

Comment Form for 3rd Posting of Determine Facility Ratings, System Operating Limits and Transfer Capabilities Standard

**COMMENT FORM
Proposed Determine Facility Ratings**

This form is to be used to submit comments on the proposed Determine Facility Ratings Standard. Comments must be submitted by **April 03, 2005**. You may submit the completed form by emailing it to: sarcomm@nerc.com with the words "DFR Standard- Comments" in the subject line. If you have questions please contact Mark Ladrow at mark.ladrow@nerc.net or by telephone at 609-452-8060.

ALL DATA ON THIS FORM WILL BE TRANSFERRED AUTOMATICALLY TO A DATABASE AND IT IS THEREFORE IMPORTANT TO ADHERE TO THE FOLLOWING REQUIREMENTS:

- DO:**
- Do enter text only, with no formatting or styles added.
 - Do use punctuation and capitalization as needed (except quotations).
 - Do use more than one form if responses do not fit in the spaces provided.
 - Do submit any formatted text or markups in a separate WORD file.

- DO NOT:**
- Do not insert tabs or paragraph returns in any data field.
 - Do not use numbering or bullets in any data field.
 - Do not use quotation marks in any data field.
 - Do not submit a response in an unprotected copy of this form.

Individual Commenter Information		
(Complete this page for comments from one organization or individual.)		
Name:		
Organization:		
Telephone:		
Email:		
NERC Region		Registered Ballot Body Segment
<input type="checkbox"/> ERCOT	<input type="checkbox"/>	1 - Transmission Owners
<input type="checkbox"/> ECAR	<input type="checkbox"/>	2 - RTOs, ISOs, Regional Reliability Councils
<input type="checkbox"/> FRCC	<input type="checkbox"/>	3 - Load-serving Entities
<input type="checkbox"/> MAAC	<input type="checkbox"/>	4 - Transmission-dependent Utilities
<input type="checkbox"/> MAIN	<input type="checkbox"/>	5 - Electric Generators
<input type="checkbox"/> MAPP	<input type="checkbox"/>	6 - Electricity Brokers, Aggregators, and Marketers
<input type="checkbox"/> NPCC	<input type="checkbox"/>	7 - Large Electricity End Users
<input type="checkbox"/> SERC	<input type="checkbox"/>	8 - Small Electricity End Users
<input type="checkbox"/> SPP	<input type="checkbox"/>	9 - Federal, State, Provincial Regulatory or other Government Entities
<input type="checkbox"/> WECC	<input type="checkbox"/>	
<input type="checkbox"/> NA - Not Applicable	<input type="checkbox"/>	

Comment Form for 3rd Posting of Determine Facility Ratings, System Operating Limits and Transfer Capabilities Standard

Background Information:

The Determine Facility Ratings, System Operating Limits and Transfer Capabilities Standard was last posted for a public comment period from December 1, 2003 through January 21, 2004. The SDT received 43 sets of comments, representing 170 different individuals from 89 entities in six of the nine Industry Segments, and all NERC Regions.

While commenters indicated the standard is moving towards industry consensus, they also highlighted a number of areas needing additional clarification. The Standards Authorization Committee (SAC) also asked the Standard Drafting Team to bring certain concerns about a single rating methodology, as stated in August 14, 2003 Blackout documents, to the industry for feedback and possible inclusion into this standard. In addition, the NERC Operating Committee asked that the members of the Operating Limits Definition Task Force (OLD-TF), the Operate Within IROLs SDT (IROL SDT), and the members of the Determine Facility Ratings SDT (DFR SDT) to develop a common draft IROL definition for industry comment.

The SDT did make three types of changes to this draft standard – changes based on industry comments to the second posting of this standard, changes based on the request from the SAC, and changes based on the necessity to have a common understanding of how to identify IROLs. The changes to the standards relative to the last posting are highlighted in the Executive Summary of Changes Made, and the attached form seeks your feedback on the appropriateness of these changes. In addition to the changes highlighted in the Executive Summary, the SDT put the standard into the ‘new’ standard format established with Version 0 Standards. With the new format, each of the six major requirements is now a ‘stand-alone’ standard, sequentially numbered FAC-008-1 through FAC-013-1.

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Please answer the following questions:

Definitions:

1. Do you agree with the SDT's proposed definitions for Cascading Outages, Contingencies, Interconnection Reliability Operating Limits, and Interconnection Reliability Operating Limit T_v ?

Agree

Disagree

Comments:

The ISO/RTO SRC disagrees with the revised definitions of Cascading Outages, Contingency and IROL, and recommends the use of original definitions as stated in the Version 0 Glossary for consistency purposes.

