

## **NOTICE TO THE MANAGEMENT COMMITTEE**

### **COMMITTEE CHAIRS APPROVAL OF TARIFF LANGUAGE FOR THE COMPREHENSIVE RELIABILITY PLANNING PROCESS July 21, 2004**

**This notice is to inform the members of the Management Committee of the action taken on Wednesday by the Chairs and Vice Chairs of the Management, Business Issues and Operating Committees, and the Chair of ESPWG (the “Committee Chairs”) to approve the tariff language for the Comprehensive Reliability Planning Process filing. This action was taken in accordance with the Motion passed by the Management Committee at the July 7, 2004 meeting to approve the NYISO Comprehensive Reliability Planning Process.**

#### **Background**

**At the July 7, 2004 meeting, the MC approved the Comprehensive Reliability Planning Process as described in the document previously approved by the OC, as revised and presented to the MC (dated July 1, 2004). At that meeting it was stated that NYISO counsel was in the process of converting the stakeholder document into the appropriate tariff format to conform definitions, review terminology, improve internal consistency, and include certain administrative provisions. No substantive changes were to be made to the document approved by the MC. The MC Motion provided for review of the resulting “tariff language” by the ESPWG and the Committee Chairs.**

**The NYISO provided the draft tariff language to the ESPWG and Committee Chairs on July 12<sup>th</sup> for review at the July 15<sup>th</sup> ESPWG meeting. At that time, the NYISO also provided a document which tracked all changes from the document approved by the MC. The ESPWG conducted an extensive review of the tariff language and agreed upon certain additional clarifications that were incorporated into the tariff language. In the event that agreement could not be achieved on a suggested revision, it was agreed to revert back to the language approved by the MC. In addition, as requested at the MC meeting, ESPWG members also had the opportunity to provide additional comments on the draft NYISO-TO Agreement.**

**On July 16<sup>th</sup>, the NYISO posted a revised draft of the tariff language and solicited any additional comments from the ESPWG. Comments were submitted by a number of stakeholders and posted for review. The NYISO posted another draft on July 21 which reflected its consideration of those additional comments. Also on July 16<sup>th</sup> a revised draft of the NYISO-TO Agreement was posted to address the comments received.**

### **Committee Chairs' Review**

**The July 21 draft tariff language formed the basis of the Committee Chairs' review. Since the previous drafts had received a thorough vetting through the ESPWG review process, the Chairs review focused on two issues raised by the commenters.**

**Sections 5.2.1 & 8.3 PSC role in dispute resolution.**

**The Committee Chairs agreed that the intent of these sections was to define a narrow scope of disputes that would be referred to the PSC regardless of any other dispute resolution provision in the NYISO tariffs. For this reason, the Chairs agreed to the addition of language to these Sections in order to clarify this intent.**

**Section 7: Regulated Backstop Solutions**

**The Committee Chairs agreed to clarify the use of the term "backstop" to preserve the intent of the MC approved draft and properly distinguish the TO-sponsored solution that the NYISO will designate for action when necessary to meet reliability from other proposals for regulated solutions that the NYISO will evaluate.**

**The revised Draft Tariff Language, dated 7/22/04 reflects the result of the Committee Chairs' discussion.**

**Jpb**

**7/23/04**