

November 14, 2002

NYISO Business Issues Committee Meeting Minutes

The Desmond, 660 Albany Shaker Road, Albany, NY 12110

I. Welcome and Meeting Objectives

Mr. Stephen Wemple, Chair of the Business Issues Committee, called the meeting to order at 10:00 A.M. and welcomed the members of the BIC. The attendees introduced themselves and named the companies that they represent. Mr. Wemple reviewed the list of agenda items and meeting objectives.

II. Approval of Minutes

The Committee unanimously voted to approve meeting minutes from: October 10, 2002 and October 23, 2002. The October 23rd minutes include revisions to Section XI from BIC member, Stuart Nachmias of Consolidated Edison. Both sets of minutes will be posted to the NYISO Web site.

Motion #1:

Motion to approve the Business Issues Committee Meeting Minutes from October 10 and 23, 2002.

(Motion passed unanimously by a show of hands)

III. Chair's Report

Mr. Wemple offered no Chair Report for this month's session.

IV. Market Operations Report and Regional Market Enhancements

Mr. Charles King, of the NYISO, provided the Committee with the Market Operations Report. He noted that Chart 4-A (Average Daily NYISO-Administered Total Price) reflects the impact of rising fuel prices; Chart 4-D (NYISO Monthly Average Internal LBMPs) shows a tighter convergence of BME Prices – which Mr. King contributes to software enhancements made in late August; and Chart 4-R (Percentage of Real-Time Corrections) shows that some modeling errors were driving the prices up but that the data for October shows the benefits of the fixes that the NYISO made in September. Mr. James Scheiderich, of Select Energy, asked that Mr. King circulate a list of the modeling changes that were made. Mr. King clarified that the changes were actually software changes. He agreed to provide BIC with a more detailed list of the corrections that were made to SCD.

Mr. Scheiderich asked Dr. Savitt why the NYISO's Market Monitoring team reserved three days in October. Dr. Savitt replied that since LECG didn't receive all of the data for these three days, it triggered the NYISO to reserve all of the hours. He assured Mr. Scheiderich that the

prices weren't changed. Mr. Scheiderich requested that, in the future, if prices are reserved for data problems, then the Market Participants should be informed of this when the reserve notice is sent out. Dr. Savitt agreed to do so if these circumstances occur again.

Mr. Mark Younger, of Slater Consulting, asked Mr. King why the \$50 floor bid, that the MC approved, was never implemented. Mr. King agreed to provide BIC with a status on its implementation. Mr. Younger noted that a tracking mechanism is needed to update the committees on the implementation of items that the committee approves. Mr. King agreed to take responsibility for tracking and reporting on past decisions made by the committees.

Mr. King did not report on any Regional Market Enhancements. He mentioned that a meeting is scheduled for Thursday, November 21, 2002 with the other ISOs and the stakeholders' Chairs/Vice-Chairs to look at any emerging issues. Mr. King asked that if anyone had any issues that they would like to have included in the discussions, they should e-mail any examples to him.

Mr. Ray Kinney, of NYSEG, and Ms. Doreen Saia, of Couch White, asked Mr. King about the HQ Proxy Bus issue. Mr. Kinney noted that it is a designated market flaw that needs to be fixed immediately. Ms. Saia pointed out that it seems to involve two separate issues: Tariff filing and software issues. She noted that since it will take some time to implement the software after FERC approves the Tariff changes, perhaps the NYISO could manually make corrections? Mr. King said the NYISO is looking at implementing the technical aspects and is developing the Tariff language, but that the NYISO needs to check with the general counsel to see what can be done in the interim.

