UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

NORTH AMERICAN ELECTRIC	)	Docket No. RR06-1-___
RELIABILITY CORPORATION	)	

QUARTERLY REPORT OF THE
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION
REGARDING
ANALYSIS OF RELIABILITY STANDARDS VOTING RESULTS
JANUARY — MARCH 2008

Rick Sergel
President and Chief Executive Officer
David N. Cook
Vice President and General Counsel
North American Electric Reliability
Corporation
116-390 Village Boulevard
Princeton, NJ 08540-5721
(609) 452-8060
(609) 452-9550 – facsimile
david.cook@nerc.net

Rebecca J. Michael
Assistant General Counsel
North American Electric Reliability
Corporation
1120 G Street, N.W., Suite 990
Washington, D.C. 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net

April 30, 2008

TABLE OF CONTENTS

EXHIBIT A: Analysis of 1st Quarter 2008 Reliability Standards Balloting Results

I. INTRODUCTION

The North American Electric Reliability Corporation ("NERC")[1] hereby submits its first quarter 2008 report on the analysis of voting results for reliability standards. This filing is responsive to the Commission's January 18, 2007 Order[2] that requires NERC to closely monitor and report to the Commission the voting results for NERC Reliability Standards each quarter for three years. This first quarter 2008 report covers balloting results during January 1 – March 31, 2008 and includes NERC's analysis of the voting results, including trends and patterns of stakeholder approval of NERC Reliability Standards.

II. NOTICES AND COMMUNICATIONS

Notices and communications with respect to this filing may be addressed to the following (persons to be included on the Commission's official service list are indicated by an asterisk):

Rick Sergel
President and Chief Executive Officer
David N. Cook*
Vice President and General Counsel
North American Electric Reliability Corporation
116-390 Village Boulevard
Princeton, NJ 08540-5721
(609) 452-8060
(609) 452-9550 – facsimile
david.cook@nerc.net

/s/ Rebecca J. Michael*_____
Assistant General Counsel
North American Electric Reliability Corporation
1120 G Street, N.W., Suite 990
Washington, D.C. 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net

III. BACKGROUND

NERC develops reliability standards in accordance with Section 300 of its Rules of Procedure and the NERC *Reliability Standards Development Procedure*, which is Appendix 3A

---

[1]   NERC has been certified by the Commission as the electric reliability organization ("ERO") authorized by Section 215 of the Federal Power Act. The Commission certified NERC as the ERO in its order issued July 20, 2006 in Docket No. RR06-1-000. 116 FERC ¶ 61,062 (2006).

[2]   *Order on Compliance Filing*, 118 FERC ¶ 61,030 (2007) ("January 18 Order"), at P 18.

to the Rules of Procedure.[3] For an entity or individual to vote on a proposed reliability standard, the individual or entity must join the registered ballot body, which includes all entities or individuals that qualify for one of ten stakeholder segments and have registered with NERC as potential voting participants. Each member of the registered ballot body is eligible to participate in the voting process and ballot pool for each standard action. The ten stakeholder segments are:

- Transmission Owners
- Regional Transmission Organizations and Independent System Operators
- Load-Serving Entities
- Transmission Dependent Utilities
- Electric Generators
- Electricity Brokers, Aggregators, and Marketers
- Large Electricity End Users
- Small Electricity Users
- Federal, State, and Provincial Regulatory or other Government Entities
- Regional Reliability Organizations and Regional Entities

Each standard action has its own ballot pool, populated by interested members of the registered ballot body. The individuals who join a ballot pool respond to a preballot e-mail announcement associated with each reliability standard ballot action. The ballot pool votes to approve or reject each standard action. Specifically, the ballot pool votes determine first, the need for and technical merits of a proposed standard action, and second that appropriate consideration of views and objections received during the development process were considered.

The reliability standards development process includes three types of ballots: an initial ballot, a recirculation ballot, and a reballot. If an initial ballot achieves a quorum but includes any negative ballots submitted with comments on the proposed standard action, then a

---

[3] Version 6 of the *Reliability Standards Development Procedure* was filed with NERC's March 19, 2007 compliance filing.

Page 2

recirculation ballot must be conducted. If an initial ballot does not achieve a quorum, then a reballot is conducted using the same ballot pool, but with an extended ballot window.

Approval of a standard action requires both:

- A quorum, which is established by at least 75% of the members of the ballot pool for the standard action submitting a response with an affirmative vote, a negative vote, or an abstention; and

- A two-thirds majority of the weighted segment votes cast must be affirmative. The number of votes cast is the sum of affirmative and negative votes, excluding abstentions and nonresponses.

The following process is used to determine if there are sufficient affirmative votes.

- The number of affirmative votes cast in each segment is divided by the sum of affirmative and negative votes cast to determine the fractional affirmative vote for each segment. Abstentions and nonresponses are not counted for the purposes of determining the fractional affirmative vote for a segment.

- If there are less than ten entities that vote in a segment, the vote weight of that segment is proportionally reduced. Each voter within that segment voting affirmative or negative receives a weight of 10% of the segment vote. For segments with ten or more voters, the regular voting procedures are followed.

- The sum of the fractional affirmative votes from all segments divided by the number of segments voting[4] is used to determine if a two-thirds majority affirmative vote has been achieved. (A segment is considered as "voting" if any member of the segment in the ballot pool casts either an affirmative or a negative vote.)

- A standard is approved if the sum of fractional affirmative votes from all segments divided by the number of voting segments is greater than two-thirds.

IV. SUMMARY OF BALLOTS DISCUSSED IN THIS REPORT

NERC conducted 28 ballots from January 1 – March 31, 2008, each undertaken using the NERC *Reliability Standards Development Procedure,* or a variation thereof approved by the NERC Standards Committee. In this regard, two sets of ballots deviated from the *Reliability Standards Development Procedure* - the six ATC-related standards each had significant revisions without a stakeholder comment period before proceeding to ballot, and the nine sets of Violation

---

[4] When less than ten entities vote in a segment, the total weight for that segment is determined as one tenth per entity voting.

Severity Levels were each revised following the initial ballot without posting the revisions for comment before proceeding with the recirculation ballot.

These 28 ballots can be grouped into five distinct groups of ballot events as follows:

- Interpretation of BAL-005-1 for PGE – One (1) Initial Ballot and One (1) Recirculation Ballot
- Interpretation of VAR-001-1 Requirement R4 for Dynegy – One (1) Recirculation Ballot
- Violation Severity Levels – Nine (9) Initial Ballots and Nine (9) Recirculation Ballots
- PRC-023-1 Transmission Relay Loadability – One (1) Recirculation Ballot
- ATC-related Standards – Six (6) Initial Ballots

All of the ballot events achieved a quorum, and each of the initial ballots received at least one negative ballot with comments, initiating the need for a recirculation ballot. The ballot event for Violation Severity Levels included a recirculation ballot for the Emergency Operations and Planning reliability standards that did not pass, and none of the six initial ballots for the ATC-related standards achieved a high enough affirmative rating for passage.

The discussion of the detailed ballot results for each ballot event in the first quarter 2008 is contained in **Exhibit A** to this filing.

Respectfully submitted,

Rick Sergel
President and Chief Executive Officer
David N. Cook
Vice President and General Counsel
North American Electric Reliability Corporation
116-390 Village Boulevard
Princeton, NJ 08540-5721
(609) 452-8060
(609) 452-9550 – facsimile
david.cook@nerc.net

/s/ Rebecca J. Michael_____
Assistant General Counsel
North American Electric Reliability
Corporation
1120 G Street, N.W., Suite 990
Washington, D.C. 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net

EXHIBIT A:

Analysis of 1st Quarter 2008 Reliability Standards Balloting Results

Introduction

On January 18, 2007, the Commission issued its *Order on Compliance Filing* ("January 18 Order")*,* acting on a compliance filing by the North American Electric Reliability Corporation ("NERC") in response to the Commission's Order certifying NERC as the nation's electric reliability organization ("ERO") under Section 215 of the Federal Power Act. The January 18 Order requires NERC to closely monitor the voting results for reliability standards and to report to the Commission quarterly for the next three years NERC's analysis of the voting results, including trends and patterns that may signal a need for improvement in the voting process. In its compliance filing in response to the January 18 Order, NERC stated it would file its initial quarterly report with the Commission for the first quarter of 2007 and would submit subsequent quarterly filings for the next three years. This is the fifth quarterly report on the analysis of voting results for reliability standards.

Background

The NERC reliability standards development process is administered by action of the NERC Standards Committee. The Standards Committee officially approves the scope and purpose of standards authorization requests, appoints standard drafting teams to develop standards, authorizes field tests of proposed standards when necessary, and approves the proposed standards for ballot. The goal of the reliability standards development process is to gain industry consensus on the reliability-related need for, and technical sufficiency of proposed standards. Consensus is primarily established through various formal industry comment periods designed to obtain stakeholder input on the proposed standards. Drafting teams use stakeholder comments to make changes to the standard. Before authorizing a standard to move from the development stage to the ballot stage of the process, the Standards Committee requires the drafting team to show evidence of consensus on the final draft of the standard and evidence that no significant changes were made to the standard following the last comment period.

The members of the registered ballot body, comprising entities or individuals registered in one of ten stakeholder segments, must specifically request to be included in the ballot pool for a standard ballot event. Any entity or interested individual may become a member of the registered ballot body, but only the ballot pool members are allowed to vote on the proposed standard once the balloting begins. If the ballot pool approves a proposed standard as described below, the standard is presented to the NERC Board of Trustees for its approval and subsequent filing with the Commission and regulatory authorities in Canada.

Page 5

The NERC *Reliability Standards Development Procedure* provides for three different types of ballots - an initial ballot, a recirculation ballot and a reballot. To "pass," a ballot must achieve a quorum (at least 75% of the members of the ballot pool must return a ballot) **and** must receive an affirmative vote that is at least two-thirds of the weighted segment average of all ballots returned with a vote.

