

188 FERC ¶ 61,214
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Willie L. Phillips, Chairman;
Mark C. Christie, David Rosner,
Lindsay S. See and Judy W. Chang.

North American Electric Reliability Corp.

Docket No. RD24-7-000

ORDER APPROVING REGIONAL RELIABILITY STANDARD FAC-501-WECC-4

(Issued September 26, 2024)

1. On May 17, 2024, the North American Electric Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) filed a joint petition seeking approval of proposed regional Reliability Standard FAC-501-WECC-4 (Transmission Maintenance), its associated Violation Risk Factors and Violation Severity Levels, and the proposed implementation plan including the retirement of regional Reliability Standard FAC-501-WECC-2.¹ In addition, WECC submits for Commission approval a standalone process document (Table Revision Process) to guide future revisions of the Major WECC Transfer Paths in the Bulk Electric System table (Table), which establishes the transmission paths subject to the regional Reliability Standard and other Reliability Standards that incorporate the Table by reference.² Lastly, WECC proposes to relocate the Table, currently appended to regional Reliability Standard FAC-501-WECC-2, to the standalone Table Revision Process document.

2. As discussed in this order, pursuant to section 215(d)(2) of the Federal Power Act (FPA),³ we approve proposed regional Reliability Standard FAC-501-WECC-4, its associated Violation Risk Factors and Violation Severity Levels, and the proposed implementation plan including the retirement of regional Reliability Standard FAC-501-WECC-2. We also approve the proposed Table Revision Process and the relocation of the Major WECC Transfer Paths Table to the Table Revision Process.

¹ Joint Petition at 1.

² The Table is incorporated by reference in Reliability Standards FAC-003-5 (Transmission Vegetation Management) and PRC-023-6 (Transmission Relay Loadability), and the NERC Glossary of Terms.

³ 16 U.S.C. § 824o(d)(2).

I. Background

A. Section 215 and Mandatory Reliability Standards

3. Section 215 of the FPA provides that the Commission may certify an Electric Reliability Organization (ERO), the purpose of which is to develop mandatory and enforceable Reliability Standards, subject to Commission review and approval.⁴ Further, section 215 of the FPA and section 39.8 of the Commission's regulations provide that the ERO may enter into an agreement to delegate its authority to propose Reliability Standards to a Regional Entity.⁵ When the ERO reviews a regional Reliability Standard that would be applicable on an Interconnection-wide basis and that has been proposed by a Regional Entity organized on an Interconnection-wide basis, the ERO must rebuttably presume that the regional Reliability Standard is just, reasonable, not unduly discriminatory or preferential, and in the public interest.⁶ In turn, the Commission must give "due weight" to the technical expertise of the ERO and of a Regional Entity organized on an Interconnection-wide basis when reviewing proposed regional Reliability Standards.⁷ In July 2006, the Commission certified NERC as the ERO.⁸ In April 2007, the Commission accepted NERC's delegation agreement with WECC as a Regional Entity organized on an Interconnection-wide basis.⁹

B. Regional Reliability Standard FAC-501-WECC-2

4. In February 2009, NERC submitted a petition to the Commission seeking approval of its proposed regional Reliability Standard FAC-501-WECC-1 to replace Commission-approved regional Reliability Standard WECC PRC-STD-005-1.¹⁰ Regional Reliability

⁴ 16 U.S.C. § 824o.

⁵ *Id.* § 824o(e)(4); 18 C.F.R. § 39.8(a) (2024).

⁶ 16 U.S.C. § 824o(d)(3); *see also* 18 C.F.R. § 39.5(b) (2024).

⁷ 16 U.S.C. § 824o(d)(2); *see also* 18 C.F.R. § 39.5(c)(2).

⁸ *N. Am. Elec. Reliability Corp.*, 116 FERC ¶ 61,062, *order on reh'g and compliance*, 117 FERC ¶ 61,126 (2006), *order on compliance*, 118 FERC ¶ 61,030, *order on clarification and reh'g*, 119 FERC ¶ 61,046 (2007), *aff'd sub. nom. Alcoa Inc. v. FERC*, 564 F.3d 1342 (D.C. Cir. 2009).

