

Summary Consideration: The drafting team did not make any changes to FAC-012 or FAC-013 as a result of comments submitted with the first ballot of these standards.

Comments about splitting the ballot

New York Power Authority NYPA

I don't believe the ballot should not have been split at the eleventh hour.

Response: As these standards were developed, they were reviewed on an individual basis so that balloters should already be familiar with the content and interdependencies. The reliability standards process is still a new process, and just because the Version 0 standards were balloted as a whole, this should not set a precedent that all sets of standards must be balloted as a whole. The drafting team does agree that if new standards have interdependencies, then those sets of interdependent standards should be balloted as a 'set' rather than individually. This is what the drafting team attempted to do in combining the ballot for FAC-008 with the ballot for FAC-009; and in combining the ballot for FAC-010 with that for FAC-011, etc.

Nova Scotia Power NSPI

The splitting of the 6 Facility Rating standards into 3 voting groups, after entities have reviewed them as a whole, has not left time to consider what interdependencies the sets may have, and what limitations are being imposed on future changes to the FAC-010,011 set, if a Yes vote is provided to the other four. Until these are reviewed again, the vote is No.

Response: As these standards were developed, they were reviewed on an individual basis so that balloters should already be familiar with the content and interdependencies. The reliability standards process is still a new process, and just because the Version 0 standards were balloted as a whole, this should not set a precedent that all sets of standards must be balloted as a whole. The drafting team does agree that if new standards have interdependencies, then those sets of interdependent standards should be balloted as a 'set' rather than individually. This is what the drafting team attempted to do in combining the ballot for FAC-008 with the ballot for FAC-009; and in combining the ballot for FAC-010 with that for FAC-011, etc.

Northeast Power Coordinating Council

The Determine Facility Ratings, Operating Limits and Transfer Capabilities Standards were developed and reviewed by the industry as a package. The separation of these proposed standards at ballot time does not afford the industry the opportunity to assess the potential impact of split votes on the underlying technical interrelationships or implementation plans.

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Comments about changing applicability

Carolina Power & Light Company CPL

The applicability to RC and RA assumes an RTO structure. The applicability should be changed to Transmission Operator and Transmission Planner. These entities perform transfer capability studies in non-RTO areas through various regional reliability agreements.

Response: This set of standards does not assume an RTO structure – these standards were written without the assumption of any particular corporate model. The applicability is assigned to the RC and PA in support of the requirement addressing inter and intra-regional Transfer Capabilities (on a wide area view as defined in the functional model). An RTO is a type of organization that may perform this function.

The RC and PA may delegate the development of this methodology to others. The RC and PA are required functions regardless of the organizational structure.

**Florida Power Corporation FPC
Progress Energy - Carolinas**

The applicability to RC and RA assumes an RTO structure. The applicability needs to be revised to provide for applicability to Transmission Operators and Transmission Planners. These entities perform transfer capability studies in non-RTO areas through various regional reliability organizations.

Response: This set of standards does not assume an RTO structure – these standards were written without the assumption of any particular corporate model. The applicability is assigned to the RC and PA in support of the requirement addressing inter and intra-regional Transfer Capabilities (on a wide area view as defined in the functional model). An RTO is a type of organization that may perform this function. The RC and PA may delegate the development of this methodology to others. The RC and PA are required functions regardless of the organizational structure.

Nebraska Public Power District NPPD

To get consistent results throughout the Region the transfer capability methodology should be determined by the Regional Reliability Organization not the Reliability Coordinator. The TSP and the Reliability Coordinator will not necessarily have the same footprint. The transfer capability should be calculated by the TSP using the Regional methodology.

Response: The RCs could delegate this task to the RRO. This standard does not preclude this type of delegation. The RRO, if deemed appropriate, could require that all its RCs have a common methodology.

Midwest Independent Transmission System Operator, Inc.

We had some problems voting in the affirmative for this standard. There is significant discussion and confusion in the industry on who and what the Planning Authority is. Also, there are level 3 and 4 violations for administrative requirements.

Response: The SAC directed the drafting teams to move forward without waiting for the functional model to be revised. Although level 3 and 4 appear to be administrative, they hit at the intent of the standard – if the methodology wasn't distributed, it has no use and it is the same as if it had not been developed.

