Throughout the VSL development process, the VSL DT attempted both after the initial comment period and during the initial ballot comments, to limit the use of the generic language in the VSLs. However, in some instances the existing requirements do not lend themselves to specific VSL language. It is expected that through on-going standards development projects and future projects, the use of generic language will be further refined to provide specific VSL language. This will require stakeholder participation in the standard development process.</p> <p>- Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a</p>			

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Company	Segment	Ballot	Comments
violation risk factor (VRF). NUC-001-1 only assigns VRFs to the primary requirements.			
PP&L, Inc.	6	Abstain	For the NUC requirements, VSLs are missing for Requirement R4.1. 4.2, 4.3 (page 20) and for R9.1 and R9.2 and all the sub-requirements under them (page 23).
Response: Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). NUC-001-1 only assigns VRFs to the primary requirements.			
Public Service Commission of South Carolina	9	Abstain	A group of subordinate requirements is missing. I believe it to be an oversight.
Response: Per the FERC order, the VSL DT was required to assign at least one VSL on each requirement and subrequirement that currently has a violation risk factor (VRF). NUC-001-1 only assigns VRFs to the primary requirements.			
Wyoming Public Service Commission	9	Affirmative	Subsequent major changes to these VSLs may require us to change our vote.
Response: The VSL DT thanks you for your comment.			
Western Electricity Coordinating Council	10	Negative	<p>WECC recognizes and commends the drafting team for the effort in developing these VSLs and generally supports the majority of the VSLs in this group. However, because the VSLs are not balloted individually, WECC is voting NO for this group for the following reasons.</p> <ol style="list-style-type: none"> 1. For INT-001-2 R1, the range between Lower and Severe is too tight. 2. For INT-001-2 R1, WECC believes that percentages, rather than specific numbers, should be utilized for identifying VSLs. A large entity with many thousands of tags in a month missing one tag is not the same as an entity with a few tags a month missing one. 3. For PER-002-0 R3.3, the VSLs seem to add requirements to the standard. The requirement requires training time and the VSLs refer to "dedicated" training time. 4. For PER-003-0 R1, WECC believes that percentages, rather than fixed amounts, should be utilized. The use of percentages results in a more even treatment of violations. Some entities may only have a few operating personnel while other entities have many operating personnel. A few hours by a small entity is a bigger impact than a few hours by a very large organization.
Response: The VSL DT thanks you for your comment.			
<ol style="list-style-type: none"> 1 The VSL DT reviewed the VSLs for INT-001-2, R1. without a technical justification, we can not change the VSLs. 2 The VSLs follow the existing Levels of Non-compliance. 3 The VSLs were revised to remove the word "dedicated". 			

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Company	Segment	Ballot	Comments
4			The VSLs follow the existing Levels of Non-compliance.

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Duke Comments on Violation Severity Levels for Requirements in Personnel Standards

Standard Number	Requirement Number	Lower VSL	Moderate VSL	High VSL	Severe VSL
PER-001-0	R1.	N/A	N/A	The Transmission Operator and Balancing Authority has failed to demonstrate the communication to the operating personnel their responsibility OR their authority to implement realtime actions to ensure a stable and reliable operation of the Bulk Electric System	The Transmission Operator and Balancing Authority has failed to demonstrate the communication to the operating personnel their responsibility AND authority to implement real-time actions to ensure a stable and reliable operation of the Bulk Electric System.
PER-002-0	R1.	Either you have training records or you don't. Why would a company keep records for only a portion of their Operators? In addition, keeping/having records does not necessarily make an "adequately trained operating" staff. Furthermore, the term adequately is not measurable. The Transmission Operator and Balancing Authority has produced the training records for the training completed for more than 75% but less than 100% of their operating personnel.	The Transmission Operator and Balancing Authority has produced the training records for the training completed for more than 50% but less than or equal to 75% of their operating personnel	The Transmission Operator and Balancing Authority has produced the training records for the training completed for more than 25% but less than or equal to 50% of their operating personnel	The Transmission Operator and Balancing Authority has produced the training records for the training completed for more than or equal to 0% but less than or equal to 25% of their operating personnel.
PER-002-0	R2.	<u>Would recommend that no VSL's be assigned to R2 since R2 cannot be satisfied without the inclusion of all operating personnel as defined in requirements R2.1 & R2.2</u> Each Transmission Operator and Balancing Authority has produced the training program for more than 75% but less than 100% of their real time operating personnel.	Each Transmission Operator and Balancing Authority has produced the training program for more than 50% but less than or equal to 75% of their realtime operating personnel.	Each Transmission Operator and Balancing Authority has produced the training program for more than 25% but less than or equal to 50% of their real-time operating personnel.	Each Transmission Operator and Balancing Authority has produced the training program for more than or equal to 0% but less than or equal to 25% of their real-time operating personnel.
PER-002-0	R2.1.	Either you have a training program or you don't. Why would a company have a training program for only a portion of their Operators? Each Transmission Operator and Balancing Authority has produced the training program for more than 75% but less than 100% of their real-time operating personnel.	Each Transmission Operator and Balancing Authority has produced the training program for more than 50% but less than or equal to 75% of their realtime operating personnel.	Each Transmission Operator and Balancing Authority has produced the training program for more than 25% but less than or equal to 50% of their real-time operating personnel. The Transmission Operator and Balancing Authority cannot has produced the a training records program for 0% of of their operating personnel.	Each Transmission Operator and Balancing Authority has produced the training program for more than or equal to 0% but less than or equal to 25% 100% of their real-time operating personnel
PER-002-0	R2.2.	Either you have a training program or you	Each Transmission Operator and		Each Transmission Operator and Balancing

