

# Violation Risk Factor and Violation Severity Level Justifications

## Project 2020-05 Modifications to FAC-001 and FAC-002

This document provides the standard drafting team's (SDT's) justification for assignment of violation risk factors (VRFs) and violation severity levels (VSLs) for each requirement in FAC-001 and FAC-002. Each requirement is assigned a VRF and a VSL. These elements support the determination of an initial value range for the Base Penalty Amount regarding violations of requirements in FERC-approved Reliability Standards, as defined in the Electric Reliability Organizations (ERO) Sanction Guidelines. The SDT applied the following NERC criteria and FERC Guidelines when developing the VRFs and VSLs for the requirements.

### **NERC Criteria for Violation Risk Factors**

#### **High Risk Requirement**

A requirement that, if violated, could directly cause or contribute to Bulk Electric System instability, separation, or a cascading sequence of failures, or could place the Bulk Electric System at an unacceptable risk of instability, separation, or cascading failures; or, a requirement in a planning time frame that, if violated, could, under emergency, abnormal, or restorative conditions anticipated by the preparations, directly cause or contribute to Bulk Electric System instability, separation, or a cascading sequence of failures, or could place the Bulk Electric System at an unacceptable risk of instability, separation, or cascading failures, or could hinder restoration to a normal condition.

#### **Medium Risk Requirement**

A requirement that, if violated, could directly affect the electrical state or the capability of the Bulk Electric System, or the ability to effectively monitor and control the Bulk Electric System. However, violation of a medium risk requirement is unlikely to lead to Bulk Electric System instability, separation, or cascading failures; or, a requirement in a planning time frame that, if violated, could, under emergency, abnormal, or restorative conditions anticipated by the preparations, directly and adversely affect the electrical state or capability of the Bulk Electric System, or the ability to effectively monitor, control, or restore the Bulk Electric System. However, violation of a medium risk requirement is unlikely, under emergency, abnormal, or restoration conditions anticipated by the preparations, to lead to Bulk Electric System instability, separation, or cascading failures, nor to hinder restoration to a normal condition.

### **Lower Risk Requirement**

A requirement that is administrative in nature and a requirement that, if violated, would not be expected to adversely affect the electrical state or capability of the Bulk Electric System, or the ability to effectively monitor and control the Bulk Electric System; or, a requirement that is administrative in nature and a requirement in a planning time frame that, if violated, would not, under the emergency, abnormal, or restorative conditions anticipated by the preparations, be expected to adversely affect the electrical state or capability of the Bulk Electric System, or the ability to effectively monitor, control, or restore the Bulk Electric System.

## **FERC Guidelines for Violation Risk Factors**

### **Guideline (1) – Consistency with the Conclusions of the Final Blackout Report**

FERC seeks to ensure that VRFs assigned to Requirements of Reliability Standards in these identified areas appropriately reflect their historical critical impact on the reliability of the Bulk-Power System. In the VSL Order, FERC listed critical areas (from the Final Blackout Report) where violations could severely affect the reliability of the Bulk-Power System:

- Emergency operations
- Vegetation management
- Operator personnel training
- Protection systems and their coordination
- Operating tools and backup facilities
- Reactive power and voltage control
- System modeling and data exchange
- Communication protocol and facilities
- Requirements to determine equipment ratings
- Synchronized data recorders
- Clearer criteria for operationally critical facilities
- Appropriate use of transmission loading relief.

**Guideline (2) – Consistency within a Reliability Standard**

FERC expects a rational connection between the sub-Requirement VRF assignments and the main Requirement VRF assignment.

**Guideline (3) – Consistency among Reliability Standards**

FERC expects the assignment of VRFs corresponding to Requirements that address similar reliability goals in different Reliability Standards would be treated comparably.

**Guideline (4) – Consistency with NERC’s Definition of the Violation Risk Factor Level**

Guideline (4) was developed to evaluate whether the assignment of a particular VRF level conforms to NERC’s definition of that risk level.

