

## **Consideration of Comments on the Proposed SAR for Modifications to the Facility Ratings Standards and for the Revisions to FAC-008-2 — Project 2009-06**

The Facility Ratings Standard Drafting Team thanks all commenters who submitted comments on the proposed SAR for modifications to the Facility Ratings standards and for the revisions to FAC-008-2. This SAR and draft standard was posted for a 45-day public comment period from January 20, 2009 through March 5, 2009. The stakeholders were asked to provide feedback on the SAR and standard through a special Electronic Comment Form. There were 38 sets of comments, including comments from more than 85 different people from over 50 companies representing 8 of the 10 Industry Segments as shown in the table on the following pages.

In this document the comments have been sorted to make it easier to see where there is stakeholder consensus. All comments can be viewed in the original format at the following site:

[http://www.nerc.com/filez/standards/Project\\_2009-06\\_Facility\\_Ratings.html](http://www.nerc.com/filez/standards/Project_2009-06_Facility_Ratings.html)

The vast majority of responding entities agreed with the scope of the SAR and agreed that the proposed FAC-008-2 addresses the first two of the three FERC directives issued in Order 693 relative to FAC-008-1. Several commenters who did agree with the removal of R7 expressed concern with the limited scope of the SAR. The FR SDT explained that proposed changes to FAC-008 and FAC-009 (FAC-008-02) have been through stakeholder review and consensus appeared to have been reached on all requirements except R7, which this SAR proposed to remove. Several entities expressed concerns that R1 was overly broad or that FAC-008-2 should not apply to generating facilities.

The purpose of FAC-008 is "To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles." Prior to any generator being placed in service, "Facility Ratings" for a generator are required for BES planning.

For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft) allows "performance history or rating verification supplemented by engineering analysis". MOD-024 and MOD 025 validation processes (neither MOD 024 nor MOD 025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner's nominal parameters. FAC 008 "only" requires this Methodology be documented and followed. Therefore FAC 008 need not be redundant with MOD 024 and/or MOD 025.

Several other commenters suggested that the standard should not be applicable to Generator Owners for various reasons, including the requirements being vague and burdensome. The SDT feels strongly that the standard applies to generation Owners and has revised the Generator Owner requirements for this draft Standard (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities and options for developing facility rating documentation. The FR SDT made conforming changes to the associated measures and compliance elements.

Two commenters suggested revising the VRF from "Medium" to "Lower". The FR SDT reviewed the VRF guidelines and agrees with the suggestion to revise the VRF to "Lower".

Other commenters questioned the Violation Severity Levels, indicating that they should not be severe. Regarding the VSL issue, violation severity levels (VSLs) are defined measurements of the degree to which or how severely a violator violated a requirement of a reliability standard and is assessed post- violation; whereas violation risk factors indicate the relative potential impacts that violations of each standard could pose to the reliability of the bulk power system. As such VSLs may have a “severe level” either as the only VSL level or in connection with 1, 2 or 3 other levels as stated in the draft standard. VSLs are not relative to impact on the BES but a measurement of meeting the requirement. Following the initial posting, the FR SDT did make some additional changes to the VSLs to line up with the work of the VSL DT.

If you feel that your comment has been overlooked, please let us know immediately. Our goal is to give every comment serious consideration in this process! If you feel there has been an error or omission, you can contact the Vice President and Director of Standards, Gerry Adamski, at 609-452-8060 or at [gerry.adamski@nerc.net](mailto:gerry.adamski@nerc.net). In addition, there is a NERC Reliability Standards Appeals Process.<sup>1</sup>

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<sup>1</sup> The appeals process is in the Reliability Standards Development Procedures: <http://www.nerc.com/standards/newstandardsprocess.html>.

**Index to Questions, Comments, and Responses**

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2. Do you agree with the scope of the SAR? If not, please explain in the comment area.14

3. Do you agree with the applicability of the SAR? If not, please explain in the comment area. ....21

4. If you have any other comments on this standard or its implementation plan that you have not already submitted above, please provide them here. ....39

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The Industry Segments are:

- 1 — Transmission Owners
- 2 — RTOs, ISOs
- 3 — Load-serving Entities
- 4 — Transmission-dependent Utilities
- 5 — Electric Generators
- 6 — Electricity Brokers, Aggregators, and Marketers
- 7 — Large Electricity End Users
- 8 — Small Electricity End Users
- 9 — Federal, State, Provincial Regulatory or other Government Entities
- 10 — Regional Reliability Organizations, Regional Entities

		Commenter	Organization	Industry Segment																																																			
				1	2	3	4	5	6	7	8	9	10																																										
1.	Group	Phillip R. Kleckley	SERC Engineering Committee Planning Standards Subcommittee			X																																																	
<table border="1"> <thead> <tr> <th>Additional Member</th> <th>Additional Organization</th> <th>Region</th> <th>Segment</th> <th>Selection</th> </tr> </thead> <tbody> <tr> <td>1. John Sullivan</td> <td>Ameren</td> <td>SERC</td> <td>1</td> <td></td> </tr> <tr> <td>2. Charles Long</td> <td>Entergy</td> <td>SERC</td> <td>1</td> <td></td> </tr> <tr> <td>3. Scott Goodwin</td> <td>Midwest ISO</td> <td>SERC</td> <td>2</td> <td></td> </tr> <tr> <td>4. Pat Huntley</td> <td>SERC Reliability Corp</td> <td>SERC</td> <td>10</td> <td></td> </tr> <tr> <td>5. Carter Edge</td> <td>SERC Reliability Corp</td> <td>SERC</td> <td>10</td> <td></td> </tr> <tr> <td>6. Bob Jones</td> <td>Southern Co. Services</td> <td>SERC</td> <td>1</td> <td></td> </tr> <tr> <td>7. David Marler</td> <td>TVA</td> <td>SERC</td> <td>1</td> <td></td> </tr> </tbody> </table>																Additional Member	Additional Organization	Region	Segment	Selection	1. John Sullivan	Ameren	SERC	1		2. Charles Long	Entergy	SERC	1		3. Scott Goodwin	Midwest ISO	SERC	2		4. Pat Huntley	SERC Reliability Corp	SERC	10		5. Carter Edge	SERC Reliability Corp	SERC	10		6. Bob Jones	Southern Co. Services	SERC	1		7. David Marler	TVA	SERC	1	
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6. Bob Jones	Southern Co. Services	SERC	1																																																				
7. David Marler	TVA	SERC	1																																																				
2.	Group	Sandra Shaffer	PacifiCorp	X		X		X		X																																													
3.	Group	Douglas Selin	APS - Technical Projects Engineering	X		X		X																																															
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	Commenter	Organization	Industry Segment																	
			1	2	3	4	5	6	7	8	9	10								
1.	Baj Agrawal	Arizona Public Service Co. WECC	1, 3, 5																	
2.	Dave Simonton	Arizona Public Service Co. WECC	1, 3, 5																	
4.	Group	Thomas J. Bradish	Reliant Energy Inc and Gila River Power					X												
<b>Additional Member Additional Organization Region Segment Selection</b>																				
1.	Ken Parker	Gila Rivere Power	WECC	5																
5.	Group	Jim Busbin	Southern Company					X												
<b>Additional Member Additional Organization Region Segment Selection</b>																				
1.	Tom Sims	Southern Company Services	SERC	1																
2.	Andrew Neal	Southern Nuclear Company	SERC	5																
3.	Marc Butts	Southern Company Services	SERC	1																
4.	Jim Viikinsalo	Southern Company Services	SERC	1																
6.	Group	Jalal Babik	Dominion Resources Inc.		X		X		X	X										
<b>Additional Member Additional Organization Region Segment Selection</b>																				
1.	Louis Slade		SERC	5																
2.	Mike Garton		NPCC	6																
7.	Group	Sam Ciccone	FirstEnergy		X		X	X	X	X										
<b>Additional Member Additional Organization Region Segment Selection</b>																				
1.	Doug Hohlbaugh	FirstEnergy	RFC	1, 3, 4, 5, 6																
2.	Dave Folk	FirstEnergy	RFC	1, 3, 4, 5, 6																
3.	Dick Kovacs	FirstEnergy	RFC	1, 3, 4, 5, 6																
8.	Group	Jeffrey P. Mueller	Public Service Enterprise Group		X		X													
<b>Additional Member Additional Organization Region Segment Selection</b>																				
1.	James Hebson	PSEG Energy Resources and Trade, LLC	ERCOT	6																
4.	Gary Grysko	PSEG Fossil, LLC	RFC	5																

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		Commenter	Organization	Industry Segment										
				1	2	3	4	5	6	7	8	9	10	
9.	Group	Jack Cashin	Electric Power Supply Association					X	X					
10.	Group	Robert Loy	Allegheny Energy Supply Company, LLC					X						
11.	Group	Denise Koehn	Bonneville Power Administration	X		X		X	X					
<b>Additional Member Additional Organization Region Segment Selection</b>														
1. Dean Freel		Substation Engineering	WECC	1										
12.	Group	Guy Zito	NPCC RSC											X
<b>Additional Member Additional Organization Region Segment Selection</b>														
1. Greg Campoli		NYISO	NPCC	2										
2. Mike Gildea		Constellation	NPCC	5										
3. Ralph Rufrano		NYPA	NPCC	1										
4. Chris de Graffenried		Con Ed	NPCC	1										
5. Ted Dahill		National Grid	NPCC	3										
6. Mike Garton		Dominion	NPCC	5										
8. Rick White		NU		1										
9. Guy Zito		NPCC	NPCC	10										
10. Lee Pedowicz		NPCC	NPCC	10										
11. Gerry Dunbar		NPCC	NPCC	10										
13.	Group	Michael Brytowski	MRO NERC Standards Review Subcommittee											X
<b>Additional Member Additional Organization Region Segment Selection</b>														
1. Carol Gerou		MP	MRO	1, 3, 5, 6										
2. Neal Balu		WPS	MRO	3, 4, 5, 6										
3. Terry Bilke		MISO	MRO	2										
4. Joe DePoorter		MGE	MRO	3, 4, 5, 6										
5. Ken Goldsmith		ALTW	MRO	4										

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	Commenter	Organization	Industry Segment																	
			1	2	3	4	5	6	7	8	9	10								
6.	Jim Haigh	WAPA	MRO	1, 6																
7.	Terry Harbour	MEC	MRO	1, 3, 5, 6																
8.	Joseph Knight	GRE	MRO	1, 3, 5, 6																
9.	Scott Nickels	RPU	MRO	3, 4, 5, 6																
10.	Dave Rudolph	BEPC	MRO	1, 3, 5, 6																
11.	Eric Ruskamp	LES	MRO	1, 3, 5, 6																
12.	Pam Sorted	XCEL	MRO	1, 3, 5, 6																
14.	Group	Tim Hinken	Kansas City Power & Light		X		X		X	X										
<b>Additional Member Additional Organization Region Segment Selection</b>																				
1.	Michael Gammon	KCPL	SPP	1, 3, 5, 6																
2.	Harold Wyble	KCPL	SPP	1, 3, 5, 6																
3.	Dennis Greashaber	KCPL	SPP	1, 3, 5, 6																
4.	Nick McCarty	KCPL	SPP	1, 3, 5, 6																
15.	Individual	Scott Berry	Indiana Municipal Power Agency					X												
16.	Individual	Greg Mason	Dynergy						X											
17.	Individual	Greg Rowland	Duke Energy		X		X		X	X										
18.	Individual	Russell A. Noble	Cowlitz County PUD				X													
19.	Individual	Alan Gale	City of Tallahassee (TAL)		X		X		X											
20.	Individual	Mark Kuras	PJM			X														
21.	Individual	Jianmei Chai	Consumers Energy Company				X	X	X											
22.	Individual	David Kiguel	Hydro One Networks Inc.		X		X													
23.	Individual	Kris Manchur	Manitoba Hydro		X		X		X	X										

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		Commenter	Organization	Industry Segment											
				1	2	3	4	5	6	7	8	9	10		
24.	Individual	Steve Myers	ERCOT ISO		X										
25.	Individual	James H. Sorrels, Jr.	American Electric Power	X		X		X	X						
26.	Individual	Kirit Shah	Ameren	X		X		X	X						
27.	Individual	Catherine Koch	Puget Sound Energy	X											
28.	Individual	Dale Fredrickson	Wisconsin Electric Power Company dba We Energies			X	X	X							
29.	Individual	Alice Murdock	Xcel Energy	X		X		X	X						
30.	Individual	Rick White	Northeast Utilities	X											
31.	Individual	Richard Kafka	Pepco Holdings, Inc.	X		X		X	X						
32.	Individual	Michael Sonnelitter	FPL Energy					X							
33.	Individual	Edward Davis	Entergy Services, Inc	X		X		X	X						
34.	Individual	Dan Rochester	Independent Electricity System Operator		X										
35.	Individual	Vlad Stanisic	OPG					X	X						
36.	Individual	Roger Champagne	Hydro-Québec Transenergie (HQT)	X											
37.	Individual	Jason Shaver	American Transmission Company	X											
38.	Group	Ben Li	IRC Standards Review Committee												
<b>Additional Member</b>				<b>Additional Organization</b>	<b>Region</b>	<b>Segment Selection</b>									
1.	Anita Lee	AESO	WECC	2											
2.	Patrick Brown	PJM	RFC	2											

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	Commenter	Organization		Industry Segment																
				1	2	3	4	5	6	7	8	9	10							
3. Lourdes Estrada-Salineró	CAISO	WECC	2																	
4. Steve Myers	ERCOT	ERCOT	2																	
5. Jim Castle	NYISO	NPCC	2																	
6. Matt Goldberg	ISO NE	NPCC	2																	
7. Bill Phillips	MISO	RFC	2																	
8. Charles Yeung	SPP	SPP	2																	

**1. Do you agree that the proposed FAC-008-2 addresses the first two of the three FERC directives issued in Order 693 relative to FAC-008-1? If not, please explain in the comment area.**

**Summary Consideration:** The vast majority of responding entities agreed that the proposed FAC-008-2 addresses the first two of the three FERC directives issued in Order 693 relative to FAC-008-1. One entity expressed a concern that R1 did not address directive 1 or 2. The FR SDT modified the standard so that both directives are more fully addressed. The FR SDT modified the standard so that the new Requirement R2, which is for Generator Owners, does address the intent of directive 1 – to identify the underlying assumptions used to determine equipment ratings. The FR SDT does not believe that there is a significant reliability-related benefit to having the Generator Owner develop both normal and emergency ratings for its generator facilities and will solicit feedback on this issue when it posts the revised standard for comment.

