

**Meeting: #05-02**

**Minutes of Meeting**

**Date:** Monday May 16, 2005

**Time:** 10:00 am

**Location:** Energy Control Center

**Attendance:** Jessie Davies (Chair)  
Stacy Dimou (Vice-Chair)  
George Gunter  
Andrew Secord (alternate for George Gunter)  
Andrew Booker (via telephone @ 1:00pm)  
Eric Marr  
Blair Kennedy  
Don Jessome  
Arden Trenholm  
George Porter  
Ron Beaulieu  
Brian Scott  
Ed Howard  
Kevin Roherty (NBSO Support)

**Guest:** Bill Marshall

1. **Appointment of Alternates**

The chair reviewed the following nominations of alternates:

- a) George Gunter had submitted a letter nominating Dr. Andrew Secord as his alternate to represent environmental interests.

**On motion duly moved and seconded, Dr. Andrew Secord was approved as the alternate for George Gunter.**

- b) Andrew Booker had submitted a letter nominating Mark Mosher as his alternate to represent industrial customers.

**On motion duly moved and seconded, Mark Mosher was approved as the alternate for Andrew Booker.**

- c) Arden Trenholm submitted a letter whereby NB Power Generation Corporation nominated Kirby O'Donnell as alternate for Arden Trenholm.

**On motion duly moved and seconded, Kirby O'Donnell was approved as the alternate for Arden Trenholm.**

## **2. Minutes of Previous Meeting**

The minutes of the meeting of April 4, 2005 were reviewed.

**On motion duly moved and seconded, the minutes of the meeting held April 4, 2005 were approved as submitted.**

## **3. Business Arising from Previous Minutes**

### a) Tariff Decision

George Porter reviewed the recent PUB Tariff decision. While the decision was generally in keeping with the Application, two areas require MAC review.

### b) Energy Imbalance

Mr. Marshall reviewed the PUB's decision respecting energy imbalance noting that, despite the unanimous support of the MAC for the removal of the penalty from energy imbalance charges, the PUB decision, while not imposing the same penalty as had been in place, still provides for a penalty. Several committee members expressed concern regarding this issue and all courses of action were reviewed. In the end, it was agreed the chair would submit a letter from MAC to the PUB outlining the Committee's concern as to both the Board's decision on the matter and the process whereby the decision was reached. The letter is to indicate that the MAC has asked the NBSO to apply for a revision to the OATT to address this issue.

### c) Ancillary Services

George Porter reviewed the PUB's decision respecting the cap on Ancillary Services self-supply and its impact on the RFP ordered by the Board. Mr. Porter also reviewed the situation with respect to a joint RFP with Nova Scotia Power Inc. These two factors, along with the moderate level of interest to date from potential suppliers and pending NPCC regional reserve sharing, led to a

discussion of the possibility of asking the PUB to delay the requirement to proceed with an RFP.

**On motion duly moved and seconded, the Committee recommended that the NBSO submit a letter to the PUB requesting, for the reasons described above, that the requirement for an RFP respecting ancillary services be deferred for one year; i.e. that the RFP be issued in time for the winter period of 2006/2007.**

d) Regulatory Activities

Mr. Marshall reviewed the status of the various regulatory matters in Maine. He reported that there is a great deal of interest in Maine from both the regulator and utilities to move forward with reciprocity.

Andrew Secord left the meeting at this point.

e) Energy Limited Resources

George Porter advised that there is nothing new to report on this standing agenda item.

f) FHMC

George Porter advised that there is nothing new to report on this standing agenda item; i.e. no one other than Genco has submitted day ahead redispatch prices.

g) Amendments to Market Rules

George Porter distributed a document outlining proposed amendments to the Market Rules, along with a proposed schedule reflecting the approval process. June 6<sup>th</sup> is the target to finalize the submission.

Discussion took place respecting a number of proposals. In particular:

Re: Item #2 Procedure for Curtailments of over-committed generators: Arden Trenholm to suggest wording to allow for instructions for over-commitment in relation.

Re: Item #3 Capacity De-ratings: Info on legal impact required.

Re: Item #5 Requirement that Market Participants for Network Load also be the Transmission Customer – more discussion needed.

Arden Trenholm also revisited the suggested Market Rule amendments he brought forward at the last meeting respecting the ability to change P/Q pairs on the weekend, and changing the requirement to submit schedules by 11:00 am to a time in the early afternoon.

George Porter noted that the NBSO does not support changing the time from 11:00 am as this would not allow sufficient times for proper evaluation by the SO of submitted schedules.

#### **4. Other Business**

a) Treatment of Exports

Stacy Dimou raised the issue and will discuss more fully with Arden Trenholm.

b) Market Monitoring

The Committee would like to have information as to how the market is operating, problems which have arisen, etc. become a standard agenda item for future meetings. George Porter summarized the discussions that have taken place with PUB staff and committed to distribute copies of the draft market monitoring documentation to the Committee.

c) Systems

George Porter gave an update on systems, noting that discussions are underway with auditors the PUB as to what type of system audit will meet the requirements of the Market Rules and the regulator.

d) Meeting in Nova Scotia

George Porter updated the Committee on an impromptu meeting he attended recently with representatives of Nova Scotia municipalities, government officials, and other interested parties following the NSPI Tariff Hearing. NBSO offered its view as to next steps, etc. once the NSPI Tariff is approved.

e) Disco Rate Case

Kevin Roherty advised the Committee that the NBSO has intervened in NB Power Disco's current application before the PUB.

f) Renewable Portfolio Standard

The Chair advised that it would be important for the Committee to receive and review the Synapse Study respecting Renewable Portfolio Standards. Efforts will be made to obtain the report.

g) Dispatch Instructions

Arden Trenholm raised the issue to the requirement for all generators to establish a system of receipt and acknowledgement of dispatch instructions. In his view, this seems to be a pointless expense and process for generators which either operate at full output, or don't operate at all.

4. **Date of Next Meeting**

The next meeting is scheduled for June 20<sup>th</sup> at 10:00 am in St. Andrews, New Brunswick. The Chair will advise as to the specific location.

Meeting Adjourned

Respectfully Submitted,

**(Original Signed By)**

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Jessie L. Davies  
Chairperson

**(Original Signed By)**

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Kevin C. Roherty  
Secretary and General Counsel