

## Standard Authorization Request Form

Title of Proposed Standard	Modifications to FAC-010-1 and FAC-011-1
Request Date	January 11, 2008
Modified Data	March 24, 2008

<b>SAR Requester Information</b>	<b>SAR Type</b> (Check a box for each one that applies.)
Name Paul Johnson for Facility Ratings SDT	<input type="checkbox"/> New Standard
Primary Contact Paul Johnson	<input checked="" type="checkbox"/> Revision to existing Standard  FAC-010-1 — System Operating Limits Methodology for the Planning Horizon  FAC-011-1 — System Operating Limits Methodology for the Operations Horizon  FAC-014-1 —
Telephone 614-716-6690 Fax	<input type="checkbox"/> Withdrawal of existing Standard
E-mail pbjohnson@aep.com	<input type="checkbox"/> Urgent Action

<p><b>Purpose</b> (Describe what the standard action will achieve in support of bulk power system reliability.)          The revisions are needed to eliminate the ambiguity identified by FERC in the approved standards and in the definition of Cascading Outage.</p>
<p><b>Industry Need</b> (Provide a justification for the development or revision of the standard, including an assessment of the reliability and market interface impacts of implementing or not implementing the standard action.)          The regulatory approved version of FAC-010-1 will become effective on July 1, 2008 and set of the clarifications should be made before that time.</p>
<p><b>Brief Description</b> (Provide a paragraph that describes the scope of this standard action.)          In FERC Order 705, the Commission directed NERC to make the following modifications:          FAC-011-1 Requirement R2.3.2 – eliminate the phrase, “load greater than studied”          In addition, the Commission remanded the definition of “Cascading Outage” and this term</p>

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should be withdrawn from the NERC Glossary of Reliability Terms.

“Levels of Non-compliance” should be removed and replaced with new “Violation Severity Levels”.

Update the standard to include the VRFs that were approved or modified in accordance with FERC Order 705.

**Detailed Description** (Provide a description of the proposed project with sufficient details for the standard drafting team to execute the SAR.)

In FERC Order 705, the Commission directed NERC to make the following modifications:

- FAC-011-1 Requirement R2.3.2 – eliminate the phrase, “load greater than studied”

In addition, the Commission remanded the definition of “Cascading Outage” and this term should be retired from the NERC Glossary of Terms Used in Reliability Standards, and the standards should be updated to use the defined term, “Cascading”.

The “Levels of Non-compliance” should be removed and replaced with new “Violation Severity Levels”.

**Reliability Functions**

<b>The Standard will Apply to the Following Functions</b> <i>(Check box for each one that applies.)</i>		
<input type="checkbox"/>	Regional Reliability Organization	Conducts the regional activities related to planning and operations, and coordinates activities of Responsible Entities to secure the reliability of the Bulk Electric System within the region and adjacent regions.
<input checked="" type="checkbox"/>	Reliability Coordinator	Responsible for the real-time operating reliability of its Reliability Coordinator Area in coordination with its neighboring Reliability Coordinator's wide area view.
<input type="checkbox"/>	Balancing Authority	Integrates resource plans ahead of time, and maintains load-interchange-resource balance within a Balancing Authority Area and supports Interconnection frequency in real time.
<input type="checkbox"/>	Interchange Authority	Ensures communication of interchange transactions for reliability evaluation purposes and coordinates implementation of valid and balanced interchange schedules between Balancing Authority Areas.
<input checked="" type="checkbox"/>	Planning Authority	Assesses the longer-term reliability of its Planning Coordinator Area.
<input type="checkbox"/>	Resource Planner	Develops a >one year plan for the resource adequacy of its specific loads within a Planning Coordinator area.
<input type="checkbox"/>	Transmission Planner	Develops a >one year plan for the reliability of the interconnected Bulk Electric System within its portion of the Planning Coordinator area.
<input type="checkbox"/>	Transmission Service Provider	Administers the transmission tariff and provides transmission services under applicable transmission service agreements (e.g., the pro forma tariff).
<input type="checkbox"/>	Transmission Owner	Owns and maintains transmission facilities.
<input type="checkbox"/>	Transmission Operator	Ensures the real-time operating reliability of the transmission assets within a Transmission Operator Area.
<input type="checkbox"/>	Distribution Provider	Delivers electrical energy to the End-use customer.
<input type="checkbox"/>	Generator Owner	Owns and maintains generation facilities.
<input type="checkbox"/>	Generator Operator	Operates generation unit(s) to provide real and reactive power.
<input type="checkbox"/>	Purchasing-Selling Entity	Purchases or sells energy, capacity, and necessary reliability-related services as required.
<input type="checkbox"/>	Market Operator	Interface point for reliability functions with commercial functions.
<input type="checkbox"/>	Load-Serving Entity	Secures energy and transmission service (and reliability-related services) to serve the End-use Customer.

***Reliability and Market Interface Principles***

<b>Applicable Reliability Principles</b> <i>(Check box for all that apply.)</i>	
<input checked="" type="checkbox"/>	1. Interconnected bulk power systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards.
<input checked="" type="checkbox"/>	2. The frequency and voltage of interconnected bulk power systems shall be controlled within defined limits through the balancing of real and reactive power supply and demand.
<input checked="" type="checkbox"/>	3. Information necessary for the planning and operation of interconnected bulk power systems shall be made available to those entities responsible for planning and operating the systems reliably.
<input type="checkbox"/>	4. Plans for emergency operation and system restoration of interconnected bulk power systems shall be developed, coordinated, maintained and implemented.
<input type="checkbox"/>	5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk power systems.
<input type="checkbox"/>	6. Personnel responsible for planning and operating interconnected bulk power systems shall be trained, qualified, and have the responsibility and authority to implement actions.
<input type="checkbox"/>	7. The security of the interconnected bulk power systems shall be assessed, monitored and maintained on a wide area basis.
<input type="checkbox"/>	8. Bulk power systems shall be protected from malicious physical or cyber attacks.
<b>Does the proposed Standard comply with all of the following Market Interface Principles?</b> <i>(Select 'yes' or 'no' from the drop-down box.)</i>	
1. A reliability standard shall not give any market participant an unfair competitive advantage. Yes	
2. A reliability standard shall neither mandate nor prohibit any specific market structure. Yes	
3. A reliability standard shall not preclude market solutions to achieving compliance with that standard. Yes	
4. A reliability standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards. Yes	

**Standards Authorization Request Form**

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***Related Standards***

<b>Standard No.</b>	<b>Explanation</b>

***Related SARs***

<b>SAR ID</b>	<b>Explanation</b>

***Regional Variances***

<b>Region</b>	<b>Explanation</b>
ERCOT	
FRCC	
MRO	
NPCC	
SERC	
RFC	
SPP	
WECC	The Regional Variances within FAC-010 and FAC-011 need to be updated to include Violation Severity Levels to comply with FERC Order 705.