

Compliance Monitoring Audit Tutorial

Version 1.0
April 2013



Today's PLAN

At the end of this tutorial, you will be able to:

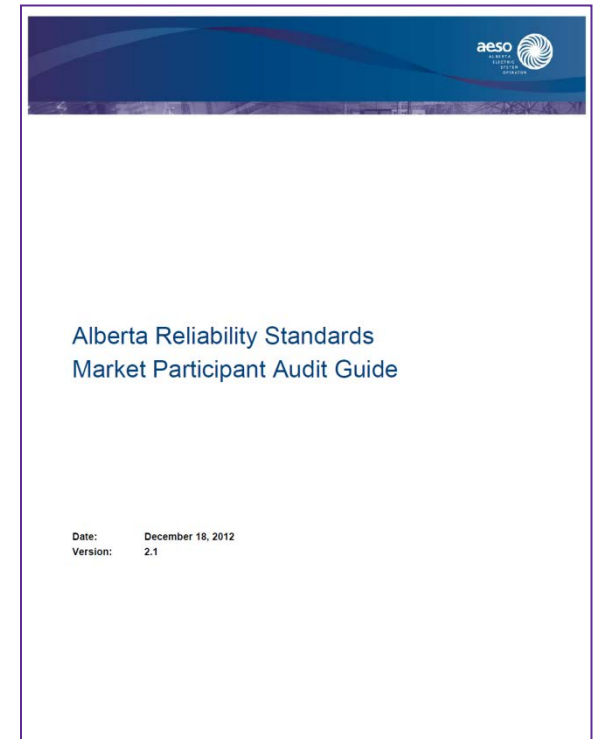
1. Identify procedures as shown in the Market Participant Audit Guide and describe how they relate to the compliance monitoring audit process.
2. Identify the expectations of using the RSAW for evidence submission.
3. Review lessons learned over the past years.

The ARS Market Participant Audit Guide (V2.1)

The purpose of the guide is to define the procedures and guidelines used for planning, executing, and reporting with respect to each compliance monitoring audit.

The purpose of this tutorial is to go through the procedures section of the guide, highlight areas of importance related to roles, responsibilities and timelines.

In order to get the most benefit from this tutorial, please have available a copy of the guide as reference. To obtain a copy of the guide, please click [here](#).



The guide starts with:

Table of Contents

- Can be used to navigate to sections in the document

Section 1: Introduction

- Gives the background, purpose and applicability of the guide

Section 2: About this Guide

- A descriptions of the 5 guide sections:
 1. Introduction
 2. About this Guide
 3. Procedures
 4. Guidelines
 5. Referenced Documents and Revision History
- Navigational tips

The guide is then divided into two main sections:

Procedures (3) and Guidelines (4)

3 Procedures

The purpose of this section is to give registered **market participants** information on the procedures related to a **compliance monitoring audit**. Guidelines related to the procedures are given in section 4.

Shows the steps you may need to do during the audit process.
(Starts on page 4)

4 Guidelines

The purpose of this section is to give registered **market participants** information on the guidelines related to a **compliance monitoring audit**. Procedures related to the guidelines are given in section 3.

Shows the guidelines that were used to create the procedures.
(Starts on page 12)

The subsections of sections 3 and 4 relate to each other
(3.1 = 4.1, 3.2 = 3.2etc.)

This tutorial focuses mainly on section 3

3 Procedures

The purpose of this section is to give registered market participants information on the procedures related to a compliance monitoring audit. Guidelines related to the procedures are given in section 4.

3.0 COMPLIANCE MONITORING AUDIT OVERVIEW [\(see guidelines in section 4.0\)](#)

The compliance monitoring audit is part of the Alberta Reliability Standards Compliance Monitoring Program (CMP) which includes registration, self-certification, reporting and the compliance monitoring audit.

Audit Types

There are two types of compliance monitoring audits:

- a. Scheduled audit (every three years)
- b. Spot audit (as required)

Scheduled audits are normally carried out at the compliance monitor's offices.

Confidentiality

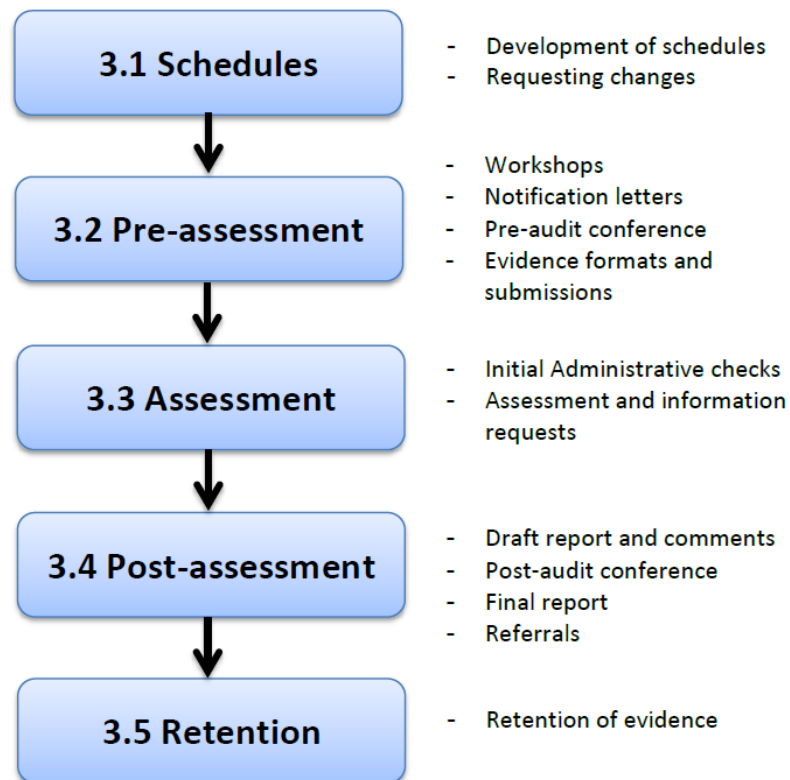
Compliance monitoring audits conducted by the compliance monitor will be done on a confidential basis as prescribe in ISO rule 12.