⁹ *N. Am. Elec. Reliability Corp.*, 119 FERC ¶ 61,060 (Initial Delegation Agreement Order), *order on reh'g*, 120 FERC ¶ 61,260 (2007).

¹⁰ *N. Am. Elec. Reliability Corp.*, Petition, Docket No. RM09-9-000 (filed Feb. 9, 2009).

Standard FAC-501-WECC-1 required transmission owners of certain transmission paths and associated facilities to have Transmission Maintenance and Inspection Plans and perform and document maintenance and inspection activities. Like its predecessor Standard, FAC-501-WECC-1 applied to transmission owners that maintain transmission paths listed in the Table attached to the Standard. The petition explained, however, that the Table would no longer be attached to the Standard but instead would be maintained on the WECC website.

5. In Order No. 751, the Commission discussed notice and transparency concerns raised by the Reliability Standard FAC-501-WECC-1 petition. First, because WECC would be able to revise the Table without following the standard development process and its notice requirements, the applicability of the regional Reliability Standard (and other Reliability Standards that incorporate the Table by reference)¹¹ could change at any time, creating confusion for entities that need to comply with the Standard.¹² Second, because changes to the Table would occur without NERC or Commission review and approval, the Commission would not be able to verify that WECC applied the requirements of FAC-501-WECC-1 in a just and reasonable manner.¹³ Accordingly, the Commission approved FAC-501-WECC-1 and directed WECC to file within 60 days its criterion for identifying and modifying major transmission paths listed in the Table, and to publicly post any revisions to the Table on the WECC website with concurrent notification to the Commission, NERC, and industry.¹⁴ WECC did not subsequently submit to the Commission its criterion for identifying and modifying major transmission paths.

6. In 2018, acknowledging the Commission's transparency concerns in Order No. 751, NERC submitted a petition to the Commission seeking approval of regional Reliability Standard FAC-501-WECC-2.¹⁵ Among other revisions, FAC-501-WECC-2 included the Table as an attachment to the regional Reliability Standard, thus requiring

¹¹ The Table is incorporated by reference in Reliability Standards FAC-003-5 (Transmission Vegetation Management) and PRC-023-6 (Transmission Relay Loadability), and the NERC Glossary of Terms.

¹² *Version One Reg'l Reliability Standards for Facilities Design, Connections, & Maint.; Prot. & Control; & Voltage and Reactive*, Order No. 751, 135 FERC ¶ 61,061, at P 20 (2011).

¹³ *See id.* P 21.

¹⁴ *Id.* P 24.

¹⁵ N. Am. Elec. Reliability Corp., Petition, Docket No. RD18-5-000 (filed Mar. 16, 2018).

NERC and Commission approval of any changes to the Standard's applicability. The proposed regional Reliability Standard was approved via delegated letter order.¹⁶

C. The Petition and Proposed Regional Reliability Standard FAC-501-WECC-4

7. On May 17, 2024, NERC and WECC filed a joint petition seeking approval of proposed regional Reliability Standard FAC-501-WECC-4, its associated Violation Risk Factors and Violation Severity Levels, and the proposed implementation plan including the retirement of regional Reliability Standard FAC-501-WECC-2.¹⁷ In addition, NERC and WECC propose to relocate the Table, currently appended to regional Reliability Standard FAC-501-WECC-2, to a standalone document, and submits for Commission approval a Table Revision Process that would guide the process for adding, removing or modifying paths included in the Table.

