



# Alberta Reliability Standards Stakeholder Information Session

Jason Murray, Director Operational Effectiveness

October 11, 2011



# Agenda



- Project schedule
- Project status update
- Standards development process
- Project guiding principles
- Current standards applicability
- Critical Infrastructure Protection (CIP) update
- Key contacts

# Project Schedule



- Current schedule published to AESO website
  - August 2011
- Schedule to be revised
  - PRC 005 (v1), PRC 008, and PRC 011
- Alberta monitoring WECC decision regarding RAS
  - PRC 015, PRC 016, and PRC 017
- Alignment with other Authoritative Documents (ADs) may affect development timelines
  - ISO Rules and OPPs

# Project Status Update



Filed with AUC	Filing with AUC	Consultation Underway	
FAC-010-2.1	IRO-001-1	BAL-002-1 (NERC)	EOP-001-2
FAC-011-2 (N/A in Alberta)	BAL-004-1	BAL-STD-002-0 (WECC)	PRC-018-1
FAC-014-2	BAL-004-WECC-1		PRC-023-1

Re-consultation (2011)	Consultation (2012)	Re-consultation (2012)	
COM-001-1.1	BAL-005-0.1b	EOP-008-0	PRC-005-1
COM-002-2	EOP-005-2	IRO-005-3	PRC-008-0
MOD-010/012-0	MOD-001-1	MOD-024/025-1	PRC-011-0
PRC-007-0		MOD-029-1	-----
VAR-001-1a		PER-003-0	PRC-015-0
VAR-002-1.1b		PER-005-1	PRC-016-0
VAR-002-WECC-1			PRC-017-0
VAR-501-WECC-1			

# Standards Development Process



- NERC development process
  - Drafting, ballot, BoT approval, FERC approval
  - AESO submits comments and ballots
- AESO Reliability Committee (ARC) workgroup drafting
  - Ops, Technical, Planning, Security (OWG, TWG, PWG, SWG)
  - initial assessment, organization review, recommend to ARC
- ARC endorsement meeting
- AESO formal drafting
- Formal stakeholder consultation period
- Decision to file with AUC or re-consult

# Project Guiding Principles



- Adopt most recent version of NERC/WECC standards
- Consistent with NERC/WECC standards
  - Reasons for differences
  - Alberta variances for market and regulatory structures
- No more stringent unless needed for reliability in Alberta
- Minimize need for interpretation
  - Requirements and measures reworded for clarity
- Applicability more prescriptive to include/exclude entities
- Minimize double jeopardy
  - Align with ISO Rules, OPPs, and Technical Standards

# Current Standards Applicability



- 10 effective standards applicable to market participants
  - CIP-001, EOP-003, EOP-004, FAC-003, FAC-501-WECC
  - PRC-001, PRC-004, PRC-004-WECC, PRC-021, TOP-005
- AESO is revising applicability sections
  - To provide clarity and be more specific
  - Applicable entities will decrease
- AESO will submit administrative filing to the AUC
  - No changes to requirements or measures
  - Not upgrading to current versions

# CIP Update – United States



- CIP 001
  - v1 effective
  - Considering integration with EOP-004
- CIP 002 – 009
  - v3 effective
  - v4 pending FERC approval
- CIP 002 – 011
  - v5 finalizing drafting
  - NERC comment period in November 2011
  - NERC ballot in December 2011
  - FERC NOPR – Order 706 fulfilled by Q3 2012

# CIP Update – Alberta



- CIP 001
  - v1 effective
- CIP 002 – 009
  - Potential Critical Asset methodology in 2010 (v2)
  - Bright line methodology in 2011 (v4)
- CIP 002 – 011
  - End state development (v5)
  - CIP 002 v5 drafting in 2011
  - CIP 003 – 011 v5 drafting in 2012

# CIP Update – Next Steps



- AESO to draft CIP 002 (v5) in parallel with NERC
- ARC Technical Work Group (TWG)
  - Meetings Nov 1 and Nov 30
  - Review CIP 002 v5 bright line criteria and requirements
- AESO to monitor NERC ballot in December 2011
- Consult on CIP 002
- File CIP 002 with AUC in early 2012
- Draft CIP 003 – 011 (v5) in 2012