NERC definitions should be coordinated and revised by one body/entity responsible for that definition (such as Director, NERC Standards)

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FAC-008-1 (Previously Section 601) – Facility Ratings Methodology:

2. What additional changes, if any, should the SDT make to Reliability Standard FAC-008-1 to add more criteria to the requirement for establishing a Facility Ratings Methodology?

- No additional changes needed
- The following additional criteria are needed:

Comments:

Comments on FAC-008-1

The designations that have recently been developed and presented to the Standing Committees regarding the Functional Model, once approved, should be incorporated and any further approved changes should continue to be coordinated/incorporated, as they are revised.

The requirement R1.3 should be consistent with and based on credible and recognized standards/criteria (such as IEEE, ANSI etc) for purposes of "methodology" that could be used as guidelines.

In section C the measures M1.2 and M1.2.1 are exact repetition/copy of requirements R 1.2 and R1.2.1. We recommend that R1.2/R1.2.1 should be revised to reflect these as specific measures. Moreover, there is a need to add a requirement and associated measure "to change methodology", if the technical review results show that it does not meet the criteria and/or methodology specified on R1.3.

We are of the opinion that the measures M2 and M3 have no merit if there is no requirement to follow a credible methodology. Accordingly, this further necessitates the need for a consistent recognized standard/criterion re: "methodology".

Comments on Facility Ratings Standard FAC-009-1

Section D -1.3 mentions about retention of documentation for 12 months. What would be duration of retention of non-compliance/audit data for compliance monitor?

In general, many of the measures are written more like requirements. Measures should be phrased and specified in a manner that they provide evidence for meeting the requirements.

3. Do you agree with the changes made to Reliability Standard FAC-008-1 to address the technical review of Facility Ratings Methodologies?

- Agree
- Disagree

Comments: The standard in its present form is very vague. For example, there is no requirement for an owner to use an acceptable methodology. In such a scenario, the outcome could be a set of ratings that are not useful for real operation and/or planning. The requirement for peer review would therefore not be effective. It is worth noting that FERC also recommends that a

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single line methodology and criteria be identified. Therefore, this necessitates the need for a consistent recognized standard/criteria for purposes of "methodology".

In the absence of such a recognized/consistent methodology, there is a possibility that the ratings could be artificially set so low, as to influence dispatches and flows on other circuits.

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FAC-010-1 (Previously Section 603) – System Operating Limits Ratings Methodology:

4. Do you agree with moving the identification of IROLs to this standard?

- Agree
 Disagree

Comments: The SAR states that this is a new standard. The ISO/RTO SRC is concerned that the Version 1 standards "piecemeal approach" to replace standards that appear in Version 0 may result in confusion by the industry. There may be requirements scattered between Version 0 and Version 1, some approved and some pending. Therefore it is recommended that an Implementation Plan be posted with these new Standards, as required under NERC standards process to ensure that the necessary coordination and planning has been done to either replace/retire the pertinent Version 0 standards or incremental requirements added/contained therein.

The ISO/RTO SRC is of the opinion that version 0 (now called Reliability Standards) should be considered as a baseline set of standards and any applicable incremental changes/additions should be made to base standards to develop a set of new standards, as and where required.

There are also concerns with the Planning Authority being involved with the determination of the SOL and IROL limits. Is this intentional?. According to the Functional Model (FM) the Transmission Operator should define the SOL limits and not the Planning Authority. Moreover, as per FM, the RA calculates the IROLs. These roles used in this draft need to be clarified.

5. What additional changes, if any, should the SDT make to Reliability Standard FAC-010-1 to add more criteria to the requirement for establishing a System Operating Limits Methodology to determine SOLs; and/or to determine which SOLs are also IROLs?

- No additional changes needed
 The following additional criteria are needed:

Comments: See the comments in question #4 above.

6. Do you agree with the changes made to Reliability Standard FAC-010-1 to address the technical review of System Operating Limits Methodologies?

- Agree
 Disagree

Comments: See comments in question #3 above.

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FAC-012-1 (Previously Section 605) – Transfer Capability Methodology:

7. What additional changes, if any, should the SDT make to Reliability Standard FAC-012-1 to add more criteria to the requirement for establishing a Transfer Capability Methodology?

No additional criteria needed

The following additional criteria are needed:

Comments: We question the need for multiple standards such as Transfer Capability standard, existing Total Transfer Capability standard and/or SOL related standards re: SOL methodology...establishment. Would this raise questions of redundancies and duplications? This issue needs to be clarified.