**Most audits are
scheduled**

The procedures section is organized to show the 5 main phases of a compliance monitoring audit

Audit Phases

As shown in the diagram below, there are five phases to the **compliance monitoring audit**. The number in each box refers to the section in this guide. The side text shows the topics covered:



3.1 SCHEDULES [\(see guidelines under section 4.1\)](#)

All registered entities are scheduled for a **compliance monitoring audit** every 3 years. Changes to the audit schedule may occur due to changes in the registry or by request from **market participants**.

Procedures:

1. *Identify when registered market participants are scheduled for an audit*

The Alberta **Reliability Standards compliance monitoring audit** schedule can be found on the AESO's website under: Compliance > Alberta Reliability Standards > Compliance Monitoring Audit. To open the schedule, click [here](#) and then click on the schedule document.

A change to the audit schedule may occur when there is a change to the *Alberta Reliability Standards Registry* or by a registered **market participant** requesting a change. The **compliance monitor** will notify the registered **market participant** if there is a change to their schedule.

2. *If required, request a change to the compliance monitoring audit schedule*

A registered **market participant** may request a change in their audit schedule at any time prior to or within 7 days of the receipt of the audit notification for the following reasons:

- a. The audit schedule for their entity may conflict with other business activities.
- b. A significant interdependency exists with other registered **market participants** and are required to be audited in the same audit year.

A registered **market participant** may request a change in their audit schedule for consideration by the **compliance monitor** by submitting their request to rscompliance@aeso.ca.

3. *If required, request a delay of their compliance monitoring audit*

A registered **market participant** may request a delay in their **compliance monitoring audit** at any time prior to or within 7 days of the receipt of the audit notification if there is a conflict with other business activities. A delay of more than 6 weeks will only be considered under exceptional circumstances.

A registered **market participant** may request a delay in their **compliance monitoring audit** for consideration by the **compliance monitor** by submitting their request to rscompliance@aeso.ca.

What you should know



You can find out when you are scheduled for an audit. To download a copy of the current audit schedule, click [here](#).

You can request a change to your audit schedule.


You can request a delay your scheduled audit.

Compliance Monitoring Audit Guide Workshop Online Schedule

aeso.ca > Compliance > Alberta Reliability Standards > Compliance Monitoring Audit

The online schedule can be downloaded and filtered.

Click [here](#) for latest schedule.

	A	B	C
1	Alberta Reliability Standards 2011-2014 Audit Schedule		
2	Updated: October 16, 2012		
3			
4	 Registered Market Participant	<input type="text" value="Audit Year"/>	<input type="text" value="Audit Quarter"/>
9	Air Liquide Canada Inc.	2013	Q2
53	Milner Power Limited Partnership	2013	Q2
55	Nexen Inc.	2013	Q2
63	Shell Canada Energy, by its Managing Partner, Shell Canada Limited	2013	Q2
64	Shell Canada Limited	2013	Q2
65	Shell Energy North America (Canada) Inc.	2013	Q2
83			
84	* ISO has been removed from the list		

- Filter by:
- Participant
 - Year
 - Quarter

3.2 PRE-ASSESSMENT *(see guidelines under section 4.2)*

Prior to the assessment and in order to properly plan and prepare for an upcoming compliance monitoring audit, the compliance monitor encourages registered market participants to read through this guide. Any questions not covered in this guide, should be emailed to rscompliance@aeso.ca.

Procedures:

1. Attend the training session

Currently, a quarterly audit guideline workshop is offered to registered market participants that are scheduled for an upcoming audit. An invitation will be sent to the registered market participant's primary Compliance Monitoring Program (CMP) contact person approximately one month prior to the workshop.

2. Review the contents of the notification letter

A notification letter will be sent via email to the primary CMP contact person for the registered market participant at least 30 days prior to a scheduled audit and at least 20 days prior to a spot audit. Information related to the content of the notification can be found in section 4.2 of this guide under "[Audit Notification](#)".

3. Meet the auditor to discuss the audit process

In the notification letter, the compliance monitor will propose a date and time for a pre-audit conference call. Upon receipt of the notification letter, the registered market participants should either; accept the proposed date and time, propose an alternate date and time or decline the request by replying to rscompliance@aeso.ca.

4. Check that evidence in the preferred format

The preferred method for submitting evidence is electronically using PDF format.

Database information should be submitted in either: XLSX, XLS, TXT or CSV format.

Audio and video files should be in Windows media format (WMA, WMV).

Files should not contain viruses, macros or be encrypted. Files that do not meet these criteria will be rejected. If the registered market participant has a business process which requires encryption, they should contact the compliance monitor audit contact as shown on the notification letter.

What you should know



You can attend a workshop that is scheduled approximately 2 months in advance of evidence deadline



You will receive a notification letter showing details of the audit is sent out after the workshop
(minimum 30 days prior to evidence deadline)



You can chose to have a pre-audit conference call with the auditor to discuss the audit process.




When preparing your evidence, ensure that it is in the proper format:
PDFs for all evidence
Database: XLSX, XLS, TXT or CSV
Media: WMA, WMV

Compliance Monitoring Audit Guide Workshop

Notification Letter - sample



You will receive a compliance monitoring notification letter at least 30 days prior to the submission deadline. The letter will give details of the schedule and scope.



Click and type date Month 00, 20XX

Click and type Recipient Name
Click and type Title
Click and type Company
Click and type Address Line 1
Click and type Address Line 2
Click and type City, Province, Postal Code

Dear Click and type Recipient Name

RE: Notification of Scheduled Audit

As part of the AESO's mandate to carry out the compliance monitoring function for reliability standards under Section 23 of the Transmission Regulation, and in accordance with ISO Rule 12, the compliance monitoring audit has been established to evaluate compliance of registered market participants with the requirements identified in each Alberta reliability standards in effect during the audit period.

As per the processes established in the *Alberta Reliability Standards Audit Guide*, this letter provides a minimum of 30 days advance notification of the upcoming scheduled audit. This audit notification is being issued to the primary compliance contact provided to the AESO as part of the Alberta Reliability Standards Registration process. If you would like to identify a different individual for the purpose of this audit, please send an email to the AESO primary audit contact noted below.

