

**A. Introduction**

- 1. Title:** Transfer Capability Methodology
- 2. Number:** FAC-012-1
- 3. Purpose:** To ensure that Transfer Capabilities used in the reliable planning and operation of the Bulk Electric System (BES) are determined based on an established methodology or methodologies.
- 4. Applicability**
  - 4.1.** Reliability Coordinator required by its Regional Reliability Organization to establish inter-regional and intra-regional Transfer Capabilities
  - 4.2.** Planning Authority required by its Regional Reliability Organization to establish inter-regional and intra-regional Transfer Capabilities
- 5. Effective Date:** August 7, 2006

**B. Requirements**

- R1.** The Reliability Coordinator and Planning Authority shall each document its current methodology used for developing its inter-regional and intra-regional Transfer Capabilities (Transfer Capability Methodology). The Transfer Capability Methodology shall include all of the following:
  - R1.1.** A statement that Transfer Capabilities shall respect all applicable System Operating Limits (SOLs).
  - R1.2.** A definition stating whether the methodology is applicable to the planning horizon or the operating horizon.
  - R1.3.** A description of how each of the following is addressed, including any reliability margins applied to reflect uncertainty with projected BES conditions:
    - R1.3.1.** Transmission system topology
    - R1.3.2.** System demand
    - R1.3.3.** Generation dispatch
    - R1.3.4.** Current and projected transmission uses
- R2.** The Reliability Coordinator shall issue its Transfer Capability Methodology, and any changes to that methodology, prior to the effectiveness of such changes, to all of the following:
  - R2.1.** Each Adjacent Reliability Coordinator and each Reliability Coordinator that indicated a reliability-related need for the methodology.
  - R2.2.** Each Planning Authority and Transmission Planner that models any portion of the Reliability Coordinator's Reliability Coordinator Area.
  - R2.3.** Each Transmission Operator that operates in the Reliability Coordinator Area.
- R3.** The Planning Authority shall issue its Transfer Capability Methodology, and any changes to that methodology, prior to the effectiveness of such changes, to all of the following:
  - R3.1.** Each Transmission Planner that works in the Planning Authority's Planning Authority Area.
  - R3.2.** Each Adjacent Planning Authority and each Planning Authority that indicated a reliability-related need for the methodology.

**R3.3.** Each Reliability Coordinator and Transmission Operator that operates any portion of the Planning Authority's Planning Authority Area.

**R4.** If a recipient of the Transfer Capability Methodology provides documented technical comments on the methodology, the Reliability Coordinator or Planning Authority shall provide a documented response to that recipient within 45 calendar days of receipt of those comments. The response shall indicate whether a change will be made to the Transfer Capability Methodology and, if no change will be made to that Transfer Capability Methodology, the reason why.

**C. Measures**

**M1.** The Planning Authority and Reliability Coordinator's methodology for determining Transfer Capabilities shall each include all of the items identified in FAC-012 Requirement 1.1 through Requirement 1.3.4.

**M2.** The Reliability Coordinator shall have evidence it issued its Transfer Capability Methodology in accordance with FAC-012 Requirement 2 through Requirement R2.3.

**M3.** The Planning Authority shall have evidence it issued its Transfer Capability Methodology in accordance with FAC-012 Requirement 3 through Requirement 3.3.

**M4.** If the recipient of the Transfer Capability Methodology provides documented comments on its technical review of that Transfer Capability Methodology, the Reliability Coordinator or Planning Authority that distributed that Transfer Capability Methodology shall have evidence that it provided a written response to that commenter in accordance with FAC-012 Requirement 4.

**D. Compliance**

**1. Compliance Monitoring Process**

**1.1. Compliance Monitoring Responsibility**

Regional Reliability Organization

**1.2. Compliance Monitoring Period and Reset Timeframe**

Each Planning Authority and Reliability Coordinator shall self-certify its compliance to the Compliance Monitor at least once every three years. New Planning Authorities and Reliability Coordinators shall each demonstrate compliance through an on-site audit conducted by the Compliance Monitor within the first year that it commences operation. The Compliance Monitor shall also conduct an on-site audit once every nine years and an investigation upon complaint to assess performance.

The Performance-Reset Period shall be twelve months from the last finding of non-compliance.

**1.3. Data Retention**

The Planning Authority and Reliability Coordinator shall each keep all superseded portions to its Transfer Capability Methodology for 12 months beyond the date of the change in that methodology and shall keep all documented comments on the Transfer Capability Methodology and associated responses for three years. In addition, entities found non-compliant shall keep information related to the non-compliance until found compliant.

The Compliance Monitor shall keep the last audit and all subsequent compliance records.

**1.4. Additional Compliance Information**

The Planning Authority and Reliability Coordinator shall each make the following available for inspection during an on-site audit by the Compliance Monitor or within 15 business days of a request as part of an investigation upon complaint:

- 1.4.1** Transfer Capability Methodology.
- 1.4.2** Superseded portions of its Transfer Capability Methodology that have been made within the past 12 months.
- 1.4.3** Documented comments provided by a recipient of the Transfer Capability Methodology on its technical review of the Transfer Capability Methodology, and the associated responses.

**2. Levels of Non-Compliance**

**2.1. Level 1:** There shall be a level one non-compliance if either of the following conditions exists:

- 2.1.1** The Transfer Capability Methodology is missing any one of the required statements or descriptions identified in FAC-012 R1.1 through R1.3.4.
- 2.1.2** No evidence of responses to a recipient’s comments on the Transfer Capability Methodology.

**2.2. Level 2:** The Transfer Capability Methodology is missing a combination of two of the required statements or descriptions identified in FAC-012 R1.1 through R1.3.4, or a combination thereof.

**2.3. Level 3:** The Transfer Capability Methodology is missing a combination of three or more of the required statements or descriptions identified in FAC-012 R1.1 through R1.3.4.

**2.4. Level 4:** The Transfer Capability Methodology was not issued to all of the required entities.

**E. Regional Differences**

None identified.

**Version History**

Version	Date	Action	Change Tracking
1	08/01/05	1. Lower cased the word “draft” and “drafting team” where appropriate. 2. Changed incorrect use of certain hyphens (-) to “en dash” (–) and “em dash (—).” 3. Changed “Timeframe” to “Time Frame” in item D, 1.2.	01/20/06