

NYISO Management Committee Meeting

November 12, 2003

NYS Nurses Association
Latham, NY

MINUTES OF THE MEETING

1. Introduction and Meeting Objectives

Joe Oates, Chairman, called the meeting to order at 10:03 AM and welcomed the members of the Management Committee ("MC").

Mr. Oates reported that the Project Priority Team ("PPT") met on October 28th and reviewed revised materials produced by NYISO staff related to the prioritization of projects. In particular, the PPT discussed ways to establish criteria to rank projects going forward. The PPT materials are posted and will be revised based on Market Participant feedback

Mr. Oates has asked the ISO to name an acting vice-chair until the co vice-chairs can assume their roles. The ISO has named Garry Brown as acting vice-chair.

Mr. Oates reported that the draft schedule has been released for 2004 meetings. Mr. Oates hopes to change the location of July meeting. The final schedule will be posted shortly on MDEX.

2. Approval of the Minutes

Motion #1:

Motion to approve the Minutes from the October 17, 2003 MC meeting.

(Motion passed unanimously by a show of hands)

3. President's Report

Market Performance Highlights

Bill Museler reported that gas prices dipped below \$5 from time to time in the month of October. Long-term expectations are that prices will vary from \$4-\$6.

Mr. Museler stated that the average price for energy in October was \$50.08. That is the lowest month of the year.

Mr. Museler reported that virtual trading bids were at an all time high in October. Bids exceeded 350,000 MWs/day. There has generally been a steady increase in virtual activity over the past 6 months.

Chuck King reported that there would be material presented at the next BIC meeting that would discuss the link between Transmission Loading Relief ("TLR") activations and prices reservations and corrections. The issue is complicated, so he will wait until BIC to give a full explanation.

Blackout Report Status

Mr. Museler reported that a Department of Energy ("DOE") interim report is due out on November 18th. The report has been rewritten multiple times to address various technical and political issues.

Mr. Museler expects that the interim report will not incorporate any recommendations. Recommendations will be included in the final report. The interim report will look at what events precipitated the system disturbance of August 14th.

Ray Kinney of NYSEG and RG&E, would like to see a report on overall expenses associated with emergency energy purchases and statewide uplift. Mr. Museler agreed and has taken the request as an action item.

RPS Proceeding

Mr. Museler reported that the first phase of the reliability report should be out prior to the initial judgment, and that it was recommending that comments be allowed on the reliability report before the initial judgment is released.

Gas/Electric Market Issues

Mr. Museler reported that the North American Energy Standards Board ("NAESB") is looking to identify issues that should be included in The Business Issues Standards. NAESB start to look at confluence of gas and electric markets from the standpoint of market rules and what implications those have on reliability.

Mr. Museler stated that the NYISO has concerns about gas availability and the infrastructure of the gas relative to the needs of the electric system. The NYISO will formalize a report on where some of these issues stand.

Glenn Haake, of IPPNY, requested an update on discussions with the Public Service Commission ("PSC"), the New York State Energy Research and Development Authority ("NYSERDA") and the North American Electric Reliability Council ("NERC") on gas issues. Mr. Museler replied that the NYISO would take this request as an action item.

Mr. Museler reported that the NE to NY limits are back to normal as a result of National Grid's upgrades. NY to NE transfer limits remain at reduced levels due to the Plattsburg PAR failure. The NY to NE limits are expected to return to normal values pre-summer 2004 with the return of the Plattsburg PAR.'

4. Update on Seams and Market Improvement Projects

Chuck King reported on projects that will be completed this quarter. The Area Control Error ("ACE") diversity pilot will begin shortly with New Brunswick. Significant progress has been made with Facilitated Checkout. There is a meeting Monday with New York and New England Transmission Owners to discuss Rate pancaking.

With respect to Virtual Regional Dispatch ("VRD"), Mr. King reported that the NYISO is continuing to work with ISONE to address feedback from stakeholder meetings and would like to have another shareholders meeting by end of year.

