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AMENDED AND RESTATED INTERREGIONAL COORDINATION AND SEAMS ISSUE RESOLUTION AGREEMENT

BETWEEN

NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.

AND

ISO NEW ENGLAND INC.

This Amended and Restated Interregional Coordination and Seams Issue Resolution Agreement (“Agreement”) is entered into as of , 2004 July 31, 2003 (the “Effective Date”), by and between the New York Independent System Operator, Inc. (“NYISO”) and ISO New England Inc. (“ISO-NE”) (each a “Party” and together the “Parties”).

RECITALS

A. NYISO is the administrator of markets for electricity and related products, and the Independent System Operator (“ISO”) for the New York Control Area.

B. ISO-NE is the administrator of markets for electricity and related products, and the Independent System Operator (“ISO”), for the New England Control Area, and has been granted regional transmission organization status, subject to fulfillment of requirements, in an order issued by the Federal Energy Regulatory Commission (“FERC”) on March 24, 2004 in Docket Nos. RT04-2-000 (106 FERC ¶ 61,280 (2004)) (the “RTO-NE Order”).

C. Each of the Parties administers a competitive wholesale electricity market that features congestion management based on Locational Marginal Pricing and includes both day-ahead and real-time markets.

D. The Parties, along with the Independent Market Operator of Ontario (“IMO”), are participants in the Northeast Independent Market Operators System Operation, Planning and Market Development Agreement.

E. The Parties recognize the importance of coordinating with the PJM Interconnection, LLC (“PJM”) on the development of certain market rule and system planning modifications (which are specified in Attachment 1).

E.F. The Parties agree that coordinating the development of market rules in order to increase the compatibility of the markets they administer in order to enable seamless trading of products between the markets will increase economic efficiency and achieve long-term benefits for both regions.

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F.G. The Parties agree that the elimination of multiple transmission charges for exports between regions will enhance opportunities for efficient trading between the regions.

G.H. The Parties agree that coordinating system planning and the assessment of new interconnections will provide benefits to both regions.

H.I. The Parties recognize the importance of stakeholder input into decisions regarding the design of the wholesale electricity market and intend to work closely with market participants in their respective regions regarding the matters addressed by this Agreement.

J. The Parties entered into an Interregional Coordination and Seams Issue Resolution Agreement as of July 31, 2003 (the "Original Agreement"), and desire to amend and restate the Original Agreement, in response to the RTO-NE Order.

AGREEMENT

In consideration of the foregoing, and to effect the Parties' agreement to implement a process to resolve certain critical seams issues between their respective regions, the Parties agree to the procedures set forth below:

1. Designation of Interregional Coordination Officer

Each Party shall designate an Interregional Coordination Officer ("ICO"). The ICOs shall have responsibility to direct the initiatives contained within this Agreement, to identify additional seams and market inefficiency issues and other opportunities for complementary or consistent market improvements ("Seams Issues") and to ~~attempt in good faith to~~ develop proposals, including options where appropriate, for resolution of Seams Issues.

1.1 Cooperation with Other Regions

_____ The Parties will work with system operators and market participants ~~in~~ other control areas, including PJM and the IMO, -to address issues of general regional concern such as the coordination of interregional planning and other initiatives identified in Attachment 1. Specifically, with respect to PJM, the Parties acknowledge and agree that the participation and agreement of PJM in the resolution of certain seams issues are integral to the development of seamless Northeastern markets. The Parties thus agree:

a. _____ To identify the specific Northeast seams issues that require participation by PJM to resolve: [LIST THE SEAMS ISSUES]

b. _____ To implement a plan for PJM's participation in the resolution of the seams issues set forth above. A copy of the Parties' plan is attached to this Agreement as Attachment 2.

