

Notes from the September 19, 2007 Reliability Standards Standing Committee Meeting

9:00 am to 3:30 pm
Monte Carlo Airport Hotel, Derry Road, Mississauga, Ontario

Attendees:

Name	Company
Alex Lee	Great Lakes Power - Transmission
Barry Green	Barry Green Consulting
Biju Gopi	IESO
Bert Adam	Sithe Global
Chun Hung Ngai	Toronto Hydro
Colin Anderson	OPG
Don Robinson	AESI
Dan Rochester	IESO
Dave Anderson	IESO
David Kiguel	Hydro One
Doug Westlund	N-Dimension Solutions Inc.
George Fatu	IESO
Guy Springgay	IESO
Milan Bolkovic	PowerStream Inc.
Ron Falsetti (Chair)	IESO
Shawn C. Filice	ENWIN Utilities Ltd.
Tracy Brason	Brookfield Power ¹
Yury Tsimberg	Hydro One

¹ Additional Brookfield Power staff were on the conference call during the IESO presentation on CIP standards (Agenda Item 4)

Agenda Item 1 – Session Start

The third RSSC meeting started at 9:00am with the Chair leading the introduction of those present for the meeting at the Monte Carlo Airport Hotel located at Mississauga, Ontario.

Agenda Item 2 – Administration/Operational Issues

The chair covered the administration of the Reliability Standards Standing Committee (RSSC). Highlights of the comments and discussions that followed include:

- The minutes of the second meeting were approved without comments or issues.
- The meeting calendar for 2008 was discussed briefly. The meetings will be held (tentative) in January, April, June and October. Ad-hoc meetings or conference calls would be held as and when required. Members were encouraged to provide future agenda material on any issue or concern they want discussed at these meetings.
- The agenda for the meeting was discussed.
- The chair also walked through the membership list and indicated that there are no additional entities registered.

Agenda Item 3 – Current NERC / NPCC Activities

IESO staff provided a brief presentation of the on-going activities for NERC and NPCC along with the planning objectives of these organizations. Discussed topics include:

- NERC and NPCC planning objectives were discussed.
- IESO's response to NERC data requests was discussed. NERC's data requests were related to: Restoration of Nuclear Power Plant Offsite Power Source Data Request (Attachment A), Interconnection Reliability Operating Limit Data Request (Attachment B), and Transmission Planning Data Request (Attachment C) respectively. The IESO will only provide data for Attachment C as NERC has stated that the corresponding data will be used by the Planning Committee and/or the NERC standards draft teams related to Project 2006-02 (*Transmission Assessment and Plans*). In our response, we have also indicated that similar to our Section 1600 comments, NERC should seek the IESO's permission before providing this information to external governmental authorities.
- The IESO would provide NERC with data on planned and unplanned outages (transmission facilities) in response to NERC's data requests in this regard. NERC would use the data for creating a Transmission Availability Database System (TADS) which would not only provide outage data but also metrics and trend analysis which can then be used by reliability entities for its risk mitigation plans. Though the technical document put out by NERC on TADS does not provide clarity on various issues, the IESO would still oblige with the data requests since most of the requested information is

already captured in internal outage management systems. Additionally, it would also be interesting to see how NERC derives various metrics from the provided data.

- The FERC approval of the FAC standards (FAC-010, FAC-011, and FAC-014) in its Notice of Proposed Ruling (NOPR) was also discussed. These standards ensure that Reliability Coordinators (RCs), Transmission Planners (TPs), and Planning Coordinators (PCs) have a defined System Operating Limit (SOL) methodology in place and that this methodology is used to establish the various SOLs. The IESO in its response to the NOPR have indicated that divergence will always exist between Available Transmission Capacity (ATC) and SOL, and Transmission Planning standards (TPL) must be modified so that there are no inconsistencies between the TPL and FAC sets.
- The IESO is currently working on comments for Standard Authorization Requests (SARs) including Reliability-based Control SAR and SAR on Real Time Operations and draft standards including the System Restoration and Blackstart Draft Standards (EOP-005-2 and EOP-006-2) and the System Personnel Training Draft Standard (PER-005-1).
- NPCC on-going activities were also discussed albeit not in detail. The IESO has published draft certification forms for Generator Real and Reactive Power Verification Process. Market Participant comments have been received in response and the IESO is putting together a formal response in this regard. The IESO is also being audited (off-site) by NPCC on the TPL standards TPL-001 through TPL-004.

Agenda Item 4 – FERC NOPR on Critical Infrastructure Protection (CIP) standards

IESO staff provided an overview of the NOPR themes and its implications to Ontario Market Participants. Highlights of the discussions include:

- FERC has proposed to approve all the eight CIP standards (CIP-002 through CIP-009) but has suggested many modifications to the standards to address perceived deficiencies. The suggested changes could affect timelines and entities will require additional time in order to be compliant. One market participant stated that our comments should reflect this aspect.
- Doctrines of mutual distrust and defence in depth are the cornerstones of these standards. NERC will endeavour to define these doctrines clearly.
- FERC is extremely concerned with what it perceives as “escape clauses” throughout the CIP standards – “reasonable business judgement”, “acceptance of risk” and “technical feasibility”. The industry feels that technical infeasibility issues would definitely arise, especially with legacy systems, and our comments should reflect this as well. The other issue around this is how NPCC would determine valid or invalid “technical feasibility” reasons as to why certain CIP standards may not get implemented by certain entities – NPCC would have to hire additional technical staff to address this issue.
- One market participant indicated that NPCC’s Task Force on Infrastructure, Security, and Technology (TFIST), is developing a guideline document for

determining critical power system assets. In response to a market participant question, the IESO indicated that it is working with all the concerned market participants in order to determine system critical assets. It was also indicated that almost 90% of the critical assets list has been completed and once this list is finalized, asset owners of these facilities have direct responsibility and must ensure compliance with all the CIP standards.

