

# IESO Reliability Compliance Program (IRCP)

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# Outline

- What is the IESO Reliability Compliance Program (IRCP)?
- NERC Functional Model
- Incident Reporting
- Reliability Standards

# What is IRCP's role?

- To help market participants and the IESO meet their obligations to provide reliability-related information in support of compliance with reliability standards
- In some cases, to self-certify Ontario's compliance with reliability standards
- To provide this integrated Ontario information to NPCC
- To flag potential standard violations to MACD and NPCC for consideration under their compliance investigation and enforcement mandates

# Relationships



# IRCP's Role



- Integrate NERC, NPCC and IESO compliance program requirements and schedules
- Inform participants and the IESO of their obligations and timelines to report reliability-related information
- Assist participants and the IESO in understanding their obligations
- Compile participant and IESO submission data into an integrated Ontario submission to NPCC

# IRCP's Role



- Act as a liaison with NPCC in establishing a common understanding of the requirements, applicability, reasonable submission schedules

# Annual Program Description

- Actively monitor a sample of the 90+ NERC standards (1000+ requirements) and 10+ NPCC criterion
  - 2006: 56 standards
  - 2005: 45 standards
  - 2004: 40 standards
  - Some monitored yearly, others periodically or by exception

# Monitoring & Assessment

- Annual Self-certification
- Annual data submission/surveys
- Periodic reporting
- Exception reporting
- Requests for supporting data for compliance audits of the IESO
- Event analysis review for flagging potential standard violations



# Applicability

- All market participants must comply with applicable reliability standards: IRCP adds value sorting through the complexities to determine which standards apply to whom
- There are often many standards for a given reliability concern, e.g.,

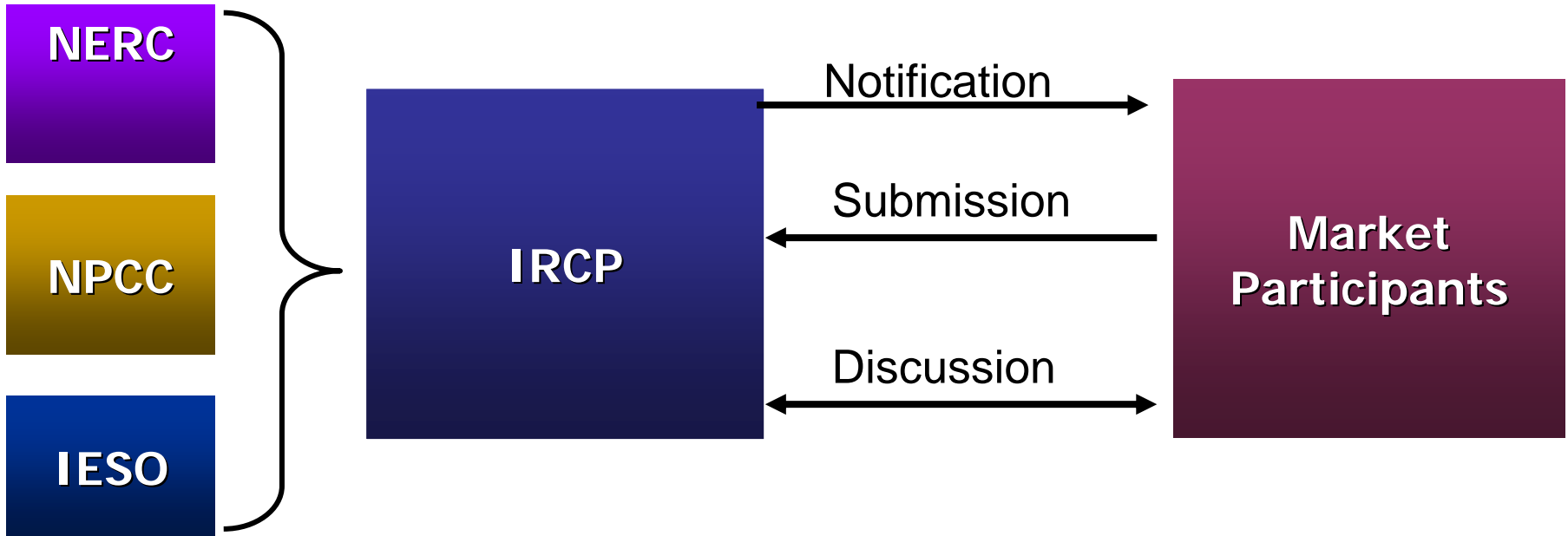
## Protection System Maintenance:

- NERC threshold guide (draft)
- NPCC standards (criterion) performance “BPS”
- Market rules
- OEB Transmission System Code

Note: NERC has a “Refine Applicability of approved Standards” SAR posted for comments through to June 30.

