A. Introduction

1. Title: System Operating Limits Methodology for the Planning Horizon
2. Number: FAC-010-3
3. Purpose: To ensure that System Operating Limits (SOLs) used in the reliable planning of the Bulk Electric System (BES) are determined based on an established methodology or methodologies.

4. Applicability

4.1. Planning Authority

5. Effective Date: See Implementation Plan for the Revised Definition of “Remedial Action Scheme”

B. Requirements

R1. The Planning Authority shall have a documented SOL Methodology for use in developing SOLs within its Planning Authority Area. This SOL Methodology shall:

R1.1. Be applicable for developing SOLs used in the planning horizon.

R1.2. State that SOLs shall not exceed associated Facility Ratings.

R1.3. Include a description of how to identify the subset of SOLs that qualify as IROLs.

R2. The Planning Authority’s SOL Methodology shall include a requirement that SOLs provide BES performance consistent with the following:

R2.1. In the pre-contingency state and with all Facilities in service, the BES shall demonstrate transient, dynamic and voltage stability; all Facilities shall be within their Facility Ratings and within their thermal, voltage and stability limits. In the determination of SOLs, the BES condition used shall reflect expected system conditions and shall reflect changes to system topology such as Facility outages.

R2.2. Following the single Contingencies identified in Requirement 2.2.1 through Requirement 2.2.3, the system shall demonstrate transient, dynamic and voltage stability; all Facilities shall be operating within their Facility Ratings and within their thermal, voltage and stability limits; and Cascading or uncontrolled separation shall not occur.

R2.2.1. Single line to ground or three-phase Fault (whichever is more severe), with Normal Clearing, on any Faulted generator, line, transformer, or shunt device.

R2.2.2. Loss of any generator, line, transformer, or shunt device without a Fault.

R2.2.3. Single pole block, with Normal Clearing, in a monopolar or bipolar high voltage direct current system.

R2.3. Starting with all Facilities in service, the system’s response to a single Contingency, may include any of the following:

R2.3.1. Planned or controlled interruption of electric supply to radial customers or some local network customers connected to or supplied by the Faulted Facility or by the affected area.

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1 The Contingencies identified in R2.2.1 through R2.2.3 are the minimum contingencies that must be studied but are not necessarily the only Contingencies that should be studied.
R2.3.2. System reconfiguration through manual or automatic control or protection actions.

R2.4. To prepare for the next Contingency, system adjustments may be made, including changes to generation, uses of the transmission system, and the transmission system topology.

R2.5. Starting with all Facilities in service and following any of the multiple Contingencies identified in Reliability Standard TPL-003 the system shall demonstrate transient, dynamic and voltage stability; all Facilities shall be operating within their Facility Ratings and within their thermal, voltage and stability limits; and Cascading or uncontrolled separation shall not occur.

R2.6. In determining the system’s response to any of the multiple Contingencies, identified in Reliability Standard TPL-003, in addition to the actions identified in R2.3.1 and R2.3.2, the following shall be acceptable:

R2.6.1. Planned or controlled interruption of electric supply to customers (load shedding), the planned removal from service of certain generators, and/or the curtailment of contracted Firm (non-recallable reserved) electric power Transfers.

R3. The Planning Authority’s methodology for determining SOLs, shall include, as a minimum, a description of the following, along with any reliability margins applied for each:

R3.1. Study model (must include at least the entire Planning Authority Area as well as the critical modeling details from other Planning Authority Areas that would impact the Facility or Facilities under study).

R3.2. Selection of applicable Contingencies.

R3.3. Level of detail of system models used to determine SOLs.

R3.4. Allowed uses of Remedial Action Schemes.

R3.5. Anticipated transmission system configuration, generation dispatch and Load level.

R3.6. Criteria for determining when violating a SOL qualifies as an Interconnection Reliability Operating Limit (IROL) and criteria for developing any associated IROL T.".

R4. The Planning Authority shall issue its SOL Methodology, and any change to that methodology, to all of the following prior to the effectiveness of the change:

R4.1. Each adjacent Planning Authority and each Planning Authority that indicated it has a reliability-related need for the methodology.

R4.2. Each Reliability Coordinator and Transmission Operator that operates any portion of the Planning Authority’s Planning Authority Area.

