

***Workshop on the Transition to an ERO that can Work as an
Effective International Organization***

December 8, 2004

Delta Toronto Airport West Hotel: Toronto, Ontario

The workshop is supported by the Federal-Provincial-Territorial Assistant Deputy Minister Electricity Working Group, the U.S. Department of Energy and the U.S. Federal Energy Regulatory Commission.

The Bilateral ERO Oversight Group, which includes representatives of the above-mentioned organizations, is addressing key issues for the transition from the current North American Electric Reliability Council (NERC) to an Electricity Reliability Organization (ERO) that can work on an international basis. The purpose of this workshop is to explore the robustness of options for the ERO with a focus on international aspects. The ideas generated will bring stakeholder views together and gather feedback relating to issues around the development and implementation of the ERO.

To the extent practical, it will be beneficial for the affected parties in Canada and the U.S. to come to a common understanding on certain basic questions concerning the ERO before the U.S. Congress enacts reliability legislation. Once the U.S. legislation is enacted, the U.S. Federal Energy Regulatory Commission will be on a tight schedule to issue a final rule (pertaining to operation of the ERO within the U.S.) within 180 days. This workshop will provide an opportunity to address issues related to the proposed ERO.

Format: The workshop will commence with a brief description of the ERO model, an example using one or two of the provinces' models for illustration purposes, and a brief description of the differences in electricity regulation between the U.S. and Canada. Four panel discussions, with focused questions, will follow. Each panel will commence with the panel facilitator giving a brief introduction and explanation of the questions, followed by each panelist providing a brief summary (5 minutes) of their position on the issue. The panel facilitator will then pose a more specific question with options for discussion by the panelists. The panelists will discuss the issue and options and then the audience will be permitted to raise questions. The panel facilitator will summarize the discussion and any key points.

Agenda

7:30–8:00 a.m. Continental Breakfast

8:00–8:15 a.m. **Welcome/Introduction**

*Tom Wallace, Director General, Electricity Resources Branch, Natural Resources
Canada*

*David Meyer: Senior Advisor, Electric Transmission and Distribution, U.S. Department
of Energy*

8:15–9:15 a.m. **The ERO in Context**

Presentation of ERO Model:

*David Cook: Vice President and General Counsel, North American Electric Reliability
Council*

Presentation on provincial models:

Bruce Campbell: *Vice-President, Corporate and Legal Affairs, Independent Electricity Market Operator*

Kellan Fluckiger: *Executive Director, Alberta Department of Energy*

Regulatory and legislative context for electricity in Canada:

David Burpee: *Senior Advisor, Electricity Restructuring, Natural Resources Canada*

9:15-10:45 a.m. **Panel 1: ERO Governance: Representation and Structure**

Facilitator

Owen Saunders: *Executive Director, Canadian Institute for Resources Law, University of Calgary*

Panel Participants

David Cook: *Vice President and General Counsel, North American Electric Reliability Council*

David Meyer: *Senior Advisor, Electric Transmission and Distribution, U.S. Department of Energy*

Tom Wallace, *Director General, Electricity Resources Branch, Natural Resources Canada*

Amir Shalaby, *Manager, Regulatory Affairs, Independent Electricity Market Operator*

Ed Comer, *Vice President and General Counsel, Edison Electric Institute*

Audience questions

10:45-11:00 a.m. **Break**

11:00-11:45 a.m. **Panel 2: Funding of the ERO**

Facilitator

Rich Scheer: *Vice-President, Energetics, Incorporated*

Panel Participants

David Nevius: *Senior Vice President, North American Electric Reliability Council*

John Anderson: *Executive Director, Electricity Resource Council*

Roberta Brown: *Vice-President, Transmission, Pepco/Conectiv*

Chantal Guimont: *Directrice – Commercialisation, Hydro Québec TransÉnergie*

Audience questions

11:45-1:00 p.m. **Working Lunch**

1:00-2:30 p.m. **Panel 3: How the ERO relates to governments in Canada and the U.S.; standards development, approval, enforcement and penalties**

Facilitator

Jan Carr: Vice-Chair, Ontario Energy Board

Panel Participants

Michael Bardee: Associate General Counsel for Markets, Tariffs and Rates, Federal Energy Regulatory Commission

David Cook: Vice President and General Counsel, North American Electric Reliability Council

Kellan Fluckiger: Executive Director, Alberta Department of Energy

Jennifer Moroz, Barrister & Solicitor, Manitoba Hydro Law Department

Cynthia Bogorad: Partner, Spiegel & McDiarmid

Audience questions

2:30-2:45 p.m. **Break**

2:45-3:30 p.m. **Panel 4: Role of Regional Entities in the ERO**

Facilitator

Rich Scheer: Energetics, Inc., Vice-President

Panel Participants

Charles Durkin: Chairman, Northeast Power Coordinating Council,

Steve Naumann: Vice President, Wholesale Market Development, Exelon

Amir Shalaby, Manager, Regulatory Affairs, Independent Electricity Market Operator

Audience questions

3:30-4:00 p.m. **Wrap Up and Synthesis of Issues**

Workshop facilitators

Audience questions