

Project QC-2021-01

Standards Efficiency Review (SER)

1. OVERVIEW OF THE STANDARDS

1.1. Applicability

The standards covered by this document fall into two distinct categories. The first, Standards to Adopt, comprises the standards INT-006-5, INT-009-3 and PRC-004-6, which replace INT-006-4, INT-009-2 and PRC-004-5(i), respectively. The second, Standards to Retire, includes the standards FAC-013-2, INT-004-3.1, INT-010-2.1 and MOD-020-0.

The table below summarizes the Functional Entities covered by the standards in this project.

	Standard	Functional Entity
Standards to Adopt	INT-006-5	<i>Balancing Authority (BA)</i> <i>Transmission Service Provider (TSP)</i>
	INT-009-3	<i>Balancing Authority (BA)</i>
	PRC-004-6	<i>Transmission Owner (TO)</i> <i>Generator Owner (GO)</i> <i>Distribution Provider (DP)</i>
Standards to Retire	FAC-013-2	<i>Planning Coordinator (PC)</i>
	INT-004-3.1	<i>Balancing Authority (BA)</i> <i>Purchase-Selling Entity (PSE)</i>
	INT-010-2.1	<i>Balancing Authority (BA)</i>
	MOD-020-0	<i>Load-Serving Entity (LSE)</i> <i>Transmission Planner (TP)</i> <i>Resource Planner (RP)</i>

1.2. Purpose of the Standards

This section presents the purpose of each standard covered by this request. The list below presents the title, followed by the purpose, of each standard.

- FAC-013-2 – Assessment of Transfer Capability for the Near-term Transmission Planning Horizon:** To ensure that PCs have a methodology for, and perform an annual assessment to identify potential future Transmission System weaknesses and limiting Facilities that could impact the Bulk Electric System's (BES) ability to reliably transfer energy in the Near-Term Transmission Planning Horizon.
- INT-004-3.1 – Dynamic Transfers:** To ensure Dynamic Schedules and Pseudo-Ties are communicated and accounted for appropriately in congestion management procedures.
- INT-006-5 – Evaluation of Interchange Transactions:** To ensure that responsible entities conduct a reliability assessment of each Arranged Interchange before it is implemented.

- **INT-009-3 – Implementation of Interchange:** To ensure that Balancing Authorities implement the Interchange as agreed upon in the Interchange confirmation process.
- **INT-010-2.1 – Interchange Initiation and Modification for Reliability:** To provide guidance for required actions on Confirmed Interchange or Implemented Interchange to address reliability.
- **MOD-020-0 – Providing Interruptible Demands and Direct Control Load Management Data to System Operators and Reliability Coordinators:** To ensure that assessments and validation of past events and databases can be performed, reporting of actual demand data is needed. Forecast demand data is needed to perform future system assessments to identify the need for system reinforcement for continued reliability. In addition to assist in proper real-time operating, load information related to controllable Demand-Side Management programs is needed.
- **PRC-004-6 – Protection System Misoperation Identification and Correction:** Identify and correct the causes of Misoperations of Protection Systems for BES Elements.

1.3. Regulatory Context

i. NERC Project 2018-03 Standards Efficiency Review

The Coordinator is submitting these first in a series filing of standards revisions in the framework of North American Electric Reliability Corporation (NERC) Project 2018-03 Standards Efficiency Review. The purpose of this NERC project is to retire several Reliability Standards on the grounds that the requirements contained therein are duplicative to other requirements, administrative in nature, or are otherwise unnecessary for reliability. Others will follow in the future.¹

Reliability Standards INT-006-5, INT-009-3 and PRC-004-6 were adopted by the NERC Board of Trustees on May 9, 2019, and approved by the Federal Energy Regulatory Commission (FERC) on September 17, 2020 (Order No. 873²). They come into force in the United States on April 1, 2021³.

The standards to retire, FAC-013-2, INT-004-3.1, INT-010-2.1 and MOD-020-0, have been inactive in the United States since December 14, 2020.⁴

ii. Affected Reliability Standards in Québec

Standards to replace

Pursuant to Section 85.6 of the *Act Respecting the Régie de l'énergie*, the Coordinator is filing for adoption by the Régie de l'énergie (the "Régie") the reliability standards set out by NERC, along with their respective appendices. The standards subject to replacement by the Régie in this SER filing retire specific reliability standards requirements currently in effect in Québec.

