

NYISO Management Committee Meeting

January 5, 2005

NYS Nurses Association, Albany, NY

10:00 a.m. – 3 p.m.

Draft MINUTES OF THE MEETING

1. Introductions, Meeting Objectives & Chairman's Report

Chris Wentlent of AES, Chairman, called the meeting to order at 10:06 AM and welcomed the members of the Management Committee ("MC"). The meeting objectives were to act on the December 2, 2004 minutes, to act on the Cross Sound Cable ("CSC") and generic scheduled line tariff changes, to act on the NYISO facility proposal, and to act on the NYS sales tax issues.

Mr. Wentlent alerted the Committee Members that there was a reporter on the phone and requested that the individual drop off the phone as well as Webex.

2. Approval of the Minutes

Motion #1:

Motion to approve the Minutes from the December 2, 2004 meeting.

(Motion passed unanimously by show of hands)

3. President's Report

William Museler of the NYISO welcomed the Members of the MC and wished them a Happy New Year.

▪ Market Performance Highlights

Mr. Museler commented that the NYCA experienced a new all-time winter peak load in December and that the NYISO did not encounter any difficulty carrying the load. The high prices that were encountered during that period were investigated by both Operations and Market Monitoring and were found to be appropriate. Gas prices continue to rise and exceeded those for the same period last year. FERC approved the reliability portion of the NYISO comprehensive planning process. There will be a compliance filing to address a couple of issues as directed by FERC.

At the request of Joe Oates of Consolidated Edison, former MC Chairperson, Mr. Museler presented awards to selected NYISO staff for a job well done.

- **2005 Committee Membership Fees**

Mr. Museler mentioned the need for Committee Members to pay their membership fees by the end of January in preparation for the February MC meeting.

Bruce Bleiweiss from DC Energy suggested putting the \$5000 fee on the December bill to facilitate the process. Mr. Museler will have the Finance and Billing Departments investigate the feasibility of doing that.

- **Demand Curve Timeline**

Mr. Museler noted that the NYISO had a pre-filing conference with FERC yesterday (January 4) on the Demand Curve. The conference went well and the NYISO intends to file by the end of this week.

- **CFO & CEO Search Update**

Mr. Museler noted that he hopes to be able to have an announcement on the CFO search by Monday 1/10/2005.

On the CEO search, the Board is re-interviewing three candidates during the week of the 16th of January.

Mark Younger from Slater Consulting asked about David Patton's report on persistent dragging, which was due July 2004. Mr. Museler stated that the report was supposed to out by the end of the year (2004), but was delayed due to the recent focus on the SMD2 analysis effort. Mr. Museler also stated the report will be out by the end of January.

Doreen Saia of Mirant asked about the status of the Day-Ahead In-City Mitigation and requested that the NYISO staff provide an in-depth update at the next MSWG meeting.

4. SMD2 Readiness Update

Richard Dewey, of the NYISO, stated that the parallel operations between the Ranger Application and the Legacy System, which took place from December 1st through the 10th, were very successful. From an operational standpoint, the solutions between the new Ranger Application and the Legacy System were consistent. The market software also demonstrated accurate results consistent with the input. However, the exact match that was produced on the power system side was not attained primarily because of the bidding strategy that went into the various systems. There were also periods of time where the bids that were entered in the new SMD2 system were significantly less in number than the bids that went into the Legacy System. Start-up issues were encountered the first couple of days, which prevented Market Participants from getting bids into the system in a timely manner. Mr. Dewey stated that it will be exceedingly important for Market Participants to participate in the dual bidding of the next phase of parallel operation, prior to cut over, to produce significantly fewer anomalies. From a settlement standpoint, some of the new rules and processes were tested successfully. Other readiness activities include on-going Operator training on the simulator and

another SMD2 technical conference scheduled for January 14th to go over specific technical details regarding deployment. Settlement guidelines during the cut over to the Ranger System and fall back to the Legacy System will be based on the rules discussed at the November 19 Market Structures Working Group.

Ms. Saia asked if David Patton's review of the test cases will be issued to all Market Participants.

Mr. Museler replied that Dr. Patton was completing his review of the test cases and the NYISO would receive a statement from him prior to sending the "intent to go-live" notice to FERC on January 14th.

Mike Darroch of the Jamestown Board of Public Utilities ("BPU") asked why the Daily Load Forecasts between the two systems weren't matching up. Mr. Dewey replied that, on the first few days of the parallel exercise, the data model that was in place on the Legacy System did not match the data model that was in place on the new system, which caused some skewing of the load forecasting. The problem was corrected before the end of the test.

Howard Fromer of PSEG asked if the Daily Energy Report is on track for reposting prior February 1st go live. Mr. Dewey stated that the reporting is being reviewed and the NYISO hopes to have it fixed prior to go-live; however, fixing the report is not being held as a go-live criterion.

5. Cross Sound Cable and Generic Scheduled Lines Tariff Changes

Alex Schnell of the NYISO gave an outline of the NYISO's External Scheduled Line Project, focusing mainly on the tariff provisions necessary for implementation. The project addresses two separate issues: a) the generic implementation of the Scheduled Line; and, b) issues specific to the implementation of the Cross Sound Cable ("CSC") as a Scheduled Line.