The revised standard does fully address directive 2 for both Generator Owners and Transmission Owners. The two new requirements for Generator Owners, Requirements R1 and R2 both include language linking the Facility Rating Methodology to “industry standards” or to “industry standards developed through an open process.” The SDT believes these modifications support the intent of the associated directive.

The process for determining both normal and emergency ratings needs to be addressed for transmission facilities (Requirement R3, Part 4.2), but not for generating unit facilities as they do not have emergency ratings.

One entity stated that the SAR should have included VRFs and VSLs. The new draft standard contains both VRFs and VSLs.

Organization	Yes or No	Question 1 Comment
Hydro One Networks Inc.	No	We believe that VRFs and VSLs are an integral part of a Standard and should be developed, commented and balloted with it. The SAR should have included these.
<p><b>Response:</b> The FR SDT thanks you for your comment. The draft standard that was posted for comment contained the VRFs and VSLs that were developed and posted for comment during the original attempt to combine FAC-008 and FAC-009. Since stakeholders have indicated that they want additional modifications to the requirements assigned to the Generator Owner, the SDT is going to solicit comments on associated changes to these compliance elements during the next comment period.</p>		
OPG	No	<p>REQUIREMENT R1 DOES NOT ADDRESS THE DIRECTIVES. Directive 1: (document underlying assumptions and methods used to determine normal and emergency facility ratings) - There is no requirement to document underlying assumptions- There is no mention of normal and emergency ratings Directive 2: (develop facility ratings consistent with industry standards developed through an open, transparent and validated</p>

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Organization	Yes or No	Question 1 Comment
		<p>process)- Only one sub-requirement refers to industry standards. Even that one does not specifically call for consistency with "industry standards developed through an open, transparent and validated process". R1 calls for methodology that must identify how all 5 sub-requirements were "considered". This is ambiguous to start with since the sub-requirements are essentially mutually exclusive. There seems to be no correlation between R1 and directive (2)</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The FR SDT modified the standard so that the new Requirement R2, which is for Generator Owners, does address the intent of directive 1 – to identify the underlying assumptions used to determine equipment ratings. The FR SDT does not believe that there is a significant reliability-related benefit to having the Generator Owner develop both normal and emergency ratings for its generator facilities and will solicit feedback on this issue when it posts the revised standard for comment.</p> <p>The revised standard does fully address directive 2 for both Generator Owners and Transmission Owners. The two new requirements for Generator Owners, Requirements R1 and R2 both include language linking the Facility Rating Methodology to "industry standards" or to "industry standards developed through an open process." The SDT believes these modifications support the intent of the associated directive.</p> <p>The process for determining both normal and emergency ratings needs to be addressed for transmission facilities (Requirement R3, Part 4.2), but not for generating unit facilities as they do not have emergency ratings.</p> <p>The Generator Owner requirements for this draft Standard has been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
Kansas City Power & Light	Yes	We agree with the Drafting Team regarding the deletion of the previously proposed requirement R7.
<p><b>Response:</b> The FR SDT thanks you for your comment.</p>		
SERC Engineering Committee Planning Standards Subcommittee	Yes	
APS - Technical Projects Engineering	Yes	
Southern Company	Yes	
Dominion Resources Inc.	Yes	

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Organization	Yes or No	Question 1 Comment
FirstEnergy	Yes	
Electric Power Supply Association	Yes	
Allegheny Energy Supply Company, LLC	Yes	
Bonneville Power Administration	Yes	
NPCC RSC	Yes	
MRO NERC Standards Review Subcommittee	Yes	
Dynegy	Yes	
Duke Energy	Yes	
Cowlitz County PUD	Yes	
City of Tallahassee (TAL)	Yes	
PJM	Yes	
Manitoba Hydro	Yes	
ERCOT ISO	Yes	
American Electric Power	Yes	
Ameren	Yes	
Puget Sound Energy	Yes	
Wisconsin Electric Power Company dba We Energies	Yes	

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<b>Organization</b>	<b>Yes or No</b>	<b>Question 1 Comment</b>
Northeast Utilities	Yes	
Pepco Holdings, Inc.	Yes	
Entergy Services, Inc	Yes	
Independent Electricity System Operator	Yes	
Hydro-Québec Transenergie (HQT)	Yes	
American Transmission Company	Yes	
IRC Standards Review Committee	Yes	

**2. Do you agree with the scope of the SAR? If not, please explain in the comment area.**

**Summary Consideration:** The vast majority of responding entities agreed with the scope of the SAR. Several entities did agree with the removal of R7, but expressed concern with the limited scope of the SAR. The FR SDT explained that proposed changes to FAC-008 and FAC-009 (FAC-008-02) have been through stakeholder review and consensus was reached on all requirements except R7, which this SAR proposes to remove. Additionally, several entities expressed concerns that R1 was overly broad or that FAC-008-2 is applicable to generating facilities at all. The FRS DT modified R1 (now R1 and R2) to provide greater clarity to the Generator Owner responsibility. In response to these comments, the SDT modified the scope of the SAR to include modifications to the requirements assigned to the Generator Owner and will post a set of revised Generator Owner requirements for additional stakeholder comment.

Organization	Yes or No	Question 2 Comment
APS - Technical Projects Engineering	No	<p>1.) The scope of Requirement R1 is overly broad and vague. A statement similar to R2.4.1 that narrows the scope down to specific pieces of equipment is needed for the generator data. Requirement R1 Specifies that the generator owner shall document the methodology determining the Facility Ratings of its generating unit facilities. However, it does not cite what specific generating unit facilities it is talking about (the generator? The exciter? The governor? The various fans, pumps, motors and auxiliaries that are all part of generating unit facilities?) Also, it is unclear exactly what ratings are being addressed (voltage, current, MW, MVAR, temperature, vibration)? There are so many breakers, transformers, motors, switches, etc in a generating facility that it would be impossible to document every single rating and how that rating was developed unless the scope of the ratings referred to in R1 is very focused.</p> <p>2.) R1.1 indicates that the facility rating methodology should specify how it uses commissioning data in its methodology. Again, this is too vague unless specific identification of what equipment and what commissioning data is being addressed is included. There are so many systems that get commissioned in the generating plant that a vague requirement is impossible to comply with.</p> <p>3.)It is not clear in the wording of FAC-008-2 exactly what type of rating is to be documented. Different entities use different ratings and those ratings don't necessarily agree because they are used for different purposes. Comments from our generation management discuss a generator rating reported on FERC Form 1 which is not necessarily the generator owner's nameplate rating on the generator. Unless the exact type of rating for the generator is defined by the Standard (FAC-008-2), the generator owners are left to choose what ever type of rating to use and the results are not consistent. One rating might be used to ensure that you never exceed equipment capability, while</p>

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Organization	Yes or No	Question 2 Comment
		<p>another rating might be used by someone else to define what the generator is normally capable of producing and those two ratings may be very different.</p> <p>4.) Rule R1.2 includes performance history in the rating methodology but it can be shown that full load tests in the winter and/or summer corrected to standard conditions will give different results and will be different from the FERC Form 1 reported rating for the generator. This goes back to point #3 above that the generator portion is too vague.</p> <p>5.) Inclusion of rules R1.3, R1.4, and R1.5 can also lead to different ratings depending on what the specific rating that is being desired. Is the intended rating actual demonstrated generator capability, theoretical generator capability, a rating that shouldn't be exceeded, exactly what?</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The NERC Glossary defines Facility Rating as follows: "The maximum or minimum voltage, current, frequency, or real or reactive power flow through a facility that does not violate the applicable equipment rating of any equipment comprising the facility." The Generator Owner is expected to establish the generator facility ratings consistent with this definition. The primary goal is to establish a methodology that identifies any equipment whose rating(s) could limit the overall generator Facility Ratings (voltage, current, frequency, real, or reactive power flow). Obvious examples are generator bus conductors, breakers, and step-up transformers that limit a generating unit's thermal output (MVA or MW+jMVAR) to a value less than the prime mover's MW rating and/or the electrical generator's MVA rating which can be identified by either historical performance tracking or documentation review. It is expected that during the process of developing their Facility Ratings methodologies, Generator Owners will work with their respective Transmission Owners and others as necessary to define and establish the specific types of ratings that need to be addressed. However, The Generation Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generation Owner responsibilities.</p>		
Public Service Enterprise Group	No	The SAR should specify deleting generators from this standard. Please see comments to Question 3, below.
<p><b>Response:</b> The FR SDT thanks you for your comment. Please see responses to comments in Question 3.</p>		
Electric Power Supply Association	No	We have questions regarding the applicability of the standard for generators. Please see response to question 3.
<p><b>Response:</b> The FR SDT thanks you for your comment. Please see responses to comments in Question 3.</p>		
NPCC RSC	No	NPCC understands that this comment period is aimed specifically at the removal of requirement R7 from the failed ballot and we agree with this modification; however we have additional comments regarding the scope of this standard which are included as comments in response to Question 4.

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Organization	Yes or No	Question 2 Comment
<p><b>Response:</b> The FR SDT thanks you for your comment. Please see responses to comments in Question 4. There were several commenters, however, who indicated that the Generator Owner requirements need further clarity – in response to these comments, the SDT modified the scope of the SAR to include these modifications and will post a set of revised Generator Owner requirements for additional stakeholder comment.</p>		
Dynergy	No	<p>The SDT received several negative comments from Generator Owners related to the provisions of R1.2 and R1.3. Regardless of whether the "radial facilities" that connect the generator to the grid are considered part of the generating facility or "transmission facilities", unit testing verifies that the rating of these "radial facilities" is greater than or equal to the tested capability of the unit and verifies that the tested rating of the generator is the most limiting element of these "radial facilities". The SAR should consider this issue.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The standard does not attempt to define a common point of interconnection between "generation facilities" and "transmission facilities". Generator owned transmission facilities are included in R2. Regarding your comments on unit testing, R1.2 and R1.3 (of the previous draft) addressed the need to establish generator Facility Ratings prior to a generator being placed in service ("Facility Ratings" for a generator are required for BES planning). For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. Also, unit testing alone may not verify the actual Generating Facility's overall thermal capability (measured in amps, MVA, and/or MW +jMVAR) unless it is "supplemented by engineering analysis" as specified in R1. This engineering analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner's nominal parameters and may identify the real limit (ex: generator voltage limit) that may not occur during a test, due to other system conditions or constraints. However, The Generator Owner requirements for this draft Standard have been revised (now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
PJM	No	<p>A full reconsideration of all aspects of the standard should be encouraged. We agree with the reproposal of the Standard with R7 removed because R7 has no reliability benefit.</p>
<p><b>Response:</b> The FR SDT thanks you for your comments. The proposed changes to FAC-008 and FAC-009 have already been through stakeholder review and reached consensus in 2008 on all requirements except the requirement (R7) developed to meet the FERC directive in Order 693 that required identification of the most limiting component of a facility and the theoretical increase in rating if the limitation were removed. Stakeholders indicated that this requirement (R7) did not have a reliability-related benefit, and voted against the inclusion of a requirement to meet this directive. There were several commenters, however, who indicated that the Generator Owner requirements need further clarity – in response to these comments, the SDT modified the scope of the SAR to include these modifications and will post a set of revised Generator Owner requirements for additional stakeholder comment.</p>		
Hydro One Networks	No	<p>Please see response to question 1.</p>

**Consideration of Comments on Proposed SAR of FAC-008-2 — Project 2009-06**

Organization	Yes or No	Question 2 Comment
Inc.		
<p><b>Response:</b> The FR SDT thanks you for your comment. Please see response to question 1.</p>		
American Electric Power	No	<p>The limited scope of the SAR does not take advantage of the opportunity for continuous improvement. There are areas in the standard where additional clarity is necessary and the standard could also be more explicit as to applicability of requirements.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The proposed changes to FAC-008 and FAC-009 have already been through stakeholder review and reached consensus in 2008 on all requirements except the requirement (R7) developed to meet the FERC directive in Order 693 that required identification of the most limiting component of a facility and the theoretical increase in rating if the limitation were removed. Stakeholders indicated that this requirement (R7) did not have a reliability-related benefit, and voted against the inclusion of a requirement to meet this directive. There were several commenters, however, who indicated that the Generator Owner requirements need further clarity – in response to these comments, the SDT modified the scope of the SAR to include these modifications and will post a set of revised Generator Owner requirements for additional stakeholder comment.</p>		
Xcel Energy	No	<p>Xcel Energy suggests that the SAR be modified to remove R1 and remove Generator Owners from R5 (except for transmission facilities that are owned by entities registered as Generator Owners but not as Transmission Owners). See details in our response to question 3.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. Please see responses to comments in Question 3.</p>		
OPG	No	<p>The proposed SAR and the standard eliminate only one of the contentious requirements identified during previous stakeholders? Reviews and do not take into account a number of other issues. One of the most contested, second only to R7, has been applicability of FAC008-02 to GOs. Further comments on this are provided in the question on applicability. Other issues include: - The requirements R1, R2 are burdened with a comprehensive set of sub-requirements that tend to be confusing, mutually exclusive or superfluous. The distinction between facility and equipment ratings is blurred. It is not clear whether it is necessary to document methodologies for each major element of a generating facility (boiler, turbine, generator, auxiliaries). There is also ambiguity about the scope; R1 talks about generating unit Facilities, R2 about other solely and jointly owned Facilities? Main output transformers and other HV connection equipment of a generating station may be subject to R1 or R2, depending on the equipment location, etc. - The requirements R3, R4 relate to peer review of Facility Ratings Methodologies (not the actual facility ratings?). The need for these requirements has been questioned by the RCs, PCs, TOPs, and TPs (represented through ISO/RTO Council). These entities, although given the right to review GOs and TOs facility ratings methodology, recognize futility of such an exercise. During previous comment periods, the Council acknowledged</p>