- If a ballot achieves a quorum but includes any negative ballots submitted with comments, then a recirculation ballot must be conducted.

- If a ballot does not achieve a quorum, then a reballot is conducted using the same ballot pool, but with an extended ballot window.

There were 28 ballots conducted during the first quarter of 2008, as shown in the table below; sixteen were initial ballots, and twelve were recirculation ballots. The ballots are discussed below as five distinct groups of "ballot events."

Ballot Event #	Ballot Name	Initial Ballot Dates	Recirculation Ballot Dates	Ballot Pool Size	Total # of Votes	Quorum	Weighted Segment Approval
1	Interpretation of BAL-005-1 Requirement R17 for PGE	Dec 19, 2007 – Jan 4, 2008		243	206	84.77%	98.44%
			Jan 14–23, 2008	243	213	87.65%	98.17%
2	VSLs for Balancing Resources and Demand	Jan 21–28, 2008		210	198	94.29%	69.55%
			Feb 8–19, 2008	210	199	94.76%	69.45%
	VSLs for Critical Infrastructure, Communications, Voltage and Reactive	Jan 21–28, 2008		212	201	94.81%	74.05%
			Feb 8–19, 2008	212	202	95.82%	72.07%
	VSLs for Emergency Operations Planning	Jan 21–28, 2008		210	199	94.76%	62.07%
			Feb 8–19, 2008	210	200	95.24%	59.95%
	VSLs for Facilities and Modeling	Jan 21–28, 2008		209	198	94.74%	68.17%
			Feb 8–19, 2008	209	199	95.22%	67.99%
	VSLs for Interchange, Personnel and Nuclear	Jan 21-–28, 2008		201	190	94.53%	74.17%
			Feb 8–19, 2008	201	191	95.02%	72.71%
	VSLs for Interconnected Reliability Operations	Jan 21–28, 2008		211	200	94.79%	75.70%

Page 7

Ballot Event #	Ballot Name	Initial Ballot Dates	Recirculation Ballot Dates	Ballot Pool Size	Total # of Votes	Quorum	Weighted Segment Approval
			Feb 8-19, 2008	211	201	95.26%	74.15%
	VSLs for Protection and Control	Jan 21–28, 2008		211	199	94.31%	71.01%
			Feb 8–-19, 2008	211	200	94.79%	67.79%
	VSLs for Transmission Operations	Jan 21-28, 2008		211	200	94.79%	77.10%
			Feb 8-19, 2008	211	201	95.26%	76.10%
	VSLs for Transmission Planning	Jan 21-28, 2008		208	197	94.71%	64.96%
			Feb 8-19, 2008	208	197	95.19%	71.23%
3	Interpretation of VAR-001-1 Requirement R4 for Dynegy		Jan 14–23, 2008	184	165	89.67%	93.18%
4	PRC-023-1 Transmission Relay Loadability		Jan 31–Feb 9, 2008	208	194	93.27%	82.64%
5	MOD-001 Available Transfer Capability	Mar 3–12, 2008		198	176	93.12%	59.63%
	MOD-004 Capacity Benefit Margin	Mar 3–12, 2008		186	173	93.01%	38.80%
	MOD-008 Transmission Reliability Margin	Mar 3–12, 2008		189	176	93.12%	63.90%

Ballot Event #	Ballot Name	Initial Ballot Dates	Recirculation Ballot Dates	Ballot Pool Size	Total # of Votes	Quorum	Weighted Segment Approval
	MOD-028 Area Interchange Methodology	Mar 3–12, 2008		179	166	92.74%	63.05%
	MOD-029 Rated System Path Methodology	Mar 3–12, 2008		182	169	92.86%	57.56%
	MOD-030 Flowgate Methodology	Mar 3–12, 2008		186	173	93.01%	44.19%

Discussion of First Quarter 2008 Ballot Events

1. **The first ballot event in the first quarter of 2008** consisted of an initial ballot and a recirculation ballot for an interpretation of Requirement R17 in BAL-005-1 — Automatic Generation Control, for Portland General Electric Company.

   The request asked if the requirement to annually check and calibrate time error and frequency devices applies to the following measuring devices:

   - Only equipment within the operations control room
   - Only equipment that provides values used to calculate automatic generation control area control error
   - Only equipment that provides values to its SCADA system
   - Only equipment owned or operated by the balancing authority
   - Only to new or replacement equipment
   - To all equipment that a balancing authority owns or operates

   An initial ballot was conducted from October 18 – 29, 2007 and achieved a quorum of 97.37% and a weighted approval of 85.91%, but also included some negative ballots with comments. When the drafting team reviewed the comments, they decided to revise the interpretation to improve its clarity, and posted the revised interpretation for a new 30-day preballot review period.

   A new initial ballot was conducted from December 19, 2007 – January 4, 2008 and achieved a quorum of 84.77% and a weighted affirmative approval of 98.44%. There were two negative ballots submitted, and one of those ballots included a comment, which initiated the need for a recirculation ballot. The single comment with a negative ballot pointed out that there had already been an approved interpretation of BAL-005 Requirement R17, addressing the same topic. The comment suggested that since the newer interpretation provided a more complete interpretation, the earlier interpretation should be retired. The drafting team agreed, made that recommendation to NERC staff, and on February 12, 2008 the NERC Board of Trustees did approve retiring the earlier interpretation.

2. **The second ballot event in the first quarter of 2008** consisted of a set of nine initial and nine recirculation ballots for sets of Violation Severity Levels ("VSLs") associated with requirements in NERC Reliability Standards. The objective of this project was to develop, by March 1, 2008, VSLs for the 83 original FERC-approved standards and revised VSLs for the NUC-001-1 — Nuclear Plant Interface Coordination standard. The VSLs were developed by a VSL drafting team, working with subject matter experts from other active drafting teams that were already working on projects pertaining to the standards involved in this effort.

   In its June 7, 2007 *Order on Compliance Filing*, the Commission directed NERC to submit VSLs for each requirement and subrequirement in the 83 Commission-approved standards that had been assigned a Violation Risk Factor ("VRF"). The VSL drafting team developed a set of guidelines for assigning VSLs, and then used those guidelines, with the assistance of several standard drafting teams, to develop VSLs for each requirement and subrequirement in the set of

83 standards approved by FERC in Order No. 693 and for the Nuclear Plant Interface Coordination standard. The proposed VSLs were posted for a single comment period and there were many comments suggesting that the VSLs needed revisions. The drafting team made many revisions to the VSLs based on those comments in an attempt to achieve stakeholder consensus on the VSLs. Because of the March 1, 2008 deadline for delivery of the VSLs, the VSL project schedule did not allow time to post the revised VSLs for another comment period. The Standards Committee authorized the VSL team to modify the VSLs based on stakeholder comments from the initial comment period and then proceed to the balloting stage of the standards process. The decision was aimed at producing the best product possible in the allocated time.

The initial ballot for all nine sets of VSLs was conducted from January 21 – 28, 2008. All nine ballots achieved a quorum, and all included many negative ballots submitted with comments, triggering the need for recirculation ballots. Seven of the nine ballots achieved a high enough weighted affirmative vote for approval, but the VSLs for the set of Transmission Planning standards, and the VSLs for the set of Emergency Operations Planning reliability standards did not pass.

In reviewing the comments submitted with the negative ballots, the drafting team determined that several of the VSLs within each ballot group should be revised to improve their accuracy, clarity or to more fully cover the range of noncompliant performance that might be associated with the requirement or subrequirement. The Standards Committee authorized the drafting team to consider stakeholder comments from the initial ballots and make improvements to the proposed VSLs before proceeding with the recirculation ballot. The Standards Committee made it clear that they endorsed this variance to the *Reliability Standards Development Procedure* to meet the March 1, 2008 deadline and the Standards Committee's action did not set a precedent for future standards projects.

Accordingly, the drafting team responded to all comments and made many significant modifications to the VSLs before the recirculation ballot was conducted. The revised VSLs were posted for a 10-day recirculation ballot that took place from February 8 – 19, 2008 and eight of the nine ballots passed; the VSLs associated with the Emergency Operations Planning reliability standards did not receive a two-thirds affirmative vote.

Because the reasons cited for submitting a negative ballot were consistent throughout the nine ballots, the reasons are discussed just once for brevity, followed by a discussion of the details of each of the nine ballots.

VSL is Incorrect
The most commonly cited reason for submitting a negative vote was disagreement with the language in one or more VSLs. Balloters identified specific requirements and subrequirements where they believed the VSL was incorrect – and in many cases when the drafting team reviewed the comment, the drafting team agreed that the VSL was incorrect, and a modification was made. Most of the corrections required changing the language in the VSLs so they more closely matched the language in the associated requirement or subrequirement.

Page 11

In some cases, a balloter indicated that the VSL was not correct because the requirement was not correct. The drafting team was not able to satisfy these balloters as making a change to the requirement was outside the scope of the VSL project.

Failure to Apply VSL Guidelines Consistently

Where compliance with a requirement seemed to be a "yes/no" activity, the failure to meet compliance with the requirement was typically assigned a "Severe" VSL. Where a VSL was assigned to a subrequirement, sometimes the failure to meet the subrequirement was assigned a "Severe" VSL, and sometimes it was assigned a "Lower" VSL, resulting in inconsistency from standard to standard.

Some balloters pointed out inconsistencies in applying VSLs for similar requirements in different standards. The VSL Guidelines proposed several different sets of criteria for use in assigning VSLs, and each VSL subteam was encouraged to use whichever set of criteria best suited their assigned requirements. Unless the inconsistency resulted in VSLs that were inappropriate for their associated requirement or subrequirement, the VSL drafting team did not make any attempt to change sets of VSLs for consistency between standards because of the lack of time in the project schedule.

Double Jeopardy

Balloters identified two different aspects of so-called "double jeopardy", and objected to both.

