



October 30, 2015

The Secretary
Régie de l'énergie
800, rue du Square-Victoria, bureau 2.55
Montréal (Québec) H4Z 1A2
greffe@regie-energie.qc.ca

**Re: Request related to the removal of PSE and IA functions from the Register of Entities
Subject to Reliability Standards (File R-3936-2015)**

1. Introduction

The Canadian Electricity Association (“CEA”) appreciates this opportunity to file comments in response to the Notice to Interested Persons published by the Régie de l'énergie on September 22, 2015.

CEA is the national forum and voice representing the full value chain of the evolving electricity business in Canada. CEA members are users, owners, and operators of the North American bulk-power system (“BPS”), and are registered under numerous functional entity categories that are subject to reliability standards developed by the North American Electric Reliability Corporation (“NERC”).¹

2. Comments

CEA supports the proposed elimination of the Purchasing-Selling Entity (“PSE”) function from the Register of Entities.

CEA believes that the proposed elimination of the PSE function is a reform warranting approval by all applicable governmental authorities with electric reliability oversight authority in North America. CEA has previously expressed support for PSE elimination in NERC forums² as well as proceedings of the U.S. Federal Energy Regulatory Commission (“FERC”).³

The Coordinator’s application makes reference to FERC’s approval of the elimination of the PSE registration category in the United States. FERC’s approval was issued in March 2015, in response to a petition filed by NERC in December 2014.⁴ NERC’s petition set forth robust technical justifications in support of eliminating PSEs from the NERC Compliance Registry. As

¹ These comments represent the position of CEA as an organization, but not necessarily the views of any particular CEA member with respect to any issue.

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http://www.nerc.com/gov/bot/Agenda%20highlights%20and%20Mintues%202013/Policy_Input_Package_May_2014.pdf, p. 51.

³ http://elibrary.ferc.gov/idmws/file_list.asp?accession_num=20150112-5309.

⁴ The applicable FERC docket is RR15-4-000.

stated in NERC's petition, PSEs perform a commercial function, not a reliability function. PSEs engage in commercial transactions, subject to the rules of other entities which have control over BPS operations. The evidence filed by NERC included a compliance history record that clearly illustrated how the removal of PSEs from NERC's Compliance Registry would pose no risk to reliable operation of the BPS.

In addition, CEA wishes to highlight the quality of the development process administered by NERC for purposes of its Risk-Based Registration initiative and to affirm that the process benefited from independent technical analysis at the Electric Reliability Organization, Regional Entity, and industry level. CEA was among the participants in NERC's Risk-Based Registration Advisory Group, which was formed in February 2014 to provide input and advice on design and implementation of the initiative. The Advisory Group brought significant expertise and experience on registration issues to bear, and helped to guide a development process that was deliberative and extensive.

Accordingly, CEA believes that a robust, evidence-based record exists to justify elimination of the PSE functional registration category. CEA strongly urges the Régie to approve the proposal in this docket.

Respectfully submitted,

/s/ Patrick Brown

Patrick Brown
Director, U.S. Affairs
Canadian Electricity Association
275 Slater Street, Suite 1500
Ottawa, Ontario K1P 5H9
Canada
(613) 627-4124
brown@electricity.ca