**Consideration of Comments on Proposed SAR of FAC-008-2 — Project 2009-06**

Organization	Yes or No	Question 2 Comment
		that facility ratings methodology and the ratings were up to GOs and TOs discretion and cannot be challenged by other entities. They pointed out that any disagreements with respect to the ratings should be addressed outside the NERCs reliability standards process.
<p><b>Response:</b> The FR SDT thanks you for your comment. Please see the FR SDT responses to Question 3 comments on applicability to Generator Owners.</p> <p>The subrequirements in R1 (previous draft) were applicable to generating unit facilities and were intended to address equipment up to and including the generator step-up (GSU) transformer. The subrequirements in R2 (previous draft) were applicable to transmission facilities and were intended to address equipment from the generator step-up (GSU) transformer to the transmission system and beyond. The GSU transformer could be addressed within R1 or R2 based upon who owns the equipment. Radial transmission facilities from the GSU transformer to the transmission system can be owned by the GO, the TO or both. The R2 subrequirements (previous draft) were applicable in this case, because this is transmission equipment.</p> <p>Please refer to the NERC Glossary for the definitions and distinctions between Facility Ratings and Equipment Ratings. The use of these terms in this standard is consistent with these definitions.</p> <p>R3 and R4 (R4 and R5 in the current draft) provide a means for other entities to question or challenge one's Facility Ratings Methodology. However, the Facility owner has the responsibility and obligation to determine the actual ratings and margins to ensure its facilities and equipment are not damaged. Since this can involve legal and liability issues, disagreements about the ratings themselves may have to be resolved outside the NERCs reliability standards process as you stated.</p> <p>However, The Generator Owner requirements for this draft Standard have been revised (now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
FirstEnergy	Yes	
SERC Engineering Committee Planning Standards Subcommittee	Yes	
PacifiCorp	Yes	
Southern Company	Yes	
Dominion Resources Inc.	Yes	

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Organization	Yes or No	Question 2 Comment
Allegheny Energy Supply Company, LLC	Yes	
Bonneville Power Administration	Yes	
MRO NERC Standards Review Subcommittee	Yes	
Kansas City Power & Light	Yes	
Duke Energy	Yes	
Cowlitz County PUD	Yes	
City of Tallahassee (TAL)	Yes	
Manitoba Hydro	Yes	
ERCOT ISO	Yes	
Ameren	Yes	
Puget Sound Energy	Yes	
Wisconsin Electric Power Company dba We Energies	Yes	
Northeast Utilities	Yes	
Pepeco Holdings, Inc.	Yes	

**Consideration of Comments on Proposed SAR of FAC-008-2 — Project 2009-06**

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<b>Organization</b>	<b>Yes or No</b>	<b>Question 2 Comment</b>
Entergy Services, Inc	Yes	
Independent Electricity System Operator	Yes	
Hydro-Québec Transenergie (HQT)	Yes	
American Transmission Company	Yes	
IRC Standards Review Committee	Yes	

**3. Do you agree with the applicability of the SAR? If not, please explain in the comment area.**

**Summary Consideration:** The majority of the comments support the application of the SAR. Out of the 37 responses received (from 94 individual commenters), 27 responses (from 79 commenters) support the SAR, and 10 responses (from 15 commenters) oppose with the SAR.

All the responses that oppose the SAR suggested removing the applicability of FAC-008 to Generator Owners. The reasons cited are:

- The SAR is redundant with FAC-001, FAC-001, FAC-002, IRO-004, MOD-010, MOD-011, MOD-024, MOD-025 and/or TOP-002.
- FAC-008-2 should not apply to Generator owners
- The equipment behind the prime mover is most often what determines the limits to the real power output of a generating facility. This is not part of the scope of the standard, so presenting a facility rating based strictly on the characteristics of the generator, transformer, buswork, and connection to a substation is of no apparent reliability value.
- Actual operating performance today has no correlation with the commissioning data for a unit that has been in service for a long time.
- Ratings provided by equipment manufacturers are not appropriate for use in the operation of the bulk electric system.
- It is inappropriate to Transfer a rating methodology used for predominately static networked components of a transmission system and apply the same basic methodology to generating facilities.
- In most cases, the rating from FAC-008-2 may be different from the ones from MOD-024 and MOD-025. Having two rating numbers can lead to confusion and would be detrimental to grid reliability.

The purpose of FAC-008 is "To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles." Prior to any generator being placed in service, "Facility Ratings" for a generator are required for BES planning.

For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators that are already in service, and have an operational history, R1.2 (previous draft) allows "performance history or rating verification supplemented by engineering analysis". MOD-024 and MOD 025 validation processes (note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner's nominal parameters. FAC 008 "only"

requires this Methodology be documented and followed. Therefore the FR SDT does not feel that FAC 008 is redundant with MOD-024 and/or MOD-025.

Several commenters also expressed concerns that FAC-008 is duplicative with FAC-001, FAC-002, IRO-004, MOD-010, MOD-011 or TOP-002 as the commenter asserts. FAC-001 requires that the TO establish interconnection requirements. FAC-002 requires the coordination of assessments when interconnecting new facilities to the BES. IRO-004-1 requires conducting next-day reliability and requires Generator Owners, among others, to provide information (such as critical facility status, Load, generation, operating reserve projections, and known Interchange Transactions) for the analysis by the Reliability Coordinator. MOD-010 requires the submittal of steady state data to a Regional Entity. MOD-011 (which has not been approved by FERC) requires that the RRO establish data requirements, reporting procedures, and system Models for steady state data. TOP-002 requires the Generator Operator, among others, to coordinate its operation with its host Balancing Authority and Transmission Service Provider, and provide information and verification as requested by the Balancing Authority or Transmission Operator. None of these Standards cited requires that the Methodology for determining Facility Rating be documented and followed.

Likewise, FAC-008 is not redundant with FAC-001, FAC-002, IRO-004, MOD-010, MOD-011 or TOP-002 as one commenter asserts. FAC-001 requires that the TO establish interconnection requirements. FAC-002 requires the coordination of assessments when interconnecting new facilities to the BES. IRO-004-1 requires conducting next-day reliability analyses and requires Generator Owners, among others, to provide information (such as critical facility status, Load, generation, operating reserve projections, and known Interchange Transactions) for analysis by the Reliability Coordinator. MOD-010 requires the submittal of steady state data to a Regional Entity. MOD-011 (which has not been approved by FERC) requires that the RRO establish data requirements, reporting procedures, and system Models for steady state data. TOP-002 requires the Generator Operator, among others, to coordinate its operation with its host Balancing Authority and Transmission Service Provider, and provide information and verification as requested by the Balancing Authority or Transmission Operator. None of these Standards cited requires that the Methodology for determining Facility Rating be documented and followed.

The SDT agrees that the equipment behind the prime mover is most often what determines the limits of real power (MW) output of a generating facility. However, the SDT believes that a Facility Rating Methodology would capture output limitations caused by the prime mover (especially if the owner chose to use operating experience data or verification testing as part of the Facility Ratings Methodology).

The proposed FAC-008-2 offers a variety of ways to comply. For example, R1 allows the use of:

Design or construction information such as design criteria, ratings provided by equipment manufacturers, equipment drawings and/or specifications, engineering analyses, method(s) consistent with industry standards (e.g. ANSI and IEEE), or an established engineering practice having a successful implementation record.

Operational information such as commissioning test results, performance testing or historical performance records, any of which may be supplemented by engineering analyses.

The SDT recognizes that generator ratings vary based on ambient conditions as well as various plant equipment conditions. The intent of FAC-008 is to provide nominal ratings for the generator. The SDT recognizes that the projected generator’s real power (MW) ‘capability’ parameters for the near-term horizon (i.e. next day) are assessed and reported to various entities – often the host Transmission Operator and appropriate Reliability Coordinator, among others. However, the SDT disagrees with the commenters that this situation creates “having two numbers can lead to confusion....” An appropriate Facility Rating based upon owner’s nominal parameters for all parts of the BES (transmission and generation) is necessary for reliable planning and operation of the BES. (Nominal parameters of Transmission Facilities typically include: ambient temperature, wind direction, wind speed, where for a generation Facility typical nominal parameters may include system voltage, ambient temperature, water temperature). The SDT notes that Transmission Facilities also have Facility Ratings that can and do change based upon ambient temperature, and the SDT is NOT aware of any occurrences where having two ratings numbers for Transmission Facilities resulted in confusion or became detrimental to reliability.

Organization	Yes or No	Question 3 Comment
PacifiCorp	No	<p>NERC Standards MOD-024 and MOD-025 require verification of the real and reactive output capabilities of generating units. This verification is a determination of the Facility Rating. FAC-008-2 R1 requires the Generator Owner to have a methodology to determine the Facility Rating of its generating units and R5 require the Generator Owner to perform the determination. Xcel Energy considers this a duplication of the requirements contained in MOD-024 and MOD-025.</p> <p>Another concern is the acceptability of the use of manufacturers’ Ratings and calculations in determining a Facility Rating. This would lead to a Rating that would, in most cases, be different than the Rating determined by MOD-024 and MOD-025 verification testing. Having two rating numbers can lead to confusion and would be detrimental to grid reliability. To point, one of the root causes of the widespread 1996 blackout in the WECC region was the use of manufacturers - ratings for generator reactive power to determine stability limits. This led to the development of NERC standards that have evolved into the current MOD-025. The FAC Standards Drafting Team previously justified the inclusion of Generator Owners as follows: Capability verification testing under a specific set of conditions is not the same as a Facility Rating - realizing that a generator’s capability is a family of data.</p> <p>The approved definition for Facility Rating is: ?The maximum or minimum voltage, current, frequency, or real or reactive power flow through a facility that does not violate the applicable equipment rating of any equipment comprising the facility.? At best, a single verification by itself following what is required in MOD-024-1 and MOD-025-1 would be a subset of what is required in complying with FAC-008-2. FAC-008-2 covers associated transmission facilities owned by (or considered part of) the generator, as well as the peer review concepts and the requirement to provide the ratings to interested parties. Xcel Energy disagrees with this viewpoint.</p>

Organization	Yes or No	Question 3 Comment
		<p>The equipment behind the prime mover is most often what determines the limits to the real power output of a generating facility. This is not part of the scope of the standard, so presenting a facility rating based strictly on the characteristics of the generator, transformer, buswork, and connection to a substation is of no apparent reliability value. Even the rating of planned facilities is normally based on the expected limits from the equipment behind the generator. In summary, Xcel Energy suggests that the SAR be modified to remove R1 and remove Generator Owners from R5 (except for transmission facilities that are owned by entities registered as Generator Owners but not as Transmission Owners).</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The SDT does not believe that FAC-008 is duplicative with MOD-024 and MOD-025 because, at best, a single verification by itself, following what is required in MOD-024-1 and MOD-025, would be a subset of what is required in complying with FAC-008-2.</p> <p>The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators that are already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC-008 “only” requires this Methodology be documented and followed. Therefore FAC-008 need not be redundant with MOD-024 and/or MOD-025.</p> <p>The SDT recognizes that generator ratings vary based on ambient conditions as well as various plant equipment conditions. The intent of FAC-008 is to provide nominal ratings for the generator. The SDT recognizes that the projected generator’s real power (MW) ‘capability’ parameters for the near-term horizon (i.e. next day) are assessed and reported to various entities – often the host Transmission Operator and appropriate Reliability Coordinator, among others. However, the SDT disagrees with the commenter that this situation creates “having two numbers can lead to confusion....” An appropriate Facility Rating based upon owner’s nominal parameters for all parts of the BES (transmission and generation) is necessary for reliable planning and operation of the BES. (Nominal parameters of transmission Facilities typically include: ambient temperature, wind direction, wind speed, where for a generation Facility typical nominal parameters may include system voltage, ambient temperature, water temperature). The SDT notes that Transmission Facilities also have Facility Ratings that can and do change based upon ambient temperature, and the SDT is NOT aware of any occurrences where having two ratings for Transmission Facilities resulted in confusion or became detrimental to reliability.</p> <p>The SDT does not disagree with the commenter’s assertion that the equipment behind the prime mover is most often what determines the limits of real power (MW) output of a generating facility. However, the SDT believes that a Rating Methodology would capture output limitations caused by the prime mover (especially if the owner chose to use operating experience data or verification testing as part of the Ratings Methodology).</p>		

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Organization	Yes or No	Question 3 Comment
<p>Also, the SDT recognizes that the limitation on a Generating Facility’s overall thermal capability (measured in amps, MVA, and/or MW +jMVAR) can be due to factors other than the electrical generator thermal ratings. Examples are auxiliary bus voltages, exciter limiter settings, and GSU transformer MVA ratings. While these types of limitations would be addressed in the MOD-025 validation processes, equipment design ratings (ex: voltage, ampere, and MVA) can be useful in identifying obvious limitations prior to performance of the validations under MOD-025. For example, replacement of a GSU transformer with a spare GSU transformer of a smaller MVA rating can and should be reviewed to prior to installation to determine if the thermal capability of the Generating Facility could be limited by the smaller GSU. If so, the Generator should coordinate with the Transmission Planner and Reliability Coordinator to assess the impacts of limitations on real and reactive power capabilities.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
<p>APS - Technical Projects Engineering</p>	<p>No</p>	<p>1) With regard to R1.1? The value of using commissioning data for older units is not understood. Actual operating performance today has no correlation with the commissioning data for a unit that is 20? 50 years old. Commissioning data is primarily used to prove OEM guarantee of rated output at certain contract conditions and test results do not necessarily correspond to the generator owner’s rating.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The intent was to provide use of commissioning data for situations where, for a new facility, the commissioning data may be the best source of data for use in developing a rating. The Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generation Owner responsibilities.</p>		
<p>Reliant Energy Inc and Gila River Power</p>	<p>No</p>	<p>We appreciate the efforts of the drafting in stripping the questionable Requirement 7 from the revised Standard and posting for a new round of comments and re-ballot. We are disappointed however that the drafting team did not take this re-posting opportunity to correct the remaining fatal flaw in the Standard which is the inclusion of Generator Owner as an applicable entity. The flaw begins with the disconnect between the reliability of the Bulk Electric System and the stated Purpose of the standard which is, ?To ensure that Facility Ratings used in the reliable planning and operation of the Bulk Electric System (BES) are determined based on technically sound principles. A Facility Rating is essential for the determination of System Operating Limits.? The flaw is transferring a rating methodology used for predominately static networked components of a transmission system and inappropriately applying the same basic methodology to generating facilities. The reliability of the BES is dependent upon the ability of generating facilities to delivery power to the system which is not equated to the electrical ratings of the components that make up the facility. A Facility Rating for a Generator that is derived from “ratings provided by equipment manufacturers” is not appropriate to use in the operation of the bulk electric system, and to do so presents a risk to the system. For operation of the bulk electric system, it will necessitate that a calculated Facility Rating for a generator would include any degradation to facility systems that would limit the output of the facility.</p>

