FAC-008-3 & Most Limiting Series Element Lists
April 5, 2018
IMM’s Comment & PJM’s Response

**IMM Recommendation:** The IMM recommends that PJM routinely review all transmission facility ratings and any changes to those ratings to ensure that the normal, emergency and load dump ratings used in modeling the transmission system are accurate and reflect standard ratings practice.

**IMM Status:** Partially adopted

**PJM Status:** Implemented

**PJM Response:** The Transmission Owners Agreement-Administrative Committee (TOA-AC) created a subgroup to address this recommendation. The subgroup developed a detailed presentation on the transmission owner internal compliance process to satisfy the existing FAC-008-3 standard from the North American Electric Reliability Corporation. Transmission owners have demonstrated strict processes and controls are already in place to ensure facility ratings used in PJM operation are determined based on technically sound principles. PJM is satisfied with the current transmission owner facility rating development and update process.
Facility Ratings & FAC-008-3

• Transmission facility ratings:
  • Measured in MVA
  • TOs are required to:
    • Have a documented ratings methodology (R3)
    • Develop ratings according to the documented methodology (R6)
• Facility ratings are included in FERC Form 715, which is filed with FERC annually
• Methodology must be consistently applied:
  • Planning, Energy Management, and Capacity Pricing
• The extent to which NERC systematically and comprehensively reviews, verifies, or audits the TOs’ compliance with R3 and R6 is unclear
Transmission Customer Concerns

• Facility ratings are critical not only in transmission planning, but also EMS dispatch, operations, RPM and ARR/FTR allocation

• The process for PJM reviewing, approving, and verifying facility ratings is not sufficiently transparent

• The process for ensuring consistency in the use of the facility ratings is not sufficiently transparent

• The process by which TOs calculate their facility ratings is not sufficiently transparent
  • FAC-008-3 methodologies are generally not made available to transmission customers and merchant developers

• Oversight of facility ratings applied in cases, the methodologies and calculations – whether by FERC, NERC, RFC, PJM, or the IMM – is not sufficiently transparent
Questions for Discussion

• How can PJM better track and make available changes to facility ratings?
• What processes could be implemented to verify, approve and report facility ratings that are provided to PJM by the TOs?
  • How does PJM account for all proposed projects (Supplemental and Baseline)?
• How best to develop and maintain an official, transparent, and publicly available database of current facilities and their ratings?
  • Will enable all stakeholders to determine what elements are, or could limit a facility
  • Will ensure a developer participating in PJM’s competitive window process under Order 1000 is aware of limiting a branch in the model