

ESPWG: STATUS UPDATE

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**BIC/OC Meeting
January 19-20
Albany**

ESPWG Report

FERC Order

FERC Order on Comprehensive Reliability Planning Process

- Issued 12/28
- Accepts the CRPP and NYISO-TO agreement-with some modifications
 - Most protests were rejected
- Compliance filing due 60 days from date of Order

ESPWG Report

FERC Order

- Order supports basic market driven structure of the CRPP
- Compliance issues
 - Dispute resolution jurisdiction
 - DPS Screening process for alternative regulated solutions
 - NYISO-TO agreement
- Compliance issues do not appear to be a major concern

ESPWG Report

FERC Order

- Other issues:
 - Status report from ISO on the progress made on cost allocation and economic planning
 - Due 90 days after the order
 - ISO to propose and file timetables for implementation of the various stages of the RNA and CRP within 60 days of the order to “help ensure that critical reliability needs...are met in a timely manner”
 - Already under development at ESPWG

January 10, 2004 meeting

- **Comprehensive reliability process:**
 - **Implementation criteria for halting a regulated project**
 - No progress-Still some open issues regarding cost recovery and PSC role
 - **PSC Straw proposal for screening process for alternative regulated proposals/dispute resolution process**
 - ESPWG discussed the impact of the FERC order and discussions will continue offline between PSC and ISO with report back to ESPWG at Feb meeting

Comprehensive Planning Process-Economic

- *Close to finding the least common denominator of MP consensus*
 - *Hope to come to the OC with an outline of proposed economic planning proposal for OC approval in February*
 - *FERC expecting a progress report in March*
- Next ESPWG meeting February 7, 2005
 - ISO to provide a draft of compliance filing
 - PSC to provide dispute resolution details
 - Continue to progress implementation procedures
 - Hopefully finalize economic planning proposal for OC consideration