Memorandum To: NPCC Registered Entities
From: Stanley E. Kopman, Assistant Vice President – Compliance, NPCC
Subject: NPCC Compliance Guidance Statement – NPCC-CGS-001-R

Revised October 3, 2008

Based on discussions at the NPCC Board of Directors, the NPCC Compliance Committee and the NPCC Reliability Coordinating Committee, the original Compliance Guidance Statement (NPCC-CGS-001) has been revised to clarify the intent of statement. Attached is the revised NPCC-CGS-001-R that reflects the following clarifications:

- Transmission outages caused by vegetation contacts should be reported, to NPCC, within 48 hours after the transmission owner has investigated and confirmed a vegetation related outage occurred and the circumstances that contributed to the outage. NPCC will contact the entity to follow-up on the submitted report to confirm the period of the vegetation contact and the corrective actions taken by the entity.

- Confirmation includes identifying the outage as being caused by vegetation contact and classifying the outage in the appropriate category, as they are defined in FAC-003-1.

- As per FAC-003-1 all outages of transmission lines 200kV and above and any lower voltage lines designated by NPCC as critical to the reliability of the electric system in the region will be subject to violations. Outages reported for facilities below 200kV and/or deemed non-critical, are currently not subject to FAC-003-1 and are reported to NPCC for informational purposes only.
Compliance Guidance Statement on Reporting of Transmission Outage Related to Vegetation Contact

Vegetation Management has been a high profile concern since it was identified as a cause of the August 14, 2003 Blackout. By making the immediate implementation of effective vegetation management programs one of the key recommendations of its report, the joint United States – Canada Power System Outage Task Force emphasized the overall importance of these programs to maintaining bulk power system reliability.

In accordance with NERC Reliability Standard FAC-003-1, vegetation outage reporting to NPCC and NERC has historically been done on a quarterly basis. While this practice may have been adequate in the past, it is no longer acceptable as the sole means of reporting these incidents. The timeliness of reporting is not commensurate with the necessity to determine the event’s significance on the reliability of electric transmission systems.

Therefore, effective immediately, NPCC is advocating that all vegetation contacts whether “Category 1, 2, or 3” should be reported within 48 hours of the transmission owner’s confirmation of the event’s circumstances to NPCC. Confirmation includes identifying the outage as being caused by a vegetation contact and classifying the outage in the appropriate category, as they are defined in FAC-003-1. The report should be made after the transmission owner has completed its internal investigation to confirm and document the circumstances of the event. As per FAC-003-1, all outages of transmission lines 200kV and above and any lower voltage lines designated by NPCC as critical to the reliability of the electric system in the region will be subject to violations. Outages reported for transmission lines below 200kV and/or transmission lines deemed non-critical are currently not subject to FAC-003-1 and are reported to NPCC for informational purposes only. Any informational only reporting will be retained by NPCC and not forwarded to NERC.

The Transmission Owner should report the outage with a description of the event and the details of immediate actions taken. Reporting should be done utilizing the self-reporting form associated with FAC-003-1 that is available on the CDAA. The entity should include as much information regarding the outage as is available.

In addition, the current practice of reporting vegetation outages in a quarterly report will continue for FAC-003-1.