

September 9, 2003

NYISO Business Issues Committee Meeting Minutes

NYS Nurses' Association, 11 Cornell Road, Latham, NY 12110

I. Welcome and Meeting Objectives

Larry DeWitt, Chair of the Business Issues Committee (BIC), called the meeting to order at 9:33 A.M. and welcomed the members of the BIC. The attendees introduced themselves and named the companies that they represent.

II. Chair's Report

No Chair's Report was provided.

III. Market Operations Report

David Lawrence, of the NYISO, reported on Market Performance highlights and a look at reliability indicators. Mr. Lawrence noted that August's levels were lower than usual and that more information on this phenomenon will be provided at the Operating Committee meeting the following day. Mr. Lawrence also pointed out an enhancement to slide 4-Y, NYISO In City Mitigation (NYC Zone) – 2003, that a description was added to show how the numbers in this chart were calculated.

Rick Mancini, of Customized Energy Solutions requested that the Market Operations Report be provided the day before the meeting and Mr. Lawrence responded that the NYISO will try to accommodate that request for future meetings.

Doreen Saia, of Mirant, noted that the S&P WG hosted a presentation by the NYISO on the limit of transaction capability from NE to NY. Ms. Saia inquired as to the status on this issue and Mr. Lawrence responded that he has no new information available on it.

IV. Regional Market Enhancements

David Lawrence, of the NYISO, presented on the Seams Issues. His update covered a status on current quarter deliverables, recent initiatives, and issues pending further discussion.

Mike Mager, of Couch White, noted that the update provided at today's meeting on the "Elimination of Rate Pancaking" is the same one that was provided at last month's. He stated that they'd like to see more action completed on this Rate Pancaking issue and Mr. Lawrence agreed to convey the request to John Charlton.

Matt Picardi, of Coral Power, asked if the NYISO has held discussions with NE on the virtual region dispatch issue since NE seems to want to focus more on Rate Pancaking and Scheduling instead now. Elaine Robinson, of the NYISO, stated that Bill Barber will be making a presentation at the Desmond Hotel on Thursday that will address this issue.

V. Web-Portal Project Update

Carol Murphy and Greg Goodrich, of the NYISO, presented an update of progress made on the NYISO's Market Data Exchange (MDEX), or the Web-portal. Their update included an overview of the project's history, a list of project deliverables, an overview of MDEX's features, and a list of remaining activities for the project. Rich Miller, for the NYISO, noted that the NYISO is looking for feedback from the Market Participants on the features of MDEX.

Rick Mancini, of Customized Energy Solutions, asked if the Web-portal will include a calendar of other general and joint ISO meetings, as well. Mr. Miller responded that it didn't now but that this is something the MDEX team can look into implementing for a future feature.

Robert Gow, of NYPA, asked for clarification on who receives pre-authorized accounts for accessing the new Web-portal. Mr. Goodrich responded that both MIS Users and Committee Members are given access. Mr. Gow also asked if the new Web-portal will have the capability of creating "kill files" to help filter out unacceptable postings. Mr. Goodrich replied that the NYISO plans to monitor the forums.

Stuart Nachmias, of Con Ed, asked what the budget is for the project. Mr. Goodrich agreed to follow-up with an estimate since this project is currently grouped as a sub-set of another project – A559.

Jim Scheiderich, of Select Energy, asked if the NYISO plans to accept comments on the Web-portal at a later time, as well. Mr. Goodrich replied that they would. Ms. Murphy added that when the Web-portal does go live, a "feedback loop" will be integrated within the Web-portal for comments to come directly to the NYISO. Ms. Murphy also noted that those who would like to be a part of the Web-portal testing should contact her.

VI. Report on 12-Month Final Bill Status

Kevin Kipers, of NYPA, presented a report on the 12-Month Final Bill status. Mr. Kipers noted that no issues were brought forth from the Market Participants on this issue and that he sees no reason why October's bill can't be final.

Jim Scheiderich asked if the BIC authorized the 12-Month Final Bill issue to go forward. Ray Stalter replied that there had been a BIC motion that authorized proceeding if certain conditions were met and they have been.

Glenn Haake, of IPPNY, noted that in a discussion with NYISO Legal Staff Member, Gerald Deaver, the NYISO had hoped to issue a summary in September to the BIC on the Black Start issue. Mr. Haake mentioned that since this didn't occur, he'd like the NYISO to check into it so that it doesn't hold up the October billing process. Mr. Stalter agreed to mark it as an Action Item for Gerald Deaver.

