

Notes from the January 28, 2008 Reliability Standards Standing Committee Meeting

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

Attendees:

NAME	COMPANY
Alessia Dawes	Hydro One
Alex Lee	Great Lakes Power - Transmission
Barry Green	Barry Green Consulting
Ben Li	IESO
Biju Gopi	IESO
Colin Anderson	OPG
Damien Opel	Direct Energy
David Kiguel	Hydro One
Don Robinson	AESI
Doug Westlund	N-Dimension Solutions Inc.
Drew Phillips	IESO
Geoff Elmer	IESO
George Fatu	IESO
Guy Springgay	IESO
Kevin Dougan	Suez Energy
Milan Bolkovic	PowerStream Inc.
Neil J. Sandford	AESI
Phil Dubeski	Toronto Hydro
Rob Cary	Sithe Global
Ron Falsetti (Chair)	IESO
Shawn C. Filice	ENWIN Utilities Ltd.
Tracy Brason	Brookfield Power
Vanish Patel	Suez Energy

Agenda Item 1 – Session Start

The fourth 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 third meeting (Sep 2007) were approved without comments or issues. Don Robinson moved to approve and Colin Anderson seconded the motion. Rob Cary abstained from the motion as he was not present for the September RSSC meeting.
- An update on open items was provided. There are two open items remaining – the mapping exercise for market participants (on-going process) and improvements to the IESO standards web-pages.
- 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:

- The FERC order 705 on the FAC standards were discussed including the FERC remand of the definition of “Cascading Outages”. FERC also directed NERC to revise FAC-011 to ensure that for N-1 contingencies, there will only be consequential loss of load. However, the system must be ready to shed load, including non-consequential load, in the event of an N-1-1 contingency event.
- NERC and NPCC Planning objectives were discussed.
- IESO’s comments on System Restoration and Blackstart draft standards were discussed. It was agreed that 90 days, as stated in the current draft of the standard, is far too long before notifying the TOP of known changes to the capability of a Blackstart Resource. The consensus was that such notifications should be provided as soon as possible and within 30 days of the GOP becoming aware of the capability changes. It was also suggested that the IESO should seek additional clarification from NERC regarding requirement #12 which holds the TOP responsible for providing 2 hours training to field switching personnel identified as performing unique tasks associated with the restoration plan that are not normally required.

- IESO comments and voting positions on the Violation Severity Levels (VSLs) were also discussed¹. There are many issues with the VSL standards including the possibility of double jeopardy scenarios where one could get a sanction for violating a sub-requirement as well as the main requirement. Some of the other issues were also highlighted in the ensuing discussions and the IESO rationale to vote against only the BAL set of standards was also discussed. Because of the concerns raised, there were members who were planning to vote against all the set of standards.
- IESO comments on the PER-003 training standard were also discussed. IESO's position supporting NERC's elimination of certification requirements for GOP and local load centers (LCCs) was discussed.
- NPCC on-going activities were also discussed albeit not in detail. An update was provided on the NPCC Directory work plan. The revised NPCC criteria documents, A-4 (Maintenance Criteria for BPS Protection) and B-12 (Regional Risk Methodology Guideline) and the IESO comments pertaining to these documents were discussed.
- Various upcoming standards from NERC and NPCC were also discussed- the standards that come into effect in 2008 include the CIP standards (FERC Order 706), the FAC standards (FERC Order 705), NUC-001 (Nuclear Interface Standard), the NPCC A-13 (Verification of Generator Active Power), A-14 (Verification of Generator reactive power), and A-04 (Maintenance criteria for BPS protection systems)

Agenda Item 4 – NERC 2008 Work-Plan and Standards Committee Activities

- Ben Li, from the IESO, who is also on the executive committee of the NERC Standards Committee (SC) provided an update on the 2008 NERC Work plan and various activities of the Standards Committee.
- David Kiguel was recently voted for a ~~two~~ one year term to serve as a member of the Standards Committee representing Canada at Large.
- Ben pointed out that there are many projects which are underway including projects from back in 2006. It is believed that FERC directives lead NERC to deviate from its planned path because of efforts needed to comply with the FERC directives – this in turn delays established projects resulting in time and resource overruns.
- The number of interpretations to standards requirements is also expected to rise in the coming years due to lack of clarity on some of the requirements. Market participants and reliability entities would want to ensure that requirements are clearly interpreted as misinterpretations could, unknowingly, result in violations.
- The need to revamp and revise standards was also pointed out. Not all requirements are needed and measurable. Some sub-requirements are elements for inclusion whereas some others contain more than one requirement.

¹ Violation Risk Factor (VRF) and Violation Severity Level (VSL) together determine the monetary sanction for a violation. The VRF determines the risk associated in not meeting a particular requirement (for example – would not meeting a requirement lead to a cascading outage) and the VSL determines to what extent the requirement was violated (was there a total violation of the requirement or were there parts of a requirement which were not adhered to)

- FERC staff will begin to attend drafting team meetings and have an active participation in the proceedings.

