

**THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.  
MARKET PARTICIPANT AUDIT ADVISORY SUBCOMMITTEE MEETING**

**March 29, 2012  
9:00 AM to 2:00 PM**

**Location: KCC Conference Center, 1A  
10 Krey Blvd, Rensselaer, NY 12144**

**FINAL Minutes**

**Member/Attendance List**

<b>Name</b>	<b>Company Representing</b>	<b>Sector</b>	<b>Voting Member</b>	<b>Non-Voting Member</b>
<b><i>Attending Members</i></b>				
Kathy Logan (Chair)	USPowerGen	Other Suppliers	X	
Rich DeJong	Iberdrola, USA	Transmission Owners	X	
Patrick Murray	National Grid	Transmission Owners	X	
Ed Ortlieb	Central Hudson	Transmission Owners	X	
Thomas Palczewski	Con Edison	Transmission Owners	X (phone)	
Les Pardo	NYPA	Public Power	X	
Steve Sullivan	LIPA	Public Power	X	
Kenneth Taylor	National Grid	Transmission Owners	X	
Zia Ahmed	NYISO	n/a		X
<b><i>Absent Members</i></b>				
None				
<b><i>Visitors</i></b>				
Mark Capano	NYISO	n/a		
Lisa DeSocio	NYISO	n/a		
Jodi Crozzoli	NYISO	n/a		
Greg Marcincuk	NYISO	n/a		
Jim Romano	NYISO	n/a		
Catherine Fairweather	NYISO	n/a		

## **Meeting convened at 9:00 AM**

### **1. Introductions of MPAAS Members**

MPAAS members introduced themselves. There were no new members in attendance.

### **2. Approval of Minutes from the prior Meeting**

The minutes from the November 17, 2011 MPAAS meeting were approved as presented at the March 29, 2012 meeting.

### **3. Open Items**

All action items from the November 17, 2012 were closed.

Mr. Marcincuk reported that there has been no new activity on FERC Docket EL09-26-000 since the last MPAAS meeting. There was a brief discussion between members regarding FERC Docket EL09-26-000.

### **4. BAWG Activities – Review Big List**

The Subcommittee held a general discussion regarding the March 13, 2012 Billing Issue Report (as presented to the Billing & Accounting Working Group on March 19, 2012).

### **5. General Business**

#### Internal Audit Status Update

Mr. Marcincuk reported that Mr. Mark Capano was hired into the Internal Audit Department in January 2012. Mr. Capano will be primarily performing Operations Audits. Mr. Capano provided a brief description of his background and credentials.

### **6. DOE Funding Update**

Mr. Marcincuk provided an overall description of the Smart Grid Investment Project and discussed the status of DOE funding, reimbursement, and budget.

### **7. Constellation Penalty**

MPAAS members had a discussion regarding a penalty handed down by Federal Regulatory Energy Committee (FERC) to Constellation Energy Commodities Group Inc.

## 8. Senior Management Changes at NYISO

Mr. Marcincuk discussed the following Senior Management changes:

- Anastasia M. Song was named to the NYISO's Board of Directors. Ms. Song's term will begin in April 2012.
- Jennifer Chatt was named as NYISO's Vice President, Human Resources in January 2012.
- Emilie Nelson was named Director, Operations in December 2011.

## 9. Audit Briefings for Completed Audits (July 2011 to December 2011)

### Audit Briefings

- Cyber Penetration
- SSAE 16 / SOC 1
- Corporate Incentive Goals
- Market Problem Reporting Procedure
- Broader Regional Markets
- Construction Audit (Control Room)
- Grant Audit (DOE / Stimulus Fund)

**Action Item:** Mr. Marcincuk will find out which committee will be discussing the MP Satisfaction Improvement Plan.

## 10. Audit Briefings for Completed Audits (January 2012 to December 2012)

- Mr. Marcincuk reported that thirty-one (31) audits are included in the 2012 Audit Plan and sixteen (16) audits are currently in progress.
- Mr. Ahmed explained the scope of the Market Monitoring Unit Continuous Assessment
- Mr. Ahmed discussed the internal SSAE 16 / SOC 1 process
- Mr. Ahmed discussed Internal Audit's risk assessment process and the NYISO's Corporate ERM process
- MPAAS members has a general discussion regarding IT Risk Assessments

## 11. Other / New Business

Mr. Sullivan discussed the new Long Island Power Authority (LIPA) management services contract. PSEG Long Island LLC, a subsidiary of Public Service Enterprise Group Incorporated (PSEG) was selected to manage LIPA's electric transmission and distribution system. The LIPA management services contract will begin on January 1, 2014 after a two-year transition period and run for 10 years.

## **12. Next Meeting**

2012 meeting schedule -

Meeting #1: March 29, 2012 (NYISO Conference Center, Room 1A)

Meeting #2: June 21, 2012 (NYISO Conference Center, Room 1A)

Meeting #3: November 15, 2012 (NYISO Conference Center, Room 1A)

## **13. Adjourn**

The meeting was adjourned at 11:26 AM