**Guideline (5) – Treatment of Requirements that Co-mingle More Than One Obligation**

Where a single Requirement co-mingles a higher risk reliability objective and a lesser risk reliability objective, the VRF assignment for such Requirements must not be watered down to reflect the lower risk level associated with the less important objective of the Reliability Standard.

## NERC Criteria for Violation Severity Levels

VSLs define the degree to which compliance with a requirement was not achieved. Each requirement must have at least one VSL. While it is preferable to have four VSLs for each requirement, some requirements do not have multiple “degrees” of noncompliant performance and may have only one, two, or three VSLs.

VSLs should be based on NERC’s overarching criteria shown in the table below:

Lower VSL	Moderate VSL	High VSL	Severe VSL
The performance or product measured almost meets the full intent of the requirement.	The performance or product measured meets the majority of the intent of the requirement.	The performance or product measured does not meet the majority of the intent of the requirement, but does meet some of the intent.	The performance or product measured does not substantively meet the intent of the requirement.

## FERC Order of Violation Severity Levels

The FERC VSL guidelines are presented below, followed by an analysis of whether the VSLs proposed for each requirement in the standard meet the FERC Guidelines for assessing VSLs:

### Guideline (1) – Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance

Compare the VSLs to any prior levels of non-compliance and avoid significant changes that may encourage a lower level of compliance than was required when levels of non-compliance were used.

### Guideline (2) – Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties

A violation of a “binary” type requirement must be a “Severe” VSL.

Do not use ambiguous terms such as “minor” and “significant” to describe noncompliant performance.

### Guideline (3) – Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement

VSLs should not expand on what is required in the requirement.

**Guideline (4) – Violation Severity Level Assignment Should Be Based on a Single Violation, Not on a Cumulative Number of Violations**

Unless otherwise stated in the requirement, each instance of non-compliance with a requirement is a separate violation. Section 4 of the Sanction Guidelines states that assessing penalties on a per violation per day basis is the “default” for penalty calculations.

**VRF Justification for FAC-001, Requirement R1**

The VRF did not change from the previously FERC approved FAC-001-3 Reliability Standard.

**VSL Justification for FAC-001, Requirement R1**

The VSL did not change from the previously FERC approved FAC-001-3 Reliability Standard.

**VRF Justification for FAC-001, Requirement R2**

The VRF did not change from the previously FERC approved FAC-001-3 Reliability Standard.

**VSL Justification for FAC-001, Requirement R2**

The VSL did not change from the previously FERC approved FAC-001-3 Reliability Standard.

**VRF Justification for FAC-001, Requirement R3**

The VRF did not change from the previously FERC approved FAC-001-3 Reliability Standard.

**VSL Justification for FAC-001, Requirement R3**

The VSL did not substantially change from the previously FERC approved FAC-001-3 Reliability Standard. The VSL has been revised to reflect clarification in the severe VSL language. The High and Moderate VSL did not change.

**VRF Justification for FAC-001, Requirement R4**

The VRF did not change from the previously FERC approved FAC-001-3 Reliability Standard.

**VSL Justification for FAC-001, Requirement R4**

The VSL did not substantially change from the previously FERC approved FAC-001-3 Reliability Standard. The VSL has been revised to reflect clarification in the severe VSL language. The High and Moderate VSL did not change.

**VSLs for FAC-001, Requirement R3**

Lower	Moderate	High	Severe
N/A	The Transmission Owner failed to address one part of Requirement R3 Part 3.1 through Part 3.3.	The Transmission Owner failed to address two parts of Requirement R3 Part 3.1 through Part 3.3.	The Transmission Owner failed to address <u>three parts of</u> Requirement R3 Part 3.1 through Part 3.3.

