

## Project 2010-02: Connecting New Facilities to the Grid

VRF and VSL Justifications for FAC-001-2 and FAC-002-2

VRF and VSL Justifications – FAC-001-2, R1	
Proposed VRF	Lower
NERC VRF Discussion	While necessary for reliability, the requirements in FAC-001 are administrative in nature and take place in the planning horizon. A violation of FAC-001, R1 would not 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 VRF G1 Discussion	<i>Guideline 1- Consistency w/ Blackout Report</i> This requirement does not address any of the critical areas identified in the Final Blackout Report.
FERC VRF G2 Discussion	<i>Guideline 2- Consistency within a Reliability Standard</i> Subparts of a Reliability Standard are no longer assigned different VRFs.
FERC VRF G3 Discussion	<i>Guideline 3- Consistency among Reliability Standards</i> R3 of FAC-003-2, which requires documented maintenance strategies or procedures or processes or specifications and takes place in the planning horizon, is also assigned a Lower VRF.
FERC VRF G4 Discussion	<i>Guideline 4- Consistency with NERC Definitions of VRFs</i> See “NERC VRF Discussion” above.
FERC VRF G5 Discussion	<i>Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation</i> This guideline is not applicable, as the obligations that are co-mingled in the requirement have equal reliability risk objectives.
Proposed Lower VSL	N/A
Proposed Moderate VSL	The Transmission Owner documented Facility interconnection requirements and updated them as needed, but failed to make them available upon request.  OR The Transmission Owner documented Facility interconnection requirements and made them available upon request, but failed to update them as needed.

VRF and VSL Justifications – FAC-001-2, R1	
	<p>OR</p> <p>The Transmission Owner documented Facility interconnection requirements, updated them as needed, and made them available upon request, but failed to address interconnection requirements for one of the Facilities as specified in R1.1, R1.2, or R1.3.</p>
Proposed High VSL	<p>The Transmission Owner documented Facility interconnection requirements, but failed to update them as needed and make them available upon request.</p> <p>OR</p> <p>The Transmission Owner documented Facility interconnection requirements, updated them as needed, and made them available upon request, but failed to address interconnection requirements for two of the Facilities as specified in R1.1, R1.2, or R1.3.</p>
Proposed Severe VSL	<p>The Transmission Owner did not document Facility interconnection requirements.</p>
<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 VSLs do not lower the current level of compliance; they generally keep the same format as the VSLs in the currently enforceable version of the standard.</p>
<p><b>FERC VSL G2</b> Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties Guideline 2a: The Single Violation Severity Level Assignment Category for "Binary" Requirements Should Be Consistent Guideline 2b: Violation Severity Level Assignments</p>	<p>Guideline 2a: N/A</p> <p>Guideline 2b: The VSL assignment contains clear and unambiguous language.</p>

VRF and VSL Justifications – FAC-001-2, R1

Should Not Contain Ambiguous Language	
<b>FERC VSL G3</b> Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	The language of the VSL directly mirrors the language in the corresponding requirement.
<b>FERC VSL G4</b> Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations	The VSL is assigned for a single instance of failing to comply with the requirement.

VRF and VSL Justifications – FAC-001-2, R2	
Proposed VRF	Lower
NERC VRF Discussion	While necessary for reliability, the requirements in FAC-001 are administrative in nature and take place in the planning horizon. A violation of FAC-001, R2 would not 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 VRF G1 Discussion	<i>Guideline 1- Consistency w/ Blackout Report</i> This requirement does not address any of the critical areas identified in the Final Blackout Report.
FERC VRF G2 Discussion	<i>Guideline 2- Consistency within a Reliability Standard</i> Subparts of a Reliability Standard are no longer assigned different VRFs.
FERC VRF G3 Discussion	<i>Guideline 3- Consistency among Reliability Standards</i> R3 of FAC-003-2, which requires documented maintenance strategies or procedures or processes or specifications and takes place in the planning horizon, is also assigned a Lower VRF.
FERC VRF G4 Discussion	<i>Guideline 4- Consistency with NERC Definitions of VRFs</i> See “NERC VRF Discussion” above.
FERC VRF G5 Discussion	<i>Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation</i> This guideline is not applicable, as the obligations that are co-mingled in the requirement have equal reliability risk objectives.
Proposed Lower VSL	The applicable Generator Owner failed to document Facility interconnection requirements and make them available upon request until more than 45 calendar days but less than or equal to 60 calendar days after full execution of an Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner’s existing Facility that is used to interconnect to the interconnected Transmission systems.
Proposed Moderate VSL	The applicable Generator Owner failed to document Facility interconnection requirements and make them available upon request until more than 60 calendar days but less than or equal to 70 calendar days after full execution of an Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner’s existing Facility that is used to interconnect to the interconnected Transmission systems.