- Some subteams applied the criteria for assigning VSLs for "Multi-component" requirements to the main requirement and used different criteria for assigning VSLs to the subrequirements. This resulted in two different VSLs for the same noncompliant performance – one for the requirement (totally missing one minor subrequirement should be a "Lower" VSL) and its subrequirements (totally missing the subrequirement should be a "Severe" VSL) that addressed the same performance.
- Some subteams developed VSLs for the main requirement and it subrequirements that addressed the same aspect of the overall requirement, which also resulted in two VSLs for the same noncompliance.

Balloters objected to having VSLs set for the main requirement (that included failure to meet any single subrequirement) and then have a separate and distinct VSL established for each of the subrequirements. Balloters expressed concern that failure to meet any one subrequirement could lead to two different penalties for the same infraction, and asked the drafting team to eliminate the opportunity for "double jeopardy." Where possible, the drafting team did attempt to eliminate the double jeopardy by ensuring that the VSLs assigned to the main requirement did not measure the exact same elements as the individual subrequirements, but the drafting team was unable to eliminate the possibility of double jeopardy.

Failure to Consider Risk in Setting VSLs

Some balloters felt that the reliability-related risk associated with the requirement should be considered more strongly in setting the VSLs. The drafting team did not make modifications to the VSLs based on this comment as that is not the intent of the VSLs. VSLs categorize the range of noncompliant performance that may be associated with a specific requirement or subrequirement –

from mostly compliant to fully noncompliant. VRFs are used to assess the actual or potential risk to reliability when a requirement is violated.

Failure to Comply with the Standards Process
Some balloters objected to the deviations from the standards process:

- Failure to provide a comment period to collect feedback on significant revisions to VSLs before the initial ballot
- Failure to post revised VSLs for comment following significant revisions to VSLs between the initial and recirculation ballots, and
- Failure to ballot the VSLs in smaller groups.

With the support of the Standards Committee, the drafting team departed from the standards process to comply with the Commission's directive to file VSLs by March 1, 2008.

The drafting team used stakeholder feedback collected from the VRF balloting that took place in early 2007 to identify a reasonable number and breakdown of ballots. Breaking the nine ballots into smaller groups would have forced entities to register for more ballot pools and may have been objectionable to more entities, so no change was made to subdivide the VSLs into smaller groups. The team did not make any changes as a result of the objections of these balloters.

Disagreement with Criteria in VSL Guidelines
One company, registered to ballot in four industry segments, disagreed with the criteria in the VSL Guidelines and identified this as a reason for submitting its negative ballots. Since most entities indicated support for the guidelines, and since the guidelines were not included as an item for "approval" with the ballots, the drafting team did not make any changes to the VSL Guidelines based on these comments.

Use of Generic Language in Text of VSLs
Several balloters objected to the use of the generic terms such as "minor details" and "significant element." The drafting team made an attempt to eliminate generic language wherever possible, but in some cases the language in the associated requirement or subrequirement did not include sufficient details to replace the generic language with specific language. Where the drafting team could not eliminate all the generic language, they eliminated as much as possible, and in some cases, they deleted the generic VSL.

Several balloters objected to the inclusion in the "Lower" category of VSLs, of the sentence that stated, "The deficiency would not impact the achievement of the objective of the requirement." In all cases the drafting team removed this sentence from the "Lower" VSLs.

Errata
There were some typographical errors in the VSLs posted for ballot, including incorrect cross references to specific subrequirements, misspelled words, grammar errors, and some missing or extraneous words. In all cases the drafting team made the requested corrections.

Page 13

The following table shows how often each of the above comments were noted by one of the balloters who submitted comments with their negative vote in the associated initial ballot.

Reason for Negative Ballot	Number of Times Comment Noted by Balloters for each Ballot								
	BAL	CIP/ COM/ VAR	EOP	FAC/ MOD	INT/ PER/ NUC	IRO	P&C	TOP	TPL
VSL is incorrect	18	17	15	21	19	9	27	13	21
Double jeopardy	10	13	20	15	16	8	20	11	19
Use of generic language in text of VSLs	4	7	20	14	9	4	3	3	23
Failure to apply VSL guidelines consistently	11	4	4	8	12	10	11	5	4
Failure to consider risk in setting VSLs	5	2	1	7	1	1	7	5	1
Failure to comply with the standards process	4	3	6	5	4	4	8	3	1
Disagreement with criteria in VSL guidelines	4	4	4	3	3	3	6	4	3
Errata	3	6	5	2	1	1	9	5	0

As shown in the following table, although the drafting team modified several sets of VSLs to correct identified errors, the overall vote changed very little. The decline in overall approval is due primarily to one company registered to ballot in four industry segments - this company submitted affirmative votes in all initial ballots and changed all its votes to negative in the recirculation ballot, without providing any comments to explain the reason for the changed vote. The drafting team corrected many errors in the TPL VSLs, causing more people to change their votes in this ballot than for any of the other ballots.

	Changes to VSLs and Votes Between Initial and Recirculation Ballots								
	BAL	**CIP/ COM/ VAR**	**EOP**	**FAC/ MOD**	**INT/ PER/ NUC**	**IRO**	**P&C**	**TOP**	**TPL**
Initial Ballot (affirmative %)	70%	74%	62%	68%	74%	76%	71%	77%	65%
Number of "no" votes with comment in initial ballot	37	33	40	40	33	25	40	29	46
Number of sets of VSLs modified between ballots	14	13	45	13	10	9	17	11	65
Number of balloters changing vote	13	12	17	19	10	12	18	11	26
Recirculation Ballot (affirmative %)	69%	72%	60%	68%	73%	74%	68%	76%	71%
% change	-1%	-2%	-2%	0	-1%	-2%	-3%	-1%	+6%

5126 FERC PDF (Unofficial) 4/30/2008 5:00:45 PM

VSLs for Balancing Resources and Demand Standards

In the initial ballot, there were 37 negative ballots with comments; several balloters listed more than one reason for their negative comment. The negative comments are shown in the following table. Although there were some distinct voting patterns within companies registered to ballot in multiple industry segments, and some voting patterns where a particular comment was submitted by more than one balloter in a Region, there was no evidence of widespread block voting within a Region or within an industry segment.

Analysis of Initial Ballot of VSLs for Balancing Resources and Demand Standards			
Reasons Cited for Negative Vote	Number of Companies Citing this Reason for the Negative Vote	Number of Regions* Represented by the Balloters Submitting this Comment	Number of Industry Segments Represented by the Balloters Submitting this Comment
VSL is incorrect	18	6	7
Failure to apply VSL guidelines consistently	11	3	6
Double jeopardy	10	3	5
Failure to consider risk in setting VSLs	5	4	5
Failure to comply with the standards process	4	2	2
Disagreement with criteria in VSL guidelines	4	1	1
Use of generic language in text of VSLs	4	2	3
Other (errata)	3	1	2

Some balloters represent multiple Regions

Between the initial ballot and the recirculation ballot 13 balloters changed their votes as follows:

- One balloter who did not participate in the initial ballot cast an affirmative vote in the recirculation ballot
- Four balloters who cast abstentions in the initial ballot cast affirmative votes in the recirculation ballot
- One balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot – the reason provided indicated disagreement with having four VSLs – the balloter indicated most of the requirements should have just one VSL – "Severe"
- Four balloters who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot – all four votes were from one company registered to ballot in four industry segments and no comments were provided

Page 17

- Three balloters, all from Wisconsin, cast a negative vote in the initial ballot and changed their votes to affirmative in the recirculation ballot

Between the initial ballot and the recirculation ballot, the drafting team modified 14 sets of VSLs as shown in the following table.

Modifications to VSLs for Balancing Resources and Demand Standards Between Initial and Recirculation Ballots	
BAL-001-1 — Real Power Balancing Control Performance	
Requirement R3	Eliminated "High" VSL and revised "Severe" VSL to better match the requirement
BAL-002-0 — Disturbance Control Performance	
Requirement R2.5	Revised "Lower" VSL to better match the language of the requirement
BAL-003-0 — Frequency Response and Bias	
Requirement R1.2	Revised "Lower", "Moderate" and "High" VSLs to eliminate generic language
Requirement R6	Eliminated "Severe" VSL as it was technically incorrect
BAL-004-0 — Time Error Correction	
Requirement R3.1	Revised all four VSLs to better match the language in the requirement
Requirement R3.2	Eliminated incorrect language in all four VSLs
BAL-005-0 — Automatic Generation Control	
Requirement R1.1	Moved the "Severe" VSL to "Lower" and modified the language to better match the language in the requirement – eliminated double jeopardy
Requirement R1.2	Moved the "Severe" VSL to "Lower" and modified the language to better match the language in the requirement – eliminated double jeopardy
Requirement R1.3	Moved the "Severe" VSL to "Lower" and modified the language to better match the language in the requirement – eliminated double jeopardy
Requirement R3	Revised the "Moderate" VSL to better match the language in the requirement
Requirement R6	Added a "Moderate" VSL and modified the language in the "Severe" VSL to more closely match the language in the requirement
Requirement R10	Revised the "Lower" VSL to better match the language in the requirement

Page 18

Modifications to VSLs for Balancing Resources and Demand Standards Between Initial and Recirculation Ballots
BAL-006-1 — Inadvertent Interchange

| Requirement R4 | Revised the "Moderate" VSL which was unclear and added new "Lower," and "High" VSLs |
| Requirement R4.3 | Modified the "Lower" VSL to better match the language in the requirement |

VSLs for Critical Infrastructure, Communications, Voltage and Reactive Standards

In the initial ballot, there were 33 negative ballots with comments; several balloters listed more than one reason for their negative comment. The negative comments are shown in the following table. Although there were some distinct voting patterns within companies registered to ballot in multiple industry segments, and some voting patterns where a particular comment was submitted by more than one balloter in a Region, there was no evidence of widespread block voting within a Region or within an industry segment.