# *Coffee Break*





# Alberta Reliability Standards Stakeholder Information Session

Peter Wong, Director Compliance

October 11, 2011



# Agenda

- Compliance Monitoring Program update
- Compliance audits
- Applicability assessments
- Stakeholder/AESO groups
- Communication
- Upcoming events

# Compliance Monitoring Program Update



- All components of the program are now in place
  - Self-certifications
  - Audits started this June
- Overall very successful, relatively minimal pain
  - Important to get the monitoring in place
  - Lots of work – phased in
  - Great industry collaboration
  - Still some refinements and improvements
  - Worked our way around a lot of complex areas
  - Continue with improvements in a well planned manner

# Audit Assessment



- Validate a market participant's compliance with applicable standards, by inquiring and reviewing evidence, periodic reports, self-certification, and other information
  - Scheduled once every 3 years for each registered entity
  - Six audits completed (Q2)
  - 11 scheduled for the next quarter, 7 more for Q4

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>TOTAL</b>
<b>Q1</b>	0	5	5	10
<b>Q2</b>	6	9	5	20
<b>Q3</b>	11	6	8	25
<b>Q4</b>	7	6	7	20
<b>Total</b>	24	26	25	75

# Compliance Audit

- First set completed
  - 6 audits completed, total of 32 standards, looked at 147 requirements
  - Great cooperation from the participants
    - Participation in workshops, pre-audit meetings, etc
    - Responsive to requests for information
  - Quality of evidence – pretty good
    - Some room for improvement
    - Some additional general guidance will help
  - Results – a few definitive deficiencies –suspected contraventions and will be referred to the MSA
- Update RSAW to improve clarity
  - Discuss lessons learned

# Audit Process Refinements

- Observations and outcomes
  - Collect post-audit feedback
  - Clarify specific areas in the audit guidelines
  - Recommend clarity improvements in specific standards
  - Provide better evidence guidance in RSAWs
- Try to implement improvements
  - Make it better for all
  - Open discussion – lessons learned (education)
  - Compliance Working Group for review and input

# Applicability Assessments



- Targeting end of October to be ready to accept submissions
  - Announcement and process details
  - Templates will be posted on AESO website
- Simple process on stakeholder side
  - Complete the Applicability Assessment Template
  - Provide required assessment information
  - Submit to [rscompliance@aeso.ca](mailto:rscompliance@aeso.ca) for review
- Applicability Assessment Forms
  - One for each standard
  - Specified required information for a submission (minimum)
  - Bulk of form for AESO to complete during assessment
- AESO process
  - Compliance will administer the process
    - Notify you if assessment is rejected or incomplete
    - Provide you with the status/decision when final
  - Each AESO standard owner will review the submission
    - May request information from entity directly

# Applicability Assessments

- Under assessment
  - Will not be included in the Compliance Monitoring Program
- Assessed applicable
  - Monitored on the standard from that date forward
- Assessed NOT applicable
  - Will not be monitored, entity should retain assessment as evidence