The scope of the compliance monitoring audit will not extend beyond the bounds of compliance monitoring relative to Alberta reliability standards. The objective of the audit will be on the approved reliability standards, their requirements, relative measures and any assessments that are applicable to your registered functional entity types.

Audit period	Start: The effective date of each Alberta reliability standard, or the specific requirements within a reliability standard End: <u>Date (inclusive)</u> The attachment titled "Scope" provides the list of all requirements applicable to <u>Click and type Company</u> during the audit period.
Evidence submission due date	<u>Date (inclusive)</u> Section 4.2.3 of the <i>Alberta Reliability Standards Audit Guide</i> provides details on the submission methods and timing.

2500, 330-5th Avenue SW, Calgary, Alberta T2P 0L4 Phone: 403-539-2450 Fax: 403-539-2949
www.aeso.ca www.poweringalberta.com

Evidence Request	The format of evidence submission is RSAW's. The completed RSAW's are to be returned with your submission.
Anticipated start date of the audit assessment	The audit start date is approximately 10 business days following the administrative review.
Audit location	Alberta Electric System Operator premises It is not currently anticipated for the AESO to visit your premises during this scheduled audit.
AESO primary audit contact	<u>Click and type Auditor's Name</u> <u>Click and type Title</u> <u>Click and type Contact Information</u>

Under section 4.2.2 of the Audit Guide, the AESO is extending an offer to hold a pre-audit conference call with your organization. The purpose of the discussion is to review the audit procedures; review the expectations of both entities during the audit process; and, to answer any general questions that you may have relating to the compliance monitoring audit.

Proposed pre-audit conference call:	To be determined. Please contact your AESO primary audit contact to arrange for a suitable time, or to indicate you are declining the offer of the pre-audit conference call.
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Please contact either your AESO primary audit contact or myself if you have any questions or concerns related to this notification letter.

Regards,

(Original signed by)

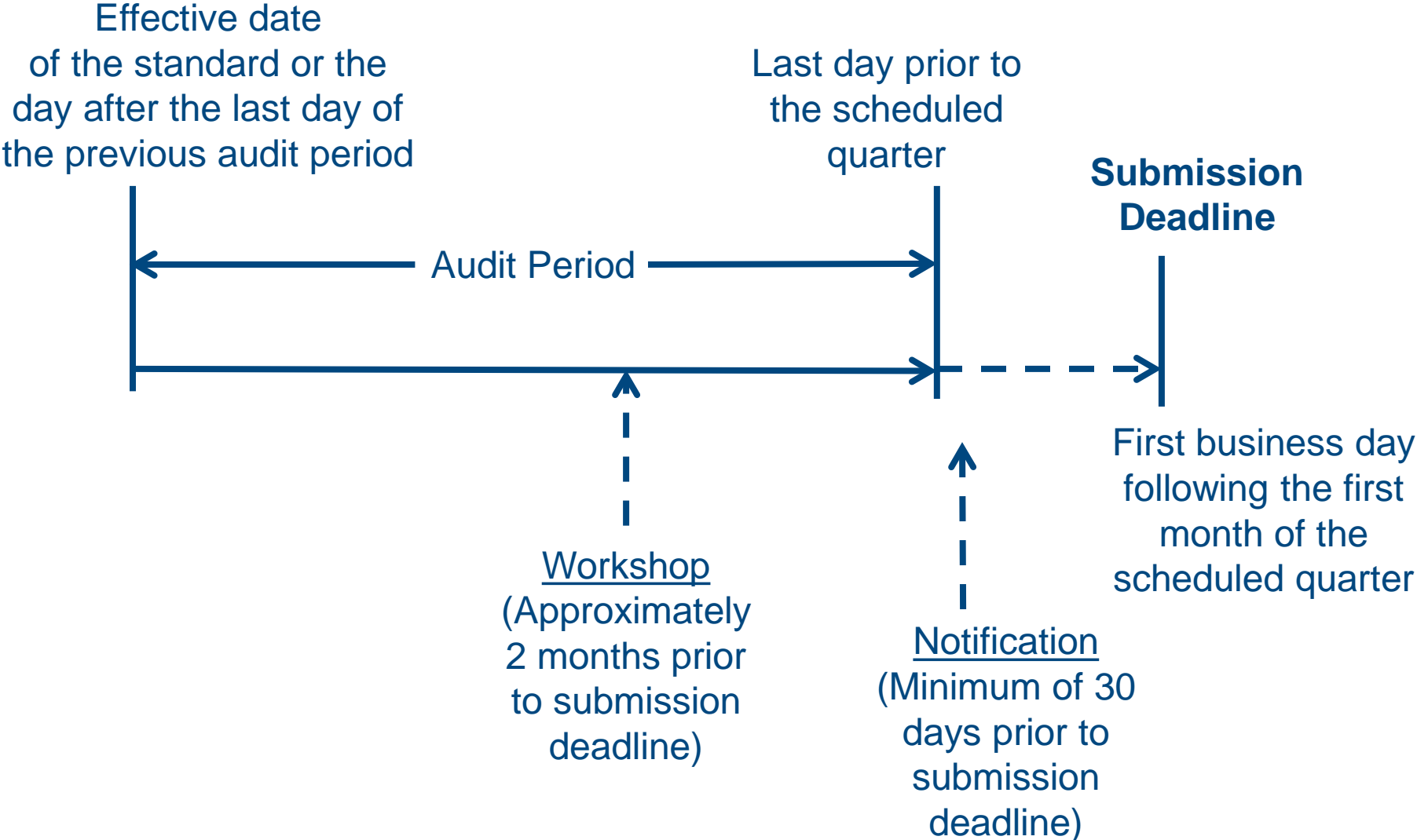
Click and type Manager's Name
Click and type Title

cc: Click and type Auditors' Names
Click and type Title

Attachments
Scope – Audit scope
Attachment 1 tab – List of Alberta Reliability Standards applicable to market participants
Attachment 2 tab – Related Links

Compliance Monitoring Audit Guide Workshop

Notification Letter – Scope and Deadlines




Compliance Monitoring Audit Guide Workshop

Notification Letter - SCOPE



The scope of the compliance monitoring audit is detailed in an excel spreadsheet attached to the notification letter. The scope will show each requirement during the audit period based on your entity type.

