

# Memorandum

**To:** ISO Board of Governors

**From:** Nancy Saracino, Vice President, General Counsel and Chief Administrative Officer

**Date:** October 26, 2010

**Re:** **Decision on MSC Charter and TMCC Charter**

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*This memorandum requires Board action.*

## EXECUTIVE SUMMARY

This memorandum recommends revisions to the Market Surveillance Committee's (MSC) charter and the Transmission Maintenance Coordination Committee's (TMCC) charter. The MSC and TMCC are advisory committees established by the ISO Board of Governors under authority of the ISO bylaws.

Consistent with the 2010 corporate policy review initiative, Management recommends modifications to these two charters to reflect current practices, update tariff references, and to replace the legalistic style with much clearer language.

*Moved, that the ISO Board of Governors approves the proposed revisions to the charter of the Market Surveillance Committee, as attached to the memorandum dated October 26, 2010; and*

*Moved, that the ISO Board of Governors approves the proposed revisions to the charter of the Transmission Maintenance Coordination Committee, as attached to the memorandum dated October 26, 2010.*

## DISCUSSION AND ANALYSIS

### Market Surveillance Committee Charter

The Market Surveillance Committee operates under a charter issued by the Board of Governors. The current charter assigns the Committee a number of responsibilities, which fall in three general areas:

- Provide independent external expertise on the ISO market monitoring process;
- Review and comment on the Department of Market Monitoring's analysis and reports; and
- Provide independent expert advice and recommendations to the Board, the Chief Executive Officer and ISO Management.

Management is recommending revisions that would:

- Update tariff references, including removal of references to specific tariff sections and removal of inapplicable requirements;
- Include a provision that members of the MSC must comply with the ethics provisions outlined in the tariff;
- Conform meeting practices to be consistent with other Board policies and current practice; and
- Update the style of the document including, most prominently, moving away from the framework of a formal resolution toward more plain English.

Both redline and clean copies of the proposed revisions are attached, along with a clean copy of the current charter.

### **Transmission Maintenance Coordination Committee Charter**

The Transmission Maintenance Coordination Committee also operates under a charter issued by the Board of Governors. The current charter assigns the Committee a number of responsibilities, which fall in four general areas:

- Provide routine updates to the ISO Board of Governors on Committee activities;
- Seek input from other participating transmission owners and interested stakeholders regarding the ISO Transmission Maintenance Standards;
- Review proposed changes to the ISO Transmission Maintenance Standards submitted by the ISO, a participating transmission owner, or stakeholder, and recommend revision to the ISO for approval; and
- Recommend amendments and revisions to the ISO Transmission Maintenance Standards to the Board.

Management is recommending revisions that would:

- Add an introductory section to clarify the purpose of the Committee;
- Update the style of the document including, most prominently, moving away from the framework of a formal resolution toward more plain English;
- Update tariff references, including removal of references to specific tariff sections and removal of inapplicable requirements;
- Add a confidentiality section consistent with current practice; and
- Conform meeting practices to be consistent with other Board policies and current practice.

Both redline and clean copies of the proposed revisions are attached, along with a clean copy of the current charter.

### **CONCLUSION**

Management recommends the Board approve the proposed modifications to the Market Surveillance Committee charter and the Transmission Maintenance Coordination Committee charter as detailed above.