Tariff Revisions, as presented by Mr. Schnell, include:

- Add a new Attachment M to the Services Tariff for Scheduled Lines
- Add Special Pricing Rules that will apply to the Cross Sound Cable
- Add provisions for sharing market monitoring information with ISO-NE
- Modify/add definitions in both OATT & Services Tariff
- Minor modifications to other provisions of the OATT & Services Tariff

Please refer to separate handouts for OATT & Services Tariff revisions

Regulatory Schedule

- January 2005—MC review and approval of proposed tariff revisions
- Late January 2005—BOD review and approval of proposed tariff revisions;
- February 2005—file with FERC;
- April 2005--FERC action/order addressing tariff revisions;
- May 2005--compliance filing responding to FERC order (if necessary);

- June 2005--Effective date of tariff revisions (for implementation of CSC).

Kevin B. Jones, Navigant Consulting Inc. for LIPA, requested that the minutes reflect the following LIPA position regarding the CSC.

- LIPA supports bringing the proposed tariff language to the FERC for consideration in order to ensure the timely implementation of the NYISO's controllable line scheduling software for the CSC.
- As it has noted in prior stakeholder and NYISO discussions, LIPA objects to the NYISO's failure to recognize the Cross Sound Cable reservations as the tiebreaker for economic transactions using the Shoreham Proxy Bus. LIPA believes that the NYISO's approach devalues the merchant transmission rights that were offered and awarded by CSC and, ultimately, will affect the secondary market releases of unused capability over the cable. Moreover, the NYISO's approach will create an unnecessary seam between the markets, since ISO-New England recognizes the CSC reservations as the tiebreaker for economic External Transactions over the Cross Sound Cable interface. LIPA and the NYISO have agreed that this is a matter that requires FERC consideration and LIPA will fully brief its position with the Commission upon the filing of this tariff language.
- In order for LIPA to fully preserve its rights to address this issue before FERC, LIPA is abstaining from the vote on this motion.

Motion #2:

The Management Committee ("MC") approves the implementation of a "generic" Scheduled Line scheduling solution, and a Cross-Sound Scheduled Line specific scheduling solution, as more fully discussed in the January 5th presentation to the Management Committee, and recommends that the Board concur and authorize a filing to be made pursuant to Section 205 of the Federal Power Act. The MC further requests the NYISO circulate specific tariff language to all market participants for review and approval by the Chairs and Vice Chairs of the MC and the BIC, with the advice of the members of the MSWG, prior to filing with FERC.

(Motion passed unanimously by show of hands with abstentions)

6. NYISO Facility Proposal

Garry Brown of the NYISO presented the NYISO facility proposal. The primary driver to look for an additional facility is the need for a viable Alternate Control Center ("ACC") and second, the need to consolidate most NYISO employees under a single roof. IBM was hired to do an analysis on the separation between the Alternate and Primary Control Center. IBM's criteria for selecting the new facility includes: a) the facility cannot be in the flight path of Albany International Airport; and, b) a leased, multi-tenant facility cannot be

adequately secured. USI performed a quantitative cost/benefit analysis in consideration of the four available options:

- Status Quo
- Lease New Space for ACC & Vacate Wolf Road
- Purchase "Building A" (A site that has been identified as a potential facility.)
- Lease "Building A"

NYISO staff recommends:

- Relocating the ACC as soon as possible
- Purchase of Building A
 - Lowest-cost feasible option
 - Within NYISO budget

Motion #3:

The Management Committee ("MC") recommends that the NYISO proceed with the purchase of "Building A" as outlined in the presentation at the January 5, 2005 meeting in order to:

- Relocate the Alternate Control Center in a facility that meets the current siting and security guidelines and can manage electric system and market operations for an extended period of time;
- Consolidate the majority of NYISO staff and supporting contractors in one facility; and.
- Accommodate training sessions and Market Participant meetings.

The Management Committee also recommends that the NYISO Board of Directors incorporate in the Executive's Long Term Incentive Plan the meeting of budget targets for the years 2005 to 2008.

(Motion passed unanimously by show of hands with one abstention)

7. Sales Tax

Ira Freilicher of Hunton & Williams presented the motion that addresses the NYISO's legal obligation as a NYS sales tax collection agent. However, the NYISO also recognizes Market Participant concerns about the possible imposition of Gross Receipts Taxes ("GRTs") and is committed to facilitating discussion among MPs to address those concerns. In the fall of 2003, the NYS Department of Taxation and Finance notified the NYISO of its requirement to register as a collection agent for sales tax on electricity sold in the spot market and consumed by "Direct Customers". The NYISO sought to convince the NYS Tax Department to reconsider and reverse its determination that the NYISO should register as collection agent, but was unsuccessful. As a result, the NYISO has a legal obligation that must be satisfied, i.e., registration as sales tax collection agent. Compliance by the NYISO is expected by early 1st quarter of 2005.

The proposed solution to the Sales Tax Issue: Modify the tariff to require Customers to (i) supply a Reseller's Certificate or (ii) supply an exemption certificate or direct pay certificate or be a governmental entity or instrumentality not subject to the sales tax. This approach will allow the NYISO to fulfill its legal obligation to register as collection agent, avoid the costly expenditure of MP funds, and limits the use of NYISO resources that would be required to administer a new sales tax function.

Jim D'Andrea of Keyspan Ravenswood suggested that the NYISO should require all customers to have a reseller's certificate and felt that should be enough to satisfy the State Taxing Authority. Mr. D'Andrea proposed a tariff language change to exclude retail customers from the NYISO markets.

Tom Rudebusch of Jamestown Board of Public Utilities ("BPU) voiced opposition to Mr. D'Andrea's suggestion because it would exclude Municipals from the markets. Mr. Rudebusch stated that Municipals do not have reseller certificates, but they are exempted from paying the sales tax.

Glenn Haake of IPPNY stated that he thinks the NYISO's position is that there are sales to end users but they do not constitute retail sales. Mr. Haake requested that the NYISO clarify its position that there aren't retail sales being made outside of the NY markets and not by wholesale generators.