	A	B	C	D	E	F	
1							
2		Alberta Reliability Standards					
3							
4							
5		Compliance Monitoring Audit Scope		Quarter/Year			
6		Company Name					
7							
8	Alberta Reliability Standard	Title	Requirement	Applicable Functional Entity Type			
9	Critical Infrastructure Protection						
10	CIP-001-AB-1	Sabotage Reporting	R1	GFO - Generation Facility Owner			
11	CIP-001-AB-1	Sabotage Reporting	R1.1	GFO - Generation Facility Owner			
12	CIP-001-AB-1	Sabotage Reporting	R1.2	GFO - Generation Facility Owner			
13	CIP-001-AB-1	Sabotage Reporting	R1.3	GFO - Generation Facility Owner			
14	CIP-001-AB-1	Sabotage Reporting	R2	GFO - Generation Facility Owner			
15	CIP-001-AB-1	Sabotage Reporting	R3	GFO - Generation Facility Owner			
16	CIP-001-AB-1	Sabotage Reporting	R4	GFO - Generation Facility Owner			
17	CIP-001-AB-1	Sabotage Reporting	R4.1	GFO - Generation Facility Owner			
18	CIP-001-AB-1	Sabotage Reporting	R4.2	GFO - Generation Facility Owner			
19	Emergency Preparedness and Operations						
20	EOP-003-AB-1	Load Shedding Plans	R1.1	DC - Demand Customer			
21	EOP-003-AB-1	Load Shedding Plans	R11	DC - Demand Customer			
22	EOP-004-AB-1	Disturbance Reporting	R3	GFO - Generation Facility Owner			
23	Protection and Control						
24	PRC-001-AB-1	Protection System Coordination	R1	GOP - Operator of a generating unit			
25	PRC-001-AB-1	Protection System Coordination	R2	GOP - Operator of a generating unit			
26	PRC-001-AB-1	Protection System Coordination	R2.1	GOP - Operator of a generating unit			
27	PRC-001-AB-1	Protection System Coordination	R2.2	GOP - Operator of a generating unit			
28	PRC-001-AB-1	Protection System Coordination	R5	GFO - Generation Facility Owner			
29	PRC-001-AB-1	Protection System Coordination	R7	GFO - Generation Facility Owner			
30	PRC-001-AB-1	Protection System Coordination	R7.1	GFO - Generation Facility Owner			
31	PRC-001-AB-1	Protection System Coordination	R9	GOP - Operator of a generating unit			
32	PRC-004-AB-1	Analysis and Mitigation of Transmission and Generation Protection System Misoperation	R1	GFO - Generation Facility Owner			
33	PRC-004-AB-1	Analysis and Mitigation of Transmission and Generation Protection System Misoperation	R2	GFO - Generation Facility Owner			

Compliance Monitoring Audit Guide Workshop

Notification Letter – Attachment 1 and 2



Attachment 1 shows a list of all current standards and is included for your reference only.

Attachment 2 provides links to all current RSAWs.

ARS Identifier	Effective Date	Effective Date
CIP-001	CIP-001-AB-1	CIP-001-AB1-1
R1	April 12, 2010	December 12, 2012
R1.1	April 12, 2010	December 12, 2012
R1.2	April 12, 2010	December 12, 2012
R1.3	April 12, 2010	December 12, 2012
R2	April 12, 2010	December 12, 2012
R3	April 12, 2010	December 12, 2012
R4	April 12, 2010	December 12, 2012
R4.1	April 12, 2010	December 12, 2012
R4.2	April 12, 2010	December 12, 2012
EOP-003	EOP-003-AB-1	EOP-003-AB1-1
R1.1	June 17, 2009	December 17, 2012
R1.2	June 17, 2009	December 17, 2012
R1.1	June 17, 2009	December 17, 2012
EOP-004	EOP-004-AB-1	EOP-004-AB1-1
R3	June 17, 2009	December 17, 2012
FAC-003	FAC-003-AB-1	FAC-003-AB1-1
R1	January 26, 2010	December 17, 2012
R1.1	January 26, 2010	December 17, 2012
R1.2	January 26, 2010	December 17, 2012
R1.2.1	January 26, 2010	December 17, 2012
R1.2.2	January 26, 2010	December 17, 2012
R1.2.2.1	January 26, 2010	December 17, 2012
R1.2.2.2	January 26, 2010	December 17, 2012
R1.3	January 26, 2010	December 17, 2012
R1.4	January 26, 2010	December 17, 2012
R1.5	January 26, 2010	December 17, 2012
R2	January 26, 2010	December 17, 2012
R3	March 27, 2009	December 17, 2012
R3.1	March 27, 2009	December 17, 2012
R3.2	March 27, 2009	December 17, 2012
R3.3	March 27, 2009	December 17, 2012
R3.4	March 27, 2009	December 17, 2012
R3.4.1	March 27, 2009	December 17, 2012
R3.4.2	March 27, 2009	December 17, 2012
R3.4.3	March 27, 2009	December 17, 2012
FAC-501-WECC	FAC-501-WECC-AB-1	FAC-501-WECC-AB1-1
R1	September 10, 2010	December 17, 2012
R1.1	September 10, 2010	December 17, 2012
R1.2	September 10, 2010	December 17, 2012
R2	September 10, 2010	December 17, 2012
R2.1	September 10, 2010	December 17, 2012
R2.1.1	September 10, 2010	December 17, 2012
R2.1.2	September 10, 2010	December 17, 2012
R2.1.3	September 10, 2010	December 17, 2012
R2.2	September 10, 2010	December 17, 2012
R2.2.1	September 10, 2010	December 17, 2012
R2.2.2	September 10, 2010	December 17, 2012
R2.2.3	September 10, 2010	December 17, 2012
R3	September 10, 2010	December 17, 2012
R3.1	September 10, 2010	December 17, 2012
R3.2	September 10, 2010	December 17, 2012
R3.3	September 10, 2010	December 17, 2012
R3.4	September 10, 2010	December 17, 2012
R4	September 10, 2010	December 17, 2012
R4.1	September 10, 2010	December 17, 2012
R4.2	September 10, 2010	December 17, 2012
R4.3	September 10, 2010	December 17, 2012
R4.4	September 10, 2010	December 17, 2012

