

**From:** [Stanley E. Kopman](#)  
**To:** [Philip A. Fedora](#); [Herb](#)  
**Cc:** [Ed Schwerdt](#)  
**Subject:** RE: Change in NPCC Levels of non-compliance  
**Date:** Monday, October 23, 2017 1:17:06 PM

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Phil:

Some background on the migration of the “levels of non-compliance” and the associated sanctions for violations of the requirements of the CCEP:

- Through the 2016 Certifications Forms for each requirement had four levels of non-compliance and four levels of sanctions associated with the level of non-compliance (The sanctions were documented in the CCEP-1 document);
- When developing the 2017 Certification Forms, the NPCC Compliance Committee introduced and approved the concept and use of Non-Compliance Severity Levels (Lower, Moderate, High and Severe) in place of the levels of non-compliance; and
- The CC, when developing the 2018 Certification Forms simplified the certification of compliance to two choices: 100% Full Compliance and Non-Compliance. In addition the CC revised CCEP-1, the process document for the CCEP and eliminated the four level sanction table, replacing it with the identification of a single sanction for that consists of the AVP of Enforcement and Registration sending a sanction letter to the Chief Executive of the Full Member with copies to the NPCC Board of Directors, the Full Member’s Representatives, and the RCC. This letter will specify the requirement(s) with which the Full Member is non-compliant and a brief summary of the extent of the non-compliance and mitigating action(s). The CC approved both the revised 2018 Certification Forms and the revised CCEP-1 document.

The changes described were made to stream line and clarify the requirements of the CCEP and the sanctions for violations of identified criteria contained in the Certification Forms.

Stanley