

Violation Risk Factor and Violation Severity Level Justifications

Project 2023-06 CIP-014 Risk Assessment Refinement (CIP-014-4)

This document provides the drafting team's (DT's) justification for assignment of violation risk factors (VRFs) and violation severity levels (VSLs) for each requirement in CIP-014-4 Physical Security. 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 Justifications for CIP-014-4, Requirement R1	
Proposed VRF	High
NERC VRF Discussion	<p>A VRF of higher is appropriate because the requirement, 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.</p> <p>The VRF is revised and unchanged from the last FERC approved version.</p>
FERC VRF G1 Discussion Guideline 1- Consistency with Blackout Report	This VRF is consistent with the identified areas from the FERC list of critical areas in the Final Blackout Report.
FERC VRF G2 Discussion Guideline 2- Consistency within a Reliability Standard	The VRF for Requirement R1 is consistent with those connections between the sub-Requirement VRF assignments and the main Requirement VRF assignment.
FERC VRF G3 Discussion Guideline 3- Consistency among Reliability Standards	This VRF is consistent with other VRFs that address similar reliability goals in different Reliability Standards.
FERC VRF G4 Discussion Guideline 4- Consistency with NERC Definitions of VRFs	This VRF is consistent with the definition of a High VRF requirement per the criteria filed with FERC as part of the ERO’s Sanctions Guidelines.
FERC VRF G5 Discussion Guideline 5- Treatment of Requirements that Co-mingle More	This requirement does not mingle a higher risk reliability objective and a lesser risk reliability objective. Therefore, the VRF reflects the risk of the whole requirement.

VRF Justifications for CIP-014-4, Requirement R1

Proposed VRF	High
than One Obligation	

VSLs for CIP-014-4, Requirement R1

Lower	Moderate	High	Severe
<p>The Transmission Owner identified each applicable Transmission station(s) or Transmission substation(s) per Attachment 1, but did so after 36 calendar months, but less than or equal to 38 calendar months.</p> <p>OR</p> <p>The Transmission Owner identified each applicable Transmission station(s) or Transmission substation(s), but failed to identify less than or equal to 10% of the applicable Transmission station(s) or Transmission substation(s) per Attachment 1.</p>	<p>The Transmission Owner identified each applicable Transmission station(s) or Transmission substation(s) per Attachment 1, but did so after 38 calendar months, but less than or equal to 40 calendar months.</p> <p>OR</p> <p>The Transmission Owner identified each applicable Transmission station(s) or Transmission substation(s), but failed to identify more than 10% and less than or equal to 20% of the applicable Transmission station(s) or Transmission substation(s) per Attachment 1.</p>	<p>The Transmission Owner identified each applicable Transmission station(s) or Transmission substation(s) per Attachment 1, but did so after 40 calendar months, but less than or equal to 42 calendar months.</p> <p>OR</p> <p>The Transmission Owner identified each applicable Transmission station(s) or Transmission substation(s), but failed to identify more than 20% and less than or equal to 30% of the applicable Transmission station(s) or Transmission substation(s) per Attachment 1.</p>	<p>The Transmission Owner failed to identify each applicable Transmission station(s) or Transmission substation(s) per Attachment 1.</p> <p>OR</p> <p>The Transmission Owner identified each applicable Transmission station(s) or Transmission substation(s) per Attachment 1, but did so after more than 42 calendar months.</p> <p>OR</p> <p>The Transmission Owner identified each applicable Transmission station(s) or Transmission substation(s), but failed to identify more than 30% of the applicable Transmission station(s) or Transmission substation(s) per Attachment 1.</p>

VSL Justifications for CIP-014-4, Requirement R1

FERC VSL G1 Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	The proposed VSLs do not have the unintended consequence of lowering the level of compliance.
FERC VSL G2 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	The proposed VSLs are not binary and do not use any ambiguous terminology, thereby supporting uniformity and consistency in the determination of similar penalties for similar violations.
FERC VSL G3 Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	The proposed VSLs use the same terminology as used in the associated requirement and are, therefore, consistent with the requirement.
FERC VSL G4 Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations	Each VSL is based on a single violation and not cumulative violations.

