

**Meeting: #08 - 01**

**Minutes of Meeting**

**Date: January 21, 2008**

**Time: 10:00am**

**Location: NBSO Conference Room B**

**Attendance:**

Stacy Dimou  
Ron Beaulieu  
Ron Leblanc  
Liuchen Chang  
George Porter  
Blair Kennedy  
Dan Dionne  
Ed Howard  
Rob Apold  
Norm Seely (Recording Secretary)

**Guests :** Jean Finn  
Alden Briggs  
Ross Stairs

**1. Minutes of Previous Meeting**

**On motion duly moved and seconded, the Minutes of November 15, 2007 were approved.**

**2. Business Arising from the Minutes**

**a) Changes to Dispatch Software Affecting ASRC**

George Porter noted that as of January 1, 2008 the Ancillary Services Redispatch Cost (ASRC) calculation reflects a change in the optimum dispatch of capacity-type contracts. This change had been discussed previously. A revised interpretation of the rules permits these contracts to now be treated as being

dispatchable within 30 minutes whereas previously they were treated as energy schedules. This less onerous assumption is expected to reduce the ASRC.

### **b) Concerns over the cost of ASRC**

Ed Howard suggested that through the ASRC, those parties purchasing CBAS services through the tariff are being served with more costly supply than what is used for self-supply, and that these higher costs will discourage purchases through the tariff. George Porter noted that the market is first and foremost a bilateral one and NBSO is trying to ensure that there is no cost shifting from those that are buying through the tariff to those that are self-supplying or buying in the bilateral market (or vice versa). It was also reiterated that the recent changes to the dispatch software will tend to decrease the ASRC. It was also noted that NBSO will consider a rule change to evaluate the ASRC on an Hour-Ahead basis rather than Day-Ahead, which may also tend to decrease the ASRC.

## **3. New Business**

### **a) NBSO Proposal to remove obligation from Market Rule 3.5.5 for Quarterly Market Report**

George Porter reported that the System Operator is required to publish a quarterly summary report on the state of the market and submit it to the NBSO Board for review. The Market Assessment report on monitoring and activities has not been submitted previously and NBSO is recommending that it not be required on a quarterly basis given the current state of the market. Submission to the Board once a year should suffice and modification of section 3.5.9 may be necessary to facilitate this change. All reports will be published. George will review and propose specific wording. It was suggested that the System Operator survey each MAC sector representative to seek input on their opinion on market development and that such input be incorporated in the report.

**On a Motion duly moved and seconded, to revise wording in the Market Rules Section 3.5.5 which states “no less than quarterly” to read “no less than annually”**

### **b) NBSO Proposal to have MAC fulfill planning stakeholder advisory role**

Stacy Dimou gave a presentation on the ISO-NE planning advisory committee which included the following points:

- Open forum all parties may attend
- Made up of stakeholders which include Market Participants Government, Industrials, Consultants etc.
- Reviews proposed scopes of work, draft study results for projects.
- Primarily concerned with Transmission reliability, Demand Response and areas of needed resources.
- The PAC reliability committee participates in the planning process.

Alden Briggs gave a presentation on the NBSO Planning Coordination which included the following points:

- Planning process to align with FERC Order 890.
- To identify planning roles and responsibilities for local and regional planning coordination.
- Coordination of a transmission plan on a non discriminatory basis.
- Open to all stakeholder parties.
- MAC would form the Planning Advisory Committee.
- Participate in the 10 year outlook.

**On a Motion duly moved and seconded, the MAC recommends that the NBSO proceed to establish compatibility with Order 890 with respect to system planning and that this be done in an efficient manner, inclusive of using the MAC in a planning advisory role with other stakeholder consultation.**

**c) Addition of “Member Updates” as a standing agenda item**

Member Updates will now appear on the Standing Agenda Items as 4 c)  
Items discussed included:

- 96 MW of wind energy coming online this year
- NBSO/MEPCO Roll in-Meeting in February
- Transmission Capacity on the MEPCO Tie: South to North-280MW Firm
- MAC would like to have any NB Legislative updates

**d) Information Session Topic suggestions**

Norm asked the MAC to please forward any suggested topics for inclusion in the agenda for the May 15/16 NBSO Information Session. The MAC should forward all topics to the NBSO by Feb 1, 2008.

**e) Potential Market Rule Changes**

A document was distributed to the committee noting the following possible rule changes:

- 1) Prepare an 18-Month Generation Adequacy Assessment report every 6 months (NPCC rule) rather than every 3 months (Market Rules).
- 2) Publish Load Forecast every Hour for the next 4 hours
- 3) NBSO to publish System Map/Net Import/Export, scheduled /Actual for each interface.
- 4) Scheduling deadline from t-30 to t-60 in the OATT. Change in spring of 08.
- 5) Strike item #5-No cost shifting occurring.

- 6) Changes to Capacity Based Ancillary Services(CBAS) to accommodate changes leading to a mismatch between expenses and revenues

It was noted that the following changes are proceeding in the short term:

- NPCC Reserve Sharing allocation to qualifying loads is on hold until MEPCO roll out.
  - February 1/08 impact on all loads-Requirement will go down due to regulation and load following. 73 MW impact.
  - Nominal Contingency is 500 MW; Going to 550MW on February 1/08.
- a) Move ASRC calculation to hour ahead basis from current Day Ahead
  - b) Move CBAS to monthly resolution
  - c) Revise Cap on Self Supply-Requires OATT change.
  - d) Reconcile monthly
  - e) Other changes

**On a Motion duly moved and seconded, to draft and distribute to the MAC, suggested Market Rule changes identified in numbers 1-3 and letters a),b),c) of item number 6 identified in the one page document distributed to the MAC titled “Possible Rule Changes”.**

#### **4. Standing Agenda Items**

##### **a) NBSO Activities**

Previously discussed in item 3c

##### **b) Wind Integration**

NBSO is considering the suggestion that was made at the tariff revision workshop on November 15 to charge for transmission more on an as-required basis rather than as reserved Day-Ahead. MECL has developed a transmission tariff policy where the customer will pay for only transmission used plus a 10% of tariff penalty. (This will apply only if there are no constraints on the system).

A Wind Conference will be held in Montreal on February 12-15/08 .Several System Operators will participate in the conference.

#### **5. Date of Next Meeting**

**March 10/08**

**Meeting Adjourned**

**Respectfully Submitted,**

**(Original Signed By)**

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**Blair Kennedy**  
Chairperson

**(Original Signed By)**

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**Norm Seely**  
Recording Secretary