V. Service Quality Index

Mr. James Considine, of the NYISO, informed the Committee that the NYISO is compiling a Service Quality Index, which involves examining benchmark measurements on issues that cause grief for Market Participants and then reporting the information to NYISO's senior management team. Mr. Stuart Nachmias, of Con Ed, asked about their criteria for selecting particular areas to examine. Mr. Considine replied that they selected items that readily provided material to benchmark. Mr. Thomas Rudebusch, of Duncan Weinberg Genzer & Pembroke, suggested that Mr. Considine coordinate with the Budget, Standards and Performance Subcommittee (BSP) for their guidance on constructing a Service Quality Index; Mr. Considine agreed to contact the BSP. Mr. Howard Fromer, of PSEG, questioned whether the other ISOs were conducting similar studies so that the data from the NYISO's Service Quality Index could be compared to their data. Mr. Considine didn't believe they were conducting similar studies.

VI. Market Design Task Force Role and Status Report

Mr. Wemple presented a motion to act on formalizing or consolidating the Market Design Task Force (MDTF) role. He questioned whether or not another task force should be created, and if so, he noted that BIC should have control over which task forces are created, not NYISO staff. He encouraged the Committee Members to only vote in favor of formalizing the MDTF if they

felt it was necessary. Many Committee Members expressed concern as to which group should oversee the Market Design Task Force's decisions – the Scheduling and Pricing Working Group or BIC (in this case the Market Design Task Force would become a Working Group). Mr. Scheiderich felt that since most of the Market Design work is near completion, it's futile to even create the task force. Mr. Matthew Picardi, of Dynegy Power Marketing, stated that it's necessary for BIC to be responsive as to what happens regarding Market Design plans. After BIC members discussed the issue, Mr. Wemple withdrew the motion. Instead, BIC agreed to coordinate the efforts associated with Market Design through some of the existing BIC Working Groups. BIC Committee Liaison, Ray Stalter, is charged with the task of aligning market design discussions with the associated working groups/subcommittees.

VII. Discussion of Effective Date of New Losses Methodology

Several BIC Members discussed when the 2/20/02 BIC-approved Losses Methodology motion should be effective. Mr. Yeomans noted that BAWG would like the effective date to be May 2002. Mr. Wemple conducted a straw-poll to see how many BIC members believed it's appropriate to have the effective date set at May 2002 (7 indicated this date) or Jan/Feb 2002 (2 indicated this date). Mr. Wemple ended the discussion by noting that it can be raised again at next month's BIC meeting.

VIII. Motion on Allocation of Rate Schedule 1 Charges

Mr. Tom Rudebusch made a presentation on the Allocation of Rate Schedule 1 Charges motion. After the motion was moved by Mr. Rudebusch and seconded by Mr. Dan Duthie, of Strategic Power, Mr. Stuart Nachmias suggested a friendly amendment. He suggested revising the motion so that it does not require the services of an outside consultant, but that it indicates a specific timeframe for completion. Ms. Mollie Lampi, of the NYISO, said that she doesn't believe the NYISO can take this project on right now without pushing another project out of the way. She also pointed out that the NYISO doesn't have any funds from the budget allocated to this project and that the budget would need to be increased to accommodate this. Mr. Howard Fromer, of PSEG, expressed concern that this project ignores the approved 85/15 allocation. Mr. Tariq Niazi, of the NYS Consumer Protection Board, asked if it's policy to ask that the budget be increased every time any new projects are proposed. Ms. Lampi replied that if Market Participants want this project to be completed in the proposed timeframe, then it conflicts with NYISO resources and it presents a budgetary constraint.

Committee members continued to discuss the resources that may be involved and then voted on the motion by roll call.

Motion #2:

The Motion to study an alternative to the 85/15 Allocation of Rate Schedule 1 Charges.

(Motion failed with 57.16 % affirmative votes)

IX. UCAP Demand Curve Proposal Status Report

The BIC heard an update from Mr. Matt Picardi, of Dynegy Power Marketing, on the progress made in developing an ICAP/UCAP Demand Curve proposal. He noted that in July, Market Participants identified a problem with the UCAP Market and since then, the ICAP WG received about seven proposals, two of which focus on the demand curve. He noted that the ICAP WG is trying to narrow down the proposals and gauge Market Participants' opinions on each one. He pointed out that while the ICAP WG reviews the proposals, the JCAG is looking at how resource adequacy should be on a regional basis. Mr. Picardi also noted that the Demand Curve needs to be in place for the Summer of 2003.