8. The joint petition states that the purpose of proposed regional Reliability Standard FAC-501-WECC-4 is to ensure that the transmission owner of a Major WECC Transfer Path has a Transmission Maintenance and Inspection Plan for those paths and annually updates and adheres to its plan.¹⁸ The joint petition states that FAC-501-WECC-4 would improve upon the currently effective Standard by: (1) creating a standalone Table Revision Process, which would improve the procedures for identifying paths subject to the standard and other Reliability Standards; (2) clarifying the applicable Facilities; (3) removing four paths from the Table; (4) removing the Table from the proposed Standard; (5) relocating the Table to the newly proposed Table Revision Process as Attachment A; and (6) providing clarifications and updates to the style and format for readability and proper referencing.¹⁹

9. The joint petition states that the proposal to remove the Table from regional Reliability Standard FAC-501-WECC-2 and include it as an attachment to the Table Revision Process document, "reflect[s] the reality that '[p]aths once deemed essential to stability may no longer be essential as changes are made to the operation, planning, and configuration of the Bulk Electric System. As such, those paths and the equipment

¹⁶ *N. Am. Elec. Reliability Corp.*, Docket No. RD18-5-000 (May 30, 2018) (delegated order).

¹⁷ Joint Petition at 1.

¹⁸ *Id.* at 3.

¹⁹ *Id.* at 3-4. According to NERC and WECC, the joint petition proposes only non-substantive changes to the Requirements in the Standard. *Id.* at 22-23.

comprising those paths may be considered for deletion from the Table.”²⁰ According to the joint petition, moving the Table outside of the Standard would allow for changes to the Table to occur more efficiently as these changes would no longer require a regional Reliability Standard revision.²¹

10. The joint petition further states that the Table Revision Process would establish a robust stakeholder process including completion and vetting of specific studies. Under the Table Revision Process, entities requesting the addition or removal of paths from the Table would need to develop a technical study that includes: “a description of the path to be added, removed, or modified from the Table; a description of the circumstances triggering the requested change; a description of the study method used in support of the requested change; a description of the conclusions and impacts disclosed by the technical study; a description of maintenance practices applicable to the path at the time of the request, and a description of the maintenance practices that would apply if the path were removed from the Table.”²² The Table Revision Process would require the requesting entity to share its study upon request with transmission owners, transmission operators, and reliability coordinators with a reliability need for the information.²³ Additionally, the Table Revision Process would establish a series of notice and comment requirements similar to those required for the revision of a regional Reliability Standard.²⁴ Once a change to the Table is approved by WECC’s Board of Directors, WECC’s proposal is to file an informational filing with NERC and the Commission.²⁵ Revisions to the Table Revision Process itself would be treated similarly to a regional Reliability Standard revision and require approval by the WECC Board of Directors, NERC Board of

²⁰ *Id.* at 14-15.

²¹ *Id.* at 15.

²² *Id.* at 16.

²³ *Id.* at 17.

²⁴ *Id.*

²⁵ Requirement R1.8 of the proposed Table Revision Process states that the effective date of any change to the Table “shall be the latter of the proposed effective date or the first day of the second quarter following FERC’s acceptance of the required informational filing.” Joint Petition, attach. C-2 at 3. Because informational filings do not require Commission action or response, we understand Requirement R1.8’s statement regarding the date of “FERC’s acceptance of the required informational filing” to refer to the date on which the informational filing would be considered “filed” according to our regulations. *See* 18 C.F.R. § 385.2001(a)(2) (2024). We encourage WECC to revise this language when and should WECC revisit the Table Revision Process in the future.

Trustees, and the Commission.²⁶ The joint petition avers that the requirements set forth in the Table Revision Process address the notice and transparency concerns raised by the Commission in Order No. 751.²⁷

11. According to the joint petition,²⁸ approval of the proposed standard would result in the permanent removal from the Table of four Major WECC Transfer Paths, three by request of the Arizona Public Service (APS) (Path 22-Southwest Four Corners, Path 50-Cholla Pinnacle Peak, Path 51-Southern Navajo), and one by request of the Bonneville Power Administration (BPA) (Path 73-North of John Day Cutplane). The joint petition states that WECC has no records as to why any of the paths listed on the Table were selected. Notwithstanding, the joint petition states that a robust and transparent stakeholder process determined that removing these four paths from the Table would not have an adverse reliability impact.²⁹

12. Specifically, the joint petition states that the three APS paths were built to support the transfer of generation to major load centers from coal-fired generating facilities that have either already retired or are slated for retirement.³⁰ In support of its delisting requests, APS submitted technical studies showing reliable system operations after the retirement of the coal units.³¹ APS further indicated that transmission planning studies using 5 and 10 year peak cases showed that the removal of the paths would not result in reliability impacts.³² The joint petition also explains that BPA's Path 73 (North of John Day) was retired in 2021.³³ According to a BPA operations planning study, the North of John Day path was retired because it was "no longer required for operating the bulk electric system" as a result of several reinforcements that "significantly increased

²⁶ Joint Petition at 18.

