

Update on NERC Across Canada



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IESO Electric Reliability Organization Workshop

Toronto, Ontario



Canadian Electricity Association
Association canadienne de l'électricité

The voice of Canadian Electricity. La voix de l'électricité canadienne.
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Background

- **CEA was very active in development of NERC's ERO application.**
 - CEA was an active member of NERC's Post-Legislative Steering Committee.
 - Active in the four task groups that were created to address the key issues in the drafting of the ERO application: Compliance Penalties and Sanctions Task Group, Members Task Group, Funding Task Group, and Regional Delegation Task Group.



Existing Reliability Authorities

- **British Columbia**
 - The contractual relationships between the British Columbia utilities and WECC provide for compliance and enforcement of reliability standards.
 - WECC compliance and enforcement, however, do not extend to entities that are not signatories to the RMS agreements.
- **Alberta**
 - The ISO (AESO) has responsibility pursuant to the Alberta Transmission Regulation to ensure that transmission facilities adhere to reliability standards and monitor and ensure overall reliability of the interconnected electric system.
 - The ISO has enforcement authority with respect to Reliability Standards, with appeals heard by the Alberta Energy & Utilities Board (“EUB”).



Existing Reliability Authorities

- **Saskatchewan**
 - SaskPower has a contractual relationship with the MRO, pursuant to which SaskPower agrees to be bound by NERC's reliability standards.
 - The contractual relationship between SaskPower and the MRO provides for compliance and enforcement of reliability standards.
- **Manitoba**
 - Manitoba Hydro has a contractual relationship with the MRO, pursuant to which Manitoba Hydro agrees to be bound by NERC's reliability standards.
 - The contractual relationship between Manitoba Hydro and the MRO provides for compliance and enforcement of reliability standards.



Existing Reliability Authorities

- **Ontario**
 - The Independent Electricity System Operator has responsibility to ensure that transmission facilities adhere to reliability standards and to monitor and ensure overall reliability of the interconnected electric system.
 - The IESO has the authority to enforce the Reliability Standards and appeals of enforcement actions are heard by the OEB.
- **Quebec**
 - Hydro-Québec Production, Hydro- Québec Distribution, and TransÉnergie are members of NPCC.
 - Pursuant to the NPCC member agreement, these utilities are bound by NERC's reliability standards and enforcement of the reliability standards is the responsibility of NPCC.



Existing Reliability Authorities

- **New Brunswick**
 - NB Power Transmission and the New Brunswick System Operator are members of NPCC.
 - Pursuant to the NPCC member agreement, both entities are bound by NERC's reliability standards and enforcement of the reliability standards is the responsibility of NPCC.
- **Nova Scotia**
 - Upon approval of the Reliability Standards that accompany this Application by the Board, compliance with the Reliability Standards would be mandatory in Nova Scotia.



Existing Reliability Authorities

- **NEB**
 - The NEB's relevant jurisdiction relates to authorizing international power lines at the Canada-U.S. border.
- **Other Provinces**
 - No direct interties with the North American transmission grid.



ERO Filings in Canada

- NERC submitted its ERO filings in the relevant Provinces and the NEB on April 4, 2006.
- In those jurisdictions in which NERC could be recognized as the ERO and/or its reliability standards could be approved as mandatory and enforceable, it filed an Application for Recognition of the ERO and the Reliability Standards.
- In those jurisdictions in which no such authority existed, NERC filed Notices of Filing.



Status of ERO in Canada

- The process is unfolding in jurisdictions across the country.
- NERC hopes to have recognition by Canadian authorities in Autumn, 2006.
- Canadian authorities are working according to their own timelines, not those set by NERC or FERC.