Organization	Yes or No	Question 3 Comment
		<p>However, such degradations tend to be maintenance related and transitory in nature in that they will be corrected. What is the usefulness of facility rating if it is based on a transitory limitation, especially for planning purposes? Such transitory limitations will be made known for operational purposes as mandated by TOP-002-2 Requirement 3. A calculated facility rating for generators should never be used for operational purposes as the real capability and not the calculated capability should be considered. There are other standards that mandate the reporting of generator capability. They are MOD-010 and IRO-004.</p> <p>A calculated facility rating for generators is not useful for planning purposes. One would assume that periodic applications of a calculated facility rating would account for long term or non-transitory changes to the capability of the facility. However, the units actual output at varying ambient conditions is captured in the TOP's energy management system (EMS). If the long term limitation is re-mediated then it would show up in the units actual output in the EMS. It will also be reported in real time to satisfy the requirements in IRO-004. These sources of facility rating would be more precise than a calculated rating. As these changes to capability are accounted for and reported, changes to planning models would logically follow. There is no benefit to using a calculated facility rating for planning purposes when a real facility rating is available and indeed mandated by other Standards.</p> <p>FAC-008-2 also references ambient conditions as a factor in facility rating methodology. Ambient conditions are inherently accounted for in capability tests and manufacturer ratings are certainly available to condition capability upon conditions like ambient temperature and humidity. This data is certainly available but it is a sheet or two from a vendor manual and not a facility rating methodology. FAC-008-2 is technically sound and essential for the planning and operation of the networked connection of static components transmission equipment but the requirements are misapplied and a threat to reliability when imposed and used to calculate a generator rating. That the Standard was intended for transmission equipment rather than generators is in part illustrated by Requirement 2.4.2 The scope of Ratings addressed shall include, as a minimum, both Normal and Emergency Ratings. Generating stations may have the ability to increase their output for a limited period of time but the Generators themselves do not have emergency ratings that should be used for modeling purposes by system planners. The conclusion is a calculated facility rating for a generator, when real facility capability data is available, is useless and dangerous for operating purposes, and simply useless for planning purposes. As radial components, no one is seriously questioning the ability of the elements of the generating stations to deliver power to the BES. However, generating owners are expending significant time, effort, and resources to acquire and develop documentation to meet the requirements of Facility Ratings for stations that have multiple decades of successful operation. Try to think of one disturbance or blackout that was traced to the facility rating documentation of a generating facility as the culprit. Yet the standard applies the same violation risk factors and penalties to the radial components of a small generating facility as it does to the networked components of the transmission grid. To date, the FAC-008-1 Standard is one in which</p>

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Organization	Yes or No	Question 3 Comment
		<p>generator owners are most vulnerable for non-compliance, in spite of the considerable efforts of the generator-owning industry to make sense of a set of requirements which make little sense, and which no operating entity is actually requesting of them. The individuals showing the most interest in Facility Rating documentation are the auditors or the RROs. The reason the standard it is so often violated is not because the industry is inattentive, but it is for documentation errors of successfully operating generating facilities that in reality are imposing no threat to the reliability of the Bulk Electric System.</p> <p>Not only are the standard requirements flawed in their application to generator owners, but the documentation burden of proof, as it is being imposed, is unwarranted. Generator Owner applicability should be stripped from FAC-008-2 and any further reliability needs pursuant to generator performance and capability should be referred to the Generator Verification Project 2007-09. (Note on another point: Does anyone comprehend where the dividing line between R1 and R2 start and stop for generator owners and do the requirements of R.2 cover all of the same elements covered by R.1. This is very confusing and ambiguous.)</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The SDT does not believe that FAC-008 is duplicative with MOD-024 and MOD-025 because, at best, a single verification by itself following what is required in MOD-024-1 and MOD-025 would be a subset of what is required in complying with FAC-008-2.</p> <p>The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators that are already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC-008 “only” requires this Methodology be documented and followed. Therefore FAC-008 need not be redundant with MOD-024 and/or MOD-025.</p> <p>Likewise, FAC-008 is not redundant with IRO-004, MOD-010, or TOP-002, Requirement 3 as the commenter asserts. IRO-004-1 requires conducting next-day reliability analyses and requires Generator Owners, among others, to provide information (such as critical Facility status, Load, generation, operating reserve projections, and known Interchange Transactions) for the analysis by the Reliability Coordinator. MOD-010 requires the submittal of steady state data to a Regional Entity. TOP-002, Requirement 3 requires the Generator Operator, among others, to coordinate its operation with its host Balancing Authority and Transmission Service Provider. None of these Standards cited requires that the Methodology for determining Facility Ratings be documented and followed.</p> <p>The SDT recognizes that generator ratings vary based on ambient conditions as well as various plant equipment conditions. The intent of FAC-008 is to provide nominal ratings for the generator. The SDT recognizes that the projected generator’s real power (MW) ‘capability’</p>		

**Consideration of Comments on Proposed SAR of FAC-008-2 — Project 2009-06**

Organization	Yes or No	Question 3 Comment
		<p>parameters for the near-term horizon (i.e. next day) are assessed and reported to various entities – often the host Transmission Operator and appropriate Reliability Coordinator, among others. However, an appropriate Facility Rating based upon owner’s nominal parameters for all parts of the BES (transmission and generation) is necessary for reliable planning and operation of the BES. (Nominal parameters of transmission Facilities typically includes: ambient temperature, wind direction, wind speed, where for a generation Facility typical nominal parameters may include system voltage, ambient temperature, water temperature). The SDT notes that Transmission Facilities also have Facility Ratings that can and do change based upon ambient temperature, therefore the SDT disagree with the commenter’s assertion that Transmission Facility Ratings are static. In addition, proposed FAC-008-2 does not require “transferring” the rating methodology between Transmission Facilities and generation Facilities as claimed by the commenter.</p> <p>The SDT does not disagree with the commenter’s assertion that the equipment behind the prime mover is most often what determines the limits of real power (MW) output of a generating Facility. However, the SDT believes that a Rating Methodology would capture output limitations caused by the prime mover (especially if the owner chose to use operating experience data or verification testing as part of the Ratings Methodology).</p> <p>Also, the SDT recognizes that the limitation on a Generating Facility’s overall thermal capability (measured in amps, MVA, and/or MW +jMVAR) can be due to factors other than the electrical generator thermal ratings. Examples are auxiliary bus voltages, exciter limiter settings, and GSU transformer MVA ratings. While these types of limitations would be addressed in the MOD-025 validation processes, equipment design ratings (ex: voltage, ampere, and MVA) can be useful in identifying obvious limitations prior to performance of the validations under MOD-025. For example, replacement of a GSU transformer with a spare GSU transformer of a smaller MVA rating can and should be reviewed prior to installation to determine if the thermal capability of the Generating Facility could be limited by the smaller GSU. If so, the Generator should coordinate with the Transmission Planner and Reliability Coordinator to assess the impacts of limitations on real and reactive power capabilities.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>
Public Service Enterprise Group	No	<p>The SAR (and Standard) should not apply to Generator Owners. Facility rating methodologies and listings of limiting components do not make sense for generators from an ensuring reliability standpoint. The capability of a generator determined through testing and/or generation data derived from actual operation is what accurately determines a generator’s rating, and what both markets and system operators depend upon. The Public Service Enterprise Group companies wish to call NERC’s attention to the many cogent and compelling points contained in the comments filed by the Electric Power Supply Association (EPSA) in this matter. EPSA correctly points out that generators should not be subject to FAC-008-2 as it is presently drafted and proposed for change in the SAR. For example, EPSA states that a generator rating derived from manufacturer’s equipment rating is not appropriate for use in the operation of the bulk electric system, and indeed presents a risk to the reliability of the BES as the correct rating of a generator can only be obtained by testing and/or actual operating experience. Even for planning purposes, FAC-008-2 is technically sound only for networked connection of static components of transmission equipment, and not for generators. Finally EPSA’s conclusion that use of a calculated facility rating for a generator, where real facility</p>

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Organization	Yes or No	Question 3 Comment
		<p>capability data is available, is useless and dangerous for operating purposes, and simply useless for planning purposes is absolutely spot on.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The SDT does not believe that FAC-008 is duplicative with MOD-024 and MOD-025 because, at best, a single verification by itself following what is required in MOD-024-1 and MOD-025 would be a subset of what is required in complying with FAC-008-2.</p> <p>The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC-008 “only” requires this Methodology be documented and followed. Therefore FAC-008 need not be redundant with MOD-024 and/or MOD-025.</p> <p>The SDT recognizes that generator ratings vary based on ambient conditions as well as various plant equipment conditions. The intent of FAC-008 is to provide nominal ratings for the generator and transmission equipment. The SDT recognizes that the projected generator’s real power (MW) ‘capability’ parameters for the near-term horizon (i.e. next day) are assessed and reported to various entities – often the host Transmission Operator and appropriate Reliability Coordinator, among others. However, an appropriate Facility Rating based upon owner’s nominal parameters for all parts of the BES (transmission and generation) is necessary for reliable planning and operation of the BES. (Nominal parameters of transmission Facilities typically includes: ambient temperature, wind direction, wind speed, where for a generation Facility typical nominal parameters may include system voltage, ambient temperature, water temperature).</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
Electric Power Supply Association	No	<p>EPSA feels that the reliability objectives of Draft Standard FAC-008-2 are achieved even if Generators Owners or operators are not required to comply with the standard. The purpose of the standard is: To ensure that Facility Ratings used in the reliable planning and operation of the Bulk Electric System (BES) are determined based on technically sound principles. A Facility Rating is essential for the determination of System Operating Limits. System operators through the Energy Management System (EMS) have the needed information for operational purposes to operate the system in a reliable manner. Moreover, for operational purposes numerous other standards require that Generators provide updated capabilities for their units which would reflect ambient temperatures, upgrades or temporary degradations of any elements of the generator circuit, etc. Consequently, system operators and owners have an abundance of information at the ready to maintain reliability. The questions that need to be answered to determine if the applicability and</p>

Consideration of Comments on Proposed SAR of FAC-008-2 — Project 2009-06

Organization	Yes or No	Question 3 Comment
		<p>purpose of the standard is being met are: 1. Are the values contemplated by the Standard's Facilities Rating Methodology needed above and beyond the current EMS system information to materially preserve reliability in the operating time frame; and, 2. Does the documentation of a Facilities Rating Methodology ensure reliability through the planning process and is the process under FAC-008 superior to that contained within existing standards MOD-024-1 and MOD-025-1? If it can be shown that reliability is bolstered in a material way making the answers of the two questions above an unequivocal, yes, and FAC-008-2 is necessary for Generator Owners to comply with, then EPSA suggests an alternative approach for moving forward with this standard. Previously EPSA members have experienced problems when standards have been developed for Transmission Owners or Operators but end up including Generator Owners or Operators. This was recognized at the recent NERC Board of Trustees meeting when the formation of a Task Force was approved to resolve generator and transmission facility interface issues. The formation of the Task Force demonstrates a need to better understand the physical, informational and ownership distinctions that exist at the generation and transmission interface. A standard FAC-008-1 is already identified as a standard that the task force will need to look at. In this Facilities Rating Standard R1.2 is particularly illustrative by calling for, among other things, an identification of the methodology by which an emergency rating for a generator is developed. Particularly for planning purposes (which is part of the purpose of this standard) such a rating would not exist. EPSA asserts that the most appropriate means to go forward with the Facility Ratings is to create separate standards for Generator Owner/Operators and Transmission Owner/Operators. In that way, the language of each standard can be appropriately targeted to deal with the facilities in question. We expect that the Generation and Transmission Interface Task Force can consider this issue and that the Facilities Ratings project should await the recommendations of the task force. If it is not possible for this project team to await the outcome of the Task Force, we would propose that the following should be considered as an alternative. In developing FAC-008-2, the Standard Drafting Team has gone some way to addressing the concerns raised above. In Requirement 1 (R1) which is applicable to generators only, the draft standard calls for Generator Owners to have a Facilities Rating Methodology for its generating unit that meets certain criteria. For R2, both Generator Owners and Transmission Owners are required to have a Facilities Rating Methodology. Under that requirement, R2.4 includes the previously mentioned emergency rating, but then excludes the generator. What is still lacking in the case of a Generator Owner however is an appropriate clarification of the boundary between facilities included in R1 and those remaining to be covered by R2? In our opinion it is not just the generator itself that needs to develop its Facilities Rating Methodology differently, but all of the equipment on the generator side of the switchyard. We would agree that the equipment contained within the switchyard is analogous to equipment that might elsewhere be owned by Transmission Owners and can be treated, for the purposes of this standard, in a manner analogous to the treatment afforded Transmission Owners. Finally, if NERC does continue to include an obligation on generators in FAC-008-2, MOD-024-1 and MOD-025-1 should be reviewed to ensure that overlaps are eliminated.</p>

