
DRAFT**NYISO Business Issues Committee Meeting Minutes****October 21, 2009****10:00 a.m. – 12:00 p.m.**

1. Introductions, Meeting Objectives, and Chairman's Report

Stuart Nachmias (Con Ed), the Chair of the Business Issues Committee (BIC) called the meeting to order 10:05 a.m. and welcomed the members of the BIC. Meeting participants introduced themselves and their affiliations. There was a quorum.

2. Market Operations Report

Rana Mukerji presented, the Market Operations Report. Highlights include: LBMP was significantly lower in September than it was in August. Uplift is down primarily due to the lack of thunderstorm alerts.

3. Seams Report

Mr. Mukerji provided an update on the Seams report. The presentation was included as part of the meeting material and is posted on the NYISO website.

4. Planning Update

Bill Lamanna provided an update; an IPSAC teleconference is scheduled for 11/6 to discuss the PJM study. Stu Nachmias asked if the reliability portion of study has been discussed with MPs?. Mr. Lamanna replied that was discussed at the June 30 IPSAC and updates have been given at the ESPWG. Kevin Jones (LIPA) disagreed and explained that in his opinion a thorough discussion on the assumptions in the study had not taken place. Stu Nachmias requested the ESPWG hold a more detailed discussion at the next ESPWG meeting.

Mr. Lamanna also announced that Steve Whitley was elected Chair of the Eastern Interconnect Planning Collaborative.

5. Ancillary Services Manual Revisions

Kathy Whitaker reviewed the presentation; she explained that the Operating Committee approved the proposed Manual Revisions at their October 15 meeting.

Motion #2:

The Business Issues Committee (BIC) hereby approves proposed changes to Section 3.6.2 of the NYISO Ancillary Services Manual related to the real power level at which leading reactive power tests are performed as presented at the October 21, 2009 BIC meeting.

Motion passed unanimously.

6. Accounting & Billing Manual; Installment 7

Randy Bowers reviewed the proposed changes to the Billing & Accounting Manual.

Motion #3:

The Business Issues Committee (BIC) approves the seventh installment of the revised Billing and Accounting Manual, as recommended by the Billing and Accounting Working Group members on October 6, 2009, and as described to this BIC meeting on October 21, 2009. Installment 7 includes the addition of cross references in Sections 6 and 7 to respective appendices containing formulaic representations of associated settlement provisions; the removal of language from Section 7.1.2.2 to reflect tariff changes per FERC Docket ERO8-850-00; the addition of settlement provisions for Trading Hub in Section 7.6 and Appendix K; the addition of Storm Watch settlement provisions to Section 8.1.4.2 and Appendix M; Section 6.4 Station Power and Appendix N.

Motion passed unanimously with abstentions.

7. Strategic Tariff Review – Project Update

Kathleen Dalpe provided an update; a revised schedule will be brought to the October 26 MIWG for MP review and approval. Internal Tariff reviews will be completed by the end of the year. Ms. Dalpe requested Market Participants provide her with any comments or concerns on the schedule.

8. Strategic Tariff Review – Eligibility & Application

Roger Kirkpatrick reviewed the presentation and proposed Tariff Language. Tom Rudebusch (MEUA) asked if the changes were discussed at a Working Group, Mr. Kirkpatrick replied that they were discussed at the MIWG.

Motion #4:

The Business Issues Committee (BIC) recommends that the Management Committee approve, and recommend to the NYISO Board for filing under Section 205 of the Federal Power Act, amendments to the Services Tariff proposed as part of the Strategic Tariff Review for Eligibility and Application, as described in the presentation made to the BIC this date, October 21, 2009.

Motion passed unanimously with abstentions.

9. Strategic Tariff Review - Virtual Transactions

Paul Edmundson reviewed the proposed changes. Stu Nachmias asked why the words “as appropriate” are required, Mr. Edmundson explained the change was made to make it consistent with ISO Procedures.

Motion #5:

The Business Issues Committee (BIC) recommends that the Management Committee approve, and recommend to the NYISO Board for filing under Section 205 of the Federal Power Act, amendments to the Services Tariff proposed as part of the Strategic Tariff Review for Virtual Transactions, as described and modified at the BIC on October 21, 2009.

Motion passed unanimously.

10. ICAP Manual Revisions

Dave Lawrence reviewed the proposed ICAP Manual changes, he explained they are primarily in section 4.3.3. Stuart Nachmias asked if the CBL methodology was also being considered as an alternative to the APMD, and Dave Lawrence indicated that it was. In addition, Mr. Nachmias asked about penalties for entities that do not report as required. NYISO responded that it would conduct audits through market monitoring, and that if such audits find a lack of required reporting, the tariff would provide for penalties to those entities.

Motion #6:

The Business Issues Committee (BIC) approves revisions to the Installed Capacity Manual as discussed at the BIC meeting on October 21, 2009.

Motion passed unanimously with abstentions.

11. SCR Aggregation Rule – Update

Dave Lawrence provided the update, discussions are being held at ICAP to find a good way to balance calculations and aggregations. A Market Participant requested calling meeting in which SCR Issues will be discussed a joint meeting ICAP/PRLWG meeting.

12. Enhanced Inter-Regional Transaction Coordination with Hydro Quebec

Mike DeSocio reviewed the presentation. The Project will be divided into 3 phases.

- Phase 1 - Begin with scheduling dispatchable energy transactions between the NY and HQ control areas
- Phase 2 – Continue to expand the Inter-Regional Transaction Coordination Concept by scheduling operating reserves and regulation service transactions with the HQ control area
- Phase 3 – Continue the Inter-Regional Transaction Coordination Concept by introducing a bidding feature to allow for scheduling dispatchable energy transactions between the NY and its remaining neighboring control areas

The Phase 1 concept does not offer a feature for wheel-through transactions at this time. Kevin Jones (LIPA) asked if the implementation of enhanced transaction coordination will be implemented market-by-market. Robb Pike (NYISO) replied that will be part of the discussion, not requiring all Markets to go at the same time. NYISO will coordinate with each region and implement as possible. Yannick Vennes (HQ US) stated HQ US is very interested and will work out commercial and operational details with NYISO and will take a position soon.

13. Working Group Updates**A. Billing & Accounting Working Group –**

Grid Accounting Report

Billing Issues Report

Finance Product Management Update

Strategic Tariff Review Project Update

B&A Manual Update

Dispute Resolution Discussion

B. Electric System Planning Working Group (Joint BIC/OC Working Group)

CARIS

C. Installed Capacity Working Group –

NYC Capacity Mitigation

RFP issued for Demand Curve Reset Process

D. Interconnection Issues Task Force –

External CRIS Rights Tariff Language

E. Market Issues Working Group –

North Country Reliability Commitments

Rest of State Reliability Mitigation

Late Day Starts

Ontario-Michigan PARs Update

TCC Enhancement Features Phase 1 – Offers in any Round

NYISO State of the Market Follow Up Potomac Economics

Strategic Tariff Review Project Update

Strategic Tariff Review – Grandfathered Rights

RLS Project Status

MP Web Based Cost Submission

Proposed Fuel Price and Type Selection for Indexing Reference Levels

Start-up Conduct Test

LBMP References and Proposed Tariff Changes

F. Price Responsive Load Working Group –

Steve Lynch reported NYISO update on development in Demand Response Info system. This is on target for 4th quarter 09. FERC Order 719 assessment on technical feasibility etc

14. New Business