1.2 Non-Duplication

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The Parties agree to coordinate their efforts with other regions with the initiatives agreed upon under this Agreement. ~~In addition, the Parties agree that such other efforts will impose no additional obligations upon the Parties relative to the initiatives under this Agreement.~~

2. Action on Identified Seams Issues~~Continue Existing Cooperation~~

The Parties agree to undertake intermarket coordination efforts to reduce or eliminate the seams described in Attachment 1 hereto (the “Identified Seams Issues”). Attachment 1 establishes specific milestones and timetables for resolving each of the Identified Seams Issues.~~continue to expand existing cooperative efforts as set forth below, while continuing to seek stakeholder input from market participants in their respective regions. In addressing any of the Identified Seams Issues set forth on Attachment 1, the Parties agree to involve all New York and New England market participants, stakeholders, state regulators and Regional State Committees (“Stakeholders”) and to utilize their existing governance structures and their standing committees, including relevant working groups, task forces and subcommittees (“Standing Committees”), and all existing governance processes.~~

2.1~~Coordinate Interregional Planning~~

~~The Parties agree that an enhanced level of coordination of interregional planning will be beneficial to both the reliability and efficiency of the Northeast wholesale electric markets. Accordingly, the Parties agree to:~~

~~a. Support the efforts of the recently initiated Liaison Task Force, which was initiated by the Parties and now includes all NPCC ISOs and control areas as well as PJM. Objectives of this NPCC/PJM effort will include conforming input, standards and schedules.~~

~~b. Conduct joint system impact studies for those projects that have inter-control area effects.~~

~~e. Seek to ensure that beneficial transmission projects are considered appropriately from the broader regional perspective, including, but not limited to, relieving “bottled generation” restrictions and prioritizing transmission constraints in need of resolution.~~

~~d. Jointly issue a Coordinated System Plan in 2004, which will cover the New York and New England regions, and work towards coordinating the NYISO, ISO-NE, IMO, and PJM system plans as soon as possible thereafter.~~

2.2~~Resource Adequacy Assurance~~

~~The Parties agree that a coordinated approach between the Northeast ISOs on resource adequacy will improve the reliability of the Northeast by providing enhanced ability to offer capacity products across the region. Accordingly, the Parties agree to take the following actions, in consultation with market participants and state regulatory authorities as appropriate:~~

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~~a. Ensure that adequate resources remain available to meet customer demand in all timeframes in a manner that is compatible with procedures that are employed in adjoining jurisdictions.~~

~~b. Actively support the work of the Resource Adequacy Market Working Group (“RAM Group”) to finalize the proposed design of the central resource market for the Northeast Region in 2003.~~

~~c. Use best efforts to achieve agreement within their respective stakeholder processes in order to develop and file the appropriate tariff modifications with FERC in 2004 to implement the new forward central capacity market auctions in their respective regions.~~

~~2.3 Elimination of Export Charges~~

~~The Parties agree in principle to achieve the elimination of multiple transmission charges on exports (“export charges”) throughout the Northeast region as soon as possible, and, as regards charges for transmission service between New York and New England, the Parties agree:~~

~~a. to actively pursue, in conjunction with Transmission Owners (“TOs”), market participants and state regulatory commissions within the respective regions, an agreement on the principles for the elimination of export charges between the two regions.~~

~~b. to keep each other apprised of activities in their respective regions and endeavor to bring together the parties to develop a reciprocal agreement between the regions.~~

~~c. to take necessary actions, in good faith, to achieve the goal of beginning the elimination of export charges between New York and New England in 2004.~~

~~d. to actively support the elimination of export charges between and among other regions in the Northeast as expeditiously as possible consistent with the above timeframe for New York and New England.~~

~~2.4 Development of Virtual Regional Dispatch~~

~~The Parties agree on the importance of achieving price convergence across regional borders in order to increase market efficiency. Accordingly, the Parties agree that, while continuing to seek stakeholder input throughout the process, they will take the following steps:~~

~~a. Develop a plan for the implementation of Virtual Regional Dispatch, or alternative cost effective initiatives to promote price convergence between ISO markets, across the two regions by the fourth quarter of 2003.~~