# Compliance Discussion Forum



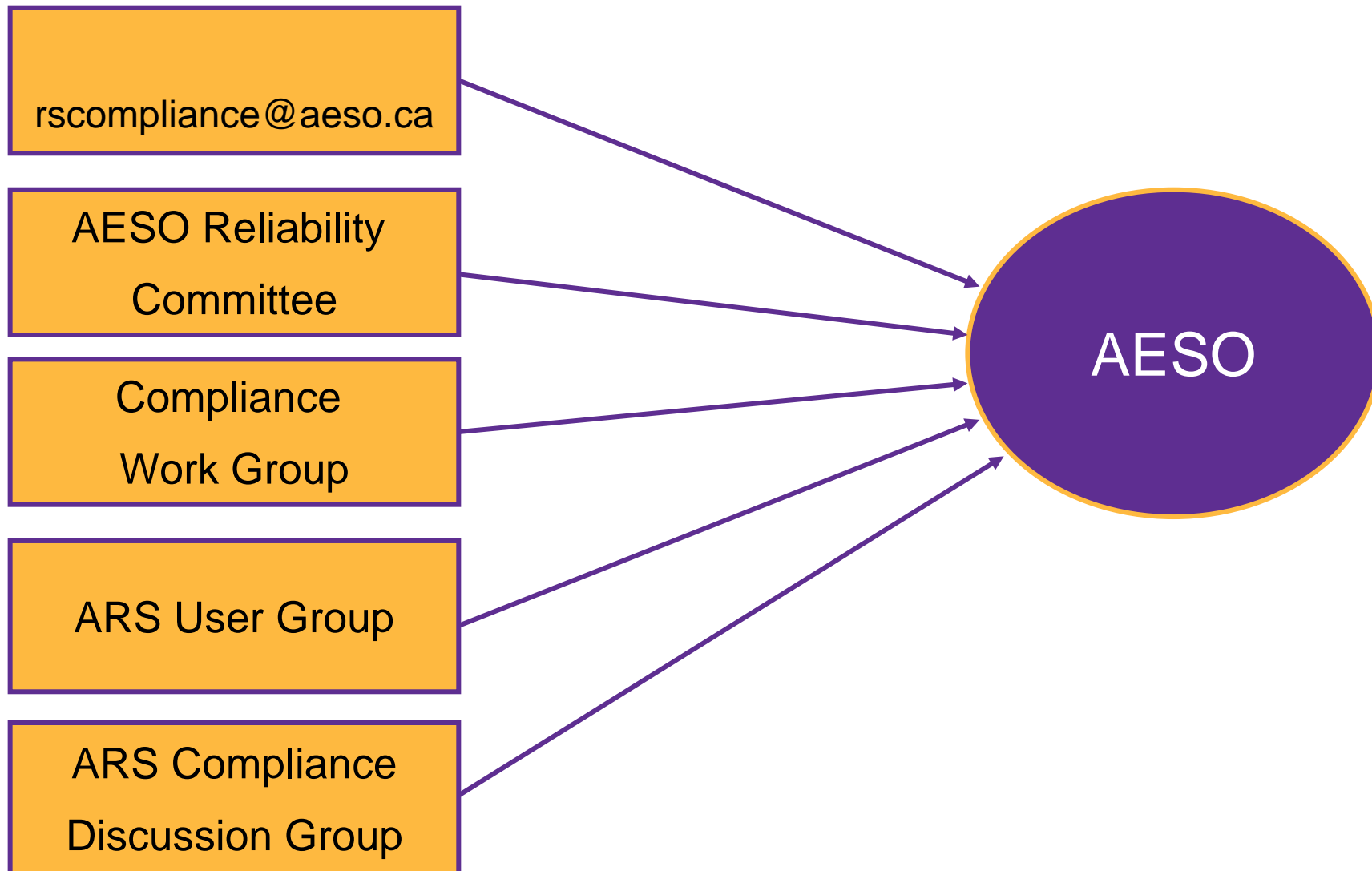
- Suggestion from stakeholders as a forum for discussion of compliance issues
  - Differs from the Compliance Working Group, which provides input and advice to AESO on specific topics
  - But some topics may end up at the Compliance Working Group
- Start it out monthly, in November <get a date>
  - Informal, conversational – listen and learn
  - No formal minutes taken – no commitments expected
  - Anyone may follow up with more formal requests outside of this forum
- Might be a forum to discuss ‘lessons learned’ as well

