

Standards Announcement

Project 2010-07 Generator Requirements at the Transmission Interface

Recirculation Ballot Windows Open April 24, 2012 through May 3, 2012

Now Available

Recirculation ballots for two versions of FAC-003—Transmission Vegetation Management Program (FAC-003-X and FAC-003-3) and PRC-005-1.1a — Transmission and Generation Protection System Maintenance and Testing are **open Tuesday, April 24 2012 through 8 p.m. Eastern on Thursday, May 3, 2012.**

Summary of Changes

The Generator Requirements at the Transmission Interface drafting team has posted FAC-003-X, FAC-003-3, and PRC-005-1.1b (formerly PRC-005-1.1a before PRC-005-1b was approved by FERC on March 14, 2012) for recirculation ballot. The drafting team has made limited changes to these standards:

FAC-003-X:

- The Applicability section was reformatted to make it clear that the standard applies on a Facility by Facility basis (as in FAC-003-3), not simply to all generator interconnection Facilities owned by a Generator Owner with at least one qualifying generator interconnection Facility.
- In the Purpose section, Right-of-Way was capitalized because it is an approved NERC glossary term (approved with the initial version of FAC-003) and "North American Electric Reliability Council" was changed to "North American Electric Reliability Corporation."
- Regional Entity was added back to the Applicability section of the standard. Requirement R4 is assigned to the Regional Entity, and the Project 2010-07 does not have the authority, based on the scope outlined in its SAR, to modify that requirement. Thus, Regional Entity must remain in the Applicability section.
- New boilerplate language, recently approved by NERC legal staff, was added to the Effective Dates section of the standard and the Implementation Plan – this did not modify the proposed effective date.
- Note that if both FAC-003-X and FAC-003-3 are approved in this recirculation ballot, only FAC-003-3 will be presented to NERC's Board of Trustees. FAC-003-X has been modified so that the generator interconnection Facility gap can be quickly addressed in the event that neither FAC-003-2 nor FAC-003-3 is approved by FERC.



• FAC-003-3:

- A typo was found in the Severe VSL for R2; the previous reference to "Transmission Owner" was changed to "responsible entity," as in all other FAC-003-3 VSLs.
- New boilerplate language, recently approved by NERC legal staff, was added to the Effective Dates section of the standard and the Implementation Plan – this did not modify the proposed effective date.

• PRC-005-1.1b:

- The standard was updated to version 1.1b.
- New boilerplate language, recently approved by NERC legal staff, was added to the Effective Dates section of the standard and the Implementation Plan – this did not modify the proposed effective date.

None of these changes are considered significant, as they do not change the scope or applicability of their associated requirements.

Note that more substantive revisions to PRC-005-2 (under Project 2007-17 Protection System Maintenance and Testing) were posted for a parallel 30-day formal comment period and successive ballot through March 28, 2012. The proposed standard received 73.93% approval. The Project 2010-07 SDT recognizes this and supports the work of that team, whose changes eliminate the need for the surgical addition of "generator interconnection Facility" made in PRC-005-1.1b. Because the Project 2010-07 SDT cannot predict the outcome of Project 2007-17 and wants to ensure that generator interconnection Facilities are appropriately addressed in PRC-005 whether or not PRC-005-2 proceeds to NERC's Board this year, it has elected to continue with its revisions to PRC-005-1.1b.

Instructions

In the recirculation ballot, votes are counted by exception. Only members of the ballot pool may cast a ballot; all ballot pool members may change their previously cast votes. A ballot pool member who failed to cast a ballot during the last ballot window may cast a ballot in the recirculation ballot window. If a ballot pool member does not participate in the recirculation ballot, that member's vote cast in the previous ballot will be carried over as that member's vote in the recirculation ballot. Members of the ballot pools associated with this project may log in and submit their votes for the standards by clicking here.

Next Steps

Voting results will be posted and announced after the ballot windows close. If approved, the standard(s) will be submitted to the Board of Trustees for adoption.

Background

The purpose of Project 2010-07 is to ensure that all generator-owned Facilities are appropriately covered under NERC's Reliability Standards. While many Generator Owners and Generator Operators operate Facilities, commonly known as generator interconnection Facilities that are considered by



some entities to be transmission, these are most often radial Facilities that are not part of the integrated grid. As such, they should not be subject to the same standards applicable to Transmission Owners and Transmission Operators who own and operate Transmission Elements and Facilities that are part of the integrated grid.

As part of the BES, generators do affect the overall reliability of the BES. But registering a Generator Owner or Generator Operator as a Transmission Owner or Transmission Operator, as has been the solution in some cases in the past, may decrease reliability by diverting the Generator Owner's or Generator Operator's resources from the operation of the equipment that actually produces electricity – the generation equipment itself.

The drafting team's goal is to ensure that an adequate level of reliability is maintained in the BES by clearly describing which standards need to be applied to generator interconnection Facilities that are not already applicable to Generator Owners or Generator Operators. The SDT believes that properly applying FAC-003 and PRC-005 to Generator Owners as proposed in the redline standards posted for comment, along with applying FAC-001-1 and PRC-004-2.1a (which were approved by NERC's Board on February 9, 2012), supports this objective.

Before reviewing the standards, the drafting team encourages all stakeholders to read the <u>technical</u> <u>justification resource document</u> it has provided to describe its rationale and its work thus far.

Additional information is available on the project page.

Standards Development Process

The <u>Standard Processes Manual</u> contains all the procedures governing the standards development process. The success of the NERC standards development process depends on stakeholder participation. We extend our thanks to all those who participate. For more information or assistance, please contact Monica Benson at monica.benson@nerc.net.

For more information or assistance, please contact Monica Benson, Standards Process Administrator, at monica.benson@nerc.net or at 404-446-2560.

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