
Project QC-2021-07

FAC-001-3 – Facility Interconnection Requirements and FAC-008-5 – Facility Ratings

1. OVERVIEW OF THE STANDARDS

1.1. Applicability

The FAC-001-3 and FAC-008-5 standards apply to the following functions:

Standard	Functions covered
FAC-001-3	Transmission Owner (TO) Generator Owner with a fully executed Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner's existing Facility that is used to interconnect to the Transmission System
FAC-008-5	Transmission Owner (TO) Generator Owner (GO)

1.2. Purpose of the Reliability Standard

This section presents the purpose of each standard covered by this request.

FAC-001-3 compels Transmission Owners (TO) and applicable Generation Owners (GO) to document facility interconnection requirements, to keep this documentation up to date and to make it available. These facility interconnection requirements cover all system reliability-related fields and set a minimum performance standard that all interconnected facilities must meet, whether they are new or modified.

FAC-008-5 ensures 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 (SOL).

1.3. Regulatory Context

i. FAC-001-3

The Régie de l'énergie (hereinafter, the "Régie") adopted FAC-001-3 in decision D-2020-067¹ and set July 1, 2021 as its coming into force in Québec. A petition for approval of an errata to the FAC-001-3 standard², without any changes to the version number, was filed by the North American Electric

¹ Régie de l'énergie, Décision D-2020-067, retrieved on July 15, 2021 at : http://publicsde.regie-energie.qc.ca/projets/523/DocPri/R-4104-2019-A-0017-Dec-Dec-2020_06_08.pdf (in French only)

² NERC petition for approval of errata to Reliability Standard FAC-001-3, retrieved on July 15, 2021 at: <https://www.nerc.com/FilingsOrders/us/NERC%20Filings%20to%20FERC%20DL/Petition%20for%20FAC-001-3%20Errata.pdf>

Reliability Corporation (hereinafter, “NERC”) to the Federal Energy Regulatory Commission (hereinafter, “FERC”) on January 7, 2021 and was approved by FERC the on February 19, 2021 in a letter order in docket RD21-3-000³.

ii. FAC-008-5

The Régie adopted the FAC-008-3 standard in decision D-2016-195⁴ and set July 1, 2017 as the date of its coming into force in Québec. Since this version, NERC filed two (2) versions of the standard to FERC. FAC-008-4 was adopted by the NERC Board of Trustees on May 9, 2020 but was remanded by FERC in Order 873. FERC expressed concern that eliminating Requirement R8 and the mandatory exchange of facility-related information with transmission owners could impact reliability⁵. The FAC-008-5 standard was adopted by the NERC Board of Trustees on February 4, 2021 and approved by FERC on April 7, 2021 in a letter order in docket RD21-4-000⁶ and comes into effect in the United States on October 1, 2021⁷.

The Coordinator is submitting the FAC-008-5 standard as part of the North American Electric Reliability Corporation (NERC) Project 2018-03 Standards Efficiency Project. The purpose of this NERC project is to retire several Reliability Standards on the grounds that the requirements contained therein are duplicative to other requirements, administrative in nature, or are otherwise unnecessary for reliability. The Coordinator recently submitted filing R-4149-2021 to the Régie related to this NERC project. This is therefore the Coordinator’s second filing which refers to NERC’s Standards Efficiency project and others will follow in the future.⁸

1.4. Specific Provisions for Québec

There are no specific provisions for the FAC-001-3 standard. For the FAC-008-5 standard, the Coordinator requests the renewal of the specific provisions from the previous version FAC-008-3, which is applicable to facilities of the Main Transmission System (RTP).

1.5. Proposed Effective Dates

i. FAC-001-3

In its petition for approval of errata⁹ to the FAC-001-3 standard, NERC requested approval of the FAC-001-3 errata version without specifying a timeframe between its request and approval of the errata.

Given the importance of having uniform practices with mandatory standards in effect harmonized with the United States, the Coordinator requests an effective date on the first day of the first calendar quarter¹⁰

³ Letter order RD21-3-000, retrieved on July 15, 2021 at:

https://elibrary.ferc.gov/eLibrary/filelist?document_id=14929910&accessionnumber=20210219-3017

⁴ Régie de l’énergie, Décision D-2016-195, retrieved on July 15, 2021, at: http://publicsde.regie-energie.qc.ca/projets/404/DocPri/R-4001-2017-A-0005-Dec-Dec-2017_06_16.pdf (in French only)

⁵ FERC Order No. 873, retrieved on July 15, 2021 at:

<https://www.nerc.com/FilingsOrders/us/FERCOOrdersRules/Order%20on%20SER%20Retirements.pdf>.