Mr. Mark Reeder, of the New York State Department of Public Service, described and explained the justification for a Resource Adequacy Assurance Mechanism (RAAM) by reading from his paper on "Government Intervention into Wholesale Electric Markets to Assure Generation Adequacy." Mr. Tom Paynter, also from the Department of Public Service, then explained the mechanics of the Resource Adequacy Assurance Mechanism through his presentation. Mr. Wemple announced that the ICAP Working Group plans to review and explain further details concerning the proposals at its next meeting and ultimately reach a consensus. Also, he announced that the JCAG group received a presentation on the proposal and plans to meet next Thursday in Windsor, CT; interested parties should plan to attend.

X. Project Priority Team (PPT) Report

The BIC listened to a report from Mr. Timothy Schmehl, of the NYISO, on the PPT efforts. The group's latest attempt at communicating their efforts includes the creation of a section on the NYISO Website that summarizes PPT discussions and meeting materials. Mr. Rick Mancini, of NYSEG mentioned that he would like to see the status of projects that use outside resources so that as resources become available, they can be re-allocated. Mr. Schmehl noted that no available resources exist as they are all fully committed to various projects. Mr. Bob Loughney mentioned that the proposed completion date for Project A-614 is too late (May 1) since it is a high priority item. Mr. Larry Dewitt, BIC Vice-Chair, noted that this issue was raised at the PPT and that the next step is to complete the FRS so that specific details regarding the timeline can then be worked out.

DSS/OSS Project Status Review

The Committee also heard a status reports from Mr. Fred Theodore, of the NYISO, on updates of the Open Scheduling System (OSS) and Decision Support System (DSS) projects. Mr. Theodore described some recent changes with the NYISO's IT department and mentioned that the DSS and OSS teams now report to him. He noted that the DSS project is currently in the developmental phase (with the database and the user interface as the primary focus) and that the next milestone is to put together an early beta version of the DSS. He mentioned that the NYISO is interested in having the Market Participants validate/review the beta version. Mr. Stuart Nachmias, of Con Ed, asked what the budget is to develop/implement the DSS project. Mr. Theodore agreed to look into it.

At a request made from Mr. Don Barker, of Select Energy, Mr. Theodore agreed to provide BIC with further details regarding bilateral schedules, pre-scheduled transactions, and OASIS with

respect to the Open Scheduling System (OSS) project. Mr. Rick Mancini, of NYSEG, questioned the value of implementing a second phase of the OSS project. Mr. Wemple wanted the Committee members to better understand what aspects have already been committed for the first phases of each project and suggested that the Market Participants (specifically through the Market Structure Working Group) take a look at what may be involved in the second phases of the DSS and OSS projects. Mr. Theodore welcomed Market Participant input as to what the NYISO plans to build into the second project phases.

XI. Working Group Updates

- A. Billing and Accounting Working Group (BAWG)** (Chair – K. Logan) – Ms. Logan noted that BAWG is reviewing the following items: disputes for November 1999, the Billing and Accounting Manual, and the approval associated with the 12-month final bill. Mr. Stalter agreed to facilitate communications on these issues between BAWG and a NYISO Billing and Accounting representative.
- B. Scheduling and Pricing Working Group (S+P WG)** (Chair – R. Kinney) – Mr. Bradley Kranz, of the NYISO, noted that efforts at the S+P WG's last meeting centered on issues for the Summer of 2003. The WG is also concentrating on Market Performance issues, shortage pricing, and export bid guarantees. He announced that the S+P WG is scheduled to meet on November 15, 2002 to focus on the Comprehensive Credit Policy and that the WG will also develop a recommendation for tracking and reporting market conditions that cause significant fluctuations in market prices, including energy, ancillary services and uplift charges.
- C. Price Responsive Load Working Group** (Chair – B. Loughney) – Mr. Loughney noted that the Price Responsive Load Working Group plans to discuss cost allocations and enhancements to programs at its next meeting.
- D. ICAP Working Group** (Chair – M. Picardi) – Mr. Dewitt noted that a special ICAP meeting is scheduled for Wednesday, November 20 and another ICAP meeting is planned for Friday, November 22.

