



## **Alberta Reliability Standards Implementation Plan**

### **Purpose**

This document provides a high level description regarding how the AESO intends to adopt US Reliability Standards as Alberta Reliability Standard in Alberta.

### **Background**

In the United States, the North American Electric Reliability Corporation (“NERC”) was certified as the Electric Reliability Organization (“ERO”) by the Federal Energy Regulatory Commission (“FERC”) as per the Energy Act in the US. The ERO has the responsibility for developing reliability standards for the electric industry, among other responsibilities. Since then, there have been 95 reliability standards that have been approved by FERC and are mandatory in the United States. In large part, these reliability standards apply to entities that own and operate, or direct the operation of power systems including both transmission and generating facilities.

NERC is also seeking international recognition as the ERO in the provinces of Canada and Mexico. In Alberta, the Alberta Department of Energy has recognized NERC as the ERO and the Transmission Regulation AR 86-2007 (“T-Reg”) provided direction for the implementation of reliability standards in Alberta.

The T-Reg provided that the AESO must consult with affected stakeholders prior to adopting reliability standards as ISO Rules or alternatively, seeking Commission approval of reliability standards.

The AESO has developed a process for detailed consultation with impacted stakeholders followed by broader stakeholder consultation prior to submission to the Commission. The AESO formed the AESO Reliability Committee (“ARC”) in December 2007 and subsequently began detailed consultation on reliability standards.

More information can be found on the AESO web site  
<http://www.aeso.ca/rulesprocedures/11091.html>

### **The proposed approach**

The AESO will adopt Alberta reliability standards as ISO Rules, by using a stakeholder committee review process (via the ARC and its Work Groups) and the normal Rules process. The approved and effective Alberta Reliability Standards will reside in a new section in the ISO Rules.



## **Principles applied in recommending adoption of an US Reliability Standard as an Alberta Reliability Standard**

The AESO will undertake reasonable efforts to recommend the adoption of US Reliability Standards as Alberta Reliability Standards subject to the following:

- a) it is consistent with applicable law in Alberta
- b) it is consistent with the safe, reliable and economic operation of AIES
- c) it is consistent with the fair, efficient and openly competitive operation of the markets in Alberta for electricity and ancillary services
- d) it is consistent with the structure of the industry in Alberta
- e) it would not result in an authority being transferred outside of Alberta
- f) it is in the public interest; not technically deficient in light of Alberta's industry; and consistent with business practices in Alberta

## **Recommendation on the adoption of an US Reliability Standard as an Alberta Reliability Standard**

Following the AESO's review and consultation with stakeholders, the AESO may make one of the following recommendations to the AUC on the adoption of an US Reliability Standard as an Alberta Reliability Standard:

- a) recommend approval as an Alberta Reliability Standard which is consistent with the US Reliability Standard, or
- b) recommend approval as an Alberta Reliability Standard that contains an Alberta Variance<sup>1</sup> to the US Reliability Standard, or
- c) recommend to not approve the US Reliability Standard as an Alberta Reliability Standard

## **Process used for the review and approval of Alberta Reliability Standard**

The following process will be used by the AESO in the review and adoption of an Alberta Reliability Standard:

1. AESO staff review the US Reliability Standard with the Alberta Reliability Committee (ARC) and the ARC Work Group.
2. ARC advise the AESO on the adoption of the US Reliability Standard as an Alberta Reliability Standard.
3. AESO post its recommendation on the adoption of the US Reliability Standard as an Alberta Reliability Standard for broad stakeholder consultation. If the recommendation is to adopt the US Reliability Standard as an Alberta Reliability

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<sup>1</sup> Alberta Variance is a change from the US Reliability Standard that the AESO has determined is material



- Standard, either with or without an Alberta Variance, the Alberta Reliability Standard will be proposed and included in one of the ISO Rule change cycle.
4. The Alberta Reliability Standard will be conducted through the normal ISO Rules process, including public stakeholder review, responding to stakeholder comments, submitting for AESO Executive Rules Committee (ERC) approval, and filing with the AUC.
  5. Subject to the AUC approval of the Alberta Reliability Standard, the Standard takes effect on the effective date as indicated, or as per the AUC requirement.

With the significant number of US Reliability Standards that will be reviewed, it is anticipated that the complete process will spread over a number of ISO Rules change cycles.