# Compliance Working Group

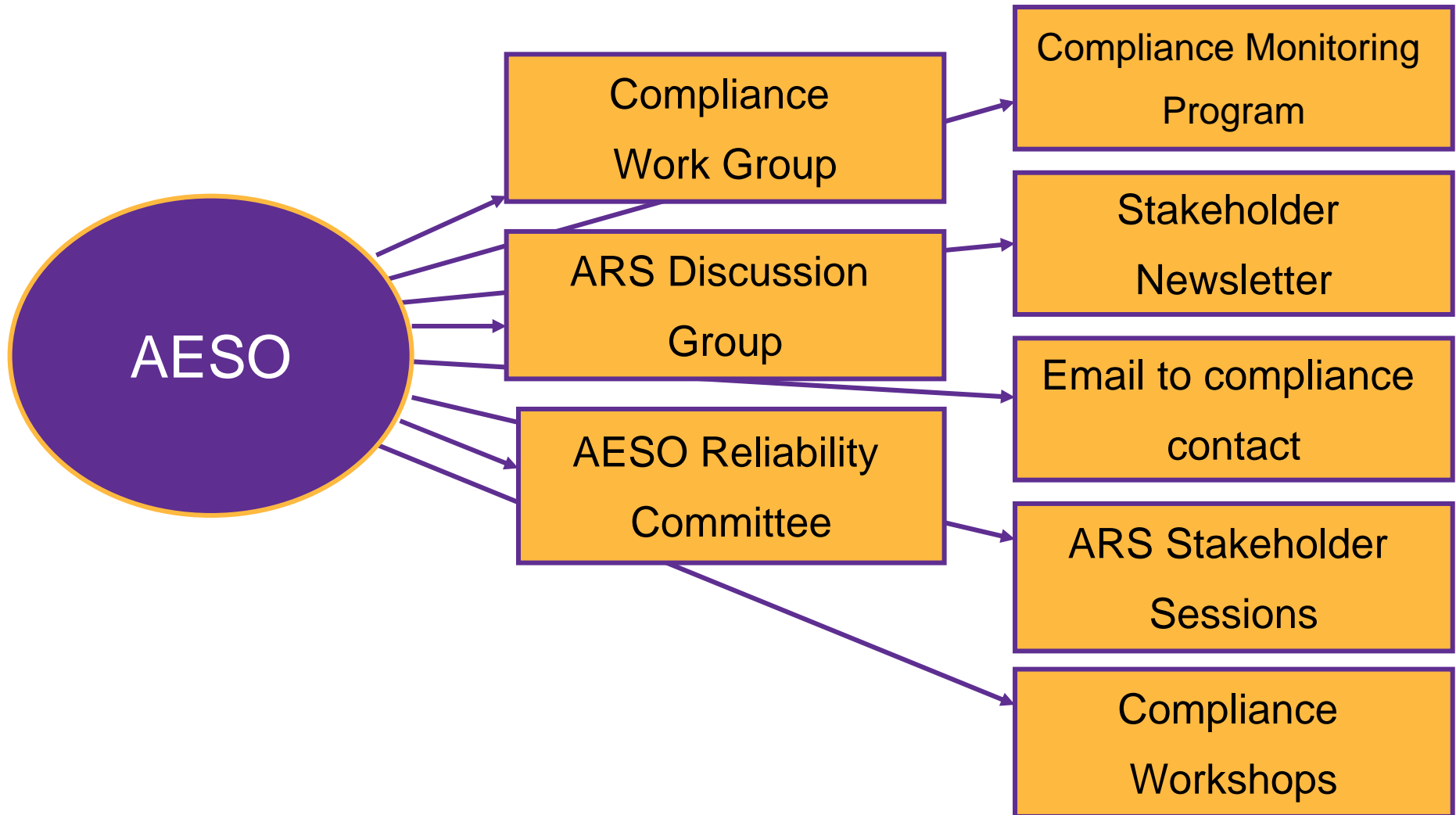


- Reconvene in mid-November
  - Focus on the audit process – what is working, what is not, etc.
- Some other topics
  - CWG role and Discussion Group role
  - Review and update terms of reference
  - Identify and prioritize areas for improvement
    - Registration
    - Information exchange – evidence submittal tools
    - Communications and stakeholder interfaces

# Many ways to communicate with us



# Many ways we communicate with you



# Upcoming



- Audit training for Q4 entities – October 12
- Launch applicability assessments – end of October
- Compliance Working Group – mid-November
- Kickoff Discussion Group – mid-November
- Audit training for 2012 Q1 entities – November 15

- Compliance monitoring team for reliability standards
  - Peter Tam, Gerry Drysdale, Bruce Fauvelle - Senior Auditors
    - Monitoring activities/compliance files
  - Julie Viray - Compliance Coordinator (interim)
    - Registry, scheduling, compliance administration, website management
  - Peter Wong - Director, Compliance
    - Policy or direction, compliance working group, escalation of issues

# Key Contacts



- Alberta Reliability Standards Development  
Jason Murray, Director Operational Effectiveness  
– [jason.murray@aeso.ca](mailto:jason.murray@aeso.ca)
- Alberta Reliability Standards Compliance  
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***Thank you***

