

Meeting Notes

Five-Year Review of FAC Standards

June 25, 2013 | 9:00 a.m. – Noon ET

Conference Call

Administrative

1. Introductions

Standards Developer Mallory Huggins initiated the meeting and reviewed the NERC Antitrust Compliance Guidelines, Public Announcement, Participant Conduct Policy, and Email List Policy. She thanked all members and observers for participating in the call and led group introductions. The following members and observers were in attendance:

Name	Company	Member/Observer
John Beck (Chair)	Consolidated Edison of New York	M
Mike Steckelberg (Vice Chair)	Great River Energy	M
Brian Dale	Georgia Power Company	M
Stewart Rake	Luminant Generation Company	M
Ganesh Velumyylum	Northern Indiana Public Service Co.	M
Kenneth Goldsmith	Alliant Energy	O
Vic Howell	WECC	O
John Ivemeyer	Georgia Power	O
Jason Snodgrass	Georgia Transmission Corporation	O
Kumar Agarwal	FERC	O
Mallory Huggins	NERC	M
Sean Cavote	NERC	M

2. Review Meeting Agenda and Objectives

Chair John Beck reviewed the goal of the meeting: to review the recommendations discussed during the June 17-19, 2013 meeting and share additional information and thoughts that could impact the recommendations and their technical justification.

Agenda Items

1. Status Update on All Standards and Recommendations

a. FAC-001-1

- i. As in edits to FAC-002-1, the team added “and adjacent Transmission system” following “interconnected Transmissions system” to ensure that third party impact is considered. The team also discussed whether Planning Authorities need to be added to the standard because of their involvement in performing joint studies on the interconnected Transmission system and adjacent Transmission system. While Planning Authorities would likely need to be involved in order for coordinated joint studies to actually be conducted, FAC-001-1 simply refers to the documentation of a procedure to coordinate those studies, and that is appropriately the responsibility of Transmission Owners and applicable Generator Owners.
- ii. The Five-Year Review Team (FYRT) continued its discussion about the clarity of the term “publish.” Some members believe that it is clear without additional explanation because the intended meaning is the same as the dictionary definition of the word – to make generally known/disseminate to the public – and avoiding further explanation gives stakeholders some flexibility. But other members believe that the term could use further explanation in a guidance section, with references to examples of what would fulfill the requirement to “publish” in the context of the standard. Members did not come to consensus on a particular solution, but they plan to capture this discussion and recommend that the clarity of “publish” be considered by the drafting team.
- iii. While the team originally planned to post redline changes to the standard, members agreed that it would make more sense, at this stage, to post recommendations in narrative form and prepare the redline standard as a supporting document that can eventually be passed along to a drafting team.

b. FAC-002-1

- i. Vice Chair Mike Steckelberg raised some concern about the “shall conduct assessments” requirement under the original R1 of FAC-002-1. He is concerned about redundancy with TPL-001-4, R2, which requires Transmission Planners and Reliability Coordinators to prepare Planning Assessments for their portions of the BES. Mike and Mallory discussed this topic after the call, and determined that assessment requirement in FAC-002-1 is distinct from TPL-001-4, R2; a Planning Assessment under TPL would be for existing facilities/interconnections, whereas FAC-002 requires a similar kind of assessment to TPL, but it’s a *pre-interconnection* assessment for new facilities that may or may not end up interconnecting. Once they’re interconnected, they’d be covered under TPL, but until then, the potential impact is evaluated under FAC-002.