VRF Justifications for CIP-014-4, Requirement R2	
Proposed VRF	Medium
NERC VRF Discussion	A VRF of Medium is appropriate because, if violated, it 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, a violation is unlikely to lead to Bulk Electric System instability, separation, or cascading failures.
FERC VRF G1 Discussion Guideline 1- Consistency with Blackout Report	This VRF is consistent with the identified areas from the FERC list of critical areas in the Final Blackout Report.
FERC VRF G2 Discussion Guideline 2- Consistency within a Reliability Standard	The VRF for Requirement R2 is consistent with those connections between the sub-Requirement VRF assignments and the main Requirement VRF assignment.
FERC VRF G3 Discussion Guideline 3- Consistency among Reliability Standards	This VRF is consistent with other VRFs that address similar reliability goals in different Reliability Standards.
FERC VRF G4 Discussion Guideline 4- Consistency with NERC Definitions of VRFs	This VRF is consistent with the definition of a Medium VRF requirement per the criteria filed with FERC as part of the ERO's Sanctions Guidelines.
FERC VRF G5 Discussion Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation	This requirement does not mingle a higher risk reliability objective and a lesser risk reliability objective. Therefore, the VRF reflects the risk of the whole requirement.

VSLs for CIP-014-4, Requirement R2			
Lower	Moderate	High	Severe
N/A	N/A	N/A	The Transmission Owner did not identify proximate Transmission station(s) and Transmission substation(s), irrespective of ownership, within 1500 feet or 457 meters (the shortest distance, measured substation fence line to substation fence line) of an applicable Transmission station or Transmission substation identified in Requirement R1.

VSL Justifications for CIP-014-4, Requirement R2	
FERC VSL G1 Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	This is a new Requirement and does not have the unintended consequence of lowering the current level of compliance.
FERC VSL G2 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	The proposed VSLs are binary and do not use any ambiguous terminology, thereby supporting uniformity and consistency in the determination of similar penalties for similar violations. The new Requirement R2 is a binary requirement and thus only assigned a Severe VSL because the Transmission Owners either have or have not identified proximate Transmission station(s) and Transmission substation(s), irrespective of ownership, within 1500 feet or 457 meters (the shortest distance, measured substation fence line to substation fence line) of an applicable Transmission station or Transmission substation identified in Requirement R1.

VSL Justifications for CIP-014-4, Requirement R2

Consistent <u>Guideline 2b</u> : Violation Severity Level Assignments that Contain Ambiguous Language	
FERC VSL G3 Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	The proposed VSLs use the same terminology as used in the associated requirement and are, therefore, consistent with the requirement.
FERC VSL G4 Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations	Each VSL is based on a single violation and not cumulative violations.

VRF Justifications for CIP-014-4, Requirement R3

Proposed VRF	High
NERC VRF Discussion	A VRF of higher is appropriate because the requirement, 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.
FERC VRF G1 Discussion Guideline 1- Consistency with Blackout Report	This VRF is consistent with the identified areas from the FERC list of critical areas in the Final Blackout Report.
FERC VRF G2 Discussion	The VRF for Requirement R3 is consistent with those connections between the sub-Requirement VRF

VRF Justifications for CIP-014-4, Requirement R3

Proposed VRF	High
Guideline 2- Consistency within a Reliability Standard	assignments and the main Requirement VRF assignment.
FERC VRF G3 Discussion Guideline 3- Consistency among Reliability Standards	This VRF is consistent with other VRFs that address similar reliability goals in different Reliability Standards.
FERC VRF G4 Discussion Guideline 4- Consistency with NERC Definitions of VRFs	This VRF is consistent with the definition of a High VRF requirement per the criteria filed with FERC as part of the ERO's Sanctions Guidelines.
FERC VRF G5 Discussion Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation	This requirement does mingle a higher risk reliability objective and risk reliability objective. Therefore, the VRF reflects the risk of the whole requirement.

VSLs for CIP-014-4, Requirement R3

Lower	Moderate	High	Severe
The Transmission Owner has a risk assessment methodology that failed to include one of the requirements listed in Parts 3.1 through 3.4.	The Transmission Owner has a risk assessment methodology that failed to include two of the requirements listed in Parts 3.1 through 3.4.	The Transmission Owner has a risk assessment methodology that failed to include three of the requirements listed in Parts 3.1 through 3.4.	The Transmission Owner has a risk assessment methodology that failed to include four of the requirements listed in Parts 3.1 through 3.4. OR The Transmission Owner does not have a risk assessment methodology.