ARS Identifier	Effective Date	Effective Date
PRC-001	PRC-001-AB-1	PRC-001-AB1-1
R1	January 13, 2011	January 02, 2013
R2.1	January 22, 2010	January 02, 2013
R2.2	January 22, 2010	January 02, 2013
R3	January 22, 2010	January 02, 2013
R3.1	January 22, 2010	January 02, 2013
R3.2	January 22, 2010	January 02, 2013
R5	January 22, 2010	January 02, 2013
R6	January 22, 2010	January 02, 2013
R7	January 22, 2010	January 02, 2013
R7.1	January 22, 2010	January 02, 2013
R7.3	January 22, 2010	January 02, 2013
R8	January 22, 2010	January 02, 2013
R9	January 22, 2010	January 02, 2013
PRC-004	PRC-004-AB-1	PRC-004-AB1-1
R1	February 11, 2010	January 02, 2013
R2	February 11, 2010	January 02, 2013
PRC-004-WECC	PRC-004-WECC-AB-1	PRC-004-WECC-AB1-1
R1	February 11, 2010	January 02, 2013
R1.1	February 11, 2010	January 02, 2013
R1.2	February 11, 2010	January 02, 2013
R2	February 11, 2010	January 02, 2013
R2.1	February 11, 2010	January 02, 2013
R2.2	February 11, 2010	January 02, 2013
R2.2.1	February 11, 2010	January 02, 2013
R2.2.2	February 11, 2010	January 02, 2013
R2.2.3	February 11, 2010	January 02, 2013
R2.3	February 11, 2010	January 02, 2013
R2.3.1	February 11, 2010	January 02, 2013
R2.3.2	February 11, 2010	January 02, 2013
R2.3.2.1	February 11, 2010	January 02, 2013
R2.3.2.2	February 11, 2010	January 02, 2013
R2.4	February 11, 2010	January 02, 2013
R2.4.1	February 11, 2010	January 02, 2013
R2.4.2	February 11, 2010	January 02, 2013
R3	February 11, 2010	January 02, 2013
R3.1	February 11, 2010	January 02, 2013
R3.2	February 11, 2010	January 02, 2013
PRC-021	PRC-021-AB-1	PRC-021-AB1-1
R3	September 19, 2009	January 02, 2013
TOP-005	TOP-005-AB-1	TOP-005-AB1-1
R2	May 26, 2009	January 02, 2013
R5	May 26, 2009	January 02, 2013

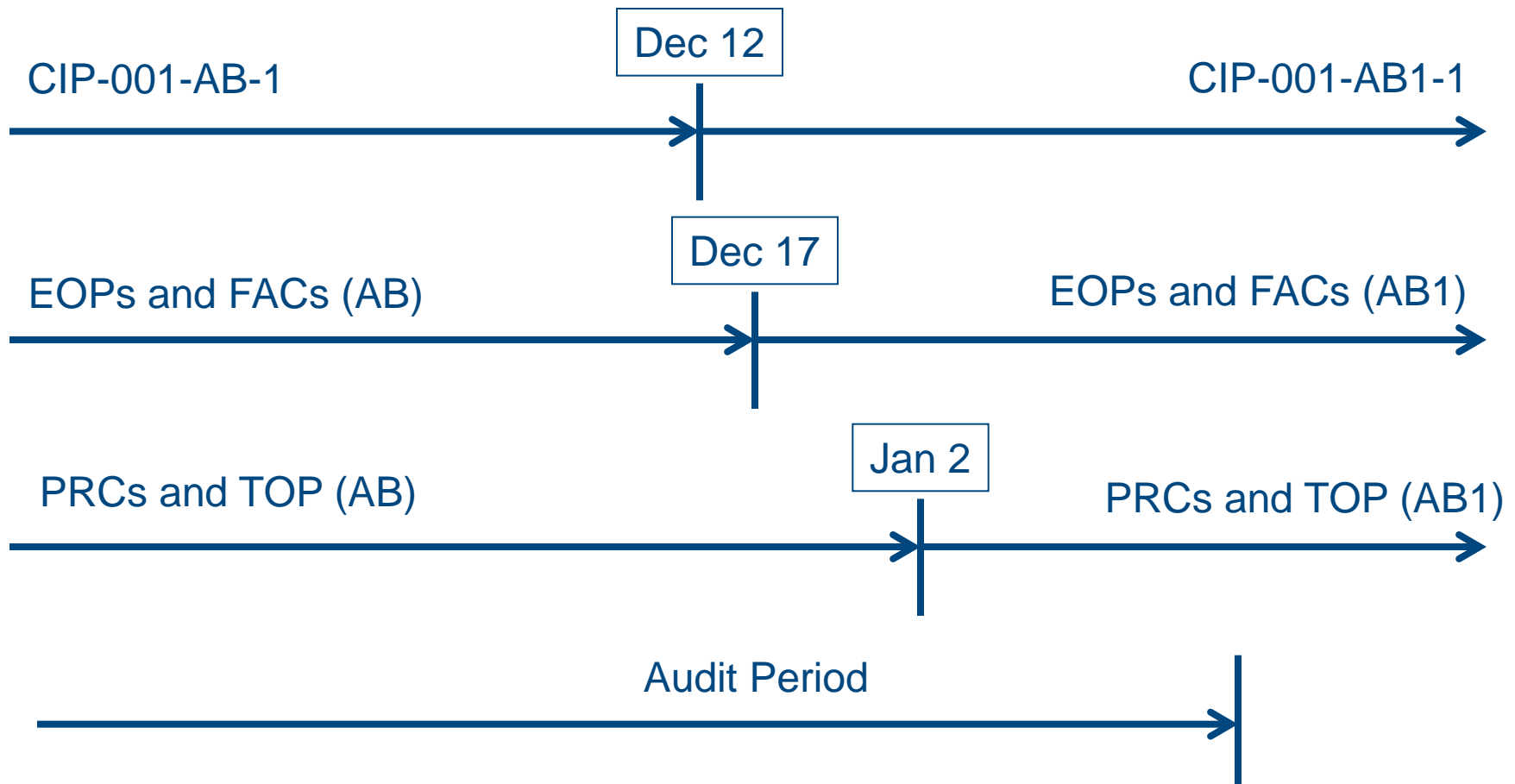
A	B	C	D	E	F	G	H
aesO ALBERTA ELECTRIC SYSTEM OPERATOR		Alberta Reliability Standards					
Attachment 2		Related Links					
		Alberta Reliability Standards – Current Standards Alberta Reliability Standards – Audit Guideline Alberta Reliability Standards Audit Worksheets (RSAW): RSAW – CIP-001-AB-1 RSAW – CIP-001-AB1-1 RSAW – EOP-003-AB-1 RSAW – EOP-003-AB1-1 RSAW – EOP-004-AB-1 RSAW – EOP-004-AB1-1 RSAW – FAC-003-AB-1 RSAW – FAC-003-AB1-1 RSAW – FAC-501-WECC-AB-1 RSAW – FAC-501-WECC-AB1-1 RSAW – PRC-001-AB-1 RSAW – PRC-001-AB1-1 RSAW – PRC-004-AB-1 RSAW – PRC-004-AB1-1 RSAW – PRC-004-WECC-AB-1 RSAW – PRC-004-WECC-AB1-1 RSAW – PRC-021-AB-1 RSAW – PRC-021-AB1-1 RSAW – TOP-005-AB-1 RSAW – TOP-005-AB1-1					