Mr. King stated that a meeting was being set up with NERA to discuss the Regional Resource Adequacy Model ("RAM"). Larry Dewitt requested that RAM meetings be posted on the ISO website.

Mr. King reported that ISO IT personnel are continuing work on the E-tagging system.

Mr. King also reported that the NYISO was looking into recent increases in TLR calls, particularly with IMO, and how to minimize impacts on the markets. Mr. Museler added that returning nuclear units in Ontario should help reduce the problems that are causing the TLRs.

Mr. King presented a proposal through which stakeholders could provide input into the seams issue process.

5. 2004 ISO Budget

Jim Parmelee, of LIPA, presented an update to the NYISO 2004 budget report.

Mr. Parmelee clarified that the \$20M out-year baseline project budget is based on budget numbers prior to the Real Time Scheduling ("RTS") undertaking. The \$20M represents a placeholder, rather than a budget tagged to specific projects.

Mary McGarvey, of NYISO, added that the \$20M would be a target. If ISO staff feels as though they need to increase the budget, the new budget would be presented to MPs for input. The NYISO Board would ultimately have to approve any budget increase.

Mr. Parmelee stated that, on page 10 of his presentation, what was meant by the word 'approval' was review and recommend.

Mr. Parmelee clarified that this budget proposal for flexible projects does not commit to a specific project path, but rather to the ability to shift funding as deemed necessary. This is not a vote to approve specific projects, but rather approving the ability to utilize surplus money to fund new projects.

Mr. Parmelee reported that the next meeting of the Budgets, Standards and Performance ("BS&P") is November 19th.

Motion #2:

Motion to recommend a 2004 NYISO budget to the Board of Directors of \$169.7 million as described in the presentation materials at the November 12, 2003 Management Committee Meeting subject to the following provisions:

- a. **Cash Expenditures** - Total amount of budgeted cash expenditures should be \$169.7 million or less.
- b. **Rate Schedule #1** - The budgeted rate schedule 1 charges should be maintained at equal to or less than 0.769 \$/MWH.
- c. **Blackout Costs** – Incremental blackout costs (excluding labor costs) are not included in the budgeted amount under items a. and b. above. Cash expenditures related to the August 14, 2003 blackout should, to the degree possible, be managed within the above budget. To the degree it is not possible to manage the expenditures within the above budget, a surcharge should be placed on Schedule 1 charges to recover the costs. As an incentive to control costs, the NYISO Board performance incentives for employees and executive annual goals should include a budget target based on a. and b. above. This budget target should be measured on cash expenditures and make superior performance contingent upon completing the funded projects and paying for all blackout related costs without the use of a surcharge.
- d. **Project Financing** – Five year project financing should be used to manage the rate schedule 1 charges in the 2004 budget. To the degree required to meet the 2004 rate schedule 1 charges, repayment of 2004 financing costs should be partially deferred for recovery over the 2005 - 2008 period when there are no longer payments for NYISO start-up costs.
- e. **Flexible Project Funding** – The \$2.4 million in Flexible Project funding should be used for projects listed in the November 12, 2003 presentation according to priorities set by the PPT. In the event that new projects come up, other than projects required by Orders or regulations issued by jurisdictional agencies, resources could be redirected using the BS&P Project Financing Process. In the event that the new

project cannot be completed without eliminating a project currently listed as a Flexible Project, or otherwise increasing the 2004 budget, the ISO shall request BS&P review and recommendation and shall request the new project be prioritized by the PPT. Notwithstanding these exceptions to the BS&P Project Financing Guidelines, the thresholds, and exceptions for emergencies, as listed in the BS&P Project Financing Guidelines, would continue to apply to any such new project.

- f. **Debt Payment** - If a budget under run occurs after taking into account blackout costs, the under run should be reserved for paying down the principal of the 2004 debt. This policy should apply for the five-year duration of the 2004 financing.
- g. **Expenditures for Insurance** – The NYISO should examine whether expenditures for insurance could be reduced. Among the ways examined to reduce costs, the NYISO staff should examine whether the level of credit insurance can be reduced in light of recent changes to the credit policy. To the degree possible, insurance practices of other ISOs/RTOs should be investigated.
- h. **Obligation for Repayment** - In approving the 2004 budget, the Management Committee acknowledges and agrees that the cost of financing (i) NYISO startup, (ii) hardware for projects prior to 2003, (iii) the funds expended on 2003 projects, and (iv) the funds expended on 2004 projects must be repaid in the future NYISO budgets that cover the relevant amortization periods.

