Proposal #2:

Straw Vote for 2001 Voltage Support Service Charges & Payments

This is a non-binding "Staw-Vote" simply for the point of soliciting the opinion of the Billing & Accounting Working Group to make a recommendation to the NYISO Business Issues Committee, BIC, at the October BIC meeting.

The Billing & Accounting Working Group proposes that for the calendar year 2001,

- 1. Fundamentally, NUGs without PPC decide before the start of the calendar year 2001 to either be paid at a Voltage Support Service, VSS, rate as developed by the NYISO for the entire year or paid based on embedded cost forms as submitted by that Power Supplier. The Power Suppliers can not change methods in mid-year.
- 2. All Utility Generators and any NUGs without PPCs that want the option to chose a VSS rate must submit their embedded cost forms and other required data to the ISO by December 1, 2000. The NUGs without PPCs are not committed to an embedded cost payment at this point in time.
- 3. The ISO will calculate a VSS rate based the embedded cost forms and publish this value on December 8, 2000.
- 4. The NUGs without PPC's must decide by and state to the ISO by December 16 whether to be paid by the published VSS rate or based on their embedded cost forms.
- 5. The ISO will calculate the R.S. 2 rate to charge all loads for the year 2001 based on the forecasted total reactive payment to the Power Suppliers. This will be published by December 20.