

At the January 2, 2005 Management Committee (“MC”) meeting a motion was passed by show of hands approving tariff language designed to address certain sales tax issues. That motion also indicated that the NYISO would modify the tariff language such that the obligations of Supplier’s would not be changed as a result of the tariff language and that the modified language would be presented to the MC for approval. The following is that modified language marked in redline format to show the modifications made relative to the original language presented at the January 5, 2005 MC meeting.

8.4.1 Eligibility to Obtain Services Under This Tariff In Response To Sales Tax Issues

In addition to any other requirements set forth in this Tariff, any Customer, other than Suppliers, –seeking to purchase any services under this Tariff shall satisfy the requirements of this Section 8.4.1 with respect to any applicable New York state and local sales and compensating use taxes associated with such purchase.

(A) The Customer shall supply the NYISO with a Reseller’s Certificate of the kind and in the form prescribed in N.Y. Tax Law § 1132(c)(1)(form ST-120) or

(B) The Customer shall:

- (i) Supply the NYISO with a valid exemption certificate (e.g. as a charitable organization) from any applicable taxing authority that exempts the Customer or the transaction from the associated sales or compensating use tax of the kind and in the form prescribed in the N.Y. State Tax Law §1132(c)(1); or
- (ii) Be a governmental entity or instrumentality that is not subject to the sales or compensating use tax; or
- (iii) Supply the NYISO with a valid direct pay permit such as that authorized pursuant to N.Y. State Tax Law §1132(c)(2).