

Review of IRO-001-1.1—Reliability Coordination—Responsibilities and Authorities (Filing 2)

http://www.nerc.com/files/IRO-001-1_1.pdf

VSLs for Requirement R3:

Standard, Requirement	Requirement Language	Lower	Moderate	High	Severe	Comments
IRO-001-1.1, R3	The Reliability Coordinator shall have clear decision-making authority to act and to direct actions to be taken by Transmission Operators, Balancing Authorities, Generator Operators, Transmission Service Providers, Load-Serving Entities, and Purchasing-Selling Entities within its Reliability Coordinator Area to preserve the integrity and reliability of the Bulk Electric System. These actions shall be taken without delay, but no longer than 30 minutes.	N/A	N/A	The Reliability Coordinator cannot demonstrate that it has does not have clear authority to act or direct actions to preserve transmission security and reliability of the Bulk Electric System. N/A	<u>The Reliability Coordinator does not have clear authority to act or direct actions to preserve transmission security and reliability of the Bulk Electric System.</u> <u>OR</u> The Reliability Coordinator failed to take or direct action to preserve the reliability and security of the Bulk Electric System within 30 minutes of identifying those actions. <u>OR</u> <u>The Reliability</u>	Citing a possible Guideline 1 issue, FERC staff stated that a binary VSL assignment might be more appropriate, given the requirement language. After reexamining the requirement language, NERC staff agreed that a binary VSL would be more appropriate.

					<u>Coordinator does not have clear authority to act or direct actions to preserve transmission security and reliability of the Bulk Electric System:</u>	
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Original Guideline Explanation for R3 VSLs in [December 1, 2010 VSL Filing 2](#):

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

- *Guideline 1:* See P. 922-924 of Guideline 1 Analysis in [March 5, 2012 VSL Filing 1](#)
- *Guideline 2:* The VSLs comply with Guideline 2. The requirement has gradated VSLs; therefore, Guideline 2a is not applicable. The gradated VSLs ensure uniformity and consistency among all approved Reliability Standards in the determination of penalties. Thus, no changes to the VSLs were required. 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. 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 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, Requirement	Requirement Language	Lower	Moderate	High	Severe	Comments
IRO-001-1.1, R7	The Reliability Coordinator shall	<u>N/AThe Reliability</u>	<u>N/A-The Reliability</u>	<u>N/AThe Reliability Coordinator has</u>	The Reliability Coordinator has	Citing Guideline 3, FERC staff expressed

	<p>have clear, comprehensive coordination agreements with adjacent Reliability Coordinators to ensure that System Operating Limit or Interconnection Reliability Operating Limit violation mitigation requiring actions in adjacent Reliability Coordinator Areas are coordinated.</p>	<p>Coordinator has demonstrated the existence of coordination agreements with adjacent Reliability Coordinators but the agreements are not clear or</p>	<p><u>Coordinator has coordination agreements with adjacent Reliability Coordinators, but the agreements are not clear or comprehensive</u></p>	<p>demonstrated the existence of coordination agreements with adjacent Reliability Coordinators but the agreements do not coordinate actions required in the adjacent Reliability Coordinator Area to mitigate SOL and IROL violations in its own Reliability Coordinator area.</p>	<p>failed to demonstrate the existence of any<u>does not have</u> coordination agreements with adjacent Reliability Coordinators.</p>	<p>concern that the VSL language was too specific about the actions of the adjacent RC area and possibly expanded on the language in the requirement.</p> <p>NERC staff agreed that the VSLs could better match the language in the actual requirement and modified the VSLs accordingly.</p>
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Original Guideline Explanation for R7 VSLs in [December 1, 2010 VSL Filing 2](#):

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

- *Guideline 1:* See P. 922-924 of Guideline 1 Analysis in [March 5, 2012 VSL Filing 1](#)
- *Guideline 2:* The VSLs comply with Guideline 2. The requirement has gradated VSLs; therefore, Guideline 2a is not applicable. The gradated VSLs ensure uniformity and consistency among all approved Reliability Standards in the determination of penalties. Thus, no changes to the VSLs were required. Additionally, NERC has reviewed the VSL text and has determined that, with the correction of typographical errors, stylistic edits or format changes, 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 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.