Howard Fromer of PSEG asked if the NYISO expects the Tax Department to concede that they are making retail sales? Mr. Freilicher responded that the NYISO has not conceded that it is making retail sales.

Ms. Saia requested that the NYISO include in its filing a request that FERC include in its order an opinion that the NYISO is not making retail sales. Mr. Freilicher responded that FERC has addressed that issue with respect to the Public Utility Holding Company Act, but to his knowledge the tax question was never presented.

Motion #4a:

Motion challenging the procedural ruling of the Chair to permit a vote on unfriendly changes to the original motion on the grounds that the changes were not germane to the issue noticed for action, and therefore do not provide sufficient notice in accordance with the requirements of the bylaws.

(Motion failed with 51.18% affirmative votes.)

Motion #4b:

Motion to include modified tariff language as follows:

II. Notwithstanding the above any supplier to the NYISO market including but not limited to divested in-city generation may request that it not participate in retail sales.

(Motion failed with 17.92% affirmative votes.)

Motion #4:

The Management Committee ("MC") approves the NYISO proposal, as presented and discussed today, January 5, 2005, to address the NYISO's legal obligations under the New York State sales tax laws and requests that the Board authorize a filing to the FERC pursuant to Section 205 of the Federal Power Act in substantially the form attached. The MC also requests that the NYISO include on the agenda of the January 21, 2005 Scheduling and Pricing Working Group a proposal developed by Market Participants with the assistance of the NYISO to address concerns about the possible imposition of Gross Receipts Taxes ("GRTs") arising from sales to customers and in response to final input from Market Participants will develop tariff language to address these concerns for action at a February, 2005 meeting of the Management Committee. A vote on this motion in no way prejudices any party's position with respect to the resolution of the GRT issue. The tariff that is the subject of this motion is not contemplated to change Suppliers' obligations under Section 8.4, and the tariff amendments will be modified to reflect this intent and presented to the MC for approval.

(Motion passed by majority show of hands with abstentions)

8. Review Process for Periodic Update of OATT Attachment L

Belinda Thornton informed the MC that starting in the next couple of months, the OATT Attachment L will be updated on a semi-annual basis. A revised Attachment L will be provided to the MC before February's meeting for review and then will be brought to the Committee to be voted on.

9. Billing Issues Update

Ken Davis gave a brief report on the NYISO's effort to restart the process of close out settlements. Mr. Davis stated that the company's computer system has the capacity to process or post and then invoice five previously invoiced months at a time. The previously invoiced months would be posted for 30 days as proposed close out settlements for Market Participants to review and then will be invoiced as final.

10. New Business

No new business

11. Adjourn

The meeting was adjourned at approximately 3:07

NYISO Management Committee Meeting
January 5, 2005
Teleconference

MOTIONS FROM THE MEETING

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- Consolidate the majority of NYISO staff and supporting contractors in one facility; and
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The Management Committee also recommends that the NYISO Board of Directors incorporate in the Executive's Long Term Incentive Plan meeting the budget targets for the years 2005 to 2008.

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(Motion failed with 51.18% affirmative votes.)

Motion #4b:

Motion to include modified tariff language as follows:

- II. Notwithstanding the above any supplier to the NYISO market including but not limited to divested in city generation may request that it not participate in retail sales.

to the NYISO's tariff proposal.

(Motion failed with 17.92% affirmative votes.)

Motion #4:

The Management Committee ("MC") approves the NYISO proposal, as presented and discussed today, January 5, 2005, to address the NYISO's legal obligations under the New York State sales tax laws and requests that the Board authorize a filing to the FERC pursuant to Section 205 of the Federal Power Act in substantially the form attached. The MC also requests that the NYISO include on the agenda of the January 21, 2005 Scheduling and Pricing Working Group a proposal developed by Market Participants with the assistance of the NYISO to address concerns about the possible imposition of Gross Receipts Taxes ("GRTs") arising from sales to customers and in response to final input from Market Participants will develop tariff language to address these concerns for action at a February, 2005 meeting of the Management Committee. A vote on this motion in no way prejudices any party's position with respect to the resolution of the GRT issue. The tariff that is the subject of this motion is not contemplated to change Suppliers' obligations under Section 8.4, and the tariff amendments will be modified to reflect this intent and presented to the MC for approval.

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New York Independent System Operator - Committee Membership

