

Implementation Plan

Project 2018-03 Standards Efficiency Review Retirements Reliability Standard FAC-008-5

Applicable Standard(s)

- FAC-008-5 – Facility Ratings

Requested Retirement(s)

- FAC-008-3 – Facility Ratings

Applicable Entities

- Transmission Owner
- Generator Owner

Background

In 2017, NERC initiated the Standards Efficiency Review (SER). The scope of this project was to use a risk-based approach to identify potential efficiencies through retirement of Reliability Standard requirements. Following the completion of the first phase of work, the SER Standard Drafting Team (SDT) submitted a Standards Authorization Request (SAR) to the NERC Standards Committee, which the Standards Committee accepted in August 2018.

Project 2018-03 Standards Efficiency Review Retirements was initiated to consider and implement the recommendations for Reliability Standard retirements contained in the SAR. Among other things, the SER SDT proposed retiring Requirements R7 and R8 in Reliability Standard FAC-008-3 as redundant and not needed for reliability. Proposed Reliability Standard FAC-008-4 passed final ballot on May 2, 2019; was adopted by the Board of Trustees on May 9, 2019; and was filed with the Federal Energy Regulatory Commission (FERC) on June 7, 2019 for approval.

On September 17, 2020, the Federal Regulatory Commission (FERC) issued Order No. 873.¹ With respect to proposed Reliability Standard FAC-008-4, FERC determined that the retirement of Requirement R7 would be appropriate, but rejected the retirement of Requirement R8, concluding that "... Requirement R8 is needed to ensure that limiting and next limiting equipment is identified and communicated" (P 40). FERC remanded proposed Reliability Standard FAC-008-4 to NERC for further consideration.

¹ Order No. 873, *Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards Under the NERC Standards Efficiency Review*, 172 FERC ¶ 61,225 (2020), <https://www.nerc.com/FilingsOrders/us/FERCOrdersRules/Order%20on%20SER%20Retirements.pdf>.

Following the FERC remand, NERC submitted a notice to the remaining applicable governmental authorities requesting that FAC-008-4 be withdrawn in their respective jurisdictions.

Proposed Reliability Standard FAC-008-5 would retire Requirement R7 of currently effective Reliability Standard FAC-008-3.

General Considerations

For Reliability Standard FAC-008-5– Facility Ratings, the standard will become effective on the first day of the first calendar quarter that is three (3) months after applicable regulatory approval. This implementation timeframe reflects consideration that entities may need time to update their internal systems and documentation to reflect the new standard version numbers.

Effective Date

Reliability Standard FAC-008-5– 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.

Retirement Date

Reliability Standard FAC-008-3 – Facility Ratings

Reliability Standard FAC-008-3 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.