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**NYISO Management Committee Meeting Minutes**  
**December 15, 2010 (Teleconference)**  
**10:00 a.m. – 1:45 p.m.**

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

Mr. Stu Nachmias (Consolidated Edison), the Chair of the Management Committee (MC), called the meeting to order at 10 a.m. and welcomed the members of the MC. Meeting participants introduced themselves and their affiliations. There was a quorum.

**2. Approval of November MC Minutes**

Motion:

Motion to approve the Minutes of the November 17, 2010 Management Committee.

*Motion passed unanimously.*

**3. President and CEO Report**

**Status of ISO/RTO metrics report**

Mr. Steve Whitley (NYISO) stated the ISO/RTO Council recently released the ISO/RTO Metrics Report. FERC requested that the ISOs/RTOs come up with measurements on key categories such as: reliability, markets, planning, and business operations. FERC wanted to get standardization among the ISOs/RTOs. The next steps are for each ISO to make a presentation at NARUC in February 12. FERC has started the process for non-ISO regions so that they can spread best practices more broadly. Mr. Whitley added that the report was 18 months in the making and we are pleased with the input from MPs and staff on this issue.

**Data Center Outage**

Mr. Rick Gonzales (NYISO) reviewed the Market Performance presentation.

Mr. Gonzales reported on the Krey Blvd. Alternate Control Center (ACC) and Data Center power outage that occurred on Thursday, December 2, 2010 at 2:55 PM. At that time, the NYISO experienced a loss of electrical power resulting in the shutdown of the Alternate Control Center and backup data center facilities. Business continuity plans were initiated to restore functionality to the ACC, and by approximately 5:30 PM, power was restored to enable full implementation of the Krey Blvd. ACC restart sequence.

Mr. Gonzales stated that all NYISO reliability based functions were maintained at the Guilderland Primary Control Center (PCC) throughout the event. However, there was some loss of NYISO market capabilities as a result of the loss of connectivity to the backup data center. The NYISO has determined that the root cause of the market application failures was a software error that has been corrected. The power disruption was initiated by the fire alarm system maintenance vendor who was performing a planned software upgrade to the Krey Blvd. fire alarm system. The design of the fire protection system is being reviewed to determine what changes can be made to protect from this type of event in the future.

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Mr. Gonzales indicated that the HB15 RTD posted prices on the NYISO OASIS and used for settlements were confirmed to be consistent with the generating unit dispatch schedules, so no price corrections were required for HB15. In the absence of updated bid data for HB16 through HB18, the Real-Time Market evaluation (five minute RTD generating unit schedules and prices) operated based on the HB15 bids. All HB16 through HB18 RTD prices posted on the NYISO OASIS and used for settlements were confirmed to be consistent with the generating unit dispatch schedules during those hours. For HB19, in the process of restoring the market systems to normal operation, all gas turbine resources were incorrectly marked as unavailable in the Real-Time Market evaluation. As a result, the HB19 RTD prices that were posted on the NYISO OASIS were corrected because the status of the gas turbine generators was inaccurate.

Mr. Mark Younger (Slater Consulting) asked whether the HB19 generation schedules were consistent with the original (non-corrected) HB19 prices. Mr. Gonzales responded that the original (non-corrected) HB19 prices did not reflect the availability of all gas turbine resources and therefore inaccurately reflected actual system operating conditions. Mr. Gonzales then agreed with Mr. Younger's request to provide more information regarding the HB19 price corrections at an upcoming January 2011 MIWG meeting.

Mr. Gonzales then reported on the Market Problem Notice that the NYISO provided to Market Participants on Friday, December 10. As reported in the notice, on Monday evening, December 6, the NYISO's process for retrieving updated fuel price information from its vendor, Argus, did not function as expected. Normally, the NYISO retrieves the data automatically for each business day for use in its reference level development process. On Monday, December 6, Argus switched from its main server and the NYISO believes that the switchover may have affected the fuel price retrieval process.

Mr. Gonzales indicated that, consistent with the Tariff, in the absence of updated fuel price information data, the NYISO reference level calculation process used the best fuel price information that was available to it for establishing fuel index generator reference levels for the December 8 Day-Ahead Market, and for HB0 - HB16 of the December 7 Real-Time Market (RTM). No other market days/hours were affected by this problem.

Mr. Gonzales stated that the NYISO has also modified its internal process to supplement the existing Argus failover communications process by adding an additional step for Market Mitigation and Analysis staff to manually retrieve and input updated fuel cost information for use in the reference level process, should the automated failover process not function properly in the future.

