

# RELIABILITY COORDINATOR FAQ

*The ISO's Reliability Coordinator, named RC West, launched its second phase of operations on November 1, 2019, when it became the official Reliability Coordinator of record for 41 electricity balancing authorities and transmission operators in the West.*

In January 2018, the ISO announced plans to become a Reliability Coordinator for entities within its footprint and to offer the service to all balancing authorities and transmission operators in the West.

Shortly after, the ISO began a public process to develop its RC. In November 2018, the Federal Energy Regulatory Commission (FERC) approved the rates, terms, and conditions for the RC services.

During this time, the existing RC provider, Peak Reliability, announced it will discontinue RC services at the end of 2019.

The ISO has collaborated with entities, regulators, and other RC service providers to work toward its certification, and to create procedures for logistics and operations.

The ISO completed the NERC certification process led by the Western Electricity Coordinating Council (WECC), allowing it to provide RC services.

In March 2019, the RC West Oversight Committee began holding public meetings. A new [webpage](#) was launched to provide access to key information such as the committee roster and meeting agendas and materials.

The November 1, 2019 cutover marks the second phase of a transition of power grid oversight responsibility. In the first phase, RC West became the RC of record for 16 entities as of July 1, 2019.

RC West is now the Reliability Coordinator for 41 entities in the Western Interconnection, overseeing 87 percent of the load in the western United States.

*For more information, visit the [ISO's RC West webpage](#).*

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## THE BASICS

### WHAT IS A RELIABILITY COORDINATOR (RC)?

The California ISO is the Reliability Coordinator of record for its footprint, and has extended these services to other balancing authorities in the western United States. After more than a year of planning and stakeholder input, the new service, RC West, launched operations on July 1, 2019.

## WHAT ARE THE STEPS FOR THE ISO TO GET CERTIFIED?

A Reliability Coordinator is required to be certified by NERC to ensure it has adequate facilities, tools, personnel, procedures, and training necessary to perform the tasks of the Reliability Coordinator. WECC conducted the ISO's RC certification process, acting as a Regional Entity of NERC under a delegation agreement. RC West received certification letters from WECC and NERC for the expanded footprint.

On a separate but concurrent course, the ISO initiated a public stakeholder process to develop the rates, terms and conditions of providing RC services to its customers. Those tariff amendments were approved by FERC on November 14, 2018.

## WHAT WILL BE THE OVERSIGHT STRUCTURE AND THE ROLE OF THE WORKING GROUPS?

The ISO created a membership-based RC West Oversight Committee to give guidance and build consensus on reliability compliance, including a common understanding of NERC standards.

The ISO also formed working groups to address such topics as operations planning and seams management, data sharing, emergency preparedness, and training. The working groups are comprised of ISO staff and entities with signed agreements.

## SERVICES

### WHAT SERVICES WILL THE ISO PROVIDE AS RELIABILITY COORDINATOR?

The ISO will offer core reliability coordination services as required by NERC standards, including outage coordination, day-ahead operational planning analysis, real-time assessment, real-time monitoring and analysis, and system restoration coordination.

The ISO is also offering non-core hosted advanced network applications, including State Estimator, Real Time Contingency Analysis (RTCA), Power Flow and Contingency Analysis. In addition, the ISO is offering NERC CIP-014 Physical Security standards.

### WHAT WILL BE THE COST OF THE SERVICES?

The ISO projects it will realize cost savings of at least 50 percent compared to current Peak Reliability pricing, and those savings will improve as more entities join the ISO's RC program

### HOW WILL THE ISO ACHIEVE THESE SAVINGS?

The ISO will leverage the efficiencies from existing control room technologies, management staff and other necessary infrastructure.

With each new participant, costs are spread out and reduced for all entities receiving RC services from the ISO.

## HOW WILL THE RC WEST BUDGET BE DEVELOPED AND MAINTAINED?

The RC West budget will be created using the same guiding principles as those used to set ISO grid management charges. Building from the ISO's current activity-based pricing structure, the ISO tracks different resources being used by the RC function, generating a formula for allocation.

## BACKGROUND

### WHAT MOTIVATED THE ISO TO BECOME AN RC?

While the ISO has historically supported a single RC in the West, our leadership recognized the shifts in the industry's landscape, including possible expanded market competition. The ISO moved to proactively mitigate the impacts of these developments to our customers.

### HOW WILL ADDING AN RC AFFECT ELECTRIC RELIABILITY IN THE WEST?

NERC Reliability Standards require all RCs to have a wide-area view. Therefore, adding another RC creates opportunities to have overlapping system views, which enhances reliable operations.

For context, Peak Reliability was one of two entities providing RC services to all of the Western Interconnection. However, Peak has announced it will discontinue RC services by the end of 2019. Before that time, it is expected that four RC service providers will need to transition the services for their set of customers.

That compares to 12 RCs in the Eastern Interconnection, which have been consistently capable of overseeing reliable grid operations.