

Business Issues Committee

September 21, 2005

Meeting Motion - Agenda #10

Motion:

The Business Issues Committee (BIC) hereby recommends that the Management Committee approve amendments to the current tariff to assert physical self supply is unavailable in the New York Market and identify the two financial options that are currently noted in the tariff as the only presently available self-supply options.

Adding to this Motion, if desired:

The BIC also requests that the NYISO continue to monitor the price differentials between east and west and further analyze the production costs savings as identified in the LECG Report presented to the 9/21/05 BIC and make a recommendation on the need for a further financial hedge in 2006.

- Begin analysis in 2005 with results and further decisions by the stakeholders in 2006.

- The BIC also recommends that if a further financial hedge is determined by the NYISO and its stakeholders to be necessary, include in the development of that hedge an evaluation of :
 - The feasibility, costs and benefits of optimizing transmission capacity for eastern and western reserves;
 - The feasibility, costs and benefits of locational payment for reserves by load.