- ii. While the team originally planned to post redline changes to the standard, members agreed that it would make more sense, at this stage, to post recommendations in narrative form and prepare the redline standard as a supporting document that can eventually be passed along to a drafting team.
- c. FAC-003-3
 - i. There was no additional discussion about the recommendation to affirm FAC-003-3.
- d. FAC-008-3
 - i. FYRT members continued to agree that “terminal equipment” needs to be better defined, whether in a footnote to R2.4.1 and R3.4.1 or in an RSAW modification. Mallory will seek input from NERC staff on the preferred method for incorporating that information so that the Compliance Application Notice on the topic can be retired.
 - ii. FYRT members revisited the discussion about the references to “ratings provided by equipment manufacturers” in R3. Mallory reported that this concern was brought up by Manitoba Hydro in during the development of FAC-008-2, and was dismissed by the drafting team as a minority concern about language that the drafting team found to be clear (see P. 9 in the [Project 2009-06 comment report from March 4, 2010](#)). The concern was raised another time, by TVA, during the development of the SAR for adding R8 to FAC-008-3, but it was dismissed as outside the scope of the project (see P. 118 of the [Project 2009-06 comment report from May 11, 2011](#)). Mallory also noted that this topic was not directly addressed in a [February 19, 2010 Compliance Analysis Report](#) on FAC-008-1 and FAC-009-1. Some members, however, remain concerned about the clause “...that contains all of the following” in R3, and how that impacts the subparts below. Because this is not a majority concern, the FYRT plans to note the concern in its recommendation template but not recommend a specific change to the standard. Mallory will continue to try to obtain information on the topic from NERC compliance and enforcement staff to determine whether it’s commonly misunderstood/misapplied in audits.
- e. FAC-010-2.1, FAC-011-2, FAC-014-2
 - i. All FYRT members reported that after additional consideration and internal discussions within their entities, they determined that there was no need to propose modification to the NERC glossary definition of System Operating Limit. While the definition does leave some opportunity for different interpretations, most members agreed that such flexibility was by design, and leaves specificity up to ISOs and RCs. One observer continued to express concern about this flexibility, saying that it could lead to inconsistent application, and the team agreed that it was important to note this concern in the recommendation template to give other stakeholders an opportunity to comment on the issue.

- ii. The FYRT agreed that at this point, it makes most sense to simply recommend a future revision of FAC-010-2.1, FAC-011-2, and FAC-014-2 once the revised TPL-001-4 and the revised TOP-001-2, TOP-002-3, and TOP-003-2 are assessed and approved by FERC, as there could be some consolidation or retirement opportunity once those TPL and TOP standards are officially in place. The FYRT does not plan to scope those future revisions in detail, but may identify some examples of possible redundancies in its recommendation.
 - iii. One team member expressed concern that if the FYRT does not review these standards right now, they will not be reviewed again for another five years. Mallory reminded the team that five-year reviews are not the only mechanism by which a standards development project is initiated, and that if the Board of Trustees adopts and agrees to the FAC FYRT's recommendation, the proposal to revise FAC-010-2.1, FAC-011-2, and FAC-014-2 will be incorporated into NERC's three-year standards development plan.
- f. FAC-013-2
- i. The FYRT continues to recommend affirming this standard, because transfer capability stress tests are not explicitly addressed elsewhere. In its recommendation, the team will acknowledge that at some point in the future, a FAC-013-2/TPL-001-4 review or consolidation may be prudent.
- g. FAC-501-WECC-1
- i. There was no additional discussion about the plan to review FAC-501-WECC-1 as a parallel project in coordination with WECC.

2. Review and Update Action Items List

- a. **Mallory** will transfer the recommendations into the FYR template and begin refining them.
- b. **Mallory** will seek further input from NERC staff on options for clarifying the meaning of "terminal equipment" in FAC-008-3. She will also seek input on the application of R3 with respect to equipment manufacturer facility ratings.
- c. **Mallory** will coordinate with NERC staff, FYRT leadership, the WECC SC representative, and WECC FYRT observers on eliminating regional differences in FAC-010 and FAC-011 and conducting a five-year review of FAC-501-WECC-1.
- d. **Mallory** will further investigate the use of Planning Authority versus Planning Coordinator and report back to the team.
- e. **Mallory** will confirm the process for ensuring that references to TPL standards are updated in other reliability standards if TPL-001-4 is approved.
- f. **All FYRT members** will review draft recommendations as the completed templates are circulated.

3. Future Meeting Dates

- a. July 11, 2013, | Noon to 4:00 p.m. ET | Conference Call
- b. July 17, 2013 | Noon to 4:00 p.m. ET | Conference Call
- c. The in-person meeting will take place September 9-11, 2013 or September 30-October 2, 2013, likely at ConEd's offices in Manhattan.

4. Adjourn

The meeting was adjourned at 11:40 a.m. ET on June 25, 2013.