**VSL Justifications for FAC-001 Requirement R3**

<p><b>FERC VSL G1</b>          Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p>The proposed VSL does not have the unintended consequence of lowering the level of compliance, only reflect the update to the requirement language.</p>
<p><b>FERC VSL G2</b>          Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties   <u>Guideline 2a</u>: The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent   <u>Guideline 2b</u>: Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p>The requirement is for the Responsible Entity to address items in its Facility interconnection requirements as specified in Requirement R3.           Guideline 2a is not applicable as these VSLs are not binary. The VSLs do not contain ambiguous language.           The moderate VSL addresses where the Responsible Entity failed to include one of the applicable parts of the plan as specified in Requirement R3.           The high VSL addresses where the Responsible Entity failed to include two of the applicable parts of the plan as specified in Requirement R3.           The severe VSL addresses where the Responsible Entity but failed to include three of the applicable parts of the plan as specified in Requirement R3.</p>
<p><b>FERC VSL G3</b>          Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The proposed VSL uses the same terminology as used in the associated requirement and is, therefore, consistent with the requirement.</p>

<p><b>FERC VSL G4</b></p> <p>Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations</p>	<p>Each VSL is based on a single violation and not cumulative violations.</p>
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VSLs for FAC-001, Requirement R4			
Lower	Moderate	High	Severe
N/A	The Generator Owner failed to address one part of Requirement R4 Part 4.1 through Part 4.3.	The Generator Owner failed to address two parts of Requirement R4 Part 4.1 through Part 4.3.	The Generator Owner failed to address <u>three parts of</u> Requirement R4 Part 4.1 through Part 4.3.



**VSL Justifications for FAC-001 Requirements R4**

<p><b>FERC VSL G1</b>          Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p>The proposed VSL does not have the unintended consequence of lowering the level of compliance, only reflect the update to the requirement language.</p>
<p><b>FERC VSL G2</b>          Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties   <u>Guideline 2a:</u> The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent   <u>Guideline 2b:</u> Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p>The requirement is for the Generator Owner to address items in its Facility interconnection requirements as specified in Requirement R4.           Guideline 2a is not applicable as these VSLs are not binary. The VSLs do not contain ambiguous language.           The moderate VSL addresses where the Generator Owner failed to include one of the applicable parts of the plan as specified in Requirement R4.           The high VSL addresses where the Generator Owner failed to include two of the applicable parts of the plan as specified in Requirement R4.           The severe VSL addresses where the Generator Owner to include three of the applicable parts of the plan as specified in Requirement R4.</p>
<p><b>FERC VSL G3</b>          Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The proposed VSL uses the same terminology as used in the associated requirement and is, therefore, consistent with the requirement.</p>

<p><b>FERC VSL G4</b></p> <p>Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations</p>	<p>Each VSL is based on a single violation and not cumulative violations.</p>
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**VRF Justification for FAC-002, Requirement R1**

The VRF did not change from the previously FERC approved FAC-002-3 Reliability Standard.

**VSL Justification for FAC-002, Requirement R1**

The VSL has been revised to reflect modify standards VSL language.

**VRF Justification for FAC-002, Requirement R2**

The VRF did not change from the previously FERC approved FAC-002-3 Reliability Standard.

**VSL Justification for FAC-002, Requirement R2**

The VSL has been revised to reflect modify standards VSL language.

**VRF Justification for FAC-002, Requirement R3**

The VRF did not change from the previously FERC approved FAC-002-3 Reliability Standard.

**VSL Justification for FAC-002, Requirement R3**

The VSL has been revised to reflect clarification in the Severe, High, Moderate, and Lower VSL language.

**VRF Justification for FAC-002, Requirement R4**

The VRF did not change from the previously FERC approved FAC-002-3 Reliability Standard.

**VSL Justification for FAC-002, Requirement R4**

The VSL has been revised to reflect clarification in the Severe, High, Moderate, and Lower VSL language.

**VRF Justification for FAC-002, Requirement R5**

The VRF did not change from the previously FERC approved FAC-002-3 Reliability Standard.

**VSL Justification for FAC-002, Requirement R5**

The VSL did not change from the previously FERC approved FAC-002-3 Reliability Standard.

