

## Implementation Plan

### Project 2020-05 Modifications to FAC-001-3 and FAC-002-3

#### Applicable Standards

- FAC-001-4 Facility Interconnection Requirements
- FAC-002-4 Facility Interconnection Studies

#### Requested Retirements

- FAC-001-3 Facility Interconnection Requirements
- FAC-002-3 Facility Interconnection Studies

#### Prerequisite Standard

None

#### Applicable Entities for FAC-001-4

- Transmission Owner;
- Applicable Generation Owner;
- 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.

#### Applicable Entities for FAC-002-4

- Planning Coordinator;
- Transmission Planner;
- Transmission Owner
- Distribution Provider;
- Generation Owner;
- Applicable Generation Owner;
- 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.

#### Terms in the NERC Glossary of Terms

There are no new, modified, or retired terms.

## Background

Proposed Reliability Standards FAC-001-4 and FAC-002-4 revise Reliability Standards FAC-001-3 and FAC-002-3 to provide clarity and specificity regarding which changes to existing Facility interconnections require study under the standards.

Currently effective Reliability Standards FAC-001-3 and FAC-002-3 require coordination and cooperation between a Facility owner and the Transmission Planner or Planning Coordinator when a new or materially modified interconnection Facility is connected to their system. These standards imply that the term “materially modified” should be used to distinguish between facility changes that are required to be studied and those that need not be studied; however, neither standard specifies what entity is responsible for determining what is considered to be a material modification. Further, the existing language is unclear about whether these requirements only apply when a different entity is proposing to interconnect to a Facility owner's Facility or if they also apply to the Facility owner's new or modified Facility. Additionally, in FERC-jurisdictional areas, the term “Material Modification” means “those modifications that have a material impact on the cost or timing of any Interconnection Request with a later queue priority date.”<sup>1</sup> This has led to widespread confusion across the industry regarding the correct application of these terms related to the FERC Open Access Transmission Tariff (OATT) implementation and the NERC Reliability Standards requirements.

Proposed Reliability Standards FAC-001-4 and FAC-002-4 will address these issues by clarifying that the changes to existing Facilities that will need to be studied under the standards are those meeting the definition of “qualified change” developed by the Planning Coordinator under new Requirement R6 of proposed FAC-002-4.

## Effective Date

The effective date for proposed Reliability Standards FAC-001-4 and FAC-002-4 is provided below.

Where approval by an applicable governmental authority is required, the standards shall become effective on the first day of the first calendar quarter that is twelve (12) months after the effective date of the applicable governmental authority's order approving the standards, or as otherwise provided for by the applicable governmental authority.

Where approval by an applicable governmental authority is not required, the standards shall become effective on the first day of the first calendar quarter that is twelve (12) months after the date the standards are adopted by the NERC Board of Trustees, or as otherwise provided for in that jurisdiction.

## Retirement Date

Reliability Standards FAC-001-3 and FAC-002-3 shall be retired immediately prior to the effective date of FAC-001-4 and FAC-002-4 in the particular jurisdiction in which the revised standard is becoming effective.

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<sup>1</sup> [LGA-agreement.pdf \(ferc.gov\)](#)