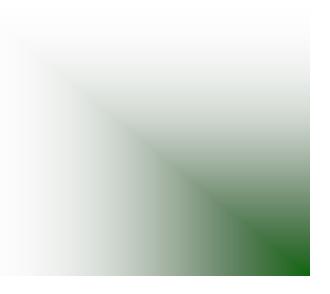
ESPWG: STATUS UPDATE

Prepared By Bill Palazzo

BIC October 27, 2004 Agenda 7b



October 20, 2004 meeting

Comprehensive reliability process:

- Reviewed market Participant Comments on NYISO straw proposals for implementation requirements for Comprehensive Reliability Planning Process
 - Procedures/timeline for the planning process
 - Qualifications for valid market-based responses
 - Criteria for monitoring market-based and regulated projects
 - Criteria for determining the cut-off date for market solutions
 - Criteria for halting a regulated project
 - ISO will incorporate consensus ESPWG comments and re-circulate
 - ESPWG sign-off scheduled for the November meeting
- PSC Screening process for reviewing alternative regulated proposals/dispute resolution process
 - MP input requested by the PSC by the end of October
 - PSC straw proposal for ESPWG review and comments at the December meeting

October 20, 2004 meeting

FERC 10/19/04 "Deficiency letter" on the Comprehensive Reliability filing

- Four questions
 - Two ask clarifying questions on aspects of the filing
 - One asks for details on the PSC screening process for alternatives
 - The fourth asks for an update on the economic planning process development
- NYISO will respond reflecting ESPWG input
 - 10 day response period

October 20, 2004 meeting

Comprehensive Planning Process-Economic

- *Review of market participant input since the September meeting*
- NYISO will prepare a straw proposal to facilitate market participant discussion at the November meeting
 - Straw will focus on enhanced information and market mechanisms
 - Additional MP comments requested by end of October
- ESPWG discussed the OC request made at the September meeting to formalize posting of historical congestion being reported to ESPWG
 - NYISO will prepare a proposed posting package for ESPWG review at the November meeting

Next Meeting-November 16

- > Preliminary meeting topics:
- > Finalize reliability implementation criteria
- Discussion of NYISO straw proposal for economic planning process
- Review of historical congestion posting proposal
- Discussion of comments on PSC procedures