

**AESO RELIABILITY COMMITTEE (ARC)  
July 7, 2011  
MEETING MINUTES**

<b>ATTENDEES</b>		
<b>Name</b>	<b>Representation</b>	<b>Organization</b>
Mike Law	Chair	AESO
Heidi Kirrmaier	Alternate Chair	AESO
Jason Murray	Alternate Chair	AESO
Maureen Higgins	TFO	AltaLink
Glen Sutton	TFO	ATCO Electric
Chris Clark	TFO	ATCO Electric
Shamir Ladhani	TFO	Enmax
John Elford	TFO	EPCOR
Ligong Gan	Municipal TFO	City of Red Deer
Sandy O'Connor	Generation Owners	TransAlta
Chris Best	Generation Owners	TransCanada
Subrota Bairagi	Industrial Systems	Suncor

**Absent:** Mike Pashak, DFO, Fortis

**1. Approval of Minutes**

- Meeting minutes of April 14, 2011 were approved for posting on the AESO website.

**2. Approval of Terms of Reference**

- A few minor changes were discussed at the meeting. These changes will be incorporated and then the Terms of Reference will be posted to the AESO website as final.

**3. Approval of ARC Membership**

- The ARC membership was approved by members. Representation from Direct Connect Customers and the AUC will remain vacant at this time. Industrial Systems and DFO reps will designate alternate representatives. The membership will be posted to the AESO website.

#### **4. Review Outstanding Action Items**

**a. Schedule 2011 ARC meeting dates**

- Meeting dates have been set for September 27 and December 6.

**b. Provide ARC Discussion group agendas to ARC members**

- The AESO will continue to provide ARC members with working group agendas on an ongoing basis.

**c. ARC Discussion group to review TOP-005**

- This item will be completed at a future discussion group meeting.

**d. Post November 30, 2010 meeting minutes on AESO website**

- Minutes posted to the AESO website.

**e. Determine municipal TFO primary and alternate representatives**

- Ligong Gan of the City of Red Deer will be the primary rep.
- Stewart Purkis of the City of Lethbridge will be the alternate rep.

**f. Determine two Generation Owner ARC representatives**

- Sandy O'Connor of TransAlta and Chris Best of TransCanada will be the primary reps.
- Kelly Scott of ATCO Power and Scott Etnoyer of Enmax will be the alternate reps.

**g. Determine Industrial Systems ARC representative**

- Subrota Bairagi of Suncor will be the primary rep.
- Subrota will designate an alternate rep from Suncor.

**h. Provide revised ARS project schedule at next meeting**

- A revised schedule was provided to members and discussed at the meeting. The schedule was developed considering feedback from the ARC discussion group. A few minor revisions were proposed and accepted by the AESO. The schedule will be finalized and posted to the AESO website. Members are requested to review the schedule and provide feedback to the AESO for consideration. The ARS schedule will now be a standing agenda item for the remainder of the project.

**i. Provide TOP-005 ID to ARC members at next meeting**

- TOP-005 ID was provided to members at the meeting. Members will review and provide feedback to the AESO.

**j. Provide applicability assessment process at next meeting**

- The process was provided to members at the meeting. Members will review and provide feedback to the AESO.

**k. Provide ARS project charter to ARC members at next meeting**

- The ARS Project charter was provided to members and discussed at the meeting. Guiding Principles in the project charter were developed in conjunction with the ARC discussion group. Members will review and provide feedback to the AESO.

**l. Provide current critical asset governance documents for review at next meeting**

- Sandy provided the AESO an Alberta Statute called the "Security Management Regulation", which is designed to support the Alberta Counter Terrorism Crisis Management Plan. The document was not reviewed at the ARC meeting. It will be reviewed by the ARC working group responsible for CIP-002.

**m. Revise ARC Terms of Reference including ARC workgroup roles**

- A revised version of the ARC Terms of Reference was provided to members. A few minor changes were discussed at the meeting. These changes will be incorporated and then the final Terms of Reference will be posted to the AESO website.
- A document entitled, "ARC Workgroup Terms of Reference" dated 2008-01-21 was provided to members. It was recommended that this document be updated to reflect current roles of the ARC workgroups.

**n. Revise ARS development process upon project completion and review with ARC members**

- The AESO will revise the ARS development process and review with ARC members at the December meeting.

