



NPCC Restructuring: An Organizational Update

IESO ERO Workshop

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NPCC Restructuring

- Background
- NPCC Actions To Date
- NPCC Current Efforts
- NPCC Next Steps



NPCC Region

- Population served: 53 million
- Square miles served: 1 million
- Total customers served: 23 million
- International
- One of eight Regional Reliability Councils in North America
- Five Balancing Areas, Reliability Coordinators)
 - New York (NYISO)
 - New England (ISO-NE)
 - Quebec (HQ TransÉnergie)
 - Ontario (IESO)
 - Maritimes (NBSO and NS)





Background

- US EPA Act 2005
- FERC NOPR
- NERC–ERO Application Developed
- US – Canadian Bilateral Commission
- FERC Rule Issued
- ERO Application & Standards Submitted to Canadian Provincial Authorities and FERC

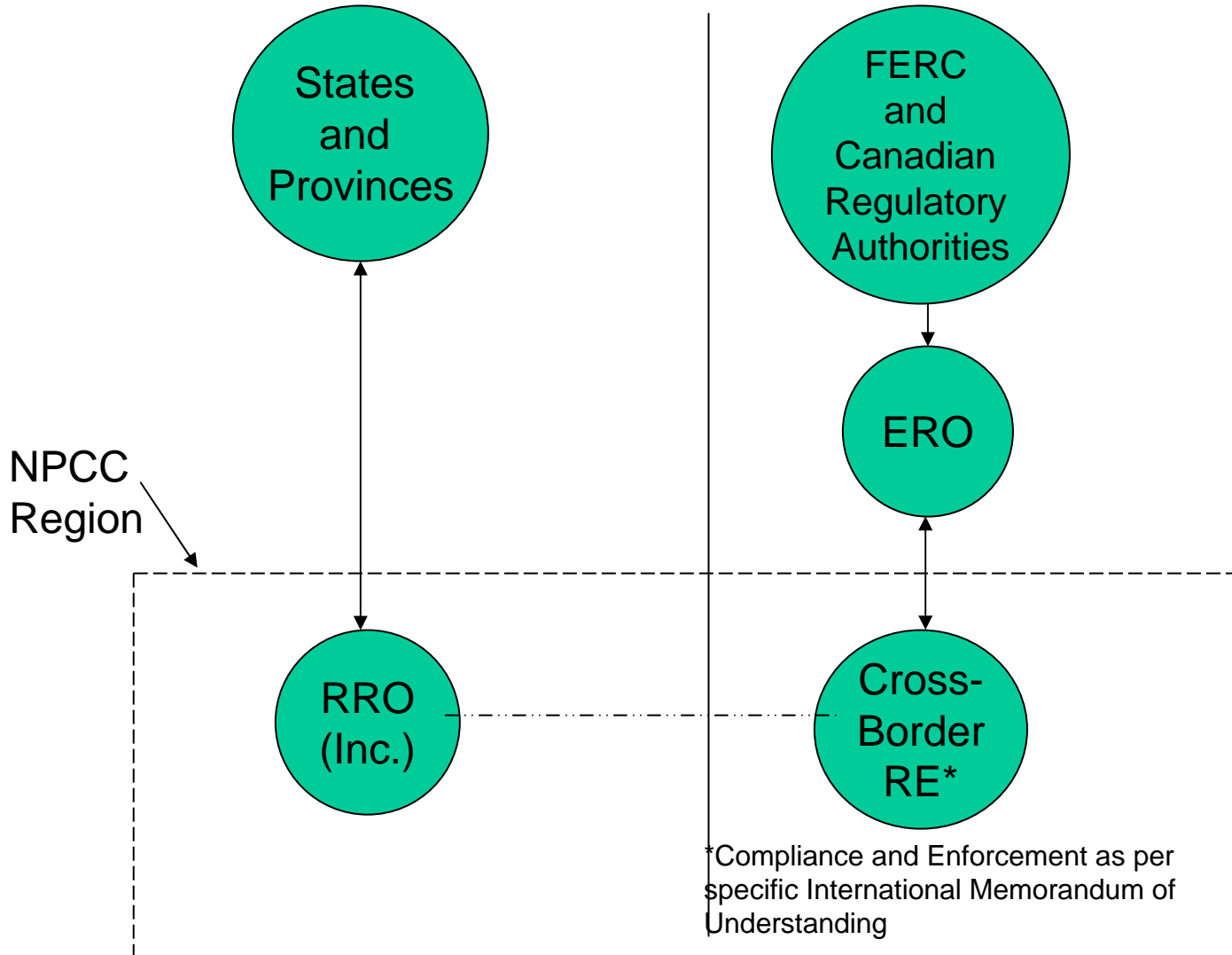


NPCC Actions

- *Role of Regions* Study
- Regional Member Services, Standards Development & Compliance Functions Identified
- Modified Organizational Structure
 - NPCC, Inc.
 - NPCC: Cross-Border Regional Entity, Inc.



Modified International Regional Structure





International Regional Structure

- **Regional Reliability Organization (RRO)**
 - Develop Regionally-specific Criteria
 - Assess and Enforce Regional Criteria
 - Coordinate Planning and Operations
 - Reliability Assessment
 - Other Member Services
- **Cross-Border Regional Entity (CBRE)**
 - Develop Regional Standards
 - Assess and Enforce Compliance with Standards
 - Register Functional Model Entities



NPCC Current Efforts

- Regional Reliability Organization (RRO)
 - Transfer NPCC Membership to NPCC Inc.
- Cross-Border Regional Entity (CBRE)
 - NPCC CBRE Bylaws
 - Regional Reliability Standards Development Process
 - Reliability Standards Compliance & Enforcement Program



NPCC CBRE Regional Reliability Standards Process

- Open, Inclusive, Fair and Balanced Process
 - NPCC Open Process - Web Based Tools
- Regional Standard Authorization Request (RSAR)
- Reliability Standards Working Group (RSWG)
- Balanced Weighted Sector Voting
- ERO Approval of Regional Standards
- Canadian Provincial/FERC Adoption



NPCC CBRE Compliance - Ontario

- Codify compliance framework in Provincial M.O.U.
- NPCC CBRE will audit the IESO for compliance
- IESO is Ontario Entity accountable to NPCC CBRE for compliance
- IESO will enforce compliance within the Ontario Area under authority of Market Rules
- IESO subject to financial penalties from MACD
- IESO will have access through hearing process within NPCC CBRE; appeals process within ERO



NPCC Next Steps

- NPCC CBRE Application Filed
- NPCC CBRE Membership Drive
- ERO & NPCC CBRE Approved
- ERO Funding (including NPCC CBRE) Approved
- Canadian Provincial Authorities Adopt ERO & Regional Reliability Standards

Questions ??