

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ELECTRIC RELIABILITY

North American Electric Reliability Corporation
Docket No. RD22-2-000

March 4, 2022

North American Electric Reliability Corporation
1325 G Street N.W., Suite 600
Washington, D.C. 20005

Attention: Shamai Elstein, Associate General Counsel
North American Electric Reliability Corporation

Reference: Petition of the North American Electric Reliability Corporation for
Approval of Proposed Reliability Standards Related to Establishing and
Communicating System Operating Limits

Dear Mr. Elstein:

On June 28, 2021, the North American Electric Reliability Corporation (NERC) filed a petition requesting approval of proposed Reliability Standards FAC-011-4 (System Operating Limits Methodology for the Operations Horizon), FAC-014-3 (Establish and Communicate System Operating Limits), FAC-003-5 (Transmission Vegetation Management), IRO-008-3 (Reliability Coordinator Operational Analyses and Real-time Assessments), PRC-002-3 (Disturbance Monitoring and Reporting Requirements), PRC-023-5 (Transmission Relay Loadability), PRC-026-2 (Relay Performance During Stable Power Swings), and TOP-001-6 (Transmission Operations). NERC also requested approval of: (1) modifications to the Glossary of Terms Used in NERC Reliability Standards to revise the definition of System Operating Limit (SOL) and to add a new term, System Voltage Limit; (2) the associated implementation plan, violation risk factors and violation severity levels; and (3) the retirement of Reliability Standard FAC-010-3 (System Operating Limits Methodology for the Planning Horizon).

NERC explains that the proposed Reliability Standards and NERC Glossary definitions enhance reliability by: (1) providing for greater clarity and uniformity in reliability coordinators' SOL methodologies; (2) improving the coordination between planning and operations as it relates to analysis input assumptions and system performance criteria; (3) establishing a performance framework for determining SOL exceedances when performing operational planning analyses, real-time assessments, and

real-time monitoring; (4) clarifying functional entity responsibilities for establishing and communicating each type of SOL and Interconnection Reliability Operating Limit (IROL), consistent with the Commission's directive in Order No. 777; and (8) reducing redundancy and improving alignment with the transmission planning, transmission operations, and interconnection reliability operations Reliability Standards.¹

Separately, NERC's petition addresses the statement in Order No. 817 that "it appears that regional discrepancies exist regarding the manner for calculating IROLs."² NERC acknowledges that the directive in Order No. 817 remains outstanding.³ NERC explains that the standard drafting team originally intended to review the manner in which IROLs are established to address the regional discrepancies discussed in Order No. 817.⁴ However, NERC subsequently determined that it would be beneficial to develop additional technical information on the establishment of IROLs prior to engaging in further standards development.⁵

NERC's filed petition was noticed on February 3, 2022, with interventions, comments, and protests due on or before February 24, 2022. No interventions, comments, or protest were filed.

NERC's uncontested filing is hereby approved pursuant to the relevant authority delegated to the Director, Office of Electric Reliability under 18 C.F.R. § 375.303 (2021), effective as of the date of this order.

This action shall not be construed as approving any other application, including proposed revisions of Electric Reliability Organization or Regional Entity rules or procedures pursuant to 18 C.F.R. § 375.303(a)(2)(i). Such action shall not be deemed as recognition of any claimed right or obligation associated therewith and such action is without prejudice to any findings or orders that have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against the Electric Reliability Organization or any Regional Entity.

¹ NERC Petition at 4.

² *Transmission Operations Reliability Standards and Interconnection Reliability Standards and Coordination Reliability Standards*, Order No. 817, 153 FERC ¶ 61,178, at PP 21, 27 (2015).

³ NERC Petition at 10.

⁴ *Id.* at 8, footnote 23.

⁵ *Id.* at 9.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely

David Ortiz, Acting Director
Office of Electric Reliability