~~b. Use best efforts to achieve consensus among their respective stakeholder processes in order to implement Virtual Regional Dispatch, or alternative cost effective initiatives to promote price convergence between ISO markets, across the two ISOs’ regions by the first quarter of 2005 or earlier if possible.~~

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~~c. Actively support efforts to expand the implementation of Virtual Regional Dispatch or similar coordination provisions among other regions in the Northeast.~~

~~2.5 Support Improved Inter-Market Communications~~

~~The Parties agree on the importance of providing improved communications between their respective markets through implementation of the web-based communications standards currently being implemented in New York and the Parties intend to:~~

~~a. Provide the ability to process hour-ahead and day-ahead facilitated checkouts by the third quarter of 2003.~~

~~b. Continue to follow, analyze and evolve common technology to further improve inter-market communications.~~

3. Work Plan For the Identification of Additional Seams Issues

3.1 Objectives

The Parties agree to direct their ICOs to proceed under a work plan that includes the following tasks:

a. Utilize the process outlined in Section 3.2 below to Adopt a mutually acceptable process for identifying Seams Issues in addition to the Identified Seams Issues already included in Attachment 1 (the “Additional Seams Issues”); and

b. Ensure full involvement by all Stakeholders market participants in the Section 3.2 process through the utilization of existing governance structures, Standing Committees and the Intermarket Coordination Group;

~~b.c.~~ Prioritize the identified-Additional Seams Issues for resolution, based on the magnitude of likely improvement in reliability or reduction of costs for each issue;

~~b. Seek approval of the prioritized list of Seams Issues from each Party;~~

d. Investigate the Additional Seams Issues consistent with their priority rank, and develop proposals, and options where appropriate, to address each Additional Seams Issue;

e. Develop milestones and timetables implementation steps for proposals approved by the Parties;

f. Seek approval of the prioritized list of Additional Seams Issues from each Party;

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~~g.~~ ~~g.~~ ~~f.~~ ~~—~~ Add approved Additional Seams Issues (with milestones and timetables) to Attachment 1 and integrate them ~~Integrate any agreed-upon seams resolution plans~~ into the existing FERC Seams reporting process; and

~~g.h.~~ Prepare quarterly reports that the Parties will jointly submit to FERC and state regulatory authorities.

3.2 Process for Identifying Additional Seams Issues; Stakeholder and Third-Party Communications

The Parties agree that each Party will communicate with its Stakeholders and interested third parties about the existence of this Agreement, the nature and prioritization of Seams Issues, and proposals, and options for proposals (if any), to address Seams Issues. The following Stakeholder process will be used to identify and resolve Additional Seams Issues:

a. Stakeholders of each Party shall appoint an appropriate number of sector representatives to an Intermarket Coordination Group. Intermarket Coordination Group meetings shall be open to the Stakeholders of the Parties and the dates, times and places of such meeting shall be posted in advance in notices to all of the Parties' Stakeholders.

b. The ICO will meet with the Intermarket Coordination Group to (i) review the status of ongoing efforts with respect to Identified Seams Issues and (ii) identify any Additional Seams Issues. Any Additional Seams Issues will be evaluated by the ICOs and brought to each Party's appropriate Stakeholder committee that normally addresses such issues.

c. The ICOs will coordinate the ir respective Stakeholder review processes to assure that the proposals being reviewed by each ISO remain consistent throughout the Stakeholder process.

d. Projects to resolve Additional Seams Issues will be evaluated and prioritized by each Party together with all other market improvement processes.

4. Considerations for Parties' Review of Proposed Additional Seams Issues

The proposals developed by the ICOs with respect to Additional Seams Issues shall be submitted to the Chief Executive Officers ("CEOs") of the Parties. Each CEO shall consider in good faith whether such proposals are desirable and consistent with the needs of each respective ISO and its market participants, including, without limitation, consistency with other market rules or ongoing changes and the impact on resource requirements of each organization.

