

Agenda Item # 6

The attached material was distributed to the BIC today and reflects the work done by NYISO staff in response to issues raised at the BAWG last week. Three issues appeared today which will be discussed further at the Tuesday S&P meeting:

- 1) The appropriate characterization of Transmission Owners in the cost allocation scheme;
- 2) Continued discussion of allocation of RS 1 charges to TCC holders, particularly holders of grandfathered TCCs;
- 3) Continued discussion of incorporating the new RS 1 charge assigned to generators in their reference prices.

New material, resulting from the S&P meeting will be distributed at the Management Committee meeting on Wednesday morning. Please note, the ISO remains committed to resolving this issue with Market Participants for a FERC filing July 2, 2001.