

## Standard Development Timeline

This section is maintained by the drafting team during the development of the standard and will be removed when the standard is adopted by the Board of Trustees.

### Description of Current Draft

Completed Actions	Date
Standards Committee approved Standard Authorization Request (SAR) for posting	08/19/15
SAR posted for comment	08/20/15 – 09/21/15
Draft Reliability Standard posted for Informal Comment Period	07/14/16 – 08/12/16

Anticipated Actions	Date
45-day formal comment period with ballot	September 2017 – October 2017
45-day formal comment period with additional ballot	January 2018 – February 2018
10-day final ballot	February 2018
NERC Board (Board) adoption	May 2018

## A. Introduction

1. **Title:** Establish and Communicate System Operating Limits
2. **Number:** FAC-014-3
3. **Purpose:** To ensure that System Operating Limits (SOLs) used in the reliable operation of the Bulk Electric System (BES) are determined based on an established methodology or methodologies.
4. **Applicability:**
  - 4.1. **Functional Entities:**
    - 4.1.1. Reliability Coordinator
    - 4.1.2. Transmission Operator
5. **Effective Date:** See Implementation Plan for [Project 2015-09](#).

## B. Requirements and Measures

- R1.** Each Reliability Coordinator shall establish Interconnection Reliability Operating Limits (IROLs) for its Reliability Coordinator Area in accordance with its System Operating Limit Methodology (SOL Methodology). *[Violation Risk Factor: High ] [Time Horizon: Operations Planning]*
- M1.** Acceptable evidence may include, but is not limited to, dated electronic or hard copy documentation to demonstrate that the Reliability Coordinator established IROLs in accordance with its SOL Methodology.
- R2.** Each Transmission Operator shall establish System Operating Limits (SOLs) for its portion of the Reliability Coordinator Area in accordance with its Reliability Coordinator's SOL Methodology. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning]*
- M2.** Acceptable evidence may include, but is not limited to, dated electronic or hard copy documentation to demonstrate that the Transmission Operator established SOLs in accordance with its Reliability Coordinator's SOL Methodology.
- R3.** The Transmission Operator shall provide its SOLs to its Reliability Coordinator in accordance with its Reliability Coordinator's SOL Methodology. *[Violation Risk Factor: Medium] [Time Horizon: Operations Planning, Same-day Operations, Real-Time Operations]*
- M3.** Acceptable evidence may include, but is not limited to, dated electronic or hard copy documentation to demonstrate that the Transmission Operator provided its SOLs in accordance with its Reliability Coordinator's SOL Methodology.
- R4.** Each Reliability Coordinator shall establish stability limits to be used in operations when the limit impacts more than one Transmission Operator in its Reliability

Coordinator Area in accordance with its SOL Methodology. *[Violation Risk Factor: High] [Time Horizon: Operations Planning]*

- M4.** Acceptable evidence may include, but is not limited to, dated electronic or hard copy documentation to demonstrate that the Reliability Coordinator established stability limits in accordance with Requirement R4.
- R5.** Each Reliability Coordinator shall provide: *[Violation Risk Factor: High] [Time Horizon: Operations Planning, Same-day Operations, Real-Time Operations]*
  - 5.1.** Each Planning Coordinator within its Reliability Coordinator Area, SOLs for its Reliability Coordinator Area (including the subset of SOLs that are IROLs) at least once every twelve calendar months.
  - 5.2.** Each impacted Planning Coordinator within its Reliability Coordinator Area, the following information for each established stability limit and each established IROL at least once every twelve calendar months:
    - 5.2.1.** The value of the stability limit or IROL;
    - 5.2.2.** Identification of the Facilities that are critical to the derivation of the stability limit or IROL;
    - 5.2.3.** The associated IROL  $T_v$  for any IROL;
    - 5.2.4.** The associated Contingency(ies); and
    - 5.2.5.** The type of limitation represented by the stability limit or IROL (*e.g.*, voltage collapse, angular stability).
  - 5.3.** Each impacted Transmission Operator within its Reliability Coordinator Area, the value of the stability limits established pursuant to Requirement R4 and each IROL established pursuant to Requirement R1, in an agreed upon time frame necessary for inclusion in the Transmission Operator's Operational Planning Analyses, Real-time monitoring, and Real-time Assessments.
  - 5.4.** Each impacted Transmission Operator within its Reliability Coordinator Area, the information identified in Requirement R5 Parts 5.2.2 – 5.2.5 for each established stability limit or each IROL, and any updates to that information within an agreed upon time frame necessary for inclusion in the Transmission Operator's Operational Planning Analyses.
  - 5.5.** Each requesting Transmission Operator within its Reliability Coordinator Area, requested SOL information for its Reliability Coordinator Area, on a mutually agreed upon schedule.
- M5.** Acceptable evidence may include, but is not limited to, dated electronic or hard copy documentation to demonstrate that the Reliability Coordinator provided the information in accordance with Requirement R5.
- R6.** Each Reliability Coordinator that is impacted by an IROL shall provide Transmission Owners and Generation Owners within its Reliability Coordinator Area a list of

Facilities owned by that entity that are critical to the derivation of the IROL. *[Violation Risk Factor: High] [Time Horizon: Operations Planning]*

- M6.** Acceptable evidence may include, but is not limited to, dated electronic or hard copy documentation to demonstrate that the Reliability Coordinator provided the list of Facilities in accordance with Requirement R6.