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Organization	Yes or No	Question 3 Comment
<p><b>Response:</b> The FR SDT thanks you for your comment. The existing Standard FAC-008-1, R1 applies to both Generator Owners and Transmission Owners. This SAR proposes to clarify the existing standard by separating the “generation facilities” and “transmission facilities”. The standard does not attempt to define a common point of interconnection between “generation facilities” and “transmission facilities”. Generator owned transmission facilities not included in the “generation facilities” in R1 will be captured under R2.</p> <p>The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning. R1.2 (previous draft) allows for the use of “Ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications such as nameplate rating”.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators that are already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC-008 “only” requires this Methodology be documented and followed. Therefore FAC-008 need not be redundant with MOD-024 and/or MOD-025.</p> <p>There is a current NERC Standards development project (Project 2007-09) that includes revisions to MOD-024 and MOD-025. That team will work to eliminate any redundancies between standards.</p>		
<p>Indiana Municipal Power Agency</p>	<p>No</p>	<p>This standard is an exercise in paperwork for Generator Owners and does not increase the reliability of the bulk power system. The standard seems to be intended more for transmission equipment rather than generators, which is evident when asking for Normal and Emergency Ratings of equipment (R2.4.2). Generators do not have emergency ratings that should be used for modeling purposes. The generator capability and verification of capability is covered by other standards (MOD-010, IRO-004, MOD-024, and MOD-025). Any generator temporary limitations will be taken into account for operational purposes by using TOP-002-2; requirement 3. There is no advantage to using a calculated facility rating for planning purposes when a real facility rating is available and certainly mandated by other standards. The main focus of a standard should be to increase the reliability of the bulk power system. The application of this standard to Generator Owners does not increase the reliability of the bulk power system. Therefore, we believe this standard should not apply to Generator Owners.</p>
<p><b>Response:</b> The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft)</p>		

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Organization	Yes or No	Question 3 Comment
<p>allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC 008 “only” requires this Methodology be documented and followed. Therefore, the SDT does not believe that FAC-008 is redundant with MOD-024 and/or MOD-025.</p> <p>Likewise, FAC-008 is not redundant with IRO-004, MOD-010 or TOP-002, Requirement 3 as the commenter asserts. IRO-004-1 requires conducting next-day reliability and requires Generator Owners, among others, to provide information (such as critical facility status, Load, generation, operating reserve projections, and known Interchange Transactions) for the analysis by the Reliability Coordinator. MOD-010 requires the submittal of steady state data to a Regional Entity. TOP-002, Requirement 3 requires the Generator Operator, among others, to coordinate its operation with its host Balancing Authority and Transmission Service Provider. None of these Standards cited requires that the Methodology for determining Facility Rating be documented and followed.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
Wisconsin Electric Power Company dba We Energies	No	There are no explicit requirements given to allow the Generator Owner to determine which generating facilities are subject to the proposed standard. Does it apply to generators above 20 MVA single and 75 MVA aggregate connected to the BES?
<p><b>Response:</b> The FR SDT thanks you for your comment. The standard applies to registered Generator Owners. Regional Reliability Organization BES definitions may include additional details regarding generator size.</p>		
Xcel Energy	No	<p>NERC Standards MOD-024 and MOD-025 require verification of the real and reactive output capabilities of generating units.* This verification is a determination of the Facility Rating.FAC-008-2 R1 requires the Generator Owner to have a methodology to determine the Facility Rating of its generating units and R5 requires the Generator Owner to perform the determination. Xcel Energy considers this a duplication of the requirements contained in MOD-024 and MOD-025.</p> <p>Another concern is the acceptability of the use of manufacturers? Ratings and calculations in determining a Facility Rating. This would lead to a Rating that would, in most cases, be different than the Rating determined by MOD-024 and MOD-025 verification testing. Having two rating numbers can lead to confusion and would be detrimental to grid reliability. To point, one of the root causes of the widespread 1996 blackout in the WECC region was the use of manufacturers? ratings for generator reactive power to determine stability limits. This led to the development of NERC standards that have evolved into the current MOD-025.The FAC Standards Drafting Team previously justified the inclusion of Generator Owners as follows: Capability verification testing under a specific set of conditions is not the same as a Facility Rating - realizing that a generator’s capability is a family of data. The approved definition for Facility Rating is: ?The maximum or minimum voltage, current, frequency, or real or reactive power flow through a facility that does not violate the</p>

**Consideration of Comments on Proposed SAR of FAC-008-2 — Project 2009-06**

Organization	Yes or No	Question 3 Comment
		<p>applicable equipment rating of any equipment comprising the facility.? At best, a single verification by itself following what is required in MOD-024-1 and MOD-025-1 would be a subset of what is required in complying with FAC-008-2.</p> <p>FAC-008-2 covers associated transmission facilities owned by (or considered part of) the generator, as well as the peer review concepts and the requirement to provide the ratings to interested parties. Xcel Energy disagrees with this viewpoint. The equipment behind the prime mover is most often what determines the limits to the real power output of a generating facility. This is not part of the scope of the standard, so presenting a facility rating based strictly on the characteristics of the generator, transformer, buswork, and connection to a substation is of no apparent reliability value. Even the rating of planned facilities is normally based on the expected limits from the equipment behind the generator.</p> <p>In summary, Xcel Energy suggests that the SAR be modified to remove R1 and remove Generator Owners from R5 (except for transmission facilities that are owned by entities registered as Generator Owners but not as Transmission Owners). *Additionally, we recognize that FERC has not approved MOD-024-1 or MOD-025-1. However, we feel strongly that developing duplicative requirements is not the correct solution. Therefore, we would recommend that either MOD-024-1 &amp; MOD-025-1 be repealed, or FAC-008-2 needs to make accommodations for their existence.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The SDT does not believe that FAC-008 is duplicative with MOD-024 and MOD-025 because, at best, a single verification by itself following what is required in MOD-024-1 and MOD-025 would be a subset of what is required in complying with FAC-008-2.</p> <p>The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC-008 “only” requires this Methodology be documented and followed. Therefore FAC 008 need not be redundant with MOD-024 and/or MOD-025.</p> <p>The SDT recognizes that generator ratings vary based on ambient conditions as well as various plant equipment conditions. The intent of FAC-008 is to provide nominal ratings for the generator. The SDT recognizes that the projected generator’s real power (MW) ‘capability’ parameters for the near-term horizon (i.e. next day) are assessed and reported to various entities – often the host Transmission Operator and appropriate Reliability Coordinator, among others. However, an appropriate Facility Rating based upon owner’s nominal parameters for all parts of the BES (transmission and generation) is necessary for reliable planning and operation of the BES. (Nominal parameters of</p>		

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Organization	Yes or No	Question 3 Comment
		<p>transmission Facilities typically includes: ambient temperature, wind direction, wind speed, where for a generation Facility typical nominal parameters may include system voltage, ambient temperature, water temperature). The SDT notes that Transmission Facilities also have Facility Ratings that can and do change based upon ambient temperature, therefore the SDT disagree with the commenter’s assertion that transmission facility ratings are static. In addition, proposed FAC-008-2 does not require “transferring” the rating methodology between transmission facilities and generation facilities as claimed by the commenter.</p> <p>The SDT does not disagree with the commenter’s assertion that the equipment behind the prime mover is most often what determines the limits of real power (MW) output of a generating facility. However, the SDT believes that a Rating Methodology would capture output limitations caused by the prime mover (especially if the owner chose to use operating experience data or verification testing as part of the Ratings Methodology).</p> <p>Also, the SDT recognizes that the limitation on a Generating Facility’s overall thermal capability (measured in amps, MVA, and/or MW +jMVAR) can be due to factors other than the electrical generator thermal ratings. Examples are auxiliary bus voltages, exciter limiter settings, and GSU transformer MVA ratings. While these types of limitations would be addressed in the MOD-025 validation processes, equipment design ratings (ex: voltage, ampere, and MVA) can be useful in identifying obvious limitations prior to performance of the validations under MOD-025. For example, replacement of a GSU transformer with a spare GSU transformer of a smaller MVA rating can and should be reviewed to prior to installation to determine if the thermal capability of the Generating Facility could be limited by the smaller GSU. If so, the Generator should coordinate with the Transmission Planner and Reliability Coordinator to assess the impacts of limitations on real and reactive power capabilities.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>
FPL Energy	No	<p>It is the opinion of FPL Energy (a.k.a. NextEra Energy Resources) that the proposed standard should not be applicable to the Generator Owner (GO). We base this opinion on the fact that there are other standards currently in place (i.e. MOD-010/011, MOD-024/025, etc?) that require the same, and in some cases more detailed information, regarding Facility Ratings and Capabilities as is being proposed in FAC-008-2. This duplication of information seems to be an unnecessary burden placed on the Generator Owners. In addition, FERC Order 693 in the discussion on FAC-008-02 identifies that the standard creates ambiguity in terms of acceptable forms of compliance for Generators. Therefore, we respectfully request that the SAR team remove the Generator Owner applicability requirements from FAC-008-2 at this time.</p>
<p><b>Response:</b> The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented</p>		

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Organization	Yes or No	Question 3 Comment
<p>by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC-008 “only” requires this Methodology be documented and followed. Therefore FAC-008 need not be redundant with MOD-024 and/or MOD-025.</p> <p>Likewise, FAC-008 is not redundant with MOD-010 or MOD-011 as the commenter asserts. MOD-010 requires the submittal of steady state data to a Regional Entity. MOD-011 (which has not been approved by FERC) requires that the RRO establish data requirements, reporting procedures, and system Models for steady state data. Neither one of these Standards cited requires that the Methodology for determining Facility Rating be documented and followed.</p> <p>FERC Order 693, Paragraph 765, states that “an actual test could be used as a substitute for a mathematical calculation of capability, and we ask the ERO to consider these comments in its Reliability Standards development process”. As stated above, MOD-024 and MOD-025 validation processes could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. In addition, in Paragraph 739, FERC “directs the ERO to submit a modification to FAC-008-1 that requires transmission and generation facility owners to document underlying assumptions and methods used to determine normal and emergency facility ratings”. This also supports the applicability of FAC-008-2 to both Generation and Transmission Facilities.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
OPG	No	<p>THERE IS NO RELIABILITY NEED FOR FAC 008-02 TO BE APPLICABLE TO GENERATOR OWNERS: * VARIOUS STANDARDS ALREADY ADDRESS CRITICAL ASPECTS OF GENERATION FACILITY RATINGS AND ARE SUFFICIENT FOR RELIABLE PLANNING AND OPERATION OF THE BESFAC 001? Facility Connection Requirements FAC 002? Coordination of Plans for New Facilities MOD 011? Steady-state Data Requirements and Reporting Procedures MOD 024? Verification of Generator Gross and Net Real Power Capability MOD 025 - Verification of Generator Gross and Net Reactive Power Capability TOP 002? Normal Operations Planning These standards address connection and performance requirements, consistency of modeling data and reporting procedures, information exchange process for operations planning including notifications of short-term deratings, verification of generator capabilities. FAC 008-02 should not duplicate the above mentioned or any other applicable standards. Multiple standards should not exist in parallel to accomplish what would ultimately be the same end result. * ENSURING THE QUALITY OF FACILITY RATINGS INFORMATION THROUGH VERIFICATION IS SUPERIOR TO DOCUMENTING THE FACILITY RATING METHODOLOGY AS REQUIRED BY FAC 008-02The verification of the key generator ratings (MW, MX) as required by Standards MOD-024 &amp; MOD-025 is by far more efficient and relevant to BES reliability than documenting the generating facility ratings methodology. As several entities noted during previous comment periods, documenting the methodology as per FAC-008-02, would be just an administrative nuisance with little substance. Worth noting is that FERC order 693 (March 2007) acknowledges the relevance of MOD-024, 025 and directs the ERO (i.e. FR SDT) to consider them during the standard’s development process.* FAC 008-02 WOULD NOT ADD VALUE TO THE CURRENT PRACTICES FOR DETERMINING GENERATOR FACILITY RATINGS Requiring generator owners to comply with the</p>

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Organization	Yes or No	Question 3 Comment
		<p>proposed FAC-008-02 will just expose the generators and auditors to additional compliance burden without any reliability benefit. The design of generating facilities and determination of Facility Ratings is a complex, yet mature, process involving coordinated effort of GOs, Equipment suppliers (vendors), Engineering and Consulting firms. It is in GOs ultimate interest to design their facilities such that applicable equipment warranties and life expectancy are not jeopardized. At the same time, the GOs have intrinsic goal to optimize utilization of their facilities within the given regulatory framework. All this influences the determination of Generating Facility Ratings. In practical terms, there is no point requesting the GOs to document these established processes and engineering practices, including the details, as required by FAC-008-02.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD 025 validation processes (please note that neither MOD 024 nor MOD 025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC 008 “only” requires this Methodology be documented and followed. Therefore the FR SDT does not feel that FAC 008 is redundant with MOD 024 and/or MOD 025.</p> <p>Likewise, FAC-008 is not redundant with MOD-010 or MOD-011 as the commenter asserts. MOD-010 requires the submittal of steady state data to a Regional Entity. MOD-011 (which has not been approved by FERC) requires that the RRO establish data requirements, reporting procedures, and system Models for steady state data. Neither one of these Standards cited requires that the Methodology for determining Facility Rating be documented and followed.</p> <p>FERC Order 693, Paragraph 765, states that “an actual test could be used as a substitute for a mathematical calculation of capability, and we ask the ERO to consider these comments in its Reliability Standards development process”. As stated above, MOD-024 and MOD 025 validation processes could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. In addition, in Paragraph 739, FERC “directs the ERO to submit a modification to FAC-008-1 that requires transmission and generation facility owners to document underlying assumptions and methods used to determine normal and emergency facility ratings”. This also supports the applicability of FAC-008-2 to both Generation and Transmission Facilities.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
SERC Engineering Committee Planning Standards	Yes	

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Organization	Yes or No	Question 3 Comment
Subcommittee		
Southern Company	Yes	
Dominion Resources Inc.	Yes	
FirstEnergy	Yes	
Allegheny Energy Supply Company, LLC	Yes	
Bonneville Power Administration	Yes	
NPCC RSC	Yes	
MRO NERC Standards Review Subcommittee	Yes	
Kansas City Power & Light	Yes	
Dynergy	Yes	
Duke Energy	Yes	
Cowlitz County PUD	Yes	
City of Tallahassee (TAL)	Yes	
PJM	Yes	

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Organization	Yes or No	Question 3 Comment
Hydro One Networks Inc.	Yes	
Manitoba Hydro	Yes	
ERCOT ISO	Yes	
American Electric Power	Yes	
Ameren	Yes	
Puget Sound Energy	Yes	
Northeast Utilities	Yes	
Pepco Holdings, Inc.	Yes	
Entergy Services, Inc	Yes	
Independent Electricity System Operator	Yes	
Hydro-Québec Transenergie (HQT)	Yes	
American Transmission Company	Yes	
IRC Standards Review Committee	Yes	

**4. If you have any other comments on this standard or its implementation plan that you have not already submitted above, please provide them here.**

**Summary Consideration:** Several commenters stated their belief that the standard FAC-008 should not apply to Generator Owners and that they are duplicative with MOD-024 and MOD-025. The SDT feels strongly that the standard applies to Generator Owners and has revised the Generator Owner requirements for this draft Standard (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities and options for developing facility rating documentation. The SDT does not believe that FAC-008 is duplicative with MOD-024 and MOD-025 because, at best, a single verification by itself following what is required in MOD-024-1 and MOD-025 would be a subset of what is required in complying with FAC-008-2. The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.

