

Business Issues Committee

December 15, 2004 Meeting

Motion - Agenda #07

Freezing M-Loads¹ after Four Months

- Issue results from May 2004 BIC meeting, driven by statements about load changes occurring long after the fact.
- In June, 2004, the BAWG was requested to review the load change issue and report any recommendations it might have at the July 2004 BIC meeting.
- The issue of freezing or locking down loads was discussed/raised at at least two BAWG meetings and no strenuous objections resulted.
 - Some parties feel that if relatively few issues with the M-Loads have developed since the implementation of Web-Based Reconciliation, then what is the need for locking down the loads.
 - Countering this is the opinion of other parties that any move to a four-month Final Bill would likely require the same or similar approach.
- It is also recognized that while freezing the loads prevents the risk of subsequent changes to Market Participant invoices (due to load changes), there are metering issues involved that need to be considered.
 - While metering concerns have been recognized, New York's sophisticated markets no longer can afford to rely on the untimely resolution of issues related to metering used to settle the markets.

Motion:

It is moved that, beginning with January 2005, the resulting metered values for monthly sub-zone loads be frozen, after the fourth month following the original service month of ISO operations.

It is further moved that, in recognition of potential metering problems, either a Transmission Owner or a Generator may notify the ISO and the marketplace that it is disputing the metered energy values either flowing over a sub-zone tie or produced by a generator that would impact upon the relevant sub-zone load(s). Such dispute should specify the elements involved (lines or generators), an approximation of the difference in

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question and, most importantly, a date certain for resolution of the meter issue not to exceed 90 days from the date of notice to the ISO. Any affected sub-zone load(s) or generation would then be subject to adjustment based on the resolution of the metering issue.

Finally, it is moved that the BAWG be charged with tracking these disputes to ensure that the entry of such disputes is not used as a means to extend the period under which loads could be calculated.

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