XII. New Business

Wes Yeomans, of National Grid, mentioned that at the Operating Committee meeting on November 13th, the NYISO presented a Transmission Planning Report to identify critical areas of congestion. He noted that the Market Participants requested that BIC and the Transmission and Planning Advisory Subcommittee (TPAS) review and comment on the report before the OC considers approving it. Mr. Stalter agreed to distribute the report and collect BIC members' comments.

XIII. Administrative Matters

Mr. Ray Stalter, of the NYISO, pointed out the Action Items List and reminded the Committee members to contact him with any Action Item-related inquiries.

XIV. Adjournment

Mr. Wemple adjourned the meeting at approximately 4:30 P.M.

Respectfully submitted,
Valerie L. Ross
Recording Secretary, Business Issues Committee

Business Issues Committee – Action Item Listing

Number	Action Items	Assigned to
BIC 11.14.02-1	Provide a more detailed list of the corrections that the NYISO made to SCD.	C. King
BIC 11.14.02-2	Establish a procedure that when hours are reserved because of data problems, the NYISO needs to communicate this reason to Market Participants.	J. Savitt
BIC 11.14.02-3	Update BIC on the status of implementing the \$50 bid floor.	C. King
BIC 11.14.02-4	Establish a tracking and reporting system of implementing actions that BIC passes.	C. King
BIC 11.14.02-5	Discuss legal aspects of possibly correcting market flaws associated with the HQ proxy bus manually before the software can be developed.	C. King
BIC 11.14.02-6	Coordinate with the Budget, Standards and Performance Subcommittee for guidance on conducting the Service Quality Index.	J. Considine
BIC 11.14.02-7	Align market design discussions with the associated working groups/subcommittees.	R. Stalter
BIC 11.14.02-8	Inform BIC as to what the budget is to develop/implement the DSS project.	F. Theodore
BIC 11.14.02-9	At Don Barker's request, provide BIC with further details regarding bilateral schedules, pre-scheduled transactions, and OASIS with respect to the Open Scheduling System (OSS) project.	F. Theodore
BIC 11.14.02-10	Establish a process to review what's involved with implementing Phase 2 of the OSS and DSS.	MSWG

NYISO Business Issues Committee Meeting

November 14, 2002
Desmond Hotel, Albany, NY

SUMMARY OF MOTIONS

Motion #1:

Motion to approve the minutes from the October 10, 2002 and October 23, 2002 Business Issues Committee Meetings.

(Motion passed unanimously by a show of hands)

Motion #2:

Motion on Allocation of Rate Schedule 1 Charges

With reference to the FERC's order dated September 25, 2002, in Docket No. ER01-1961, addressing the allocation of the NYISO's Rate Schedule 1 costs, the Business Issues Committee requests that the NYISO to take the following steps within 3 months either by a NYISO staff analysis or by retaining an outside consulting firm:

- Review and update the NYISO's cost allocation materials produced in the spring of 2001;
- Specifically address the impact of the substantial Information Technology investments, as proposed in the 2003 budget, on the cost allocation; and,
- Identify which types of NYISO customers use or benefit from specific Rate Schedule 1 functions to assess if Rate Schedule 1 should be allocated to NYISO customers by component or grouping of components (i.e., similar to PJM methodology) according to the benefits received.