⁶ Letter order RD21-4-000, retrieved on July 15, 2021 at: https://elibrary.ferc.gov/eLibrary/filelist?accession_num=20210407-3030

⁷ NERC Standards subject to future enforcement in the United States, retrieved on July 15, 2021 at:

<https://www.nerc.net/standardsreports/standardssummary.aspx>

⁸ The SER refers to a number of other standards that were filed at the Régie in docket R-xxx.. The full scope of NERC Project 2018-03 can be found at: <https://www.nerc.com/pa/Stand/Pages/Project-2018-03-Standards-Efficiency-Review-Retirements.aspx>

⁹ See note 2.

¹⁰ According to the decision [D-2015-168](#), the Régie fixed the effective date of the standards on the first day of the first calendar quarter following the adoption date. (in French only)

that is three (3) months after the adoption date of the revised standards in this file. The Coordinator considers that the criterion established by the Régie to have a minimum period between the date of adoption and the entry into force of 60 days¹¹ is respected given the minor modifications to the standard which are limited to the deletion of 2 terms as well as the approval of the standard by FERC without additional regulatory deadlines.

ii. **FAC-008-5**

The implementation plan for NERC Project 2018-03¹² proposes that the FAC-008-5 standard become effective on the first day of the first calendar quarter that is three (3) months after applicable approval. The standard comes into force in the United States on October 1, 2021.

Given the importance of having uniform practices with mandatory standards in effect harmonized with the United States, the Coordinator requests an effective date on the first day of the first calendar quarter¹³ that is three (3) months after the adoption date of the revised standards in this file. The Coordinator considers that the criterion established by the Régie to have a minimum period between the date of adoption and the entry into force of 60 days¹⁴ is respected within the framework of NERC implementation plan.

1.6. Standards or Requirements to Retire

The currently version of FAC-001-3 that is in effect is to be retired when the errata to FAC-001-3 becomes effective. The FAC-008-3 standard is to be retired when the standard FAC-008-5 comes into effect.

1.7. Modifications to the Glossary

No modifications.

¹¹ According to the decision [D-2106-011](#), the Régie fixed the minimum delay to 60 days between the adoption and effective date of standards. (in French only)

¹² NERC Project 2018-03 Implementation Plan, retrieved on July 15, 2021 at: https://www.nerc.com/pa/Stand/Project%20201803%20Standards%20Efficiency%20Review%20Require/2018-03_clean_Implementation_Plan_04232019.pdf

¹³ See note 10.

¹⁴ See note 11.

2. ASSESSMENT OF RELEVANCE

2.1. FAC-001-3

NERC filed the FAC-001-3 as part of the 2010-14.2.1 Phase 2 project, which was subsequently approved by FERC in its Order 836¹⁵ on September 20, 2017. In January 2021, it was brought to NERC's attention that NERC had inadvertently filed a draft version of the FAC-001-3 Reliability Standard instead of the final version that was approved by the NERC ballot body and adopted by the NERC Board of Trustees in February 2016. The draft version did not reflect certain non-substantive revisions, including the removal of the term "transport" from Requirement R3, Part 3.3 and the term "production" from Requirement R4, Part 4.3¹⁶ that were made prior to the final ballot for the standard.

2.2. FAC-008-5

NERC initiated Project 2018-03 Standards Efficiency Review to consider the recommendations for Reliability Standard retirements contained in the Standard Authorization Request (SAR).¹⁷ In June 2019, NERC submitted for approval FAC-008-4¹⁸, in which Requirements R7 and R8 were proposed for retirement of the FAC-008-3 standard. In its Order 873, FERC remanded the proposed FAC-008-4 standard to NERC for further consideration, citing concerns with the proposed retirement of Requirement R8.¹⁹ In response to FERC order 873, NERC developed FAC-008-5 in which only Requirement R7 was proposed for retirement²⁰.

The table below details the rationale for retiring requirement R7 as discussed in this document.

Standard	Requirement	Rationale
FAC-008	R7	<p>There is redundancy between this requirement and R2 of MOD-032-1, where the GO must provide the data requested in section 3 of Annexe 1 of the standard.</p> <p>Furthermore, there is also redundancy with requirement R3 of IRO-010-2 and requirement R5 of TOP-003-3 where the GO must satisfy the obligations of the documented specifications that the RC, BA and TOP deem necessary for performing Operational Planning Analyses, Real-time monitoring and Real-time Assessments.</p>

¹⁵ FERC Order 836, retrieved on July 15, 2021 at: https://www.ferc.gov/sites/default/files/2020-04/E-1_5.pdf

