

RAITF Update

March 8, 2006 BIC Meeting

March 9, 2006 OC Meeting

Glenn Haake, Co-Chair

Creation of Resource Adequacy Issues Task Force (RAITF)

- 2-2-06 FERC Order on National Grid (NG) IRM Complaint
 - Dismissed NG complaint without prejudice
 - Directed NG to pursue its issue within the NYSRC and NYISO stakeholder processes
 - Directed NYSRC and NYISO to file report on progress in addressing NG concerns within 90 days (May 3, 2006)
- 2-10-06 NYSRC Executive Committee (EC) Meeting
 - EC and NYISO representatives express support for creation of a joint task force to coordinate between NYSRC Installed Capacity Subcommittee (ICS) and NYISO ICAPWG
- 2-17-06 ICAPWG Meeting
 - Attended by ICS Chairman (Curt Dahl) and several ICS members
 - Both groups supported the creation of the RAITF

RAITF Composition and Scope

- RAITF to be co-chaired by ICS Chair and ICAPWG Chair
- Open to all NYSRC and NYISO stakeholders
- Intended to facilitate stakeholder discussion regarding, and assist preparation of, joint NYSRC-NYISO report to FERC (the “May 3 Report”)
 - Activities of RAITF, if any, beyond May 3 still undetermined
- Will report monthly to both NYSRC and NYISO
 - Within NYISO, will report to both BIC and OC
- Meeting materials available on NYISO website at:
http://www.nyiso.com/public/committees/documents.jsp?com=bic_icapwg_raitf
- Kick-off meeting held March 1, 2006

March 1, 2006 RAITF Kick-Off Meeting

- Formally adopted task force name
- Discussed in detail draft scope of work developed by ICS and ICAPWG Chairs, with input from NG, for preparation of May 3 Report
- Discussed need to coordinate drafting and review of report with need for market participant voting in the NYISO BIC and OC committees and with EC approval
- Determined that schedule considerations dictate that a decision must be reached in April on
 - whether stakeholders support revising resource adequacy rules and procedures to address NG concern; and
 - if so, whether such revisions should take the form of:
 - revising the procedures used to develop the IRM and LCR (“Reliability Approach”); or
 - Revising how costs associated with procuring these requirements are allocated among LSEs

Next Steps

- RAITF Chairs (with ICS Chair taking the lead) will report to EC at its March 10, 2006 meeting on RAITF progress in crafting scope of work and developments at kick-off meeting
- Next meeting of RAITF to be held March 15, 2006
- Revised scope of work will be distributed in advance of next RAITF meeting
 - Will seek stakeholder approval of scope of work at next meeting