

To All:

Consistent with recent conversations in New York and New England about revising the Interregional Coordination Agreement (“ICA”) in compliance with the FERC’s directive in the RTO-NE Order, we have incorporated a number of suggestions into the ISOs’ draft Amended and Restated ICA. The attached version of the ICA includes our suggestions.

Our changes include the following:

1. We added language to Sections 2, 3, and 6 that commits the ISOs to utilize existing governance structures and processes in the resolution of seams issues. Specifically, this requires the ISO’s to (i) circulate and bring before the relevant committees for consideration and a vote proposals resolving seams issues and (ii) jointly file at FERC consensus positions arrived at by both ISOs and, in the absence of ISO consensus, file alternative proposals with the FERC.
2. In light of the use of existing governance structures and processes noted above, the Alternative and Formal Dispute Resolution section as currently drafted is not appropriate because (i) it is time-consuming in that it contains no deadline compelling an end to the process; (ii) it excludes market participants in favor of a process that solely involves management of the ISOs; and (iii) it bypasses the governance processes noted above and FERC approved stakeholder participation in the ultimate resolution of seams issues.
3. Other more minor changes have been made which are evident within the text of the document.

We look forward to discussing these ideas with others at the upcoming joint meeting of the BIC and the MC on the 25th and continuing the dialogue about this critical document; a document which is viewed by the FERC, if properly revised, as being the key to RTO-NE achieving its “effective” scope

Regards,

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