- The IESO is concerned that FERC wants live “system penetration tests” – penetration detection tools could render systems unavailable thereby affecting reliable grid operations. It is also concerned with FERC wanting entities to use forensic tools as this calls for specialized tools and resources which would either be not available or would be too expensive for many.
- Other market entities are also planning to provide written responses to the FERC NOPR.
- The Chair discussed the NERC implementation schedule for CIP standards and how the phased compliance of the standards is expected to work². The various timelines required for compliance were discussed in brief³.

Agenda Item 5 – Ontario Compliance Framework for 2007

The mapping process MR-00330⁴ was the highlight of the discussions. The following points were discussed:

- The mapping matrices, which provide obligations for all the different types of market participants, have been finalized⁵. It must be noted that this is an evolving process and requirements could be added to the matrices or removed from the matrices depending on industry inputs and as the understanding, processes and procedures evolve.

² The various stages of work include: BW (Begin Work), SC (Substantially Compliant), C (Compliant), and AC (Audit ably Compliant)

³ Except for R2, CIP-003, all requirements must be complied to (C) by Dec 31, 2009 and audit ably complied to (AC) by Dec 31, 2010. For R2, CIP-003, the C is by Dec 31, 2008 and AC is by Dec 31, 2009.

⁴ MR-00330: *Reliability – Mapping NERC Functional Model and Reliability Standards to the Ontario Market*

- *Rule proposal to move forward as it helps Market Participants assess their compliance requirements*
- *The IESO will identify, in consultation with market participants, each market participant’s reliability standards’ obligations or requirements;*
- *IESO will help Market Participants understand their obligations and responsibilities and will clarify reliability-related information reporting requirements;*
- *Use the RSSC as a forum for applicability discussions*
- *The IESO’s determination of the applicability of reliability standards’ obligations or requirements is subject to the dispute resolution process.*

⁵ IESO staff has already started informing individual market participants of their obligations through finalized matrices.

- The Chair highlighted certain standards that were being met through the current IESO market rule processes like Connection Assessment Agreements, Network Model Build schedules, etc. It was also noted that NPCC updates its compliance schedule on a regular basis and the IESO will communicate any schedule changes through the weekly communication e-mails to market participants. In response to a market participant's query, it was indicated that NERC stipulates which standards are to be monitored each year but the compliance schedules are laid out by the individual regional reliability organizations, NPCC in our case.
- It was noted that the IESO had published additional certification forms for stakeholder comments. It is our intent to finalize these forms by the end of this month. The IESO is also working on issuing formal response to some of the comments received. Additional details on the stakeholding process can be obtained at:
http://www.ieso.ca/imoweb/ircp/emerging_Reliability_Standards.asp
- In response to a market participant query, the IESO has indicated that, apart from providing formal responses to all the certification form comments, it will also notify all market participants when a particular certification form is finalized.
- The IESO is working with various transmitters to finalize various functional matrices – the Transmission Planner Matrix, the Transmission Operator (TOP) matrix, etc.
- The IESO noted that even though certain requirements are met through existing market rule processes, like Connection Assessment Agreements (CAA), it might still require market participant certification to these, as and when deemed required and necessary by the IESO.
- It was noted by the chair that new TPL standard (TPL-001-1) that has been posted for comments by NERC would not affect the current NPCC TPL audit of the IESO. The IESO would share its comments on the emerging TPL-001-1 standard with the RSSC once it has been finalized.

Agenda Item 6 – Additional Topics

RSSC members are strongly encouraged to provide agenda topics for the forthcoming RSSC meetings. It was generally agreed that many standards and criteria are being revised or developed by NERC and NPCC and 2008 would see increased activity on this front.

Adjourn

The meeting was adjourned at 3:30 pm.

Summary of Action Items

Index	Date	Action	Comments	Status
1	Sep 20, 2007	Add "Export to Excel" feature to RSSC web pages	The IESO will meet with internal IT staff to discuss timelines for implementation. RSSC web-page to be further developed along with the web-page on Emerging Standards.	Open Issue with limited IT resources for non-operational requirements.
2	Sep 20, 2007	Develop processes to enable Market Participants understand their compliance obligations	The IESO has provided applicability matrices and functional model mapping documents to help MPs understand the various requirements and compliance obligations. Going forward, the IESO will work with individual MPs in this area	Open On-going Process – mapping timelines provided by the Chair to RSSC members
3	Sep 20, 2007	Additional vendors involved in developing compliance tracking tools	IESO to get in touch with Hydro One for additional vendors involved in developing compliance tracking tools	Closed
4	Sep 20, 2007	NPCC CBRE compliance schedule updates	The IESO will provide a schedule update, when changes occur to the existing schedule, through the weekly communication process	Open
5	Sep 20, 2007	IESO to update mapping matrix with PSE (purchasing-Selling Entities) requirements	The IESO will incorporate PSE requirements and obligations into its mapping matrix	Closed
6	Sep 20, 2007	Develop Meeting schedules for the remainder of 2007	Participants have expressed an interest in scheduling quarterly meetings	Closed
7	Sep 20, 2007	Follow-up with the IESO Technical Panel on the interim remand mechanism	Participants prefer a simple and practical approach – the IESO exemption process seems to be preferred	Closed
8	Sep 20, 2007	Provide an update on NPCC-CBRE regional standards	The IESO will follow up with NPCC in order to obtain information on the development of regional standards and how these would be implemented	Closed NPCC has no formal plans in place on the development of Regional Standards as of yet