²⁷ *Id.*

²⁸ *Id.* at 3-4.

²⁹ *Id.* at 20.

³⁰ *Id.* at 21-23.

³¹ *Id.* at 20-21 (citing *WECC*, WECC-0149 FAC-501-WECC – attach. T at 2 (2024), <https://www.wecc.org/wecc-document/4131>).

³² APS Sept. 15, 2021 Letter to FERC, WECC-0149 FAC-501-WECC – attach. T04 at 2 (2021), <https://www.wecc.org/wecc-document/4176>; *see also* Joint Petition at 20-21 (citing *WECC*, WECC-0149 FAC-501-WECC - attach. T at 2).

³³ Joint Petition at 22.

the system's voltage stability limit for all lines in service and planned outage conditions.”³⁴ BPA's study further concluded that not only was the North of John Day path no longer necessary, but in fact, its retirement was “necessary to ensure optimal use of BPA's transmission resources and to ensure coordinated operation of the voltage stability limit with the [Reliability Coordinator]'s Oregon Export [Interconnection Reliability Operating Limit].”³⁵

II. Notice of Filing and Responsive Pleadings

13. Notice of the joint petition was published in the *Federal Register*, 89 Fed. Reg. 46,388 (May 29, 2024), with interventions, comments, and protests due on or before June 20, 2024. None was filed.

III. Commission Determination

14. As discussed below, we approve proposed regional Reliability Standard FAC-501-WECC-4 as just, reasonable, not unduly discriminatory or preferential, and in the public interest.³⁶ We find that the proposed Standard is more stringent than any corresponding continent-wide Reliability Standards in that it includes a broader range of elements for maintenance. For this same reason, we find that the requirements of proposed regional Reliability Standard FAC-501-WECC-4 are not redundant of the requirements of other corresponding continent-wide Standards.

15. Although the joint petition does not request Commission approval of the removal of Paths 22, 50, 51, and 73 from the Table, by approving the retirement of regional Reliability Standard FAC-501-WECC-2 and approving proposed regional Reliability Standard FAC-501-WECC-4, we effectively approve the delisting of those paths. The reports and studies presented by APS and BPA in support of their requests to delist these four paths suggest that the enhanced maintenance requirements of the Standard are no longer justified as the paths no longer serve an essential reliability purpose: for APS,

³⁴ BPA, North of John Day Path Retirement Operations Planning, Dec. 2020, WECC-0149 FAC-501-WECC - attach. T07 at 1 (2020) (BPA Study), <https://www.wecc.org/wecc-document/4206>; see also Joint Petition at 22 (citing *WECC*, WECC-0149 FAC-501-WECC – attach. T at 4).

³⁵ BPA Study at 4; see also Joint Petition at 23 (citing *WECC*, WECC-0149 FAC-501-WECC - attach. T at 4).

³⁶ In turn, we approve the associated Violation Risk Factors and Violation Severity Levels, the proposed implementation plan including the retirement of regional Reliability Standard FAC-501-WECC, and the Table Revision Process, including the relocation of the Major WECC Transfer Paths Table to that document.

the coal units that Paths 22, 50, and 51 once connected to major load centers have been or will soon be retired; for BPA, improvements elsewhere in its system obviate the voltage stability purpose once served by Path 73.³⁷ We find that the evidence presented by APS and BPA supports the delisting of the four paths.

16. We also find that proposed regional Reliability Standard FAC-501-WECC-4 and its associated Table Revision Process improve on the existing Standard by establishing a comprehensive process by which changes to the Table will be requested and reviewed. We agree with NERC and WECC that the Table Revision Process's notice requirements, including the requirement for WECC to submit an informational filing to the Commission after every change to the Table, address the Commission's notice concerns articulated in Order No. 751.

