

Consideration of Comments on Initial Ballot of Version 1 Risk Factors – Modeling

Summary Consideration: While several commenters made suggestions to change one or more of the ratings, there was no consensus to change any one of the ratings, therefore, no changes were made to the violation risk factors for this set of requirements.

Organization:	Dairyland Power Coop.
Member:	Robert W. Roddy
Comment:	Please confirm that this is an initial work effort and that there will be an opportunity to make modifications to the Violation Risk Factors in the 3 year work plan. If you could confirm that, we would consider voting "yes" on the re-circulation ballots.
Response: The violation risk factors will be reviewed in the future as part of the Reliability Standards Development Plan 2007-2009.	
Organization:	Entergy Corporation
Member:	George R. Bartlett
Comment:	Entergy Transmission believes that several of the VFRs have been rated too high. HIGH should be given to Requirements that directly impact the real-time operations of the bulk electric system. MEDIUM should pertain to those Requirements that prepare an entity for real-time operation, and LOWER for those that are of a reporting nature. The V1 VFRs for the Requirements for which we have concerns were listed in our comments to the ballot pool on 2-9-07. Thank you.
Response: The drafting team reviewed all the comments submitted with the V1 VFRs during the public comment period. The VFRs posted for ballot represented the consensus of stakeholders, based on the ratings selected by stakeholders during the public comment period. There was no consensus to modify the VFRs identified in the comments you submitted.	
Organization:	Great River Energy
Member:	Gordon Pietsch
Comment:	GRE feels that many of the violation risk factors are not based on the risk as currently defined, but rather on the importance of the requirements. GRE would consider voting affirmatively on the re-circulation ballot if the committee confirms that review/modification of the risk factors can occur in the future.
Response: The violation risk factors will be reviewed in the future as part of the Reliability Standards Development Plan 2007-2009.	
Organization:	Midwest ISO, Inc.
Member:	Terry Bilke
Comment:	We want the ERO to be successful and have the tools necessary for a quality compliance program. We agree with the NERC Operating Committee that that the risk factors are weighted too highly. The survey mechanism and current process really are more a measure of perceived importance of the standard that the true risk to the Interconnection. Risk factors were also applied to explanatory text that was never intended to be measured. The standards need to be reformatted to separate the true core requirements from the administrative and explanatory text. Risk factors need to be assigned based on risk of causing cascading failures.
Response: This comment does not identify any violation risk factor that you feel needs to be modified. The violation risk factors will be reviewed in the future as part of the Reliability Standards Development Plan 2007-2009.	
Organization:	Constellation Energy
Member:	Carolyn Ingersoll
Comment:	In our review of these Version 1 VRF we have found instances where we feel that

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	the ratings inappropriately group certain requirements into the Medium or High risk factor subgroups, and in light of the fact that the ratings applied to each Requirement cannot be voted on individually we voted against the entire package of standards. In conclusion, we are requesting that the standards drafting team allow participants to vote on individual requirements.
Response: Most stakeholders seemed to support the format of the ballot. This comment does not identify any violation risk factor that you feel needs to be modified.	
Organization:	Constellation Generation Group
Member:	Michael F. Gildea
Comment:	In our review of these Version 1 VRF we have found instances where we feel that the ratings inappropriately group certain requirements into the Medium or High risk factor subgroups, and in light of the fact that the ratings applied to each Requirement cannot be voted on individually we voted against the entire package of standards. In conclusion, we are requesting that the standards drafting team allow participants to vote on individual requirements.
Response: Most stakeholders seemed to support the format of the ballot. This comment does not identify any violation risk factor that you feel needs to be modified.	
Organization:	Dairyland Power Coop.
Member:	Warren Schaefer
Comment:	Please confirm that this is an initial work effort and that there will be an opportunity to make modifications to the Violation Risk Factors in the 3 year work plan. If you could confirm that, we would consider voting "yes" on the re-circulation ballots.
Response: The violation risk factors will be reviewed in the future as part of the Reliability Standards Development Plan 2007-2009.	
Organization:	Constellation Energy Commodities Group
Member:	Donald Schopp
Comment:	In our review of these Version 1 VRF we have found instances where we feel that the ratings inappropriately group certain requirements into the Medium or High risk factor subgroups, and in light of the fact that the ratings applied to each Requirement cannot be voted on individually we voted against the entire package of standards. In conclusion, we are requesting that the standards drafting team allow participants to vote on individual requirements.
Response: Most stakeholders seemed to support the format of the ballot. This comment does not identify any violation risk factor that you feel needs to be modified.	