Management Committee - Attendance January 05, 2005 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
NYS Energy Research & Develop. Auth.	End Use - Gov. Agency/Aggr.	Paul DeCotis	David Coup	Erin Hogan	Chris Hall	John Spath			
The City of New York	End Use - Gov. Agency/Aggr.	Michael Delaney	Gil Quiniones	Thomas Simpson	Jonathan Wallach	Tim Daniels		✓ Becky Craft	
Alcoa/Reynolds Metals Company	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
ATCO Management Co.	End Use - Large Consumer	Peter DiCapua	Scott Petersen	George Diamantopoulos					
IBM Corporation	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
Occidental Chemical Corp.	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
Praxair Inc.	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
Xerox Corporation	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
Metropolitan Transportation Authority	End Use - Large Cons. Gov.	Jesse Samberg	Gary Caplan	Walter McCarroll					
Association for Energy Affordability, Inc.	End Use - Small Consumer	David Hepinstall	✓ Larry DeWitt						
Beth Israel Health Care System	End Use - Small Consumer	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Building and Realty Institute	End Use - Small Consumer	Herb Rose	Judith Mondre	Ted Lee	✓ Tariq Niazi				
CNYC Inc. (Council of NY Coop & Condo)	End Use - Small Consumer	Herb Rose	MaryAnn Rothman	Judith Mondre	Ted Lee	✓ Tariq Niazi			
Columbia University	End Use - Small Consumer	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Mount Sinai Medical Center	End Use - Small Consumer	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
New York Energy Buyers Forum	End Use - Small Consumer	Herb Rose	David Bomke	✓ Tariq Niazi					
New York Presbyterian Hospital	End Use - Small Consumer	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
New York University	End Use - Small Consumer	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Refined Sugars, Inc.	End Use - Small Consumer	John Gebhard	Quintin George	Catherine Luthin	John Dowling	Jennifer Kearney			
NY State Consumer Protection Board	End Use - State Agency	✓ Tariq Niazi	Doug Elfner						
AES NY	Generation Owners	✓ Christopher Wentlent	Rick Santoroski	Charles Sjoberg					
American National Power, Inc.	Generation Owners	Dorothy Capra	Bill Henson						
Astoria Energy LLC	Generation Owners	Greg Banhazl	Leonard Singer						
Calpine	Generation Owners	Thomas Kaslow	Tracee Bersani	Richard Felak					
East Coast Power Linden Holding LLC	Generation Owners	Thomas Hoatson	Robert Licato	Kathy Benini					
Edison Mission Marketing & Trading	Generation Owners	✓ William Roberts	Robert Agnello	Jeffrey Ellis	Peter Brown	Rich Mooney			
Entergy Nuclear Northeast	Generation Owners	Marc Potkin	Angelo Vai	✓ Ron Mackowiak					
Indeck Energy Services	Generation Owners	Mike Ferguson	John Schrage	✓ Mark Younger					
KeySpan Ravenswood, LLC	Generation Owners	Jim Brennan	Rich Hohlman	Joe Vignola	✓ Jim D'Andrea	✓ Madison Milhous	Rich Rapp		
Mirant New York, Inc.	Generation Owners	✓ James Mayhew	✓ Doreen Saia	Vicki Lynch					
Orion Power New York	Generation Owners	✓ Liam Baker	Bill Berg						
Selkirk Cogen Partners, L.P.	Generation Owners	Tim Biittig	Steve Kampilla						
Sithe Energies, Inc.	Generation Owners	Scott Silverstein	✓ Joe Klimaszewski	Jim Verna					
TransCanada Power Marketing	Generation Owners	William Taylor	Elaine Beaudry						
1st Rochdale Cooperative NYC	Other Suppliers	Gregory Wortham	Ruben Brown	Arthur Pearson					
Advantage Energy, Inc.	Other Suppliers	Kyle Storie							
Agway Energy Services, Inc.	Other Suppliers	Russell Miller	✓ Jim Scheiderich						
Amerada Hess Corporation	Other Suppliers	Hemant Jain	Kevin Laguardia	Bias Hernandez	George Braulke				
Brascan Energy Marketing Inc.	Other Suppliers	✓ Robert Ricketts	Daniel Whyte						
Cinergy Capital and Trading	Other Suppliers	Jason Barker	Walt Yeager						
Con Edison Energy	Other Suppliers	Ken Bekman	Ivan Kimball						
Con Edison Solutions	Other Suppliers	Ken Bekman	✓ Stephen Wemple						
Conectiv	Other Suppliers	Bill Fehr	John Foreman						
Constellation New Energy Inc.	Other Suppliers	Peter Duprey	Carrie CullenHitt	Sara O'Neill	Susan Chamberlin				
Constellation Power Source	Other Suppliers	Daniel Allegritti	✓ Glen McCartney	Mary Lynch	Carrie CullenHitt				
Coral Power, LLC	Other Suppliers	✓ Matt Picardi	Marc Overdyk	Dave French					
DC Energy	Other Suppliers	✓ Bruce Bleiweis	Dean Wilde	Andrew Stevens					
Dominion Energy Marketing, Inc.	Other Suppliers	Wes Walker	Lou Oberski	Michael Bekker					
Duke Energy North America, LLC	Other Suppliers	Stacy Dimou	Del Disher						
Dynergy	Other Suppliers	✓ Alan Foster	Jason Cox	Kevin White					
ECONergy	Other Suppliers	Saul Horowitz	Tom Halleran						
EI Paso Merchant Energy	Other Suppliers	Jeff Moore	Asavari Alvarez						
Exelon Generation - Power Team	Other Suppliers	Scott Silverstien	✓ Joe Klimaszewski	Jim Verna					
Fortistar/Lockport Energy Associates, L.P.	Other Suppliers	Roger Kelley	Tom Gesicki	✓ Mark Younger	✓ Glenn Haake				
FPL Energy	Other Suppliers	✓ David Applebaum	Fernando DaSilva	Ron Scheirer					
HQ Energy Services	Other Suppliers	✓ Michel Prevost	✓ Paul Norris	Benoit Goyette					
KeySpan Energy Services	Other Suppliers	Terrence Kain	✓ Jim D'Andrea	Edwin Kichline	James Cross	John Vaughn			
Morgan Stanley Capital Group	Other Suppliers	Patrick Murray	Karen Kochonies	Levon Kazarian	Doron Ezickson	Nikolai Markarian			
NRG Power Marketing	Other Suppliers	Tim Foxen	Katie Sullivan	Peter Chamberlain				✓ Glenn Haake	
NU / Select Energy	Other Suppliers	Gunnar Jorgensen	✓ Jim Scheiderich						
Ontario Power Generation Inc.	Other Suppliers	Barry Green	Tasos Karatsoreos	Ken Lacivita	Scott McArthur	✓ David Barr	✓ Glenn Haake		