(Motion passed by a majority show of hands)

Motion #3:

2005-2008 NYISO Budget Target Motion Submitted on Behalf of the BS&P on November 3, 2003

Motion to adopt, for the purpose of guidance and input, the 2005-2008 NYISO budget targets described in the presentation materials at the November 12, 2003 Management Committee Meeting subject to provisions a. through e. below.

The Management Committee recognizes that budget targets are non-binding targets adopted to provide input and guidance into the development of pro-forma budgets and financing plans and their impacts on the planning and development of NYISO operations and projects. These targets will be updated and adjusted annually as part of the budget process. Actual budgets adopted in future years may be higher or lower than the targets as circumstances warrant. Nevertheless, in order to preserve, to the greatest extent possible, the benefits contemplated in the five year budget projections, as set forth in the BS&P Report to the MC dated November 12, 2003, the MC expects that the NYISO will attempt to operate within the cash budget targets in years 2005-2008.

- a. Cash Expenditure and Rate Schedule #1 Targets - Total amount of budgeted cash expenditures and Rate Schedule #1 should be kept at or under the values listed in the November 12, 2003 presentation to the Management Committee.
- b. Projects Expenditures – After other cost management strategies have been applied to reduce projected baseline costs, the project expenditure budget should be adjusted to achieve the targeted cash expenditure targets.
- c. Changing Project Expenditure Targets – The level of future project expenditures will be adjusted consistent with the BS&P Project Financing Guidelines. If, in future years additional projects are justified, the process can be used to increase the level of project funding contained in the budget targets. Such increases would result in the increased obligation to pay for the cost of implementing or financing the projects.
- d. Project Financing - Project financing should be used to the minimum degree possible to achieve the Rate Schedule #1 targets while staying within the targeted cash expenditures.
- e. Obligation for Repayment – The budget targets should include provisions for repayment of the cost of financing (i) NYISO startup, (ii) hardware for previous year's projects, (iii) the funds expended on 2003 projects, (iv) the funds expended on 2004 projects, and (v) any future financing of projects in 2005 through 2008.

(Motion passed by a majority show of hands)

6. TCC and ICAP Auction Credit Policy Revision Proposal

Steve Wemple, of ConEd, presented an update to credit requirements associated with ICAP and TCC auctions. The proposal is that the NYISO should assess auction exposure based on the maximum possible exposure for the submitted bids.

7. Congestion Shortfall Reduction Proposal

Mr. King presented a proposal for congestion shortfall reduction procedures. This proposal allows for Transmission Owners to withhold previously uncommitted transmission capability from the Transmission Congestion Contract ("TCC") auction.

Mayer Sasson, of ConEd, clarified that language in the motion referring to 'each auction' refers to both strip and monthly ICAP auctions.

Elaine Robinson confirmed that David Patton of Potomac Economics was creating a formal report on this congestion shortfall proposal.

Mr. Museler added that the NYISO would not file the proposal with FERC until Mr. Patton has reviewed it.

Mr. Sasson recommended that the original motion language would be used on the third bullet.

Mr. Museler added that if the proposal was approved, as written, the ISO would use the stakeholder process to decide how TCCs would be released into the reconfiguration auctions.

Mr. Oates added that, with respect to the specifics that cover bullet 3, a proposal would be developed by the ISO and channeled through the committee process.

