

FCM Working Group
August 31, 2009
DoubleTree Westborough Hotel, Westborough, MA
Meeting Notes

Introduction

- The Tri-Chairs welcomed everyone to the fourth FCMWG meeting. Ms. Anne George, ISO New England Tri-Chair, stated that today's meeting included presentations relating to the Alternative Price Rule as well as the FCM Zonal / TSA / Reliability Review items and an update from the Reliability Committee.

Alternative Price Rule

- Mr. Bob Ethier, ISO, gave his presentation on the Alternative Price Rule, describing objectives and a conceptual design framework for this rule. There was extensive discussion regarding this subject among FCMWG members, particularly regarding Out-of-Market capacity.
- Mr. Robert Stoddard, on behalf of NEPGA, next presented an initial proposal for Alternative Price Rule reforms, which was discussed and vetted among FCMWG members.
- Mr. Brian Forshaw, CMEEC, stated that several entities represented state regulatory interests, transmission owners, public power, end users, and selected LSE-based suppliers have been caucusing on these issues and have not yet reached any definitive conclusions. Mr. Forshaw stated that although it was important to review and discuss these issues, the parties should not rush to create a term sheet for the FCMWG without vetting all issues.
- Commissioner Paul Roberti, RI PUC and Tri-Chair, stated that NECPUC did not have a position on the Alternative Price Rule at this time but that a paper expressing some concerns that some states have with that rule and the proposals put forth to date had been posted with the meeting materials.
- There was extensive discussion among FCMWG members on the information relating to the Alternative Price Rule presented before the group. Ms. George noted that the group had identified areas of disagreement and potential areas to work on.

FCM Zonal / TSA / Reliability Review and Reliability Committee Update

- Mr. Marc Montalvo, ISO, gave a presentation to the FCMWG outlining the conceptual design framework for reviewing these issues and highlighting questions that the Markets Committee had on these items. There was discussion and questions on this information among FCMWG members.
- Mr. Don Gates, ISO, Chair of the Reliability Committee, next updated the FCMWG of the activities regarding these issues at the Reliability Committee.

Conclusion/Next Steps

- Mr. Bob Stein, Signal Hill Consulting and Tri-Chair, noted that the discussion regarding prioritization of other issues, which was listed as time permitting on the agenda, would be better served at the next meeting.
- It was noted that the next meeting on September 9, 2009 would be held at the Courtyard Marriott in Marlborough, Mass.