RSAWs are Reliability Standards Audit Worksheets available on the AESO website at www.aeso.ca under COMPLIANCE>Alberta Reliability Standards

Self-Certification Tutorial

Note on functional entity types

In late 2012 and early 2013, the applicability section of each existing standard was updated to reflect the new functional model “Table 2” entity types. This will cause an overlap between versions of the existing standards.



Impact

- 1) No changes to requirements, only a change in applicability.
- 2) Only CIP-001, EOP-004 and TOP-005 have possible applicability additions.
- 3) EOP-003, the FACs, and the PRCs have either no change or a reduced applicability.
- 4) TFOs (split into operator/owner) have either no change or a reduced applicability in all current standards.
- 5) The change creates a 3-year transitional period for audits.

Submission Options **(Your choice – state your preference when submitting):**

- 1) Each version of the standard is submitted separately with the old versions ending on the day before the effective date of the new versions (Default).
- 2) Since there is no change or reduced change in applicability to 7 standards, we propose an optional submission method:
 - The 7 standards that are not affected can be submitted using only the new version (with the understanding that it is for the entire audit period).
 - The 3 standards affected by change in applicability (CIP, EOP-004 and TOP) must be submitted as shown in item 1 above (both versions one for each applicable period).
 - If you are a TFO only or you are both a GFO and GOP for the entire audit period, you may submit all evidence using the new versions only.

Compliance Monitoring Audit Guide Workshop

Change impact and submission options (2)

TABLE 1		TABLE 2
Acronym	Name	Name
GFO	Generation Facility Owner	Legal Owner of an Aggregated Generation Facility
		Legal Owner of an Generating Unit
GOP	Operator of a Generating Unit	Operator of an aggregated Generating Facility
		Operator of a Generating Unit
TFO	Transmission Facility Owner	Legal Owner of a Transmission Facility
		Operator of a Transmission Facility
WO	Wire Owner	Legal Owner of an Electric Distribution System
		Operator of an Electric Distribution System
WSP	Wire Service Provider	Operator of an Electric Distribution System
DC	Demand Customer	Market Participant receiving service under Rate DTS of the ISO tariff
PP	Pool Participant	Pool Participant

You should:

- 1) Review the 10 new versions (AB1) of the existing standards and identify any changes to applicability
- 2) Advise the AESO of any changes to the registry.

5. Fill out the appropriate Reliability Standard Audit Worksheet(s) (RSAW)

The registered **market participant** should download the latest version of each applicable Reliability Standard Audit Worksheet(s) (RSAW). RSAWs can be found at www.aeso.ca under COMPLIANCE > Alberta Reliability Standards > Reliability Standards Audit Worksheets (RSAWs). [Click here](#) to access the RSAW page.

The RSAW must be filled out and submitted to the **compliance monitor** with the evidence files. Within each applicable RSAW, evidence requests are shown in the “Assessment” column. For each applicable requirement request, the registered **market participant** must provide a hyperlink(s) to the individual evidence document(s). The hyperlink should be placed in the “Evidence column. The “Evidence Description” column may be used by the market participant to provide further detail on the evidence location (such as page or paragraph). The “Evidence Description” column should not be used to provide additional evidence. The RSAW is simply meant to point the auditor to evidence documents that are related to the particular requirement and associated request.

6. Fill out the pre-audit survey

The market participant must fill out the pre-audit survey provided in the notification letter.

7. Understand the restrictions to email submissions

Files less than/equal to 10MB may be submitted via email. Multiple emails may be used to a maximum file submission of five times 10MB.

If evidence is larger than 50MB, it may submit an optical disc or USB data stick in person or via a postal service.

8. Submit the pre-audit survey, applicable RSAW(s) and the evidence files

Email submission is made to rscompliance@aeso.ca. The deadline is 11:59 p.m. MPT (Mountain Prevailing Time) on the date as shown in the notification letter.

In person or postal service submission is made to the AESO’s main office which is located at:

2500, 330 – 5th Avenue SW Calgary, AB T2P 0L4

Reception – 25th floor

Office hours are Monday through Friday 8 a.m. to 5 p.m.

The deadline for in person submission is 5 p.m. MPT (Mountain Prevailing Time) on the date as shown in the notification letter.

If using a postal service, the post marks must be on or before the due date.

It is the registered **market participant**’s responsibility to obtain delivery receipts.

What you should know



Use RSAWs as an index to your evidence files

Fill-out the pre-audit survey

Know the size limits for email submissions:
IF by email then 10MB each up to 50MB max
IF > 50MB then Optical Disc or USB data stick

Deadlines for submission:

On evidence due date:

IF by email then 11:59 p.m. MPT

IF by courier or in person then 5 p.m. MPT

IF by regular post – post marked by the date

Compliance Monitoring Audit Guide Workshop

RSAWs used as a link to evidence files (1)

You are required to use the RSAWs to submit your audit evidence. Based on the audit scope, download the appropriate RSAW(s) and fill out the “Evidence” and “Evidence Description” columns for each applicable requirement. Do not use the “Evidence Description” column to provide additional evidence. It is mainly used for you to describe a location within the linked evidence file you have provided in the “Evidence” column.