VSL Justifications for CIP-014-4, Requirement R3

FERC VSL G1 Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	The proposed VSLs do not have the unintended consequence of lowering the level of compliance.
FERC VSL G2 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	The proposed VSLs are not binary and do not use any ambiguous terminology, thereby supporting uniformity and consistency in the determination of similar penalties for similar violations.
FERC VSL G3 Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	The proposed VSLs use the same terminology as used in the associated requirement and are, therefore, consistent with the requirement.
FERC VSL G4 Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations	Each VSL is based on a single violation and not cumulative violations.

VRF Justifications for CIP-014-4, Requirement R4	
Proposed VRF	Medium
NERC VRF Discussion	A VRF of Medium is appropriate because, if violated, it 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, a violation is unlikely to lead to Bulk Electric System instability, separation, or cascading failures.
FERC VRF G1 Discussion Guideline 1- Consistency with Blackout Report	This VRF is consistent with the identified areas from the FERC list of critical areas in the Final Blackout Report.
FERC VRF G2 Discussion Guideline 2- Consistency within a Reliability Standard	The VRF for Requirement R4 is consistent with those connections between the sub-Requirement VRF assignments and the main Requirement VRF assignment.
FERC VRF G3 Discussion Guideline 3- Consistency among Reliability Standards	This VRF is consistent with other VRFs that address similar reliability goals in different Reliability Standards.
FERC VRF G4 Discussion Guideline 4- Consistency with NERC Definitions of VRFs	This VRF is consistent with the definition of a Medium VRF requirement per the criteria filed with FERC as part of the ERO's Sanctions Guidelines.
FERC VRF G5 Discussion Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation	This requirement does not mingle a higher risk reliability objective and a lesser risk reliability objective. Therefore, the VRF reflects the risk of the whole requirement.

VSLs for CIP-014-4, Requirement R4

Lower	Moderate	High	Severe
The Transmission Owner with applicable Transmission station(s) and Transmission substation(s) identified in Requirement R1 containing Bulk Electric System (BES) Elements owned by multiple Transmission Owners failed to coordinate with each appropriate Transmission Owner(s) to determine and document their individual and joint responsibilities for documenting a risk assessment methodology under Requirement R3 and for performing any required risk assessments per Requirement R5 for less than or equal to 25% of jointly owned applicable Transmission station(s) and Transmission substation(s).	The Transmission Owner with applicable Transmission station(s) and Transmission substation(s) identified in Requirement R1 containing Bulk Electric System (BES) Elements owned by multiple Transmission Owners failed to coordinate with each appropriate Transmission Owner(s) to determine and document their individual and joint responsibilities for documenting a risk assessment methodology under Requirement R3 and for performing any required risk assessments per Requirement R5 for more than 25% and less than or equal to 50% of jointly owned applicable Transmission station(s) and Transmission substation(s).	The Transmission Owner with applicable Transmission station(s) and Transmission substation(s) identified in Requirement R1 containing Bulk Electric System (BES) Elements owned by multiple Transmission Owners failed to coordinate with each appropriate Transmission Owner(s) to determine and document their individual and joint responsibilities for documenting a risk assessment methodology under Requirement R3 and for performing any required risk assessments per Requirement R5 for more than 50% and less than or equal to 75% of jointly owned applicable Transmission station(s) and Transmission substation(s).	The Transmission Owner with applicable Transmission station(s) and Transmission substation(s) identified in Requirement R1 containing Bulk Electric System (BES) Elements owned by multiple Transmission Owners failed to coordinate with each appropriate Transmission Owner(s) to determine and document their individual and joint responsibilities for documenting a risk assessment methodology under Requirement R3 and for performing any required risk assessments per Requirement R5 for more than 75% and less than or equal to 100% any evidence of jointly owned applicable Transmission station(s) and Transmission substation(s).

VSL Justifications for CIP-014-4, Requirement R4

FERC VSL G1 Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	The proposed VSLs do not have the unintended consequence of lowering the level of compliance.
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VSL Justifications for CIP-014-4, Requirement R4

<p>FERC VSL G2</p> <p>Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties</p> <p><u>Guideline 2a</u>: The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent</p> <p><u>Guideline 2b</u>: Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p>The proposed VSLs are not binary and do not use any ambiguous terminology, thereby supporting uniformity and consistency in the determination of similar penalties for similar violations.</p>
<p>FERC VSL G3</p> <p>Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The proposed VSLs use the same terminology as used in the associated requirement and are, therefore, consistent with the requirement.</p>
<p>FERC VSL G4</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>

