

IESO, NERC, and NPCC finalize on Joint MOU

The IESO, the North American Electric Reliability Corporation (NERC), and the Northeast Power Coordinating Council (NPCC) have signed a joint Memorandum of Understanding (MOU) that reflects Ontario's existing reliability and compliance framework, and documents the processes, interactions, and obligations of the parties respecting the Ontario framework. The joint MOU complements and is an extension of the OEB-NERC MOU.

The U.S.-Canada Blackout Taskforce, in its investigation of the August 2003 blackout, recommended the creation of an ERO type organization with the power to create and enforce electric reliability standards involving the bulk or high-voltage power system throughout North America. NERC has been recognized in Ontario and the United States as this ERO organization.

Unlike many other jurisdictions, Ontario has operated with mandatory and enforceable reliability standards since 2002 through the IESO's reliability and compliance program established pursuant to the Ontario Electricity Act, 1998 and the Ontario market rules. Accordingly, NERC's new role is expected to have little impact on the daily activities of Ontario market participants.