

Approval Criteria – FERC Order No. 672

1. Must be designed to achieve a specified reliability goal.
2. Must contain a technically sound method to achieve the goal.
3. Must be applicable to owners, users, or operators of the bulk power system, and not others.
4. Must be clear and unambiguous as to what is required and who is required to comply.
5. Must include clear and understandable consequences and a range of penalties for a violation.
6. Must identify clear and objective criterion or measure for compliance, so that it can be enforced in a consistent and non-preferential manner.
7. Should achieve a reliability goal effectively and efficiently.
8. Cannot be “lowest common denominator”.
9. May consider costs to implement for smaller entities but not at consequence of less than excellence in operating system reliability.
10. Must be designed to apply throughout North America to the maximum extent achievable with a single reliability standard.
11. No undue negative effect on competition or restriction of the grid.
12. Implementation time must be reasonable.
13. Development process must be open and fair.
14. Must balance with other vital public interests.
15. Must consider any other relevant factors.