

Implementation Plan

Project 2021-08 Modifications to FAC-008-5 Reliability Standard FAC-008-6

Applicable Standard(s)

- Reliability Standard FAC-008-6 – Facility Ratings

Requested Retirement(s)

- Reliability Standard FAC-008-5 – Facility Ratings

Applicable Entities

- Generator Owner
- Transmission Owner

Background

Project 2021-08 was initiated to review and address a Standards Authorization Request (SAR) that was submitted to the NERC Standards Committee in July 2021. The SAR identified an industry need for clarity on the use of the term “jointly owned” and what information is required to be shared between neighboring entities, and clarity to allow the inclusion of non-electrical equipment in the determination of GO Facility Ratings.

Project 2021-08 SAR Drafting Team was formed to review the SAR and determine the next steps required to address the issues identified. Following review of the SDT through several public meetings, the SAR was updated with a couple of updates to the scope. The updated SAR recommends the Standard Drafting team to clarify the term “jointly owned”, examine the appropriateness and effectiveness of R1, and to ensure that R6 is reviewed as a risk-based requirement. The updated SAR was accepted by the Standards Committee in September 2022, and the SDT was initiated to address the SAR and revise FAC-008-5.

Proposed Reliability Standard FAC-008-6 includes revisions to language in R6 to ensure it is reviewed as a risk-based requirement and provides clarity on how jointly owned Facility ratings should be coordinated between entities. A new requirement R9 is also proposed to require an applicable entity to have a process by which discrepancies found in Equipment Ratings and Facility Ratings shall be corrected.

General Considerations

The standard drafting team chose to use a phased-in implementation period for some Requirements considering the revisions made within the standard. Requirement R1, R2, and R3 will have the effective date of FAC-008-6, whereas Requirement R6 and R9 will

have a later compliance date as described below.

This implementation plan reflects the consideration of the following factors:

- New sub-requirement with R6 including details on how joint owners should coordinate Facility Ratings.
- New requirement R9 requiring entities to develop a process for addressing ratings discrepancies for either Element or Equipment Ratings.

Effective Date and Phased-In Compliance Dates

The effective date(s) for the proposed Reliability Standard are provided below. Where the standard drafting team identified the need for a longer implementation period for compliance with a particular section of a proposed Reliability Standard (i.e., an entire requirement or a portion thereof), the additional time for compliance with that section is specified below. The phased-in compliance date for those particular sections represents the date that entities must begin to comply with that particular section of the Reliability Standard, even when the Reliability Standard goes into effect at an earlier date.

Reliability Standard FAC-008-6– Facility Ratings

Where approval by an applicable governmental authority is required, the standard shall become effective on the first day of the first calendar quarter that is three (3) months after the effective date of the applicable governmental authority’s order approving the standard, or as otherwise provided for by the applicable governmental authority.

Where approval by an applicable governmental authority is not required, the standard shall become effective on the first day of the first calendar quarter that is three (3) months after the date the standard is adopted by the NERC Board of Trustees, or as otherwise provided for in that jurisdiction.

Compliance Date for FAC-008-6 – Requirement R6

Applicable Entities shall not be required to comply with Requirement R6 until twelve (12) months after the effective date of Reliability Standard FAC-008-6.

Compliance Date for FAC-008-6 – Requirement R9

Applicable Entities shall not be required to comply with Requirement R9 until twenty-four (24) months after the effective date of Reliability Standard FAC-008-6.

Retirement Date

Reliability Standard FAC-008-5 – Facility Ratings

Reliability Standard FAC-008-5 shall be retired immediately prior to the effective date of the revised standard in the particular jurisdiction in which the revised

standard is becoming effective.