Three commenters disagreed that a technical review of the rating calculation methodologies and obligation to respond to comments should be required as stated in R3 and R4 (previous draft). The SDT notes that standard FAC-008-2 does not, nor was it the intent, to require the asset owner to change its ratings based on an inquiry, but simply to submit the ratings methodology document and respond to any questions. R4 (previous draft) recognizes that the Facility Owner needs to have the final say on how its Facilities are rated as this is an economically-based decision.

Two commenters suggested revising the VRF from “Medium” to “Lower”. The FR SDT reviewed the VRF guidelines and agrees with the suggestion to revise the VRF to “Lower”. Other commenters questioned the Violation Severity Levels, indicating that they should not be severe. Regarding the VSL issue, violation severity levels (VSLs) are defined measurements of the degree to which or how severely a violator violated a requirement of a reliability standard and is assessed post violation; whereas violation risk factors indicate the relative potential impacts that violations of each standard could pose to the reliability of the bulk power system. As such, VSLs may have a “severe level” either as the only VSL level or in connection with 1, 2 or 3 other levels as stated in the draft standard. VSLs are not relative to impact on the BES but a measurement of meeting the requirement.

Organization	No Comments	Question 4 Comment
PacifiCorp		ISSUE #1: Clarification on the proposed FAC-008-2 standard for transmission and substation equipment should be provided. The definition of an Equipment Rating in NERC's glossary of terms is: "The maximum and minimum voltage, current, frequency, real and reactive power flows on individual equipment under steady state, short-circuit and transient conditions, as

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Organization	No Comments	Question 4 Comment
		<p>permitted or assigned by the equipment owner." FAC-008-2 requires that all facilities must include equipment ratings in the development of a facility rating. R2.1 includes the phrase 'Ratings of the Equipment'. We'd like clarification that the standard applies only to the ampacity portion of the Equipment Rating and not the full definition as noted above. The standard seems to be setup that way, but there are some questions related to the full definition of Equipment Rating and how it applies to the standard. Our facilities have always been constructed to conform to applicable IEEE and ANSI standards at the time of installation. If this doesn't cover the intent of the standard, would you please provide an example of ratings to be included for voltage, frequency, and transient conditions for a facility? An example would assist us in determining what is required to be reported, especially about the requirement of transient condition and duration. An example of what we've done to comply with FAC-009 is also attached for your review/comments. (It doesn't include the spreadsheets that combine T-Lines and Sub ratings.) In addition, the short circuit information is kept by all utilities in a separate databases and run periodically to address breakers short circuit ratings. Is it the intent of this standard to add these reports to this Facility Ratings data? ISSUE #2: The applicability of the proposed revisions to FAC-008 to older facilities is left open to interpretation in the current draft. Many transmission and generation facilities have been in service for years under ratings established at the time of construction - and documentation of the basis for those ratings may no longer be available. Requiring recreation of those ratings now, if that is what the drafting team expects, could impose tremendous costs on the industry to perform the record searches and field work that would be required to document the basis for specific ratings. The original drafting team for FAC-008 considered this issue when drafting the current standard. In response to a request to add the requirement that the methodology be . . . "consistent with and based on credible and recognized standards/criteria . . . ", the drafting team responded: "The Drafting Team did not adopt the change because there are many Facilities in place with ratings that were established many years ago and it would be very costly to go back and re-establish ratings based on a set of industry standards." The current proposal requires that the methodology indentify how Equipment Rating standard(s) were used as well as how ratings provided by manufacturers were considered. For older facilities or facilities acquired from other entities, the basis for ratings may not have been well documented, or documented at all. Likewise, manufacturers ratings may no longer be available, and indeed, the manufacturer may no longer exist. These facilities have been operated for a number of years, presumably without problems. A narrow interpretation of Requirement 2.2 would force entities to collect voluminous information on facilities, at a tremendous cost. These costs (which could run into the 100's of millions, and potentially billions, of dollars industry-wide) would be borne by customers with potentially little, if any, demonstrable benefit to reliability. A clarification that this standard is not intended to require entities to recreate documentation or other information needed to justify historic ratings would provide certainty and would avoid the costly and time-consuming process of recreating lost</p>

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		<p>data.</p> <p>Example-Requirements 2.1 and 2.2 be revised as follows to clearly address this issue: R2.1. The methodology used to establish the Ratings of the Equipment that comprises the Facility shall be consistent with at least one of the following: R2.1.1. Ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications such as nameplate rating. R2.1.2. One or more industry standards developed through an open process such as Institute of Electrical and Electronics Engineers (IEEE) or International Council on Large Electric Systems (CIGRE). R2.1.3. A practice that has been verified by testing or engineering analysis. R2.1.4. In the case of Equipment placed in service prior to the effective date of this requirement, readily available records or data or operational experience. R2.2. The underlying assumptions, design criteria, and methods used to determine the Equipment Ratings identified in R2.1 including identification of how each of the following were considered: R2.2.1. Equipment Rating standard(s) used in development of this methodology. R2.2.2. Ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications, if readily available. R2.2.3. Ambient conditions (for particular or average conditions or as they vary in real-time). If the intent of this requirement is to force entities to collect this information, then an extended implementation plan should be developed that will allow industry participants sufficient time to gather the required data before the revisions take effect.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment.</p> <p>Issue #1: “Facility”, “Facility Rating”, “Element”, “Rating” and “Equipment Rating” are all NERC defined terms. A Facility is a set of electrical equipment that operates as a single BES Element. To determine a “Facility Rating” the Ratings of the individual equipment comprising that Facility must be considered and the most limiting applicable Equipment Rating governs the rating of the Facility (R2.3 of previous draft). R 3.4.2 requires that “as a minimum, both Normal and Emergency Ratings” shall be addressed. “Normal Rating” and “Emergency Rating” are NERC defined terms. Both of these definitions include the words “usually expressed in megawatts, or other appropriate units”.</p> <p>Issue #2: This Standard does not require the recreation of data that is no longer available or no longer accessible for any reason. R3.1 allows for multiple methods for determining facility ratings which include the items that you propose above. However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
<p>APS - Technical Projects Engineering</p>		<p>With regard to R1.2 - Performance history will most likely give different values from engineering analysis or rating verification. Unless the specific desired rating is defined, many different interpretations of the rating can be made (FERC Form 1, net demonstrated seasonal</p>

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		capability, maximum unit capability, etc).
<p><b>Response:</b> The FR SDT thanks you for your comment. We agree with your comment regarding performance history and engineering analysis or rating verification. Ratings specified need to be based upon assumed ambient conditions.</p>		
FirstEnergy		<p>FirstEnergy appreciates the efforts of the drafting team in developing this SAR as a result of industry objections to Requirement R7. We recognize that this requirement was included at the direction of FERC Order 693, but believe that this requirement did not add a reliability benefit. Without this requirement in the standard, the reliability goal as stated in the purpose statement, "To ensure that Facility Ratings used in the reliable planning and operation of the Bulk Electric System (BES) are determined based on technically sound principles. A Facility Rating is essential for the determination of System Operating Limits.", is still maintained. When explaining the technical substantiation to FERC that this requirement does not add a reliability benefit and is outside the scope of the reliability standards arena, the SDT may offer that determination of the next most limiting equipment rating would be more efficiently and appropriately addressed in the transmission tariff and RTO market processes. The opinion of the drafting team and stakeholders is vitally important in the standards development process, and we applaud NERC staff and the Standards Committee for respecting these opinions and moving forward with this SAR.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment.</p>		
Allegheny Energy Supply Company, LLC		<p>We believe that "Generator Owner" should be removed from the applicability of this reliability standard. Including generation facilities in this standard does not increase the reliability of the bulk electric system. Requiring generator owners to comply with FAC-008-02 will only expose the generators to additional compliance burden without any reliability benefit. FAC-008-2 is technically sound and essential for the planning and operation of the networked connection of static components transmission equipment. However, a calculated facility rating for generators should never be used for operational or planning purposes, as the real capability and not the calculated capability should be considered. The following standards mandate the reporting of generator capability: FAC 001? Facility Connection Requirements FAC 002? Coordination of Plans for New Facilities MOD 011? Steady-state Data Requirements and Reporting Procedures MOD 024? Verification of Generator Gross and Net Real Power Capability MOD 025 - Verification of Generator Gross and Net Reactive Power Capability TOP 002? Normal Operations Planning The verification of the key generator ratings (real and reactive) as required by Standards MOD-024 &amp; MOD-025 is by far more relevant to BES reliability than documenting the generating facility ratings methodology. FAC 008-02 should not duplicate the above mentioned or any other applicable standards. Multiple standards should not exist in parallel to</p>

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		accomplish what would ultimately be the same end result.
<p><b>Response:</b> The FR SDT thanks you for your comment. The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC-008 “only” requires this Methodology be documented and followed. Therefore, the FR SDT does not feel that FAC-008 is redundant with MOD-024 and/or MOD-025.</p> <p>Likewise, FAC-008 is not redundant with FAC-001, FAC-002, MOD-011 or TOP-002 as the commenter asserts. FAC-001 requires that the TO establish interconnection requirements. FAC-002 requires the coordination of assessments when interconnecting new facilities to the BES. MOD-011 (which has not been approved by FERC) requires that the RRO establish data requirements, reporting procedures, and system Models for steady state data. TOP-002 requires the Generator Operator, among others, to coordinate its operation with its host Balancing Authority and Transmission Service Provider, and provide information and verification as requested by the Balancing Authority or Transmission Operator. None of these Standards cited requires that the Methodology for determining Facility Rating be documented and followed.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
Bonneville Power Administration		BPA is in support of the SAR/standard as written.
<p><b>Response:</b> The FR SDT thanks you for your comment.</p>		
NPCC RSC		<p>Various existing standards already address critical aspects of Generation Facility ratings and are sufficient for the reliable planning and operation requirements of the BES. Included among these are: FAC001-Facility Connection Requirements FAC002-Coordination of Plans for New Facilities MOD011-Steady-state Data Requirements and Reporting Procedures MOD024-Verification of Generator Gross and Net Real Power Capability MOD025-Verification of Generator Gross and Net Reactive Power Capability TOP002-Normal Operations Planning These existing standards currently address connection and performance requirements, consistency of modeling data and reporting procedures, information exchange process for operations planning including notifications of short term de-ratings, and verification of generator facility capabilities. Standards should not exist in parallel and FAC-008-02 should not duplicate</p>

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		requirements as they pertain to generation facilities.
<p><b>Response:</b> The FR SDT thanks you for your comment. The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC-008 “only” requires this Methodology be documented and followed. Therefore, the FR SDT does not feel that FAC-008 is redundant with MOD-024 and/or MOD-025.</p> <p>Likewise, FAC-008 is not redundant with FAC-001, FAC-002, MOD-011 or TOP-002 as the commenter asserts. FAC-001 requires that the TO establish interconnection requirements. FAC-002 requires the coordination of assessments when interconnecting new facilities to the BES. MOD-011 (which has not been approved by FERC) requires that the RRO establish data requirements, reporting procedures, and system Models for steady state data. TOP-002 requires the Generator Operator, among others, to coordinate its operation with its host Balancing Authority and Transmission Service Provider, and provide information and verification as requested by the Balancing Authority or Transmission Operator. None of these Standards cited requires that the Methodology for determining Facility Rating be documented and followed.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
MRO NERC Standards Review Subcommittee		FAC-008-2 requires that all facilities must include equipment ratings in the development of a facility rating. R2.1 includes the phrase 'Ratings of the Equipment'; the NSRS would like to have clarification of this term. Is it a type-o, should it state "Equipment Rating"
<p><b>Response:</b> The FR SDT thanks you for your comment. The phrase ‘Ratings of Equipment’ in R3.1 is correct and is meant to imply the multiple ratings associated with the various pieces of equipment that comprises a Transmission Facility.</p>		
Kansas City Power & Light		R1 is fundamentally a duplication of the requirements contained in standards MOD-024-1 and MOD-025-1 for determination and verification of generator real and reactive capabilities. Any additional requirements language that may be deemed necessary to establish the methodology for generator power capabilities should be directed there. This would also require the removal of M1 and the VSL’s for R1 in this proposed standard. In addition, for either generating stations or transmission stations, there can be equipment that is of such an age as there is no nameplate information, no historical record of establishment of an equipment rating with the owner or the manufacturer, and/or the manufacturer of the equipment no longer exists to