# Process

Monitored  
standards



- Market participants notified annually and in the month before submissions are due
- Schedule, standards and reporting forms posted on IESO Reliability page each January

# Identifying Potential Violations

- IRCP staff work with participants to sort out possible violations of a reliability standard, ensuring proper interpretation and application
- 1<sup>st</sup> time standards treated as educational, where flexibility exists within NPCC/NERC programs or for local area reliability requirements
- Depending on extenuating circumstances, preference is to educate, ensuring “*move to compliance*” with standards vs. sanctions
- IRCP staff notifies MACD of potential violation after consideration of mitigation actions taken for 1<sup>st</sup> time survey and if participant was previously surveyed/aware of its obligations

# Potential Violation

**MACD**

**IRCP**

- Flags potential non-compliance to MACD & NPCC
- Does not provide participant name to NPCC, only reports a potential Ontario violation (NEW)

**NPCC**  
**Cross-Border Regional Entity**  
**(CBRE)**

# IRCP Information

## ICRP web pages:

- Provide overview of IRCP
- Lists market participant and IESO requirements and submission schedule
- Identifies “reporting entity”
- Link to standards & certification forms
- <http://www.ieso.ca/imoweb/ircp/ircp.asp>
- Market Manual 7.9 defines processes and obligations

# NERC Functional Model



# How IRCP Will Help

- The NERC Reliability Functional Model has over 15 responsible entity designations
- An entity can have a single or multiple functional designations depending on their facilities and activities
- We will assist market participants by linking the NERC function model to the Ontario licence structure
  - We will produce a guide for market participant tailored to their Ontario licence, which will identify and clarify the various functions
  - Please contact us if you have any questions

# Ontario Players & the Functional Model

Market Rules & Licence	Functional Model (NERC Standards)
Generator	<ul style="list-style-type: none"><li>• Generator Owner</li><li>• Generator Operator</li><li>• Transmission Owner</li><li>• Purchase-Selling Entity</li></ul>
Transmitter	<ul style="list-style-type: none"><li>• Transmission Owner</li><li>• Transmission Planner</li></ul>
Distributor	<ul style="list-style-type: none"><li>• Distribution Provider</li><li>• Transmission Owner</li></ul>
Wholesaler	<ul style="list-style-type: none"><li>• Purchase-Selling Entity</li></ul>

# Key Messages

- IRCP staff will:
  - continue to help you understand your obligations through annual notification of program elements, schedule and specific notification requests
  - continue to refine standard applicability guide on its website as NERC & NPCC guidelines are finalized
- Seeking feedback on how we can improve clarifying applicability i.e., who needs to comply with what
- Onus to comply with reliability standards and the market rules rests with the market participants

# Incident Reporting



# Incident/ Event Reporting

- IESO staff act as the collating point for all external incident review information requests
- Allows efficient and timely response
- Although the market manual is called ‘Disturbance Reporting’ events are often not disturbance related, e.g.
  - Cyber Security incidents
  - Vegetation contact incidents
  - Specific limit violations (IROL)
- Market Manual 7.7 – **Disturbance Reporting** defines the process and reportable requirements for participants
- IRCP reviews reports to assess potential non-compliance for flagging to NPCC and MACD