(Motion failed with 57.16 % affirmative votes)

New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance November 14, 2002 - 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							
The City of New York	End Use - Gov. Agency/Aggr.	✓ Michael Delaney	Richard Miller	Scott Butler	Jonathan Wallach				
Alcoa/Reynolds Metals Company	End Use - Large Consumer	✓ Robert Loughney	Michael Mager						
ATCO Management Co.	End Use - Large Consumer	Peter DiCapua	Scott Petersen	George Diamantopoulos					
IBM Corporation	End Use - Large Consumer	✓ Robert Loughney	Michael Mager						
Occidental Chemical Corp.	End Use - Large Consumer	✓ Robert Loughney	Michael Mager						
Praxair Inc.	End Use - Large Consumer	Christian Lenci	✓ Robert Loughney	Michael Mager					
Xerox Corporation	End Use - Large Consumer	✓ Robert Loughney	Michael Mager						
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	Marjorie Ochrach	Ted Lee	Judith Mondre	✓ Tariq Niazi			
Citizens Advisory Panel	End Use - Small Consumer	Gordian Raacke	✓ Larry DeWitt						
CNYC Inc. (Council of NY Coop & Condo)	End Use - Small Consumer	Herb Rose	MaryAnn Rothman	Marjorie Ochrach	Ted Lee	Judith Mondre	✓ 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	Ted Lee	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	Doug Roll	Charles Sjoberg	✓ Christopher Wentlent					
American National Power, Inc.	Generation Owners	Dorothy Capra	Bill Henson						
Astoria Energy LLC	Generation Owners	William May	Leonard Singer						
Calpine	Generation Owners	None Assigned	Thomas Kaslow	Richard Felak					
East Coast Power	Generation Owners	✓ Roy Shanker	Gary Keevill						
Edison Mission Marketing & Trading	Generation Owners	William Roberts	Robert Agnello	Jeffrey Ellis					
Entergy Nuclear Northeast	Generation Owners	Marc Potkin	William Stone	✓ Ron Mackowiak					
Indeck Energy Services	Generation Owners	Mike Ferguson	John Schrage	✓ Mark Younger					
KeySpan Ravenswood, Inc	Generation Owners	Rich Hohlman	Joseph Vignola	Dick Ackerson	James D'Andrea	✓ Terrence Kain	Ron Lukas		
Mirant New York, Inc.	Generation Owners	Vicki Lynch	None Assigned	None Assigned	✓ Doreen Saia	Couch White			
NRG Energy	Generation Owners	Joe DeVito	Frank Rapley	Paul Savage	Marc Dworkin	Ruben Brown	Peter Chamberlain	✓ Charles Knight	
Orion Power New York	Generation Owners	✓ John Reese	Bruce Bleiweis						
PG&E Generating	Generation Owners	Steve McDonald	Dan Dubois						
PSEG Energy Resources & Trade	Generation Owners	✓ Howard Fromer	Michael LaFalce	Bob Logan	Dennis Sobieski				✓ Glenn Haake
Sithe Energies, Inc.	Generation Owners	None Assigned	✓ Garry Brown	David Applebaum					
TransCanada Power Marketing	Generation Owners	William Taylor	Elaine Beaudry						
Aaron Breidenbaugh	Non-voting	Aaron Breidenbaugh							
Caithness Energy, L.L.C	Non-voting	Ross Ain	Jack Feinstein						
Cianbro Corporation	Non-voting	Ed Krapels	Brian Chernack	✓ Paul Flemming					
Hudson River Energy Group	Non-voting	Frank Radigan							
NYS Department of Public Service	Non-voting	Tom Dvorsky	✓ Bill Heinrich						
William P. Short	Non-voting	William Short	Marc Schaefer	Joe DeVito	John Brodbeck	Ron Matlock	Paul Savage	Roberto Denis	
1st Rochdale Cooperative NYC	Other Suppliers	Gregory Wortham							
Advantage Energy, Inc.	Other Suppliers	Kyle Storie							
Amerada Hess Corporation	Other Suppliers	Kevin LaGuardia	Keith Mills						
American Electric Power (AEP) Srv. Corp.	Other Suppliers	Ron McNamara	Tom Chapman						
Aquila Energy Marketing Corp.	Other Suppliers	None Assigned	Peter Brown	David Wiesner	✓ Pamela VanHorn	Richard Mooney	✓ Susan Chamberlin		
Cinergy Capital and Trading	Other Suppliers	Jason Barker	Walt Yeager						
Con Edison Energy	Other Suppliers	✓ Stephen Wemple	Ivan Kimball						
Con Edison Solutions	Other Suppliers	✓ Stephen Wemple	Rich Staines						
Conectiv	Other Suppliers	Steve Huntoon	Bill Fehr						
Constellation Power Source	Other Suppliers	✓ Glen McCartney	Mary Lynch	Daniel Allegretti					
Coral Power, LLC	Other Suppliers	Marc Overdyk	✓ Dave French						
Dominion Energy Marketing, Inc.	Other Suppliers	✓ Michael Bekker	Lou Oberski						
Duke Energy North America, LLC	Other Suppliers	Ronald Matlock	Del Disher	Tom Bankert					
Dynegy	Other Suppliers	✓ Matthew Picardi	None Assigned						
El Paso Merchant Energy	Other Suppliers	✓ Roy Shanker	Gary Keevill	✓ Russel Like					
Energetix, Inc.	Other Suppliers	Barney Farnsworth	Gerald Strasser						