5. Communications with Boards of Directors

The Parties agree that each Party will report progress towards the resolution of identified initiatives as well as recommendations regarding any Additional Seams Issues identified under this Agreement to their respective Boards of Directors (or designated respective Board Committees) on a periodic basis.

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~~6. Communications with Stakeholders and Third Parties~~

~~The Parties agree that each Party may communicate with its stakeholders and interested third parties about the existence of this Agreement, the issues and prioritization of Seams Issues, and proposals, and options for proposals (if any). Such communications will utilize the existing procedures (whether formal or informal) within each Party's respective stakeholder governance processes. Each Party may consider its communications with its stakeholders in determining whether to approve the identified Seams Issues, the prioritized list of Seams Issues, and any proposal for addressing such Seams Issues.~~

7.6. No Effect on Individual ISO Governance Processes

In implementing this Agreement, each Party shall follow its then-existing governance process. Accordingly, the Parties agree that, sufficiently in advance of any deadlines established for resolution of a particular seams issue, the Intermarket Coordination Group shall, in conjunction with the ICOs, and in accordance with applicable governance processes, arrange to have any proposals resolving a seams issue presented to the Management Committee and Board of Directors of the New York ISO and the Participants Committee and Board of Directors of ISO-New England for consideration and a vote. In accordance with their respective governance procedures, the Parties shall endeavor to develop a consensus position for the resolution of each seams issue. Upon the development of a Stakeholder consensus, the Parties shall make a joint filing with the FERC proposing the consensus resolution. In the absence of a Stakeholder consensus on a particular seams issue, the Parties, in accordance with their respective governance processes, shall make separate filings with the FERC.

8.7. Miscellaneous

8.17.1 Filing of Agreement with FERC

Upon execution, this Agreement will be included as an attachment to the compliance filing required in the RTO-NE Order.~~proposed RTO New England filing planned for 2003.~~

8.27.2 Term and Termination

a. Subject to Section 7.28.2.b, this Agreement shall expire three (3) years after the Effective Date, provided that the term shall renew at each expiration date for a successive one (1) year term unless a Party gives notice to the other Party no less than ninety (90) days before the end of a term that the Agreement shall not renew.

b.b. Neither of the Parties may terminate their participation in this Agreement except upon prior approval of the FERC.

c. Any proposals adopted by the Parties for resolution of seams issues not requiring FERC approval shall survive termination or expiration of this Agreement.

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~~Any of the Parties may terminate their participation in this Agreement upon ninety (90) days notice to the other Party.~~

~~c. All proposals adopted by the Parties for resolution of Seams Issues, all requests to FERC for informal dispute resolution of Seams Issues, and all submissions to FERC for formal dispute resolution, shall survive termination or expiration of this Agreement. Agreements or decisions arising from informal or formal dispute resolution, as provided in Section 7.4.c6.3 shall survive the termination or expiration of this Agreement, notwithstanding that this Agreement may have terminated or expired prior to the conclusion of the dispute resolution process. Each Party shall have the right to submit any issue under informal dispute resolution at the expiration or termination of this Agreement to FERC for formal dispute resolution or termination of this Agreement.~~

8.37.3 Notices

Any notice under this Agreement shall be given in writing and delivered by fax or overnight courier to the following addresses:

If to ISO-NE:

Kathleen A. Carrigan
Senior Vice President, General Counsel and Corporate Secretary
ISO New England Inc.
One Sullivan Rd.
Holyoke, Massachusetts 01040
kcarrigan@iso-ne.com

If to NYISO:

Robert E. Fernandez
General Counsel and Secretary
NYISO
3890 Carman Rd.
Schenectady, New York 12303
rfernandez@nyiso.com

A Party may change its fax number or address for receipt of notice under this Agreement by giving notice of the change to the other Party.