# NERC Standards Development



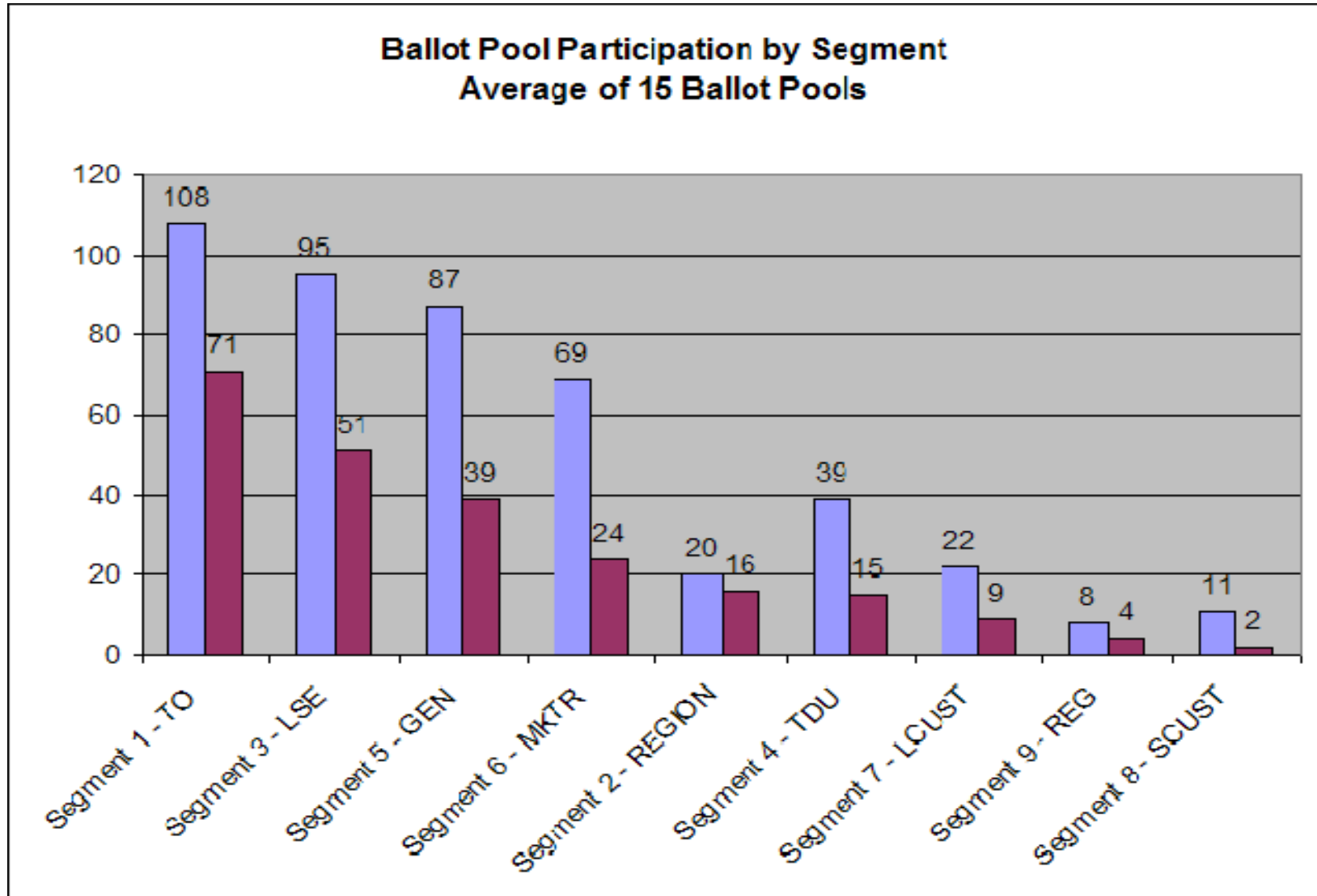
# Regulatory Approval of Existing Standards

- 102 reliability standards Filed April 4
  - Balancing
  - Interchange
  - Reliability coordination
  - Transmission operation
  - Voltage and reactive
  - Communications
  - Emergency preparedness
  - Personnel
  - Critical infrastructure
  - Facilities
  - Modeling
  - Protection and control
  - Transmission planning
- Standards under development to address
  - Missing compliance elements
  - Violation risk factors
  - ‘Fill-in-the-blank’ regional standards

