

NERC/WECC Mandatory Reliability Standards Tariff Language Modifications and *Pro Forma* Agreement



Nancy Traweek
Director, Operations Support



California ISO
Your Link to Power

Board of Governors Meeting or Committee
General Session
May 30 -31, 2007

CAISO Compliance with Reliability Standards

- Since 1997, CAISO Tariff framework addresses compliance with WECC reliability standards and flow-through of penalties
- CAISO is in compliance with these standards
- Detailed standards form the basis for the reliability criteria in the CAISO corporate goals

- March 13, 2007 FERC Order 693 authorized NERC/WECC administration of 83 national reliability standards
- Mandatory and enforceable on June 4, 2007
- CAISO is responsible for compliance of 56 standards incorporating 547 requirements and 118 measures

Formed Technical and Legal Working Groups with Stakeholders

- 🌐 CAISO invited wide Stakeholder participation in working groups
 - Hosted WECC conference
 - Established Transmission Operator working group
 - Established legal working group
- 🌐 Participation
 - PG&E, SCE, SDGE and MWD are most affected
 - WAPA actively participated in Legal working group
 - EOB actively monitored groups
- 🌐 Reviewed 31 Transmission Operator standards
 - Identifying overlapping responsibilities
 - Allocation responsibility for penalties

Outcome of working sessions

- 🌐 Development of a *pro forma* Reliability Standards Agreement
 - Bi-lateral agreement between CAISO and each Transmission Operator
 - Facilitates the compliance audit
 - Basis for identifying non-compliant parties
 - Not required by NERC or FERC
 - Filing with FERC
- 🌐 Clarification to current Tariff framework to accommodate provision in *pro forma* agreement
 - To the extent non-compliance can be determined, penalties assessed to that entity

Board Approval Requested

- 🌐 Filing of the *pro forma* Reliability Standards Agreement
- 🌐 Filing of Tariff Language clarifications relating to reliability standards compliance

Needed actions are necessitated by mandatory reliability standards paradigm

 Questions ?

 Motion