New York Independent System Operator - Committee Membership

Management Committee - Attendance January 05, 2005 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
PP&L Energy Plus	Other Suppliers	✓ Tom Hyzinski	John Brodbeck	✓ Joseph Langan	Sharon Weber				
PSEG Energy Resources & Trade	Other Suppliers	✓ Howard Fromer	Michael LaFalce						
Reliant Energy Services, Inc.	Other Suppliers	✓ Liam Baker	Bill Berg						
Sempra Energy Trading	Other Suppliers	Dan Staines	Maria Agovino	Scott Englander	Robert Fagan				
SESCO Enterprises, LLC	Other Suppliers	Mike Schubiger	Jim Thoresen						
Strategic Energy LLC	Other Suppliers	✓ Francis Pullaro	Michael Swider	Jeffrey Knox	Brian Vayda				
Strategic Power Management, Inc.	Other Suppliers	Dan Duthie	✓ Mario DiValentino						
TransEnergie U.S. Ltd.	Other Suppliers	José Rotger	Michael Jacobs						
Williams Power Company	Other Suppliers	David Singer	Mark Lassman	Robert O'Connell					
Long Island Power Authority	Public Power - Authorities	Jim Parmelee	✓ Kevin Jones	Jim Wittne					
New York Power Authority	Public Power - Authorities	Robert Hiney	✓ William Palazzo	Kim Byham					
American Wind Energy Association	Public Power - Environmental	Valerie Strauss	✓ Larry DeWitt	Douglas Ward	Mike Jacobs				
Environmental Advocates	Public Power - Environmental	Anne Reynolds	✓ Larry DeWitt						
Nat'l Resources Defense Council	Public Power - Environmental	Dale Bryk	✓ Larry DeWitt						
Pace University	Public Power - Environmental	Edward Smeloff	✓ Larry DeWitt						
Scenic Hudson	Public Power - Environmental	✓ Larry DeWitt							
Bath Electric, Gas & Water Systems	Public Power - Munis & Co-ops	✓ Tim Bush	Jim Hamilton	Matthew Benesh	Ken Moore	Jack Brown			
City of Jamestown Board of Pub. Util.	Public Power - Munis & Co-ops	✓ Michael Darroch	David Gustafson	Wally Haase	✓ Tom Rudebusch				
Lake Placid Village	Public Power - Munis & Co-ops	Peter Kroha	✓ Tim Bush						
Municipal Commission of Boonville	Public Power - Munis & Co-ops	Kenneth Stabb	✓ Tim Bush						
Plattsburgh Municipal Lighting Dept.	Public Power - Munis & Co-ops	Jack Brown	✓ Tim Bush	✓ Paul Pallas					
Village of Arcade	Public Power - Munis & Co-ops	Larry Kilburn	✓ Tim Bush						
Village of Fairport	Public Power - Munis & Co-ops	Ken Moore	✓ Tim Bush	✓ Paul Pallas					
Village of Freeport	Public Power - Munis & Co-ops	Hubert Bianco	✓ Anthony Fiore						
Village of Rockville Centre	Public Power - Munis & Co-ops	✓ Paul Pallas	Jim Hamilton	Matthew Benesh	Jim Hamilton	Jack Brown	Ken Moore	✓ Tom Rudebusch	
Village of Solvay	Public Power - Munis & Co-ops	Anthony Modafferi	✓ Tim Bush						
Village of Westfield	Public Power - Munis & Co-ops	Jim Hamilton	✓ Tim Bush	✓ Paul Pallas	Matthew Benesh	Jack Brown	Ken Moore		
Central Hudson Gas & Electric	Transmission Owners	Charles Freni	✓ John Watzka						
Consolidated Edison	Transmission Owners	Terry Agriss	✓ Rebecca Craft	✓ Neil Butterklee					
National Grid	Transmission Owners	✓ Jerry Ancona	Wes Yeomans	Janet Gail Besser	Herb Schrayshuen	Bart Franey	✓ Terron Hill		✓ Paul Gioia
NY State Electric Gas (NYSEG)	Transmission Owners	✓ Ray Kinney	✓ Patti Caletka	Hank Masti	Cliff Olson	Denis Wickham			
Orange & Rockland, Inc.	Transmission Owners	None Assigned							
Rochester Gas & Electric	Transmission Owners	✓ Ray Kinney	✓ Patti Caletka	Hank Masti	Cliff Olson	Denis Wickham			
Boundless Energy, L.L.C	Non-voting	John Tompkins	Brian Chernack	Chuck Gilbert					
Caithness Energy, L.L.C	Non-voting	Ross Ain	Jack Feinstein						
Cianbro Corporation	Non-voting	Chuck Hewett	John Tompkins						
Conjunction LLC	Non-voting	Roger Clayton							
Customized Energy Solutions	Non-voting	✓ Rick Mancini	Stephen Fernands	Bill Schofield					
Ecogen, L.L.C	Non-voting	Tom Hagner							
Energetix, Inc.	Non-voting	Barney Farnsworth							
Fluent Energy	Non-voting	✓ Michael Mastroianni	✓ David Koplas	Margie Miller					
Hudson River Energy Group	Non-voting	Frank Radigan	Richard Canfield						
Hydro-Quebec TransEnergie	Non-voting	Glenn Sylvain	Mario Boucher						
NYS Department of Public Service	Non-voting	Penny Rubin	Rajendra Addepalli						✓ Bill Heinrich
Stealth Energy	Non-voting	Gad Cohen							
The Structure Group	Non-voting	✓ Bob Furry	Alex Lago						
Tom Halleran	Non-voting	Tom Halleran							
William P. Short	Non-voting	William Short	Marc Schaefer	Joe DeVito	John Brodbeck	Ron Matlock	Paul Savage	Roberto Denis	
zNew Member	Non-voting	None Assigned							