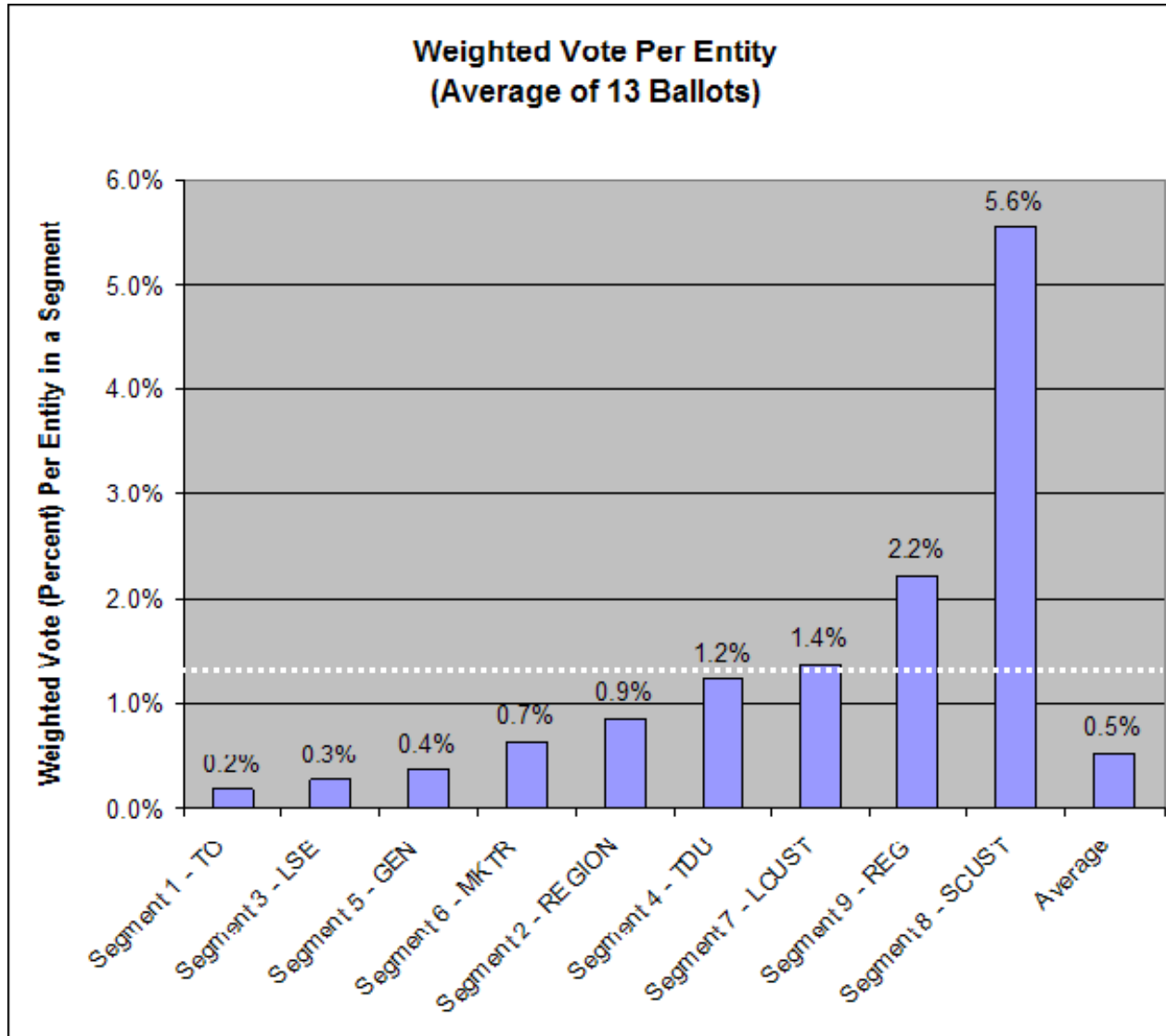
# Reliability Standard Development

- IESO actively engaged in various forums to help forge reliability standards that are appropriate for Ontario.
  - **NPCC working group (CP9):** to develop consensus comments and balloting positions from a NPCC perspective
  - **The ISO/RTO Council Standards Review Committee:** to develop consensus views/comment from an ISO perspective
  - **IESO Ad-hoc Subject Matter Expert review groups:** to develop IESO specific comments/positions

# Getting Involved



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- Proposing revision to standards manual:
  - 10 votes required to reach full segment weight
  - Caps weight at 1.11% per entity

# Getting Involved

- Willing to expand notification and ad-hoc group discussion of key standards for those wishing to be more actively engaged:
  - Forward NERC notifications to participants wishing to be engaged in standard review/commenting
  - Facilitate ad-hoc conference calls/ meetings as required by those wishing to be engaged in such a process: these may be initiated by participants as well as the IESO
- Possibly leverage off industry associations (APPPrO, EDA, CEA, AMPCO)

# Further Information

- IESO Reliability Web Page

<http://www.ieso.ca/imoweb/ircp/reliability.asp>

with links to web pages for:

- Emerging Reliability Standards
- ERO
- Disturbance Reporting