

Voltage Support Payments

*Status Report to NYISO
Management Committee
Agenda #6
September 2003*

Significant Work completed in 2002

- Detailed status report supplied to the BIC on September 9, 2003.
- Topics covered included:
 - *Load Power Factor Assessment*
 - *Audit of VSS compliance – continuing*
 - *Review of other Markets' VSS*
 - *Procedures development*
 - Updated Technical Bulletin #91 (Annual Testing)
 - New Technical Bulletin #103 (Qualification)
 - *Several long-term VSS restructuring issues*

VSS Outlook for 2004

- Need to resolve key issues to develop a new VSS
 - *Resource, demand issues needs to be fully developed*
 - *Load power factor compensation issue needs full review by Operations and Planning interests*
- *Interim recommendation: continue current fixed level of compensation (\$3919/MVAr-yr) pending completion of studies and development of comprehensive VSS proposal*