Analysis of Initial Ballot of VSLs for Critical Infrastructure, Communications, Voltage and Reactive Standards			
Reasons Cited for Negative Vote	Number of Balloters Citing this Reason for the Negative Vote	Number of Regions* Represented by the Balloters Submitting this Comment	Number of Industry Segments Represented by the Balloters Submitting this Comment
VSL is incorrect	17	6	5
Double jeopardy	13	4	4
Use of generic language in text of VSLs	7	3	4
Failure to apply VSL guidelines consistently	4	2	4
Disagreement with criteria in VSL guidelines	4	1	4
Failure to comply with the standards process	3	2	2
Failure to consider risk in setting VSLs	2	1	2
Other (errata)	6	3	4

Some balloters represent multiple Regions

Between the initial ballot and the recirculation ballot 12 balloters changed their votes as follows:

– One balloter who did not participate in the initial ballot cast an affirmative vote in the recirculation ballot

Page 19

- Two balloters who cast abstentions in the initial ballot cast affirmative votes in the recirculation ballot
- One balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot
- Five balloters who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot – four votes were from one company registered to ballot in four industry segments and none of the five balloters who changed their ballots provided comments
- Three balloters cast a negative vote in the initial ballot and changed their votes to affirmative in the recirculation ballot

Between the initial ballot and the recirculation ballot, the drafting team modified 13 sets of VSLs as shown in the following table.

Modifications to VSLs for Critical Infrastructure, Communications, Voltage and Reactive Standards	
COM-001-1 — Telecommunications	
Requirement R1	Modified the language to better match the language in the requirement for all four VSLs
Requirement R1.4	Modified the "Lower" VSL to better match the language in the requirement
Requirement R2	Modified the "Moderate," "High," and "Severe" VSLs to better match the language in the requirement
Requirement R4	Modified the "Severe" VSL to better match the language in the requirement
COM-002-2 — Communications and Coordination	
Requirement R2	Corrected typographical error in "moderate" VSL
VAR-001-1 — Voltage and Reactive Control	
Requirement R1	Removed the sentence from the "Lower" VSL that said the deficiency would not impact the achievement of the objective of the requirement Added a new element to the "Severe" VSL to more fully cover the requirement
Requirement R2	Modified the "Lower," "Moderate," and "High" VSLs to add clarity to the range of % associated with each of these VSLs - the % associated with each VSL were not changed
Requirement R3.2	Modified all four VSLs to use % of entities not notified rather than # of entities not notified
Requirement R5	Modified all four VSLs to add clarity to the range of % associated with each VSL – and lowered the range for the "Severe" VSL from 20% to 15%
Requirement R7	Modified the language to better match the language in the requirement for all four VSLs

Modifications to VSLs for Critical Infrastructure, Communications, Voltage and Reactive Standards	
VAR-002-1 — Generator Operation for Maintaining Network Voltage Schedules	
Requirement R1	Modified all four VSLs to use % of notifications missed rather than # of notifications missed
Requirement R2	Modified all four VSLs to use % of schedules missed rather than # of times schedules were missed
Requirement R2.1	Modified all four VSLs to use % of schedules missed rather than # of times schedules were missed
Requirement R3	Corrected typographical error in "Moderate," "High" and "Severe" VSLs

VSLs for Emergency Operations Standards

In the initial ballot, there were 43 negative ballots with comments; several balloters listed more than one reason for their negative comment. The negative comments are shown in the following table. Although there were some distinct voting patterns within companies registered to ballot in multiple industry segments, and some voting patterns where a particular comment was submitted by more than one balloter in a Region, there was no evidence of widespread block voting within a Region or within an industry segment.

Analysis of Initial Ballot of VSLs for Emergency Operations Standards			
Reasons Cited for Negative Vote	Number of Balloters Citing this Reason for the Negative Vote	Number of Regions* Represented by the Balloters Submitting this Comment	Number of Industry Segments Represented by the Balloters Submitting this Comment
Double jeopardy	20	4	6
Use of generic language in text of VSLs	20	4	6
VSL is incorrect	15	6	7
Failure to comply with the standards process	6	3	4
Failure to apply VSL guidelines consistently	4	3	4
Disagreement with criteria in VSL guidelines	4	1	4
Failure to consider risk in setting VSLs	1	1	1
Other (errata)	5	4	4

Some balloters represent multiple Regions

Between the initial ballot and the recirculation ballot, 17 balloters changed their votes as follows:

– One balloter who did not participate in the initial ballot cast a negative vote in the recirculation ballot
– Two balloters who cast abstentions in the initial ballot cast affirmative votes in the recirculation ballot
– One balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot
– Five balloters who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot – four votes were from one company registered to ballot in four industry segments and none of the five entities that changed their ballots provided comments
– Eight balloters cast a negative vote in the initial ballot and changed their votes to affirmative in the recirculation ballot

Between the initial ballot and the recirculation ballot, the drafting team modified 45 sets of VSLs as shown in the following table.

Modifications to VSLs for Emergency Operations Standards
EOP-001-0 — Emergency Operations Planning

Requirement R1	Modified all four VSLs to eliminate generic language and to better match the language in the requirement
Requirement R2	Modified the "Lower," "High," and "Severe" VSLs to remove generic language and to better match the language in the requirement
Requirement R3.1	Modified the "Moderate" and "High" VSLs to better match the language in the requirement
Requirement R3.2	Modified the "Moderate" VSL to remove generic language
Requirement R3.3	Modified the "Moderate" VSL to remove generic language
Requirement R3.4	Modified the "High" VSL to remove generic language
Requirement R4.1	Removed the sentence from the "Lower" VSL that said the deficiency would not impact the achievement of the objective of the requirement.
Requirement R4.2	Removed the sentence from the "Lower" VSL that said the deficiency would not impact the achievement of the objective of the requirement.
Requirement R4.3	Added a "High" VSL to more fully describe possible noncompliant performance with the requirement
Requirement R4.4	Moved the "Severe" VSL to "Lower" and modified the language to better match the language in the requirement – eliminated double jeopardy
Requirement R5	Modified all four VSLs to replace the references to whole numbers with percentages
Requirement R6	Removed the sentence from the "Lower" VSL that said the deficiency would not impact the achievement of the objective of the requirement.
Requirement R7.1	Moved the "Severe" VSL to "Lower" – eliminated double jeopardy
Requirement R7.2	Moved the "Severe" VSL to "Lower" and modified the language to better match the language in the requirement – eliminated double jeopardy

Modifications to VSLs for Emergency Operations Standards	
Requirement R7.3	Moved the "Severe" VSL to "Lower" and modified the language to better match the language in the requirement – eliminated double jeopardy
Requirement R7.4	Moved the "Severe" VSL to "Lower" and modified the language to better match the language in the requirement – eliminated double jeopardy
EOP-002-2 — Capacity and Energy Emergencies	
Requirement R3	Added a "High" VSL to more fully describe possible noncompliant performance with the requirement
Requirement R5	Added a "High" VSL to more fully describe possible noncompliant performance with the requirement – modified the "Severe" VSL to eliminate generic language
Requirement R7.2	Removed the language from the "Lower" VSL that said the deficiency met the intent of the requirement and would not impact the achievement of the objective of the requirement.
Requirement R8	Removed the language from the "Lower" VSL that said the deficiency met the intent of the requirement and would not impact the achievement of the objective of the requirement.
Requirement R9	Corrected the identification of the responsible entity in all four VSLs
EOP-003-1 — Load Shedding Plans	
Requirement R2	Removed the language from the "Lower" VSL that said the deficiency met the intent of the requirement and would not impact the achievement of the objective of the requirement – modified the "High" VSL to better match the language in the requirement
Requirement R3	Modified the "Moderate" VSL to eliminate generic language
Requirement R4	Modified the "Moderate," "High" and "Severe" VSLs to eliminate generic language
Requirement R7	Removed the language from the "Lower" VSL that said the deficiency met the intent of the requirement and would not impact the achievement of the objective of the requirement – modified the "High" VSL to eliminate generic language
Requirement R8	Removed the language from the "Lower" VSL that said the deficiency met the intent of the requirement and would not impact the achievement of the objective of the requirement
EOP-004-1 — Disturbance Reporting	
Requirement R1	Removed the language from the "Lower" VSL that said the deficiency met the intent of the requirement and would not impact the achievement of the objective of the requirement
Requirement R2	Modified the "Moderate," "High" and "Severe" VSLs to correct gaps in the references to percentages and modified the "severe" VSL to add another example of noncompliant performance to more fully address the requirement
Requirement R3.1	Added a "Moderate" VSL to identify a more complete range of possible noncompliant performance – clarified the language in the "High" and "Severe" VSLs that referenced hours after a disturbance
Requirement R3.3	Modified the language in the "Lower" VSL so that it is more objective – added a reference to the subrequirement in the language in the "Severe" VSL for clarity
Requirement R3.4	Removed the language from the "Lower" VSL that said the deficiency met the intent of the requirement and would not impact the achievement of the objective of the requirement

Page 23

Modifications to VSLs for Emergency Operations Standards	
Requirement R5	Modified the "High" VSL to eliminate generic language
EOP-005-1 — System Restoration Plans	
Requirement R1	Modified all VSLs to clarify which percentages of noncompliant performance were applicable to each VSL – added another example of noncompliant performance to the "Severe" VSL to more fully address the requirement
Requirement R2	Modified all VSLs to make improved distinctions between the various levels of noncompliant performance
Requirement R3	Modified the "Severe" VSL to correct the grammar
Requirement R4	Modified the "Severe" VSL by adding, "or more" to clarify that failure to coordinate restoration plans with four "or more" entities is a severe violation
Requirement R6	Modified the "Lower," "Moderate" and "High" VSLs to fill in missing percentages and to clarify the percentages of noncompliant performance associated with each of these VSLs
Requirement R9	Modified the "Severe" VSL to eliminate some explanatory information.
Requirement R11	Modified the "High" and "Severe" VSLs to clarify which percentages of noncompliant performance were applicable to each VSL
Requirement R11.3	Subdivided the single, "Severe" VSL into a "High" and a "Severe" VSL to identify a more complete range of possible noncompliant performance
EOP-006-1 — Reliability Coordination — System Restoration	
Requirement R3	Moved the "Lower" VSL to "Moderate" and the "Moderate" VSL to "High"
EOP-008-0 — Plans for Loss of Control Center Functionality	
Requirement R1	Modified the "High" VSL to eliminate a redundancy with the "Severe" VSL
Requirement R1.1	Modified all four VSLs to eliminate generic language
EOP-009-0 — Documentation of Blackstart Generating Unit Test Results	
Requirement R1	Modified the "Lower" VSL to remove as much generic language as possible.
Requirement R2	Corrected a typographical error in the "Lower" and "Severe" VSLs

VSLs for Facilities and Modeling Standards

In the initial ballot, there were 40 negative ballots with comments; several balloters listed more than one reason for their negative comment. The negative comments are shown in the following table. Although there were some distinct voting patterns within companies registered to ballot in multiple industry segments, and some voting patterns where a particular comment was submitted by more than one balloter in a Region, there was no evidence of widespread block voting within a Region or within an industry segment.