17. We also conclude that proposed regional Reliability Standard FAC-501-WECC-4 and its associated Table Revision Process address the Commission's transparency concerns regarding the addition or removal of a path from the Table as outlined in Order No. 751. We expect that the proposed Table Revision Process's robust stakeholder process will provide a platform for WECC and its stakeholders to adequately and openly assess the technical studies supporting the addition or removal of a path from the Table. We also believe that the informational filing that WECC must submit after making changes to the Table will allow the Commission to verify that WECC is applying the requirements of the Reliability Standard in a just and reasonable manner.³⁸ To ensure that the informational filings submitted by WECC to the Commission after making changes to the Table will contain sufficient information for Commission review, we direct WECC to include, at a minimum, the following: (1) the circumstances triggering the addition, modification, or removal of a path from the Table,³⁹ (2) the technical justification supporting the addition, modification, or removal of a path from the Table, and (3) what impact the change may have on the Reliable Operation of the Bulk-Power System.

18. Accordingly, we approve proposed regional Reliability Standard FAC-501-WECC-4, including the delisting of Paths 22, 50, 51, and 73 from the Table, its associated Violation Risk Factors and Violation Severity Levels, and the proposed implementation plan including the retirement of regional Reliability Standard FAC-501-WECC-2. We also

³⁷ See *supra* PP 11-12.

³⁸ Order No. 751, 135 FERC ¶ 61,061 at P 24.

³⁹ These circumstances could include, for example, changes to system topology, the path being no longer necessary to support the transfer of generation to major load centers, or the path being no longer necessary to maintain system stability due to other transmission system reinforcements.

approve the proposed Table Revision Process and the relocation of the Major WECC Transfer Paths Table to the Table Revision Process.

IV. Information Collection Statement

19. The information collection requirements contained in this order are subject to review by the Office of Management and Budget (OMB) under section 3507(d) of the Paperwork Reduction Act of 1995.⁴⁰ OMB's regulations require approval of certain information collection requirements imposed by agency orders.⁴¹ Upon approval of a collection of information, OMB will assign an OMB control number and expiration date. Respondents subject to the filing requirements of this order will not be penalized for failing to respond to this collection of information unless the collection of information displays a valid OMB control number.

20. The approval of NERC and WECC's proposed regional Reliability Standard FAC-501-WECC-4 (Transmission Maintenance), is covered by, and already included in, the existing OMB-approved information collection FERC-725 (Certification of Electric Reliability Organization; Procedures for Electric Reliability Standards; OMB Control No. 1902-0225), under Reliability Standards Development.⁴² The reporting requirements in FERC-725 include the ERO's overall responsibility for developing Reliability Standards, such as FAC-501-WECC-4, which is designed to ensure that transmission owners of certain transmission paths and associated facilities to have Transmission Maintenance and Inspection Plans and perform and document maintenance and inspection activities.⁴³ The Commission will submit to OMB a request for a non-substantive revision of FERC-725 in connection with this order.

The Commission orders:

The Commission hereby approves: (1) regional Reliability Standard FAC-501-WECC-4; (2) the associated implementation plan, the associated Violation Risk Factors and Violation Severity Levels; (3) the retirement of the currently effective Commission-approved regional Reliability Standard FAC-501-WECC-2 immediately prior to the effective date of regional Reliability Standard FAC-501-WECC-4; (4) the Table Revision

⁴⁰ 44 U.S.C. § 3507(d).

⁴¹ 5 CFR § 1320.11 (2024).

⁴² Reliability Standards Development as described in FERC-725 covers standards development initiated by NERC, the Regional Entities, and industry, as well as standards the Commission may direct NERC to develop or modify.

⁴³ Regional Reliability Standard FAC-501-WECC-4, Purpose.

Process; and (5) the relocation of the Major WECC Transfer Paths Table to the Table Revision Process, as discussed in the body of this order.

By the Commission.

(S E A L)

Debbie-Anne A. Reese,
Acting Secretary.