VRF Justifications for CIP-014-4, Requirement R5

Proposed VRF	High
NERC VRF Discussion	The VRF for this new Requirement R5 remains High because it is one of the two sub-Requirements of

VRF Justifications for CIP-014-4, Requirement R5	
Proposed VRF	High
	Requirement R1 from the previously FERC approved CIP-014-3 Reliability Standard.
FERC VRF G1 Discussion Guideline 1- Consistency with Blackout Report	This VRF is consistent with the identified areas from the FERC list of critical areas in the Final Blackout Report.
FERC VRF G2 Discussion Guideline 2- Consistency within a Reliability Standard	The VRF for Requirement R5 is consistent with those connections between the sub-Requirement VRF assignments and the main Requirement VRF assignment.
FERC VRF G3 Discussion Guideline 3- Consistency among Reliability Standards	This VRF is consistent with other VRFs that address similar reliability goals in different Reliability Standards.
FERC VRF G4 Discussion Guideline 4- Consistency with NERC Definitions of VRFs	This VRF is consistent with the definition of a High VRF requirement per the criteria filed with FERC as part of the ERO's Sanctions Guidelines.
FERC VRF G5 Discussion Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation	This requirement does mingle a higher risk reliability objective and risk reliability objective. Therefore, the VRF reflects the risk of the whole requirement.

VSLs for CIP-014-4, Requirement R5			
Lower	Moderate	High	Severe
The Transmission Owner performed a risk assessment, but	The Transmission Owner performed a risk assessment, but	The Transmission Owner performed a risk assessment, but	The Transmission Owner performed a risk assessment, but

<p>did so after 36 calendar months, but less than or equal to 38 calendar months.</p> <p>OR</p> <p>The Transmission Owner performed a risk assessment inconsistent with one of the methodology requirements listed in Requirement R3, Parts 3.1 through 3.4.</p>	<p>did so after 38 calendar months, but less than or equal to 40 calendar months.</p> <p>OR</p> <p>The Transmission Owner performed a risk assessment inconsistent with two of the methodology requirements listed in Requirement R3, Parts 3.1 through 3.4.</p>	<p>did so after 40 calendar months, but less than or equal to 42 calendar months.</p> <p>OR</p> <p>The Transmission Owner performed a risk assessment inconsistent with three of the methodology requirements listed in Requirement R3, Parts 3.1 through 3.4.</p> <p>OR</p> <p>The Transmission Owner performed a risk assessment but failed to include the primary control center identified in Part 5.2.</p>	<p>did so after more than 42 calendar months.</p> <p>OR</p> <p>The Transmission Owner performed a risk assessment inconsistent with four of the methodology requirements listed in Requirement R3, Parts 3.1 through 3.4.</p>
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VSL Justifications for CIP-014-4, Requirement R5

<p>FERC VSL G1</p> <p>Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p>The proposed VSLs do not have the unintended consequence of lowering the level of compliance.</p>
<p>FERC VSL G2</p> <p>Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties</p> <p><u>Guideline 2a</u>: The Single Violation Severity Level Assignment Category</p>	<p>The proposed VSLs are not binary and do not use any ambiguous terminology, thereby supporting uniformity and consistency in the determination of similar penalties for similar violations.</p>

VSL Justifications for CIP-014-4, Requirement R5

for "Binary" Requirements Is Not Consistent <u>Guideline 2b</u> : Violation Severity Level Assignments that Contain Ambiguous Language	
FERC VSL G3 Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	The proposed VSLs use the same terminology as used in the associated requirement and are, therefore, consistent with the requirement.
FERC VSL G4 Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations	Each VSL is based on a single violation and not cumulative violations.

VRF Justification for CIP-014-4, Requirement R6

This Requirement is the same as Requirement R2 in CIP-014-3. The VRF did not change from the previously FERC approved CIP-014-3 Reliability Standard.

VSL Justification for CIP-014-4, Requirement R6

The Requirement is the same as Requirement R2 in the previously FERC approved CIP-014-3 Reliability Standard. The VSL did not have material changes except for the reference Requirement numbers because 5 (five) new Requirements were added.

VRF Justification for CIP-014-4, Requirement R7

This Requirement is the same as Requirement R3 in CIP-014-3. The VRF did not change from the previously FERC approved CIP-014-3 Reliability Standard.