NYISO and Hunton & Williams Members in Attendance:

✓ Ira Freilicher	Hunton & Williams
Kathy Robb	Hunton & Williams
James Schmidt	Hunton & Williams
✓ Mike Calimano	NYISO
✓ Bill Museler	NYISO
✓ Dave Lawrence	NYISO
✓ Mollie Lampi	NYISO
✓ Belinda Thornton	NYISO
✓ Rich Dewey	NYISO
✓ Elaine Robinson	NYISO

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✓ Andy Antinori	NYISO								
✓ Leigh Bullock	NYISO								
✓ Ray Stalter	NYISO								
✓ Debbie Eckels	NYISO								
✓ Mike Jeager	NYISO								
✓ Frank Francis	NYISO								
✓ Alex Schnell	NYISO								
John Cutting	NYISO								
Jane Lathrop	NYISO								
✓ Ernie Cardone	NYISO								
John Charlton	NYISO								
Kathy Whitaker	NYISO								
Andrew Hartshorn	NYISO/LECG								

Key:

✓ = In attendance

New York Independent System Operator

Management Committee - January 05, 2005

Motion: Motion #4A

Result: Motion Failed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	0.00	4.00	2	0.00	21.50	
Other Suppliers	21.5	✓	✓	21.50	2.00	6.00	10	5.38	16.13	
Transmission Owners	20.0	✓	✓	20.00	2.00	1.00	1	13.33	6.67	
End Use Consumer			✓							
Large Consumer	9.0	✓		9.00	5.00	0.00	0	10.33	0.00	
Large Cons. Gov. Agency	2.0	✓		2.00	0.00	0.00	0	0.00	0.00	
Small Consumer	4.5	✓	✓	4.50	8.00	0.00	1	5.17	0.00	
Gov. State-wide Cons. Advocate	2.7	✓		2.70	1.00	0.00	0	4.50	0.00	
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	0.00	0.00	1	0.00	0.00	
Public Power			✓							
State Power Authorities	8	✓		8.00	1.00	1.00	0	4.53	4.53	
Munis and Coops	7	✓		7.00	11.00	0.00	0	7.93	0.00	
Environmental	2	✓		2.00	0.00	0.00	5	0.00	0.00	
				5	100.00	30.00	12.00	20	51.18	48.83
					100.00	Normalized to 100% :		51.18	48.83	

