

Management Committee

June 28, 2006 Meeting

Motion - Agenda #05

Motion:

The Management Committee (MC) hereby approves tariff modifications which provide for comparable treatment under the NYISO tariffs for qualified non-generator voltage support (VSS) resources for compensation for their tested VSS capability, including the Cross Sound Cable.

With respect to the Cross Sound Cable, the tariff will be amended to reflect the following rules:

1. Payment to CSC: Prorated VSS payment for energized hours for tested VAR capability measured at full real power flow.
2. Lost Opportunity Costs: No lost opportunity cost payments provided that CSC is not required to change real power schedules for purposes of voltage support. Nothing in this motion shall be construed to change existing protocols between the New England ISO and the New York ISO to maintain the reliability of the system. Given that CSC will not be directed to change its real power schedules for purposes of voltage support, CSC will not be subject to penalties for failure to do so.
3. Metering/Testing: CSC to be subject to comparable metering and testing procedures including, interim testing procedures that allow facilities that are not currently reactive power suppliers receiving compensation to test out of period as necessary to qualify for payment.
4. Cost of Energy Consumed: Payment for facility energy consumed in order to energize the CSC if the NYISO were to request that the CSC be energized to provide reactive capability to the NYCA.

The MC approves amending the tariff in the manner described herein, and recommends to the NYISO Board of Directors that the NYISO make a filing pursuant to Section 205 of the Federal Power Act.

Tariff language will be provided to the members of the MC and approved by the Chairs of the MC and the BIC prior to filing.