NATIONAL ENERGY BOARD

IN THE MATTER OF: the *National Energy Board Act*, R.S.C. 1985, c.N-7

AND IN THE MATTER OF: National Energy Board Orders MO-036-2012 and AO-001-EP-196

RESPONSE TO INFORMATION REQUEST

Manitoba Hydro provides the following responses to the Board's Information Request No.1 regarding Manitoba Hydro's February 25, 2013 compliance filing in the above-referenced matter.

a. Manitoba Hydro confirms that the versions of the reliability standards indicated in the statutory declaration of Mr. Lorne Eric Midford dated February 22, 2013 are the enforceable reliability standards currently applicable to Manitoba Hydro as per Manitoba's Reliability Standards Regulation (M.R. 25/2012).

b. Manitoba Hydro does not have the legal authority to adopt new versions of NERC reliability standards. This authority lies with the Province of Manitoba pursuant to Manitoba Regulation 25/2012. Manitoba Hydro has received the attached notice of proposed changes to such standards from the Province of Manitoba.

c. Manitoba Hydro does not have a documented transmission line maintenance program. Nor has Manitoba Hydro, as a provincial authority, developed a reliability standard related to transmission line maintenance pursuant to section 15.0.2 of *The Manitoba Hydro Act*[1]. Manitoba Hydro's maintenance practice is to perform a visual inspection of its towers and associated transmission line equipment when conducting vegetation management in accordance with Manitoba Hydro's Transmission Vegetation Management Program (which has been adopted pursuant to NERC Standard FAC-003-1). Repairs and/or remedial actions, further testing and inspection are performed based on any findings resulting from the visual inspection.

ALL OF WHICH IS RESPECTFULLY SUBMITTED,

May 28, 2013

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[1] R.S.M. 1987, c.H190

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Lam Chung
Manitoba Hydro
PO Box 815, St. Main
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2013 04 24

Dear: Mr. Chung

RE: Annual Update of the Mandatory Electric Reliability Standards Under Manitoba's Reliability Standards Regulation (MR 25/2012)

Compliance to the North American Electric Reliability Corporation's (NERC's) reliability standards listed in Schedule 1 of Manitoba's Reliability Regulation are mandatory within the Province of Manitoba. Although NERC's reliability standards are continually being revised and created, Manitoba only updates the schedule once each year. Attached in Appendix 2 is a list of the NERC reliability standards that are currently in effect in Manitoba and a listing of the NERC standards that are proposed to be implemented on or about July 01, 2013.

The Midwest Reliability Organization (MRO) maintains a compliance registry that identifies those entities within the Province of Manitoba who are required to comply with the NERC reliability standards that are in effect in Manitoba. The MRO has identified your organization as being obligated to comply with some or all of the NERC standards listed in Appendix 2.

Manitoba is seeking your input in obtaining any substantial concerns your organization may have with implementing any of the identified NERC standards. Should you have any concerns, please provide a written response by May 15, 2013 identifying the issue and why the NERC standard should not be implemented at this time. Appendix 1 (attached) identifies the procedure that Manitoba employs in assessing and managing your comments.

Please provide your responses to Jeffery Cottes, Senior Legislative Analyst, via email at jeffery.cottes@gov.mb.ca. If you have any questions, or would like to discuss these amendments in greater details, you can call Jeffery at 204-945-2695 or me at 204-945-3376.