¹⁶ NERC petition for approval of errata to Reliability Standard FAC-001-3, retrieved on July 15, 2021 at: <https://www.nerc.com/FilingsOrders/us/NERC%20Filings%20to%20FERC%20DL/Petition%20for%20FAC-001-3%20Errata.pdf#page=3>

¹⁷ NERC Project 2018-03 Standard Authorization Request (SAR), retrieved on July 15, 2021 at: https://www.nerc.com/pa/Stand/Standards%20Efficiency%20Review%20DL/Combined_SER_SAR_08282018.pdf

¹⁸ NERC petition for approval of revised and retired Reliability Standards under the NERC Standards Efficiency Review, retrieved on July 15, 2021 at: [https://www.nerc.com/FilingsOrders/us/NERC%20Filings%20to%20FERC%20DL/Final%20Petition%20for%20Approval%20of%20SER%20Retirements%20\(INT,%20FAC,%20PRC,%20and%20MOD\).pdf](https://www.nerc.com/FilingsOrders/us/NERC%20Filings%20to%20FERC%20DL/Final%20Petition%20for%20Approval%20of%20SER%20Retirements%20(INT,%20FAC,%20PRC,%20and%20MOD).pdf)

¹⁹ FERC Order No. 873, retrieved on July 15, 2021 at: <https://www.nerc.com/FilingsOrders/us/FERCOrdersRules/Order%20on%20SER%20Retirements.pdf#page=26>

²⁰ NERC petition for approval of Reliability Standard FAC-008-5, retrieved on July 15, 2021 at: https://www.nerc.com/FilingsOrders/us/NERC%20Filings%20to%20FERC%20DL/Petition%20for%20Approval%20of%20FAC-008-5_final.pdf

Full information on NERC's rationale for retiring requirements may be found in the Project 2018-03 documentation, particularly the Technical Rationale²¹ document. Furthermore, some improvements have been made in the translated (French) version of the standard, but they are not substantive. These improvements can be seen in the French version of the standard with tracked changes submitted herewith.

However, at the time of this public consultation, the neighboring system in Ontario has not yet adopted the errata version of the FAC-001-3 standard and the FAC-008-5 standard is under review at the Ontario Energy Board²². As for the neighbouring network of New Brunswick, the errata version of the FAC-001-3 standard has been adopted and the FAC-008-5 standard is currently under review with the New Brunswick Energy and Utilities Board.²³

In accordance with the 2009 agreement between the Régie, NERC and the NPCC and with the authorization of the Québec government,²⁴ these standard revisions were developed and approved by recognized agencies in North America, including Québec or in neighboring systems. In the opinion of the Coordinator, the retirements of requirement R7 of the FAC-008-5 standard and changes made to requirements R3.3 and R3.4 of the FAC-001-3 standard will reduce the impact on applicable Entities without compromising system reliability in Québec. The proposed revisions to the Régie are therefore relevant.

3. PRELIMINARY IMPACT ASSESSMENT

This section presents the Reliability Coordinator's preliminary impact assessment.

FAC-001-3	Low	Moderate	High
Implementation of the standard	X		
Enforcement of the standard	X		
Compliance monitoring	X		

FAC-00-85	Low	Moderate	High
Implementation of the standard	X		
Enforcement of the standard	X		
Compliance monitoring	X		

Legend:

²¹ Technical Justification Project 2018-03 – Standards Efficiency Review Retirements, retrieved on July 15, 2021 at: https://www.nerc.com/pa/Stand/Project%20201803%20Standards%20Efficiency%20Review%20Require/2018_03_Technical_Rationale_Clean_04232019.pdf

²² OEB Review Process, retrieved on July 15, 2021 at: <https://www.ieso.ca/en/Sector-Participants/System-Reliability/OEB-Review-Process>

²³ New Brunswick Energy and Utilities Board, retrieved on July 15, 2021 at: <https://nbeub.ca/fr/reliability-standards>

²⁴ Agreement entered into in accordance with Order-in-Council 443-2009 dated April 8, 2009. http://www.regie-energie.qc.ca/audiences/normes_fiab_tranp_elec/Entente_Regie_NERC_NPCC_5mai09.pdf (in French only).

- Low:** Normal industry practice that only requires minor adjustments to existing processes or practices.
- Moderate:** Change that requires allocation of some physical, human or financial resources to implement the proposed standard, maintain it or monitor its compliance.
- High:** Change that requires allocation of significant physical, human or financial resources to plan and implement the proposed standard, maintain it or monitor its compliance.

4. FINAL IMPACT ASSESSMENT

This section shall be completed upon receipt of the impact assessment forms and at the conclusion of the consultation process prior to filing of reliability standards with the Régie de l'énergie.