

# **NYISO Electric System Planning Working Group Meeting**

July 15<sup>th</sup>, 2004  
NYISO Washington Ave –Albany, NY

## **Draft Minutes**

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Of the twentieth meeting of the New York Independent System Operator Electric System Planning Working Group held July 15, 2004 at NYISO in Albany, NY.

### **Welcome and Introductions**

Mr. Bill Palazzo, Chair of the Electric System Planning Working Group welcomed the ESPWG members to the meeting and stated the agenda.

### **Review of Notes of June 7<sup>th</sup> Meeting**

The ESPWG Meeting minutes from June 7<sup>th</sup> meeting were approved and will be posted to the NYISO website.

### **Phase II: Comprehensive Reliability Planning Process**

#### ***Review of Tariff Language***

Mr. John Buechler gave ESPWG members an overview of the modifications made by NYISO counsel to convert the July 1<sup>st</sup> Planning Process document into appropriate tariff format. He noted that, in accordance with the MC Motion on July 7<sup>th</sup>, the tariff language is subject to the approval of the Chairs and Vice Chairs of the MC, BIC, and OC as well as the Chair of the ESPWG, following review by the ESPWG at today's meeting.

There were no substantive changes; the process included “clean up” issues requested by Market Participants such as:

- Conform to OATT definitions
- Terminology review
- Improve internal consistency and include administrative provisions

Mr. Buechler then highlighted some of the organizational changes that were made and explained the reason for such changes:

- Section 1 – The introductory language pertaining to the ESPWG development was deleted as inappropriate and replaced with a high level overview of the process.

- Original Section 3: Redundancy was eliminated as well as sections paraphrasing the responsibilities of the various reliability entities and replaced this with a defined term for “Reliability Criteria”.
- Sections 6, 7, and 8 were rearranged to better reflect the process flow and sequence of actions.

New sections were added:

- Section 2: definitions
- Section 3: NYISO implementation and Administration
- Section 9: monitoring of project status.

Mr. Buechler reported that the schedule for filing the document is as follows:

- July 15 – ESPWG review of tariff language
- July 21 – Committee Chairs review/sign off
- Early August – Adequacy and Reliability Committee Review
- August 17 – Board Approval
- Aug 20 – File with FERC

Mr. Paul Gioia commented that the TOs have not have time to fully review the draft language and compare it to the document approved at the July 7<sup>th</sup> Management Committee Meeting, and are not prepared to provide all of their comments today. Mr. Buechler stated it is his intention to get through all of the comments today.

Mr. Howard Fromer added that this review process should not be limited to the NYISO and individual Market Participants, but should be open to all Market Participants.

Ms. Liz Grisaru stated that, following today’s review, the NYISO will issue a revised draft by mid-afternoon on Friday. Any additional comments on the document should be submitted in writing to John Buechler, Leigh Bullock, or Ernie Cardone no later than COB on Monday, July 19<sup>th</sup> and will be distributed and posted to make the process more fully transparent. She added that the purpose of the review process is to produce the best tariff language, not to re-negotiate the document.

Mr. Larry Dewitt asked Mr. Gioia if the above schedule for comments is an acceptable deadline. Mr. Gioia replied that this is a goal, but he could not give a definitive answer until the TOs have had sufficient time to review the document.

Mr. Tim Bush agreed with Mr. Gioia that more time is required to review this document, adding that final tariff language should be available first.

Mr. Rich Felak asked if the Committee Chairs meeting would be open to all Market Participants. It was indicated that this was not the normal process for tariff language review but would be considered.

The proposed tariff language was reviewed for consistency with the July 1 document approved by the Management Committee and agreed-upon clarifications were made by ESPWG members. A redlined draft document reflecting today’s comments will be sent out on Friday with comments to be submitted to John Buechler, Leigh Bullock, or Ernie Cardone.

## ***Discussion of NYISO-TO Agreement***

In accordance with a request made at the Management Committee, the Agreement between the NYSISO and NY TOs on the Comprehensive Planning Process for Reliability Needs was reviewed by ESPWG.

Comments from the group included:

Section 2.02 – Ms. Doreen Saia suggested the inclusion of the word “regulated” to clarify the application of this provision.

Section 3.06 – Mr. Mike Mager commented that TO’s are allowed to get rate recovery under FERC tariff; therefore they should not be allowed to request incentives under state regulatory policies. He asked that reference to state regulatory be removed. It was suggested that references to both state and Federal policies be removed. Mr. Mager agreed with this suggestion.

Section 4.02 – Mr. Mager commented that this section be clarified to indicate that, when a TO expands its facilities under 4.02, cost recovery under Article 3 is not applicable.

The group further discussed the scope of the document and whether all obligations should be subject to conditions under Article 3. Mr. Gioia will review the comments and circulate a revised draft to ESPWG prior to July 21<sup>st</sup>. Mr. Buechler clarified that this Agreement will be filed with FERC for approval at the same time as the Tariff filing.

### **Phase I: Initial Planning Process**

#### ***Draft Report on Initial Planning Process***

Mr. Bill Lamanna reported that he has sent out appendixes and base cases to those who requested them (two weeks ago). A few Market Participants have requested more time to review and comments are still being reviewed. A new draft report will be out by next week. Mr. Lamanna asked for any additional comments to be sent to him by the end of this week. Mr. Palazzo indicated that it is intended that the Initial Planning Report be submitted to the OC for approval at the August meeting.

### **Future ESPWG Meeting Date**

The next ESPWG meeting is scheduled for August 11.