

Management Committee
September 29, 2006

Motion # [#]
Proposal to Shorten NYISO Settlement Cycle

Whereas, Market Participants, and the NYISO have placed a high priority on improving the accuracy and finality of NYISO-issued customer invoices, and

Whereas, the NYISO's current settlement cycle spans approximately 19 months, during which time corrections to NYISO-issued customer invoices may be made, and

Whereas, the NYISO and its MPs seek to balance the benefits of financial certainty with adequate assurances regarding the accuracy of NYISO-issued customer invoices, and

Whereas, the Business Issues Committee, its working groups, and NYISO staff have developed protocols and procedures that will allow the NYISO to shorten its financial settlement cycle to 9 months + 25 days with adequate assurances regarding the accuracy of NYISO-issued customer invoices, and

Whereas, the Business Issues Committee passed a motion at its September 13, 2006, meeting which recommends that the MC endorse these protocols and procedures and approve the development of a tariff filing to support these changes;

Now, therefore, the Management Committee approves tariff revisions to shorten the NYISO financial settlement cycle in accordance with the milestones, protocols and procedures described in the supporting materials to this motion.

- The tariff language shall be subject to review by the BAWG and BPCTF and approved for filing by the chairpersons of the MC and BIC.
- The tariff filing shall specify that metering corrections shall only be made in accordance with a "true-up" methodology unless the NYISO is directed to do otherwise by FERC or a court of competent jurisdiction.
- The tariff filing shall be prepared for filing as quickly as practicable, but not later than October 31, 2006.