7.48.4 Alternative and Formal Dispute Resolution

~~a. If the parties to this Agreement are unable to complete any of the tasks outlined herein, or if either of the ICOs determines that the ICOs lack sufficient direction to proceed with any task, any ICO may refer the matter to the CEOs chief Executive Officers of the Parties (“CEOs”). The CEOs agree to schedule a meeting between the Parties to resolve these issues or to provide direction, as appropriate, on a priority basis.~~

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~~b. The CEOs will inform their respective Board Chairmen prior to taking an action under 78.4.d.~~

~~c. In the event that the CEOs do not reach agreement on any issue referred to them by an ICO within ten (10) days, then either Party may refer the matter to a neutral, third party Dispute Resolution Service, which may include the FERC's Dispute Resolution Service, and request a session be convened to initiate non binding dispute resolution services. Costs assessed by the Dispute Resolution Service for the use of such service shall be borne equally by the Parties.~~

~~d. In the event that the Parties fail to achieve resolution of an issue, after initiation of alternative dispute services described in Section 78.4.c, the Parties agree that either Party may submit the unresolved issue to FERC on behalf of both Parties for formal dispute resolution under applicable FERC rules.~~

8.5 Amendments to Agreement

No amendment of this Agreement shall be effective unless set forth in writing and executed by the Parties, and filed with FERC, and, if necessary, accepted or approved by FERC. This Agreement supersedes the Original Agreement as of the Effective Date of this Agreement.

8.67.5 Relationship of Parties

The parties are not forming a partnership or other legal entity and no party is authorized by this Agreement to act as agent for any other party. Each party shall be responsible for all of its own expenses incurred in connection with this Agreement, including, but not limited to, the costs of travel to meetings, administrative costs and legal or other consulting fees.

8.77.6 No Third Party Beneficiaries

There are no third party beneficiaries to this Agreement.

8.87.7 Assignment

This Agreement may not be assigned to third parties, but shall be binding upon any and all successors to the Parties.

EXECUTION

Wherefore, this Agreement is executed by the parties as of the Effective Date.

ISO NEW ENGLAND INC.

By: Gordon van Welie
Title: President and CEO

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NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.

By: William J. Museler
Title: President and CEO

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ATTACHMENT 1 TO AMENDED AND RESTATED INTERREGIONAL COORDINATION AND SEAMS RESOLUTION AGREEMENT

IDENTIFIED SEAMS ISSUES

1. FACILITATED CHECKOUT (“FCO”)

- This is Open Project P8b in the Northeast ISOs Seams Resolution Report.
- **Description and background:** NYISO, ISO-NE, PJM, IMO, HQ & MISO have been participating in the specification of the FCO communication protocol. Pilot implementation with ISO-NE has been successful and demonstrated ISO-NE and NYISO capability to exchange transaction data in real-time.
- **Milestones and timetable:**
 - IMO is now able to access NYISO transaction data in real-time as well; the IMO is working on implementation of the software, with expected completion in **the third quarter of 2004.**
 - HQ planning to implement FCO by **end of the third quarter of 2004.**
 - FCO is expected to be fully functional between NYISO, ISO-NE, IMO and HQ by the **end of 2004.**

2. REGIONAL RESOURCE ADEQUACY

- This is Open Project P15 in the Northeast ISOs Seams Resolution Report.
- **Description and background:** The Regional Resource Adequacy Model (RAM) Working Group (formerly the JCAG Working Group) was set up to develop longer-range UCAP markets in NY, PJM and ISO-NE than currently exist. The RAM Working Group developed initial recommendations in mid-2002. The work plan was reassessed in light of the SMD NOPR and the ISOs/RTOs filed joint comments addressing resource adequacy on January 10, 2003. The comments described a central market-based resource adequacy framework, which is consistent with the goals of the SMD NOPR. NERA was selected to analyze the proposed central resource adequacy market design, and presented the ir final report at the February 26 regional RAM meeting. A NYISO status report was filed with FERC on February 27, 2004. The broad range of concerns raised by stakeholder groups in each ISO/RTO make it unlikely that all of the ISO/RTOs will adopt the RAM proposal as it is currently formulated. It is anticipated that this effort may lead, instead, to enhancements in the capacity markets in each region. In enhancing their existing markets, the ISO/RTOs have committed to