VRF and VSL Justifications – FAC-001-2, R2	
Proposed High VSL	The applicable Generator Owner failed to document Facility interconnection requirements and make them available upon request until more than 70 calendar days but less than or equal to 80 calendar days after full execution of an Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner’s existing Facility that is used to interconnect to the interconnected Transmission systems.
Proposed Severe VSL	The applicable Generator Owner failed to document Facility interconnection requirements and make them available upon request until more than 80 days after full execution of an Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner’s existing Facility that is used to interconnect to the interconnected Transmission systems.
<b>FERC VSL G1</b> Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	The VSLs do not lower the current level of compliance; they generally keep the same format as the VSLs in the currently enforceable version of the standard.
<b>FERC VSL G2</b> Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties Guideline 2a: The Single Violation Severity Level Assignment Category for "Binary" Requirements Should Be Consistent Guideline 2b: Violation Severity Level Assignments Should Not Contain Ambiguous Language	Guideline 2a: N/A  Guideline 2b: The VSL assignment contains clear and unambiguous language.

**VRF and VSL Justifications – FAC-001-2, R2**

<p><b>FERC VSL G3</b> Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The language of the VSL directly mirrors the language in the corresponding 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>The VSL is assigned for a single instance of failing to comply with the requirement.</p>

VRF and VSL Justifications – FAC-001-2, R3	
Proposed VRF	Lower
NERC VRF Discussion	While necessary for reliability, the requirements in FAC-001 are administrative in nature and take place in the planning horizon. A violation of FAC-001, R3 would not 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 VRF G1 Discussion	<i>Guideline 1- Consistency w/ Blackout Report</i> This requirement does not address any of the critical areas identified in the Final Blackout Report.
FERC VRF G2 Discussion	<i>Guideline 2- Consistency within a Reliability Standard</i> Subparts of a Reliability Standard are no longer assigned different VRFs.
FERC VRF G3 Discussion	<i>Guideline 3- Consistency among Reliability Standards</i> R3 of FAC-003-2, which requires documented maintenance strategies or procedures or processes or specifications and takes place in the planning horizon, is also assigned a Lower VRF.
FERC VRF G4 Discussion	<i>Guideline 4- Consistency with NERC Definitions of VRFs</i> See “NERC VRF Discussion” above.
FERC VRF G5 Discussion	<i>Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation</i> This guideline is not applicable, as the obligations that are co-mingled in the requirement have equal reliability risk objectives.
Proposed Lower VSL	N/A
Proposed Moderate VSL	N/A
Proposed High VSL	The Transmission Owner or applicable Generator Owner addressed either R3.1 or R3.2 in its Facility interconnection requirements, but did not address both.
Proposed Severe VSL	The Transmission Owner or applicable Generator Owner addressed neither R3.1 nor R3.2 in its Facility interconnection requirements.
<b>FERC VSL G1</b> Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering	The VSLs do not lower the current level of compliance; they generally keep the same format as the VSLs in the currently enforceable version of the standard.