**5. ARC Discussion Group Update**

Jason provided an update from the past meetings of the ARS discussion group. Key topics discussed include the following:

**a. Applicability**

- The applicability section of ARS under development will be more specific than previously adopted standards. This will eliminate the need for applicability assessments in the majority of situations.
- The applicability section will be broadened to include entities beyond the NERC bright line criteria when needed to ensure reliability in Alberta (i.e. including generators below 20 MVA when necessary).
- The applicability section will also be constricted to exclude entities within the NERC bright line criteria when not necessary to ensure reliability in Alberta (i.e. excluding entities from the need to have a back-up control centre).

**b. GO/TO**

- The GO/TO issue that exists with currently effective ARS will be largely solved in future standards by having more specific applicability on a standard by standard basis. Generator owners that own small portions of transmission facilities will be

included or excluded as appropriate from requirements in order to ensure reliability in Alberta.

**c. Consistency with NERC/WECC standards**

- The AESO will continue to implement NERC/WECC standards in Alberta as closely as possible to the original requirements. Some language will be modified for clarity. There may be Alberta variances to reliability standard requirements to align with the Alberta market and regulatory structures as prescribed by Alberta legislation and regulation.

**d. Double Jeopardy**

- To the extent possible, the AESO will eliminate instances of double jeopardy between ISO Rules, OPPs, and the ARS. There may be circumstances where a NERC/WECC reliability standard implemented in Alberta does not contain enough detailed information previously captured in OPPs, ISO Rules, or ISO technical standards (i.e. COM-001 and the Voice Communication technical standards). Under these circumstances content in OPPs and technical standards will be transitioned to an ISO Rule and may contain similar content as the reliability standard.

**6. ARS Steering Committee Outcomes**

- The AESO has decided to postpone the implementation of PRC 005, 008, 011, and 017 in Alberta. Version 2 of PRC-005 will replace these four standards and is expected to be NERC BOT approved by the end of 2011. Work will commence on implementing PRC-005-2 in Alberta later this year.
- The AESO will use Documents Incorporated by Reference (DIRs) when needing to implement lists and criteria associated with requirements in ARS. The DIR will contain information about how the ISO will notify those entities directly impacted by changes to DIRs.

**7. CIP-002 Options**

The AESO provided ARC members with background information about the development of CIP-002 and the issues associated with its development. The AESO then requested input on two options for ongoing development.

**a. Option 1 – Potential Critical Asset List**

- Entities develop potential critical asset list.
- AESO assesses PCA lists.
- This option gives AESO discretion based on big picture view of the Alberta system. This discretion has the potential for reduced transparency and is a diversion from the NERC methodology.

**b. Option 2 – NERC bright line**

- Entities develop critical asset list based on NERC bright line.
- Entities own and maintain their own list of critical assets.

- This option has no wide area oversight from the AESO however, the AESO can include assets as the planning authority under the NERC bright line. It is transparent and maintains consistency with NERC

After some thorough discussion and feedback from the ARC Discussion group meeting earlier that day, the AESO indicated it would proceed with development of CIP-002 under Option 2. The ARS would be developed from version 4 of CIP-002 but would have a phased-in approach to incorporate high, medium, and low impact ratings associated with version 5 of CIP-002 that is currently under development with NERC. The AESO requested members to take the options back to their respective organizations and provide further feedback to the AESO for consideration.

## 8. Action Items

Action	Assigned to	Due Date
ARC Discussion Group to review TOP-005	Jason	TBD
AESO to post final ARS project schedule to AESO website and send pdf version to ARC members	Jason	July 25
Review revised ARS project schedule and provide feedback to the AESO	ARC Members	Aug 5
Review TOP-005 ID and provide feedback to the AESO	ARC Members	Aug 5
Review Applicability Assessment process and provide feedback to the AESO	ARC Members	Aug 5
Review ARS Project Charter and provide feedback to the AESO	ARC Members	Aug 5
ARC members to review CIP-002 options with their respective organizations and provide feedback to the AESO	ARC Members	Aug 5
Suncor (Industrial Systems) and Fortis (DFO) to provide alternate reps	Subrota/Mike	Sept 27
Final ARC member list to be posted to the AESO website	Jason	Sept 27
Finalize ARC Terms of Reference and post to AESO website	Jason	Sept 27
Provide revised ARC Workgroup Terms of Reference at next meeting	Jason	Sept 27
Revise ARS development process upon project completion and review with ARC members	Jason	Dec 31

## 9. Next Meeting

Date: Tuesday, September 27, 2011

Time: 1:30pm to 4:30pm

Location: AESO Office - 2500 330 5th Avenue SW (M2539)