

## **DRAFT**

### **NYISO Business Issues Committee Meeting Minutes**

May 16, 2008

New York Independent System Operator

10 Krey Boulevard

Rensselaer, NY

#### **1. Welcome and Chairman's Report:**

Mr. Glen McCartney (Constellation) Chair of the Business Issues Committee (BIC) called the meeting to order at 1:30 PM. and welcomed the members of the BIC. Meeting participants introduced themselves and their affiliations.

Mr. McCartney explained that the purpose of the special BIC meeting was to discuss and vote on proposed tariff revisions related to enhancements to the SRE process.

#### **2. SRE Process Enhancements Tariff Language**

Mr. John Hickey (NYISO) reported on a series of proposed SRE process enhancements, and explained that the intent was to bring the required Tariff language changes to the Management Committee on May 23, and to the NYISO Board on June 10. He added that the software supporting the enhancements was tentatively scheduled for deployment in September of 2008.

Mr. Hickey referenced the sections of the Market Services Tariff that were affected by the changes and explained that there were conflicting rules currently in the Tariff with respect to eligibility for Bid Production Cost Guarantee Payments. He also pointed out cases where a generator that bid self-committed fixed during ISO-approved Start-Up / Shut-Down or generator testing periods loses its eligibility to receive a Bid Production Cost Guarantee payment in other hours of the day, and explained that the proposed revisions will permit the NYISO to pay a BPCG to generators that only bid in self-committed mode during approved start-up/shutdown and testing periods.

Mr. Hickey also explained what settlement rules would apply with respect to the payment of start-up costs when an SRE schedule immediately preceded or followed an economic DAM or RT schedule.

Mr. Alex Schnell of the NYISO reviewed the affected Tariff language with the group. Following a brief discussion on the definition of the term local reliability, Mr. Schnell committed to consider MP comments seeking a more specific definition of the term "local reliability" and to address the issue at the May 23 Management Committee meeting. Mr. Schnell also pointed out a few ministerial changes to the Tariff that might be addressed in the filing.

**Motion #1:**

The Business Issues Committee hereby recommends that the Management Committee approve revisions to the NYISO's Tariffs to clarify the NYISO's authority to pay Bid Production Cost guarantees (BPCGs) to generators committed via Supplemental Resource Evaluation for reliability and to clarify the NYISO's authority to pay BPCGs in other hours of the day to Generators that Bid in Self- Committed Fixed mode only during NYISO authorized testing and/or start-up shut down periods, in accordance with the proposed market rules that were discussed at the Market Issues Working Group on December 14, 2007, April 7, 2008 and April 30, 2008, and presented to the BIC on May 16, 2008.

*(The motion passed unanimously)*

**3. New Business**

There was no new business raised.

**4. Adjourn**

The meeting was adjourned at 2:40 PM