¹ The SER refers to a number of other standards. The Coordinator will propose revisions to those standards in future files. The full scope of NERC Project 2018-03 can be found at: <https://www.nerc.com/pa/Stand/Pages/Project-2018-03-Standards-Efficiency-Review-Retirements.aspx>.

² FERC Order No. 873, retrieved on January 20, 2021, from <https://www.nerc.com/FilingsOrders/us/FERCOrdersRules/Order%20on%20SER%20Retirements.pdf>.

³ Standards subject to a future coming into force on the NERC website, retrieved on January 21, 2021, from <https://www.nerc.net/standardsreports/standardssummary.aspx>.

⁴ Inactive Reliability Standards on the NERC website, retrieved on January 25, 2021, from <https://www.nerc.net/standardsreports/standardssummary.aspx>.

The table below summarizes the regulatory background of the standards being replaced in this project.

Standard to Replace	Régie Decision	Régie File Number	Effective Date in Québec
INT-006-4	D-2017-012 ⁵	R-3944-2015	April 1, 2017
INT-009-2.1	D-2018-017 ⁶	R-4025-2017	April 1, 2018
PRC-004-5(i)	D-2020-167 ⁷	R-4070-2018	April 1, 2021

Standards to retire

Four (4) standards are subject to being retired in their entirety.

The table below summarizes the regulatory background of the standards being retired in this project.

Standard to Retire	Régie Decision	Régie File Number	Effective Date in Québec
FAC-013-2	D-2017-110 ⁸	R-3949-2015	Suspended ⁹
INT-004-3.1	D-2018-017 ¹⁰	R-4025-2017	April 1, 2018
INT-010-2.1	D-2018-017 ¹¹	R-4025-2017	April 1, 2018
MOD-020-0	D-2015-168 ¹²	R-3699-2009	January 1, 2016

1.4. Specific Provisions for Québec

There are no specific provisions for the standards INT-006-5 and INT-009-3.

For PRC-004-6, the Coordinator requests the renewal of the specific provisions from the previous version, PRC-004-5(i), which replace all BES references with Main Transmission System (RTP).

1.5. Proposed Effective Dates

The implementation plan for NERC Project 2018-03¹³ proposes making the changes effective in two separate steps:

⁵ Régie Decision D-2017-012, retrieved on January 21, 2021, from http://publicsde.regie-energie.qc.ca/projets/332/DocPri/R-3944-2015-A-0068-Dec-Dec-2017_02_03.pdf [French only].

⁶ Régie Decision D-2018-017, retrieved on January 21, 2021, from http://publicsde.regie-energie.qc.ca/projets/431/DocPri/R-4025-2017-A-0009-Dec-Dec-2018_02_22.pdf [French only].

⁷ Régie Decision D-2020-167, retrieved on January 21, 2021, from http://publicsde.regie-energie.qc.ca/projets/483/DocPri/R-4070-2018-A-0046-Dec-Dec-2020_12_11.pdf [French only].

⁸ Régie Decision D-2017-110, retrieved on January 26, 2021, from http://publicsde.regie-energie.qc.ca/projets/332/DocPri/R-3944-2015-A-0083-Dec-Dec-2017_09_27.pdf [French only].

⁹ The standard was adopted in Decision [D-2017-110](#), but the same decision also suspended its coming into force.

¹⁰ See Note 6.

¹¹ As above.

¹² Régie Decision D-2015-168, retrieved on January 26, 2021, from <http://www.regie-energie.qc.ca/audiences/decisions/D-2015-168.pdf> [French only].

¹³ NERC Project 2018-03 Implementation Plan, retrieved on January 20, 2021, from https://www.nerc.com/pa/Stand/Project%20201803%20Standards%20Efficiency%20Review%20Require/2018-03_clean_Implementation_Plan_04232019.pdf.

