

## REPORT OF THE MARKET ADVISORY COMMITTEE

February 20, 2008

In accordance with Market Rule 3B.3, the Market Advisory Committee (MAC) hereby advises the Board of Directors of the New Brunswick System Operator (NBSO) that, at a special meeting held February 20, 2008, the MAC reviewed the [attached six \(6\) proposed amendments](#) to the Market Rules, which proposed amendments were published on the NBSO website on February 12, 2008.

With respect to proposal 2008-01 (Adequacy Assessments), proposal 2008-02 (Publication of Updated Load Forecasts), proposal 2008-03 (Publication of Scheduled and Actual Tie Flows) and proposal 2008-05 (Frequency of Market Monitoring Reports), the MAC unanimously approved the proposals as presented.

With respect to proposal 2008-04 (Scheduling Deadlines), it was the view of the MAC that consideration of the proposal should be deferred to the next meeting of the committee.

With respect to proposal 2008-06 [Monthly vs. Hourly Procurement of Capacity Based Ancillary Services (CBAS)], Ed Howard, the representative of Marketers on the MAC expressed the strong view that this proposal should not be considered by the MAC until after it has been fully discussed as part of a technical conference that the NBSO will be holding pursuant to a recent decision of the Energy and Utilities Board (EUB) respecting the rebating of annual surplus funds. Mr. Howard noted that this technical conference will involve a larger group of participants than the MAC and he recommended that this technical conference be held as soon as possible. It was also generally acknowledged that (i) when an additional supplier is contracted, the rule has no effect, and (ii) that the technical conference may lead to the rule being made unnecessary.

A great deal of discussion took place respecting the propriety of considering this proposal prior to the above-noted technical conference. There being no consensus, the Chair called a vote. By a margin of 7 (Messrs. Kennedy, Scott, McGivney, Beaulieu, Dionne, Dimou and Booker) to 1 (Mr. Howard) with one abstention (Mr. Porter), the MAC approved the proposal as submitted.

### Recommendations

1. The Market Advisory Committee unanimously recommends the adoption and implementation of proposals 2008-01, 2008-02, 2008-03 and 2008-05 as described above.
2. By a vote of seven to one, with one abstention, the Market Advisory Committee recommends the adoption and implementation of proposal 2008-06 as described above.

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Blair Kennedy  
Chair