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maintain the same product (UCAP) to enable trade between regions to occur and to identify and remove any remaining barriers to the trading of capacity between regions. Each region has Resource Adequacy/ICAP working groups looking at this issue. No plans have yet been established as yet to change the markets in any of the ISOs. The NYISO has submitted a hybrid proposal to its stakeholders for consideration which incorporates a forward capacity market for procurement of a portion of its future resource requirements.

- **Milestones and timetable:**

- The NYISO plans to further develop this hybrid proposal with its stakeholders during the **third quarter of 2004** and will coordinate with the PJM and ISO-NE efforts in their respective regions.
- The NYISO will bring any resulting proposal back to the RAM Group for discussion by the **end of 2004**.
- On March 1, 2004, ISO-NE filed a locational capacity market with the Commission. The design of this market was based strongly on the extant design developed by NYISO. This filing also commits ISO-NE to engage in an regional dialogue (until **December 1, 2005**) with its stakeholders to develop a recommendation for long-term resource adequacy. It is expected that the NYISO hybrid proposal will be considered along with RAM and other proposals brought forth by ISO stakeholders. Although it is unclear what design may finally emerge from this process, a key requirement imposed on the development process is to ensure that any proposal finally accepted is compatible with the New York market.
- The Partial Unit ICAP Sales project (#4 below) will also improve the ability to trade capacity between regions.

3. VIRTUAL REGIONAL DISPATCH (VRD)

- This is Open Project P18 in the Northeast ISOs Seams Resolution Report.
- **Description and background:** NYISO and ISO-NE have documented a technical definition of a virtual regional dispatch process and will proceed with further stakeholder meetings to finalize the technical definition and to work towards a joint stakeholder acceptance of the proposal.
- **Milestones and timetable:**
 1. Phase 1 - Development and Implementation of a VRD Pilot Program in **the fourth quarter of 2004**
 - The Pilot Program would be a limited test of VRD to verify that the VRD method can in fact be used to converge prices. The ISOs will work with

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stakeholders to consider and develop the Pilot Program concept and file any rule changes with the Commission needed to support the pilot.

2. Phase 2 - Review of Pilot Program and Potential Initial Implementation of VRD
 - NYISO, ISO-NE and stakeholders will review the results of the pilot program and consider and develop an initial VRD implementation in **mid-2005**. This initial implementation will have the objective of obtaining as many of the efficiency gains of VRD as possible, recognizing that other key projects (RTS in New York and Ancillary Service Markets in New England) limit the resources available to implement VRD. The market advisor has noted that most of the efficiency gains are produced under shortage conditions in one market or the other. If it is found to be feasible for both the market and the electric system operation, initial deployment of VRD may focus on these shortage periods. If such periodic VRD operation is not found to be feasible on a production basis, 2005 efforts may focus on further testing of the VRD processes during such shortage conditions.
3. Phase 3 - Review of Initial Implementation and Evaluation of Whether Expanding VRD is Warranted.
 - This review and decision will be considered by the ISOs with stakeholders in **early 2006**.

4. PARTIAL UNIT ICAP SALES

- This is Open Project P19 in the Northeast ISOs Seams Resolution Report.
- **Description and background:** ISO-NE's SMD 1.0 does not support the sale of UCAP to external control areas from portions of units. The Commission has directed that this functionality be added. ISO-NE is considering several options for resolving this issue including potential solutions that could be implemented with a resource adequacy mechanism by December 2004.
- **Milestones and timetable:**
 - ISO-NE will prepare a proposal for discussion with the Markets Committee ("MC") no later than the **August 2004** MC meeting.
 - A final proposal will be presented to the MC for vote at the **September 2004** meeting, and to the Participants Committee ("PC") for a vote at the **October 2004** PC meeting.
 - This will support a filing at the Commission in October for a **December 2004** implementation date.