Agenda Item 5 – FERC order 706 on Cyber Security (CIP) Standards

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

- FERC’s directive to remove “reasonable business judgement” and “acceptance of risk” language from all the CIP standards. The definition of “technical feasibility” was expanded; technical infeasibility is now the only reason for an exception. Also, the responsible entity’s exception process is now subject to approval by the Region through the auditing process.
- The CIP exception process is defined within CIP standards. The Market Rule exemption process is completely separate and has no applicability for the CIP standards.
- FERC also directed NERC and all regional entities to guide entities in meeting their CIP obligations. No entity will be held in non-compliance until the effective implementation dates. The intermediate survey results will be used a tool to help the entities through the compliance process.
- It was agreed that solutions should be prudent and practical – this ensures that the intent of the standards is met and that implementation expenditures will measurably improve cyber security.
- In response to a market participant query, it was stated that information gathered from the surveys conducted by the IESO for internal Ontario market participants would be used as supporting evidence in its own assessments by the NPCC.
- 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 6 – IESO Training Programs and current Personnel Training Standards

The structure of the IESO training department and the various NERC training standards (PER Standards) were discussed in detail. The following points were discussed:

- The drafting team had quite a lot of pressure from FERC on applying PER-005 (systematic approach to training to be provided to operators along with mandating at least 32 hours of emergency operations training) to entities beyond RC, TOP, and BA. The drafting team

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 auditably 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.

pushed back on this and were successfully able to argue that the applicability should be limited only to the above-mentioned entities.

- Another Standard Authorization Request (SAR) is in the pipe-line, for supporting personnel (outage planners etc.) – this is part of the 2010 PER work-plan.
- It was made clear that the 32 hours of training does not apply to entities other than the RC, BA, and TOP. However, in order to maintain NERC certification, it is essential for entities which are not listed as any of the above to provide training to its operators in accordance with PER-005. Continuing Education (CE) hours from the vendor could also help in the certification process.

Agenda Item 7 – Ontario Compliance Framework

The chair covered the Ontario compliance framework. Highlights of the discussions include:

- Discussing the scope of the RSSC and how it can be improved.
- The IESO recently signed an updated delegation agreement with the OPA regarding applicability of standards.
- In response to a query, it was stated by the IESO that a similar agreement is in the works with Hydro One regarding responsibility for meeting the requirements related to TOP function. The intent is to finalize the matrix of responsibilities with Hydro One before the June 2008 NPCC compliance audit.
- The IESO will provide updates through the weekly corporate updates if there are any changes to the IESO Reliability Compliance Program (IRCP) schedule. Changes are expected due to increased number of surveys that need to be undertaken for the CIP standards.
- There are some certification forms that are in various stages of development and will be posted on the IRCP schedule web page as soon as these are completed – example TOP-002 certification form which was under development during the RSSC discussions is now posted on the IRCP schedule web page after incorporating all market participant suggested changes/modifications.
- The IESO provides all compliance information to NPCC through the NPCC's web based submission process. The IESO is looking at similar tools for implementation in Ontario for the IRCP program.
- Ontario market participant audits are in the pipe-line and would follow current NERC and NPCC audit processes and audit worksheets. No definitive time-table though so far.
- The previous year, 2007, saw a decrease in vegetation contacts for Ontario.
- The IESO is working with transmitters on local area performance standards and is closely looking at performance metrics that have a high degree of correlation to those submitted by the transmitters to the OEB (Customer Delivery Point Performance Standards – CDPPS).
- Penetration of distributed Generation (DG) on Distribution Service (DS) UFLS feeders was also discussed in detail. There is a possibility that UFLS relays would trip causing generation connected to the DS feeders to trip as well as causing generation imbalance due to the premature tripping of generators. There is a DG stakeholdering workgroup which is working

on developing criteria for DGs. There are a couple of options that are being considered and not sure on what the final outcome will be or how these would be enforced – either through the Market Rules or through the Ontario Distribution System Code (DSC). The RSSC will be posted on any new developments from the working group.

Adjourn

No future potential agenda items were discussed and the meeting was adjourned at 3:30 pm.

Summary of Action Items

Index	Date	Action	Comments	Status
1	Jan 28, 2008	Add "Export to Excel" feature to RSSC web pages apart from other modifications as required.	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	Jan 28, 2008	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. Generic posting of mapping spreadsheets to be made available by the IESO.
3	Jan 28, 2008	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 – the list is located on the RSSC web-page at: http://www.ieso.ca/imoweb/pubs/consult/rssc/rssc-20080124-NEEC-RSCS-Vendors.pdf
4	Jan 28, 2008	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	Jan 28, 2008	IESO to update mapping matrix with PSE (purchasing-Selling Entities) requirements.	The IESO will incorporate PSE requirements and obligations into its mapping matrix.	Closed

Index	Date	Action	Comments	Status
6	Jan 28, 2008	Develop Meeting schedules for the remainder of 2007.	Participants have expressed an interest in scheduling quarterly meetings.	Closed
7	Jan 28, 2008	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	Jan 28, 2008	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 issued a Regional SAR (RSAR) on the A-10 NPCC BPS Methodology.