

A. Introduction

1. **Title:** Facility Interconnection Studies
2. **Number:** FAC-002-3
3. **Purpose:** To study the impact of interconnecting new or materially modified Facilities on the Bulk Electric System.
4. **Applicability:**
 - 4.1. **Functional Entities:**
 - 4.1.1 Planning Coordinator
 - 4.1.2 Transmission Planner
 - 4.1.3 Transmission Owner
 - 4.1.4 Distribution Provider
 - 4.1.5 Generator Owner
 - 4.1.6 Applicable Generator Owner
 - 4.1.6.1 Generator Owner with a fully executed Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner's existing Facility that is used to interconnect to the Transmission system.
5. **Effective Date:** See Implementation Plan

B. Requirements and Measures

- R1. Each Transmission Planner and each Planning Coordinator shall study the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities and (ii) materially modifying existing interconnections of generation, transmission, or electricity end-user Facilities. The following shall be studied:
[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]
 - 1.1. The reliability impact of the new interconnection, or materially modified existing interconnection, on affected system(s);
 - 1.2. Adherence to applicable NERC Reliability Standards; regional and Transmission Owner planning criteria; and Facility interconnection requirements;
 - 1.3. Steady-state, short-circuit, and dynamics studies, as necessary, to evaluate system performance under both normal and contingency conditions; and
 - 1.4. Study assumptions, system performance, alternatives considered, and coordinated recommendations. While these studies may be performed independently, the results shall be evaluated and coordinated by the entities involved.

- M1.** Each Transmission Planner or each Planning Coordinator shall have evidence (such as study reports, including documentation of reliability issues) that it met all requirements in Requirement R1.
- R2.** Each Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities, shall coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator, including but not limited to the provision of data as described in R1, Parts 1.1-1.4. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- M2.** Each Generator Owner shall have evidence (such as documents containing the data provided in response to the requests of the Transmission Planner or Planning Coordinator) that it met all requirements in Requirement R2.
- R3.** Each Transmission Owner and each Distribution Provider seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, shall coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator, including but not limited to the provision of data as described in R1, Parts 1.1-1.4. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- M3.** Each Transmission Owner and each Distribution Provider shall have evidence (such as documents containing the data provided in response to the requests of the Transmission Planner or Planning Coordinator) that it met all requirements in Requirement R3.
- R4.** Each Transmission Owner shall coordinate and cooperate with its Transmission Planner or Planning Coordinator on studies regarding requested new or materially modified interconnections to its Facilities, including but not limited to the provision of data as described in R1, Parts 1.1-1.4. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- M4.** Each Transmission Owner shall have evidence (such as documents containing the data provided in response to the requests of the Transmission Planner or Planning Coordinator) that it met all requirements in Requirement R4.
- R5.** Each applicable Generator Owner shall coordinate and cooperate with its Transmission Planner or Planning Coordinator on studies regarding requested interconnections to its Facilities, including but not limited to the provision of data as described in R1, Parts 1.1-1.4. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- M5.** Each applicable Generator Owner shall have evidence (such as documents containing the data provided in response to the requests of the Transmission Planner or Planning Coordinator) that it met all requirements in Requirement R5.

C. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement Authority

As defined in the NERC Rules of Procedure, “Compliance Enforcement Authority” (CEA) means NERC or the Regional Entity in their respective roles of monitoring and enforcing compliance with the NERC Reliability Standards.

1.2. Evidence Retention

The following evidence retention periods identify the period of time an entity is required to retain specific evidence to demonstrate compliance. For instances where the evidence retention period specified below is shorter than the time since the last audit, the CEA may ask an entity to provide other evidence to show that it was compliant for the full time period since the last audit.

The Planning Coordinator, Transmission Planner, Transmission Owner, Distribution Provider, Generator Owner and applicable Generator Owner shall keep data or evidence to show compliance as identified below unless directed by its CEA to retain specific evidence for a longer period of time as part of an investigation:

The responsible entities shall retain documentation as evidence for three years.