Sincerely,

Blaine Poff
Manager, Renewable Energy Policy
Blaine.Poff@gov.mb.ca

Appendix 1 – Procedures

Step 1: Notification	• IEM receives notification of proposed changes to electricity reliability standards. • IEM receives notification of PUB directive to remand or reject a reliability standard. • IEM evaluates implications of new/revised standards • IEM initiates communication with Registered Entities of the Province's intent to respond to notification from a designated electricity reliability standards-making body, which shall: o include the list of enforced standards under the reliability regulation; o request input on revisions or additions to reliability standards presently in force; and o explain the rationale for any standards that the Province does not intend to adopt. • Registered Entities invited to review and comment on new/revised standards
Step 2: Written Comments	• Registered Entities provide written responses (with recommendations and rationales) to proposed updates, by the date requested, identifying any concerns or disagreements. • If no concerns with changes to reliability standards list, IEM amends regulation (Step 5). • Concerns with proposed changes will require further evaluation and discussion (Step 3).
Step 3: Evaluation	• IEM evaluates written responses from Registered Entities.
Step 4: Discussion	• IEM and Registered Entities meet to discuss general state of reliability regime, as well as the proposed updates to all or part of the reliability standards regulation. Discussion will focus on new/revised standards, errata, as well as PUB actions related to standards. • Discussions shall acknowledge any and all limitations on the Province as specified by *The Manitoba Hydro Act*, *The Manitoba Public Utilities Board Act*, and their associated regulations, including the Compliance Monitoring and Enforcement Program and other aspects of reliability regulations, as may become evident during discussion. • Registered Entities should be made aware, as much as is possible, of the importance of Manitoba's sovereignty and cooperation with other governments in the context of the North American bulk power system
Step 5: Regulation Amendment	• IEM prepares regulation amendment to update reliability standards. • IEM identifies standards held in abeyance, which are to be revisited within one calendar year. • IEM identifies standards that will not be included in the regulatory framework in Manitoba, and communicates the rationale to registered entities. • Regulatory amendments are subject to approval by the Lieutenant Governor in Council.
Step 6: Notification	• If approved, Registered Entities, Reliability Organisations, and other government agencies and jurisdictions will be notified of these amendments and the date they come into force.
Step 6a: Dispute	• Although the goal is to reach agreement, IEM retains decision-making authority as to what standards will become enforced. Decisions will be made on the basis of

Settlement	enhancing and maintaining Manitoba's role in the reliability of the bulk power system in North America with reliability standards that demonstrate practical results. • Registered Entities still have the option to apply to the Manitoba Public Utilities Board to seek the remand or rejection of a reliability standard or requirement.

Appendix 2 – NERC Standards Proposed to be Included in the Update of Schedule 1 of Manitoba's Reliability Standards Regulation (MR 25/2012)

Manitoba proposes the replace of the existing list of NERC standards in effect (column 3) with the following NERC standards as identified in the first column:

NERC Reliability Standards for Implementation on or about 2013 07 01

Standard Number proposed to be in Regulation revision	Title	NERC Standard Currently in Effect in MB	Notes
BAL-001-0.1a	Real Power Balancing Control Performance	BAL-001-0	Updated
BAL-002-1	Disturbance Control Performance	BAL-002-0	Updated
BAL-003-0.1b	Frequency Response and Bias	BAL-003-0	Updated
BAL-004-0	Time Error Correction	BAL-004-0	
BAL-005-0.2b	Automatic Generation Control	BAL-005-0	Updated
BAL-006-2	Inadvertent Interchange	BAL-006-2	
COM-001-1.1	Telecommunications	COM-001-1	Updated
COM-002-2	Communications and Coordination	COM-002-2	
CIP-001-2a	Sabotage Reporting	CIP-001-1	Updated

CIP-002-3	Cyber Security — Critical Cyber Asset Identification	CIP-002-3	
CIP-003-3	Cyber Security — Security Management Controls	CIP-003-3	
CIP-004-3a	Cyber Security — Personnel & Training	CIP-004-3	Updated
CIP-005-3a	Cyber Security — Electronic Security Perimeter(s)	CIP-005-3	Updated
CIP-006-3c	Cyber Security — Physical Security of Critical Cyber Assets	CIP-006-3	Updated
CIP-007-3	Cyber Security — Systems Security Management	CIP-007-3	
CIP-008-3	Cyber Security — Incident Reporting and Response Planning	CIP-008-3	
CIP-009-3	Cyber Security — Recovery Plans for Critical Cyber Assets	CIP-009-3	
EOP-001-0.1b	Emergency Operations Planning	**Error! Hyperlink reference not valid.**	Updated
EOP-002-3.1	Capacity and Energy Emergencies	EOP-002-2	Updated
EOP-003-1	Load Shedding Plans	EOP-003-1	
EOP-004-1	Disturbance Reporting	EOP-004-1	
EOP-005-1	System Restoration Plans	EOP-005-1	

