

1 Q. (Reference 2017 GRA Volume I, page 3.45) It is stated (lines 1 to 8) *“While Hydro*  
2 *has not been mandated by the Provincial Government to implement NERC*  
3 *standards, the Company recognizes the benefits that the NERC reliability standards*  
4 *provide and, as a prudent operational measure, is in the preliminary stages of*  
5 *reviewing and assessing the standards that are applicable for adoption into the*  
6 *Island Interconnected System. Hydro is also reviewing the approach it will use to*  
7 *implement applicable NERC reliability standards and the impacts that these*  
8 *standards will have on the Island Interconnected System when the Island of*  
9 *Newfoundland interconnects with Nova Scotia and Labrador via the Maritime and*  
10 *Labrador-Island links, respectively.”* Please file a copy of Hydro’s plan and schedule  
11 for reviewing and assessing NERC standards, including the timing for when Hydro  
12 expects to move beyond the *“preliminary stages”* of its review.

13  
14  
15 A. Hydro is targeting voluntary compliance with the NERC standards through a phased  
16 implementation of the standards. The focus in 2017 (Stage I) is to:

- 17 1. develop policies and procedures directed towards interconnection with the  
18 North American grid,<sup>1</sup> compliant with NERC, including covering transactions  
19 between Hydro and Nova Scotia Power over the Maritime Link;
- 20 2. complete training of Energy Control Centre operators to handle relevant  
21 transactions between the two systems;
- 22 3. ensure real time and next day secure system operations planning; and

---

<sup>1</sup> Specifically, the NERC standards and portions of the standards around disturbance control (BAL-002); operating personnel communications protocols (COM-001 and COM-002); system restoration coordination (EOP-006); facility ratings (FAC-008); interchange transactions and modifications for reliability (FAC-006, FAC-008 and FAC-010); reliability coordination analysis and real-time assessments (IRO-002, IRO-008 and IRO-010); operator training (PER-005 and PER-006); transmission operations planning (TOP-001 and TOP-002); as well as the Critical Infrastructure Protection standards (CIP-002 to CIP-010) are all part of this first phase of implementation.

1           4. enhance cybersecurity at Bottom Brook, Soldiers Pond and the Energy  
2           Control Centre.

3

4           In addition, a compliance program will be established during the development of  
5           these standards in 2017 to ensure that the policies and procedures meet the  
6           compliance requirements. A Manager of Reliability Standards and Commercial  
7           Compliance has been hired to oversee this compliance program within the NLSO. A  
8           consultant, with significant expertise in this area, is also currently on-board for  
9           development of the policies and procedures and the compliance program roadmap,  
10          with commencement of implementation of this first stage by the end of 2017.

11

12          Once the policies and procedures identified for Stage I are finalized, Hydro will  
13          continue to adopt additional NERC standards based on their priority and effect on  
14          the system into 2018 (Stage II). The assessment of what will be included in Stage II  
15          will be completed in late 2017, and development of policies and procedures related  
16          to the selected NERC reliability standards will occur in 2018, for implementation in  
17          2018 and 2019.

18

19          Future implementation will be assessed as Hydro continues to review the NERC  
20          standards that are identified as having a significant contribution to reliable  
21          operations of the Hydro system.