Additionally, Mr. Gonzales reported that the NYISO has notified FERC and is working with its Market Monitoring Unit to prepare an estimate of the economic impacts of this issue. A discussion of those findings will take place at an upcoming MIWG meeting in January 2011. Finally, as indicated in the notice to MPs on Friday, owners and bidders of gas-fired generators that were mitigated in the December 8 or the December 7 RTM are invited to initiate consultation for the affected market days/hours.

Mr. Liam Baker (US Power Gen) asked what the timing was for MPs to request conferences with the MMU. Mr. Tim Duffy (NYISO) said as soon as practicable, but within the standard 15 days.

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**EIPC**

Mr. John Buehler (NYISO) provided an update of the EIPC stakeholder steering committee. He spoke of the collaborative planning process that encompasses each regional entity's plans. In NY, no transmission or generation facilities were excluded. Mr. Nachmias requested the NYISO distribute the link to the EIPC information to Stakeholders.

**4. 2010 CRP**

Mr. Howard Tarler (NYISO) reviewed the presentation included with the meeting material. The 2010 CRP focuses on the risks to the system; there are no reliability concerns for the 10 year horizon. The 2010 CRP was developed with local TO plans to identify new risks and uncertainties.

Mr. Jackson Morris (PACE) asked if the state's 15x15 policy is on track. Mr. Tarler said we reviewed the EEPS program and what we expect to be the achievements of that program is consistent with our conservative estimate.

Mr. Younger expressed concern with the NYISO's forecast. Mr. Tarler said our load forecasting process was discussed at ESPWG and is overall on track.

**Motion #2:**

The Management Committee recommends that the Board of Directors approve the NYISO 2010 Comprehensive Reliability Plan (CRP) as presented by the NYISO to the Management Committee at its December 15, 2010 meeting. The 2010 CRP was the subject of prior review and action by the Operating Committee at its November 18, 2010 meeting, at which the Operating Committee voted in favor of a motion recommending that the Management Committee recommend approval by the Board of Directors. The 2010 CRP was also the subject of prior review by the Electric System Planning Working Group and the Transmission Planning Advisory Subcommittee.

*Motion passed unanimously with an abstention.*

**5. Amendment to MST Attachment F Bid Restrictions**

Mr. Robert Pike (NYISO) reviewed the presentation included with the meeting material. Mr. Pike explained the change to the Tariff is removing a previous revision brought to the MC. The reason for the update is the completion of software validation that has confirmed that ability to support \$1000.00 / MW-hr, therefore the Tariff was corrected to maintain the original bid cap of \$1,000.00 / MW-hr.

**Motion:**

The Management Committee (MC) recommends that the filing of the Energy Strategic Tariff Review under Section 205 of the Federal Power Act incorporate the correction to Attachment F of the Services Tariff, as described in the presentation made to the MC on this date, December 15, 2010.

*Motion passed unanimously.*

**6. Grandfathered Rights – Attachments K and L**

Mr. Gregory Williams (NYISO) reviewed the presentation included with the meeting material.

Mr. Paul Goia (Dewey & LeBeouf representing the NYTOs) asked Mr. Williams to confirm that there haven't been any changes since the November MC. Mr. Williams said that is correct.

**Motion:**

The Management Committee (MC) recommends that the NYISO Board of Directors approve for filing under Section 205 of the Federal Power Act, amendments to the OATT and Market Services Tariff pertaining to Grandfathered TCCs and Grandfathered Rights as described in the presentation made to the MC on this date, November 17, 2010.

*Motion passed unanimously with abstentions.*

**7. Proposed Interconnection-Related Tariff Changes**

Mr. Steve Corey (NYISO) reviewed the presentation included with the meeting material.

**Motion:**

The Management Committee (MC) recommends that the NYISO Board of Directors approve for filing under Section 205 of the Federal Power Act, amendments to the OATT as described in the presentation entitled, "Proposed Interconnection-Related Tariff Changes," made to the MC on this date, December 15, 2010.

*Motion passed unanimously with abstentions.*

**8. New Business**

There was no new business.

Meeting adjourned at 11:35

**Management Committee**  
December 15, 2010 Meeting  
Final Motions

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**Motion #1:**

Motion to approve the Minutes of the November 17, 2010 Management Committee meeting.

