

# Summary of Proposed Reliability Standards: FAC-001-4 and FAC-002-4

## Details of Standard(s) Development

Reliability Standards Authority: NERC

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Standard(s)	<ul style="list-style-type: none"><li>• FAC-001-4 – Facility Interconnection Requirements</li><li>• FAC-002-4 – Facility Interconnection Studies</li></ul>
Purpose	<p>FAC-001-4: To avoid adverse impacts on the reliability of the Bulk Electric System, Transmission Owners must document and make Facility interconnection requirements available so that entities seeking to interconnect will have the necessary information.</p> <p>FAC-002-4: To study the impact of interconnecting new or changed Facilities on the Bulk Electric System.</p>
Change Type:	Modifications to existing standard requirements
Affected Functional Entities:	<ul style="list-style-type: none"><li>• Planning Coordinator (PC)</li><li>• Transmission Planner (TP)</li><li>• Transmission Owner (TO)</li></ul>
Ballot Results:	<ul style="list-style-type: none"><li>• 86% Quorum / 95% Approval</li></ul>
Ontario Participant Support:	<ul style="list-style-type: none"><li>• There were 240 votes cast by NERC registered entities.</li><li>• The IESO voted Affirmative (1/240)</li><li>• 2 other OEB rate-regulated entities voted Affirmative (2/240)</li></ul>
Impact Within Ontario	<p>The IESO is registered with NERC as the Planning Coordinator for Ontario. The new and revised requirements impact primarily the IESO who has to define “qualified change”.</p> <p>No technical or material financial impact is anticipated in defining “qualified change”.</p>

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## Standard Development Milestones

Date	Action
May 12, 2022	<ul style="list-style-type: none"><li>Adopted by NERC Board of Trustees</li></ul>
June 14, 2022	<ul style="list-style-type: none"><li>NERC Petition for Approval</li></ul>
June 21, 2022	<ul style="list-style-type: none"><li>IESO Posting Date</li></ul>
October 19, 2022	<ul style="list-style-type: none"><li>End of OEB Review Period</li></ul>
TBD	<ul style="list-style-type: none"><li>FERC Order Issued</li></ul>
TBD	<ul style="list-style-type: none"><li>US Mandatory Enforcement Date</li></ul>
TBD	<ul style="list-style-type: none"><li>Ontario Enforcement Date (Milestones in Reliability Standard Development and Lifecycle)</li></ul>

## Summary

Proposed Reliability Standards FAC-001-4 and FAC-002-4 contain new and revised requirements that would establish the Planning Coordinator as the entity responsible for defining the types of changes to existing interconnected Facilities that would need to be addressed in interconnection procedures and studies for its area ("qualified change"). This would resolve the uncertainty and confusion that has arisen regarding the meaning of "materially modify" under the currently effective standards.

## Other Salient Information

### Stakeholder Consultation

#### NERC Reliability Standards Development Procedure

- NERC develops Reliability Standards in accordance with Section 300 (Reliability Standards Development) of its Rules of Procedure and the NERC Standard Processes Manual;
- NERC's rules provide for reasonable notice and opportunity for public comment, due process, openness, and a balance of interests in developing Reliability Standards;
- The development process is open to any person or entity with a legitimate interest in the reliability of the Bulk Power System. NERC considers the comments of all stakeholders;
- Stakeholders must approve, and the NERC Board of Trustees must adopt, a new or revised Reliability Standard before NERC submits the Reliability Standard to FERC for approval;
- NERC provided public notices for comments and balloting as follows:

- Standard Authorization Request: November 12 – December 11, 2020
- Draft 1 of Proposed Changes: December 7, 2021 – January 31, 2022
- Final Draft 2 Proposed Changes: April 14 – April 22, 2022

### **IESO Reliability Standards Standing Committee**

- The purpose of the Reliability Standards Standing Committee (RSSC) is to assist market participants to develop a more comprehensive understanding of their reliability obligations by:
  - Notifying participants of reliability-related information on new and developing reliability standards;
  - Providing a forum to discuss and develop consensus comments on new and developing reliability standards; and
  - Engaging participants in the standard development process of NERC and NPCC.
- The majority of stakeholder engagement takes place by email communications and is open to any stakeholder wishing to join
- The IESO presented the proposed changes at the April 14, 2022 RSSC meeting.