

**Project 2010-07—Generator Requirements at the Transmission Interface
Justification for Nonbinding Poll**

R#	Compliance with NERC's VSL Guidelines	Guideline 1 Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance	Guideline 2 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 Not Consistent Guideline 2b: Violation Severity Level Assignments that Contain Ambiguous Language	Guideline 3 Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement	Guideline 4 Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations
FAC-001-1 R1	The drafting team made no changes to the R1 VSLs filed by NERC staff on March 21, 2011 (in Supplemental Information to the NERC Compliance Filing in Response to the Order on Violation Severity Levels Proposed by the ERO). Because the drafting team made no changes to R1, the team determined that any further changes to R1's VSLs would be outside of the scope of Project 2010-07.	The drafting team made no changes to the R1 VSLs filed by NERC staff on March 21, 2011 (in Supplemental Information to the NERC Compliance Filing in Response to the Order on Violation Severity Levels Proposed by the ERO), except to correct typographical errors.. Because the drafting team made no changes to R1, the team determined that any further changes to R1's VSLs would be outside of the scope of Project 2010-07.	The drafting team made no changes to the R1 VSLs filed by NERC staff on March 21, 2011 (in Supplemental Information to the NERC Compliance Filing in Response to the Order on Violation Severity Levels Proposed by the ERO), except to correct typographical errors. Because the drafting team made no changes to R1, the team determined that any further changes to R1's VSLs would be outside of the scope of Project 2010-07.	The drafting team made no changes to the R1 VSLs filed by NERC staff on March 21, 2011 (in Supplemental Information to the NERC Compliance Filing in Response to the Order on Violation Severity Levels Proposed by the ERO), except to correct typographical errors. Because the drafting team made no changes to R1, the team determined that any further changes to R1's VSLs would be outside of the scope of Project 2010-07.	The drafting team made no changes to the R1 VSLs filed by NERC staff on March 21, 2011 (in Supplemental Information to the NERC Compliance Filing in Response to the Order on Violation Severity Levels Proposed by the ERO), except to correct typographical errors. Because the drafting team made no changes to R1, the team determined that any further changes to R1's VSLs would be outside of the scope of Project 2010-07.
FAC-001-1 R2	The VSLs for R2 are written in accordance with NERC's VSL Guideline's formatting recommendations. The requirement is not of the pass/fail variety, so the VSL assignments have been gradated based on when the Generator Owner documented and published the Facility connection requirements. As is recommended by NERC's VSL Guidelines, the drafting team	Because this is a new requirement, there is no current level of compliance with which the VSL assignments can be compared.	The requirement has gradated VSLs; therefore, Guideline 2a is not applicable. The gradated VSLs ensure uniformity and consistency among all approved Reliability Standards in the determination of penalties. The proposed text is clear, specific, and does not contain general, relative or subjective language (and is not subject to the	The drafting team compared the VSLs to the requirement language to ensure that the VSLs do not redefine or undermine the requirement's reliability goal. The VSL assignments are consistent with the requirement and the degree of compliance can be determined objectively and with certainty.	The VSLs are based on a single violation, not on a cumulative number of violations of the same requirement over a period of time, thus fulfilling Guideline 4.

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R#	Compliance with NERC’s VSL Guidelines	<p align="center">Guideline 1</p> <p align="center">Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance</p>	<p align="center">Guideline 2</p> <p align="center">Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties</p> <p align="center">Guideline 2a: The Single Violation Severity Level Assignment Category for "Binary" Requirements Is Not Consistent</p> <p align="center">Guideline 2b: Violation Severity Level Assignments that Contain Ambiguous Language</p>	<p align="center">Guideline 3</p> <p align="center">Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement</p>	<p align="center">Guideline 4</p> <p align="center">Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations</p>
	identified a reasonable delay for the Lower VSL and then used 10-day increments to develop the Moderate, High, and Severe VSLs.		possibility of multiple interpretations), satisfying Guideline 2b.		
FAC-001-1 R3	For its proposed changes to VSLs for FAC-001-1 R3, the drafting team used the FERC-approved VSLs (then FAC-001-0 R2) in 135 FERC ¶ 61,166 as a starting point. The VSLs were already appropriately gradated with penalties based on the recommendation for requirements with parts that contribute equally to the requirement, and removing the second half of R3’s Severe VSL simply avoids any double jeopardy compliance issues, as indicated in the Guideline 2 explanation.	The drafting team’s slight modification to the Severe VSL for R3 does not signal a lower compliance threshold than previously existed.	The requirement has gradated VSLs; therefore, Guideline 2a is not applicable. The gradated VSLs ensure uniformity and consistency among all approved Reliability Standards in the determination of penalties. The drafting team determined that the second half of the Severe VSL in R3 (“The responsible entity does not have Facility connection requirements”) could lead to double jeopardy because of its redundancy with the Severe VSLs in R1 (“The Transmission Owner did not develop Facility connection requirements”) and R2 (“The Generator Owner failed to document and publish and thereafter maintain Facility connection requirements until more than 80 days...”). Thus, the	The drafting team compared the VSLs to the requirement language to ensure that the VSLs do not redefine or undermine the requirement’s reliability goal. After modifying “Transmission Owner” to “responsibility entity”, the VSL assignments are consistent with the requirement and the degree of compliance can be determined objectively and with certainty.	The VSLs are based on a single violation, not on a cumulative number of violations of the same requirement over a period of time, thus fulfilling Guideline 4.

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			second half of the VSL for R3 has been deleted. With this change, the text is clear, specific, and does not contain general, relative or subjective language (and is not subject to the possibility of multiple interpretations), satisfying Guideline 2b.		
FAC-001-1 R4	The drafting team made no changes to the R4 VSLs (then VSLs for R3) approved by FERC in 135 FERC ¶ 61,166. Because, with this posting, the drafting team made no changes to R4 compared to the FERC approved version (then R3), the team determined that any further changes to R4's VSLs would be outside of the scope of Project 2010-07.	The drafting team made no changes to the R4 VSLs (then VSLs for R3) approved by FERC in 135 FERC ¶ 61,166. Because the drafting team made no changes to R4 compared to the FERC approved version (then R3), the team determined that any further changes to R4's VSLs would be outside of the scope of Project 2010-07.	The drafting team made no changes to the R4 VSLs (then VSLs for R3) approved by FERC in 135 FERC ¶ 61,166. Because the drafting team made no changes to R4 compared to the FERC approved version (then R3), the team determined that any further changes to R4's VSLs would be outside of the scope of Project 2010-07.	The drafting team made no changes to the R4 VSLs (then VSLs for R3) approved by FERC in 135 FERC ¶ 61,166. Because the drafting team made no changes to R4 compared to the FERC approved version (then R3), the team determined that any further changes to R4's VSLs would be outside of the scope of Project 2010-07.	The drafting team made no changes to the R4 VSLs (then VSLs for R3) approved by FERC in 135 FERC ¶ 61,166. Because the drafting team made no changes to R4 compared to the FERC approved version (then R3), the team determined that any further changes to R4's VSLs would be outside of the scope of Project 2010-07.

VRFs for FAC-001-1:

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The VRFs for FAC-001-1 were transferred from NERC's VRF Matrix – which includes VRFs that have already been approved by FERC – to bring the formatting of the standard up to date. A Medium VRF was added to new Requirement R2, which applies to Generator Owners, to match the Medium VRF for the comparable Requirement R1, which applies to Transmission Owners.