NERC
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

Standards Announcement

Project 2010-07
Generator Requirements at the Transmission Interface

Four Recirculation Ballots Window Open: December 14-23, 2011

Now Available

Recirculation ballot windows are open for the four standards listed below from Wednesday, December 14, 2011 through 8 p.m. Eastern on Friday, December 23, 2011.

- FAC-001-1 – Facility Connection Requirements
- Two versions of FAC-003 – Transmission Vegetation Management (FAC-003-3 and FAC-003-X). Note that FAC-003-X shows changes to FAC-003-1, while FAC-003-3 shows changes to FAC-003-2, which was developed by the Project 2007-07 standard drafting team.
- Minor modifications to PRC-004-2.1 – Analysis and Mitigation of Transmission and Generation Protection System Misoperations

Since the initial ballot, the drafting team has considered all comments received during the formal comment period and initial ballots of the standards. Based on stakeholder comments, the SDT made minor changes to FAC-001-1, FAC-003-X, FAC-003-3, and PRC-004-2.1.

- In FAC-001-1, the SDT corrected a typo in the Applicability section 4.2.1 to change "within" to "with"; corrected a typo in the VSLs for R3 to ensure that parts 3.1.1 through 3.1.16 were referenced, rather than just 3.1.1 through 3.1.6; and changed references to "Transmission System" to "interconnected Transmission systems" to ensure consistency with the language elsewhere in the standard and in FAC-002-1.

- In FAC-003-X and FAC-003-3, the SDT added a clarifying reference to line of sight in the GO exemption in section 4.3.1. of both versions; corrected a typo in 4.3.1.2 of FAC-003-3; and changed "RE" to "Regional Entity" in 4.3.1 of FAC-003-X.

As it discusses in the document titled "Technical Justification Project 2010-07 Generator Requirements at the Transmission Interface," the SDT recognizes that in many cases, generation Facilities are either (1) staffed and the overhead portion is within line of sight or (2) the overhead Facility is over a paved surface. Stakeholders have generally supported the rationale exempting these Facilities because incorporating them into FAC-003 would offer no reliability benefit. The SDT and industry comments support the position that these qualifiers represent a reasonable and appropriate risk prevention

approach.

To clarify the exemption, the SDT has modified the Applicability section 4.3.1 to include an explicit reference to line of sight: "Overhead transmission lines that extend greater than one mile (1.609 kilometers) beyond the fenced area of the generating switchyard or do not have a clear line of sight from the switchyard fence to the point of interconnection and are…"

With this reference, the SDT simply seeks to clarify the exception language based on the intent that has been agreed upon by the stakeholder body. In its Consideration of Comments report from the last formal comment period, which ended on July 17, 2011, the SDT explained, "We believe that the one mile length is a reasonable approximation of line of sight, and that using a fixed starting point (at the fenced area of the generation station switchyard) eliminates confusion and any discretion on the part of a Generator Owner or an auditor." With the addition of an explicit line of sight reference here, the SDT believes it has clarified its original intent and appropriately considered all comments submitted.

Members of the ballot pool should note that the SDT is balloting both FAC-003-3 and FAC-003-X, but stakeholders should not vote as though they are choosing one or the other. The SDT plans to present FAC-003-3 alone to NERC's Board of Trustees, but it wants to have FAC-003-X ready to submit to the Board if, for some reason, neither FAC-003-2 nor FAC-003-3 are approved by FERC. Members of the ballot body should vote on the merits of each version of FAC-003 individually. In other words, stakeholders who support adding Generator Owners to the applicability of FAC-003 should vote in the affirmative for both FAC-003-3 and FAC-003-X.

- In PRC-004-2.1, the SDT added a reference to the generator interconnection Facility to the data retention section of the standard (for consistency with the language in R2) and corrected a typo in the Version History.

Additionally, many commenters encouraged the SDT to reexamine the standards and requirements addressed in FERC's Milford and Cedar Creek orders and NERC staff's draft compliance directive regarding generator lead lines. The SDT reviewed all addressed standards and requirements again and continues to find clear and technical reliability-based reasons that support not adding Generator Owner and Generator Operator requirements to these standards and not requiring the Generator Owner or Generator Operator to register as a Transmission Owner or Transmission Operator. However, to address stakeholder concern, the SDT has expanded its technical justification document (posted under "Supporting Materials") to include any standard or requirement cited by FERC in its Milford/Cedar Creek orders or by NERC in its draft compliance directive.

Documents associated with this project, including clean and redline versions of each standard, implementation plans for each standard (clean only since the SDT made no changes since the last posting), the drafting team's consideration of comments submitted during the parallel formal comment

period and initial ballot that ended on November 18, 2011, and supporting materials including two explanatory diagrams and the team's updated technical justification, have been posted on the project page.

Instructions for Balloting in the Recirculation Ballots

In a recirculation ballot, votes are counted by exception. Only members of the ballot pool may cast a ballot; all ballot pool members may change their prior 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 last vote cast in the successive ballot that ended on November 18, 2011 will be carried over.

Members of the ballot pool associated with the project may log in and submit their votes in the recirculation ballots from the following page: https://standards.nerc.net/CurrentBallots.aspx

Next Steps

If the standards achieve ballot pool approval, they will be presented 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 sole-use 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 SDT'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. This can be accomplished by properly applying FAC-001, FAC-003, PRC-004, and later, PRC-005, to Generator Owners as proposed in the redline standards posted for ballot.

Before reviewing the standards, the SDT encourages all stakeholders to read the technical justification resource document posted under "Supporting Materials." This document describes, in great detail, the SDT's rationale for its work thus far. Additional information is available on the project page at http://www.nerc.com/filez/standards/Project2010-07_GOTO_Project.html

Standards Development Process

The Standard Processes Manual 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.

North American Electric Reliability Corporation
116-390 Village Blvd.
Princeton, NJ 08540
609.452.8060 | www.nerc.com