Analysis of Initial Ballot of VSLs for Facilities and Modeling Standards			
Reasons Cited for Negative Vote	Number of Balloters Citing this Reason for the Negative Vote	Number of Regions* Represented by the Balloters Submitting this Comment	Number of Industry Segments Represented by the Balloters Submitting this Comment
VSL is incorrect	21	5	6
Double jeopardy	15	4	5
Use of generic language in text of VSLs	14	3	5
Failure to apply VSL guidelines consistently	8	2	4
Failure to consider risk in setting VSLs	7	5	4
Failure to comply with the standards process	5	2	3
Disagreement with criteria in VSL guidelines	3	1	3
Other (errata)	2	2	2

Some balloters represent multiple Regions

Between the initial ballot and the recirculation ballot 19 balloters changed their votes as follows:

– One balloter who did not participate in the initial ballot cast an affirmative vote in the recirculation ballot
– Four balloters who cast abstentions in the initial ballot cast affirmative votes in the recirculation ballot
– One balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot
– Six balloters who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot – four votes were from one company registered to ballot in four industry segments; two votes were from one company registered to ballot in two different industry segments
– Seven balloters who cast a negative vote in the initial ballot cast an affirmative vote in the recirculation ballot

Between the initial ballot and the recirculation ballot, the drafting team modified 13 sets of VSLs as shown in the following table.

Page 25

Modifications to VSLs for Facilities and Modeling Standards	
FAC-002-0 — Coordination of Plans for New Generation, Transmission, and End-User	
Requirement R2	Corrected typographical error in "High" VSL
FAC-003-1 — Vegetation Management Program	
Requirement R1.2.2.1	Modified the "Severe" VSL to better match the language in the requirement
Requirement R1.2.2.2	Modified the "Severe" VSL to better match the language in the requirement
Requirement R1.3	Corrected typographical error in "Moderate" VSL
Requirement R2	Modified the "Severe" VSL which mixed total noncompliance with the requirement with partial compliance – and moved the descriptors of partial compliance to "High" VSLs
Requirement R3	Modified all four VSLs to replace the percentages of missed reports with the number of missed reports
Requirement R3.3	Corrected error in "Severe" VSL
FAC-008-1 — Facility Ratings Methodology	
Requirement R1.2.2	Corrected typographical error in "Moderate" VSL
FAC-009-1 —Establish and Communicate Facility Ratings	
Requirement R2	Modified the language in the "Severe" VSL for clarity
FAC-013-1 — Establish and Communicate Transfer Capabilities	
Requirement R2.1	Modified the language in the "Severe" VSL for clarity
Requirement R2.1	Modified the language in the "Severe" VSL for clarity
MOD-006-0 — Procedures for the use of Capacity Benefit Margin Values	
RequirementR 1	Corrected typographical errors in all four VSLs
Requirement R1.1	Corrected typographical error in "Severe" VSL

VSLs for Interchange, Personnel and Nuclear

In the initial ballot, there were 33 negative ballots with comments; several balloters listed more than one reason for their negative comment. The negative comments are shown in the following table. Although there were some distinct voting patterns within companies registered to ballot in multiple industry segments, and some voting patterns where a particular comment was submitted by more than one balloter in a Region, there was no evidence of widespread block voting within a Region or within an industry segment.

Analysis of Initial Ballot of VSLs for Interchange, Personnel, and Nuclear Standards			
Reasons Cited for Negative Vote	**Number of Balloters Citing this Reason for the Negative Vote**	**Number of Regions* Represented by the Balloters Submitting this Comment**	**Number of Industry Segments Represented by the Balloters Submitting this Comment**
VSL is incorrect	19	5	6
Double jeopardy	16	4	5
Failure to apply VSL guidelines consistently	12	3	4
Use of generic language in text of VSLs	9	3	4
Failure to comply with the standards process	4	3	2
Disagreement with criteria in VSL guidelines	3	1	3
Failure to consider risk in setting VSLs	1	1	1
Other (errata)	1	1	1

Some balloters represent multiple Regions

Between the initial ballot and the recirculation ballot 10 balloters changed their votes as follows:

– One balloter who did not participate in the initial ballot cast an affirmative vote in the recirculation ballot
– Five balloters who cast abstentions in the initial ballot cast affirmative votes in the recirculation ballot; three of these balloters were from one company registered to ballot in three industry segments
– One balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot
– Three balloters who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot – all three votes were from one company registered to ballot in four industry segments

Page 27

Between the initial ballot and the recirculation ballot, the drafting team modified 10 sets of VSLs as shown in the following table.

Modifications to VSLs for Interchange, Personnel, and Nuclear Standards	
INT-006-1 — Response to Interchange Authority	
Requirement R1	Modified all four VSLs to focus on just the main requirement rather than the main requirement and its subrequirements – corrected grammar error
Requirement R1.1	Modified "Lower," "High" and "Severe" VSLs to eliminate the use of percentages; replaced the "Moderate" VSL with "N/A"
Requirement R1.1.1	Replaced all four VSLs with a single "Lower" VSL, using language that better matches the language in the subrequirement – eliminated double jeopardy
Requirement R1.1.2	Replaced all four VSLs with a single "Lower" VSL, using language that better matches the language in the subrequirement – eliminated double jeopardy
Requirement R1.1.3	Replaced all four VSLs with a single "Lower" VSL, using language that better matches the language in the subrequirement – eliminated double jeopardy
PER-002-0 — Operating Personnel Training	
Requirement R2.1	Replaced all four VSLs with a single "High" VSL, using language that better matches the language in the subrequirement
Requirement R2.2	Replaced all four VSLs with a single "High" VSL, using language that better matches the language in the subrequirement
Requirement R3.1	Modified all four VSLs to clarify that the training program objectives must focus on the "applicable BA and TOP" standards, etc.
Requirement R4	Modified all four VSLs to better match the language in the requirement
PER-004-1 — Reliability Coordination — Staffing	
Requirement R2	Modified all four VSLs to clarify which VSL is associated with the number of days of training provided or not provided

VSLs for Interconnected Reliability Operations Standards

In the initial ballot, there were 25 negative ballots with comments; several balloters listed more than one reason for their negative comment. The negative comments are shown in the following table. Although there were some distinct voting patterns within

companies registered to ballot in multiple industry segments, and some voting patterns where a particular comment was submitted by more than one balloter in a Region, there was no evidence of widespread block voting within a Region or within an industry segment.

Analysis of Initial Ballot of VSLs for Interconnected Reliability Operations Standards			
Reasons Cited for Negative Vote	Number of Balloters Citing this Reason for the Negative Vote	Number of Regions* Represented by the Balloters Submitting this Comment	Number of Industry Segments Represented by the Balloters Submitting this Comment
Failure to apply VSL guidelines consistently	10	4	4
VSL is incorrect	9	3	6
Double jeopardy	8	2	5
Use of generic language in text of VSLs	4	2	3
Failure to comply with the standards process	4	3	3
Disagreement with criteria in VSL guidelines	3	1	3
Failure to consider risk in setting VSLs	1	1	1
Other (errata)	1	1	1

Some balloters represent multiple Regions

Between the initial ballot and the recirculation ballot 12 balloters changed their votes as follows:

− One balloter who did not participate in the initial ballot cast an affirmative vote in the recirculation ballot
− Five balloters who cast abstentions in the initial ballot cast affirmative votes in the recirculation ballot
− One balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot
− One balloter who cast a negative vote in the initial ballot cast an affirmative vote in the recirculation ballot
− Four balloters who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot – all four votes were from one company registered to ballot in four industry segments

Between the initial ballot and the recirculation ballot, the drafting team modified 9 sets of VSLs as shown in the following table.

Page 29

Modifications to VSLs for Interconnected Reliability Operations Standards	
IRO-001-1 — Reliability Coordination — Responsibilities and Authorities	
Requirement R2	Corrected typographical error in "Severe" VSL
Requirement R6	Eliminated "Lower" VSL as it did not match the requirement and the drafting team could not identify a set of noncompliance that could be classified as "Lower"
IRO-002-1 — Reliability Coordination — Facilities	
Requirement R5	Modified the "Moderate" and "High" VSLs to better match the language in the requirement
IRO-004-1 — Reliability Coordination — Operations Planning	
Requirement R6	Corrected all four VSLs to clarify that the RC is the responsible entity
IRO-005-1 — Reliability Coordination — Current-Day Operations	
Requirement R3	Moved a portion of the description of the "High" VSL to the "Moderate" VSL to provide a more accurate distinction between the two VSLs
Requirement R11	The "Lower" VSL contained generic language and the drafting team could not identify noncompliance that could be classified as "Lower" so this was changed to "not applicable." The "Moderate," "High" and "Severe" VSLs all contained generic language and were replaced with more specific descriptions of progressively more non-compliant performance.
IRO-006-3 — Reliability Coordination — Transmission Loading Relief	
Requirement R2.1	The VSLs were removed because the subrequirement does not have a VRF
Requirement R2.2	The VSLs were removed because the subrequirement does not have a VRF
Requirement R2.3	The VSLs were removed because the subrequirement does not have a VRF

VSLs for Protection and Control Standards

In the initial ballot, there were 40 negative ballots with comments; several balloters listed more than one reason for their negative comment. The negative comments are shown in the following table. Although there were some distinct voting patterns within companies registered to ballot in multiple industry segments, and some voting patterns where a particular comment was submitted by more than one balloter in a Region, there was no evidence of widespread block voting within a Region or within an industry segment.