**New York Independent System Operator
Management Committee - January 05, 2005**

**Motion
Motion #**

Sector	Organization	Representative	Affiliate	Present	For	Against
End Use - Gov. Agency/Aggr.	NYS Energy Research & Develop. Auth.					
End Use - Gov. Agency/Aggr.	The City of New York	Becky Craft		y		
End Use - Large Consumer	Alcoa/Reynolds Metals Company	Michael Mager		y		
End Use - Large Consumer	ATCO Management Co.					
End Use - Large Consumer	IBM Corporation	Michael Mager		y		
End Use - Large Consumer	Occidental Chemical Corp.	Michael Mager		y		
End Use - Large Consumer	Praxair Inc.	Michael Mager		y		
End Use - Large Consumer	Xerox Corporation	Michael Mager		y		
End Use - Large Cons. Gov.	Metropolitan Transportation Authority					
End Use - Small Consumer	Association for Energy Affordability, Inc.	Larry DeWitt		y		
End Use - Small Consumer	Beth Israel Health Care System	Tariq Niazi		y		
End Use - Small Consumer	Building and Realty Institute	Tariq Niazi		y		
End Use - Small Consumer	CNYC Inc. (Council of NY Coop & Condo)	Tariq Niazi		y		
End Use - Small Consumer	Columbia University	Tariq Niazi		y		
End Use - Small Consumer	Mount Sinai Medical Center	Tariq Niazi		y		
End Use - Small Consumer	New York Energy Buyers Forum	Tariq Niazi		y		
End Use - Small Consumer	New York Presbyterian Hospital	Tariq Niazi		y		
End Use - Small Consumer	New York University	Tariq Niazi		y		
End Use - Small Consumer	Refined Sugars, Inc.					
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y		
Generation Owners	AES NY	Christopher Wentlent		y		
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine					
Generation Owners	East Coast Power Linden Holding LLC					
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Ron Mackowiak		y		
Generation Owners	Indeck Energy Services	Mark Younger		y		
Generation Owners	KeySpan Ravenswood, LLC	Jim D'Andrea		y		
Generation Owners	Mirant New York, Inc.	James Mayhew		y		
Generation Owners	Orion Power New York	Liam Baker	y	y		
Generation Owners	Selkirk Cogen Partners, L.P.					
Generation Owners	Sithé Energies, Inc.	Joe Klimaszewski	y	y		
Generation Owners	TransCanada Power Marketing					
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	Agway Energy Services, Inc.	Jim Scheiderich		y		
Other Suppliers	Amerada Hess Corporation					
Other Suppliers	Brascan Energy Marketing Inc.	Robert Ricketts		y		
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy		y			
Other Suppliers	Con Edison Solutions	Stephen Wemple	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation New Energy Inc.		y			
Other Suppliers	Constellation Power Source	Glen McCartney		y		
Other Suppliers	Coral Power, LLC	Matt Picardi		y		
Other Suppliers	DC Energy	Bruce Bleiweis		y		
Other Suppliers	Dominion Energy Marketing, Inc.					
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynergy	Alan Foster		y		
Other Suppliers	ECONergy					
Other Suppliers	El Paso Merchant Energy					
Other Suppliers	Exelon Generation - Power Team	Joe Klimaszewski		y		
Other Suppliers	Fortistar/Lockport Energy Associates, L.P.	Mark Younger		y		
Other Suppliers	FPL Energy	David Applebaum		y		
Other Suppliers	HQ Energy Services	Michel Prevost		y		
Other Suppliers	KeySpan Energy Services	Jim D'Andrea	y	y		
Other Suppliers	Morgan Stanley Capital Group					
Other Suppliers	NRG Power Marketing	Glenn Haake		y		
Other Suppliers	NU / Select Energy	Jim Scheiderich		y		
Other Suppliers	Ontario Power Generation Inc.	David Barr		y		
Other Suppliers	PP&L Energy Plus	Tom Hyzinski		y		
Other Suppliers	PSEG Energy Resources & Trade	Howard Fromer		y		
Other Suppliers	Reliant Energy Services, Inc.	Liam Baker		y		
Other Suppliers	Sempra Energy Trading					
Other Suppliers	SESCO Enterprises, LLC					
Other Suppliers	Strategic Energy LLC	Francis Pullaro		y		
Other Suppliers	Strategic Power Management, Inc.	Mario DiValentino		y		
Other Suppliers	TransEnergie U.S. Ltd.		y			
Other Suppliers	Williams Power Company					
Public Power - Authorities	Long Island Power Authority	Kevin Jones		y		
Public Power - Authorities	New York Power Authority	William Palazzo		y		
Public Power - Environmental	American Wind Energy Association	Larry DeWitt		y		
Public Power - Environmental	Environmental Advocates	Larry DeWitt		y		
Public Power - Environmental	Natl Resources Defense Council	Larry DeWitt		y		
Public Power - Environmental	Pace University	Larry DeWitt		y		
Public Power - Environmental	Scenic Hudson	Larry DeWitt		y		
Public Power - Munis & Co-ops	Bath Electric, Gas & Water Systems	Tim Bush		y		
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	Michael Darroch		y		
Public Power - Munis & Co-ops	Lake Placid Village	Tim Bush		y		
Public Power - Munis & Co-ops	Municipal Commission of Boonville	Tim Bush		y		
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Tim Bush		y		
Public Power - Munis & Co-ops	Village of Arcade	Tim Bush		y		
Public Power - Munis & Co-ops	Village of Fairport	Tim Bush		y		
Public Power - Munis & Co-ops	Village of Freeport	Anthony Fiore		y		
Public Power - Munis & Co-ops	Village of Rockville Centre	Paul Pallas		y		
Public Power - Munis & Co-ops	Village of Solway	Tim Bush		y		
Public Power - Munis & Co-ops	Village of Westfield	Tim Bush		y		
Transmission Owners	Central Hudson Gas & Electric	John Watzka		y		
Transmission Owners	Consolidated Edison	Rebecca Craft		y		
Transmission Owners	National Grid	Jerry Ancona		y		
Transmission Owners	NY State Electric Gas (NYSEG)	Ray Kinney		y		
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Ray Kinney	y	y		

**New York Independent System Operator
Management Committee - January 05, 2005**

Motion: [Motion #4B](#)

Result: [Motion Failed](#)

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	1.00	1.00	4	10.75	10.75	
Other Suppliers	21.5	✓	✓	21.50	2.00	4.00	12	7.17	14.33	
Transmission Owners	20.0	✓	✓	20.00	0.00	4.00	0	0.00	20.00	
End Use Consumer			✓							
Large Consumer	9.0	✓		9.00	0.00	5.00	0	0.00	10.33	
Large Cons. Gov. Agency	2.0	✓		2.00	0.00	0.00	0	0.00	0.00	
Small Consumer	4.5	✓	✓	4.50	0.00	9.00	0	0.00	5.17	
Gov. State-wide Cons. Advocate	2.7	✓		2.70	0.00	1.00	0	0.00	2.70	
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	0.00	1.00	0	0.00	1.80	
Public Power			✓							
State Power Authorities	8	✓		8.00	0.00	2.00	0	0.00	8.00	
Munis and Coops	7	✓		7.00	0.00	11.00	0	0.00	7.00	
Environmental	2	✓		2.00	0.00	5.00	0	0.00	2.00	
				5	100.00	3.00	43.00	16	17.92	82.08
					100.00	Normalized to 100% :			17.92	82.08

