

NYISO Business Issues Committee Meeting Minutes**January 13, 2016****10:05 a.m. – 11:15 a.m.**

1. Introductions, Meeting Objectives, and Chairman's Report

The Vice chair of the Business Issues Committee (BIC), Mr. Scott Butler (Con Ed) called the meeting to order at 10:05 a.m. by welcoming the members of the BIC. The members of the BIC identified themselves and attendance was recorded. A quorum was determined.

2. Meeting Minutes

There were no comments or questions regarding the Minutes of the November 13, 2015 BIC meeting included with the meeting material.

Motion 1:

Motion to approve the Minutes of the November 13, 2015 BIC meeting.

Motion passed unanimously.

3. Market Operations Report

Mr. Robb Pike (NYISO) reviewed the market operations report included with the meeting material. There were no questions.

4. Seams Report

Mr. Pike reviewed the seams report included with the meeting material. Mr. Brian Wilkie (NYPA), Ms. Kelli Joseph (NRG) and Ms. Doreen Saia (Entergy) asked questions related to FERC's recent approval of PJM's request to increase its energy market offer cap value and potential broader action by FERC regarding energy market offer cap reforms. Mr. Pike noted that the NYISO expects that FERC is likely to issue an order as part of its ongoing price formation proceeding to propose changes to energy market offer caps and the NYISO intends to await release of such an order before further assessing any potential changes.

5. Planning Update

Mr. Zach Smith (NYISO) provided the update. Mr. Smith explained the NYISO received responses to the solicitation for proposals related to the Western New York Public Policy Transmission Need, but due to confidentiality issues there wasn't much he could discuss at this time. Ms. Saia asked if the NYISO could provide information regarding the likely timeframe for completing the viability and sufficiency screening for the responses received. Mr. Smith noted that the NYISO is working to expeditiously complete such analysis but could not commit to a firm deadline for completing such review. Mr. Bart Franey (National Grid) asked whether the NYISO had completed a timeline for issuance of a solicitation for solutions in response to the AC Transmission Public Policy Transmission Needs recently identified by the New York State Public Service Commission (NYPSC). Mr. Smith indicated that the NYISO has not yet established a date for issuance of such solicitation.

Mr. John Buechler (NYISO) summarized the two Orders issued by FERC on December 23, 2015 which relate to the NYISO's planning processes. He explained that FERC rejected the Public Policy Transmission Planning Process (PPTPP) 'clean-up filing' in its entirety without addressing any of the proposed process changes that are needed for the NYISO to implement the later stages of its PPTPP. He also informed the Committee that the NYISO plans to seek approval at the Management

Committee on January 27, 2016 to re-file the same process enhancements that were approved last May, while removing anything related to interconnection issues which FERC objected to in its December 23, 2015 orders. The interconnection issues will be addressed in a subsequent compliance filing, as required by FERC.

6. Comprehensive Shortage Pricing Document Updates

Mr. Ethan Avallone (NYISO) reviewed the presentation included with the meeting material. Mr. Howard Fromer (PSEG) expressed concern with removing the demand curve tables from the manuals and requested the tables be reinserted. Mr. Mike DeSocio (NYISO) asked if other Market Participants (MPs) shared Mr. Fromer's concern. Several MPs replied that they did. The NYISO agreed to reinsert the demand curve tables in the applicable manuals.

Motion 2:

The Business Issues Committee (BIC) hereby approves the revisions to the Ancillary Services Manual, Transmission and Dispatch Operations Manual and the Day-Ahead Scheduling Manual as presented and discussed at the January 13, 2016 BIC meeting with the clarification that the reserve demand curve tables will be included in each of the manuals above.

Motion passed unanimously with abstentions.

Motion 2A:

Motion to amend Motion 2:

The Business Issues Committee (BIC) hereby approves the revisions to the Ancillary Services Manual, Transmission and Dispatch Operations Manual and the Day-Ahead Scheduling Manual as presented and discussed at the January 13, 2016 BIC meeting with the clarification that the reserve demand curve tables will be included in each of the manuals above.

Motion passed unanimously.

7. Working Group Updates

BAWG – Mr. Norman Mah (Con Ed Solutions) reported that the BAWG met on December 18, 2015 to review the grid accounting report.

CPWG – Mr. Mah reported that the CPWG did not meet.

ESPWG – ESPWG – Mr. Scott Butler (Con Edison) reported that ESPWG has not met since the last BIC meeting, but there have been recent developments.

- The NYPSC formally identified public policy transmission needs for the Central East and UPNY-SENY interfaces, which triggers the commencement of the PPTPP to evaluate potential solutions to those needs in 2016.
- FERC ruled that TO transmission projects proposed in the NYISO's planning processes must be subject to the same interconnection process as those developed by independent transmission developers. ESPWG will be working with the NYISO over the coming months to develop a compliance filing in response to FERC's directives.
- Because of its concerns about the NYISO's interconnection processes, FERC also rejected the NYISO's proposed "clean-up" changes to its PPTPP. The NYISO will re-present the clean-up changes to the Management Committee later this month, with any changes related to interconnection requirements excised.
- The NYISO reported that it received 15 proposals from eight different developers in response to the public policy transmission need identified by the NYPSC last summer in Western NY. The NYISO is not permitted to provide additional details on the proposals at this time.
- Finally, the NYISO will be returning to discuss further its proposals to modify the reliability planning process to better coordinate it with the other planning processes and to incorporate the outage states definitions into its modeling assumptions.

ICAPWG – Ms. Kathy Logan(Entergy) reported that the ICAPWG reviewed the External CRIS Rights Proposal for Non-UDR Transmission Expansion and had the second meeting on the ICAP Demand Curve reset process. Ms. Logan also stated she would be stepping down as ICAPWG Chair effective January 21, 2016 and that Liam Baker (US PowerGen) would take over.

IPTF – The group did not meet.

LFTF – Mr. Bryan Irrgang (LIPA) reported the LFTF finalized the 2016 ICAP forecast.

MIWG – Mr. Bob Boyle (NYPA) reported that the MIWG reviewed the Comprehensive Shortage Pricing document updates that were acted upon today and had a presentation on generator status update transparency.

PRWLG – The group did not meet.

EGCWG – The group did not meet.

8. New Business

None

Meeting adjourned at 11:15 a.m.