Motion #5:

The Management Committee, having reviewed the proposed changes to allow adjustments to the number of Existing Transmission Capacity for Native Load (ETCNL) and Residual Capacity Revenue Rights (RCRR) sold by the NYISO in order to reduce the level of Day-Ahead Market TCC Shortfalls, as discussed at the Market Structures Working Group (MSWG) meeting on October 31, 2003 and at the Business Issues Committee (BIC) meeting on November 5, 2003, hereby approves the proposal and recommends that the Board authorize, for filing pursuant to Section 205 of the Federal Power Act, tariff changes consistent with the proposal. The Management Committee concurs with the BIC recommendation and requests that the accompanying filing letter state the consensus reached at the October 31, 2003 MSWG meeting:

- The initial maximum level will remain fixed at 5% for 1 year
- The 5% level will be reviewed with the intent of implementing a TO by TO percentage option for the Spring 2005 auction. Any levels above five percent following the first year will require FERC approval.
- At any time, the appropriateness of releasing some of the retained TCCs into reconfiguration auctions will be reviewed.
- A long-term targeted solution that more accurately accounts for scheduled outages will be developed.
- For market transparency purposes, the level of TCCs retained by each TO will be posted at least five days prior to each auction.
- The NYISO will report to FERC on the performance of this TCC Shortfall method after the summer 2004 capability period.
- All reviews and studies are to be conducted by the NYISO and discussed with stakeholders.

(Motion passed with 69.29 % affirmative votes)

8. Report from the By-Laws Subcommittee

Neil Butterklee, of ConEd, presented a motion to change by-laws associated with ISO designated holidays.

Motion #4:

ISO Designated Holidays

WHEREAS: the Management Committee approved amendments to the Management Committee By- Laws at the July 24, 2003 Management Committee meeting including an amendment to change "legal holidays" to "ISO-designated holidays";

WHEREAS: The By-Laws & Governance Subcommittee hereby proposes the attached amendments to Sections 7.11, 8.01 and 9.01 of the ISO Agreement to conform to the amendments made to the Management Committee By-Laws regarding "ISO-designated holidays";

NOW, THEREFORE, IT IS MOVED that the Management Committee approve the attached revisions to Sections 7.11, 8.01 and 9.01 of the ISO Agreement and authorize the NYISO to file the attached revisions with the Commission pursuant to Sections 205 and 206 of the Federal Power Act.

(Motion passed unanimously by show of hands)

9. New Business

None

10. Adjourn

The meeting adjourned at approximately 1:47

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MOTIONS FROM THE MEETING

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New York Independent System Operator - Committee Membership