New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance November 14, 2002 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
Exelon Generation - Power Team	Other Suppliers	Eric Olson	✓ Garry Brown	Linda Clarke	Regina Carrado	David Applebaum			
FPL Energy	Other Suppliers	✓ Fernando DaSilva	Dan Wheeler						
HQ Energy Services	Other Suppliers	Michel Prevost	Paul Norris						
KeySpan Energy Services	Other Suppliers	Ron Lukas	Ruben Brown	Peter Chamberlain	John Smith				
Morgan Stanley Capital Group	Other Suppliers	Patrick Murray	Karen Kochonies	Levon Kazarian	Doron Ezickson				
New Energy Inc.	Other Suppliers	Peter Duprey	Carrie CullenHitt	Steve Fernands					
NU / Select Energy	Other Suppliers	✓ James Scheiderich	Gunnar Jorgensen						✓ Don Barker
Ontario Power Generation Inc.	Other Suppliers	Tasos Karatsoreos	Brian McConville	Ken Lacivita	Scott McArthur	Erica Cheung			
PP&L Energy Plus	Other Suppliers	Jim Strobel	Harry Tom	Roland Moor					
Reliant Energy Services, Inc.	Other Suppliers	Bruce Bleiweis	✓ John Reese						
Sempra Energy Trading	Other Suppliers	✓ Tom Halleran	✓ Dan Staines	✓ Russel Like	Mally Becker	Bob Chilton			
Strategic Energy LLC	Other Suppliers	✓ Francis Pullaro	Michael Swider	Jeffrey Knox	James McCormick	Helen Caldwell			
Strategic Power Management, Inc.	Other Suppliers	Mario DiValentino	Tom Folchi	✓ Dan Duthie					
Transalta (formerly MEGA)	Other Suppliers	Bob Sadowsky	Jubran Whalan						
TransÉnergie U.S. Ltd.	Other Suppliers	Michael Jacobs	José Rotger						
Williams Energy Marketing & Trading Co.	Other Suppliers	David Singer	Dennis Keener						
Long Island Power Authority	Public Power - Authorities	✓ James Parmelee	Alan Elberfeld	✓ Kevin Jones					
New York Power Authority	Public Power - Authorities		Bob Deasy	Paul Rougeaux					
American Wind Energy Association	Public Power - Environmental	David Wooley	✓ Larry DeWitt						
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	Ken Moore	Matthew Benesh	Jim Hamilton	Paul Pallas	Jack Brown		✓ Tom Rudebusch	
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	Ken Moore	✓ Tom Rudebusch					
Village of Fairport	Public Power - Munis & Co-ops	Ken Moore	✓ Tom Rudebusch	Paul Pallas					
Village of Freeport	Public Power - Munis & Co-ops	Hubert Bianco	Robert Kortright	✓ Anthony Fiore					
Village of Rockville Centre	Public Power - Munis & Co-ops	✓ Tom Cardie	Ken Moore	Jim Hamilton	Jack Brown	Matthew Benesh	Paul Pallas	✓ Tom Rudebusch	
Village of Westfield	Public Power - Munis & Co-ops	Jim Hamilton	Ken Moore	Matthew Benesh	Jack Brown	Paul Pallas		✓ Tom Rudebusch	
Central Hudson Gas & Electric	Transmission Owners	James Valleau	✓ Thomas Canino	Jeff May	Rick Greener				
Consolidated Edison	Transmission Owners	✓ Stuart Nachmias	Gerry Dunbar						
National Grid	Transmission Owners	✓ Wes Yeomans	Jerry Ancona	✓ Bart Franey					
NY State Electric Gas (NYSEG)	Transmission Owners	Rick Mancini	✓ Laurie King-Pirchner	Gerald Walter	✓ Ray Kinney	John Kobuskie	Dave Kimiecik		
Orange & Rockland, Inc.	Transmission Owners	Gary Rozmus							
Rochester Gas & Electric	Transmission Owners	✓ Laurie King-Pirchner	Gerald Walter						
New Member	Non-voting	None Assigned							
New Member	Non-voting	None Assigned							
New Member	Non-voting	None Assigned							
New Member	Non-voting	None Assigned							
New Member	Non-voting	None Assigned							