If a responsible entity is found non-compliant, it shall keep information related to the non-compliance until mitigation is complete and approved or for the time specified above, whichever is longer.

The CEA shall keep the last audit records and all requested and submitted subsequent audit records.

1.3. Compliance Monitoring and Assessment Processes:

Compliance Audit

Self-Certification

Spot Check

Compliance Investigation

Self-Reporting

Complaint

1.4. Additional Compliance Information

None

Table of Compliance Elements

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R1	Long-term Planning	Medium	The Transmission Planner or Planning Coordinator studied the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) materially modifying existing interconnections of generation, transmission, or electricity end-user Facilities, but failed to study one of the Parts (R1, 1.1-1.4).	The Transmission Planner or Planning Coordinator studied the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) materially modifying existing interconnections of generation, transmission, or electricity end-user Facilities but failed to study two of the Parts (R1, 1.1-1.4).	The Transmission Planner or Planning Coordinator studied the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) materially modifying existing interconnections of generation, transmission, or electricity end-user Facilities but failed to study three of the Parts (R1, 1.1-1.4).	The Transmission Planner or Planning Coordinator failed to study the reliability impact of: interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) materially modifying existing interconnections of, generation, transmission, or electricity end-user Facilities.
R2	Long-term Planning	Medium	The Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities,	The Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities,	The Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities,	The Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities,

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
			coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).	coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).	coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).	failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator.
R3	Long-term Planning	Medium	The Transmission Owner or Distribution Provider seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but	The Transmission Owner, or Distribution Provider seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but	The Transmission Owner or Distribution Provider seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed	The Transmission Owner, or Distribution Provider seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, failed to coordinate and cooperate on studies with its Transmission

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
			failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).	failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).	to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).	Planner or Planning Coordinator.
R4	Long-term Planning	Medium	The Transmission Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested new or materially modified interconnections to its Facilities, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).	The Transmission Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested new or materially modified interconnections to its Facilities, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).	The Transmission Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested new or materially modified interconnections to its Facilities, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).	The Transmission Owner failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator regarding requested new or materially modified interconnections to its Facilities.
R5	Long-term Planning	Medium	The applicable Generator Owner coordinated and cooperated on studies with its Transmission Planner or Planning	The applicable Generator Owner coordinated and cooperated on studies with its Transmission Planner or Planning	The applicable Generator Owner coordinated and cooperated on studies with its Transmission Planner or Planning	The applicable Generator Owner failed to coordinate and cooperate on studies with its Transmission Planner

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
			Coordinator regarding requested interconnections to its Facilities, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).	Coordinator regarding requested interconnections to its Facilities, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).	Coordinator regarding requested interconnections to its Facilities, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).	or Planning Coordinator regarding requested interconnections to its Facilities.

D. Regional Variances

None.

E. Interpretations

None.

F. Associated Documents

None

Application Guidelines

Guidelines and Technical Basis

Entities should have documentation to support the technical rationale for determining whether an existing interconnection was “materially modified.” Recognizing that what constitutes a “material modification” will vary from entity to entity, the intent is for this determination to be based on engineering judgment.

Version History

Version	Date	Action	Change Tracking
0	April 1, 2005	Effective Date	New
0	January 13, 2006	Removed duplication of “Regional Reliability Organizations(s).”	Errata
1	August 5, 2010	Modified to address Order No. 693 Directives contained in paragraph 693. Adopted by the NERC Board of Trustees.	Revised
1	February 7, 2013	R2 and associated elements approved by NERC Board of Trustees for retirement as part of the Paragraph 81 project (Project 2013-02) pending applicable regulatory approval.	
1	November 21, 2013	R2 and associated elements approved by FERC for retirement as part of the Paragraph 81 project (Project 2013-02)	
2		Revisions to implement the recommendations of the FAC Five-Year Review Team.	Revision under Project 2010-02
2	August 14, 2014	Adopted by the Board of Trustees.	
2	November 6, 2014	FERC letter order issued approving FAC-002-2.	
3		Adopted by the Board of Trustees.	