1. For standards that are proposed to be retired in their entirety, NERC proposes that the retirement shall become effective immediately upon regulatory approval. The standards FAC-013-2, INT-004-3.1, INT-010-2.1 and MOD-020-0 are inactive in the United States since December 14th, 2020.
2. For standards that are proposed for adoption, NERC proposes that the revised standards become effective on the first day of the first calendar quarter that is three (3) months after applicable regulatory approval. The standards INT-006-5, INT-009-3 and PRC-004-6 come into force in the United States on April 1st, 2021.

Given the importance of having uniform practices with mandatory standards in effect harmonized with the United States, the Coordinator requests an effective date on the first day of the first calendar quarter¹⁴ that is three (3) months after the adoption date of the revised standards in this file. The Coordinator considers that the criterion established by the Régie to have a minimum period between the date of adoption and the entry into force of 60 days¹⁵ is respected within the framework of NERC implementation plan. For standards to retire in their entirety, the Coordinator requests to proceed in the same manner as NERC, making the retirement effective upon approval by the Régie.

1.6. Standards to Retire

Standards INT-006-4, INT-009-2.1 and PRC-004-5(i) must be retired when standards INT-006-5, INT-009-3 and PRC-004-6 becomes effective respectively.

Standards FAC-013-2, INT-004-3.1, INT-010-2.1 and MOD-020-0 can be retired without additional constraints.

1.7. Modifications to the Glossary

No modifications.

2. ASSESSMENT OF RELEVANCE

NERC initiated Project 2018-03 Standards Efficiency Review to consider the recommendations for Reliability Standard retirements contained in the Standard Authorization Request (SAR).¹⁶

A large number of NERC Reliability Standards have been in effect and mandatory in North America for over 10 years. In the last 10 years, NERC has embarked on a shift in the standards paradigm.

Previously, NERC adopted absolute “do exactly as the standard dictates” requirements that contained many specific actions for the Entity. It was found that this rigid approach did not always satisfy the reliability goal.

Today, NERC adopts results-based standards that afford Entities flexibility in achieving those results. The goal of Phase I of SER is to retire requirements that are no longer necessary for reliability because they are administrative in nature or duplicative to other requirements.

¹⁴ According to the decision [D-2015-168](#), the Régie fixed the effective date of standards on the first day of the first calendar quarter following the adoption date.

¹⁵ According to the decision [D-2016-011](#), the Régie fixed the minimum delay to 60 days between the adoption and effective date of standards.

¹⁶ NERC Project 2018-03 Standard Authorization Request (SAR), retrieved on January 26, 2021, from https://www.nerc.com/pa/Standards%20Efficiency%20Review%20DL/Combined_SER_SAR_08282018.pdf.

The table below details the rationale for retiring each requirement discussed in this document. Full information on NERC's rationale for retiring requirements may be found in the Project 2018-03 documentation, particularly the Technical Rationale¹⁷ document.

Standard	Requirement	Rationale
FAC-013-2	All	The requirements for PCs to have a methodology for and to perform an annual assessment of Transfer Capability for a single year in the Near-Term Transmission Planning Horizon does not benefit System Reliability. Assessing Transfer Capability in the planning horizon is a method to test the robustness of the System. Robustness testing of a System is not an indicator of reliability because there is no metric for robustness. In short, this standard is primarily administrative in nature and does not require specific performance metrics or coordination among functional entities.
INT-004-3.1	All	Managing pseudo-ties and congestion are elements that impact transmission costs, rather than actual reliable management of the System.
INT-006-4	R3.1	There is no substantive impact on reliability with requiring the Reliability Coordinator (RC) to be notified when a Reliability Adjustment Arranged Interchange has been denied.
	R4	Requirement R4 is redundant and requires tasks unrelated to system reliability. ¹⁸ The requirement is found in the North American Energy Standards Board (NAESB) ¹⁹ Electronic Tagging Specification. ²⁰
	R5	Requirement R5 is redundant and requires tasks unrelated to system reliability. The requirement is found in the NAESB Electronic Tagging Specification.
INT-009-2.1	R2	This requirement is redundant with Reliability Standard BAL-005-1, Requirement R7, adopted in Québec in Decision D-2020-067. ²¹
INT-010-2.1	All	This standard is administrative in nature and duplicative. It is redundant with existing NAESB administrative requirements and does little, if anything, to benefit or protect reliability.
MOD-020-0	All	This standard is redundant with Reliability Standards MOD-031-2 and IRO-010-2 requirements to provide Demand-Side Management and Direct Control Load Management data to the BA, TOP and RC.
PRC-004-5(i)	R4	Requirement R4 acts as a control to support compliance with Requirements R1 and R3. Its proposed retirement does not preclude the entity's responsibility to take mitigation actions or conduct investigations to identify the cause of Misoperations. Retiring Requirement R4 will solely alleviate the administrative burden of keeping tracking documents for showing investigative actions.