## C. Compliance

### 1. Compliance Monitoring Process

#### 1.1. Compliance Enforcement Authority:

“Compliance Enforcement Authority” means NERC or the Regional Entity, or any entity as otherwise designated by an Applicable Governmental Authority, in their respective roles of monitoring and/or enforcing compliance with mandatory and enforceable Reliability Standards in their respective jurisdictions.

#### 1.2. Evidence Retention:

The following evidence retention period(s) identify the period of time an entity is required to retain specific evidence to demonstrate compliance. For instances where the evidence retention period specified below is shorter than the time since the last audit, the Compliance Enforcement Authority may ask an entity to provide other evidence to show that it was compliant for the full-time period since the last audit.

The applicable entity shall keep data or evidence to show compliance as identified below unless directed by its Compliance Enforcement Authority to retain specific evidence for a longer period of time as part of an investigation.

- The Reliability Coordinator or Transmission Operator shall keep data or evidence of Requirements R1 through R6 for the current year plus the previous 12 calendar months.

#### 1.3. Compliance Monitoring and Enforcement Program

As defined in the NERC Rules of Procedure, “Compliance Monitoring and Enforcement Program” refers to the identification of the processes that will be used to evaluate data or information for the purpose of assessing performance or outcomes with the associated Reliability Standard.

## Violation Severity Levels

R #	Violation Severity Levels			
	Lower VSL	Moderate VSL	High VSL	Severe VSL
<b>R1.</b>	N/A	N/A	N/A	The Reliability Coordinator did not establish Interconnection Reliability Operating Limits (IROLs) for its Reliability Coordinator Area in accordance with its System Operating Limit Methodology (“SOL Methodology”) as established in FAC-011-4.
<b>R2.</b>	N/A	N/A	N/A	The Transmission Operator did not establish SOLs for its portion of the Reliability Coordinator Area in accordance with its Reliability Coordinator’s SOL Methodology.
<b>R3.</b>	N/A	N/A	The Transmission Operator provided its SOLs to its Reliability Coordinator, but did not provide its SOLs at the periodicity at which the RC needs such information	The Transmission Operator did not provide its SOLs to its Reliability Coordinator.

			to perform its reliability functions.	
<b>R4.</b>	N/A	N/A	N/A	The Reliability Coordinator did not determine stability limits to be used in operations when the limit impacts more than one Transmission Operator in its Reliability Coordinator Area in accordance with its SOL Methodology.
<b>R5.</b>	The Reliability Coordinator did not provide one of the items listed in Requirement R5, Parts 5.1 through 5.5.	The Reliability Coordinator did not provide two of the items listed in Requirement R5, Parts 5.1 through 5.5.	The Reliability Coordinator did not provide three of the items listed in Requirement R5, Parts 5.1 through 5.5.	The Reliability Coordinator did not provide four or more of the items listed in Requirement R5, Parts 5.1 through 5.5.
<b>R6.</b>	N/A	N/A	N/A	The Reliability Coordinator with an established IROL, or the Reliability Coordinator impacted by a neighboring Reliability Coordinator IROL, did not provide Transmission Owners or Generation Owners within its Reliability Coordinator Area a list of Facilities owned by that entity that are critical to the derivation of the IROL.

**D. Regional Variances**

None

**E. Interpretations**

None

**F. Associated Documents**

Implementation Plan

## Version History

Version	Date	Action	Change Tracking
1	November 1, 2006	Adopted by Board of Trustees	New
2		Changed the effective date to January 1, 2009 Replaced Levels of Non-compliance with Violation Severity Levels	Revised
2	June 24, 2008	Adopted by Board of Trustees: FERC Order	Revised
2	January 22, 2010	Updated effective date and footer to April 29, 2009 based on the March 20, 2009 FERC Order	Update
2	April 29, 2015 – July 23, 2015	Incorrectly included TOP as the applicable function for Requirement R5. 7/23/15: Corrected to designate R5 as: RC, PA and TP.	Revised
3		Project 2015-09 Adopt revised standard.	Revision