VII. Proposed Revisions to the Day-Ahead Demand Response Program (DADRP) Manual

Aaron Breidenbaugh, of the NYISO, presented changes to the DADRP manual to reflect the June 30th FERC-approved Tariff changes. He noted that these changes were discussed at the PRL WG. Mr. DeWitt made the motion to approve the changes and Kevin Jones, of LIPA, seconded it. The BIC approved this motion unanimously by a show of hands.

Motion #1:

Motion to approve modifications to the Day-Ahead Demand Response Manual dated July 25, 2003, as presented at the September 9 Business Issues Committee meeting.
(Motion passed unanimously by show of hands)

VIII. Proposal to Accept Bilateral Contracts for Energy Settlements

Francis Pullaro, of Strategic Energy, presented a proposal to accept bilateral contracts for energy settlements. His presentation summarized some of the benefits of net settlement and offered a history of the procedures, a summary of current NYISO practices, a comparison to other ISO processes, and an explanation of what his proposal entails.

Ray Kinney, of NYSEG, asked who would be responsible for the collateral to supply. Mr. Pullaro responded that it's an issue that needs to be resolved.

Jim Scheiderich, of Select Energy, suggested that the Market Participants should work through the details of this proposal to establish one that's similar to PJM's.

IX. Proposed Extension of NYISO Voltage Support Payment Program

Bob Waldele, of the NYISO, presented BIC with a status report on Operations Reactive Studies and a proposal to amend the NYISO Tariffs to pay suppliers who provide Voltage Support Service (VSS) during the 2004 calendar year.

Mark Younger asked if some of the new resources, like wind power, could meet the lag that Mr. Waldele mentioned. Mr. Waldele replied that they couldn't do it without additional help.

Mollie Lampi mentioned that Mr. Waldele plans to address long-term VSS issues sometime early next year and that today's presentation won't get into the design aspects of VSS, but rather its purpose is to just explain the issues.

Howard Fromer asked if synchronous condensers are eligible to participate in VSS or seek compensation. Mr. Waldele responded that they could participate but that the process is unclear on how to be compensated for having synchronous condensers. He added that one issue the NYISO is trying to address is that only two synchronous condensers are in an accessible part of the system and that they aren't listed as VSS suppliers.

Glenn Haake asked if the full discussion of this issue will be held in SOAS. Mr. Waldele replied yes, but that some aspects are outside the scope of SOAS; therefore, TPAS and MSWG will be involved, as well. Mr. Haake also asked for an explanation as to what the current credit requirement entails. Mr. Waldele explained that current compensation is based on generator tests and demonstrated lag capability.

Mike Mager asked what is needed to amend the Tariff. Ms. Lampi responded that Rate Schedule 2 has a sunset date of December 2003 and that the NYISO would be happy to reflect that work is ongoing but that this program needs to be in place for 2004.

Doreen Saia made the motion to amend the Tariffs and Mr. Scheiderich seconded it. The motion passed unanimously by show of hands.

Motion #2:

Motion to amend the NYISO Tariffs to pay suppliers who provide Voltage Support service during calendar year 2004 under the same rates, terms and conditions as are applicable in 2003.
(Motion passed unanimously by show of hands)

X. Proposal for Revising Procedures for Using Load Forecasts to Calculate Installed Capacity Requirements

Mike Cadwallader, of LECG, presented a proposal for revising procedures for using load forecasts to calculate ICAP requirements.

Howard Fromer, of PSEG, asked Mr. Cadwallader to point out areas in his proposal where it differs from the one that was given to the ICAP WG. Mr. Cadwallader responded that there aren't any major changes but that he plans to address the concerns brought up at the ICAP WG.

Mark Younger stated that much of the mechanics in this proposal need to be approved and that a review of weather normalization is an area of disagreement which doesn't logically need to be included in this proposal now.

Stuart Nachmias, of Con Ed, moved the motion regarding the calculation of ICAP Requirements and Bart Farney, of National Grid, seconded it.

A motion to amend the motion was made by Jim Scheiderich and seconded by John Reese.

Mr. Cadwallader pointed out that the text that Mr. Scheiderich added to the motion was raised at the LFWG and that it's consistent with what the TOs want. Mr. Nachmias accepted the amendment as friendly.

Mr. Younger suggested an unfriendly amendment to the motion – to remove the proposed rules for changing the review of weather normalization results and to retain the current process. Mr. Cadwallader noted that he doesn't know if this amendment will fit in with the rest of the proposal.

