

# NYISO Settlement Process Review

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10-14-04 MC

Agenda #7

# Settlement Status

- As previously discussed, we are way behind in closing the ISO monthly settlements
- It is being proposed that we look at a business resolution to put as many months behind us once and for all
  - Idea is to reduce risks to MP going forward
  - Allow staff at ISO and MP orgs to concentrate on more current issues

# Settlement Status

- What is being done about the situation?
  - J Oates had a call 9-17 including several MPs and ISO staff to discuss this issue
  - The following approach was vetted at BIC on 9-22:
    - Form a group reporting directly to BIC to address possible “out-of-the-box” solutions to this problem
    - Anticipates that settlements through 2000 would be completed as originally contemplated
    - Known issues would be resolved in the settlement
      - May involve some triaging of the issues
  - Legal opinion will be sought if we see a need to deviate from governing Tariff provisions

# Settlement Status

- What is being done about the situation?
  - Formed “BIRT” Business Issues Resolution Team...
    - Kevin Kipers, Ray Kinney, Jim Scheiderich, Wes Yeomans, Glenn Haake, Bill Heinrich, Ed Aguayo (NOT exclusive...)
    - Appropriate staff
  - Initial efforts will concentrate on:
    - Gathering information from the ISO
    - Scoping out the effort
    - Developing recommendations
- We are awaiting our first meeting

# Settlement Timeline

- Up through 9-02:
  - 2 year “final” bill
  - 1 year challenge period
    - Market start thru 9-01 on the table
  - Undefined “Reasonable” period
  - 30 day final review
  - Month closeout
- After 9-02:
  - 1 year “final” bill
  - 4 month challenge period
    - 10-02 thru 5-03 theoretically on the table
  - Undefined “Reasonable” period
  - 30 day final review
  - Month closeout