

# **NYISO Business Issues Committee Meeting**

November 15, 2001  
Marriott Hotel, Albany, NY

## **MOTIONS OF THE MEETING**

### **Motion #1:**

Motion to approve the Minutes from the October 25, 2001 Meeting.  
*(Motion passed unanimously by a show of hands)*

### **Motion #2:**

Motion to adopt specific recommendations, detailed below, to more effectively address and resolve NYISO billing issues.  
*(Motion passed by a majority show of hands)*

### *Specific Recommendations Detailed as follows:*

- 1) The BAWG will meet regularly to:
  - a) Identify billing problems/issues;
  - b) Jointly develop solutions to the identified problems/issues with NYISO staff, NYISO Committees and Working Groups as appropriate;
  - c) Where a change occurs billing procedures, whether from software anomalies, tariff compliance problems or market rule misrepresentations, the NYISO Staff with the support of BAWG will develop a settlements test plan. The NYISO will perform the test(s) on the change, and report results of testing to the BAWG;
  - d) BAWG Chair with the NYISO Staff will coordinate the implementation of the solutions with other Working Groups and NYISO Staff as necessary so that all parties impacted are aware of how proposed changes impact settlement or how changes to settlement impact others.
- 2) That the NYISO management assign dedicated and sufficient resources (NYISO staff point contacts) to assess and identify solutions to the billing problems/issues identified internally by the NYISO and/or by the BAWG. Because of the diverse nature of billing issues, the NYISO staff point contacts should include personnel from the Operations Department, the Market Monitoring Unit, the Billing and Accounting Departments, IT Department and any other NYISO departments. The intent is to have billing problems/issues addressed so that market participants can, without jeopardizing confidentiality of information, receive accurate and complete billing information including explanations for observed inconsistencies. In combination with the NYISO own internal reviews the NYISO staff point contacts will meet regularly with the chair of BAWG to address observed inconsistencies. Once addressed, the appropriate NYISO staff point contact or other appropriate NYISO Staff may be requested to present the results of the investigation to a general meeting of the BAWG, related Working Groups, and/or NYISO Committees.
- 3) That BAWG, with assistance from NYISO Staff, will make presentations to the Business Issues Committee approximately every three months or more frequently if warranted. The

presentation will include a summary of the highest priority billing problems identified, status of developing and implementing solutions, and a description of any administrative impasses or other issues that are delaying activities.

- 4) That BAWG maintain a list of billing issues, which will include NYISO Staff's identification of potential solutions and resource requirements and be communicated to the Chair and Vice Chair of the BIC. Where additional NYISO resources are required to resolve the problems, the Chairs will review the issue with the Project Priority Team and establish appropriate prioritization. All billing problems/issues will be reviewed and addressed within 60 Days of first being conveyed to the NYISO. Once addressed the issue will be resolved under the normal process and governance structure of the NYISO.
- 5) That the following list of objectives be addressed by BAWG with the support of the NYISO and Stakeholders:
  - a) Improve billing statements by itemizing charges in sufficient detail such that market participants can reconcile and audit bills;
  - b) Regarding the frequent high cost excursions observed in NYISO daily billing statements, the BAWG and NYISO Staff establish a trigger mechanism which once triggered will provide a causation description for each charge that exceeds an agreed-to threshold amount. The description must reference the specific actions that contributed, to the charge. When such a high cost excursion occurs, charges that require detailed explanations include all off-system charges, uplift, residual charges, ancillary services, energy prices and local reliability charges;
  - c) Regarding unexplained revenue/cost swings, BAWG and the NYISO Staff develop a trending procedure that will trigger an investigation and public explanation by the NYISO whenever prices, charges or costs vary from the norm by an agreed-to amount ( e.g., when uplift charges double from one day to the next without a significant change in weather or facility operational status). The Market Monitoring Unit should also review any major unexplained revenue/cost swings to ensure that investigation and disclosure occurs whenever the variance exceeds the threshold without external prompting by a market participant;
  - d) Develop a means to mask confidential information, in cooperation with the Market Participant whose data may be masked so that market participants can access the information needed to audit their bills and understand costs. To the extent that the information cannot be masked and released, the NYISO must provide a public explanation of the basis for the claim that the information is confidential.. To the extent information needs to remain confidential, the BAWG and NYISO Staff should establish a tickler system that will provide the market knowledge at the six month point when all bid information becomes available to the market;
  - e) Reduce the time it takes to issue a final bill that will not be subject to major adjustment. The BAWG and NYISO Staff should establish a "measure of performance" that after a certain period, say 4 months, a high percentage (to be determined) of all adjustments would have been made to the bill. If this measure is not obtain the BAWG and NYISO Staff will determine the cause and address the correction accordingly;
  - f) The BAWG and NYISO Staff should establish a protocol that will effectively acknowledge billing inquiries received from market participants and respond to each inquiry within an appropriate time commensurate with the nature of the inquiry;
  - g) The BAWG and NYISO Staff will develop testing protocols to be used whenever software, procedures or tariff language are revised to verify that billing software and the

resultant bills reflect the revision. The NYISO should not rely on market participants to discover billing problems that could be identified through testing protocols.

- h) No later than December 1, 2001, the BAWG will compile with the NYISO a preliminary listing of all existing and current billing settlement problems/issues that need to be addressed.

### **Motion #3**

Recommend that the Management Committee approve the Congestion Reduction Proposal dated 10/19/2001 as developed by the Congestion Reduction Task Force and as recommended by the MSWG; and further direct the NYISO Staff to work with the MSWG to develop Tariff language to be filed with the FERC with sufficient lead time to allow a ruling and implementation of the proposal prior to the Spring 2002 TCC Auction or as soon thereafter as possible.

***(Motion passed with 82.22 % affirmative votes)***

### **Motion #4**

Motion to approve ICAP Manual Revisions.

***(Motion passed unanimously by show of hands)***

### **Motion #5**

Now, Therefore, it is moved that the BIC recommend that the Management Committee vote to amend Rate Schedule 1 such that the NYISO charges as defined in the OATT Rate Schedule 1, Section 3A, for the fixed ISO Budget and FERC regulatory fees excluding those costs designated in Rate Schedule 1 Section 4, are charged to all market participants based on Energy Transactions (i.e injections and withdrawals) such that injections and sales to the NYISO market assume 15% of the charges and loads and withdrawals from the market assume 85% of the charges. Further a working group shall be appointed to recommend the appropriate allocation for consideration at the October 2002 MC meeting.

***(Motion passed with 61.30 % affirmative votes)***

### **Motion #6**

Motion to table Motion #5. A vote "For" is a vote to table.

***(Motion failed with 39.09 % affirmative votes)***