The BIC failed to accept the amendments to the motion regarding the calculation of ICAP Requirements.

Motion #3a:

Motion to amend Motion #3 to remove the proposed rules for changing the review of weather normalization results and to retain the current process.

(Motion failed with 37.59 % affirmative votes)

Via Roll Call vote, the BIC passed the initial motion that included Jim Scheiderich's amendments with 65.27% affirmative votes.

Motion #3:

Motion Regarding the Calculation of Installed Capacity Requirements.

(Motion passed with 65.27 % affirmative votes)

XI. Report on MSWG RTS/SMD 2 Market Rules and Revised Tariff Language Development

Brad Kranz and Andrew Hartshorn, of the NYISO, presented on the latest SMD 2 developments. Mr. Kranz noted that the most significant design issue is dealing with Demand Curves and that the NYISO worked with Mr. Hartshorn on developing this. Mr. Hartshorn noted that his Demand Curves presentation addresses only the key points and that details can be found elsewhere.

Mayer Sasson asked if Mr. Hartshorn might consider making a stronger statement on behalf of the NYISO to say that the NYISO will purchase the necessary reserve. Mr. Hartshorn responded that it seems accurate to say, except in a transient condition.

Glenn Haake asked if the upper management review on Demand Curves has been completed yet. Mr. Hartshorn replied that it hadn't, but that they're looking to get their sign off soon.

In reference to the Reserve Demand Curves Table found in Mr. Hartshorn's presentation, Tim Bush asked why wouldn't the Eastern 30-minute be set at zero if it's meeting a guideline, not a requirement. Mr. Hartshorn responded that they wanted to put some value in that area. Mr. Mager asked how they came up with a \$25 value and Mr. Hartshorn responded that they had no framework for coming up with it. It was low enough not to create scarcity pricing, but high enough to meet the guidelines.

Mr. Sasson noted that one action that needs to be incorporated, is for the Market Monitoring Unit to include a review of operator actions for price corrections as part of the overall review process. Mr.

Hartshorn responded that this is possible to add in.

XII. Electric System Planning Working Group (ESPWG) Report

A. NYISO Initial Planning Process

Bill Palazzo, of NYPA, presented an update on ESPWG's recent activities, which included defining the Initial Planning Process. Mr. Palazzo summarized what the Initial Planning Process will entail and what will result from this proposed process.

Tariq Niazi, of the NYS Consumer Protection Board, asked if a decision has been made regarding a discussion held on the projection for future congestion. Mr. Palazzo responded that the debate has been delayed.

Stuart Nachmias, of Con Ed, asked if the proposed Initial Planning Process will be on the MC's agenda September 17th for a vote. Mr. Palazzo noted that this process doesn't require a Tariff change.

Mary Ellen Paravalos, of National Grid, raised several concerns: (1) that the ESPWG had a lack of consensus on the congestion issue and that they decided to push it off to Phase II; (2) that Historical Congestion Costs should be quantified in a high level description; and (3) that the content of the document that will be presented before the OC tomorrow reflects the status quo, not the regional system needs and how they're addressed. She noted that there is a need for better policy direction and technical support and that she urges the BIC to request a target date and to review the Phase II scope. Mike Mager, of Couch White, stated that they're sympathetic but not sure what National Grid's plans are. Ms. Paravalos replied that she can't show support for this document and that an amendment will probably be suggested.

B. FERC Interconnection Order: Preliminary NYISO Staff Position and Schedule for Compliance Filing

John Buechler, of the NYISO, presented NYISO Staff's preliminary position, a proposed schedule, and a list of steps for a compliance filing on the FERC Interconnection Order.

Glenn Haake, of IPPNY, asked about the NYISO's efforts to solicit comments from the Market Participants on this position. Mr. Buechler responded that there has been some discussion to extend the amount of time for submitting these comments – likely a 60-90 day time frame.

C. Compliance to FERC Order 2003: Energy Resource and Network Resource Interconnection Services

Mary Ellen Paravalos, of National Grid, presented a recommendation to BIC promoting regional deliverability in response to the Compliance to FERC Order 2003.

Roy Shanker, of East Coast Power, asked Ms. Paravalos if her proposal contained a portion of FERC's recommendation for deliverability. Ms. Paravalos noted that it will be left as an open issue.