Management Committee - Attendance November 12, 2003 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Alternate6	Proxy	Guest
NYS Energy Research & Develop. Auth. The City of New York	End Use - Gov. Agency/Aggr. End Use - Gov. Agency/Aggr.	Paul DeCotis ✓ Michael Delaney	David Coup Gil Quiniones	✓ Erin Hogan Scott Butler	Chris Hall Jonathan Wallach	John Spath				
Alcoa/Reynolds Metals Company ATCO Management Co. IBM Corporation	End Use - Large Consumer End Use - Large Consumer End Use - Large Consumer	✓ Robert Loughney Peter DiCapua ✓ Robert Loughney	Michael Mager Scott Petersen Michael Mager	George Diamantopoulos						
Occidental Chemical Corp. Praxair Inc. Xerox Corporation	End Use - Large Consumer End Use - Large Consumer End Use - Large Consumer	✓ Robert Loughney Christian Lenci ✓ Robert Loughney	Michael Mager Michael Mager Michael Mager	Michael Mager						
Metropolitan Transportation Authority Association for Energy Affordability, Inc. Beth Israel Health Care System	End Use - Large Cons. Gov. End Use - Small Consumer End Use - Small Consumer	✓ Jesse Samberg David Hepinstall ✓ John Dowling	✓ Gary Caplan ✓ Larry DeWitt Catherine Luthin	Jennifer Kearney Ted Lee	✓ Tariq Niazi ✓ Tariq Niazi	Doug Elfner				
Building and Realty Institute Citizens Advisory Panel CNYC Inc. (Council of NY Coop & Condo)	End Use - Small Consumer End Use - Small Consumer End Use - Small Consumer	Herb Rose Gordian Raacke Herb Rose	Judith Mondre ✓ Larry DeWitt MaryAnn Rothman	Jennifer Kearney Jennifer Kearney	Ted Lee Ted Lee	✓ Tariq Niazi Doug Elfner				
Columbia University Mount Sinai Medical Center New York Energy Buyers Forum	End Use - Small Consumer End Use - Small Consumer End Use - Small Consumer	Catherine Luthin Catherine Luthin Herb Rose	✓ John Dowling ✓ John Dowling Ted Lee	Jennifer Kearney Jennifer Kearney David Bomke	✓ Tariq Niazi ✓ Tariq Niazi ✓ Tariq Niazi	Doug Elfner Doug Elfner				
New York Presbyterian Hospital New York University Refined Sugars, Inc.	End Use - Small Consumer End Use - Small Consumer End Use - Small Consumer	Catherine Luthin Catherine Luthin John Gebhard	✓ John Dowling ✓ John Dowling Quintin George	Jennifer Kearney Jennifer Kearney Catherine Luthin	✓ Tariq Niazi ✓ Tariq Niazi ✓ John Dowling	Doug Elfner Doug Elfner Jennifer Kearney				
NY State Consumer Protection Board AES NY American National Power, Inc.	End Use - State Agency Generation Owners Generation Owners	✓ Tariq Niazi ✓ Christopher Wentlent Dorothy Capra	✓ Rick Santoroski Bill Henson Leonard Singer	Charles Sjoberg						
Astoria Energy LLC Calpine East Coast Power	Generation Owners Generation Owners Generation Owners	Greg Banhazi Thomas Kaslow Thomas Hoatson	Tracee Bersani Robert Licato Robert Agnello	Richard Felak Kathy Benini Jeffrey Ellis						
Edison Mission Marketing & Trading Entergy Nuclear Northeast Indeck Energy Services	Generation Owners Generation Owners Generation Owners	✓ William Roberts ✓ Marc Potkin Mike Ferguson	William Stone John Schrage John Schrage	Ron Mackowiak ✓ Mark Younger Joseph Vignola	✓ James D'Andrea	Terrence Kain	Rich Rapp			
KeySpan Ravenswood, LLC Mirant New York, Inc. Orion Power New York	Generation Owners Generation Owners Generation Owners	James Brennan Susann Felton John Reese	Rich Hohlman ✓ Doreen Saia Bruce Bleiweis	Vicki Lynch						
PG&E Generating Sithe Energies, Inc. TransCanada Power Marketing	Generation Owners Generation Owners Generation Owners	✓ Dan Dubois Linda Clarke William Taylor	Dan Whyte ✓ David Applebaum Elaine Beaudry	Regina Carrado						
1st Rochdale Cooperative NYC Advantage Energy, Inc. Agway Energy Services, Inc.	Other Suppliers Other Suppliers Other Suppliers	Gregory Wortham Kyle Storie Russell Miller	✓ Jim Scheiderich Kevin Laguardia Peter Brown	Blas Hernandez David Wiesner						
Amerada Hess Corporation Aquila Energy Marketing Corp. Cinergy Capital and Trading	Other Suppliers Other Suppliers Other Suppliers	Hemant Jain Jerry Coffey Jason Barker	Walt Yeager Ivan Kimball ✓ Stephen Wemple	David Wiesner	Pamela VanHorn	Richard Mooney	✓ Susan Chamberlin			
Con Edison Energy Con Edison Solutions Connectiv	Other Suppliers Other Suppliers Other Suppliers	Ken Bekman Ken Bekman Bill Fehr	✓ Stephen Wemple John Foreman Carrie CullenHitt							
Constellation New Energy Inc. Constellation Power Source Coral Power, LLC	Other Suppliers Other Suppliers Other Suppliers	Peter Duprey Daniel Allegretti ✓ Matt Picardi	Carrie CullenHitt ✓ Glen McCartney Marc Overdyk	Steve Fernands Mary Lynch Dave French	Carrie CullenHitt					
Dominion Energy Marketing, Inc. Duke Energy North America, LLC Dynergy	Other Suppliers Other Suppliers Other Suppliers	Wes Walker Stacy Dimou ✓ Alan Foster	Lou Oberski Del Disher Jason Cox	Michael Bekker	Tom May	Steve Vavrik				
ECONergy El Paso Merchant Energy Exelon Generation - Power Team	Other Suppliers Other Suppliers Other Suppliers	Saul Horowitz Gary Keevill Linda Clarke	✓ Tom Halleran ✓ Asavari Alvarez ✓ David Applebaum	Kevin White	✓ Russel Like Regina Carrado ✓ Mark Younger					
Fortistar/Lockport Energy Associates, L.P. FPL Energy HQ Energy Services	Other Suppliers Other Suppliers Other Suppliers	Roger Kelley Fernando DaSilva Christian Desilets	✓ David Applebaum Roger Kelley Michel Prevost	Tom Gesicki	✓ Glenn Haake					
KeySpan Energy Services Mirabito Gas & Electric, Inc. Morgan Stanley Capital Group	Other Suppliers Other Suppliers Other Suppliers	Ron Lukas Russ Southard Patrick Murray	✓ Jim Scheiderich Karen Kochonies ✓ Tim Foxen	Paul Norris Peter Chamberlain	Benoit Goyette John Smith					
NRG Power Marketing NU / Select Energy Ontario Power Generation Inc.	Other Suppliers Other Suppliers Other Suppliers	Joe DeVito Gunnar Jorgensen Barry Green	✓ Tim Foxen ✓ Jim Scheiderich Tasos Karatsoreos	Levon Kazarian Peter Chamberlain	Doron Ezickson	Nikolai Markarian				
PP&L Energy Plus PSEG Energy Resources & Trade Reliant Energy Services, Inc.	Other Suppliers Other Suppliers Other Suppliers	John Brodbeck Howard Fromer Bruce Bleiweis	✓ Jim Scheiderich Roland Moor Michael LaFalce	Ken Lacivita David Smith						✓ Barb Robertson
Sempra Energy Trading	Other Suppliers	✓ Tom Halleran Bruce Bleiweis	Dan Staines John Reese	Liam Baker	Mally Becker	Bob Chilton			✓ Glenn Haake	