**VRF and VSL Justifications – FAC-001-2, R3**

<p>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          Guideline 2a: The Single Violation Severity Level Assignment Category for "Binary" Requirements Should Be Consistent          Guideline 2b: Violation Severity Level Assignments Should Not Contain Ambiguous Language</p>	<p>Guideline 2a: N/A          Guideline 2b: The VSL assignment contains clear and unambiguous language.</p>
<p><b>FERC VSL G3</b>          Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p>The language of the VSL directly mirrors the language in the corresponding 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>The VSL is assigned for a single instance of failing to comply with the requirement.</p>

VRF and VSL Justifications – FAC-002-2, R1	
<b>Proposed VRF</b>	Medium
NERC VRF Discussion	If the planning entities did not properly conduct studies on the reliability impact of integrating new or materially modified Facilities, and the other Facilities involved did not coordinate and cooperate in those studies (such as by providing requested data), an interconnection that is not technically sound could be executed. Such an interconnection could directly affect the electrical state or the capability of the Bulk Electric System but would not be likely to directly lead to instability, separation, or Cascading.
FERC VRF G1 Discussion	<i>Guideline 1- Consistency w/ Blackout Report</i> This requirement does not address any of the critical areas identified in the Final Blackout Report.
FERC VRF G2 Discussion	<i>Guideline 2- Consistency within a Reliability Standard</i> Subparts of a Reliability Standard are no longer assigned different VRFs.
FERC VRF G3 Discussion	<i>Guideline 3- Consistency among Reliability Standards</i> TPL-001-4 requires entities to conduct studies similar to the studies required in FAC-002, though the studies in TPL-001-4 are required after an interconnection has been made. The requirements related to conducting studies in TPL-001-4 are also assigned a Medium VRF.
FERC VRF G4 Discussion	<i>Guideline 4- Consistency with NERC Definitions of VRFs</i> See “NERC VRF Discussion” above.
FERC VRF G5 Discussion	<i>Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation</i> This guideline is not applicable, as the requirement does not co-mingle more than one obligation.
Proposed Lower VSL	The Transmission Planner or Planning Coordinator conducted studies on the reliability impact of integrating new or materially modified generation, transmission, or electricity end-user Facilities but failed to include in its studies one of the parts in R1.1-R1.4.
Proposed Moderate VSL	The Transmission Planner or Planning Coordinator conducted studies on the reliability impact of integrating new or materially modified generation, transmission, or electricity end-user Facilities but failed to include in its studies two of the parts in R1.1-R1.4.
Proposed High VSL	The Transmission Planner or Planning Coordinator conducted studies on the reliability impact of integrating new or materially modified

VRF and VSL Justifications – FAC-002-2, R1	
	generation, transmission, or electricity end-user Facilities but failed to include in its studies three of the parts in R1.1-R1.4.
Proposed Severe VSL	The Transmission Planner or Planning Coordinator failed to conduct studies on the reliability impact of integrating new or materially modified generation, transmission, or electricity end-user Facilities.
<b>FERC VSL G1</b> Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	The VSLs do not lower the current level of compliance; they generally keep the same format as the VSLs in the currently enforceable version of the standard.
<b>FERC VSL G2</b> Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties  Guideline 2a: The Single Violation Severity Level Assignment Category for "Binary" Requirements Should Be Consistent  Guideline 2b: Violation Severity Level Assignments Should Not Contain Ambiguous Language	Guideline 2a: N/A  Guideline 2b: The VSL assignment contains clear and unambiguous language.
<b>FERC VSL G3</b> Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	The language of the VSL directly mirrors the language in the corresponding requirement.
<b>FERC VSL G4</b> Violation Severity Level Assignment Should Be Based	The VSL is assigned for a single instance of failing to comply with the requirement.