**VRF Justification for FAC-002, Requirement R6**

Requirement R6 is a proposed new requirement, the proposed VRF is consistent with other requirements in the standard.

**VSL Justification for FAC-002, Requirement R6**

Requirement R6 is a purposed new requirement, with only a severe VSL.

VSLs for FAC-002, Requirement R1			
Lower	Moderate	High	Severe
The Transmission Planner or Planning Coordinator studied the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) <del>materially modifying</del> existing interconnections of generation, transmission, or electricity end-user Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u> , but failed to	The Transmission Planner or Planning Coordinator studied the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) <del>materially modifying</del> existing interconnections of generation, transmission, or electricity end-user Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u> , but failed to study two of the Parts (R1, 1.1-1.4).	The Transmission Planner or Planning Coordinator studied the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) <del>materially modifying</del> existing interconnections of generation, transmission, or electricity end-user Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u> , but failed to study three of the Parts (R1, 1.1-1.4).	The Transmission Planner or Planning Coordinator failed to study the reliability impact of: interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) <del>materially modifying</del> existing interconnections of, generation, transmission, or electricity end-user Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u> .

study one of the Parts (R1, 1.1-1.4).			
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**VSL Justifications for FAC-002 Requirement R1**

<p><b>FERC VSL G1</b>          Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p>The proposed VSL does not have the unintended consequence of lowering the level of compliance, it was revised to reflect the updates to the requirement language.</p>
<p><b>FERC VSL G2</b>          Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties   <u>Guideline 2a:</u> The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent   <u>Guideline 2b:</u> Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p>The VSL only reflect the update to the requirement language.           Guideline 2a is not applicable as these VSLs are not binary. The VSLs do not contain ambiguous language.</p>
<p><b>FERC VSL G3</b>          Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The proposed VSL uses the same terminology as used in the associated requirement and is, therefore, consistent with the requirement.</p>

<p><b>FERC VSL G4</b></p> <p>Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations</p>	<p>Each VSL is based on a single violation and not cumulative violations.</p>
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VSLs for FAC-002, Requirement R2			
Lower	Moderate	High	Severe
<p>The Generator Owner seeking to interconnect new generation Facilities, <del>materially modifying</del> or existing interconnections of generation Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u>, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).</p>	<p>The Generator Owner seeking to interconnect new generation Facilities, <del>materially modifying</del> or existing interconnections of generation Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u>, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).</p>	<p>The Generator Owner seeking to interconnect new generation Facilities, <del>materially modifying</del> or existing interconnections of generation Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u>, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).</p>	<p>The Generator Owner seeking to interconnect new generation Facilities, <del>materially modifying</del> or existing interconnections of generation Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u>, failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator.</p>

**VSL Justifications for FAC-002 Requirement R2**

<p><b>FERC VSL G1</b>          Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p>The proposed VSL does not have the unintended consequence of lowering the level of compliance, it was revised to reflect the updates to the requirement language.</p>
<p><b>FERC VSL G2</b>          Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties   <u>Guideline 2a:</u> The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent   <u>Guideline 2b:</u> Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p>The VSL only reflect the update to the requirement language.           Guideline 2a is not applicable as these VSLs are not binary. The VSLs do not contain ambiguous language.</p>
<p><b>FERC VSL G3</b>          Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The proposed VSL uses the same terminology as used in the associated requirement and is, therefore, consistent with the requirement.</p>

**VSLs for FAC-002, Requirement R3**

Lower	Moderate	High	Severe
<p>The Transmission Owner or Distribution Provider seeking to interconnect new transmission Facilities or electricity end-user Facilities, or <del>materially modifying</del> existing interconnections of transmission Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u>, or electricity end-user Facilities, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).</p>	<p>The Transmission Owner, or Distribution Provider seeking to interconnect new transmission Facilities or electricity end-user Facilities, or <del>materially modifying</del> existing interconnections of transmission Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u>, or electricity end-user Facilities, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).</p>	<p>The Transmission Owner or Distribution Provider seeking to interconnect new transmission Facilities or electricity end-user Facilities, or <del>materially modifying</del> existing interconnections of transmission Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u>, or electricity end-user Facilities, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).</p>	<p>The Transmission Owner, or Distribution Provider seeking to interconnect new transmission Facilities or electricity end-user Facilities, or <del>materially modifying</del> existing interconnections of transmission Facilities <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u>, or electricity end-user Facilities, failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator.</p>