*Motion passed unanimously.*

**Motion #2:**

Motion to recommend that the Board of Directors approve the NYISO 2010 Comprehensive Reliability Plan (CRP) as presented by the NYISO to the Management Committee at its December 15, 2010 meeting. The 2010 CRP was the subject of prior review and action by the Operating Committee at its November 18, 2010 meeting, at which the Operating Committee voted in favor of a motion recommending that the Management Committee recommend approval by the Board of Directors. The 2010 CRP was also the subject of prior review by the Electric System Planning Working Group and the Transmission Planning Advisory Subcommittee.

*Motion passed unanimously with an abstention.*

**Motion #3:**

The Management Committee (MC) recommends that the filing of the Energy Strategic Tariff Review under Section 205 of the Federal Power Act incorporate the correction to Attachment F of the Services Tariff, as described in the presentation made to the MC on this date, December 15, 2010.

*Motion passed unanimously.*

**Motion #4:**

The Management Committee (MC) recommends that the NYISO Board of Directors approve for filing under Section 205 of the Federal Power Act, amendments to the OATT and Market Services Tariff pertaining to Grandfathered TCCs and Grandfathered Rights as described in the presentation made to the MC on this date, November 17, 2010.

*Motion passed unanimously with abstentions.*

**Motion #5:**

The Management Committee (MC) recommends that the NYISO Board of Directors approve for filing under Section 205 of the Federal Power Act, amendments to the OATT as described in the presentation entitled, "Proposed Interconnection-Related Tariff Changes," made to the MC on this date, December 15, 2010.

