Review of IRO-002-2—Reliability Coordination—Facilities (Filing 2)

http://www.nerc.com/files/IRO-002-2.pdf

VSLs for Requirement R5:

Standard, Require-ment	Requirement Language	Lower	Moderate	High	Severe	Comments
IRO-002-2, R5	Each Reliability Coordinator shall monitor Bulk Electric System elements (generators, transmission lines, buses, transformers, breakers, etc.) that could result in SOL or IROL violations within its Reliability Coordinator Area. Each Reliability Coordinator shall monitor both real and reactive power system flows, and operating reserves, and the status of Bulk Electric System elements that are or could be critical to SOLs and IROLs and system restoration requirements within	N/A	N/A	The Reliability Coordinator monitored Bulk Electric System elements (generators, transmission lines, buses, transformers, breakers, etc.) that could result in SOL or IROL violations within its ~~Reliability Coordinator Area~~Reliability Coordinator Area, but failed to monitor one or more of the following: ~~r~~Real power system flows, reactive power system flows, operating	The Reliability Coordinator failed to monitor any ~~all the~~ Bulk Electric System elements (generators, transmission lines, buses, transformers, breakers, etc.) that could result in SOL or IROL violations within its Reliability Coordinator Area~~associated with a potential SOL/IROL or that are critical to system restoration.~~	Citing a possible Guideline 1 issue, FERC staff expressed concern that there was not a difference between the High and Severe VSLs. NERC staff agreed and proposed modifications to distinguish between the High and Severe VSLs and to better match the language in the requirement.

	its Reliability Coordinator Area.			reserves, or Bulk Electric System elements that are, or could be, critical to SOLs and IROLs and system restoration requirements within its Reliability Coordinator Area. ~~the status, real power flow, reactive power flow or operating reserves for a BES facility that is associated with a potential SOL/IROL or is critical to system restoration.~~		

Original Guideline Explanation for R5 VSLs in December 1, 2010 VSL Filing 2:

In accordance with Guideline 2, the VSLs were modified to be consistent with Guideline 2b.

- *Guideline 1:* See P. 925-926 of Guideline 1 Analysis in March 5, 2012 VSL Filing 1
- *Guideline 2:* The VSLs were modified to be consistent with FERC Guideline 2b. Additionally, NERC has reviewed the VSL text and has determined that, as originally written, the VSL could have been misinterpreted to require the Reliability Coordinator to authorize resynchronizing, while the intent of the requirement is to require the Reliability Coordinator to determine when resynchronizing should occur. The VSL was modified to correct this potential misinterpretation. As modified, the VSL text is clear, specific and objective and does

not contain general, relative or subjective language, satisfying Guideline 2b. Therefore, the text is not subject to the possibility of multiple interpretations of the VSLs and provides the clarity needed to permit the consistent and objective application of the VSLs in the determination of penalties by the Compliance Enforcement Authority.

- *Guideline 3:* NERC compared the existing VSLs to the stated requirement language to ensure the VSLs do not redefine or undermine the requirement's reliability goal. In accordance with Guideline 3, the VSL assignments are consistent with the requirement and the degree of compliance can be determined objectively and with certainty.
- *Guideline 4:* The VSL assignments comply with Guideline 4, because they are based on a single violation of a Reliability Standard and are not based on a cumulative number of violations of the same requirement over a period of time.

VSLs for Requirement R7:

Standard, Require-ment	Requirement Language	Lower	Moderate	High	Severe	Comments
IRO-002-2, R7	Each Reliability Coordinator shall continuously monitor its Reliability Coordinator Area. Each Reliability Coordinator shall have provisions for backup facilities that shall be exercised if the main monitoring system is unavailable. Each Reliability Coordinator shall ensure SOL -and IROL monitoring and derivations continue if the main	N/A	The Reliability Coordinator ~~demonstrated~~ had provisions for back-up facilities, but it failed to ensure that monitoring and derivations of ~~continuously monitor~~ SOL and~~/~~ IROL conditions continued when the main monitoring system was unavailable.	N/A	The Reliability Coordinator did not continuously monitor its Reliability Coordinator Area. OR The Reliability Coordinator ~~failed to demonstrate~~ did not have provisions for back-up facilities. ~~AND~~ ~~The Reliability Coordinator failed to ensure that monitoring and derivations of~~	Citing Guideline 3, FERC staff pointed out that the VSL does not address the part of the requirement that states: "The Reliability Coordinator did not continuously monitor its Reliability Coordinator Area." NERC staff agreed that the cited piece of the requirement was missing and added it to the Severe level. Staff also deleted the second part of the Severe VSL because

	monitoring system is unavailable.				~~continuously monitor SOL and /IROL conditions continued when the main monitoring system was unavailable.~~	you can't monitor SOLs and IROLs if you didn't have provisions for back-up facilities.

Original Guideline Explanation for R7 VSLs in December 1, 2010 VSL Filing 2:

The VSLs were modified to be consistent with Guideline 3.

- *Guideline 1:* See P. 922-924 of Guideline 1 Analysis in March 5, 2012 VSL Filing 1
- *Guideline 2:* The VSLs were modified to be consistent with FERC Guideline 2. NERC has reviewed the VSL text and has determined that, as written, the VSL text is clear, specific and objective and does not contain general, relative or subjective language satisfying Guideline 2b. Therefore, the text is not subject to the possibility of multiple interpretations of the VSLs and provides the clarity needed to permit the consistent and objective application of the VSLs in the determination of penalties by the Compliance Enforcement Authority.
- *Guideline 3:* The VSLs were modified to be consistent with FERC Guideline 3. As revised, the VSL assignments are consistent with the requirement and the degree of compliance can be determined objectively and with certainty.
- *Guideline 4:* The VSL assignments comply with Guideline 4, because they are based on a single violation of a Reliability Standard and are not based on a cumulative number of violations of the same requirement over a period of time.