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5. ELIMINATION OF RATE PANCAKING

- This is Open Project P20 in the Northeast ISOs Seams Resolution Report.
- **Description and Background:** The elimination of export fees between ISO/RTO regions is an important objective of the FERC. The NYISO and ISO-NE have been working with their TOs and state regulators to accomplish this goal. During mid-2003, the NYISO and the New York transmission owners developed principles for the elimination of export charges from the New York Control Area, subject to reciprocity. The New England transmission owners included similar provisions in the RTO-NE filing with FERC on October 31, 2003. On March 24, 2004, FERC's Order on RTO-NE was conditioned on the elimination of export fees between New York and New England by the end of 2004. In April 2004, an agreement in principle was achieved among ISO-NE, the NYISO, New York and NE state regulators calling for the elimination of export fees between the regions on or before December 2004.
- **Milestones and Timetable:**
 - ISO-NE will make a compliance filing with FERC on **June 22, 2004** to include a plan for the elimination of export fees with NY by **December 22, 2004**.
 - NYISO will file tariff modifications with FERC in **June 2004** for the elimination of export fees on transactions to New England, subject to reciprocity, on the same date that FERC approves equivalent tariff provisions for New England eliminating export fees to New York.

6. CROSS-BORDER CONTROLLABLE LINE SCHEDULING

- This is a consolidation of Open Projects P22 and P24 in the Northeast ISOs Seams Resolution Report.
- **Description and background:** NYISO software will be designed or modified to model Controllable Lines across control areas through an external proxy bus, providing market participants with the ability to bid to or from the new proxy bus in the Day-Ahead Market and schedule transactions in real-time. NYISO and ISO-NE operators will have the ability to monitor a Controllable Line and curtail transactions on the line. Deployment of this project will be dependent upon the successful deployment of the NYISO Standard Market Design (SMD2) project.
- **Milestones and timetable:**
 - Complete stakeholder review in **third quarter of 2004**.
 - Implementation scheduled for **June 2005**.

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7. COORDINATION OF INTERREGIONAL PLANNING

- This is Open Project P23 in the Northeast ISOs Seams Resolution Report.
- **Description and background:** In January 2003, a Liaison Task Force was formed including all NPCC members as well as PJM to develop ways to improve the coordination of planning for the Northeast region. In December 2003 the ISOs achieved agreement on a draft protocol for the coordination of planning in the Northeast region. During the first quarter of 2004, ISO-NE, NYISO and PJM solicited stakeholder input which was generally supportive of moving ahead with the protocol.
- **Milestones and timetable:**
 - The ISOs have developed a draft coordinated planning protocol document, have incorporated stakeholder input and plan to finalize the protocol document by **mid-2004**. [NOTE; UPDATE IF PROTOCOL IS EXECUTED PRIOR TO JUNE 22] This document provides the basis for standardizing data and information exchanges, developing a coordinated plan, and initiating a joint stakeholder process.
 - The initial scope of work, to be implemented by **Fall 2004**, includes better coordination of information sharing by harmonizing the timing, development and exchange of data bases and modeling assumptions used in planning analysis, the establishment of standardized confidentiality agreements and building upon joint planning activities already under way.
 - The intermediate term goal is to develop and issue an initial coordinated system plan by the **end of 2004** which will cover the New York and New England region.
 - A longer-term goal, planned for implementation in **2005**, is the implementation of a region-wide planning process which would include a region-wide coordinated plan. This region-wide planning process would be supplemental to each ISO or RTO's individual and more detailed transmission planning process.