PART THREE – COMPLIANCE AUDITOR ASSESSMENT / CHECKLIST

Requirement 1	Measures 1	Assessment 1	Evidence Description	Evidence	Assessment Notes
	These measures will be used by the ISO in carrying out its compliance monitoring duties in accordance with ISO rule 12. The ISO may consider other data and information, including any provided by a registered market participant.			Please provide a link to your evidence document	
R1 Each responsible entity must document and implement procedures for:	MR1 Measures for this requirement are identified in the subsections below	AR1	<ol style="list-style-type: none"> 1. Request the registered market participant to provide the written procedures that includes the contents as identified in R1.1, R1.2 and R1.3. 2. Request the registered market participant to provide records of suspected and actual sabotage events that have occurred during the audit period to demonstrate implementation of the procedures. Records could include information such as date, location, reporting personnel, the type/nature of each event and actions taken. 	AESO document: ISO Consolidated Authoritative Document Glossary definition of sabotage event.	
R1.1 Recognizing sabotage events on its equipment.	MR1.1 Written procedures exist, content is complete and meets requirement R1.1. Evidence exists that the procedures specified in requirement R1.1 were implemented upon an occurrence of a sabotage event.	AR1.1	<ol style="list-style-type: none"> 1. Review the written procedures received in AR1-1 to verify content includes information on how to recognize a sabotage event. 2. Where a sabotage event has occurred during the audit period, based on information received in AR1-2 above, verify the written procedures were used to appropriately identify the event. 		
R1.2 Receiving information about sabotage events affecting the interconnection from: <ul style="list-style-type: none"> • the ISO • the local municipal police service, if applicable • the Royal Canadian Mounted Police • the Alberta Security and Strategic Intelligence Support Team (ASSIST) 	MR1.2 Written procedures exist, content is complete and meets requirement R1.2. Evidence exists that the procedures specified in requirement R1.2 were implemented upon an occurrence of a sabotage event.	AR1.2	<ol style="list-style-type: none"> 1. Review the written procedures received in AR1-1 to verify the procedures include action steps in the event information is received from one of the entities listed in R1.2 2. Request information from the entity whether sabotage events affecting the interconnection were received from entities listed in R1.2 3. In the event information was received from one of the entities listed in R1.2 during the audit period, verify the written procedures were followed as documented. 		

Compliance Monitoring Audit Guide Workshop

RSAWs used as a link to evidence files (2)

Each applicable requirement have certain requests for documentation. You should ensure that all requested documents are provided.

Requirement 1	Measures 1	Assessment 1	Evidence Description	Evidence	Assessment Notes	
	These measures will be used by the ISO in carrying out its compliance monitoring duties in accordance with ISO rule 12. The ISO may consider other data and information, including any provided by a registered market participant.					
R1	Each responsible entity must document and implement procedures for:	MR1	Measures for this requirement are identified in the subsections below	AR1	<ol style="list-style-type: none"> 1. Request the registered market participant to provide the written procedures that includes the contents as identified in R1.1, R1.2 and R1.3. 2. Request the registered market participant to provide records of suspected and actual sabotage events that have occurred during the audit period to demonstrate implementation of the procedures. Records could include information such as date, location, reporting personnel, the type/nature of each event and actions taken. 	} Two separate requests for documentation
R1.1	Recognizing sabotage events on its equipment.	MR1.1	Written procedures exist, content is complete and meets requirement R1.1. Evidence exists that the procedures specified in requirement R1.1 were implemented.	AR1.1	<ol style="list-style-type: none"> 1. Review the written procedures received in AR1-1 to verify content includes information on how to recognize a sabotage event. 2. Where a sabotage event has occurred during the audit period, based on information received in AR1-2 above, verify the written procedures were used to appropriately identify the event. 	

AR1 has 2 requests for documentation: AR1-1 the written procedure and AR1-2 the records of suspected or actual sabotage events.

For AR1-1 provide a link for each procedure version. You can use the “Description column to provide the detail locations (page #, period covered by each document)

For AR1-2 provide a link(s) to document(s) that show record(s) of suspected or actual sabotage events. If there were no events, provide an attestation letter.

3.3 ASSESSMENT [\(see guidelines under section 4.3\)](#)

Once the pre-audit survey, RSAW(s) and evidence files are received, the compliance monitor will proceed with the audit assessment.

Procedures:

1. Prepare for the initial compliance monitor administrative review

The compliance monitor will perform an initial administrative review to verify that the submitted files include the completed pre-audit survey, that the completed RSAWs provide hyperlinks to appropriate evidence documents for each applicable requirement request, that the evidence is in the proper format(s), and that the evidence documents are related to the requirement request.

If there are missing components to the submission, the registered market participant will be contacted via email and be requested to submit, within five business days, the necessary documents to bring the submission to its requirements.

2. If required, inform the compliance monitor of any possible scheduling constraints

Once the administrative checks are complete, the auditor will review the documents and send via email a tentative schedule of when possible further information requests may occur. The tentative schedule will be based on standard areas (CIP, PRCs, etc.). There are no guarantees and the schedule may change as required by the auditor.

If the registered market participant has any scheduling constraints, they should inform the auditor at this time. The compliance monitor will do its best to accommodate any reasonable requests.

3. Respond to any additional information requests

As the auditor reviews evidence there may be a need to request additional information. Additional information requests will be sent via email using a template. The registered market participant will be given two business days to respond to the request by completing the template.

If the registered market participant has any questions regarding the information request, they should contact the compliance monitor audit contact as soon as possible after receiving the request.

3.4 POST ASSESSMENT [\(see guidelines under section 4.4\)](#)

Once the audit assessment is complete, a draft report will be issued for the registered market participant's comment. Upon receipt of the registered market

What you should know



Once the AESO has received your submission, it will perform an administrative review to verify that: the RSAW index works, formats are correct and if any additional samples are required. You will have **5 days** to respond to any correction or sample requests.

