

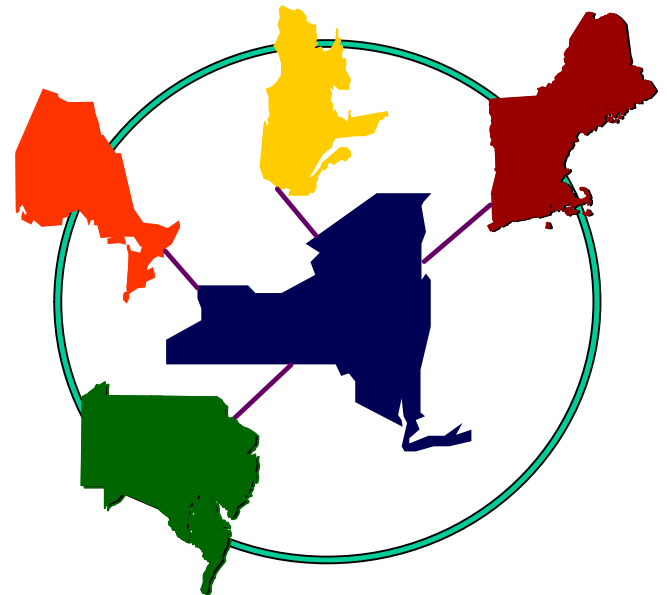
AGENDA #4

Northeast Seams Report

Update on Northeast Seams Issues

Management Committee

April 14, 2003





Status of Seams Projects

Current Quarter Deliverables

Project	Due Date	Status
1. NY Trading Hubs	▪ Complete	▪ With ISO-NE SMD startup, all three Northeast ISOs have trading hubs. MP feedback is that current NY zones provide sufficient trading hub capability. RTS will implement load-weighted LBMPs however posting of the existing generation-weighted LBMPs will be maintained.
2. Open Scheduling System (OSS)	▪ OSS - April 13 th	▪ OSS deployment delayed 1 week due to adverse weather conditions on April 6 th
3. Evaluation of 7040 transfer limits	▪ June	▪ Scope of study is under discussion at OSTF



Other Seams Related Activity

Recent Initiatives

Issue	Activity Description
1. Elimination of Rate Pancaking	<ul style="list-style-type: none">Discussions have been held among the Northeast ISOs, the respective TOs and regulator representativesThe goal is to file a proposal by the end of the year for implementation in 2004
2. Regional Dispatch Coordination	<ul style="list-style-type: none">NYISO and ISO-NE have defined a regional dispatch coordination processWork is underway to further develop a potential pilot program to demonstrate the concept
3. Scarcity Pricing	<ul style="list-style-type: none">NYISO Implementation underway for 2003ISONE staff presentation to Markets Committee proposing \$1000 10-min reserve shortage pricing based on David Patton proposal on Feb 11thNew England is further investigating potential implementation for Summer '03 consistent with NYISO plans



Other Seams Related Activity

Recent Initiatives (continued)

Issue	Activity Description
4. Regional Resource Adequacy Model (RAM)	<ul style="list-style-type: none"> ▪ ISONE-PJM-NYISO submitted joint comments to FERC in response to the SMD NOPR supporting central market framework on Jan 10th ▪ Draft RFP has been developed for a consultant to develop the central resource market design ▪ RAM Group, all-stakeholder meeting was held on March 14th to present schedule for development and solicit stakeholder input ▪ RFP is in the process of being issued
5. Open Scheduling System (OSS)	<ul style="list-style-type: none"> ▪ Meeting w/ISO-NE to discuss OSS integration options on Jan 7th ▪ Presentation and discussions with NY Stakeholders on potential Phase II deliverables on Feb 18th ▪ Development efforts under way with PJM to provide PJM Ramp Data ▪ Anticipate delivery of PJM ramp data shortly after Phase I deployment
6. Seams (General)	<ul style="list-style-type: none"> ▪ Joint meeting of Northeast ISO staff and stakeholder chairperson representatives held on March 28th to review and update seams list



Open Issues

Issue	Activity Description
1. CONTROLLABLE LINE SCHEDULING	<ul style="list-style-type: none">▪ Concept of operations for general methodology to schedule controllable lines has been drafted by NY. Stakeholder input will be gathered through the existing NY working group process that is open to all regional participants
2. MULTIPLE PROXY BUSES FOR FREE-FLOWING INTERFACES	<ul style="list-style-type: none">▪ There is a desire to provide east and west scheduling points for transactions on the NY-PJM interface. This issue is being referred to the individual ISO Market Committees to discuss and refine the business issue definition
3. DIFFERENT RAMPING RULES	<ul style="list-style-type: none">▪ Operations should look at the short-term ability to make 30-minute schedule changes between NY and PJM.