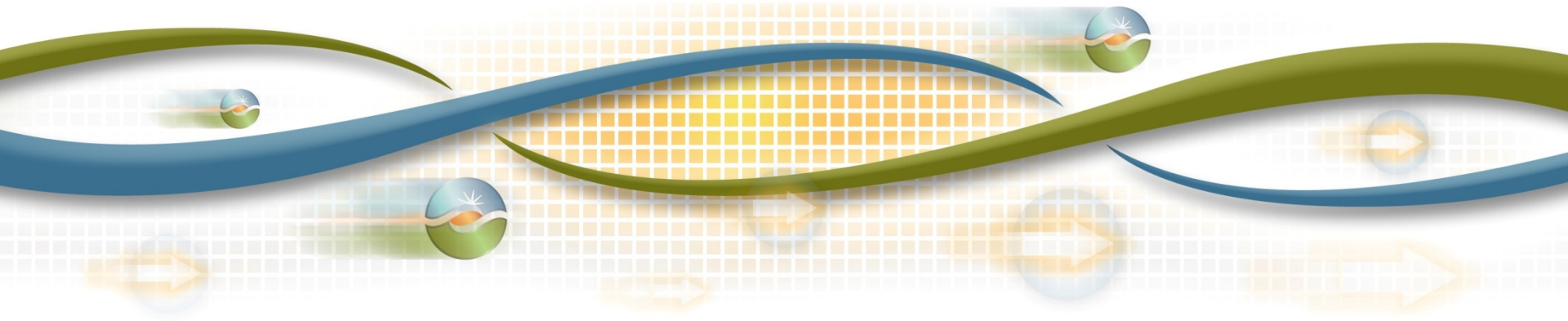


Decision on revisions to price correction requirements

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Management is proposing enhancements to three areas of the ISO's price corrections process.

- Revision to the timeline of price corrections.
- Clarification of processing and publication issues.
- Provision of timely updates.

These refinements will provide greater price accuracy, transparency and certainty.

Implementation date: Spring 2014.

Revision to the timeline of price corrections:

Currently, a five calendar day time horizon is used.

Management proposes to adjust the time horizon for price corrections to:

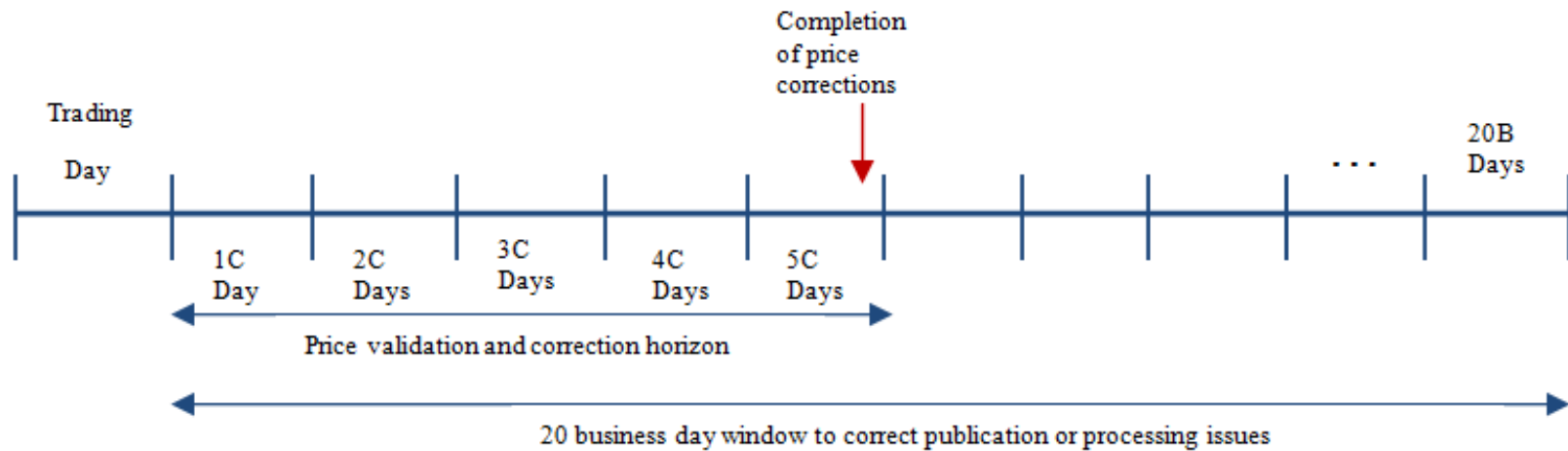
- three business days for the day-ahead market,
- five business days for the real-time market.

Additionally,

- adjust the closing time for inter scheduling coordinator trades from 12pm to 11am.

Clarification of processing and publication issues:

A 20 business day window currently exists for resolving processing and publication issues.



Management proposes to include additional details in the tariff language about the four types of processing and publication issues:

- Volumetric issues
- Hardware/software issues
- Business process issues
- Complex manual corrections

Provision of timely updates:

A weekly report with details of price corrections is posted a week after the completion of the corrections.

Management proposes to implement:

- a programmatic communication about (potential) prices corrections affecting the day-ahead market,
- a programmatic communication about prices corrections affecting the real-time market,
- timely updates for price corrections when the ISO experiences processing and publication issues.

Stakeholders generally support the proposal.

- Stakeholders sentiment about ISO addressing root causes of price corrections instead.
- One concern raised regarding whether to include detail in the tariff about the four categories of publication and processing issues.
- Issues paper posed the question on whether to expand the reasons for price corrections or not. This item was ultimately not considered in this proposal.

Management recommends the Board approve the proposal to implement the revisions to price corrections requirements.

- Adjustments to the price correction time horizon.
- Clarification of processing and publication issues.
- Timely communication of price corrections.

These enhancements will provide greater price accuracy, transparency and certainty.

Spring 2014 is targeted for implementation