

FERC and SSG-WI

- CAISO, RTO West, and WestConnect orders issued July 17, September 18 and October 9, 2002, respectively
- Commend the parties efforts to develop resolutions to seams issues among the RTOs in the Western Interconnection
- Direct applicants to “formalize the Steering Group as the seams resolution group for the RTOs in the Western Interconnection”.
- Direct applicants to codify the MOU between the parties and provide a list of pending issues before the Steering Group and a timeline for resolution of those issues

FERC and SSG-WI

- October 25, 2002 Order

“We request that SSG-WI develop a list of recommended market design elements appropriate for the western interconnect which elements must be designed compatibly to avoid seams, and a plan and timeline for resolution of these issues that is coordinated with RTO development efforts. This Plan should include specific tasks for each of the current SSG-WI WGs and any other WGs that may be necessary. We request that SSG-WI present that plan by mid-January, consistent with previously set SSG-WI deadlines.”

Seams Steering Group - Western Interconnection

Purpose –

- To serve as the discussion forum for facilitating the creation of a Seamless Western Market and for proposing solutions to issues associated with differences in RTO practices and procedures.
- To develop recommended market design elements appropriate for the Western Interconnection.

SSG-WI MOU

- Executed December 5, 2002 by CaISO, WestConnect and RTO West
- Will be filed with FERC on January 8, 2003
- Addresses Functions and Governance of Steering Group. (forum for developing consensus recommendations to the RTOs)
- RTOs retain decision making authority
- MOU available on SSG-WI Web Site
(www.ssg-wi.com)

SSG-WI MOU Provisions

- Purpose of SSG-WI – discussion forum for creation of a Seamless Western Market
- RTOs agree to use this forum to achieve consensus positions
- RTOs agree to develop a collaborative process to involve stakeholders
- Governance
 - Each RTO shall appoint 3 Representatives plus an alternate
 - Each RTO shall have one vote
 - Requires unanimous vote for approval of recommendations sent to the RTOs

SSG-WI MOU Provisions

- Steering Group shall develop a Work Plan describing the functions of SSG-WI
- MOU describes the Steering Group's responsibilities:
 - Seeks consensus on interregional issues
 - Forms Work Groups
 - Develops a budget to carry out the MOU