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		<p>obtain rating data. It is recommended the Drafting Team consider this in the requirements for FAC-008-2. Especially consider revising R6 in the proposed standard. R2.2 requires an explanation for how each of the possible methods utilized to establish equipment ratings could be used. This does not contribute to maintaining the reliability of the BES. There are hundreds of different pieces of equipment in the field. It is recommended to remove the sub-requirements of R2.2 and to delete, including identification of how each of the following were considered: ?, from requirement R2.2.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC 008 “only” requires this Methodology be documented and followed. Therefore, the FR SDT does not feel that FAC-008 is redundant with MOD-024 and/or MOD-025.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
PJM		<p>Requirement R1 should be removed because similar requirements to determine a generator's real and reactive capability by verification exist in MOD-024 and MOD-025. Additionally MOD-010 requires submittal of generating unit capability to the Regional Council for modeling purposes.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” Prior to any generator being placed in service, “Facility Ratings” for a generator are required for BES planning.</p> <p>For the Operating Horizon, similar information is necessary, and is often supplemented or modified, as the period being studied (next season or next day for example) approaches. For generators already in service, and have an operational history, R1.2 (previous draft) allows “performance history or rating verification supplemented by engineering analysis”. MOD-024 and MOD-025 validation processes (please note that neither MOD-024 nor MOD-025 are FERC approved) could be used to satisfy R1.2 provided these data are supplemented by engineering analysis. This analysis could include the rationalization of the validation test or operational data (i.e. system voltage, ambient temperature) to the owner’s nominal parameters. FAC-008 “only” requires this Methodology be documented and followed. Therefore, the FR SDT does not feel that FAC-008 is redundant with MOD-024 and/or MOD-025. FAC-008 relates to documentation for</p>		

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<p>determining Facility Ratings, not the submittal of information to a Regional Entity as required in MOD-010.</p> <p>However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
Consumers Energy Company		<p>Many generation facilities have been in service for years under ratings established at the time of construction and documentation of the basis for those ratings may no longer be available as required by R1. For older facilities or facilities acquired from other entities, the basis for ratings may not have been well documented or documented at all. Likewise, manufacturers ratings may no longer be available, and indeed, the manufacturer may no longer exist. R1.4 - Further discussion/clarification of "Ambient conditions" needs to be contained in the Standard.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities. The requirements include provisions to use performance tracking (actual test data) as a determination for Facility Ratings. The drafting team believes that most entities understand the term, "ambient conditions."</p>		
Hydro One Networks Inc.		<p>In the current version of the standard and in the proposed draft, Requirements R3 and R4 obligate TOs to subject their rating calculation methodologies to inspection and review by their RC, TOP, TP or PC. While we agree that TOs could share this material, we do not consider that a technical review and obligation to respond to comments should take place. Ratings are the sole prerogative of the asset owners and the decision on how to manage the life cycle of their assets and how they are going to be operated cannot be taken away from them. The overriding principle is that asset owners must have the final say on the ratings of the equipment they own. In response to this very comment submitted in the past, the SDT has stated that the intent of the requirement is to subject the methodology to a "peer review." Our view is that if it is a peer review, such requirement does not belong in the standard.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The standard does not, nor was it the intent, to require the asset owner to change their ratings based on an inquiry, but simply to submit the ratings methodology document and respond to any questions.</p>		
Manitoba Hydro		<p>Manitoba Hydro does not agree with the Violation Risk Factors assigned to requirements R1 and R2. The requirement that the Transmission and Generator Owner each have a documented methodology for determining Facility Ratings should not be assigned a Medium VRF. Manitoba Hydro currently has a methodology that is used to determine Facility Ratings. If Manitoba Hydro does not clearly document this methodology, system reliability will not be negatively affected, as long as the appropriate ratings have been provided to the operators. Manitoba Hydro does not believe that lack of documentation or incomplete documentation rates a VSL of Severe, but would agree that a severe violation is warranted if limits are not</p>

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		<p>provided. Therefore, there should not be any case of a Severe VSL associated with R1, R2, R3 or R4. A Severe Violation Severity Level should be limited to situations where rating data is not provided (i.e. a violation of R6). The critical issue is that planners and operators of the electric system have rating data. How does the failure to make a Facility Ratings Methodology document available for inspection (a violation of R3) jeopardize the reliability of the system. The applicability of the proposed revisions to FAC-008 to older facilities is left open to interpretation in the current draft. Many transmission and generation facilities have been in service for years under ratings established at the time of construction and documentation of the basis for those ratings may no longer be available. Requiring recreation of those ratings now, if that is what the drafting team expects, could impose tremendous costs on the industry to perform the record searches and field work that would be required to document the basis for specific ratings. The current proposal requires that the methodology identify how Equipment Rating standard(s) were used as well as how ratings provided by manufacturers were considered. For older facilities or facilities acquired from other entities, the basis for ratings may not have been well documented, or documented at all. Likewise, manufacturer's ratings may no longer be available, and indeed, the manufacturer may no longer exist. These facilities have been operated for a number of years, presumably without problems. A narrow interpretation of Requirement 2.2 would force entities to collect voluminous information on facilities, at a tremendous cost. These costs would be borne by customers with potentially little, if any, demonstrable benefit to reliability. A clarification that this standard is not intended to require entities to recreate documentation or other information needed to justify historic ratings would provide certainty and would avoid the costly and time-consuming process of recreating lost data.</p> <p>Manitoba Hydro recommends that Requirements 2.1 and 2.2 be revised as follows to clearly address this issue:</p> <p>R2.1. The methodology used to establish the Ratings of the Equipment that comprises the Facility shall be consistent with at least one of the following:</p> <p>R2.1.1. Ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications such as nameplate rating.</p> <p>R2.1.2. One or more industry standards developed through an open process such as Institute of Electrical and Electronics Engineers (IEEE) or IEC.</p> <p>R2.1.3. A practice that has been verified by testing or engineering analysis</p> <p>R2.1.4. Available records, data or operational experience for Equipment placed in-service prior to the effective date that does not have a methodology consistent with R2.1.1, R2.2 or R2.1.3.</p> <p>R2.2. The underlying assumptions, design criteria, and methods used to determine the Equipment Ratings identified in R2.1 including identification of how each of the following were</p>

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		<p>considered:</p> <p>R2.2.1. Equipment Rating standard(s) used in development of this methodology.</p> <p>R2.2.2. Ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications, if available.</p> <p>R2.2.3. Ambient conditions (for particular or average conditions or as they vary in real-time).</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. We have reviewed the VRF guidelines and agree with your suggested revision. We have changed the VRF to Lower. Regarding the VSL issue, violation severity levels (VSLs) are defined measurements of the degree to which or how severely a violator violated a requirement of a reliability standard and is assessed post- violation; whereas violation risk factors indicate the relative potential impacts that violations of each standard could pose to the reliability of the bulk power system. As such VSLs may have a “severe level” either as the only VSL level or in connection with 1, 2 or 3 other levels as stated in the draft standard. VSLs are not relative to impact on the BES but a measurement of meeting the requirement.</p> <p>For generating units covered under R.1 the word “consider” with respect to R1 does not equate with “included”. The intent of the requirement is to indicate whether a sub-requirement was considered and if so, how it was incorporated into the methodology. For a generating facility that has been in service for a number of years, “performance history” is one of the options that can be utilized for the facility ratings methodology.</p> <p>Regarding the recommendation to modify R2.1.4 to read: “Available records, data or operational experience for Equipment placed in-service prior to the effective date that does not have a methodology consistent with R2.1.1, R2.2 or R2.1.3. R2.2”.</p> <p>Existence of records, data or operational experience for an equipment rating would normally not be an acceptable substitute for a documented rating methodology. The existence of the records, data or operational experience does not confirm that the equipment can actually withstand the loading as prescribed by the documented rating for the specified time period. The fact that time and work are required to establish a methodology is not a reason for not having a documented methodology. If this argument was valid, then entities that never experienced a stability event could argue that they do not need to run stability studies because they require time and work.</p>		
American Electric Power		<p>AEP has identified a few areas for the SDT to consider as the team reviews the scope and content of the current draft standard. Other stakeholders will likely have issues as well that warrant expanding the scope of the SAR. For example, we believe that it should be the responsibility of the owner to provide ratings. In the case where generators own facilities that could be considered transmission facilities, the generator should be able to defer to the “host” transmission owner to determine ratings for transmission equipment owned by the associated generator (provided the “host” transmission owner agrees). This arrangement could be addressed administratively by letter of understanding. Also, there seems to have been an omission by not including performance history in part of R2, as performance history is included in R1. The ratings documentation for some older facilities may not be available and there may also not be an effective manner in which to obtain such documentation. However,</p>

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		performance history may well provide the necessary support for the existing ratings.
<p><b>Response:</b> The FR SDT thanks you for your comment. The Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities. The requirements do not preclude the type of arrangement that you mention above to determine for Facility Ratings.</p> <p>Performance history R2: This could be covered under 3.1.3 which states: "A practice that has been verified by testing or engineering analysis."</p>		
Ameren		<p>As responded to questions above, we agree with the scope and applicability of the SAR and do not see any issues in meeting the requirements. However, we believe that SDT's response up front to the following two questions would provide further clarification, consistency and possibly would avoid future interpretation requests:</p> <p>1) R1 requires to "consider" five sub-requirements, R1.1 through R1.5. What does "consider" mean? For example, assuming that data/information is available for R1.2 through R1.5, but the commissioning data is not available for a 50+ years old generator. Would a statement to that effect be adequate to meet "consideration" criteria for R1.1? If not, could you provide any guidance for such cases</p> <p>2) Since R1 and R2 both apply to generating facilities, (a) How far "out" from the generator should the R1 requirements apply? Specifically, do the iso-phase bus duct, GSU transformer, GSU disconnect switches, synchronizing breaker, any other facility up to the interconnection point belong in (i) R1, (ii) R2, (iii) some of them belong in R1 and some of them in R2, or (iv) does not matter as long as they are covered either in R1 and R2? (b) Do the R2 requirements "start" where the R1 requirements "end"? Can you please provide guidance and/or examples to ensure that GO continues to meet R1 and R2 requirements on a consistent basis</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p> <p><b>R1.</b> Each Generator Owner shall have documentation for determining the Facility Ratings of its solely and jointly owned turbine-generator Facility(ies) up to the generator terminals or the low side terminals of the step up transformer, or the high side terminal of the step up transformer (location as specified by the Generator Owner). <i>[Violation Risk Factor: Lower] [Time Horizon: Long-term Planning]</i></p> <p><b>1.1.</b> The documentation shall contain at least one of the following:  Design or construction information such as design criteria, ratings provided by equipment manufacturers, equipment drawings and/or specifications, engineering analyses, method(s) consistent with industry standards (e.g. ANSI and IEEE), or an</p>		

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		<p>established engineering practice having a successful implementation record.</p> <p>Operational information such as commissioning test results, performance testing or historical performance records, any of which may be supplemented by engineering analyses.</p> <p><b>1.2.</b> The documentation shall be capable of demonstrating consistency with the principle that the Facility Ratings do not exceed the most limiting applicable Equipment Rating of the individual equipment that comprises that Facility.</p> <p><b>R2.</b> Each Generator Owner shall have a documented methodology for determining Facility Ratings (Facility Ratings Methodology) of its solely and jointly owned equipment connected between the generator terminals, or the low voltage side of the step up transformer, or the high voltage side of the transformer (consistent with location specified in R1 by the Generator Owner) and the point of interconnection with the Transmission Owner that contains all of the following. <i>[Violation Risk Factor: Lower] [Time Horizon: Long-term Planning]</i></p> <p><b>2.1.</b> The methodology used to establish the Ratings of the Equipment that comprises the Facility(ies) shall be consistent with at least one of the following:</p> <p>Ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications such as nameplate rating.</p> <p>One or more industry standards developed through an open process such as Institute of Electrical and Electronic Engineers (IEEE) or International Council on Large Electric Systems (CIGRE).</p> <p>A practice that has been verified by testing or engineering analysis.</p> <p><b>2.2.</b> The underlying assumptions, design criteria, and methods used to determine the Equipment Ratings identified in R2.1 including identification of how each of the following were considered:</p> <p>Equipment Rating standard(s) used in development of this methodology.</p> <p>Ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications.</p> <p>Ambient conditions (for particular or average conditions or as they vary in real-time).</p> <p>Operating limitations.<sup>2</sup></p> <p><b>2.3.</b> A statement that a Facility Rating shall respect the most limiting applicable Equipment Rating of the individual equipment that comprises that Facility.</p>

<sup>2</sup> Such as temporary de-ratings of impaired equipment in accordance with good utility practice.

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<p><b>2.4.</b></p>		<p>The scope of equipment addressed shall include, but not limited to, conductors, transformers, relay protective devices, terminal equipment, and series and shunt compensation devices.</p> <p>R2 requires the owner to “consider” five sub-requirements in the development of the methodology in R2.1, The term “consider” means, just that “consider” and a statement, for example, that “the commissioning data is not available for a 50+ years old generator” and therefore not used in developing Generator ratings.</p>
Puget Sound Energy		<p>PSE requests clarity of R6 as it relates to the words “as scheduled by such requesting entities” and the added time horizon of Same-day Operations and Real time Operations. Same-day Operations would imply that an entity needs to provide facility ratings within a required timeframe of a day and Real Time Operations would imply that an entity needs to provide facility rating within one hour or less to preserve the reliability of the bulk electric system. We recognize that the words were in the previous version, but find the addition of the time horizon to create confusion and question.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. We agree with your comment and feel that the appropriate Time Horizon in Operations Planning. We have removed the Same-Day Operations and Real-Time Operations time horizons from new R6 and R7.</p>		
Wisconsin Electric Power Company dba We Energies		<p>1. Section B, R1: Generating Unit Facilities: the Violation Risk Factor is listed as MEDIUM. We maintain the VSL should be revised to LOWER to reflect the fact that generators are radial elements which do not have the potential to limit area power flows like transmission lines do.</p> <p>2. Section D, Compliance, 2. Violation Severity Levels: Similar to the comments for R1 above, the Violation Severity Levels for R1.1 through R1.5 should be lower than shown in the draft. The maximum level for generating facilities should be changed from SEVERE to MODERATE to adequately distinguish between a radial generator and a network transmission line.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. We have reviewed the VRF guidelines and agree with your suggested revision. We have changed the VRF to Lower.</p> <p>Regarding the VSL issue, violation severity levels (VSLs) are defined measurements of the degree to which or how severely a violator violated a requirement of a reliability standard and is assessed post- violation; whereas violation risk factors indicate the relative potential impacts that violations of each standard could pose to the reliability of the bulk power system. As such VSLs may have a “severe level” either as the only VSL level or in connection with 1, 2 or 3 other levels as stated in the draft standard. VSLs are not relative to impact on the BES but a measurement of meeting the requirement.</p>		
Xcel Energy		<p>ISSUE #1: Xcel Energy is requesting clarification on the proposed FAC-008-2 standard for transmission and substation equipment. The definition of an Equipment Rating in NERC’s glossary of terms is: “The maximum and minimum voltage, current, frequency, real and reactive power flows on individual equipment under steady state, short-circuit and transient</p>