R4.3. Each Transmission Planner that works in the Planning Authority’s Planning Authority Area.

R5. If a recipient of the SOL Methodology provides documented technical comments on the methodology, the Planning Authority shall provide a documented response to that recipient within 45 calendar days of receipt of those comments. The response shall indicate whether a change will be made to the SOL Methodology and, if no change will be made to that SOL Methodology, the reason why. (Retirement approved by FERC effective January 21, 2014.)

C. Measures

M1. The Planning Authority’s SOL Methodology shall address all of the items listed in Requirement 1 through Requirement 3.
M2. The Planning Authority shall have evidence it issued its SOL Methodology and any changes to that methodology, including the date they were issued, in accordance with Requirement 4. If the recipient of the SOL Methodology provides documented comments on its technical review of that SOL methodology, the Planning Authority that distributed that SOL Methodology shall have evidence that it provided a written response to that commenter within 45 calendar days of receipt of those comments in accordance with Requirement 5. (Retirement approved by FERC effective January 21, 2014.)

D. Compliance

1. Compliance Monitoring Process

1.1. Compliance Monitoring Responsibility

Regional Reliability Organization

1.2. Compliance Monitoring Period and Reset Time Frame

Each Planning Authority shall self-certify its compliance to the Compliance Monitor at least once every three years. New Planning Authorities shall demonstrate compliance through an on-site audit conducted by the Compliance Monitor within the first year that it commences operation. The Compliance Monitor shall also conduct an on-site audit once every nine years and an investigation upon complaint to assess performance. The Performance-Reset Period shall be twelve months from the last non-compliance.

1.3. Data Retention

The Planning Authority shall keep all superseded portions to its SOL Methodology for 12 months beyond the date of the change in that methodology and shall keep all documented comments on its SOL Methodology and associated responses for three years. In addition, entities found non-compliant shall keep information related to the non-compliance until found compliant. (Deleted text retired-Retirement approved by FERC effective January 21, 2014.)

The Compliance Monitor shall keep the last audit and all subsequent compliance records.

1.4. Additional Compliance Information

The Planning Authority shall make the following available for inspection during an on-site audit by the Compliance Monitor or within 15 business days of a request as part of an investigation upon complaint:

1.4.1 SOL Methodology.

Documented comments provided by a recipient of the SOL Methodology on its technical review of a SOL Methodology, and the associated responses. (Retirement approved by FERC effective January 21, 2014.)

1.4.2 Superseded portions of its SOL Methodology that had been made within the past 12 months.

1.4.3 Evidence that the SOL Methodology and any changes to the methodology that occurred within the past 12 months were issued to all required entities.

2. Levels of Non-Compliance for Western Interconnection: (To be replaced with VSLs once developed and approved by WECC)

2.1. Level 1: There shall be a level one non-compliance if either of the following conditions exists:

2.1.1 The SOL Methodology did not include a statement indicating that Facility Ratings shall not be exceeded.
2.1.2  No evidence of responses to a recipient’s comments on the SOL Methodology.  
(Retirement approved by FERC effective January 21, 2014.)

2.2.  **Level 2:** The SOL Methodology did not include a requirement to address all of the 
elements in R2.1 through R2.3 and E1.

2.3.  **Level 3:** There shall be a level three non-compliance if any of the following 
conditions exists:

   2.3.1  The SOL Methodology did not include a statement indicating that Facility 
   Ratings shall not be exceeded and the methodology did not include evaluation of 
   system response to one of the three types of single Contingencies identified in 
   R2.2.

   2.3.2  The SOL Methodology did not include a statement indicating that Facility 
   Ratings shall not be exceeded and the methodology did not include evaluation of 
   system response to two of the seven types of multiple Contingencies identified in 
   E1.1.

   2.3.3  The System Operating Limits Methodology did not include a statement 
   indicating that Facility Ratings shall not be exceeded and the methodology did 
   not address two of the six required topics in R3.