Analysis of Initial Ballot of VSLs for Protection and Control Standards			
Reasons Cited for Negative Vote	Number of Balloters Citing this Reason for the Negative Vote	Number of Regions* Represented by the Balloters Submitting this Comment	Number of Industry Segments Represented by the Balloters Submitting this Comment
VSL is incorrect	27	6	6
Double jeopardy	20	5	4
Failure to apply VSL guidelines consistently	11	2	5
Other (errata)	9	3	4
Failure to comply with the standards process	8	2	4
Failure to consider risk in setting VSLs	7	4	4
Disagreement with criteria in VSL guidelines	6	1	3
Use of generic language in text of VSLs	3	1	3

Some balloters represent multiple Regions

Between the initial ballot and the recirculation ballot 18 balloters changed their votes as follows:

– One balloter who did not participate in the initial ballot cast a negative vote in the recirculation ballot
– Five balloters who cast abstentions in the initial ballot cast affirmative votes in the recirculation ballot; three of these balloters were from one company registered to ballot in three industry segments
– One balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot
– Six balloters who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot – four votes were from one company registered to ballot in four industry segments
– Five balloters who cast a negative vote in the initial ballot cast an affirmative vote in the recirculation ballot – three votes were from one company registered to ballot in three industry segments

Between the initial ballot and the recirculation ballot, the drafting team modified 17 sets of VSLs as shown in the following table.

Modifications to VSLs for Protection & Control Standards

PRC-001-1 — System Protection Coordination

Requirement R3.1	Replaced the single, "Severe" VSL with a set of four VSLs to provide more categories of noncompliant performance
Requirement R3.2	Replaced the single, "Severe" VSL with a set of four VSLs to provide more categories of noncompliant performance
Requirement R4	Replaced the single, "Severe" VSL with a set of four VSLs to provide more categories of noncompliant performance
Requirement R6	Modified the "Severe" VSL to better match the language in the requirement

PRC-004-1 — Analysis and Mitigation of Transmission and Generation Protection System Misoperations

Requirement R3	Eliminated the "Moderate" VSL – added a "Lower" VSL - modified the "High" and "Severe" VSLs to better match the language in the requirement

PRC-005-1 — Transmission and Generation Protection System Maintenance and Testing

Requirement R1.1	Replaced the single, "Lower" VSL with four VSLs that provide more categories of noncompliant performance
Requirement R1.2	Replaced the single, "Lower" VSL with four VSLs that provide more categories of noncompliant performance
Requirement R2	Replaced the single, "Severe" VSL with four VSLs that provide more categories of noncompliant performance
Requirement R2.1	Replaced the "Lower" and "Moderate" VSLs with four VSLs that provide more categories of noncompliant performance
Requirement R2.2	Replaced the "Lower" and "Moderate" VSLs with four VSLs that provide more categories of noncompliant performance

PRC-008-0 — Implementation and Documentation of Underfrequency Load Shedding Equipment Maintenance Program

Requirement R1	Replaced the single, "Severe" VSL with four VSLs that provide more categories of noncompliant performance
Requirement R2	Replaced the single, "Severe" VSL with four VSLs that provide more categories of noncompliant performance

PRC-009-0 — Analysis and Documentation of Underfrequency Load Shedding.

Requirement R2	Added a "Moderate" VSL to close the gap in the ranges of noncompliant performance

PRC-010-0 — Technical Assessment of the Design and Effectiveness of Undervoltage Load

Requirement	Modified the language in the "Moderate" and "High" VSLs to clarify the number of years associated with each VSL

Page 32

Modifications to VSLs for Protection & Control Standards	
R1	
PRC-016-0 — Special Protection System Misoperations	
Requirement R1	Corrected a typographical error in all four VSLs (SPC changed to SPS)
PRC-018-1 — Disturbance Monitoring Equipment Installation and Data Reporting	
Requirement R1.1	Removed extraneous words from "Lower" VSL
Requirement R3	Corrected a typographical error in the "Severe" VSL

VSLs for Transmission Operations Standards

In the initial ballot, there were 29 negative ballots with comments; several balloters listed more than one reason for their negative comment. The negative comments are shown in the following table. Although there were some distinct voting patterns within companies registered to ballot in multiple industry segments, and some voting patterns where a particular comment was submitted by more than one balloter in a Region, there was no evidence of widespread block voting within a Region or within an industry segment.

Analysis of Initial Ballot of VSLs for Transmission Operations Standards			
Reasons Cited for Negative Vote	**Number of Balloters Citing this Reason for the Negative Vote**	**Number of Regions* Represented by the Balloters Submitting this Comment**	**Number of Industry Segments Represented by the Balloters Submitting this Comment**
VSL is incorrect	13	5	6
Double jeopardy	11	4	5
Failure to apply VSL guidelines consistently	5	2	4
Other (errata)	5	2	4
Failure to comply with the standards process	3	2	2
Failure to consider risk in setting VSLs	5	4	4

Page 33

Analysis of Initial Ballot of VSLs for Transmission Operations Standards			
Reasons Cited for Negative Vote	Number of Balloters Citing this Reason for the Negative Vote	Number of Regions* Represented by the Balloters Submitting this Comment	Number of Industry Segments Represented by the Balloters Submitting this Comment
Disagreement with criteria in VSL guidelines	4	2	3
Use of generic language in text of VSLs	3	1	3

Some balloters represent multiple Regions

Between the initial ballot and the recirculation ballot 11 balloters changed their votes as follows:

– One balloter who did not participate in the initial ballot cast an affirmative vote in the recirculation ballot
– Three balloters who cast abstentions in the initial ballot cast affirmative votes in the recirculation ballot
– One balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot
– Four balloters who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot – all four votes were from one company registered to ballot in four industry segments
– Two balloters who cast a negative vote in the initial ballot cast an affirmative vote in the recirculation ballot

Between the initial ballot and the recirculation ballot, the drafting team modified 11 sets of VSLs as shown in the following table.

Modifications to VSLs for Transmission Operations Standards	
TOP-001-1 — Reliability Responsibilities and Authorities	
Requirement R1	Modified the "Severe" VSL to better match the language in the requirement
TOP-002-2 — Normal Operations Planning	
Requirement R14	Eliminated "High" VSL because of objections to the reference to delay in notifications
Requirement R16	Eliminated "High" VSL because of objections to the reference to delay in notifications
Requirement R16.1	Eliminated "Lower" VSL because of objections to the reference to delay in notifications
Requirement R16.2	Eliminated "Lower" VSL because of objections to the reference to delay in notifications
Requirement R17	Eliminated "High" VSL because of objections to the reference to delay in communicating

Page 34

Modifications to VSLs for Transmission Operations Standards		
TOP-005-1 — Operational Reliability Information		
Requirement R1	Reversed "Lower" and "Severe" VSLs to show that producing some data is not as severe as producing no data	
Requirement R3	Reversed "Lower" and "Severe" VSLs to show that producing some data is not as severe as producing no data	
Requirement R4	Reversed "Lower" and "Severe" VSLs to show that producing some data is not as severe as producing no data	
TOP-006-1 — Monitoring System Conditions		
Requirement R1	Modified the "Severe" VSL to better match the language in the requirement	
Requirement R3	Revised the VSLs for consistency within the set of TOP standards – eliminated the "High" VSL – revised the "Severe" VSL so that it addresses total noncompliance – and added a "Lower" VSL for partial noncompliance	

VSLs for Transmission Planning Standards

In the initial ballot, there were 46 negative ballots with comments; several balloters listed more than one reason for their negative comment. The negative comments are shown in the following table. Although there were some distinct voting patterns within companies registered to ballot in multiple industry segments, and some voting patterns where a particular comment was submitted by more than one balloter in a Region, there was no evidence of widespread block voting within a Region or within an industry segment.

Analysis of Initial Ballot of VSLs for Transmission Planning Standards			
Reasons Cited for Negative Vote	**Number of Balloters Citing this Reason for the Negative Vote**	**Number of Regions* Represented by the Balloters Submitting this Comment**	**Number of Industry Segments Represented by the Balloters Submitting this Comment**
VSL is incorrect	21	4	6
Use of generic language in text of VSLs	23	5	7
Double jeopardy	19	6	5
Failure to apply VSL guidelines consistently	4	2	3
Disagreement with criteria in VSL guidelines	3	1	3
Failure to comply with the standards process	1	1	1

Page 35

Analysis of Initial Ballot of VSLs for Transmission Planning Standards			
Reasons Cited for Negative Vote	Number of Balloters Citing this Reason for the Negative Vote	Number of Regions* Represented by the Balloters Submitting this Comment	Number of Industry Segments Represented by the Balloters Submitting this Comment
Failure to consider risk in setting VSLs	1	1	1
Other (errata)	0	0	0

Some balloters represent multiple Regions

Between the initial ballot and the recirculation ballot 26 balloters changed their votes as follows:

– One balloter who did not participate in the initial ballot cast an affirmative vote in the recirculation ballot
– Three balloters who cast abstentions in the initial ballot cast affirmative votes in the recirculation ballot
– One balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot
– Four balloters who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot – all four votes were from one company registered to ballot in four industry segments
– Seventeen balloters who cast a negative vote in the initial ballot cast an affirmative vote in the recirculation ballot

Between the initial ballot and the recirculation ballot, the drafting team modified 64 sets of VSLs as shown in the following table.