8. Do you agree with the changes made to Reliability Standard FAC-012-1 to address the technical review of the Transfer Capability Methodology?

Agree

Disagree

Comments: See question #7 above.

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Overall Standard:

9. Please identify any other changes you think the SDT should make to this standard before it is submitted for ballot.

The technical content of the standard is ready to be submitted for ballot

The following changes should be made to the standard before it is submitted for ballot:

Other comments: The FAC and IROL standards need to be closely coordinated in order to ensure that no key component requirement is missed.

In FAC-011-1 Requirement 4.1.1 change parenthetical to read (or group of facilities and or their associated equipment such as stabilizers and AVRs)

With regards to Requirements R2 and R4.2 of FAC-011-1 standard there are again concerns with the Planning Authority being involved with the determination of the SOL and IROL limits. According to the Functional Model the Transmission Operator should develop the SOL limits not the Planning Authority. Is this intentional? This needs to be clarified.

The SDT should be commended for requiring the distribution of study results in FAC-011-1 (R4) to those entities that have indicated a "reliability related need". However it is not apparent how to determine what a "reliability related need" is. How would an entity know if they are compliant or not if an the entity refuses a request based on another entities perception of "reliability need" that differs from the limit holder's perception of "reliability need". The bottom line is that a clear or specific criterion is missing.

The real requirement to distribute should be defined in explicit terms. That is, those entities in the host Area that perform the Reliability Assessments in planning and real time for the facilities, along with those similar entities in adjoining or other areas that operate facilities that are critical to the limit. (ie move R4.2, R4.3 and R4.4 in front of R4.1).

R4.1.1 does not fully capture the Boundary conditions concept. In addition to the identification and status of the associated Facility critical" to the limit, the operators need to be aware of those components within a Facility that are critical to the limit and their required status. If the term "Facility" is applied as defined in FAC-008-1 (a "set of electrical equipment that operates as a single BES element") then by definition, it is quite possible that critical elements can be inadvertently excluded from this knowledge base. For example, it is possible that a generator could be in service with impaired operation of the AVR or stabilizer. If it is the operation of the AVR or Stabilizer that is critical to the limit, and only the generator is deemed critical then it is possible to have a limit in effect that is invalid.

As part of the Boundary conditions, the operators also need to be aware of the electrical area to which the limits apply, any pertinent Minimum and Maximum values any study indicates for the limits to be valid, and as stated above the status of auxiliaries within any facility that are critical to the limit.

The standard FAC-010-1 Requirement R2 states as follows: "The PA shall document its SOL methodology for use in developing SOL's within its Planning authority Area. The PA's SOL Methodology shall be applicable for developing SOLs used in the planning horizon. The PA's SOL Methodology shall state that SOLs shall not exceed associated facility ratings".

It is in above context that we feel that there are inconsistencies pertaining to FAC-010-1 and TPL-003-0, resulting in confusion. As per requirement R2 of FAC-010-1 requiring SOL Methodology to be applicable for developing SOL's in planning horizon, questions and concerns arise:

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- The recently adopted Version 0 Standards - specifically Standard TPL-003-0, “System Performance Following Loss of Two or More BES Elements” - include Category C contingencies. Adoption of FAC-010-1 & 011 in present form without considering these contingencies would be inconsistent with Standard TPL-003-0 and a weakening of existing NERC standards.
- To state in this standard that Regions may have more stringent standards covering Category C contingencies does not suffice – some Areas reliability could be impacted if a neighboring system operates to the weaker NERC criteria.
- There is a curiosity as to why NERC - if it maintains the principle that Regions may have more stringent criteria than NERC criteria – singles out just one section of this Standard in which to apply the principle, rather than stating that the principle is applicable to the entire standard.

The U.S. - Canada Power System Outage TF Report’s Recommendation #25 states: “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.” We do not believe that Draft 3 meets this principle.

The ISO/RTO SRC is concerned that the Version 1 standards’ “piecemeal approach” to replace standards that appear in Version 0 may result in confusion within the industry. There may be requirements scattered between Version 0 and Version 1, some approved and some pending. Therefore it is recommended that an Implementation Plan be posted with each new Standard to ensure that the necessary coordination and planning has been done to replace/retire the pertinent Version 0 standards or incremental requirements contained/added therein.

The ISO/RTO SRC is of the opinion that version 0 (now called Reliability Standards) should be considered as a baseline set of standards and any applicable incremental changes/additions should be made to base standards to develop a set of new standards, as and where required.

Based on our comments, and especially in the absence of a clear implementation plan, we are of the opinion that the FAC standard(s) is not acceptable and ready for ballot.