

## **FAC-008 Activity**

**NDSWG Meeting**  
**October 16, 2018**

---

# Facility Ratings – FAC-008-3

## Importance of Facility Ratings

- Avoids operating generation and transmission facilities in excess of their actual equipment capacity
- Reduces the opportunity for equipment damage, outages, and loss of generation and load
- Supports situational awareness by ensuring accurate operational data for Real-time models, contingency analyses, and system planning analyses
- Impact on CIP-002 determinations

## Risk Element

- Texas RE has Facility Ratings as a risk element.
- Focused on identifying potential gaps in the development and application of Facility Rating Methodologies for registered entities

# FAC-008 Compliance Assessments: January 2016 – July 2018

**Between January  
2016 – July 2018**

- Texas RE conducted or initiated 55 Compliance Audits that included FAC-008-3.
- Texas RE completed one Self-Certification for FAC-008-3 R6 and one Spot Check for FAC-008-3 R6.

**Texas RE reviewed  
151 FAC-008-3  
Requirements in 55  
Compliance Audits**

- R1 - reviewed in 27 Compliance Audits
- R2 - reviewed in 31 Compliance Audits
- R3 - reviewed in 9 Compliance Audits
- R6 - reviewed in 55 Compliance Audits
- R7 - reviewed in 17 Compliance Audits
- R8 - reviewed in 12 Compliance Audits

# FAC-009/FAC-008 Records Posted/Filed: 2016 – 2017

## Processed in 2016 – 5 Audit Findings | Various Processing Methods for 3 Entities

Standard Requirement	Number of Record(s)	Risk and Processing Information
FAC-009-1 R1	3	1 CE (minimal risk)   2 FFTs (moderate risk)
FAC-009-1 R2	1	1 FFT (moderate risk)
FAC-008-3 R8	1	1 FFT (moderate risk)

## Processed in 2017 – 15 Audit Findings | 1 SNOP Agreement for 5 Affiliated Entities

Standard Requirement	Number of Record(s)	Risk and Processing Information
FAC-008-1 R1	4	SNOP - \$80,000
FAC-008-3 R2	4	SNOP pertained to 31 various records
FAC-009-1 R1	3	15 of the records were moderate risk <u>FAC</u> issues
FAC-009-1 R2	4	

# FAC-009/FAC-008 Records Posted/Filed: 2018

## Processed in August 2018 – 2 Audit Findings | 1 NOP Agreement for a Single Entity

Standard Requirement	Number of Record(s)	Risk and Processing Information
FAC-009-1 R1	1	NOP - \$225,000
FAC-009-1 R2	1	Both records were moderate risk issues

# Previous Outreach Activities – FAC-008-3

## Spring Standards and Compliance Workshop - 2018

- FAC-008-3 was addressed during the “Compliance Monitoring Updates: Good Catches” presentation.

## Fall Standards and Compliance Workshop - 2017

- FAC-008-3 was addressed as one of the ERO Risk Elements during the “2018 CMEP Implementation Plan” presentation.

## Fall Standards and Compliance Workshop - 2016

- Enforcement conducted a presentation on FAC-008-3, “Facility Rating Mitigation Best Practices.” The two primary topics were “Calculating Facility Ratings in an accurate manner” and “Ensuring that correct Facility Ratings are submitted to ERCOT.”

# What does this mean to me?

- **Good chance that engagements will include FAC-008**
- **Points to consider**
  - Internal audits
  - Awareness within company
  - Coordination efforts with other companies
  - Internal versus those provided to ERCOT
  - Validation of processes
  - Validation of inventory
  - Validation of ownership
  - Delivery time to ERCOT
  - Are field personnel acutely aware?