

NYISO Electric System Planning Working Group Meeting

November 16, 2004
NYISO Washington Ave – Albany, NY

Draft Minutes

Of the 25th meeting of the New York Independent System Operator Electric System Planning Working Group held November 16, 2004 at NYISO in Albany, NY.

In attendance

Bill Palazzo - NYPA	Ernie Cardone – NYISO
Jerry Ancona – National Grid	John Buechler - NYISO
Tariq Niazi - NYSCPB	Leigh Bullock - NYISO
John Graham - NYSDPS	Liz Grisaru - NYISO
Audrey Capers – NYSDPS	Larry Dewitt - PACE
Tom Payntor - NYSDPS	Howard Tarler – NYDPS
Tim Bush – Navigant Consulting	Tom Payntor - NYDPS
Rich Felak - Calpine	Deidre Facinalo – Con Edison
Doreen Saia – Mirant	Audrey Capers – NYDPS
Bob Reed - NYSEG	John Graham - NYPSC
Chris Hall – NYSERDA	Mike Delaney – City of NY
Paul Gioia – LeBoef, Lamb	Johnny Willis – PowerGEM
Mark Younger – Slater Consulting	Jim Mitsche – PowerGEM
Ralph Rufrano - NYPA	Jerry LaRose - NYPA
John Adams – NYISO	Ken Lotterhos – Navigant Consulting
Bill Lamanna – NYISO	Joe Rossignoli – National Grid
Jeff McKinney - NYSEG	Roy Shanker – East Coast Power
Mohsen Zamzam – Con Edison	Charlie Pratt – Dickstein, Shapiro
Ed Kichline – Keyspan Energy	Jim Scheiderich – Select Energy

Welcome and Introductions

Mr. Bill Palazzo, Chair of the Electric System Planning Working Group welcomed the ESPWG members to the meeting and stated the agenda.

Meeting Minutes

The meeting minutes from the October 20, 2004 meeting were approved and will be posted on the NYISO/MDEX website.

Congestion Impact Calculation Update - Jim Mitsche

Jim Mitsche gave an update on the congestion impact calculation update. ESPWG members discussed using mitigated or unmitigated bids for calculations and came to agreement that mitigated bids would be used for regular calculations and reporting purposes and unmitigated bids would be used for trend analysis.

A request was made for David Patton to provide his input on the ESPWG's historic congestion reporting at a future ESPWG meeting. (Shadow prices to be added as a follow up item.)

Mr. Mitsche presented his suggestions for posting of historic congestion data, together with the appropriate definitions and caveats. There was a general consensus to adopt his recommendations. It was agreed that there should be monthly postings, which would include daily, as well as monthly, data. It was suggested that the posting should be in the form of "CSV Files" to facilitate use of the data by MPs. Mr. Mitsche will provide a complete package proposal for the next meeting. ESPWG will finalize the monthly posting proposal for review and acceptance at the December 1 meeting.

Mr. Mitsche reported that the PROBE enhancement updates include:

- Concentrating on SMD2
- Improved TCC Data Handling (2003 & 2004 Data Just Received)
- Unit Commitment and Modeling Refinements from PROBE Work at NYISO and Other ISO's

DSP Role in CRP Process

The DPS reported that there have been limited stakeholder comments received to date and the process proposals are still under internal discussion.

The DPS will have a straw proposals on the PSC's proposed screening process and its dispute resolution process for ESPWG review and discussion at the December meeting

Comprehensive Reliability Planning Process Implementation Procedures

John Buechler provided a review of the revised proposals for implementation requirements for Comprehensive Reliability Planning Process. There was general agreement with the revisions to the following procedures:

- Qualifications for a valid market-based response
- Criteria for continued viability of potential solutions
- Criteria for monitoring market-based and regulated projects

There was further discussion of the criteria for halting a regulated project. In particular, the discussion focused on the role of the NYISO vs the role of the PSC and the desirability of having such a dual role in this regard. The DPS and NYISO counsel will

review the tariff language and will bring a recommendation to the next ESPWG meeting for resolution.

Consideration of Economic Planning Issues

John Buechler presented a NYISO Economic Planning Process Strawman Proposal for ESPWG discussion. The strawman recognizes the views of most of the NYISO's market participants and stakeholders that NYISO intervention in economic matters is to be minimized so as not to interfere with the operation of the market. The role of the NYISO with regard to economic needs is primarily one of providing information in a transparent manner to the marketplace so that appropriately informed decisions can be made by market participants and other stakeholders. The proposed process will provide an opportunity—but not an obligation—for NYISO market participants to better assess such economic issues. During the ESPWG discussion, there were various suggested additions to the NYISO strawman. There appeared to be a broad conceptual agreement among the WG with the NYISO proposal. The NYISO requested additional input from the WG by November 23rd, to add further detail/clarification the strawman proposal. Mr. Palazzo asked the ESPWG to consider bringing the strawman to the OC for a decision prior to starting work on the development of tariff language.

The straw proposal will be discussed further at the next ESPWG meeting.

Other Business

A request was made to change to start time for future ESPWG meetings to 10:00 to accommodate those traveling from out of town.

Next Meeting

To be held on December 1, 2004 at NYISO in Albany, NY.

Action Items for Next Meeting:

- Mr. Mitsche to provide complete historic congestion posting package
- DPS to provide draft strawman for its screening and dispute resolution procedures
- NYISO/DPS to provide a recommendation on their respective roles in halting a regulated project
- MP's to provide additional input on NYISO economic planning strawman by Nov 23rd
- NYISO to revise economic planning strawman for discussion