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Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Alternate6	Proxy	Guest
Strategic Energy LLC	Other Suppliers	Francis Pullaro	Michael Swider	Jeffrey Knox	James McCormick	Matt Morais				
Strategic Power Management, Inc.	Other Suppliers	Dan Duthie	✓ Mario DiValentino							
Transalta (formerly MEGA)	Other Suppliers	Bob Sadowsky	Jubran Whalan							
TransEnergie U.S. Ltd.	Other Suppliers	José Rotger	Michael Jacobs							
Williams Energy Marketing & Trading Co.	Other Suppliers	David Singer	Dennis Keener							
Long Island Power Authority	Public Power - Authorities	✓ Jim Parmelee	Bill Killgoar	Seth Hulkower	✓ Kevin Jones					
New York Power Authority	Public Power - Authorities	Robert Hiney	✓ William Palazzo	Kim Byham						✓ Gerry LaRose
American Wind Energy Association	Public Power - Environmental	David Wooley	✓ Larry DeWitt							
Environmental Advocates	Public Power - Environmental	Anne Reynolds	✓ Larry DeWitt							
Natl 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	Paul Pallas	Matthew Benesh	Jim Hamilton	Jack Brown	Ken Moore	✓ Tim Bush			
City of Jamestown Board of Pub. Util.	Public Power - Munis & Co-ops	✓ Michael Darroch	David Gustafson	Wally Haase	✓ Tom Rudebusch					
Plattsburgh Municipal Lighting Dept.	Public Power - Munis & Co-ops	Jack Brown	Paul Pallas	✓ Tim Bush						
Village of Fairport	Public Power - Munis & Co-ops	Ken Moore	✓ Tim Bush							
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	Jack Brown	Ken Moore	Matthew Benesh				
Village of Westfield	Public Power - Munis & Co-ops	Jim Hamilton	Paul Pallas	Matthew Benesh	Jack Brown	Ken Moore	✓ Tim Bush		✓ Tom Rudebusch	
Central Hudson Gas & Electric	Transmission Owners	Charles Freni	✓ John Watzka							
Consolidated Edison	Transmission Owners	✓ Joe Oates	Terry Agriss	✓ Neil Butterklee						✓ M Sasson, P Gioia
National Grid	Transmission Owners	Jerry Ancona	✓ Wes Yeomans	Peter Flynn	Herb Schrayshuen	Bart Franey	Masheed Rosenqvist	✓ MaryEllen Paravalos		✓ Steve Jeremko
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		Denis Wickham				
Caithness Energy, L.L.C	Non-voting	Ross Ain	Jack Feinstein							
Cianbro Corporation	Non-voting	Chuck Hewett	John Tompkins							
Customized Energy Solutions	Non-voting	✓ Rick Mancini	Stephen Fernands	Bill Schofield						
Energetix, Inc.	Non-voting	Barney Farnsworth								
Hudson River Energy Group	Non-voting	Frank Radigan								
Hydro-Quebec TransEnergie	Non-voting	✓ Glenn Sylvain	Mario Boucher							
NYS Department of Public Service	Non-voting	Penny Rubin	✓ Rajendra Addepalli							✓ D Drexler, B. Heinrich
The Structure Group	Non-voting	✓ Bob Furry	Alex Lago							
William P. Short	Non-voting	William Short	Marc Schaefer	Joe DeVito	John Brodbeck	Ron Matlock	Paul Savage	Jim Verna	Roberto Denis	
zNew Member	Non-voting	None Assigned								
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
✓ Rob Fernandez	NYISO
✓ Bill Museler	NYISO
✓ Chuck King	NYISO
✓ Belinda Thornton	NYISO
✓ Frank Francis	NYISO
✓ Mary McGarvey	NYISO
✓ Elaine Robinson	NYISO
✓ Kristen Kranz	NYISO
✓ Leigh Bullock	NYISO
✓ Ray Stalter	NYISO
✓ Debbie Eckels	NYISO
✓ Bob Rickets	NYISO
✓ Jane Lathrop	NYISO
✓ Frank Ciani	NYISO
✓ Kate Doyle Hockford	NYISO
✓ Garry Brown	NYISO
✓ Brad Kranz	NYISO
✓ John Buechler	NYISO
✓ Art Desell	NYISO
Andrew Hartshorn	NYISO/LECG

