Business Issues Committee

August 24, 2005 Meeting Revised Motion - Agenda #08

Motion:

The Business Issues Committee (BIC) hereby approves revisions to the NYISO Voltage Support Service Program, as recommended by the MSWG at the August 15th meeting, as noted below:

- 1) To move to Net Lagging at the point of interconnection compensation measurement;
- 2) To provide clarification of testing requirements, as presented to the BIC at the August 24th meeting;
- 3) To the extent that a supplier does not have access to data from a net MVar meter, the NYISO will calculate a value based upon a gross MVar reading and an established power flow calculation;
- 4) The 2006 revenue requirement will be based upon the 2001 revenue requirement, updated for new additions and retirements as of October 31, 2005.

In addition, the BIC recommends that the Management Committee act to delete, as presented to the BIC on August 24th, the section from Rate Schedule 2 that requires Voltage Service payments to Non-Utility Generators ("NUGs") operating under existing power purchase agreements to be provided to the entity purchasing the NUG's Energy or Capacity, unless otherwise stipulated by that entity.