EOP-006-1	Reliability Coordination – System Restoration	EOP-006-1	
EOP-008-0	Plans for Loss of Control Center Functionality	EOP-008-0	
EOP-009-0	Documentation of Blackstart Generating Unit Test Results	EOP-009-0	
FAC-001-0	Facility Connection Requirements	FAC-001-0	
FAC-002-1	Coordination of Plans For New Generation, Transmission, and End-User Facilities	FAC-002-0	Updated
FAC-003-1	Transmission Vegetation Management Program	FAC-003-1	
FAC-008-3	Facility Ratings	FAC-008-1	Updated
	-	FAC-009-1	ELIMINATED
FAC-010-2.1	System Operating Limits Methodology for the Planning Horizon	FAC-010-2	Updated
FAC-011-2	System Operating Limits Methodology for the Operations Horizon	FAC-011-2	
FAC-013-2	Assessment of Transfer Capability for the Near-Term Transmission Planning Horizon	FAC-013-1	Updated

FAC-014-2	Establish and Communicate System Operating Limits	FAC-014-2	
INT-001-3	Interchange Information	INT-001-3	
INT-003-3	Interchange Transaction Implementation	INT-003-3	
INT-004-2	Dynamic Interchange Transaction Modifications	INT-004-2	
INT-005-3	Interchange Authority Distributes Arranged Interchange	INT-005-3	
INT-006-3	Response to Interchange Authority	INT-006-3	
INT-007-1	Interchange Confirmation	INT-007-1	
INT-008-3	Interchange Authority Distributes Status	INT-008-3	
INT-009-1	Implementation of Interchange	INT-009-1	
INT-010-1	Interchange Coordination Exemptions	INT-010-1	
IRO-001-1.1	Reliability Coordination — Responsibilities and Authorities	IRO-001-1	Updated
IRO-002-2	Reliability Coordination — Facilities	IRO-002-1	Updated
IRO-003-2	Reliability Coordination — Wide-Area View	IRO-003-2	

IRO-004-2	Reliability Coordination — Operations Planning	IRO-004-2	
IRO-005-3.1a	Reliability Coordination — Current Day Operations	IRO-005-3	Updated
IRO-006-5	Reliability Coordination — Transmission Loading Relief (TLR)	IRO-006-5	
IRO-006-EAST-1	Transmission Loading Relief Procedure for the Eastern Interconnection	IRO-006-EAST-1	
IRO-008-1	Reliability Coordinator Operational Analyses and Real-time Assessments		New
IRO-009-1	Reliability Coordinator Actions to Operate Within IROLs		New
IRO-010-1a	Reliability Coordinator Data Specification and Collection		New
IRO-014-1	Procedures, Processes, or Plans to Support Coordination Between Reliability Coordinators	IRO-014-1	

IRO-015-1	Notifications and Information Exchange Between Reliability Coordinators	IRO-015-1	
IRO-016-1	Coordination of Real-time Activities Between Reliability Coordinators	IRO-016-1	
MOD-001-1a	Available Transmission System Capability	MOD-001-1	Updated
MOD-004-1	Capacity Benefit Margin	MOD-004-1	
MOD-008-1	Transmission Reliability Margin Calculation Methodology	MOD-008-1	
MOD-010-0	Steady-State Data for Modeling and Simulation of the Interconnected Transmission System	MOD-010-0	
MOD-012-0	Dynamics Data for Modeling and Simulation of the Interconnected Transmission System	MOD-012-0	
MOD-016-1.1	Documentation of Data Reporting Requirements for Actual and Forecast Demands, Net Energy for Load, and Controllable Demand-Side Management	MOD-016-1	Updated

MOD-017-0.1	Aggregated Actual and Forecast Demands and Net Energy for Load	MOD-017-0	Updated
MOD-018-0	Treatment of Nonmember Demand Data and How Uncertainties are Addressed in the Forecasts of Demand and Net Energy for Load	MOD-018-0	
MOD-019-0.1	Reporting of Interruptible Demands and Direct Control Load Management	MOD-019-0	Updated
MOD-020-0	Providing Interruptible Demands and Direct Control Load Management Data to System Operators and Reliability Coordinators	MOD-020-0	
MOD-021-1	Documentation of the Accounting Methodology for the Effects of Demand-Side Management in Demand and Energy Forecasts	MOD-021-0	Updated
MOD-028-1	Area Interchange Methodology	MOD-028-1	
MOD-029-1a	Rated System Path Methodology	MOD-029-1	Updated
MOD-030-2	Flowgate Methodology	MOD-030-1	Updated