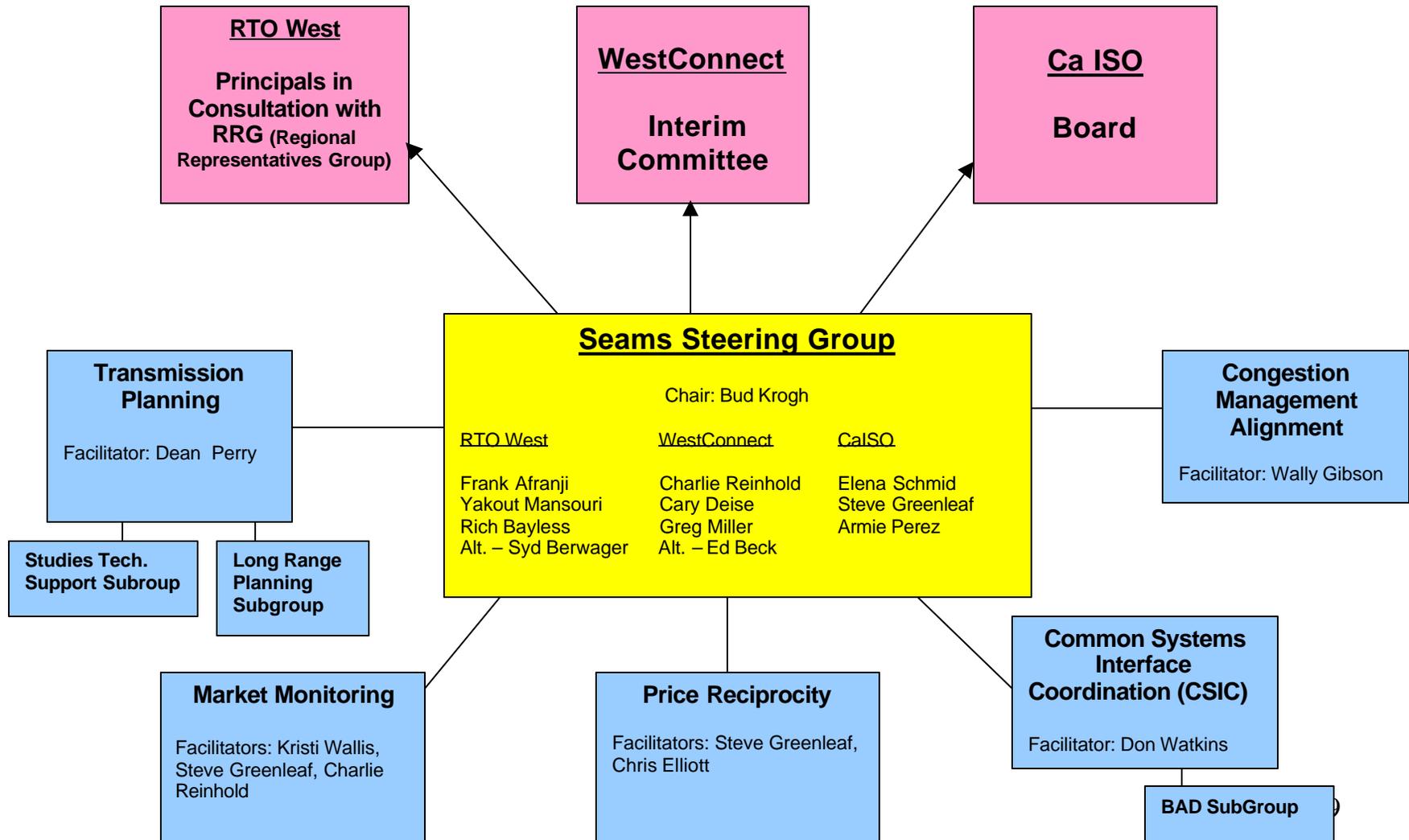
Open SSG-WI Forum

- Steering Group develops recommendations on policy issues to forward to RTOs. The Steering Group assigns work to the Work Groups, prepares schedules, directs drafting of reports
- Stakeholders are encouraged to participate actively in the open SSG-WI WGs
- Steering Group will hold open meetings and solicit input during those meetings from stakeholders on policy issues under discussion

Open SSG-WI Forum

- Steering Group representatives will consist of three representatives plus an alternate from each RTO
- Information on Steering Group meetings will be posted on the SSG-WI Web Site (www.ssg-wi.com)
- First Open Steering Group meeting tentatively scheduled for January 16, location TBD.

SSG-WI Organization



Seams Issues - Report to FERC

- **Report Content -**
 - Prioritized list of Seams issues
 - Schedule for addressing and resolving issues by SSG-WI WGs, emphasis on 2003 Milestones
 - Structure of SSG-WI organization
 - SSG-WI Coordination with Stakeholders and States
 - Accomplishments to date
 - CSIC
 - Planning
 - Market Monitoring
 - Phase Shifter and loop flow control alternatives

Seams Issues - Report to FERC

- **Schedule**

- WGs currently incorporating Dec 9 stakeholder comments and updating issues discussion
- Report will be developed during last 2 weeks in December
- Stakeholder input through SSG-WI WGs
- Send report to FERC on January 8
- Public SSG-WI Steering Group Meeting in mid January

Seams Issues - Report to FERC

- **SSG-WI WG Meeting/Conf Call Schedules**
 - Planning WG Mtg. – Friday, December 13
 - Pricing WG Conf Calls – Friday, December 13 & Monday, December 23
 - Congestion Mgm't WG Mtg. – Monday, December 16
 - Market Monitoring WG Mtg. – Thursday, December 19
- **See SSG-WI Web Site for WG meeting details**
www.ssg-wi.com

Seams Issues - Report to FERC

- Comments on posted Issues Matrix were received from:
 - XCEL Energy
 - BC Hydro
 - IPP/Marketers
 - California PUC
 - Others have provided input on market design issues through the SSG-WI CM WG