

FERC Order on Import Rights

Business Issues Committee

August 9, 2006

FERC Order: Import Rights

- ✓ **NYISO [shall] propose... improvements to the process... so that both the requester and the NYISO know when an allocation process begins.**
- ✓ **NYISO shall also consider whether external rights should be awarded on a pro rata basis...**

FERC Order: Import Rights

- ✓ **The NYISO is implementing a new software-driven FAX system that cues from NYISO network time to begin Receive Mode**
- ✓ **IT is working to show NYISO time on website**
- ✓ **The NYISO will incorporate clarifications and new processes for the Winter 2006-2007 Capability Period into the ICAP Manual**

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- ✓ **The NYISO and the ICAP Working Group reviewed three alternative Import Rights allocation processes in February 2006, including a proposal for pro rata allocation**
- ✓ **There was no significant support to change the current first come-first served allocation method at that time**
- ✓ **On August 1, 2006, the NYISO and the ICAP Working Group confirmed the decision to remain with the first come-first served allocation method at this time**
 - *Pro rata allocation was specifically considered*

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✓ **Proposed Motion:**

Pursuant to Ordering Paragraph B of the Commission's June 29, 2006 Order in Docket EL06-72-000, the Business Issues Committee concurs with the recommendation of the Installed Capacity Working Group that the NYISO not amend its external ICAP import rights allocation process at this time. The BIC has considered the Commission's suggestion to allocate such import rights on a pro rata basis among all market participants requesting such rights for any single capability period and has determined to continue with the current process that is described in Section 4.9.2 of the ICAP Manual.

The Business Issues Committee recommends that the Management Committee concur in this recommendation not to change the external ICAP import rights allocation methodology.