PER-001-0.2	Operating Personnel Responsibility and Authority	PER-001-0	Updated
PER-002-0	Operating Personnel Training	**Error! Hyperlink reference not valid.**	
PER-003-1	Operating Personnel Credentials	PER-003-0	Updated
PER-004-1	Reliability Coordination — Staffing	**Error! Hyperlink reference not valid.**	
PER-004-2	Reliability Coordination — Staffing		NEW
PER-005-1	System Personnel Training	-	NEW
PRC-001-1	System Protection Coordination	PRC-001-1	
PRC-004-2a	Analysis and Mitigation of Transmission and Generation Protection System Misoperations	PER-004-1	Updated
PRC-005-1b	Transmission and Generation Protection System Maintenance and Testing	PRC-005-1	Updated
PRC-007-0	Assuring Consistency of Entity Underfrequency Load Shedding Programs with Regional Reliability Organization's Underfrequency Load Shedding Program Requirements	PRC-007-0	

PRC-008-0	Implementation and Documentation of Underfrequency Load Shedding Equipment Maintenance Program	PRC-008-0	
PRC-009-0	Analysis and Documentation of Underfrequency Load Shedding Performance Following an Underfrequency Event	PRC-009-0	
PRC-010-0	Technical Assessment of the Design and Effectiveness of Undervoltage Load Shedding Program	PRC-010-0	
PRC-011-0	Undervoltage Load Shedding System Maintenance and Testing	PRC-011-0	
PRC-015-0	Special Protection System Data and Documentation	PRC-015-0	
PRC-016-0.1	Special Protection System Misoperations	PRC-016-0	Updated
PRC-017-0	Special Protection System Maintenance and Testing	PRC-017-0	
PRC-018-1	Disturbance Monitoring Equipment Installation and Data Reporting	PRC-018-1	
PRC-021-1	Under-Voltage Load Shedding Program Data	PRC-021-1	

PRC-022-1	Under-Voltage Load Shedding Program Performance	PRC-022-1	
PRC-023-1	Transmission Relay Loadability	**Error! Hyperlink reference not valid.**	

TOP-001-1a	Reliability Responsibilities and Authorities	TOP-001-1	Updated
TOP-002-2.1b	Normal Operations Planning	TOP-002-2	Updated
TOP-003-1	Planned Outage Coordination	TOP-003-0	Updated
TOP-004-2	Transmission Operations	TOP-004-2	
TOP-005-2a	Operational Reliability Information	TOP-005-1	Updated
TOP-006-2	Monitoring System Conditions	TOP-006-1	Updated
TOP-007-0	Reporting System Operating Limit (SOL) and Interconnection Reliability Operating Limit (IROL) Violations	TOP-007-0	
TOP-008-1	Response to Transmission Limit Violations	TOP-008-1	
TPL-001-0.1	System Performance Under Normal (No Contingency) Conditions (Category A)	TPL-001-0	Updated
TPL-002-0b	System Performance Following Loss of a Single Bulk Electric System Element (Category B)	TPL-002-0	Updated

TPL-003-0a	System Performance Following Loss of Two or More Bulk Electric System Elements (Category C)	TPL-003-0	Updated
TPL-004-0	System Performance Following Extreme Events Resulting in the Loss of Two or More Bulk Electric System Elements (Category D)	TPL-004-0	
VAR-001-2	Voltage and Reactive Control	VAR-001-1	Updated
VAR-002-1.1b	Generator Operation for Maintaining Network Voltage Schedules	VAR-002-1	Updated

NERC Standards NOT being Implemented

NUC-001-2	Nuclear Plant Interface Coordination	4/1/2010		NOT REQUIRED
PRC-023-2	Transmission Relay Loadability	7/1/2012		Will not be adopted until entire standard is in force.