2.4.  **Level 4:** The SOL Methodology was not issued to all required entities in accordance 
with R4
### 3. Violation Severity Levels:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Lower</th>
<th>Moderate</th>
<th>High</th>
<th>Severe</th>
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<tbody>
<tr>
<td>R1</td>
<td>Not applicable.</td>
<td>The Planning Authority has a documented SOL Methodology for use in developing SOLs within its Planning Authority Area, but it does not address R1.2</td>
<td>The Planning Authority has a documented SOL Methodology for use in developing SOLs within its Planning Authority Area, but it does not address R1.3.</td>
<td>The Planning Authority has a documented SOL Methodology for use in developing SOLs within its Planning Authority Area, but it does not address R1.1. OR The Planning Authority has no documented SOL Methodology for use in developing SOLs within its Planning Authority Area.</td>
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<td>R2</td>
<td>The Planning Authority's SOL Methodology is missing one requirement as described in R2.1, R2.2, R2.3, R2.4, R2.5, or R2.6.</td>
<td>The Planning Authority's SOL Methodology is missing two requirements as described in R2.1, R2.2, R2.3, R2.4, R2.5, or R2.6.</td>
<td>The Planning Authority's SOL Methodology is missing three requirements as described in R2.1, R2.2, R2.3, R2.4, R2.5, or R2.6.</td>
<td>The Planning Authority's SOL Methodology is missing four or more requirements as described in R2.1, R2.2, R2.3, R2.4, R2.5, or R2.6.</td>
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<td>R3</td>
<td>The Planning Authority has a methodology for determining SOLs that includes a description for all but one of the following: R3.1 through R3.6.</td>
<td>The Planning Authority has a methodology for determining SOLs that includes a description for all but two of the following: R3.1 through R3.6.</td>
<td>The Planning Authority has a methodology for determining SOLs that includes a description for all but three of the following: R3.1 through R3.6.</td>
<td>The Planning Authority has a methodology for determining SOLs that is missing a description of four or more of the following: R3.1 through R3.6.</td>
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<td>R4</td>
<td>One or both of the following: The Planning Authority issued its SOL Methodology and changes to that methodology to all but one of the required entities. For a change in methodology, the changed methodology was provided up to 30 calendar days after the effectiveness of the change.</td>
<td>One of the following: The Planning Authority issued its SOL Methodology and changes to that methodology to all but one of the required entities AND for a change in methodology, the changed methodology was provided 30 calendar days or more, but less than 60 calendar days after the effectiveness of the change.</td>
<td>One of the following: The Planning Authority issued its SOL Methodology and changes to that methodology to all but one of the required entities AND for a change in methodology, the changed methodology was provided 60 calendar days or more, but less than 90 calendar days after the effectiveness of the change.</td>
<td>One of the following: The Planning Authority failed to issue its SOL Methodology and changes to that methodology to more than three of the required entities. The Planning Authority issued its SOL Methodology and changes to that methodology to all but one of the required entities AND for a change in</td>
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<td>Requirement</td>
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<td>R5</td>
<td>The Planning Authority received documented technical</td>
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<td>(Retirement approved by FERC effective January 21, 2014.)</td>
<td>comments on its SOL Methodology and provided a complete response in a time period that was longer than 45 calendar days but less than 60 calendar days.</td>
<td>comments on its SOL Methodology and provided a complete response in a time period that was 60 calendar days or longer but less than 75 calendar days.</td>
<td>comments on its SOL Methodology and provided a complete response in a time period that was 75 calendar days or longer but less than 90 calendar days.</td>
<td>comments on its SOL Methodology and provided a complete response in a time period that was 90 calendar days or longer. OR The Planning Authority’s response to documented technical comments on its SOL Methodology indicated that a change will not be made, but did not include an explanation of why the change will not be made. OR The Planning Authority’s response to documented technical comments on its SOL Methodology did not indicate whether a change will be made to the SOL Methodology.</td>
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E. Regional Differences

1. The following Interconnection-wide Regional Difference shall be applicable in the Western Interconnection:

   1.1. As governed by the requirements of R2.5 and R2.6, starting with all Facilities in service, shall require the evaluation of the following multiple Facility Contingencies when establishing SOLs:

      1.1.1 Simultaneous permanent phase to ground Faults on different phases of each of two adjacent transmission circuits on a multiple circuit tower, with Normal Clearing. If multiple circuit towers are used only for station entrance and exit purposes, and if they do not exceed five towers at each station, then this condition is an acceptable risk and therefore can be excluded.