Key:

✓ = In attendance

New York Independent System Operator

Management Committee - November 12, 2003

Motion: Motion #5

Result: Motion Passed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against		
Generation Owners	21.5	✓	✓	21.50	0.00	1.00	6	0.00	21.50		
Other Suppliers	21.5	✓	✓	21.50	4.00	3.00	9	12.29	9.21		
Transmission Owners	20.0	✓	✓	20.00	4.00	0.00	0	20.00	0.00		
End Use Consumer			✓								
Large Consumer	9.0	✓		9.00	0.00	0.00	5	0.00	0.00		
Large Cons. Gov. Agency	2.0	✓		2.00	1.00	0.00	0	2.00	0.00		
Small Consumer	4.5	✓	✓	4.50	11.00	0.00	0	13.50	0.00		
Gov. State-wide Cons. Advocate	2.7	✓		2.70	1.00	0.00	0	2.70	0.00		
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	2.00	0.00	0	1.80	0.00		
Public Power			✓								
State Power Authorities	8	✓		8.00	2.00	0.00	0	8.00	0.00		
Munis and Coops	7	✓		7.00	6.00	0.00	0	7.00	0.00		
Environmental	2	✓		2.00	5.00	0.00	0	2.00	0.00		
					5	100.00	36.00	4.00	20	69.29	30.71
					100.00		Normalized to 100% :		69.29	30.71	

