

Standards Announcement

Project 2009-06 Facility Ratings Expansion

Recirculation Ballot Open May 12-23, 2011

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Recirculation Ballot Window Open Until 8 p.m. Eastern on May 23, 2011

A recirculation ballot window for standard FAC-008-3 – Facility Ratings is open **until 8 p.m. Eastern on Monday, May 23, 2011.**

FERC issued an Order on March 17, 2011 that requires NERC to file a version of FAC-008 that addresses all directives from Order 693 related to FAC-008 by June 15, 2011. Two of the three directives were already addressed in the version of FAC-008 that was approved by its ballot pool on March 18, 2010. The standard posted for recirculation ballot includes Requirements R8 to address the third directive as described more fully in the background information provided at the end of this announcement.

Instructions

In the recirculation ballot, votes are counted by exception. Only members of the ballot pool may cast a ballot; all ballot pool members may change their prior votes. A ballot pool member who failed to cast a ballot during the last ballot window may cast a ballot in the recirculation ballot window. If a ballot pool member does not participate in the recirculation ballot, that member's last vote cast in the initial ballot that ended on May 2, 2011 will be carried over and used to determine if there are sufficient affirmative votes for this standard to pass.

We encourage all members of the ballot pool to review the following information and the revised standard before casting a ballot.

There were several comments submitted during the last comment/ballot period that proposed clarifying changes surrounding three issues:

- 1) clarify which entities can request the information identified in Requirement R8,
- 2) clarify terms including “generator deliverability,” “major city,” and “load pocket”
- 3) clarify that the information requested is limited to thermal ratings

To clarify which entities can request the information identified in Requirement R8, the drafting team added language to specify that the requester must be an entity that has authority over the associated Facility.

To further clarify the range of facilities for which the requester may seek additional information, the drafting team added a phrase to indicate that the facility must be causing one of the following:

- 1) An Interconnection Reliability Operating Limit, 2) A limitation of Total Transfer Capability, 3) An impediment to generator deliverability, or 4) An impediment to service to a major load center.

With the additional clarity that the requester is limited to an entity with authority over the facility and the additional clarity indicating that the thermal limit must be causing one of the four conditions above, it is clearer that the requester is the entity that determines the impact and should have studies or information to support that impact.

To clarify that the additional information that must be provided under Requirement R8, Part 8.2.2, is limited to thermal ratings of the associated equipment the drafting team changed “Equipment Rating” to “Thermal Rating.”

The proposed clarified Requirement R8 is shown below:

Within 30 calendar days (or a later date if specified by the requester), for any requested Facility with a Thermal Rating that **limits the use of Facilities under the requester’s authority by causing the requester has identified as having any of the following: 1) A an Interconnection Reliability Operating Limit, 2) A limitation ing-of Total Transfer Capability, 3) An impediment ng to generator deliverability, or 4) An impediment to-impeding service to a major city-or-load center-pocket:**

8.2.1. Identity of the existing next most limiting equipment of the Facility

8.2.2. The **Equipment-Thermal** Rating for the next most limiting equipment identified in Requirement R8, Part 8.2.1.

The team also corrected some typographical errors in the Measures and made some minor revisions to the VSLs to bring them into closer alignment with the exact language of the associated requirement

Members of the ballot pool associated with this project may log in and submit their votes from the following page: <https://standards.nerc.net/CurrentBallots.aspx>

Next Steps

Voting results will be posted and announced after the ballot window closes. This standard is scheduled to be submitted to the Board of Trustees, and filed for regulatory approval by June 15, 2011.

Background

The Facility Ratings Standard Drafting Team (FR SDT) has been tasked with creating a requirement to address a Supplemental SAR to address the reliability concerns related to Facility Ratings initially discussed in paragraphs 756 and 771 of FERC’s Order 693, and further explained in paragraph 76 of FERC’s “Order Denying Rehearing, Denying Clarification, Denying Reconsideration, and Denying Request for a Stay,” September 16, 2010. These concerns relate to ensuring broad situational awareness regarding the most limiting elements of Facilities.

In Order 693, FERC explained in paragraph 756:

“...The Commission’s proposed modification would require identifying and documenting the limiting component for all facilities and the increase in rating if that component were no longer the most limiting component; in other words, the rating based on the second-most limiting component. The Commission further clarifies that this Reliability Standard will require this additional thermal rating information only for those facilities for which thermal ratings cause the following: (1) an IROL; (2) a limitation of TTC; (3) an impediment to generation deliverability or (4) an impediment to service to major cities or load pockets.”

And provided further direction in paragraph 771:

“...we direct the ERO to develop modifications to FAC-008-1 through its Reliability Standards development process requiring transmission and generation facility owners to: (1) document underlying assumptions and methods used to determine normal and emergency facility ratings; (2) develop facility ratings consistent with industry standards developed through an open, transparent and validated process and (3) for each facility, identify the limiting component and, for critical facilities, the resulting increase in rating if that component is no longer limiting.”

FERC later explained in paragraph 76 of its September 16, 2010 Order Denying Rehearing, Denying Clarification, Denying Reconsideration, and Denying Request for a Stay:

“In order to determine facility ratings, entities must identify the most limiting component that comprises the facility, based on a validated methodology that considers the specific characteristics and ratings of all of the components to determine their limits for a range of ambient conditions, including if and for what duration these limits can be exceeded. This is, in part, because the limiting element upon which a facility rating is based can change under different operating conditions. For example, an underground high voltage cable may be the limiting element for continuous ratings, but a disconnect switch may be the limiting element for a four-hour emergency rating. With heavy power flows from generators through critical facilities to load, contingency conditions could reveal a thermal overload above the normal rating of the first limiting component of one of these facilities. However, that component also likely has a documented short time rating that could sustain the overload. If the second-most limiting component does not afford much increase in rating above the first, and its overload can result in the unintended removal of the facility from service (i.e., a relay or other protection system component that trips a facility out of service due to the overload), the prior identification of this second limiting component could alter the mitigation plans and avoid relay operations that trip facilities out-of-service, and thus potentially prevent a cascading event.”

On February 24, 2011, members of the FR SDT met with NERC and FERC staff to discuss the original directive from FERC Order 693 as well as the subsequent guidance issued in the September 16, 2010 Order.

NERC received a final order on March 17, 2011 granting the ERO 90 days to file a version of FAC-008 that addresses all three of the directives from Order 693, making the filing due on June 15, 2011.

Standards Process

The [Standard Processes Manual](#) contains all the procedures governing the standards development process. The success of the NERC standards development process depends on stakeholder participation. We extend our thanks to all those who participate.

*For more information or assistance, please contact Monica Benson,
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