

**NEW YORK INDEPENDENT SYSTEM OPERATOR
MARKET PARTICIPANT AUDIT ADVISORY SUBCOMMITTEE MEETING**

**June 24, 2010
9:00 AM to 2:00 PM**

**Location: Hudson Room, Holiday Inn Express
8 Empire Drive, Rensselaer, NY 12144**

Final Minutes

Member/Attendance List

Name	Company Representing	Sector	Voting Member	Non-Voting Member
<i>Attending Members</i>				
Rich DeJong (<i>Chair</i>)	Iberdrola, USA	Transmission Owners	X	
Kenneth Taylor (<i>Vice Chair</i>)	National Grid	Transmission Owners	X	
William Conner (<i>via phone</i>)	Con Edison	Transmission Owners	X	
Bob Farrell	US Power Gen	Other Suppliers	X	
Ed Ortlieb	Central Hudson	Transmission Owners	X	
Les Pardo	NYPA	Public Power	X	
Brian Robinson	LIPA	Public Power	X	
Zia Ahmed	NYISO	n/a		X
<i>Absent Members</i>				
Jesse Samburg	MTA	End Use Consumer	X	
<i>Visitors</i>				
Lisa Chandler	NYISO	n/a		
Jodi Crozzoli	NYISO	n/a		
Andrea Howe	NYISO	n/a		
Greg Marcincuk	NYISO	n/a		
Jim Romano	NYISO	n/a		
Anthony Tropiano	NYISO	n/a		
Richard Hannmann	KPMG	n/a		
Sanath Rajapakse	KPMG	n/a		
Daniel Nadolski	KPMG	n/a		

Meeting convened at 9:00 AM

1. Approval of Minutes from the March 25, 2010 Meeting

The Minutes were approved as presented at the June 24, 2010 MPAAS meeting.

2. Open Items

Inquiry into Status of Mr. Samberg and MTA's membership in MPAAS Committee.

Mr. DeJong has received no response from the MTA as of early June. His emails to Mr. Samberg have been rejected as undeliverable. Mr. DeJong discussed approaching the Management Committee (MC) regarding MPAAS participation.

ACTION ITEM: Mr. DeJong will contact the Management Committee Chair regarding MPAAS participation.

ACTION ITEM: Mr. Marcincuk will provide the contact information for the MC Chair to Mr. DeJong.

3. General Business

Internal Audit Status Update

Mr. Ahmed described the administrative changes that have taken place within the IA Department. Jody Crozzoli has joined the IA department.

Mr. Marcincuk discussed NYISO's upcoming NERC Audit scheduled for December 2010.

Mr. Marcincuk also discussed NERC's Requirement related to 3-Part Communications (COM-002).

Mr. Marcincuk discussed NPCC Compliance Workshops.

Generally discussed – NERC's process for self-reporting instances of non-compliance with NERC Standards.

ACTION ITEM: Mr. Marcincuk will provide Committee members with information on the last NPCC Compliance Workshop and the next NPCC Compliance Workshop.

Senior Management Staffing Changes

Mr. Ahmed described Senior Management Staffing changes:

- Rick Gonzales was made Chief Operating Officer.
- Rich Dewey was made Senior Vice President – Information Technology.
- Rana Mukerji was made Senior Vice President – Market Structures.

Billing Issues

- Discussion of creation/evolution of Billing and Accounting Working Group (BAWG) and level of committee minutes/notes. Participants stressed the importance of billing-related notes to MPs.
- Discussion of the Dispute and Claims Committee (DAC) adjustments.

4. SAS 70 Discussions

Status of Audit

Mr. Marcincuk discussed that the SAS 70 auditors are currently on site performing their 2nd site visit for the year. Internal Audit is not aware of any SAS 70 exceptions or qualifications for the 11/16/09 to 11/15/10 SAS 70.

Discussion with KPMG (NYISO SAS 70 Auditors)

Rick Hannmann , KPMG Partner, offered a presentation that explained team structure, SAS 70 basics, audit scope, audit approach, and the new standard (SSAE 16) that will be replacing SAS 70.

Mr. DeJong expressed the importance of KPMG's audit to MPs. Mr. Farrell recommended that KPMG reach out to BAWG as part of their process.

5. DOE Funding

Mr. Ahmed explained that the funding was approved. TO agreements were received. NYISO is preparing to process grant transactions by July 1, 2010.

ACTION ITEM: Mr. Marcincuk to send an updated SGIG contact list for NYSEG to Mr. DeJong.

6. Audit Briefings for Other Completed Audits

Mr. Ahmed provided the group a copy of the 7/1/09 to 6/30/10 and 7/1/10 to 6/30/11 Audit Plans.

Ms. Chandler discussed NPCC Directory #9, Change Control, and Oracle Audits.

Mr. Marcincuk discussed FERC 719 and Settlements Audits.

Mr. Ahmed discussed Physical Investigations and Grant audits.

Mr. Farrell stated that MPAAS meetings have improved significantly from prior years. In general, Committee members were in agreement with Mr. Farrell's statement.

7. Action Items

- Mr. DeJong will contact the Management Committee Chair regarding MPAAS participation.
- Mr. Marcincuk will provide contact information for the Management Committee Chair to Mr. DeJong.
- Mr. Marcincuk will provide an updated SGIG contact list for NYSEG to Mr. DeJong.
- Mr. Marcincuk will provide Committee members with information on the last NPCC Compliance Workshop and the next NPCC Compliance Workshop.

8. Next Meeting

The next meeting is scheduled for Thursday, November 4th, 2010 at 9AM.

9. Adjourn

The meeting was adjourned at 10:59 AM
Minutes submitted by: Andrea Howe