Modifications to VSLs for Transmission Planning Standards	
TPL-001-0 — System Performance Under Normal (No Contingency) Conditions (Category A)	
Requirement R1.1	Eliminated all four VSLs to remove language tied to interpretation of "annual" – added a new "Severe" VSL to better match the language in the subrequirement
Requirement R1.2	Subdivided the "Moderate" VSL and added a "Lower" VSL to recognize that missing the "near-term" plan is more severe than missing the "long-term" plan
Requirement R1.3.1	Eliminated "Lower" and "High" VSLs because they expanded on the subrequirement – added a new "Severe" VSL that matches the language in the requirement
Requirement R1.3.2	Modified the "Lower," "Moderate" and "Severe" VSLs to eliminate language tied to interpretation of "annual" and modified the "Severe" VSL to provide a more explicit description of total noncompliance – eliminated the "High" VSL

Modifications to VSLs for Transmission Planning Standards	
Requirement R1.3.3	Eliminated "Lower," "Moderate" and "High" VSLs that contained generic language – modified the "Severe" VSL to provide a more explicit description of total noncompliance
Requirement R1.3.4	Modified the "Severe" VSL to better match the language in the subrequirement
Requirement R1.3.5	Replaced the "Lower" and "Moderate" VSLs with a set of four VSLs to identify a more complete range of possible noncompliant performance
Requirement R1.3.6	Eliminated the "Moderate" and "Severe" VSLs that expanded on the subrequirement and added a new "Severe" VSL that better matches the language in the subrequirement
Requirement R1.3.8	Replaced the generic language in the "Lower," "Moderate" and "Severe" VSLs with specific language from the requirement - deleted the "High" VSL
Requirement R1.3.9	Eliminated the "Moderate" VSL and modified the "Severe" VSL to better match the language in the subrequirement
Requirement R1.4	Eliminated the "Lower," "Moderate" and "High" VSLs that contained generic language – modified the "Severe" VSL to better match the language in the subrequirement
Requirement R2.1	Eliminated the "Moderate" VSL and modified the "Severe" VSL to better match the language in the subrequirement
Requirement R2.1.2	Modified the "Severe" VSL to better match the language in the subrequirement
Requirement R2.1.3	Eliminated the "Lower," "Moderate" and "High" VSLs that contained generic language – and moved the "Severe" to "Moderate"
Requirement R2.2	Eliminated the "Lower" VSL that contained generic language – and moved the "Severe" VSL to "moderate"
Requirement R3	Eliminated all four VSLs to remove language tied to interpretation of "annual" - added new "Moderate" and "Severe" VSLs to better match the language in the requirement
TPL-002-0 — System Performance Following Loss of a Single Bulk Electric System Element (Category B)	
Requirement R1.1	Eliminated all four VSLs to remove language tied to interpretation of "annual" – added a new "Severe" VSL to better match the language in the subrequirement
Requirement R1.2	Subdivided the "Moderate" VSL and added a "Lower" VSL to recognize that missing the "near-term" plan is more severe than missing the "long-term" plan
Requirement R1.3.1	Eliminated "Lower" and "High" VSLs because they expanded on the subrequirement – added a new "Severe" VSL that matches the language in the requirement
Requirement R1.3.2	Eliminated "Lower" and "Hgh" VSLs because they expanded on the subrequirement – added a new "Severe" VSL that matches the language in the requirement
Requirement R1.3.3	Modified the "Lower," "moderate" and "Severe" VSLs to eliminate language tied to interpretation of "annual" and modified the "Severe" VSL to provide a more explicit description of total noncompliance – eliminated the "High" VSL
Requirement R1.3.4	Eliminated the "Lower," "Moderate" and "High" VSLs that contained generic language – and modified the "Severe" VSL to better match the language in the subrequirement
Requirement R1.3.5	Replaced the "lower" and "moderate" VSLs that contained generic language with a set of four VSLs to identify a

Page 37

Modifications to VSLs for Transmission Planning Standards	
	more complete range of possible noncompliant performance
Requirement R1.3.6	Eliminated the "Moderate" and "Severe" VSLs that expanded on the subrequirement and added a new "Severe" VSL that better matches the language in the subrequirement
Requirement R1.3.8	Eliminated all four VSLs that contained generic language – added new "Lower," "Moderate" and "Severe" VSLs that better match the language in the subrequirement
Requirement R1.3.9	Eliminated the "Moderate" VSL as it expanded on the requirement and modified the "Severe" VSL to better match the language in the subrequirement
Requirement R1.3.10	Eliminated all four VSLs that contained generic language – added new "Moderate" and "Severe" VSLs that better match the language in the subrequirement
Requirement R1.3.11	Eliminated all four VSLs that contained generic language – added new "Moderate" and "Severe" VSLs that better match the language in the subrequirement
Requirement R1.3.12	Eliminated all four VSLs that contained generic language – added a "Severe" VSLs that better matches the language in the subrequirement
Requirement R1.4	Eliminated the "Lower," "Moderate" and "High" VSLs that contained generic language – modified the "Severe" VSL to better match the language in the subrequirement
Requirement R1.5	Eliminated the "lower," "Moderate" and "High" VSLs that contained generic language – modified the "Severe" VSL to better match the language in the subrequirement
Requirement R2.1	Eliminated the "Moderate" VSL and modified the "Severe" VSL to better match the language in the subrequirement
Requirement R2.1.3	Eliminated the "Lower," "Moderate" and "High" VSLs that contained generic language – and moved the "Severe" to "Moderate"
Requirement R2.2	Eliminated the "Lower" and "Severe" VSLs that expanded on the requirement and added a new "Moderate" VSL
Requirement R3	Eliminated all four VSLs to remove language tied to interpretation of "annual" - added new "Moderate" and "Severe" VSLs to better match the language in the requirement
TPL-003-0 — System Performance Following Loss of Two or More Bulk Electric System Elements (Category C)	
Requirement R1.1	Eliminated all four VSLs to remove language tied to interpretation of "annual" – added a new "Severe" VSL to better match the language in the subrequirement
Requirement R1.2	Subdivided the "Moderate" VSL and added a "Lower" VSL to recognize that missing the "near-term" plan is more severe than missing the "long-term" plan
Requirement R1.3.2	Eliminated "Lower" and "High" VSLs because they expanded on the subrequirement – added a new "Severe" VSL that matches the language in the requirement
Requirement R1.3.3	Modified the "Lower," "Moderate" and "Severe" VSLs to eliminate language tied to interpretation of "annual" and modified the "Severe" VSL to provide a more explicit description of total noncompliance – eliminated the "High" VSL
Requirement R1.3.4	Eliminated the "Lower," "Moderate" and "High" VSLs that contained generic language – and modified the "Severe" VSL to better match the language in the subrequirement

Modifications to VSLs for Transmission Planning Standards	
Requirement R1.3.5	Replaced the "Lower" and "Moderate" VSLs that contained generic language with a set of four VSLs to identify a more complete range of possible noncompliant performance
Requirement R1.3.6	Eliminated the "Moderate" and "Severe" VSLs that expanded on the subrequirement and added a new "Severe" VSL that better matches the language in the subrequirement
Requirement R1.3.8	Eliminated all four VSLs that contained generic language – added new "Lower," "Moderate" and "Severe" VSLs that better match the language in the subrequirement
Requirement R1.3.9	Eliminated the "Moderate" VSL as it expanded on the requirement and modified the "Severe" VSL to better match the language in the subrequirement
Requirement R1.3.10	Eliminated all four VSLs that contained generic language – added new "Moderate" and "Severe" VSLs that better match the language in the subrequirement
Requirement R1.3.11	Eliminated all four VSLs that contained generic language – added new "Moderate" and "Severe" VSLs that better match the language in the subrequirement
Requirement R1.3.12	Eliminated all four VSLs that contained generic language – added a "Severe" VSLs that better matches the language in the subrequirement
Requirement R1.4	Eliminated the "Lower," "Moderate" and "High" VSLs that contained generic language – modified the "Severe" VSL to better match the language in the subrequirement
Requirement R1.5	Eliminated all four VSLs that contained generic language – added four new VSLs that identify a more complete range of possible noncompliant performance
Requirement R2.1	Eliminated the "Moderate" VSL and modified the "Severe" VSL to better match the language in the subrequirement
Requirement R2.1.3	Eliminated the "Lower," "Moderate" and "High" VSLs that contained generic language – and moved the "Severe" to "Moderate"
Requirement R2.2	Eliminated the "Lower" and "Severe" VSLs that expanded on the requirement and added a new "Moderate" VSL
Requirement R3	Eliminated the "Lower" and "High" VSLs that contained language that interpreted what was meant by the word, "annual" and modified the "Moderate" and "Severe" VSLs to better match the language in the requirement
TPL-004-0 — System Performance Following Extreme Events Resulting in the Loss of Two or More Bulk Electric System Elements (Category D)	
Requirement R1.1	Eliminated all four VSLs to remove language tied to interpretation of "annual" – added a new "Severe" VSL to better match the language in the subrequirement
Requirement R1.3.2	Eliminated the "Lower" and "High" VSLs that contained language that expanded on the subrequirement and added a "Severe" VSL
Requirement R1.3.3	Eliminated the "Lower," "Moderate" and "High" VSLs that contained language that interpreted what was meant by the word, "annual" – added a new "Severe" VSL to better match the language in the subrequirement
Requirement R1.3.4	Eliminated the "Lower" and "Moderate" VSLs that contained generic language and added four new VSLs that identify a more complete range of possible noncompliant
Requirement R1.3.5	Replaced the four VSLs that contained generic language - added new "Lower," "Moderate" and "Severe" VSLs that

Page 39

	Modifications to VSLs for Transmission Planning Standards
	better match the language in the subrequirement
Requirement R1.3.6	Replaced the "Severe" VSL that had expanded on the requirement with a new VSL that better matches the language in the requirement
Requirement R1.3.7	Eliminated all four VSLs that contained generic language – added new "High" and "Severe" VSLs that better match the language in the subrequirement
Requirement R1.3.8	Eliminated all four VSLs that contained generic language – added a new "High" and "Severe" VSL that better match the language in the subrequirement
Requirement R1.3.9	Eliminated all four VSLs that contained generic language – added a new "Severe" VSL that better matches the language in the subrequirement
Requirement R1.4	Eliminated all four VSLs that contained generic language and added four new VSLs that identify a more complete range of possible noncompliant
Requirement R2	Eliminated all four VSLs that contained language that interpreted what was meant by the word, "annual" and added new the "Moderate" and "Severe" VSLs to better match the language in the requirement

3. **The third ballot event in the first quarter of 2008** consisted of a recirculation ballot for an interpretation of VAR-001-1 Requirement R4 for Dynegy.

