

Meeting: #07 -06

Minutes of Meeting

Date: November 15, 2007

Time: 10:00 am

Location: Wu Centre Chancellors Room

Attendance:

Rick McGivney
Stacy Dimou
Gorge Porter
Ron Beaulieu
Blair Kennedy
Jim Coyle
Lesley Rogers
Rob Apold
Jacques St Pierre
Brian Scott
Dan Dionne
Ed Howard-
Ron Leblanc
Norm Seely (Recording Secretary)

1. Minutes of Previous Meeting

The Minutes of the meeting of October 15, 2007 were reviewed. It was agreed that the minutes should be amended by adding the following statement in the last paragraph on page two of the October 15, 2007 minutes: Opinions were expressed that “imbalance” should remain in the Open Access Transmission Tariff (OATT) in attachment “G” rather than moved to the Market Rules. On a motion duly moved and seconded, that the Minutes of the meeting of October 15, 2007 were approved as amended.

2. **Business Arising from the Minutes**

The Secretary informed the MAC that with regard to the motion on Alternates counting towards a quorum, Kevin Roherty has expressed concern with the process of changing the Market Rules, By Laws and involvement with Minister of Energy's office to accommodate these changes. An evaluation of the previous October motion resulted in agreement to rescind the previous motion.

On a motion duly moved and seconded, the motion respecting quorum passed at the meeting of October 15, 2007 was rescinded.

3. **New Business**

a) Energy and Utilities Board (EUB) Filing

George Porter informed the MAC that the NBSO was on track to file an application to the EUB in December however due to numerous circumstances, the NBSO will now file in the late spring of 2008.

George reviewed the reasons for a new filing date which include the following:

- An EUB decision on the distribution of the Surplus for 06/07, which may have an impact on Capacity Based Ancillary Services rates
- Provincial Government review of the Electricity Act (the current Act requires transmitters to defend their revenue requirements when the system operator applies for changes to ancillary services and/or terms and conditions)
- More history of the Capacity Based Ancillary Services
- Allows more time for stakeholder consultation

If public consultations are to occur with respect to the spring filing to the EUB, January is the preference of the MAC

NBSO intends to make recommendations to the Department of Energy prior to the review of the Act. George will verify with senior management if the NBSO can share its conclusions with the MAC.

The MAC will not collectively make recommendations (unless there is unanimous consent on an issue of concern); however individuals or sector representatives collectively may wish to send submissions. The MAC agreed that if there were issues of concern (in the Act) for the committee to review, it should be brought forward to the MAC meeting in December.

b) International Power Line (IPL) Update

Brian Scott provided a presentation on the operational status and construction technique of the IPL. The New Brunswick side of the line has been successfully test energized. The go live date is currently November 28, 2007. The United States is testing and commissioning as well. New Brunswick and New England are continuing operational discussions and preparing all necessary documentation. Brian reviewed the proposed Total Transfer Capability (TTC) in the North South/South/ North directions and indicated FIRM capacity will increase with the new IPL. Losses will be reduced across the system as a result of the new line and the EUB will be informed of any changes to the loss calculation.

c) Market Procedure Change

George indicated that Market Procedure MP-16 does not work in the current Market Structure as is. It was indicated that any external dispatchable facility serving load in province should not require a point-to-point transmission reservation. The load is already paying for the transmission, but NBSO will use Network Secondary against its own “placeholder” Network reservation. The Market Procedure needs to be changed to reflect that. **George will e-mail the MAC with the proposed changes to the wording in the procedure.**

d) Proposed Tariff Revisions

George reviewed the proposed additions to the list of items that are currently under consideration for tariff changes

- Transmission requests for short term non firm service under the Tariff requires submission one half hour before the hour for reservation request to be accommodated. Moving the specific timing deadline from the tariff to the Market Rules is under consideration. The appropriate submission deadline for energy schedules is under review in conjunction with other work on seams issues.
- Residual Uplift allocation to all customers- the model put forward for discussion is to allocate to Network customers only, as opposed to Network and Point to Point customers as is currently the case.

Additional information will be provided by NBSO to assist in the understanding of issues surrounding Capacity Based Ancillary Services.

It was noted that the NBSO proposal for the rebate of NBSO’s 2006/2007 surplus has been submitted to the EUB, and a letter has been submitted to the EUB by Integrys opposing the NBSO proposal. All Market Participants should have copies of the NBSO letter. A process for the resolution of that matter has been established by the EUB.

4. Standing Agenda Items

NBSO Update

George informed the MAC that two new employees will be joining NBSO in January. Jean Finn will report directly to Bill Marshall and Calvin Duncan will be assigned to Alden Briggs staff. Both are currently New Brunswick Department of Energy employees.

Wind Integration

- The NBSO hosted a visit from wind consultants from Denmark. Their leading edge technology and vast wind resources will provide valuable insight to the NBSO direction and implementation of wind generation.
- Meetings are continuing with ISO-New England, Nova Scotia Power, and Trans Energie on wind issues.
- A workshop will be held with other system operators in the Northeast in the new year.
- George indicated that he was a member of a CANWEA Atlantic Caucus workgroup and will continue to monitor sector developments.

5. Date of Next Meeting

December 17, 2007

Meeting Adjourned

Respectfully Submitted,

(Original Signed By)

Blair Kennedy
Chairperson

(Original Signed By)

Norm Seely
Recording Secretary