

NYISO Business Issues Committee Meeting

October 23, 2002
Marriott Hotel, Albany, NY

SUMMARY OF MOTIONS

Motion #1:

Motion to approve the minutes from the July 24-29, 2002 and the September 25, 2002 Business Issues Committee Meetings.

(Motion passed unanimously by a show of hands)

Motion #2:

Proposal Regarding Pricing and Settlement Rules at Proxy Busses:

The Business Issues Committee recommends that the Management Committee approve the following market rule changes as described herein, and adopt appropriate tariff changes to be filed no later than 30 days following the MC vote.

For non-competitive interfaces the following settlement rules will be applied:

- ? If the interface is import constrained, all net real-time positions at that external proxy bus will be settled at the lower of zero or the SCD real-time price.
- ? If the interface is export constrained, all net real-time positions at that external proxy bus will be settled at the higher of the Day-Ahead Market price or the SCD real-time price
- ? If individual interface ramp constraints are binding similar rules will be applied to settling real-time imbalances when such constraints are binding. This will not apply when the control area-wide DNI constraint is binding.
- ? The NYISO will continue to monitor the competitive situation at all proxy busses and recommend further changes as appropriate.

(Motion passed unanimously by a show of hands)

Motion #3:

Motion in Support of the NYISO Staff Proposal to Amend the NYISO Tariffs to Provide for Sharing of Confidential Information with other ISOs/RTOs

WHEREAS, the NYISO proposes to amend the NYISO tariffs and the Market Monitoring Plan ("MMP") to permit the sharing of Confidential Information, as that term is defined in the NYISO tariffs, by and between the NYISO and other ISOs/RTOs, for market monitoring purposes;

WHEREAS, such information sharing is intended to further the NYISO's implementation of its market monitoring obligations, and realize FERC's directive to establish and maintain open access and competitive markets and to detect, minimize, and curtail anti-competitive conduct;

WHEREAS, the NYISO's tariffs and the MMP do not currently allow the NYISO to release Confidential Information to another ISO/RTO;

WHEREAS, NYISO Staff presented conceptual proposals to the Scheduling & Pricing Working Group on September 18 and October 17, 2002, at which times the members of the working group discussed the parameters of such an information exchange;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Business Issues Committee supports the NYISO Staff's proposal to amend the tariffs and the MMP to provide for sharing of Confidential Information by and between the NYISO and other ISOs/RTOs for market monitoring purposes, subject to

the establishment of appropriate confidentiality protocols between the NYISO and any ISO/RTO that requests access to Confidential Information.

The proposed amendments and confidentiality protocols must ensure, at a minimum, that the requesting ISO/RTO extends protections for the Confidential Information that are substantively equivalent to those provided for such information by the NYISO tariffs and MMP. Confidential Information shall not be released to ISO/RTOs that cannot provide satisfactory levels of protection.

To accomplish this goal, the tariff, MMP, and the confidentiality protocols shall provide that (1) prior to making any disclosure, the MMU shall determine that the inquiry is specific rather than open-ended in nature and that the ISO/RTO requesting the data has a substantial and specific need for the Confidential Information; (2) the MMU shall attempt to resolve the inquiry through an oral response in lieu of transmitting any documentation; (3) such Confidential Information shall be disclosed only to the Market Monitoring Staff of the requesting ISO/RTO; (4) the MMU shall limit the disclosure to what is necessary to respond to the inquiry; (5) the requesting ISO/RTO shall use reasonable procedures to prevent the disclosure of Confidential Information and shall not disclose any Confidential Information except as may be required under an order or subpoena of a court or regulatory body; (6) the requesting ISO or RTO will provide notice to the NYISO and to the entity that is the source of the Confidential Information of all requests from courts or regulatory entities for access to the data and shall provide all reasonable assistance requested by that entity to prevent disclosure; (7) if required to release Confidential Information to a court or regulatory body, the requesting ISO/RTO shall seek appropriate protective relief; (8) if required to release Confidential Information to a court or regulatory body, the requesting ISO/RTO shall take measures to ensure that it receives notice of any requests from third parties for access to such data and shall immediately notify the affected Market participant(s) of any such requests; and (9) the ISO/RTO shall return or destroy the data when the issue underlying its inquiry has been resolved.

(Motion passed as amended by Motions #4 and #5 with 77.27 % affirmative votes)

Motion #4:

Motion to amend Motion #3 to require that protocols be approved by the BIC before being executed by the NYISO.

(Motion passed with 69.00 % affirmative votes)

Motion #5:

Motion to amend motion #3 to require reciprocity from other ISOs/RTOs prior to executing information sharing agreements.

(Motion passed with 63.48 % affirmative votes)

Motion #6:

Motion regarding Off-Setting of Counter-Flow TCCs:

It is hereby moved that provisions to allow Primary Holders to cancel off-setting, counter flow TCCs, be added to the manual addressing the NYISO-administered market for transmission congestion contracts ("TCCs") as described in the materials presented to the Business Issues Committee on October 23, 2002.

(Motion passed by majority show of hands)

* The Business Issues Committee elected Wes Yeomans, National Grid, to fill the Vice Chair position for December 2002 through November 2003. Larry DeWitt, the current Vice Chair, will assume the position of Business Issues Committee Chairman beginning December 1, 2002. Mr. Yeomans was elected BIC Vice Chair by ballot with 62.16 % affirmative votes.