VSL Justification for CIP-014-4, Requirement R7

The Requirement is the same as Requirement R3 in the previously FERC approved CIP-014-3 Reliability Standard. The VSL did not have material changes except for the reference Requirement numbers because 5 (five) new Requirements were added.

VRF Justification for CIP-014-4, Requirement R8

This Requirement is the same as Requirement R4 in CIP-014-3. The VRF did not change from the previously FERC approved CIP-014-3 Reliability Standard.

VSL Justification for CIP-014-4, Requirement R8

The Requirement is the same as Requirement R4 in CIP-014-3. The VSL did not have material changes from the previously FERC approved CIP-014-3 Reliability Standard except changed “Responsible Entity” to “responsible entity” and the reference Requirement numbers because 5 (five) new Requirements were added.

VRF Justification for CIP-014-4, Requirement R9

This Requirement is the same as Requirement R5 in CIP-014-3. The VRF did not change from the previously FERC approved CIP-014-3 Reliability Standard.

VSL Justification for CIP-014-4, Requirement R9

The Requirement is the same as Requirement R5 in CIP-014-3. The VSL did not have material change from the previously FERC approved CIP-014-3 Reliability Standard except changed “Responsible Entity” to “responsible entity” and the reference Requirement numbers because 5 (five) new Requirements were added.

VRF Justification for CIP-014-4, Requirement R10

This Requirement is the same as Requirement R6 in CIP-014-3. The VRF did not change from the previously FERC approved CIP-014-3 Reliability Standard.

VSL Justification for CIP-014-4, Requirement R10

VSLs for CIP-014-4, Requirement R10			
Lower	Moderate	High	Severe
The responsible entity had an unaffiliated third party review the evaluation performed under Requirement R8 and the security plan(s) developed under Requirement R9, but did so in more than 90 calendar days, but less than or equal to 100 calendar days.	The responsible entity had an unaffiliated third party review the evaluation performed under Requirement R8 and the security plan(s) developed under Requirement R9, but did so in more than 100 calendar days, but less than or equal to 110 calendar days.	The responsible entity had an unaffiliated third party review the evaluation performed under Requirement R8 and the security plan(s) developed under Requirement R9, but did so more than 110 calendar days, but less than or equal to 120 calendar days.	The responsible entity failed to have an unaffiliated third party review the evaluation performed under Requirement R8 and the security plan(s) developed under Requirement R9 in more than 120 calendar days.

<p>OR</p> <p>The responsible entity had an unaffiliated third party review the evaluation performed under Requirement R8 and the security plan(s) developed under Requirement R9 and modified or documented the reason for not modifying the security plan(s) as specified in Part 10.3, but did so more than 70 calendar days and less than or equal to 80 calendar days following completion of the third party review.</p>	<p>OR</p> <p>The responsible entity had an unaffiliated third party review the evaluation performed under Requirement R8 and the security plan(s) developed under Requirement R9 and modified or documented the reason for not modifying the security plan(s) as specified in Part 10.3, but did so more than 80 calendar days following completion of the third party review.</p> <p>OR</p> <p>The responsible entity had an unaffiliated third party review the evaluation performed under Requirement R8 and the security plan(s) developed under Requirement R9, but did not document the reason for not modifying the security plan(s) as specified in Part 10.3.</p>	<p>OR</p> <p>The responsible entity failed to have an unaffiliated third party review the evaluation performed under Requirement R8 and the security plan(s) developed under Requirement R9.</p> <p>OR</p> <p>The responsible entity had an unaffiliated third party review the evaluation performed under Requirement R8 and the security plan(s) developed under Requirement R9, but failed to implement procedures for protecting information per Part 10.4.</p>	
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VSL Justifications for CIP-014-4, Requirement R10

<p>FERC VSL G1</p> <p>Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p>This is an existing Requirement. The drafting team revised the VSL language for consistency with the proposed revisions to the standard. All of the violation severity levels stayed the same from the previously FERC-approved version</p>
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<p>FERC VSL G2</p> <p>Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties</p> <p><u>Guideline 2a</u>: The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent</p> <p><u>Guideline 2b</u>: Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p>The proposed VSLs are not binary and do not use any ambiguous terminology, thereby supporting uniformity and consistency in the determination of similar penalties for similar violations.</p>
<p>FERC VSL G3</p> <p>Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The proposed VSLs use the same terminology as used in the associated requirement and are, therefore, consistent with the requirement.</p>
<p>FERC VSL G4</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>