VRF and VSL Justifications – FAC-002-2, R1

on A Single Violation, Not on A Cumulative Number of Violations	
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VRF and VSL Justifications – FAC-002-2, R2	
<b>Proposed VRF</b>	Medium
NERC VRF Discussion	If the planning entities did not properly conduct studies on the reliability impact of integrating new or materially modified Facilities, and the other Facilities involved did not coordinate and cooperate in those studies (such as by providing requested data), an interconnection that is not technically sound could be executed. Such an interconnection could directly affect the electrical state or the capability of the Bulk Electric System but would not be likely to directly lead to instability, separation, or Cascading.
FERC VRF G1 Discussion	<i>Guideline 1- Consistency w/ Blackout Report</i> This requirement does not address any of the critical areas identified in the Final Blackout Report.
FERC VRF G2 Discussion	<i>Guideline 2- Consistency within a Reliability Standard</i> Subparts of a Reliability Standard are no longer assigned different VRFs.
FERC VRF G3 Discussion	<i>Guideline 3- Consistency among Reliability Standards</i> TPL-001-4 requires entities to conduct studies similar to the studies required in FAC-002, though the studies in TPL-001-4 are required after an interconnection has been made. The requirements related to conducting studies in TPL-001-4 are also assigned a Medium VRF.
FERC VRF G4 Discussion	<i>Guideline 4- Consistency with NERC Definitions of VRFs</i> See “NERC VRF Discussion” above.
FERC VRF G5 Discussion	<i>Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation</i> This guideline is not applicable, as the requirement does not co-mingle more than one obligation.
Proposed Lower VSL	The Generator Owner seeking to interconnect generation 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 in R.1-R1.4.
Proposed Moderate VSL	The Generator Owner seeking to interconnect generation 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 in R.1-R1.4.
Proposed High VSL	The Generator Owner seeking to interconnect generation Facilities coordinated and cooperated on studies with its Transmission Planner

VRF and VSL Justifications – FAC-002-2, R2	
	or Planning Coordinator, but failed to provide data necessary to perform studies as described in three of the parts in R.1-R1.4.
Proposed Severe VSL	The Generator Owner seeking to interconnect generation Facilities failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator.
<b>FERC VSL G1</b> Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	The VSLs do not lower the current level of compliance; they generally keep the same format as the VSLs in the currently enforceable version of the standard.
<b>FERC VSL G2</b> Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties  Guideline 2a: The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Should Be Consistent  Guideline 2b: Violation Severity Level Assignments Should Not Contain Ambiguous Language	Guideline 2a: N/A  Guideline 2b: The VSL assignment contains clear and unambiguous language.
<b>FERC VSL G3</b> Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	The language of the VSL directly mirrors the language in the corresponding requirement.
<b>FERC VSL G4</b> Violation Severity Level Assignment Should Be Based	The VSL is assigned for a single instance of failing to comply with the requirement.

VRF and VSL Justifications – FAC-002-2, R2

on A Single Violation, Not on A Cumulative Number of Violations	
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VRF and VSL Justifications – FAC-002-2, R3	
<b>Proposed VRF</b>	Medium
NERC VRF Discussion	If the planning entities did not properly conduct studies on the reliability impact of integrating new or materially modified Facilities, and the other Facilities involved did not coordinate and cooperate in those studies (such as by providing requested data), an interconnection that is not technically sound could be executed. Such an interconnection could directly affect the electrical state or the capability of the Bulk Electric System but would not be likely to directly lead to instability, separation, or Cascading.
FERC VRF G1 Discussion	<i>Guideline 1- Consistency w/ Blackout Report</i> This requirement does not address any of the critical areas identified in the Final Blackout Report.
FERC VRF G2 Discussion	<i>Guideline 2- Consistency within a Reliability Standard</i> Subparts of a Reliability Standard are no longer assigned different VRFs.
FERC VRF G3 Discussion	<i>Guideline 3- Consistency among Reliability Standards</i> TPL-001-4 requires entities to conduct studies similar to the studies required in FAC-002, though the studies in TPL-001-4 are required after an interconnection has been made. The requirements related to conducting studies in TPL-001-4 are also assigned a Medium VRF.
FERC VRF G4 Discussion	<i>Guideline 4- Consistency with NERC Definitions of VRFs</i> See “NERC VRF Discussion” above.
FERC VRF G5 Discussion	<i>Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation</i> This guideline is not applicable, as the requirement does not co-mingle more than one obligation.
Proposed Lower VSL	The Transmission Owner, Distribution Provider, or Load-Serving Entity seeking to interconnect transmission Facilities 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 in R.1-R1.4.
Proposed Moderate VSL	The Transmission Owner, Distribution Provider, or Load-Serving Entity seeking to interconnect transmission Facilities or electricity end-user Facilities coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide

