



PowerGEM
Power Grid Engineering & Markets

June 4, 2001

To: Management Committee

From: Interconnection Issues Task Force (IITF) / James Mitsche, Chair

Subject: Suggested Motion & Additional Information: **RULES TO ALLOCATE RESPONSIBILITY FOR THE COST OF NEW INTERCONNECTION FACILITIES**

The IITF met today by conference call and agreed to suggest this motion:

Approve the **“RULES TO ALLOCATE RESPONSIBILITY FOR THE COST OF NEW INTERCONNECTION FACILITIES”** as approved by the NYISO Business Issues Committee on May 24, 2001, with these modifications:

Insert a new article III.D

Transmission Owners implementation and construction of system upgrade facilities as identified in the Annual Transmission Baseline Assessment or Annual Transmission Reliability Assessment shall be subject to the terms and conditions of Section II of Attachment II (Construction of Reliability Projects Included in the Consolidated Transmission Plan) of the NYISO RTO filing of January 16, 2001.

Insert a new article III.H

Nothing in these rules precludes any transmission service customer from receiving transmission service charge credits to the extent the customer is entitled to such credits under FERC policy and precedent.

The IITF also discussed the proposed motions provided by ConEd (posted on the NYISO website as materials for this meeting) and the motion from LIPA sent to the Management Committee this afternoon. A friendly amendment regarding ConEd's first motion is in preparation and may be added to the IITF suggested motion at the meeting on Wednesday.

A brief Powerpoint overview of the Allocation Rules and the IITF suggested motion that I will present Wednesday (if desired) is being supplied separately.