The request asked if the transmission operator is implicitly required to have a technical basis for specifying the voltage or reactive power schedule, asked if the voltage or reactive power schedule must be reasonable and practical for the generator operator to maintain, and asked what measure should be used to determine if the transmission operator has issued a technically based, reasonable, and practical voltage or reactive power schedule.

The interpretation clarifies that VAR-001-1 is comprised of stated requirements and associated measures and compliance elements. There are no specific requirements in VAR-001-1 to issue a "technically based, reasonable, and practical to maintain voltage or reactive power schedule and associated tolerance band."

Standard VAR-001-1 has a companion standard, VAR-002-1a — Generator Operation for Maintaining Network Voltage Schedules. The purpose of VAR-002-1a is to ensure generators provide reactive and voltage control necessary to ensure voltage levels, reactive flows, and reactive resources are maintained within applicable Facility Ratings to protect equipment and the reliable operation of the Interconnection. VAR-002-1a Requirement R2 states that, "(u)nless exempted by the Transmission Operator, each Generator Operator shall maintain the generator voltage or Reactive Power output (within applicable Facility Ratings) as directed by the Transmission Operator." Sub-requirement R2.2 goes on to state that "(w)hen directed to modify

voltage, the Generator Operator shall comply or provide an explanation of why the schedule cannot be met." The term "Facility Rating" is defined in NERC's Glossary of Terms as "the maximum or minimum voltage, current, frequency, or real or reactive power flow through a facility that does not violate the applicable equipment rating of any equipment comprising the facility." Therefore, as prescribed in Requirement R2 of VAR-002-1a, the Generator Operator shall comply with the request of the Transmission Operator only to the extent to which compliance with the directive does not exceed the applicable equipment rating for the generator. When a Generator Operator is not able to comply with the Transmission Operator directive, the Generator Operator must notify and explain to the Transmission Operator why the schedule cannot be met, per Requirement R2.2.

The initial ballot was conducted from December 4 through December 13, 2007 and achieved a quorum of 86.41% but also included five negative ballots with comments, initiating the need to conduct a recirculation ballot.

The recirculation ballot was conducted from January 14-23, 2008 and achieved a quorum of 89.67% and a weighted approval of 93.18%. In the recirculation ballot four balloters who did not cast a vote in the initial ballot submitted an affirmative ballot; three balloters who submitted an affirmative vote in the initial ballot changed their vote to an abstention in the recirculation ballot; none of the 11 balloters who submitted a negative vote in the initial ballot changed their vote in the recirculation ballot.

4. **The fourth ballot event in the fourth quarter of 2007** consisted of a recirculation ballot for PRC-023-1 — Transmission Relay Loadability.

This standard was developed to address the cascading transmission outages that occurred in the August 2003 blackout when backup distance and phase relays operated on high loading and low voltage without electrical faults on the protected lines. This is the 'zone 3 relay' issue, expanded to address other protection devices subject to unintended operation during extreme system conditions. The standard establishes minimum loadability criteria for these relays to minimize the chance of unnecessary line trips during a major system disturbance.

The initial ballot was conducted from November 19 through December 4, 2007 and achieved a quorum of 91.83% and a weighted affirmative rating of 80.84% but also included 25 negative ballots with comments, initiating the need to conduct a recirculation ballot.

The recirculation ballot was conducted from January 31 through February 9, 2008 and achieved a quorum of 93.27% and a weighted affirmative rating of 82.64%. Between the initial ballot and the recirculation ballot the following changes were made:

– One balloter who did not cast a vote in the initial ballot cast a negative ballot

Page 41

- Two balloters who did not cast a vote in the initial ballot cast an affirmative vote in the recirculation ballot
- Four balloters who cast a negative vote in the initial ballot changed to an affirmative vote in the recirculation ballot
- One balloter who cast an affirmative vote in the initial ballot cast a negative vote in the recirculation ballot
- Two balloters who cast abstentions in the initial ballot cast an affirmative vote in the recirculation ballot
- And one balloter who cast an abstention in the initial ballot cast a negative vote in the recirculation ballot

Each of the two new negative ballots was accompanied by a comment.
- One balloter expressed concern over the use of the term, "critical"
- One balloter indicated that GSU transformers should have been excluded from Attachment A of the standard

5. **The fifth ballot event in the first quarter of 2008** consisted of a set of six initial ballots for the following ATC-related standards:
- MOD-001-1 Available Transfer Capability
- MOD-004-1 Capacity Benefit Margin
- MOD-008-1 Transmission Reliability Margin
- MOD-028-1 Area Interchange Methodology
- MOD-029-1 Rated System Path Methodology
- MOD-030-1 Flowgate Methodology

Each of the ballots achieved a quorum and also included several negative ballots with comments. None of the ballots achieved a high enough affirmative vote for approval. The drafting team decided to withdraw the standards from the ballot stage and make revisions before proceeding with a new ballot. There were some common themes in all the comments submitted with negative ballots.

Because the reasons cited for submitting a negative ballot were consistent throughout the six ballots, the reasons are discussed just once for brevity, followed by a table that shows how often these comments were cited in each of the six ballots.

Process
Several balloters indicated that there were many significant changes to each of the ATC-related standards and definitions, and these modifications should have been posted for comment before proceeding to ballot.

Errata

In developing the final draft of two standards the drafting team changed requirements to longer require conversion of AFC to ATC and TFC to TTC, but failed to make the necessary modifications to MOD-001-1 and MOD-030 to reflect the removal of the conversion requirement.

Violation Risk Factors

Some balloters indicated a concern that none of the requirements in any of the six standards meet the criteria associated with a "medium" VRF, and indicated that the "Medium" VRFs should be modified to "Lower" VRFs.

Violation Severity Levels

Several balloters indicated that there are several requirements that have only a single VSL, and proposed that the single VSL either didn't address the entire requirement and needed revision, or indicated that additional VSLs should be developed to address a broader range of noncompliant performance.

Applicability

Several balloters disagree with the applicability of some of the requirements in each of the six standards. MOD-004-1 introduced a new entity, "Planned Resource Sharing Group" and many balloters expressed concern that this entity is not identified in the Functional Model. For all standards in this set, some balloters disagreed with applicability, with some balloters indicating that the Transmission Planner and Planning Authority should have some of the responsibilities assigned to the Transmission Service Planner and Transmission Operator; other balloters indicated that some requirements should be applicable to either the Transmission Service Provider or the Transmission Operator; other balloters indicated that the requirements assigned to the Transmission Operator should be applied to the Transmission Service Provider. One balloter indicated that the standards should be modified to indicate that certain requirements aren't applicable in the ERCOT Interconnection.

Level of Detail

Several balloters indicated that the requirements provide more details than needed, and some requirements seem to be business practices, rather than reliability requirements.

Duplication

Several balloters indicated that MOD-001 has requirements that duplicate those in one of the modeling standards and recommended that the modeling requirements be retired when the ATC standards are implemented.

Fundamental Concepts

Some commenters indicated a basic disagreement with some of the fundamental concepts supporting some of the standards. Balloters in ISO/RTO environments proposed having two different sets of CBM requirements. Several balloters indicated that there should be a single ATC method for each area, another balloter indicated that each Transmission Service Provider should use only one method of determining ATC.

Transparency – Some balloters indicated a concern that the standard doesn't identify how market entities will acquire the documents they seek.

Effective Dates

Some balloters indicated that the standards should all become effective on the same date.

Definitions

Balloters expressed concern about the following terms – either asking for a new definition or asking for a revision to the latest proposed definition: ATC Path, Generation Capability Import Requirement, Planned Resource Sharing Group, Transmission Reliability Margin, set asides, OS_F,

Technical Issues – Several balloters highlighted technical issues with specific language in various requirements in each of the six standards. Most of these comments involved specific requirements in specific standards, with a small number of balloters mentioning these recommendations. Several balloters indicated two concerns with MOD-030 – the standard provides more than one distribution factor threshold and there should only be a single threshold, and several balloters indicated that clarification is needed with respect to adding flowgates.

The following table shows how often each of the above comments were noted by one of the balloters who submitted comments with their negative vote in the associated initial ballot.

Reason for Negative Ballot	Number of Times Comment Noted by Balloters by Ballot					
	MOD-001	MOD-004	MOD-008	MOD-028	MOD-029	MOD-030
Failure to comply with the Standards Process	18	36	24	6	6	20
Applicability is incorrect	9	26	9	8	2	6
Disagreement with fundamental concepts	4	12	12	0	0	7
Inappropriate level of detail, including business practices	8	12	9	6	6	13
Incorrect assignment of VRFs	11	9	10	7	7	10
VSLs fail to describe full range of noncompliance	9	8	9	6	8	11
Transparency missing	4	3	3	3	2	3
Inappropriate effective dates	2	2	2	2	2	2
Definitions need improvement	1	2	1	0	1	0
Errata	12	0	0	0	0	14
Requirements redundant with other standards	7	0	0	0	0	0
Miscellaneous technical issues	several	several	several	several	several	several

Document Content(s)