ESPWG: STATUS UPDATE

Prepared By Bill Palazzo

BIC – Agenda 6c April 27-28, 2005 Albany

Since last update in Feb:

– Two ESPWG Meetings

- March 24th and April 18th
- Two Joint meetings with TPAS to finalize
 CRPP base case assumptions
 - March 16th and March 31.

ESPWG Update

Reliability Planning Process Implementation Issues

- CRRP data input

- Base case assumptions finalized
 - Included extensive discussion at joint TPAS/ESPWG meetings of the procedure for determining project inclusion in the Base Case
 - ISO to document procedure for dealing with projects that meet the base case screening thresholds after the base case is finalized
- Scenario analysis discussion on-going
 - Will be finalized at May meetings of ESPWG and TPAS
- Implementation criteria for halting a regulated project
 - Off-line discussions continue.
- Timeline for The CRRP
 - ESPWG discussed need for ensuring Market Participants are aware of the timeline
- Cost Allocation
 - TO Proposal discussed at March meeting
 - · Being refined for continued discussion at the May meeting
- PSC Dispute Resolution Process
 - Market participant comments provided at the March & April meetings
 - ALJ participated in the March meeting
 - PSC still receptive to additional market participant comments
 - Will not be finalized until FERC re-hearing process CRRP is complete

ESPWG Update Economic Planning Process

- "Strawman Proposal" approved by the Operating Committee in February
 - was submitted by the NYISO in a status report to FERC on March 29th.
 - Comments to FERC were filed on April 19th
 - ESPWG beginning discussion of implementation issues:
 - Expanded reporting of historic congestion
 - » Postings have commenced
 - » Additional enhancements to be discussed at ESPWG
 - Enhanced market-based initiatives
 - » Identify areas for enhancements in NYISO markets
 - » Technical conference
 - Projection of congestion

ESPWG Update

• Next meeting May 9th.