¹⁷ NERC Project 2018-03 technical justification, retrieved on January 27, 2021, from https://www.nerc.com/pa/Stand/Project%20201803%20Standards%20Efficiency%20Review%20Require/2018_03_Technical_Rationale_Clean_04232019.pdf.

¹⁸ Justification based on Paragraph 81 Criteria (P81) for the NERC SER. The ultimate goal of the project is to retire reliability standard requirements considered superfluous or redundant. For more information about P81, consult:

https://www.nerc.com/pa/Stand/Project%20200812%20Coordinate%20Interchange%20Standards%20DL/Paragraph_81_Criteria.pdf.

¹⁹ The NAESB is a US non-profit organization for the development of marketplace standards for system reliability administrative practices. For more information on the organization: https://www.naesb.org/pdf/naesb_certificate_103017.pdf.

²⁰ NAESB Electronic Tagging Specification, retrieved on January 27, 2021, from https://www.naesb.org/pdf4/weq_2009_api_1a_3avii_r05020_090409reqcom_a2.doc.

²¹ Régie Decision D-2020-067, retrieved on January 26, 2021 from http://publicsde.regie-energie.qc.ca/projets/523/DocPri/R-4104-2019-A-0017-Dec-Dec-2020_06_08.pdf.

In the United States, FERC concluded that the NERC SER request is just, reasonable, not unduly discriminatory or preferential, and in the public interest. NERC's provided adequate arguments to conclude that the requirements proposed for retirement provide a little or no reliability benefit, are administrative in nature or relate expressly to commercial practices or are redundant with other Reliability Standards²².

Furthermore, the neighbouring systems, which are New-Brunswick and Ontario systems, also adopted the SER project proposed Standards.

In accordance with the 2009 agreement between the Régie, NERC and the NPCC and with the authorization of the Québec government,²³ these standard revisions were developed and approved by recognized agencies in North America, including Québec or in neighboring systems. In the opinion of the Coordinator, these requirement retirements will reduce the impact on applicable Entities without compromising system reliability in Québec. The proposed revisions to the Régie are therefore relevant.

3. PRELIMINARY IMPACT ASSESSMENT

This project includes requirements and standards retirements. In consequence, the impact, for applicable entities, will be low to negligible.

The table below presents preliminary estimates of the impact on all Québec Entities.

Standard	Impact		
	Implementation	Maintenance	Follow-up
FAC-013-2	Low	Low	Low
INT-004-3.1	Low	Low	Low
INT-006-4	Low	Low	Low
INT-009-2.1	Low	Low	Low
INT-010-2.1	Low	Low	Low
MOD-020-0	Low	Low	Low
PRC-004-5(i)	Low	Low	Low

Legend

Low: Normal industry practice that only requires minor adjustments to existing processes or practices.

Moderate: Change that requires the mobilization of some physical, human or financial resources to implement the proposed standard, enforce it or monitor its compliance.

High: Change that requires the mobilization of significant physical, human or financial resources to plan and implement the proposed standard, enforce it or monitor its compliance.

4. FINAL IMPACT ASSESSMENT

This section shall be completed upon receipt of the impact assessment forms and at the conclusion of the consultation process prior to filing of reliability standards with the Régie de l'énergie.

²² See note 2.

²³ Agreement entered into in accordance with Order-in-Council 443-2009 dated April 8, 2009. http://www.regie-energie.qc.ca/audiences/normes_fiab_tramp_elec/Entente_Regie_NERC_NPCC_5mai09.pdf [in French only].