Mark Younger, of Slater Consulting, asked if National Grid wants to look at other options. Ms. Paravalos replied that she didn't mention it. Mr. Younger added that it's critical how costs are allocated. Ms. Paravalos noted that National Grid is not advocating a position on that.

Howard Fromer, of PSEG, noted that in Ms. Paravalos's presentation, she premised her thinking that the current system is not working and that re-vamping was her idea. Ms. Paravalos didn't recall having said that. Mr. Fromer added that it's unclear why NY should re-vamp its system when problems aren't evident. Ms. Paravalos noted that Regional Deliverability is not meant to preclude Merchant Transmission, but rather complement it.

Ray Kinney, of NYSEG, requested that more time be allocated for these types of presentations so that BIC Members are able to rebuttal. Mr. DeWitt agreed to try and keep an open forum for future discussions like these.

XIII. Working Group Updates

- A. Billing and Accounting WG** (Chair – Kevin Kipers) – Because of BAWG's concern with the timing of the true-ups, they recommend moving to a 24-month schedule. BAWG has also begun the review of the *Billing and Accounting Manual*. They've asked Market Participants to assist in providing updates to the manual. In the Metering Task Force, the members have reviewed the *Control Center Requirements Manual* and will present their changes to the BIC. For the Final Bill Challenge, the NYISO will re-spin the bills. The BAWG sees no problems with the NYISO's proposal.
- B. Installed Capacity WG** (Chair – Howard Fromer) – An ICAP WG meeting notice recently sent out contained an incorrect date for the next session. Their next meeting is scheduled for Wednesday, September 24th. Possible agenda items for this next meeting are: continuing discussions related to UDR efforts, AC lines, and import allocation.
- C. Market Structure WG** (Chair – James Scheiderich) – The MSWG has a joint meeting with ISO-NE on September 11th. They also have meetings scheduled for the 16th and the 27th of September to discuss RTS and Market Rules.
- D. Price Responsive Load WG** (Chair – Robert Loughney) – No meetings are currently scheduled for the PRL WG. The group is currently processing items incurred from the August 15th and 16th time period. The WG plans to bring a draft of a consolidated *Demand Response Program/Emergency Demand Response Program Manual* to BIC within a few months.

E. Scheduling and Pricing WG (Chair – Ray Kinney) – The S&P WG held a voltage payments discussion and heard an update on the aftermath of the emergency operations that were conducted on the cross sound cable during the recent blackout. The S&P WG has been charged to reinstate the Operating Reserves Task Force. This Task Force plans to work on the credit requirements of Strategic Energy’s proposal.

F. Electric System Planning WG (Chair – William Palazzo) – No report was provided.

XIV. Administrative Matters

| The Action Items List is included as part of the BIC meeting material. BIC members were reminded to contact Ray Stalter, of the NYISO, with any Action Item-related inquiries.

XV. Adjournment

| Mr. Dewitt adjourned the meeting at approximately 3:38 P.M.

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

Business Issues Committee – Action Item Listing

Number	Action Items	Assigned to
BIC 09.09.03-1	Present an update on the Black-Starts issue.	G. Deaver

NYISO Business Issues Committee Meeting

September 9, 2003

NYS Nurses Association

MOTIONS FROM THE MEETING

Motion #1:

Motion to approve modifications to the Day-Ahead Demand Response Manual dated July 25, 2003, as presented at the September 9 Business Issues Committee meeting.

(Motion passed unanimously by show of hands)

Motion #2:

Motion to amend the NYISO Tariffs to pay suppliers who provide Voltage Support service during calendar year 2004 under the same rates, terms and conditions as are applicable in 2003.

(Motion passed unanimously by show of hands)

Motion #3:

Motion Regarding the Calculation of Installed Capacity Requirements.

The Business Issues Committee hereby resolves that the procedures for developing installed capacity requirements should be revised to conform to the procedures described in the document entitled, "Transmission Owners' Proposal for Revising the Procedures for Using Load Forecasts to Calculate Installed Capacity Requirements," which was included in the materials distributed for this meeting, and recommends to the Management Committee that it approve these revisions in these procedures and authorize the ISO to develop whatever tariff and manual changes may be necessary to implement these revisions in these procedures. The ISO will also provide the MPs the methodology for determining the level of voltage reduction related MWs that are added back at the time of peak.

(Motion passed with 65.27 % affirmative votes)

Motion #3a:

Motion to amend Motion #3 to remove the proposed rules for changing the review of weather normalization results and to retain the current process.