NYISO and Hunton & Williams Members in Attendance:

- ✓ Mollie Lampi NYISO
- ✓ Chuck King NYISO
- ✓ Jonathan Mayo NYISO
- ✓ Rick Brophy NYISO
- ✓ Elaine Robinson NYISO
- ✓ Kristen Kranz NYISO
- ✓ Leigh Bullock NYISO
- ✓ Ray Stalter NYISO
- ✓ Jim Savitt NYISO
- ✓ Valerie Ross NYISO
- ✓ James Considine NYISO
- ✓ John Cutting NYISO
- ✓ Ernie Cardone NYISO

Key:

✓ = In attendance

New York Independent System Operator

Business Issues Committee - November 14, 2002

Motion: Motion #2

Result: Motion Failed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	0.00	7.00	0	0.00	21.50	
Other Suppliers	21.5	✓	✓	21.50	4.00	5.00	4	9.56	11.94	
Transmission Owners	20.0	✓	✓	20.00	3.00	1.00	0	15.00	5.00	
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	1	0.00	0.00	
Small Consumer	4.5	✓	✓	4.50	11.00	0.00	0	5.17	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	1.00	0.00	0	1.80	0.00	
Public Power			✓							
State Power Authorities	8	✓		8.00	1.00	1.00	0	4.00	4.00	
Munis and Coops	7	✓		7.00	7.00	0.00	0	7.00	0.00	
Environmental	2	✓		2.00	4.00	1.00	0	1.60	0.40	
				5	100.00	37.00	15.00	5	57.16	42.84
					100.00	Normalized to 100% :		57.16	42.84	

