Market Participant Comment and AESO Replies Matrix

Consultation on Proposed New "technical feasibility exception" Alberta Reliability Standard Definition ("New "technical feasibility exception" definition")

Date of Request for Comment: October 18, 2016

Period of Consultation: October 18, 2016 through November 25, 2016

Definitions – New			
Existing	**Proposed**	**Market Participant Comments and/or Alternate Proposal**	**AESO Replies**
No definition currently exists in the Alberta Reliability Standards	**"technical feasibility exception"** means a variance from a requirement in the CIP Cyber Security **reliability standards** that achieves a level of **reliability** of the ~~**bulk electric system**~~ **interconnected electric system** that is comparable to or higher than compliance with the requirement.	**AltaLink Management Ltd. ("AltaLink")** 1. A definition of a technical feasibility exception is provided in the Nerc Directive 4d as being "**An exception from Strict Compliance with the terms of an Applicable Requirement, or part thereof, on grounds of technical feasibility or technical limitations in accordance with one or more of the criteria in Section 3.0 of Appendix 4d**". While the text of the proposed definition is extracted from the Nerc Directive 4d the original intent of that text was to contextualize its definition not replace its definition. Furthermore the definition does not align to Section 3 of ID #2016-005RS as it misses out the first line which states **" A TFE does not relieve a Responsible Entity from its obligation to comply with the requirement of a CIP ARS"** **ATCO Electric Ltd. ("AE")** 2. AE believes the word 'reliability' in the sentence, level of reliability… should be changed to 'security'. The meaning between these two words is totally different and we believe that the CIP standards are all about the	1. The AESO does not typically seek stakeholder input on Information Documents through the authoritative document consultation process. In this case, the AESO has amended section 3 of ID #2016-005RS, *Technical Feasibility Exceptions* ("ID #2016-005RS"). An approved technical feasibility exception ("TFE") authorizes an alternative means of compliance with a Critical Infrastructure Protection Alberta reliability standard ("CIP ARS") requirement through the use of mitigating actions that achieve a comparable or higher level of reliability for the interconnected electric system as would compliance with the CIPS ARS requirement. The AESO has defined TFE to clearly articulate what an approved TFE must achieve. Proposed new Alberta reliability standard CIP-SUPP-002-AB, *Cyber Security – Supplemental CIP Alberta Reliability Standard Technical Feasibility Exceptions* ("CIP-SUPP-002-AB") and related ID #2016-005RS are intended to articulate the application and review processes for TFEs. 2. The AESO disagrees. Given that the AESO is responsible for the safety and reliability of the Alberta interconnected electric system (*Electric Utilities Act*, section 17(h)), variances will only be granted in

		security of the grid. Systems must be secured to ensure grid reliability, so in this context, the TFE is all about maintaining an appropriate level of security. NERC, in their Appendix 4D of the ROP Section 3.2 also uses the word 'security'. If the intent is to stick close to the NERC version, AB should not be straying away.	circumstances where the impacts to reliability can be appropriately mitigated. The definition of reliability in the AESO's *Consolidated Authoritative Document Glossary* contemplates that security is a component of reliability.
		EPCOR Distribution & Transmission Inc. ("EDTI")	
		3. In the draft ID #2016-005RS, Section 5.1 (b) (i) states that one of the necessary criteria for the AESO to approve a TFE request is that the "proposed mitigation plan, in the determination of the AESO, would achieve a level of reliability of the bulk electric system comparable to or higer than compliance with the requirement." This is echoed in this definition of technical feasibility exception that the variance must achieve a level of reliability of the bulk electric system that is comparable to or higher than compliance with the requirement. However, Section 5.2 of ID #2016-005RS lists several grounds for a TFE request where the mitigation would not achieve that level of reliability of the BES. Two examples are 5.2 (c) and (f) which state that compliance with a CIP ARS requirement: (c) while technically possible and operationally feasible, cannot be achieved by the date the Responsible Entity is required to comply with the CIP ARS due to factors such as scarce technical resources, limitations on the availability of required equipment or components, or the need to construct, install or modify equipment during planned outages; (f) would require the incurrence of costs that far exceed the benefits to the reliability of the bulk electric system of compliance with the requirement, such as requiring the retirement of existing equipment that is not capable of compliance with the requirement but is far from the end of its useful life and replacement with newer-generation equipment	3. The AESO disagrees. A TFE must achieve a level of reliability of the Alberta interconnected electric system that is comparable to or higher than compliance with the applicable Alberta reliability standard requirement. Section 5.2 of ID #2016-005RS lists the grounds on which a Responsible Entity may request a TFE. These grounds are evaluated independently from the mitigation and remediation plan. The AESO expects that a TFE request on the grounds of subsection 5.2 (c) or (f) would include a mitigation plan that addresses the adverse effect on reliability caused by non-compliance with the applicable CIP ARS requirement.

		that is capable of compliance, where the incremental risk to the reliable operation of the asset and to the reliable operation of the facility and the bulk electric system of continuing to operate with the existing equipment is minimal. EDTI recommends that the TFE definition be modified to acknowledge the fact that some TFEs will not meet a level of reliability of the bulk electric system that is comparable to or higher than compliance with the CIP requirement, but that the impact to the reliability of the BES will be minimal and acceptable. A proposed revised definition is: **"technical feasibility exception"** means a variance from a requirement in the CIP Cyber Security **reliability standards** that achieves a level of **reliability** of the **bulk electric system** that is comparable to or higher than compliance with the requirement, or in the determination of the AESO, would achieve an adequate level of reliability of the bulk electric system. **EPCOR Distribution & Transmission Inc. ("EDTI")** 4. TransAlta is of the view that the proposed definition should be modified as follows: "**technical feasibility exception**" means a variance from a requirement in the CIP Cyber Security **reliability standards** that achieves a level of ~~**reliability**~~ security of the **bulk electric system** that is comparable to or higher than compliance with the requirement. TransAlta believes the use of the word security, as in NERC's *Appendix 4D to the Rules of Procedures*, is more appropriate in the context of technical feasibility exceptions and provides clarity for market participants when considering an application for a technical feasibility exception.	4. Refer to AESO reply #2.