*Motion passed unanimously with abstentions.*



Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Alternate6	Alternate7	Proxy	Guest
Rochester Gas and Electric Corp.	Transmission Owners	Kinney, Ray	✓Caletka, Patricia	Masti, Hank	Olson, Cliff	Wickham, Denis					
Alcoa, Inc.	Large Consumer	Loughney, Robert	Mager, Michael	Bissell, Garrett	Lang, Kevin						Slusher , Kathleen
Atco Properties & Management, Inc	Large Consumer	Bomke, David	Diamantopoulos, George								
IBM Corporation	Large Consumer	Loughney, Robert	Mager, Michael	Bissell, Garrett	Lang, Kevin						
Occidental Chemical Corp.	Large Consumer	Loughney, Robert	Mager, Michael	Bissell, Garrett	Lang, Kevin						
Wegmans Food Markets	Large Consumer	Loughney, Robert	Mager, Michael	Bissell, Garrett	Lang, Kevin						
Metropolitan Transportation Authority	Large Consumer Government Agency	Keller , David	Chou , Frances								
American Sugar Refining, Inc	Small Consumer	George, Quintin	Luthin, Catherine	Dowling, John	Niazi, Tariq	Rigberg, Saul					
Association for Energy Affordability	Small Consumer										
Beth Israel Health Care System	Small Consumer	Luthin, Catherine	Dowling, John	Niazi, Tariq	Rigberg, Saul						
Fordham University	Small Consumer	Dowling, John	Luthin, Catherine	Niazi, Tariq	Rigberg, Saul						
Memorial Sloan Kettering Cancer Center	Small Consumer	Dowling, John	Luthin, Catherine	Niazi, Tariq	Rigberg, Saul						
Mount Sinai Medical Center	Small Consumer	Luthin, Catherine	Dowling, John	Niazi, Tariq	Rigberg, Saul						
New York Presbyterian Hospital	Small Consumer	Bomke, David	Niazi, Tariq	Elfner, Doug							
New York University	Small Consumer	Luthin, Catherine	Dowling, John	Niazi, Tariq	Rigberg, Saul						
NYS Consumer Protection Board	Government Statewide Consumer Advocate	Niazi, Tariq	Rigberg, Saul								
City of New York - Energy Conservation	Government Small Consumer and Retail Aggregate	Delaney, Michael	✓Simpson, Thomas							Lang, Kevin	
NYS Energy Research & Dev. Authority	Government Small Consumer and Retail Aggregate	Williams, John	Hogan, Erin	✓Hall, Christopher	Coup, David						
Long Island Power Authority	State Power Authorities	Jones, Kevin	Wittine, Jim	✓Clarke, Dave							
New York Power Authority	State Power Authorities	✓Palazzo, William	Brown, Scott	Sharif, Maryam							
Bath Electric, Gas & Water Systems	Municipalities and Coops	Benesh, Matthew	✓Bolbrock, Richard	Cordeiro, Mark							
Freeport Electric	Municipalities and Coops	Fiore, Anthony	Kimlingen, Ted	✓Rudebusch, Tom							
Jamestown Board of Public Utilities	Municipalities and Coops	Gustafson, David	Leathers, David	Kulig, Steve	✓Rudebusch, Tom						
Lake Placid Village	Municipalities and Coops	Kroha, Peter	✓Bolbrock, Richard	Cordeiro, Mark							
Municipal Commission of Boonville	Municipalities and Coops	Stabb, Kenneth	✓Bolbrock, Richard	Cordeiro, Mark							
Plattsburgh Municipal Lighting Dept	Municipalities and Coops	Treacy, William	✓Bolbrock, Richard	Cordeiro, Mark							
Village of Arcade	Municipalities and Coops	Kilburn, Larry	✓Bolbrock, Richard	Cordeiro, Mark							
Village of Fairport	Municipalities and Coops	Moore, Ken	✓Bolbrock, Richard	Cordeiro, Mark							
Village of Rockville Centre	Municipalities and Coops	Pallas, Paul	Cardile, Thomas	✓Rudebusch, Tom							
Village of Solvay	Municipalities and Coops	Mondre, Judith	✓Bolbrock, Richard	Cordeiro, Mark							
Village of Westfield	Municipalities and Coops	Hamilton, James	✓Bolbrock, Richard	Cordeiro, Mark							
American Lung Association	Environmental	✓Morris, Jackson	Seilback, Michaek	O'Neill , Kathleen							
American Wind Energy Association	Environmental	Strauss, Valerie	Murphy, Carol	Gramlich, Robert							
Environmental Advocates	Environmental	✓Morris, Jackson	Gould , Ross	Gahl, David							
Natural Resources Defense Council	Environmental	✓Morris, Jackson	Martinez , Luis	Kennedy , Kit							
PACE Energy & Climate Center	Environmental	Van Nostrand, Jamie	✓Morris, Jackson	Bourgeois, Tom							
Riverkeeper	Environmental	✓Morris, Jackson	Gallay , Paul	Musegaas , Phillip							
Scenic Hudson	Environmental										
Ace Energy Company, Inc.	Non Voting	Lynch, Stephen									
Alliance for Clean Energy New York	Non Voting	Murphy, Carol	Strauss, Valerie								
Anbaric Northeast Transmission Development Co.	Non Voting	Smith, Allyson									
Beacon Power Corporation	Non Voting	Judson, Judith	Ryan , Todd								
Boundless Energy, L.L.C	Non Voting	Tompkins, John	Gilbert, Chuck	Lenfest, Rod	Pratt, Charles	Dodson, John					
CPV Valley LLC	Non Voting	✓DellOrto, Ken	Remillard, Steven	Felak, Rich							
Caithness Energy, LLC	Non Voting	Ain, Ross	Keevill, Gary	Garber, Mitchell							
Customized Energy Solutions	Non Voting	✓Mancini, Rick	Fernands, Stephen	Rexrode, Caryn	✓Ackerman, Alan						
EDF Trading North America, LLC	Non Voting	Lees , Lisah									
Ecogen	Non Voting	Hagner, Thomas									
Energetix, Inc.	Non Voting	Strassner , Gerald	Hobday, Robert								
Fluent Energy	Non Voting	Koplas, David	Jaeger, Mike	Begley, Jeff							
Gateway Energy Services Corporation	Non Voting	Schorr, Angela	Fogel, Usher								
Hudson River Energy Group	Non Voting	Radigan, Frank	Canfield, Richard								
Hydro-Quebec TransEnergie	Non Voting	Sylvain, Glenn									
Iberdrola Renewables Inc	Non Voting	Allen, Thresa									
MAG Energy Solutions, Inc.	Non Voting	Gauthier, Martin	Roberge, Martin								
NYS Department of Public Service	Non Voting	Heinrich, William	Mitchell, Tammy	Drexler, David							Rigberg, Saul
Sempa Power Systems	Non Voting	Scora, Hugh									
Structure Group	Non Voting	Roy, Ishita	Nguyen, Phung								
US Direct Energy	Non Voting	Lynch, Stephen	Smith, Glen								
William P. Short	Non Voting	Short, William	Schaefer, Marc		Savage, Paul	Verna, Jim				Denis, Roberto	



**NYISO Employees**

Whitley, Steve

Bullock, Leigh

Eckels, Debbie

Lampi, Mollie

Williams, Greg

Robinson, Elaine

Barlette, Rich

McGarvey, Mary

Gonzales, Rick

Gach, Karen