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

			<p><u>don't. Why would a company have a training program for only a portion of their Operators?</u> <u>Each Transmission Operator and Balancing Authority has produced the training program for more than 75% but less than 100% of their real-time operating personnel.</u></p>	<p><u>Balancing Authority has produced the training program for more than 50% but less than or equal to 75% of their realtime operating personnel.</u></p>	<p><u>The Transmission Operator and Balancing Authority has produced a training program for 0% of their operating personnel.</u> <u>Each Transmission Operator and Balancing Authority has produced the training program for more than 25% but less than or equal to 50% of their real time operating personnel.</u> <u>The Transmission Operator and Balancing Authority cannot produce the training records of their operating personnel.</u></p>	<p><u>Authority has produced the training program for more than or equal to 0% but less than or equal to 25% 100% of their real-time operating personnel</u></p>
PER-002-0	R3.	<p><u>Would recommend that no VSL's be assigned to R3 since R3 cannot be satisfied without the inclusion of all operating personnel as defined in requirements R3.1, R3.2, R3.3 & R3.4.</u> <u>Each Transmission Operator and Balancing Authority failed to comply with one of the provisions specified in R3.1, 3.2, 3.3, or 3.4.</u></p>	<p><u>Each Transmission Operator and Balancing Authority failed to comply with two of the provisions specified in R3.1, 3.2, 3.3, or 3.4.</u></p>	<p><u>Each Transmission Operator and Balancing Authority failed to comply with three of the provisions specified in R3.1, 3.2, 3.3, or 3.4.</u></p>	<p><u>Each Transmission Operator and Balancing Authority failed to comply with all 4 of the provisions specified in R3.1, 3.2, 3.3, or 3.4.</u></p>	

Consideration of Comments on Initial Ballot of VSLs for Interchange, Personnel and Nuclear Standards

Standard Number	Requirement Number	Lower VSL	Moderate VSL	High VSL	Severe VSL
PER-002-0	R3.1.	The responsible entity's training program objectives were incomplete (e.g. The responsible entity failed to define training program objectives for less than 25% of the NERC and Regional Reliability Organizations standards, entity operating procedures, and applicable regulatory requirements.)	The responsible entity's training program objectives were incomplete (e.g. The responsible entity failed to define training program objectives for 25% or more but less than 50% of the NERC and Regional Reliability Organizations standards, entity operating procedures, and applicable regulatory requirements.)	The responsible entity's training program objectives were incomplete (e.g. The responsible entity failed to define training program objectives for 50% or more but less than 75% of the NERC and Regional Reliability Organizations standards, entity operating procedures, and applicable regulatory requirements.)	The responsible entity's training program objectives were incomplete (e.g. The responsible entity failed to define training program objectives for 75% or more of the NERC and Regional Reliability Organizations standards, entity operating procedures, and applicable regulatory requirements.)
PER-002-0	R3.2.	The responsible entity does not have a plan for continuing training of operating personnel. OR The responsible entity does not have a plan for initial training of operating personnel. OR The responsible entity's plan does not address the knowledge and competencies required for reliable system operations.	The responsible entity does not have a plan for continuing training of operating personnel. OR The responsible entity does not have a plan for initial training of operating personnel. AND The responsible entity's plan does not address the knowledge and competencies required for reliable system operations.	The responsible entity does not have a plan for continuing training of operating personnel. AND The responsible entity does not have a plan for initial training of operating personnel. OR The responsible entity's plan does not address the knowledge and competencies required for reliable system operations.	The responsible entity does not have a plan for continuing training of operating personnel. AND The responsible entity does not have a plan for initial training of operating personnel. AND The responsible entity's plan does not address the knowledge and competencies required for reliable system operations.
PER-002-0	R3.3.	The responsible entity has produced the training program with more than 75% but less than 100% of operating personnel provided with dedicated training time.	The responsible entity has produced the training program with more than 50% but less than or equal to 75% of operating personnel provided with dedicated training time	The responsible entity has produced the training program with more than 25% but less than or equal to 50% of operating personnel provided with dedicated training time.	The responsible entity has produced the training program with more than or equal to 0% but less than or equal to 25% of operating personnel provided with dedicated training time.
PER-002-0	R3.4.	N/A	The responsible entity has produced the training program with and the entire training staff identified that lacks knowledge of system operations. OR The responsible entity has produced the training program with and the entire training staff identified that lacks instructional capabilities.	The responsible entity has produced the training program with and the entire training staff identified that lacks knowledge of system operations. AND The responsible entity has produced the training program with and the entire training staff identified that lacks instructional capabilities.	The responsible entity has produced the training program with no training staff identified.
PER-002-0	R4.	For personnel identified in Requirement R2, the responsible entity provided at least four days per year of training and drills using realistic simulations of system emergencies, in addition to other training required to maintain qualified operating personnel.	For personnel identified in Requirement R2, the responsible entity provided at least three days per year of training and drills using realistic simulations of system emergencies, in addition to other training required to maintain qualified operating personnel	For personnel identified in Requirement R2, the responsible entity provided at least two days per year of training and drills using realistic simulations of system emergencies, in addition to other training required to maintain qualified operating personnel.	For personnel identified in Requirement R2, the responsible entity provided at least one day per year of training and drills using realistic simulations of system emergencies, in addition to other training required to maintain qualified operating personnel.

