

**Meeting: #08-02
Draft
Minutes of Meeting**

Date: March 27, 2008

Time: 10:00 AM

Location: NBSO Conference Room B

Attendance:

**Stacy Dimou
Ed Howard
Blair Kennedy
Lesley Rogers
Rick McGivney
Brian Scott
Andrew Booker
Ron Leblanc (Acting Chair)
George Porter
Dan Dionne
Stephen Russell
Norm Seely (Recording Secretary)**

Guests : Ross Stairs
John MacLeod

1. Minutes of Previous Meeting

On a Motion duly moved and seconded, that the Minutes of January 21 2008 be approved and the Feb 20, 2008 be amended to reflect the merger of Paragraph 3 with Paragraph 1 of Item 4 page 2 of the minutes, with the inclusion of the word “Additionally,” prefacing paragraph 3.

2. Business Arising from the Minutes

a) Alignment of Scheduling Deadline with Neighboring Balancing Areas

All new schedules and or changes require submission prior to 30 minutes past the hour in New Brunswick. George Porter reported that the NBSO wants to make changes to its timing rules to align with those in New England (T-60). This will free up time to allow inter hour changes to occur. The MAC reviewed a handout provided by Ross Stairs which explains the time lines of the Energy Coordinator functions as they move through the hour.

Ross reviewed the sequence that the Energy Coordinator (ENCO) follows beginning with the schedule submission by half past the hour for the next hour. After t-30, the ENCO runs the Load Forecast, the Market Optimization Program and then issues the dispatch instructions to the generators.

George stated that a change to the Tariff is required to move schedule submissions to 60 minutes prior to the hour and suggested that it may be possible to keep schedule submissions to t-30 within the control area.

A Pilot project will due to be completed in the fall of 2008 will run intra hour and next hour schedules together to accommodate changes to wind generation. Ross explained that the automated Facilitated Check out procedure (schedule check out between control areas) was put in place to assist with the large amount of transactions that occur within the NPCC territory.

A review of the handout indicated a small amount of schedule changes in each hour over a 1 year period. Rick McGivney stated that the change from t-30 removes the value of 30 minute changes and that certain schedules could not meet the t-60 deadline. He suggested that a move to t-45 might be a solution the parties could work with.

Wind energy exports will have an effect on the NB export market and flexibility is important. However, if wind drops off after t-60, no changes are accommodated in New England.

It was suggested that NB align scheduling time and work collectively with the ISE-NE may prompt them to look at a shorter timeline. GENCO suggested that a joint visit to the ISE-NE to discuss import timelines and to review t-45 possibilities. NBSO does not feel that t-45 will help operations with scheduling issues at the present time.

b) CBAS Strawman Proposal

The CBAS Strawman proposal will be submitted to the Energy and Utilities Board on Monday March 31. This meeting will be the last opportunity to comment on this document outside of the regulatory environment.

- 1) The MAC reviewed page 6 of the document, the Hourly vs. Monthly payment for CBAS. George indicated that originally, the calculation was based on a monthly number. New systems were developed to allow for hourly

calculations. The Tariff rates are not based on an hourly number but rather on a monthly basis. NBSO sets obligations based on loads and individual obligations should be defined right away.

2) The MAC reviewed the Reserve Sharing section on Page 7 of the proposal.

- CBAS rates need to change.
- Recalculate rates on Nova Scotia reserve sharing
- The MAC reviewed items 2b, 2c, and 2d and agree with the content presented.

3) Availability of Export Sales as Reserves

The MAC would like the “Bid” replaced with another term in component #3 on page 8.

4) Cap on Self Supply

A change to the 90% cap on self supply requires EUB approval. The NBSO proposal suggests a range on the cap between 85-100% and would allow the NBSO the ability to apply the range. Blair Kennedy suggested that entities should be allowed to supply at 100% or buy the service.

The MAC is in agreement with this proposal.

5) Regulation and Load following as 10 Minute Reserve.

On February 1, a change was made was made to Regulation and Load Following counting as reserve. The method of calculation and the rates need to reflect this change.

The MAC is in agreement with this proposal.

6) Changes in contingency

The MAC is in agreement with this proposal.

7) Reduction of Load Following Requirements Based on the ISO-NE Dead band.

This lowers reserve requirement but increases Spinning Reserve. Will not use the MEPCO dead band. The Energy Coordinator will make the decision.

The MAC is in agreement with this proposal.

8) Self Supply Schedule Shortfall

This item should not contribute to the surplus. The focus will be on getting the schedules right. This will remain the status quo.

The MAC is in agreement with this proposal.

9) Obligations Metric

It was suggested that another approach be added to the end of the paragraph in number 9.

The Mac is in agreement with this proposal.

10) Incremental Reserve Threshold

The MAC is in agreement with this proposal.

The MAC reviewed the spreadsheet on page 15. It was noted that that the rates in column 1& 2 are the same.

- Column 3 Regulation and Load Following credit to reserves
- Column 4 NS Reserve Sharing reflecting changes
- Column 5 NPCC Reserve Sharing

Over a 5 year period, there was a 7.7% increase.

The MAC is in general agreement with the Strawman proposal.

On a Motion duly moved and seconded, the MAC accepts the document in principle and that the Regulation and Load following and the NPCC reserve sharing split becomes an RC function.

The document will be updated and submitted with an indication of MAC support of the proposal.

The MAC agrees that subject to the billing determinant will become the load's obligation as opposed to the load's monthly peak.

New Business

Move to 3c

Rick suggested that the MAC input include the general theme that we are continuing to be as efficient as possible going forward.

3 b) Pilot with ISO-NE (Intra Hour Schedule Changes)

George informed the MAC that ISE-NE dispatches every 5 minutes and that the NBSO has agreed to a Pilot to monitor intra hour changes on imports. NBSO would like to include wind generation with revisions occurring once within the hour (second half). Settlement is based on an hourly average.

The Pilot is for all dispatchable contracts with ISO-NE. New England will be presenting the results soon.

The MAC agrees with the general portion of the Pilot.

3 a) NBSO Report on Metering /Billing Error

The MAC reviewed the handout and George indicated that steps have been taken to rectify issues in the recent past.

They include:

- Conducted a calculation
- Recalculated
- Reviewed energy imbalance
- Approved process for changes to metering

Future audits on metering will have more accountability. George indicated that the MAC should identify where the focus of money and efforts should be applied both in the field and infrastructure.

Returned to item 2 a) on the agenda to vote on a motion.

On a motion duly moved and seconded, that the recommendation from the MAC on the revised proposal for scheduling deadline, whereby the deadline would be the earlier of t-30 or the scheduling deadline of the adjacent area. In addition, NBSO will work with ISO-NE to move towards a deadline of less than t-60.

The motion was not approved due to the following count:

- In favor 2
- Against 1
- Abstention 4

5. Date of next meeting

May 5, 2008

Meeting Adjourned @ 3:15 pm

Respectfully Submitted,

(Original Signed By)

Blair Kennedy
Chairperson

(Original Signed By)

Norm Seely
Recording Secretary