

Reliability Oversight in Canada

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Electricity Trade 2011 National Energy Board





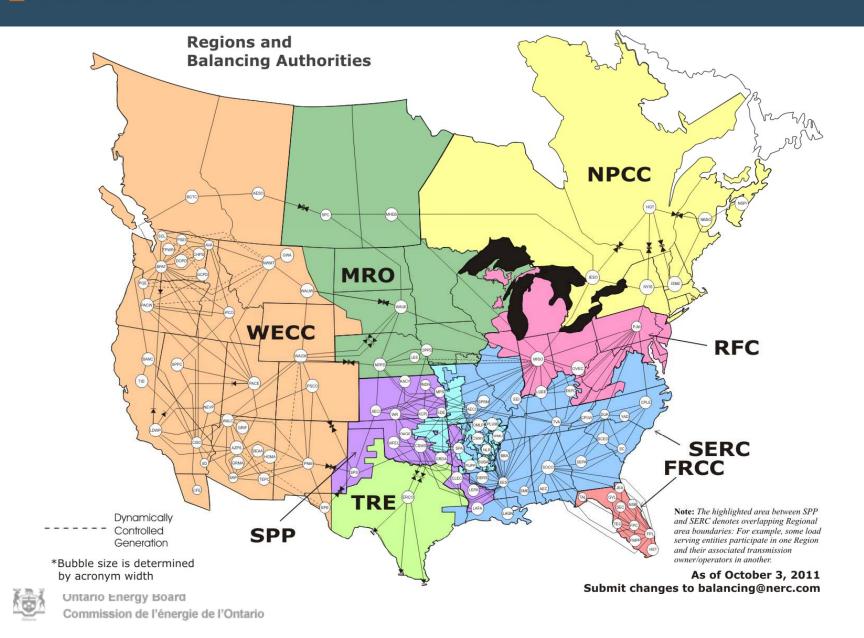
Regulation at National Level

Authority	FERC	NEB		
Electricity sales	Transmission and wholesale sales in interstate commerce	Permits for exports (generally sets a maximum)		
Transmission line approvals	Reviews siting applications for projects under limited circumstances	Authorizes construction and operation of international lines and designated interprovincial lines		
Environment	Oversees environmental matters for hydroelectric projects	Above includes: Environmental protection and environmental assessments		
Markets	Monitors and investigates energy markets			
Mergers and Acquisitions	Reviews certain deals by electricity companies			
Rate regulation	Administers accounting & financial reporting regulations & conduct of regulated companies			
Licensing	Licenses & inspects private, municipal & state hydroelectric projects			
Public safety		Works with CSA International on appropriate standards		
Reliability	Approves mandatory standards for high voltage interstate transmission systems			
Ontario Energy Board Commission de l'energie de l'Ontario				

Canadian Electricity Context

- Provincial jurisdiction
 - Regulation governed by legislative statute
- Most transmission and distribution companies operate provincially
 - Most are publicly owned, operation is governed by legislative statute
 - Many are divested from generation

NERC Control Areas



Provincial Reliability Regulation

Control Area	Province	Standard	Enforcement	MoU w NERC
NEB		No authority to approve or remand	NERC provides reports NEB enforcement but not financial penalties	•NEB
WECC	British Columbia	BCUC BCTC brings an application for the NERC standard to apply	BCUC	Under negotiation
	Alberta	AUC Approve AESO Adopt Amend	AESO compliance Market Surveillance Administrator (MSA) investigations AUC penalties	•AESO& WECC

Provincial Reliability Regulation

Control Area	Province	Standard	Enforcement	MoU w NERC
MRO	Saskatchewan			•SPC&MRO
	Manitoba	Lieutenant Governor in Counsel Remand Suspend Disallow	NERC investigation PUB approve finding and penalty	•MH&MRO Agreement

Provincial Reliability Regulation

Control Area	Province	Standard	Enforcement	MoU w NERC
NPCC	Ontario	OEB Appeal Review Approve Remand Stay	IESO	•OEB •IESO
	Quebec	Régie adopts	NPCC monitoring and recommendations	•Régie & NPCC & NERC underway for enforcement
	New Brunswick	NBSO Adopt NBEUB Appeal	NBSO	•NB DoEnergy& NBSO
	Nova Scotia	UARB Adopt Remand	NERC reports UARB penalties	•UARB NSPI&NPCC
	Prince Edward Island			No current agreement