

**NYISO Business Issues Committee Meeting Minutes**  
September 5, 2007  
Teleconference

**1. Welcome and Chairman's Report:**

Bill Palazzo (NYPA), Chairman of the Business Issues Committee (BIC), called the meeting to order at 10:04 a.m. and welcomed the members of BIC.

**2. Approval of Minutes from the Aug. 8, 2007 BIC meeting.**

Frank Francis (NYISO) presented the minutes from the August 8, 2007 meeting for approval. He noted that the minutes were circulated and that no comments were received from Market Participants.

**Motion #1:**

Motion to approve the Minutes of the August 8, 2007 BIC meeting.

*Motion passed unanimously.*

**3. Market Operations Report**

Rana Mukerji (VP, NYISO) made the presentation, which was distributed to Market Participants.

**4. Regional Market Enhancements**

Mr. Mukerji presented the Northeast Seams Report, which was distributed to Market Participants. He updated the following initiatives:

- Regional Resource Adequacy (RAM)
- Cross-Border Controllable Line Scheduling
- Coordination of Interregional Planning
- Interregional Congestion Management

**Discussion**

Mr. Mukerji said the next IPSAC meeting has not been scheduled; a meeting is in the works for the fall.

Mr. Mukerji said the PJM proxy bus issue has been removed from the Seams Report because improvements had been implemented.

Stuart Nachmias (ConEd) asked if the issue was whether or not to have two proxy buses. He said there's always been the issue of two proxy busses on each side.

Mr. Mukerji said the issue should be discussed at MIWG before putting it on the Seams Report. Raising the issue at the MIWG will flush out the issues; it can then go into the Seams reports for all three ISO/RTOs.

Ms. Saia said she had no problem with discussing the issue at the MIWG. The issue dealing with PJM was always about adding a second proxy bus. The ISO raised the issue of the PJM proxy bus not being managed effectively in light of

the ConEd settlement agreement on the 1,000 MW wheel. In Ms. Saia's opinion the two proxy bus issue was actually the first issue, and is still outstanding.

Mr. Mukerji further noted that the Modeling of Netted Transactions at the NYISO-HQ Interface topic will not be reported on in the next Seams report. He said going forward, the Interregional Congestion Management with PJM and the forward capacity market will be items the NYISO will be actively working on. He invited MPs to submit comments on other topics that should be addressed in the Seams Report.

## **5. Working Group Updates**

### **A. Billing and Accounting (BAWG)**

Mr. Palazzo said Dave Hall (NYSEG/RGE) will report on the BAWG at the next BIC meeting.

### **B. ICAP Working Group (ICAPWG)**

Mr. Haake reported. The group met on Aug. 24 and discussed the Demand Curve study update and a report by ConEd on the proposed forward capacity market. He said the ICAP WG is in the final stages of the demand curve update process.

The next meeting is scheduled for Sept. 12.

### **C. Interconnection Issues Task Force (IITF)**

Mr. Haake presented a summary of the IITF meeting on Aug. 17. He said there is agreement on a majority of the items contained in the Consensus Deliverability Plan. However, there are still outstanding issues that will likely be worked out at FERC. The next meeting is set for Sept. 28.

Mr. Mukerji said the NYISO will file a conceptual outline filing with FERC based on the consensus proposal; the filing is expected by mid-September. An IITF is scheduled on Sept. 28 to review details of the deliverability test. The conceptual proposal will be circulated to the committee chair before being filed with FERC.

### **D. Electric System Planning (Joint OC/BIC WG)**

Tariq Niazi (NYS Consumer Protection Board) provided an update of the group's meetings on Aug. 15 and Aug. 28.

On Aug. 15, the group, in a joint meeting with the TPAS, heard reports on and discussed the FERC Order 890 update, the Economic Planning Process, cost allocation for reliability backstop solutions, cost recovery, cost allocation for Economic solutions (Order 890) and the NYISO CRPP Manual update.

On Aug. 28, the ESPWG heard reports on and discussed the FERC Order 890 update, a review of NYISO Revised draft Attachment Y, TO Local Planning Process, Reliability Cost Allocation, the economic planning process, National

Grid's Economic Planning proposal, cost recovery, and the NYISO CRPP Manual update.

The ESPWG will meet again on Sept. 6.

#### **E. Market Issues Working Group (MIWG)**

Norman Mah (Con Edison) provided his report to the BIC. He reported that the MIWG met on Aug. 27. At that meeting the MIWG discussed the Astoria West Operating Protocol, the Market Rules Assessment and the TCC Credit Policy.

The MIWG will meet next on Oct. 1.

#### **F. Price Responsive Load Working Group (PRLWG)**

Rick Mancini (Customized Energy Solutions) provided his report to the BIC. He reported on the PRLWG's Aug. 17 meeting. At that meeting, Mr. Mancini said the PRLWG discussed the Demand Side Ancillary Service program, Targeted Demand Response, the DR Program Registration update, the RETX Notification Test update, the EDRP Manual update, and changes to metering incentives under the Peak Load Reduction Program – NYSERDA.

The PRLWG will meet next on Sept. 27. Mr. Mancini asked MPs to submit discussion topics for future meetings.

#### **6. Corporate Performance Metrics Report**

Wayne Bailey (NYISO) gave the presentation. Accompanying slides were included in BIC meeting materials circulated to the MPs. He also updated BIC members on the NYISO's Lean Six Sigma initiative.

#### **Discussion**

Mr. Nachmias asked if Metric #3, that requires the NYISO to administer timely and accurate settlements under the shortened settlement cycle includes the settlements pertaining to Attachment N implementation for transmission owners. He noted that it should be included because it is part of the settlement cycle.

Mr. Bailey said he will talk to the Settlements department and see how Mr. Nachmias' suggestion could be incorporated.

Mr. Palazzo suggested that Mr. Nachmias' item be recorded as an action item.

Mr. Nachmias asked if the business impact of LSS projects in Mr. Bailey's report referred to the impact on the NYISO or the impact on Market Participants.

Mr. Bailey said the numbers deal with the impact on the NYISO. The NYISO will be reaching out to MPs to quantify the impact on MPs.

#### **7. New Business**

Ray Stalter (NYISO) reminded MPs that the BPWG expects to have an agenda and NYISO 2008 budget presentation material available next week in anticipation of its Sept. 17 meeting.

Mr. Stalter also talked about a new NYISO program for MPs to RSVP for meetings at the KCC and PCC. An online RSVP process will be initiated via the calendar page on the NYISO Web site.

Mr. Nachmias said the BPWG will have a discussion of the 2008 projected budget for the first time. He said it would be useful for MPs to be involved. The meeting was adjourned at 10:48 a.m.

Respectfully Submitted,  
Michael A. Lisi  
Recording BIC Secretary