VRF and VSL Justifications – FAC-002-2, R3	
	data necessary to perform studies as described in two of the parts in R.1-R1.4.
Proposed High VSL	The Transmission Owner, Distribution Provider, or Load-Serving Entity seeking to interconnect transmission Facilities 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 in R.1-R1.4.
Proposed Severe VSL	The Transmission Owner, Distribution Provider, or Load-Serving Entity seeking to interconnect transmission Facilities or electricity end-user Facilities failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator.
<b>FERC VSL G1</b> Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	The VSLs do not lower the current level of compliance; they generally keep the same format as the VSLs in the currently enforceable version of the standard.
<b>FERC VSL G2</b> Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties Guideline 2a: The Single Violation Severity Level Assignment Category for "Binary" Requirements Should Be Consistent Guideline 2b: Violation Severity Level Assignments Should Not Contain Ambiguous Language	Guideline 2a: N/A  Guideline 2b: The VSL assignment contains clear and unambiguous language.
<b>FERC VSL G3</b>	The language of the VSL directly mirrors the language in the corresponding requirement.

VRF and VSL Justifications – FAC-002-2, R3	
Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	
<b>FERC VSL G4</b> Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations	The VSL is assigned for a single instance of failing to comply with the requirement.

VRF and VSL Justifications – FAC-002-2, R4	
<b>Proposed VRF</b>	Medium
NERC VRF Discussion	If the planning entities did not properly conduct studies on the reliability impact of integrating new or materially modified Facilities, and the other Facilities involved did not coordinate and cooperate in those studies (such as by providing requested data), an interconnection that is not technically sound could be executed. Such an interconnection could directly affect the electrical state or the capability of the Bulk Electric System but would not be likely to directly lead to instability, separation, or Cascading.
FERC VRF G1 Discussion	<i>Guideline 1- Consistency w/ Blackout Report</i> This requirement does not address any of the critical areas identified in the Final Blackout Report.
FERC VRF G2 Discussion	<i>Guideline 2- Consistency within a Reliability Standard</i> Subparts of a Reliability Standard are no longer assigned different VRFs.
FERC VRF G3 Discussion	<i>Guideline 3- Consistency among Reliability Standards</i> TPL-001-4 requires entities to conduct studies similar to the studies required in FAC-002, though the studies in TPL-001-4 are required after an interconnection has been made. The requirements related to conducting studies in TPL-001-4 are also assigned a Medium VRF.
FERC VRF G4 Discussion	<i>Guideline 4- Consistency with NERC Definitions of VRFs</i> See “NERC VRF Discussion” above.
FERC VRF G5 Discussion	<i>Guideline 5- Treatment of Requirements that Co-mingle More than One Obligation</i> This guideline is not applicable, as the requirement does not co-mingle more than one obligation.
Proposed Lower VSL	The Transmission Owner or applicable Generator Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested interconnections to its Facilities, but failed to provide data necessary to perform studies as described in one of the parts in R.1-R1.4.
Proposed Moderate VSL	The Transmission Owner or applicable Generator Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested interconnections to its Facilities, but failed to provide data necessary to perform studies as described in two of the parts in R.1-R1.4.

VRF and VSL Justifications – FAC-002-2, R4	
Proposed High VSL	The Transmission Owner or applicable Generator Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested interconnections to its Facilities, but failed to provide data necessary to perform studies as described in three of the parts in R.1-R1.4.
Proposed Severe VSL	The Transmission Owner or applicable Generator Owner failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator regarding requested interconnections to its Facilities.
<b>FERC VSL G1</b> Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	The VSLs do not lower the current level of compliance; they generally keep the same format as the VSLs in the currently enforceable version of the standard.
<b>FERC VSL G2</b> Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties Guideline 2a: The Single Violation Severity Level Assignment Category for "Binary" Requirements Should Be Consistent Guideline 2b: Violation Severity Level Assignments Should Not Contain Ambiguous Language	Guideline 2a: N/A  Guideline 2b: The VSL assignment contains clear and unambiguous language.
<b>FERC VSL G3</b> Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	The language of the VSL directly mirrors the language in the corresponding requirement.

## VRF and VSL Justifications – FAC-002-2, R4

**FERC VSL G4**

Violation Severity Level  
Assignment Should Be Based  
on A Single Violation, Not on  
A Cumulative Number of  
Violations

The VSL is assigned for a single instance of failing to comply with the requirement.