**New York Independent System Operator
Management Committee - January 05, 2005**

**Motion
Motion #4B**

Sector	Organization	Representative	Affiliate	Present	For	Against
End Use - Gov. Agency/Aggr.	NYS Energy Research & Develop. Auth.					
End Use - Gov. Agency/Aggr.	The City of New York	Becky Craft		y		1.00
End Use - Large Consumer	Alcoa/Reynolds Metals Company	Michael Mager		y		1.00
End Use - Large Consumer	ATCO Management Co.					
End Use - Large Consumer	IBM Corporation	Michael Mager		y		1.00
End Use - Large Consumer	Occidental Chemical Corp.	Michael Mager		y		1.00
End Use - Large Consumer	Praxair Inc.	Michael Mager		y		1.00
End Use - Large Consumer	Xerox Corporation	Michael Mager		y		1.00
End Use - Large Cons. Gov.	Metropolitan Transportation Authority					
End Use - Small Consumer	Association for Energy Affordability, Inc.	Larry DeWitt		y		1.00
End Use - Small Consumer	Beth Israel Health Care System	Tariq Niazi		y		1.00
End Use - Small Consumer	Building and Realty Institute	Tariq Niazi		y		1.00
End Use - Small Consumer	CNYC Inc. (Council of NY Coop & Condo)	Tariq Niazi		y		1.00
End Use - Small Consumer	Columbia University	Tariq Niazi		y		1.00
End Use - Small Consumer	Mount Sinai Medical Center	Tariq Niazi		y		1.00
End Use - Small Consumer	New York Energy Buyers Forum	Tariq Niazi		y		1.00
End Use - Small Consumer	New York Presbyterian Hospital	Tariq Niazi		y		1.00
End Use - Small Consumer	New York University	Tariq Niazi		y		1.00
End Use - Small Consumer	Refined Sugars, Inc.					
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y		1.00
Generation Owners	AES NY	Christopher Wentlent		y		1.00
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine					
Generation Owners	East Coast Power Linden Holding LLC					
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Ron Mackowiak		y		
Generation Owners	Indeck Energy Services	Mark Younger		y		
Generation Owners	KeySpan Ravenswood, LLC	Jim D'Andrea		y	1.00	
Generation Owners	Mirant New York, Inc.	James Mayhew				
Generation Owners	Orion Power New York	Liam Baker	y	y		
Generation Owners	Selkirk Cogen Partners, L.P.					
Generation Owners	Sithé Energies, Inc.	Joe Klimaszewski	y	y		
Generation Owners	TransCanada Power Marketing					
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	Agway Energy Services, Inc.	Jim Scheiderich		y		1.00
Other Suppliers	Amerada Hess Corporation					
Other Suppliers	Brascan Energy Marketing Inc.	Robert Ricketts		y		
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy		y			
Other Suppliers	Con Edison Solutions	Stephen Wemple	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation New Energy Inc.		y			
Other Suppliers	Constellation Power Source	Glen McCartney		y	1.00	
Other Suppliers	Coral Power, LLC	Matt Picardi		y		
Other Suppliers	DC Energy	Bruce Bleiweis		y		
Other Suppliers	Dominion Energy Marketing, Inc.					
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynergy	Alan Foster		y		
Other Suppliers	ECONergy					
Other Suppliers	El Paso Merchant Energy					
Other Suppliers	Exelon Generation - Power Team	Joe Klimaszewski		y		
Other Suppliers	Fortistar/Lockport Energy Associates, L.P.	Mark Younger		y		
Other Suppliers	FPL Energy	David Applebaum		y		
Other Suppliers	HQ Energy Services	Michel Prevost		y		1.00
Other Suppliers	KeySpan Energy Services	Jim D'Andrea	y	y		
Other Suppliers	Morgan Stanley Capital Group					
Other Suppliers	NRG Power Marketing	Glenn Haake		y		
Other Suppliers	NU / Select Energy	Jim Scheiderich		y		1.00
Other Suppliers	Ontario Power Generation Inc.	David Barr		y		
Other Suppliers	PP&L Energy Plus	Tom Hyzinski		y		
Other Suppliers	PSEG Energy Resources & Trade	Howard Fromer		y		
Other Suppliers	Reliant Energy Services, Inc.	Liam Baker		y	1.00	
Other Suppliers	Sempra Energy Trading					
Other Suppliers	SESCO Enterprises, LLC					
Other Suppliers	Strategic Energy LLC	Francis Pullaro		y		1.00
Other Suppliers	Strategic Power Management, Inc.	Mario DiValentino		y		
Other Suppliers	TransEnergie U.S. Ltd.		y			
Other Suppliers	Williams Power Company					
Public Power - Authorities	Long Island Power Authority	Kevin Jones		y		1.00
Public Power - Authorities	New York Power Authority	William Palazzo		y		1.00
Public Power - Environmental	American Wind Energy Association	Larry DeWitt		y		1.00
Public Power - Environmental	Environmental Advocates	Larry DeWitt		y		1.00
Public Power - Environmental	Natl Resources Defense Council	Larry DeWitt		y		1.00
Public Power - Environmental	Pace University	Larry DeWitt		y		1.00
Public Power - Environmental	Scenic Hudson	Larry DeWitt		y		1.00
Public Power - Munis & Co-ops	Bath Electric, Gas & Water Systems	Tim Bush		y		1.00
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	Michael Darroch		y		1.00
Public Power - Munis & Co-ops	Lake Placid Village	Tim Bush		y		1.00
Public Power - Munis & Co-ops	Municipal Commission of Boonville	Tim Bush		y		1.00
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Tim Bush		y		1.00
Public Power - Munis & Co-ops	Village of Arcade	Tim Bush		y		1.00
Public Power - Munis & Co-ops	Village of Fairport	Tim Bush		y		1.00
Public Power - Munis & Co-ops	Village of Freeport	Anthony Fiore		y		1.00
Public Power - Munis & Co-ops	Village of Rockville Centre	Paul Pallas		y		1.00
Public Power - Munis & Co-ops	Village of Solway	Tim Bush		y		1.00
Public Power - Munis & Co-ops	Village of Westfield	Tim Bush		y		1.00
Transmission Owners	Central Hudson Gas & Electric	John Watzka		y		1.00
Transmission Owners	Consolidated Edison	Rebecca Craft		y		1.00
Transmission Owners	National Grid	Jerry Ancona		y		1.00
Transmission Owners	NY State Electric Gas (NYSEG)	Ray Kinney		y		1.00
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Ray Kinney	y	y		