      1.1.2 A permanent phase to ground Fault on any generator, transmission circuit, transformer, or bus section with Delayed Fault Clearing except for bus sectionalizing breakers or bus-tie breakers addressed in E1.1.7

      1.1.3 Simultaneous permanent loss of both poles of a direct current bipolar Facility without an alternating current Fault.

      1.1.4 The failure of a circuit breaker associated with a Remedial Action Scheme to operate when required following: the loss of any element without a Fault; or a permanent phase to ground Fault, with Normal Clearing, on any transmission circuit, transformer or bus section.

      1.1.5 A non-three phase Fault with Normal Clearing on common mode Contingency of two adjacent circuits on separate towers unless the event frequency is determined to be less than one in thirty years.

      1.1.6 A common mode outage of two generating units connected to the same switchyard, not otherwise addressed by FAC-010.

      1.1.7 The loss of multiple bus sections as a result of failure or delayed clearing of a bus tie or bus sectionalizing breaker to clear a permanent Phase to Ground Fault.

1.2. SOLs shall be established such that for multiple Facility Contingencies in E1.1.1 through E1.1.5 operation within the SOL shall provide system performance consistent with the following:

   1.2.1 All Facilities are operating within their applicable Post-Contingency thermal, frequency and voltage limits.

   1.2.2 Cascading does not occur.

   1.2.3 Uncontrolled separation of the system does not occur.

   1.2.4 The system demonstrates transient, dynamic and voltage stability.

   1.2.5 Depending on system design and expected system impacts, the controlled interruption of electric supply to customers (load shedding), the planned removal from service of certain generators, and/or the curtailment of contracted firm (non-recallable reserved) electric power transfers may be necessary to maintain the overall security of the interconnected transmission systems.

   1.2.6 Interruption of firm transfer, Load or system reconfiguration is permitted through manual or automatic control or protection actions.
1.2.7 To prepare for the next Contingency, system adjustments are permitted, including changes to generation, Load and the transmission system topology when determining limits.

1.3. SOLs shall be established such that for multiple Facility Contingencies in E1.1.6 through E1.1.7 operation within the SOL shall provide system performance consistent with the following with respect to impacts on other systems:

1.3.1 Cascading does not occur.

1.4. The Western Interconnection may make changes (performance category adjustments) to the Contingencies required to be studied and/or the required responses to Contingencies for specific facilities based on actual system performance and robust design. Such changes will apply in determining SOLs.

Version History

<table>
<thead>
<tr>
<th>Version</th>
<th>Date</th>
<th>Action</th>
<th>Change Tracking</th>
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<tr>
<td>1</td>
<td>November 1, 2006</td>
<td>Adopted by Board of Trustees</td>
<td>New</td>
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<td>1</td>
<td>November 1, 2006</td>
<td>Fixed typo. Removed the word “each” from the 1st sentence of section D.1.3, Data Retention.</td>
<td>01/11/07</td>
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<tr>
<td>2</td>
<td>June 24, 2008</td>
<td>Adopted by Board of Trustees; FERC Order 705</td>
<td>Revised</td>
</tr>
<tr>
<td>2</td>
<td>January 22, 2010</td>
<td>Updated effective date and footer to April 29, 2009 based on the March 20, 2009 FERC Order</td>
<td>Update</td>
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<tr>
<td>2.1</td>
<td>November 5, 2009</td>
<td>Adopted by the Board of Trustees — errata change Section E1.1 modified to reflect the renumbering of requirements R2.4 and R2.5 from FAC-010-1 to R2.5 and R2.6 in FAC-010-2.</td>
<td>Errata</td>
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<td>2.1</td>
<td>April 19, 2010</td>
<td>FERC Approved — errata change Section E1.1 modified to reflect the renumbering of requirements R2.4 and R2.5 from FAC-010-1 to R2.5 and R2.6 in FAC-010-2.</td>
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<td>2.1</td>
<td>February 7, 2013</td>
<td>R5 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.</td>
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<td>R5 and associated elements approved by FERC for retirement as part of the Paragraph 81 project (Project 2013-02)</td>
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<tr>
<td>2.1</td>
<td>February 24, 2014</td>
<td>Updated VSLs based on June 24, 2013 approval.</td>
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<tr>
<td>3</td>
<td>November 13, 2014</td>
<td>Adopted by the NERC Board of Trustees Replaced references to Special Protection System and SPS with Remedial Action Scheme and RAS</td>
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