

## Review of TOP-007-0—Reporting SOL and IROL Violations (Filing 2)

<http://www.nerc.com/files/TOP-007-0.pdf>

### VSLs for Requirement R3:

Standard, Requirement	Requirement Language	Lower	Moderate	High	Severe	Comments
TOP-007-0, R3	A Transmission Operator shall take all appropriate actions up to and including shedding firm load, or directing the shedding of firm load, in order to comply with Requirement R 2.	N/A	N/A	N/A	The Transmission Operator failed to take all appropriate actions up to and including shedding firm load, or directing the shedding of firm load, in order to comply with Requirement R2.	FERC was concerned that the last part of the Severe VSL did not match up with the requirement.  NERC staff agreed and believes that there was an error. The Severe VSL was modified accordingly.

### Original R3 Guideline Explanation in the [December 1, 2010 VSL Filing](#):

No changes.

- *Guideline 1:* See P. 1028-1030 of the [Guideline 1 Analysis Filing](#).
- *Guideline 2:* The VSLs comply with Guideline 2. The VSL is binary and the single VSL is assigned as Severe in accordance with Guideline 2a. Additionally, 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. Thus, the text is not subject to the possibility of

multiple interpretations of the VSL(s) and provides the clarity needed to permit the consistent and objective the VSL(s) 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 reliability goal of the requirement. 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 R4:**

Standard, Requirement	Requirement Language	Lower	Moderate	High	Severe	Comments
TOP-007-0, R4	The Reliability Coordinator shall evaluate actions taken to address an IROL or SOL violation and, if the actions taken are not appropriate or sufficient, direct actions required to return the system to within limits.			The Reliability Coordinator evaluated actions taken to address an SOL or IROL violation and found the actions taken were inappropriate or insufficient, but failed to direct actions required to return the system to within limits.	The Reliability Coordinator failed to evaluate actions taken to address an SOL or IROL violation and did not direct actions required to return the system to within limits.	Citing a Guideline 1 concern, FERC staff believes that failure to take direct action for an SOL exceedance should be assigned a higher VSL than Moderate.  NERC staff agrees that, from the standpoint of the requirement, SOLs and IROLs are equal. NERC has modified the VSLs accordingly.

**Original R4 Guideline Explanation in the [December 1, 2010 VSL Filing](#):**

In accordance with Guideline 2, the VSLs were modified for clarity and consistency with other standards and VSLs.

- *Guideline 1:* See P. 1028-1030 of the [Guideline 1 Analysis Filing](#).
- *Guideline 2:* The VSLs were modified for clarity and consistency with other standards and VSLs. The requirement has gradated VSLs; therefore, Guideline 2a is not applicable. A prior use of a binary VSL was removed to provide levels of gradation. The gradated VSLs ensure uniformity and consistency among all approved Reliability Standards in the determination of penalties. Additionally, 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. Thus, the text is not subject to the possibility of multiple interpretations of the VSL(s) and provides the clarity needed to permit the consistent and objective application of the VSL(s) in the determination of penalties by the Compliance Enforcement Authority
- *Guideline 3:* In accordance with Guideline 3, the revised VSL assignments are consistency 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.