After the administrative review you will receive a tentative schedule of possible information requests: The schedule is based on standard area (CIP, PRC...etc.). You should review the schedule and identify restrictions

Periodically and based on the tentative information request schedule you may receive assessment Information requests.

You will have **2 days** to respond

Compliance Monitoring Audit Guide Workshop

Information Request Template



Request #1 →

Request #2 →

ARS Compliance Audit Information Request(s)

To: Name of Primary Contact
Entity: Company Name
Audit: Q# -20##

From: Name of Auditor
Date: October 10, 2012

As per section 4.3.3 paragraph 5 of the ARS Market Participant Guide, we would like to request for the following information. Please note that you have 5 business days or until **Insert date** to provide the information below to support compliance with the standard(s). Where requested information is not received by the deadline, or if the information submission does not support compliance, the available evidence will be used.

Please use the identification for each information request (e.g. AESO-COMPANY INITIALS-1) in providing your responses.

AESO-COMPANY INITIALS-1
Reference: Standard_Requirement#

Preamble:
WHY we are making the request - Background information; Purpose, explanation, rationale of the request (e.g. sampling, seeking clarification or additional information)

Information Request:
WHAT is requested - Description and details of the request (e.g. samples, questions, expectations, examples of possible evidences)

AESO-COMPANY INITIALS-2
Reference: Standard_Requirement#

Preamble:
WHY we are making the request - Background information; Purpose, explanation, rationale of the request (e.g. sampling, seeking clarification or additional information)

Information Request:
WHAT is requested - Description and details of the request (e.g. samples, questions, expectations, examples of possible evidences)

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2500, 330-5th Avenue SW, Calgary, Alberta T2P 0L4 Phone: 403-539-2450 Fax: 403-539-2949
www.aeso.ca www.poweringalberta.com

participant comments on the draft report, a final report will be issued and the compliance monitoring audit is considered closed.

Procedures:

1. Receive and review the draft audit report

The draft report is consistent with ISO rule 12.4 b) and includes the following:

- a. description of objective, scope and methodology of compliance monitoring audit
- b. any suspected contraventions
- c. any mitigation or remedial action measures as submitted by the registered market participant to the MSA
- d. the nature of confidential information

2. Meet with the auditor to discuss the draft audit report

When the draft audit report is sent, the compliance monitor will propose a date and time for a post-audit conference call. Upon receipt of the proposed date and time, the registered market participant should either accept the proposed date and time, propose an alternate date and time or decline the request by replying to rscpliance@aeso.ca.

3. Comment on the draft report

The registered market participant will be given 10 business days to comment on the draft report. Comments are entered directly on the draft audit report in the space provided. Their comments will be brought forward and will appear verbatim in the final report.

4. Prepare for possible commenting on changes to the draft report

The compliance monitor will review the registered market participant comments and determine whether further review is required. The registered market participant will be notified if it is determined that previously submitted evidence will be reviewed. Should the review result in revised audit findings or a significant change in the draft report, a new draft report will be issued. The registered market participant will be given an additional 10 business days to review and comment on the changes.

5. Receive the final report

The compliance monitor will issue a final report and send it to the officer of the registered market participant as indicated on their registration form.

What you should know



Once the assessment is completed you will receive a draft report. The report contains only the assessment results for suspected contraventions and mitigation or remedial action measures.

Once you have received the report you may request a post-audit conference to discuss the findings

You may comment on the draft report. You will have **10 days** to provide comment

If your comments lead to a major revision of the report, a new draft report will be issued and you will have **10 days** to provide comment on the changes

Once the draft report comments are received, a final report will be sent to your company officer

Once the final report has been issued, the audit process as described in this guide is considered closed.

6. *Receive a copy of the MSA referral*

Once the final audit report has been issued to the market participant, the compliance monitor will refer any suspected contraventions to the MSA. The officer of the registered market participant as shown on their registration form will receive a copy of the referral.

3.5 RETENTION ([see guidelines under section 4.5](#))

Consistent with ISO rule 12.4.b, only reports containing suspected contraventions will be referred to the MSA. The compliance monitor does not publish the report.

Procedure:

1. *Keep a copy of the evidence files*

The compliance monitor will keep a copy of the evidence on file for a maximum of six years unless a different retention period is required by a reliability standard or by an applicable regulatory entity.

What you should know



Any suspected contraventions are sent to the MSA as a referral. A copy of the referral is sent to your company officer. The report not published

Retention of files is for 6 years or as long as needed

3.0 Suspected contraventions & mitigation actions

ARS ID CIP-001-AB-1, R3	
R3 Each responsible entity must annually provide its operating personnel with sabotage event response procedures, including personnel to contact, for reporting sabotage events .	
Suspected contravention	Mitigation or remedial action(s)
<p>Company A generating facilities identified for this requirement are:</p> <ul style="list-style-type: none"> • Generating Station 1 • Generating Station 2 <p>For the purpose of this requirement, Company A submitted the following document:</p> <p>Ops-Personnel CIP provision.pdf</p> <p>1) "Ops-Personnel CIP provision.pdf" indicated that the procedure was not provided until December 11, 2010 and in conclusion the AESO suspects that R3 of CIP-001-AB-1 was contravened at Generation Station 1 and Generating Station 2 for the period of April 12, 2010 to December 10, 2010.</p>	<p>A self-report dated January 15, 2011 acknowledges that the procedure was not provided until after the standard effective date.</p> <p>Self-Report #1.pdf</p>
Market Participant Comments	
AESO Response	

Suspected Contravention

MP Response

10 days to send in

AESO Response

Appears on final report

Prior MSA Self-Report

Your comments will appear verbatim in the final report.

Section 4

1. Provides details on the guidelines used to create the procedures in section 3.
2. Each subsection relates directly to the procedure sub-section

4.1 = 3.1 = Schedules

4.2 = 3.2 = Pre-assessment

4.3 = 3.3 = Assessment

4.4 = 3.4 = Post-assessment

4.5 = 3.5 = Retention

In the event that the procedure differs from the guideline, the guideline will always take precedent.

Thank You
If you have any further questions, please email:

rscompliance@aeso.ca