

Management Committee

September 29, 2006

Motion - Agenda # 06

Motion:

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

Whereas, the NYISO and Market Participants have committed not to implement changes to the market settlement rules without associated billing system upgrades, and

Whereas, the NYISO and Market Participants will develop a comprehensive plan to upgrade the Web Based Reconciliation tool to incorporate the changes necessary to implement the loading/echo functions previously committed to in 2003, and

Whereas, the Business Issues Committee, its working groups, and NYISO staff have proposed protocols and procedures that will allow the NYISO to shorten its financial settlement cycle to approximately 9 months and 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 the development of tariff revisions to shorten the NYISO financial settlement cycle in accordance with the protocols, procedures, and implementation requirements described in this motion and the supporting materials.

- The tariff language shall be subject to review by the BAWG and BPCTF and approved for filing by the chairpersons and vice-chairpersons of the MC, BIC, and OC.
- The tariff filing shall specify that corrections to customer settlement information, including corrections to metering data, shall only be made within the relevant

timeframes established in the tariffs, as they are hereby proposed to be revised, 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.