New York Independent System Operator

Management Committee - November 12, 2003

Motion Motion #5

Sector	Organization	Representative	Affiliate	Present	For	Against
End Use - Gov. Agency/Aggr.	NYS Energy Research & Develop. Auth.	Erin Hogan		y	1.00	
End Use - Gov. Agency/Aggr.	The City of New York	Michael Delaney		y	1.00	
End Use - Large Consumer	Alcoa/Reynolds Metals Company	Robert Loughney		y		
End Use - Large Consumer	ATCO Management Co.					
End Use - Large Consumer	IBM Corporation	Robert Loughney		y		
End Use - Large Consumer	Occidental Chemical Corp.	Robert Loughney		y		
End Use - Large Consumer	Praxair Inc.	Robert Loughney		y		
End Use - Large Consumer	Xerox Corporation	Robert Loughney		y		
End Use - Large Cons. Gov.	Metropolitan Transportation Authority	Jesse Samberg		y	1.00	
End Use - Small Consumer	Association for Energy Affordability, Inc.	Larry DeWitt		y	1.00	
End Use - Small Consumer	Beth Israel Health Care System	John Dowling		y	1.00	
End Use - Small Consumer	Building and Realty Institute	Tariq Niazi		y	1.00	
End Use - Small Consumer	Citizens Advisory Panel	Larry DeWitt		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	John Dowling		y	1.00	
End Use - Small Consumer	Mount Sinai Medical Center	John Dowling		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	John Dowling		y	1.00	
End Use - Small Consumer	New York University	John Dowling		y	1.00	
End Use - Small Consumer	Refined Sugars, Inc.	John Dowling		y	1.00	
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y	1.00	
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					
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Marc Potkin		y		
Generation Owners	Indeck Energy Services	Mark Younger		y		
Generation Owners	KeySpan Ravenswood, LLC	James D'Andrea		y		
Generation Owners	Mirant New York, Inc.	Doreen Saia		y	1.00	
Generation Owners	Orion Power New York		y			
Generation Owners	PG&E Generating	Dan Dubois		y		
Generation Owners	Sithe Energies, Inc.	David Applebaum	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	Aquila Energy Marketing Corp.	Susan Chamberlin		y		
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy		y			
Other Suppliers	Con Edison Solutions	Stephen Wemple		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	Dominion Energy Marketing, Inc.					
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy	Alan Foster		y		
Other Suppliers	ECONergy	Tom Halleran		y	1.00	
Other Suppliers	EI Paso Merchant Energy	Russel Like		y		
Other Suppliers	Exelon Generation - Power Team	David Applebaum		y		
Other Suppliers	Fortistar/Lockport Energy Associates, L.P.	Mark Younger		y		
Other Suppliers	FPL Energy					
Other Suppliers	HQ Energy Services					
Other Suppliers	KeySpan Energy Services		y			
Other Suppliers	Mirabito Gas & Electric, Inc.	Jim Scheiderich		y	1.00	
Other Suppliers	Morgan Stanley Capital Group					
Other Suppliers	NRG Power Marketing	Tim Foxen		y		
Other Suppliers	NU / Select Energy	Jim Scheiderich		y	1.00	
Other Suppliers	Ontario Power Generation Inc.					
Other Suppliers	PP&L Energy Plus					
Other Suppliers	PSEG Energy Resources & Trade	Howard Fromer		y	1.00	
Other Suppliers	Reliant Energy Services, Inc.	Glenn Haake		y		
Other Suppliers	Sempra Energy Trading	Tom Halleran		y	1.00	
Other Suppliers	Strategic Energy LLC					
Other Suppliers	Strategic Power Management, Inc.	Mario DiValentino		y	1.00	
Other Suppliers	Transalta (formerly MEGA)					
Other Suppliers	TransEnergie U.S. Ltd.		y			
Other Suppliers	Williams Energy Marketing & Trading Co.					
Public Power - Authorities	Long Island Power Authority	Jim Parmelee		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	Nat'l 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	Plattsburgh Municipal Lighting Dept.	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					
Public Power - Munis & Co-ops	Village of Rockville Centre	Tom Rudebusch		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	Joe Oates		y	1.00	
Transmission Owners	National Grid	Wes Yeomans		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		