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Standard Number	Requirement Number	Lower VSL	Moderate VSL	High VSL	Severe VSL
PER-003-0	R1.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 0 hours and less 12 hours for any operating position for a calendar month.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 12 hours and less 36 hours for any operating position for a calendar month.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 36 hours and less 72 hours for any operating position for a calendar month.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 72 hours for any operating position for a calendar month.
PER-003-0	R1.1.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 0 hours and less 12 hours for any operating position for a calendar month.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 12 hours and less 36 hours for any operating position for a calendar month.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 36 hours and less 72 hours for any operating position for a calendar month.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 72 hours for any operating position for a calendar month.
PER-003-0	R1.2.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 0 hours and less 12 hours for any operating position for a calendar month.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 12 hours and less 36 hours for any operating position for a calendar month.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 36 hours and less 72 hours for any operating position for a calendar month.	The responsible entity failed to staff an operating position with NERC certified personnel for greater than 72 hours for any operating position for a calendar month.
PER-004-1	R1.	N/A	N/A	N/A	The responsible entity has failed to be staffed with adequately trained and NERC-certified Reliability Coordinator operators, 24 hours per day, seven days per week
PER-004-1	R2.	The Reliability Coordinator's operating personnel shall have completed at least 4 days of emergency training.	The Reliability Coordinator's operating personnel shall have completed at least 3 days of emergency training.	The Reliability Coordinator's operating personnel shall have completed at least 2 days of emergency training.	The Reliability Coordinator's operating personnel completed one day or less of emergency training.
PER-004-1	R3.	Reliability Coordinator personnel have a comprehensive understanding of the interactions with at least 75% and less than 100% of neighboring Reliability Coordinator areas.	Reliability Coordinator personnel have a comprehensive understanding of the interactions with 50% or more and less than 75% of neighboring Reliability Coordinator areas.	Reliability Coordinator personnel have a comprehensive understanding of the interactions with 25% or more and less than 50% of neighboring Reliability Coordinator areas.	Reliability Coordinator personnel have a comprehensive understanding of the interactions less than 25% of neighboring Reliability Coordinator areas.
PER-004-1	R4.	Reliability Coordinator operating personnel have an extensive understanding of the operations of more than 75% and less than 100% of all Balancing Authorities, Transmission Operators and Generator Operators in the Reliability Coordinator Area.	Reliability Coordinator operating personnel have an extensive understanding of the operations of more than 50% and less than 75% of all Balancing Authorities, Transmission Operators and Generator Operators in the Reliability Coordinator Area.	Reliability Coordinator operating personnel have an extensive understanding of the operations of more than 25% and less than 50% of all Balancing Authorities, Transmission Operators and Generator Operators in the Reliability Coordinator Area.	Reliability Coordinator operating personnel have an extensive understanding of the operations of less than 25% of all Balancing Authorities, Transmission Operators and Generator Operators in the Reliability Coordinator Area.

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Standard Number	Requirement Number	Lower VSL	Moderate VSL	High VSL	Severe VSL
PER-004-1	R5.	Reliability Coordinator has failed to provide its operating personnel with less than 25% of the SOL and IROL limits and for inter-tie facility limits OR the protocols to ensure best available data at all times is not in place.	Reliability Coordinator has failed to provide its operating personnel with 25% or more and less than 50% of the SOL and IROL limits and for inter-tie facility limits.	Reliability Coordinator has failed to provide its operating personnel with 50% or more and less than 75% of the SOL and IROL limits and for inter-tie facility limits.	Reliability Coordinator has failed to provide its operating personnel with 75% or more of the SOL and IROL limits and for inter-tie facility limits.

Response: The VSLDT appreciates your comments.

For PER-002 R1, the VSLDT believes that their could be records that exist for only some of the personnel.

For PER-002 R2 and R3, the VSLDT was required to assign at least one VSL to all requirements in the 83 regulatory approved standards per FERC order.

For PER-002 R2.1 and R2.2, the VSLDT agrees and has modified the VSLs.

For PER-002 R3.4, the VSLDT believes that adding entire is not appropriate