Comments about Response Time

MidAmerican Energy Company MEC

MidAmerican is concerned about the requirement that the RC or PA shall provide a documented response to a comment within 45 days of receipt of comments on Transfer Capability Methodology in FAC-012. MidAmerican fails to see the reliability consequences of the RC and PA failing to respond within 45 days. MidAmerican is voting yes in spite of this concern.

Response: The intent in setting a timeframe was to ensure that the timeframe was short enough that the comments would not linger without attention for too long, while also being long enough to provide the developer of the methodology an opportunity to research the validity of the comments.

Comments about Multiple Contingencies

New York State Reliability Council

New York State Electric and Gas Corporation NYET

Northeast Power Coordinating Council (NPCC) and other entities. The NYSRC believes that the proposed standard is not consistent with a critical recommendation in the Final Report on the August 14, 2003 Blackout in the United States and Canada, prepared by the U.S.-Canada Power System Outage Task Force. Recommendation #25 states that the NERC process to reevaluate its standards should “not dilute the content of the existing standards.” The report’s support for this recommendation uses a quote from a commenter on the Interim Report as follows: “A strong transmission system designed and operated in accordance with weakened criteria would be disastrous. Instead, a concerted effort should be undertaken to determine if existing reliability criteria should be strengthened...Only through strong standards and careful engineering can unacceptable power failures like August 14, 2003 be avoided in

the future.” Standard FAC-010-1, because it does not require consideration of credible multiple element contingencies, does not meet this principle, for the following reasons:

1. Section R2 of proposed standard FAC-010-1 states that the standard’s required methodology “shall be applicable to development of SOLs during the planning horizon”. However, the recently adopted Version 0 transmission system planning standard TPL-003-0, “System Performance Following Loss of Two or More BES Elements”, includes a requirement to assess so-called Category C contingencies, i.e., events resulting in the loss of two or more (multiple) elements. Therefore, adoption of FAC-010-1 in its present form, without considering Category C contingencies, would be inconsistent with Standard TPL-003-0 and would thus result in a weakening of existing NERC standards.

2. Category C contingencies should be applied to the operation of the bulk electric system, as well as to planning. We are aware of the contention that in operations often there is a facility already out of service, and therefore consideration of multiple element contingencies, in addition, could be overly restrictive. We agree that there could be certain situations where consideration of Category C (multi-element) contingencies would result in unacceptable restrictions; however, if such a condition did arise an exception could always be requested.

3. NYSRC agrees that Category C contingencies need not be applied when key transmission elements are already out of service. Traditionally, NPCC members and many other systems have used “normal operating criteria,” which include Category C contingencies, for determining SOLs when all key transmission elements are in service. When one or more key transmission elements are out of service, “emergency operating criteria,” which do not include Category C (multi-element) contingencies, would be used. Since the latter condition would normally apply for only a small percentage of the total hours of the year, Category C (multi-element) contingencies would and should be used for determining SOLs most of the time.

4. Another reason for requiring Category C contingencies to apply to operations is that a system designed to these criteria should also be operated to it. It makes no sense to invest in and construct a transmission system based on Category C requirements in accordance with NERC transmission system planning standard TPL-003-0, and then operate the same system using weaker criteria as proposed in Standard FAC-010-1.

5. We recognize that the SDT has included a provision in section R4.4 that allows a Region to establish criteria requiring consideration of credible multiple element contingencies. However, we believe that reliability standards recognizing this class of contingencies should be maintained in all of North America, not only certain Regions. A weakening of reliability standards in any Region could adversely affect the reliability in another Region, even if the other Region has adopted more stringent standards. In conclusion, the NYSRC strongly believes that adoption of proposed standard FAC-010-1, as presently proposed, would weaken present NERC criteria, and in light of 2003 Blackout lessons-learned, would result in an unacceptable reliability impact for the North American bulk electric system.

[Response: These comments \(1-5 above\) are not relevant to this ballot which is for FAC-012 and FAC-013 but will be considered with FAC-010.](#)

Salt River Project SRP Sacramento Municipal Utility District SMUD California Energy Commission

The Interconnection Wide Regional Differences identified in FAC-010-1 adequately reflect the more stringent requirements in the Western Interconnection, that for the good of the industry and the sake of reliability, the Standards Drafting Team consider modifying the requirements of the NERC Standard to require the consideration of credible multiple element contingencies, similar to those identified in the Western Interconnection Wide Regional Differences, in establishing System Operating Limits.

[Response: This comment is not relevant to this ballot which is for FAC-012 and FAC-013 but will be considered with FAC-010.](#)