**VSL Justifications for FAC-002 Requirement R3**

<p><b>FERC VSL G1</b>          Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p>The proposed VSL does not have the unintended consequence of lowering the level of compliance, it was revised to reflect the updates to the requirement language.</p>
<p><b>FERC VSL G2</b>          Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties   <u>Guideline 2a:</u> The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent   <u>Guideline 2b:</u> Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p>The VSL only reflect the update to the requirement language.           Guideline 2a is not applicable as these VSLs are not binary. The VSLs do not contain ambiguous language.</p>
<p><b>FERC VSL G3</b>          Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The proposed VSL uses the same terminology as used in the associated requirement and is, therefore, consistent with the requirement.</p>

<p><b>FERC VSL G4</b></p> <p>Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations</p>	<p>Each VSL is based on a single violation and not cumulative violations.</p>
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VSLs for FAC-002, Requirement R4			
Lower	Moderate	High	Severe
<p>The Transmission Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested new or <del>materially modifying existing</del> interconnections <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u> to its Facilities, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).</p>	<p>The Transmission Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested new or <del>materially modifying existing</del> interconnections <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u> to its Facilities, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).</p>	<p>The Transmission Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested new or <del>materially modifying existing</del> interconnections <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u> to its Facilities, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).</p>	<p>The Transmission Owner failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator regarding requested new or <del>materially modifying existing</del> interconnections <u>seeking to make a qualified change as defined by the Planning Coordinator under Requirement R6</u> to its Facilities.</p>

**VSL Justifications for FAC-002 Requirement R4**

<p><b>FERC VSL G1</b>          Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p>The proposed VSL does not have the unintended consequence of lowering the level of compliance, it was revised to reflect the updates to the requirement language.</p>
<p><b>FERC VSL G2</b>          Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties   <u>Guideline 2a:</u> The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent   <u>Guideline 2b:</u> Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p>The VSL only reflect the update to the requirement language.           Guideline 2a is not applicable as these VSLs are not binary. The VSLs do not contain ambiguous language.</p>
<p><b>FERC VSL G3</b>          Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The proposed VSL uses the same terminology as used in the associated requirement and is, therefore, consistent with the requirement.</p>

<p><b>FERC VSL G4</b>          Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations</p>	<p>Each VSL is based on a single violation and not cumulative violations.</p>
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VSLs for FAC-002, Requirement R6			
Lower	Moderate	High	Severe
<p><u>N/A</u></p>	<p><u>N/A</u></p>	<p><u>N/A</u></p>	<p><u>The Planning Coordinator did not maintain a publicly available definition of qualified change for the purposes of facility interconnection.</u></p>

**VSL Justifications for FAC-002 Requirement R6**

<p><b>FERC VSL G1</b>          Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p>The severe level VSL is the only new proposed VSL for this new requirement; therefore, the proposed VSL does not have the unintended consequence of lowering the current level of compliance.</p>
<p><b>FERC VSL G2</b>          Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties   <u>Guideline 2a:</u> The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent   <u>Guideline 2b:</u> Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p>“Severe” is the only level of noncompliance for this “binary” requirement, consistent with this Guideline. The VSL does not contain ambiguous language.</p>
<p><b>FERC VSL G3</b>          Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The proposed VSL uses the same terminology as used in the associated requirement and is, therefore, consistent with the requirement.</p>

<p><b>FERC VSL G4</b></p> <p>Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations</p>	<p>The serve VSL is based on a single violation and not cumulative violations.</p>
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