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		<p>conditions, as permitted or assigned by the equipment owner." FAC-008-2 requires that all facilities must include equipment ratings in the development of a facility rating. R2.1 includes the phrase 'Ratings of the Equipment'. We'd like clarification that the standard applies only to the ampacity portion of the Equipment Rating and not the full definition as noted above. The standard seems to be setup that way, but internally we've had some questions related to the full definition of Equipment Rating and how it applies to the standard. Our facilities have always been constructed to conform to applicable IEEE and ANSI standards at the time of installation. If this doesn't cover the intent of the standard, would you please provide an example of ratings to be included for voltage, frequency, and transient conditions for a facility? An example would assist us in determining what is required to be reported, especially about the requirement of transient condition and duration. An example of what we've done to comply with FAC-009 is also attached for your review/comments. (It doesn't include the spreadsheets that combine T-Lines and Sub ratings.) In addition, the short circuit information is kept by all utilities in a separate database (CAPE, ASPEN, etc.) and ran periodically to address breakers short circuit ratings. Is it the intent of this standard to add these reports to this Facility Ratings data?</p> <p>ISSUE #2: The applicability of the proposed revisions to FAC-008 to older facilities is left open to interpretation in the current draft. Many transmission and generation facilities have been in service for years under ratings established at the time of construction? and documentation of the basis for those ratings may no longer be available. Requiring recreation of those ratings now, if that is what the drafting team expects, could impose tremendous costs on the industry to perform the record searches and field work that would be required to document the basis for specific ratings. The original drafting team for FAC-008 considered this issue when drafting the current standard. In response to a request to add the requirement that the methodology be . . . . ?consistent with and based on credible and recognized standards/criteria . . . . ?, the drafting team responded: " The Drafting Team did not adopt the change because there are many Facilities in place with ratings that were established many years ago and it would be very costly to go back and re-establish ratings based on a set of industry standards." The current proposal requires that the methodology identify how Equipment Rating standard(s) were used as well as how ratings provided by manufacturers were considered. For older facilities or facilities acquired from other entities, the basis for ratings may not have been well documented, or documented at all. Likewise, manufacturers ratings may no longer be available, and indeed, the manufacturer may no longer exist. These facilities have been operated for a number of years, presumably without problems. A narrow interpretation of Requirement 2.2 would force entities to collect voluminous information on facilities, at a tremendous cost. These costs (which Xcel Energy anticipates could run into the 100's of millions, and potentially billions, of dollars industry-wide) would be borne by customers with potentially little, if any, demonstrable benefit to reliability. A clarification that this standard is not intended to require entities to recreate documentation or other information needed to</p>

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		<p>justify historic ratings would provide certainty and would avoid the costly and time-consuming process of recreating lost data. Xcel Energy recommends that Requirements 2.1 and 2.2 be revised as follows to clearly address this issue: R2.1. The methodology used to establish the Ratings of the Equipment that comprises the Facility shall be consistent with at least one of the following: R2.1.1. Ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications such as nameplate rating. R2.1.2. One or more industry standards developed through an open process such as Institute of Electrical and Electronics Engineers (IEEE) or International Council on Large Electric Systems (CIGRE). R2.1.3. A practice that has been verified by testing or engineering analysis R2.1.4. In the case of Equipment placed in service prior to the effective date of this requirement, readily available records or data or operational experience. R2.2. The underlying assumptions, design criteria, and methods used to determine the Equipment Ratings identified in R2.1 including identification of how each of the following were considered: R2.2.1. Equipment Rating standard(s) used in development of this methodology. R2.2.2. Ratings provided by equipment manufacturers or obtained from equipment manufacturer specifications, if readily available. R2.2.3. Ambient conditions (for particular or average conditions or as they vary in real-time). If the intent of this requirement is to force entities to collect this information, then an extended implementation plan should be developed that will allow industry participants sufficient time to gather the required data before the revisions take effect.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment.</p> <p>Issue #1: “Facility”, “Facility Rating”, “Element”, “Rating” and “Equipment Rating” are all NERC defined terms. A Facility is a set of electrical equipment that operates as a single BES Element. To determine a “Facility Rating” the Ratings of the individual equipment comprising that Facility must be considered and the most limiting applicable Equipment Rating governs the rating of the Facility (R2.3 of previous draft). R 3.4.2 requires that “as a minimum, both Normal and Emergency Ratings” shall be addressed. “Normal Rating” and “Emergency Rating” are NERC defined terms. Both of these definitions include the words “usually expressed in megawatts, or other appropriate units”.</p> <p>Issue #2: This Standard does not require the recreation of data that is no longer available or no longer accessible for any reason. R3.1 allows for multiple methods for determining facility ratings which include the items that you propose above. However, the Generator Owner requirements for this draft Standard have been revised (Now R1 and R2 in the current draft) to provide greater clarity of the Generator Owner responsibilities.</p>		
<p>Independent Electricity System Operator</p>		<p>The IESO would like to reiterate two of its previous comments (on R4 and R5) which we feel have not been satisfactorily addressed by the SDT. Our previous comments on R4: We do not think this rises to the level of a reliability standard. This is an administrative process. Further, the TO and the GO own their facilities and they provide these facilities for the GOP and TOP and other applicable entities to operate. The ratings they determine provide the upper bound that their facilities may be operated to, and hence should be decided totally at their own</p>

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		<p>discretion. We do not believe other entities have the right to challenge the methods used or the level of the rating determined by the facility owners. Any such challenges, even applicable, should be addressed in the agreements among the owners and the users and outside of the reliability standard process. We suggest that this requirement be removed. The SDT's Response: The intent of R4 is to provide peer review. This is an important concept in ensuring the technical accuracy of the rating methodology. Peers are more likely to have detailed knowledge of methodologies than auditors - and finding errors or questionable practices before the use of an unsound methodology results in inappropriate ratings is better than the alternative which is to discover incorrect ratings during a system disturbance IESO's view is that this response does not recognize that the decision authority rests solely with the facility owners (as so indicated by the SDT in its response to our comments on R5, as detailed below). Providing a response to comments on the rating is an administrative procedure that does not contribute to reliability whatsoever. We request the SDT to re-consider our comment and proposal to drop this requirement. Our previous comments on R5: R5 holds the facility owners responsible for determining the ratings for their solely and jointly owned facilities. The standard is silent on which methodology to use and how ratings of jointly owned facilities are determined. For example, there is no requirement on which method to choose among joint owners if their methods are different, and on using the more conservative of the two ratings where different. This needs to be provided. SDT's Response R5 the Facility Owner needs to have the final say on how its Facilities are rated as this is an economically-based decision. This response does not address which facility owner, among the joint owners, has the final say. Further, while the rating itself may be a commercially-based decision, the decision on which method to choose from among those provided by the joint owners to develop the final rating is not specified in the requirement, which can lead to confusing ratings to the users and operators of jointly own facilities and result in adverse impact on reliability. We urge the SDT to consider strengthening R5 to fill this void.</p>
<p><b>Response:</b> The FR SDT thanks you for your comment. The standard does not, nor was it the intent, to require the asset owner to change their ratings based on an inquiry, but simply to submit the ratings methodology document and respond to any questions.</p> <p>Which ratings methodology should be utilized to determine the ratings of jointly owned facilities should be addressed in the agreements among the owners. The intent of this standard is to have a documented rating methodology, not to dictate what methodology is used to determine ratings on a jointly owned facility.</p>		
OPG		<p>References related to major system disturbances, including the NERC's 2003 Blackout Report; do not indicate GENERATING Facility Rating Methodologies as a source of problems. On the other hand, NERC's 2003 Blackout report, recommendation 13c, talks about the need to evaluate TRANSMISSION facility rating methodologies and sharing of consistent ratings information. This was driven by cases where planners and operators from different areas used</p>

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		different ratings for the same facility (i.e. HV transmission lines). This implies that the main focus of FAC 008-02 should be on major TRANSMISSION facilities.
<p><b>Response:</b> The FR SDT thanks you for your comment. The purpose of the standard is: “To ensure that Facility Ratings used in the reliable planning and operation of the Bulk Electric System (BES) are determined based on technically sound principles. A Facility Rating is essential for the determination of System Operating Limits.”</p> <p>This applies to Generation as well as Transmission Facilities. In addition, FERC Order 693, Paragraph 739, FERC “directs the ERO to submit a modification to FAC-008-1 that requires transmission and generation facility owners to document underlying assumptions and methods used to determine normal and emergency facility ratings”. This also supports the applicability of FAC-008-2 to both Generation and Transmission Facilities.</p>		
Hydro-Québec Transenergie (HQT)		Various existing standards address critical aspects of Generation Facility ratings and could be sufficient for the reliable planning and operation requirements of the BES. Included among these are: FAC001-Facility Connection RequirementsFAC002-Coordination of Plans for New FacilitiesMOD011-Steady-state Data Requirements and Reporting ProceduresMOD024-Verification of Generator Gross and Net Real Power CapabilityMOD025-Verification of Generator Gross and Net Reactive Power CapabilityTOP002-Normal Operations Planning These existing standards currently address connection and performance requirements, consistency of modeling data and reporting procedures, information exchange process for operations planning including notifications of short term de-ratings, and verification of generator facility capabilities. These standards and FAC-008-02 should be reviewed eventually to eliminate duplication of requirements.
<p><b>Response:</b> The FR SDT thanks you for you comment. The purpose of FAC-008 is “To ensure Facility Ratings used in the reliable planning and operation of the BES are determined based on technically sound principles.” The other standards that you mention require reporting of data and ratings. The FR SDT agrees that redundancy between standards should be eliminated.</p>		
American Transmission Company		FERC has the ability, through its market oversight authority, to require the reporting of the limiting component and the theoretical increase in rating of the limiting component is disregarded.
<p><b>Response:</b> The FR SDT thanks you for your comment.</p>		
IRC Standards Review Committee		<p>The SRC would like to reiterate two of its previous comments (on R4 and R5) which we feel have not been satisfactorily addressed by the SDT.</p> <p>R4: If a Reliability Coordinator, Transmission Operator, Transmission Planner or Planning Coordinator provides documented comments on its technical review of a Transmission Owner’s</p>

Organization	No Comments	Question 4 Comment
		<p>or Generator Owner’s Facility Ratings Methodology, the Transmission Owner or Generator Owner shall provide a response to that commenting entity within 45 calendar days of receipt of those comments. The response shall indicate whether a change will be made to the Facility Ratings Methodology and, if no change will be made to that Facility Ratings Methodology, the reason why.</p> <p><u>Our previous comments on R4:</u></p> <p>We do not think this rises to the level of a reliability standard. This is an administrative process. Further, the TO and the GO own their facilities and they provide these facilities for the GOP and TOP and other applicable entities to operate. The ratings they determine provide the upper bound that their facilities may be operated to, and hence should be decided totally at their own discretion. We do not believe other entities have the right to challenge the methods used or the level of the rating determined by the facility owners. Any such challenges, even applicable, should be addressed in the agreements among the owners and the users and outside of the reliability standard process. We suggest that this requirement be removed.</p> <p>SRC’s view is that this response does not recognize that the decision authority rests solely with the facility owners (as so indicated by the SDT in its response to our comments on R5, as detailed below). Providing a response to comments on the rating is an administrative procedure that does not contribute to reliability whatsoever. We request the SDT to re-consider our comment and proposal to drop this requirement.</p> <p>R5: The Transmission Owner and Generator Owner shall each have Facility Ratings for its solely and jointly owned Facilities that are consistent with the associated Facility Ratings Methodology.</p> <p><u>Our previous comments on R5:</u></p> <p>R5 holds the facility owners responsible for determining the ratings for their solely and jointly owned facilities. The standard is silent on which methodology to use and how ratings of jointly owned facilities are determined. For example, there is no requirement on which method to choose among joint owners if their methods are different, and on using the more conservative of the two ratings where different. This needs to be provided.</p> <p>This response does not address which facility owner, among the joint owners, has the final say. Further, while the rating itself may be a commercially-based decision, the decision on which method to choose from among those provided by the joint owners to develop the final rating is not specified in the requirement, which can lead to confusing ratings to the users and operators of jointly own facilities and result in adverse impact on reliability.</p> <p>We urge the SDT to consider strengthening R5 to fill this void.</p>

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<p><b>Response:</b> The FR SDT thanks you for your comment. The standard does not, nor was it the intent, to require the asset owner to change their ratings based on an inquiry, but simply to submit the ratings methodology document and respond to any questions.</p> <p>R4: The intent of R4 is to provide peer review. This is an important concept in ensuring the technical accuracy of the rating methodology. Peers are more likely to have detailed knowledge of methodologies than auditors – and finding errors or questionable practices before the use of an unsound methodology results in inappropriate ratings is better than the alternative – which is to discover incorrect ratings during a system disturbance</p> <p>R5: The Facility Owner needs to have the final say on how its Facilities are rated as this is an economically-based decision.</p>		
Electric Power Supply Association	No Additional Comments	
Dynegy	No Additional Comments	
Duke Energy	No Additional Comments	
Cowlitz County PUD	No Additional Comments	
City of Tallahassee (TAL)	No Additional Comments	
SERC Engineering Committee Planning Standards Subcommittee	No Additional Comments	
Reliant Energy Inc and Gila River Power	No Additional Comments	
Southern Company	No Additional Comments	

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<b>Organization</b>	<b>No Comments</b>	<b>Question 4 Comment</b>
Dominion Resources Inc.	No Additional Comments	
Public Service Enterprise Group	No Additional Comments	
Northeast Utilities	No Additional Comments	
Pepco Holdings, Inc.	No Additional Comments	
Entergy Services, Inc	No Additional Comments	
ERCOT ISO	No Additional Comments	