

**NYISO Business Issues Committee Meeting Minutes
August 10, 2011**

10:00 a.m. – 12:00 p.m.

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

The chair of the Business Issues Committee (BIC), Mr. Bart Franey (National Grid), called the meeting to order at 10:05 a.m. by welcoming the members of the BIC. The members of the BIC identified themselves and attendance was recorded. A quorum was determined.

2. Approval of Minutes –June 1, 2011 – Discussion/Vote

The June 1, 2011 meeting minutes were presented for approval.

Motion # 1:

The Business Issues Committee (BIC) approves the June 1, 2011 meeting minutes with a minor change requested by Mr. Franey.

The motion passed unanimously by show of hands with abstentions.

3. Market Operations Report /Seams Report

Market Operations

Mr. Rana Mukerji (NYISO) provided an overview of the Market Operations report – July 2011 highlights.

Seams

Mr. Mukerji (NYISO) provided an overview of the Seams Report. On July 21, 2011 PJM and NYISO held a joint stakeholder meeting to review the ongoing development of a Market-to-Market Coordination protocol. The presentation, located on the NYISO website, included an overview of the joint operating agreement and project timeline as well as a review of key concepts, coordination in real-time, market flows, entitlements, settlements, post process validation, and next steps.

A MIWG meeting was held on August 9th to discuss Inter-Regional Interchange Scheduling (IRIS.) Methods of evaluating the performance of Coordinated Transaction Scheduling (CTS) and conditions under which to consider transitioning to Tie Optimization (TO) were discussed.

On July 27, 2011 NYISO and HQ activated 15-minute scheduling at the HQ-Chateaugay Proxy.

4. Planning Update

Mr. Henry Chao (NYISO) gave the planning update. FERC issued Order 1000, the Final Rule on Transmission Planning & Cost Allocation on July 21, 2011. It contains new requirements in the following areas:

- Regional Planning
- Public Policy Considerations
- Inter-regional Planning
- Cost Allocation: Both regional and inter-regional
- Eliminates "Right-of-First-Refusal" tariff provisions

It is anticipated that the Northeast ISO/RTO Planning Coordination Protocol will be utilized as the vehicle for compliance filings related to inter-regional planning and cost allocation. Stakeholder discussions regarding Order 1000 will take place at ESPWG, IPTF as well as IPSAC

With regard to EIPC, Mr. Chao reported on the SSC meeting was held on July 28-29 in Cleveland which focused on the review of CRA results for Futures 5 sensitivities and Futures 6, 7 & 8 base case and transmission sensitivities. The Scenario Development TF was directed to provide its recommendations on the final three scenarios for detailed analysis in Phase II by end of September. Also discussed was review of high level transmission cost estimates for Future 2, a draft outline and schedule for Phase I Report to the DOE, and a draft scope and schedule for Phase II analysis. The next SSC meeting is scheduled for September 26, 27th in Philadelphia.

5. Working Group Updates

a. Billing and Accounting Working Group – Bruce Marley (Central Hudson)

The group met on July 21st and reviewed the Grid Accounting Report and the Billing Issues Report. Ms. Christy Minshall (NYISO) reported on the Consolidated Invoice Redesign Project. There were 125 individuals registered for market trials, representing 135 organizations. The NYISO was pleased with the response by market participants. The Next BAWG meeting is scheduled as a teleconference and will be held on August 18, 2011.

b. Electric System Planning Working Group - Deidre Altobelli (Con Edison)

ESPWG met on August 5 and discussed FERC Order 1000, Cross State Air Pollution Rule, and 2011 CARIS scenarios selection process and schedule, scenario proposals, and scenario results

c. Installed Capacity Working Group – Chris LaRoe (IPPNY)

ICAP WG met on July 11 and discussed SCR baseline rule implementation, treatment of solar resources in the capacity market, ICAP manual revisions for external interface clearing price and other issues.

d. Interconnection Issues Task Force - Frank Francis

There were no meetings.

e. Market Issues Working Group – Patti Caletka (NYSEG)

MIWG met on July 18. Mr. Norman Mah (Con Ed Solutions) gave a proposal to initiate a process to reduce the transmission service export charges of NYISO and PJM. The remainder of the meeting was dedicated to a discussion on FERC Order 745 – Demand Response Compensation. On August 9, the group discussed a proposal to resolve the choice of interface market rules under IRIS and TCC market – Astoria bidding points. A joint meeting with PRLWG members followed, for discussion on FERC Order 745 Compliance Filing.

f. Price Responsive Load Working Group - Alan Ackerman (CES)

A joint PRLWG MIWG meeting was held on August 9 to review the FERC Order 745 Compliance Filing.

g. Credit Policy Working Group - Norman Mah (Con Ed Solutions)

CPWG met on July 22 to review multi-duration TCC credit policy, an update on ability to offset market obligations, and CFTC and risk management verification.

h. Load Forecasting Task Force - Bryan Irrgang

LFTF met on August 1 and discussed Review & Discussion of Peak Loads during Week of July 17, and Alternative Methods for Criterion 3 .

i. Inter Regional Planning Task Force – Ken Lotterhos

There were no meetings.

6. New Business

There was no new business

The meeting was adjourned at 11:30.