New York Independent System Operator

Business Issues Committee - November 14, 2002

Motion Motion #2

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	Michael Delaney		y	1.00	
End Use - Large Consumer	Alcoa/Reynolds Metals Company	Robert Loughney		y	1.00	
End Use - Large Consumer	ATCO Management Co.					
End Use - Large Consumer	IBM Corporation	Robert Loughney		y	1.00	
End Use - Large Consumer	Occidental Chemical Corp.	Robert Loughney		y	1.00	
End Use - Large Consumer	Praxair Inc.	Robert Loughney		y	1.00	
End Use - Large Consumer	Xerox Corporation	Robert Loughney		y	1.00	
End Use - Large Cons. Gov.	Metropolitan Transportation Authority	Jesse Samberg		y		
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 Wentient		y		1.00
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine					
Generation Owners	East Coast Power	Roy Shanker	y	y		
Generation Owners	Edison Mission Marketing & Trading					
Generation Owners	Entergy Nuclear Northeast	Ron Mackowiak		y		1.00
Generation Owners	Indeck Energy Services	Mark Younger		y		1.00
Generation Owners	KeySpan Ravenswood, Inc	Terrence Kain		y		1.00
Generation Owners	Mirant New York, Inc.	Doreen Saia		y		1.00
Generation Owners	NRG Energy	Charles Knight		y		1.00
Generation Owners	Orion Power New York	John Reese	y	y		
Generation Owners	PG&E Generating					
Generation Owners	PSEG Energy Resources & Trade	Howard Fromer		y		1.00
Generation Owners	Sithe Energies, Inc.	Garry Brown	y	y		
Generation Owners	TransCanada Power Marketing					
Non-voting	Aaron Breidenbaugh		y			
Non-voting	Calhess Energy, L.L.C		y			
Non-voting	Cianbro Corporation	Paul Flemming	y	y		
Non-voting	Hudson River Energy Group		y			
Non-voting	NYS Department of Public Service	Bill Heinrich	y	y		
Non-voting	William P. Short		y			
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	Amerada Hess Corporation					
Other Suppliers	American Electric Power (AEP) Srvc. Corp.					
Other Suppliers	Aquila Energy Marketing Corp.	Pameia VanHorn		y		
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy	Stephen Wemple	y	y		
Other Suppliers	Con Edison Solutions	Stephen Wemple	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation Power Source	Glen McCartney		y		
Other Suppliers	Coral Power, LLC	Dave French		y		
Other Suppliers	Dominion Energy Marketing, Inc.	Michael Bekker		y		1.00
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy	Matthew Picardi		y		1.00
Other Suppliers	El Paso Merchant Energy	Roy Shanker		y		
Other Suppliers	Energetix, Inc.		y			
Other Suppliers	Exelon Generation - Power Team	Garry Brown		y		1.00
Other Suppliers	FPL Energy	Fernando DaSilva		y		1.00
Other Suppliers	HQ Energy Services					
Other Suppliers	KeySpan Energy Services		y			
Other Suppliers	Morgan Stanley Capital Group					
Other Suppliers	New Energy Inc.		y			
Other Suppliers	NU / Select Energy	James Scheiderich		y	1.00	
Other Suppliers	Ontario Power Generation Inc.					
Other Suppliers	PP&L Energy Plus					
Other Suppliers	Reliant Energy Services, Inc.	John Reese		y		1.00
Other Suppliers	Sempra Energy Trading	Tom Halleran		y	1.00	
Other Suppliers	Strategic Energy LLC	Francis Pullaro		y	1.00	
Other Suppliers	Strategic Power Management, Inc.	Dan Duthie		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	James Parmelee		y	1.00	
Public Power - Authorities	New York Power Authority	Bob Gow		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	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	David Gustafson		y	1.00	
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	Village of Fairport	Tom Rudebusch		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	Tom Cardile		y	1.00	
Public Power - Munis & Co-ops	Village of Westfield	Tom Rudebusch		y	1.00	
Transmission Owners	Central Hudson Gas & Electric	Thomas Canino		y	1.00	
Transmission Owners	Consolidated Edison	Stuart Nachmias		y	1.00	
Transmission Owners	National Grid	Wes Yeomans		y	1.00	
Transmission Owners	NY State Electric Gas (NYSEG)	Laurie King-Pirchner		y		1.00
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Laurie King-Pirchner	y	y		