(Motion failed with 37.59 % affirmative votes)

New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance September 9, 2003 - 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.	Jeffrey Gerber	Paul DeCotis	Chris Hall	Erin Hogan	John Spath			
The City of New York	End Use - Gov. Agency/Aggr.	✓ Michael Delaney	Gil Quiniones	Scott Butler	Jonathan Wallach				
Alcoa/Reynolds Metals Company	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Craig Carriero					
ATCO Management Co.	End Use - Large Consumer	Peter DiCapua	Scott Petersen	George Diamantopoulos					
IBM Corporation	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Craig Carriero					
Occidental Chemical Corp.	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Craig Carriero					
Praxair Inc.	End Use - Large Consumer	Christian Lenci	Robert Loughney	✓ Michael Mager	Craig Carriero				
Xerox Corporation	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Craig Carriero					
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	Greg Banhazl	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, LLC	Generation Owners	Rich Hohlman	Joseph Vignola	Dick Ackerson	James D'Andrea	✓ Terrence Kain	Ron Lukas		
Mirant New York, Inc.	Generation Owners	Vicki Lynch	Susann Felton	✓ Doreen Saia					✓ Jim Mayhew
Orion Power New York	Generation Owners	✓ John Reese	Bruce Bleiweis						
PG&E Generating	Generation Owners	✓ Dan Dubois	Dan Whyte						
Sithe Energies, Inc.	Generation Owners	✓ David Applebaum	Linda Clarke	Regina Carrado					
TransCanada Power Marketing	Generation Owners	William Taylor	Elaine Beaudry						
1st Rochdale Cooperative NYC	Other Suppliers	Gregory Wortham							
Advantage Energy, Inc.	Other Suppliers	Kyle Storie							✓ Angela Carlson
Agway Energy Services, Inc.	Other Suppliers	Russell Miller	✓ Jim Scheiderich						
Amerada Hess Corporation	Other Suppliers	Kevin LaGuardia	Blas Hernandez						
Aquila Energy Marketing Corp.	Other Suppliers	Jerry Coffey	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	Bill Fehr	John Foreman						
Constellation New Energy Inc.	Other Suppliers	Peter Duprey	Carrie CullenHitt	Steve Fernands					
Constellation Power Source	Other Suppliers	✓ Glen McCartney	Mary Lynch	Daniel Allegretti					
Coral Power, LLC	Other Suppliers	✓ Matt Picardi	Dave French						
Dominion Energy Marketing, Inc.	Other Suppliers	Michael Bekker	Lou Oberski						
Duke Energy North America, LLC	Other Suppliers	Stacy Dimou	Del Disher						
Dynegy	Other Suppliers	✓ Alan Foster	Jason Cox	Kevin White	Tom May	Steve Vavrik			
ECONergy	Other Suppliers	Saul Horowitz	✓ Tom Halleran						
El Paso Merchant Energy	Other Suppliers	✓ Roy Shanker	Gary Keevill	Russel Like					
Exelon Generation - Power Team	Other Suppliers	✓ David Applebaum	Linda Clarke	Regina Carrado					
Fortistar/Lockport Energy Associates, L.P.	Other Suppliers	Roger Kelley	Tom Gesicki	✓ Mark Younger	✓ Glenn Haake				
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				
Mirabito Gas & Electric, Inc.	Other Suppliers	Russ Southard	✓ Jim Scheiderich						

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Morgan Stanley Capital Group	Other Suppliers	Patrick Murray	Karen Kochonies	Levon Kazarian	Doron Ezickson				
NRG Power Marketing	Other Suppliers	Joe DeVito	✓ Tim Foxen	✓ Peter Chamberlain					
NU / Select Energy	Other Suppliers	✓ Jim Scheiderich	Gunnar Jorgensen						
Ontario Power Generation Inc.	Other Suppliers	Tasos Karatsoreos	Jim Mastorakos	Ken Lacivita	Erica Cheung				
PP&L Energy Plus	Other Suppliers	Roland Moor	David Yannarell	Jeff Bell	John Brodbeck				
PSEG Energy Resources & Trade	Other Suppliers	✓ Howard Fromer	Michael LaFalce	Bob Logan	Dennis Sobieski				
Reliant Energy Services, Inc.	Other Suppliers	✓ John Reese	Bruce Bleiweis	✓ Liam Baker					
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	Matt Morais			
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	✓ Kevin Jones	Bill Killgoar					
New York Power Authority	Public Power - Authorities	Bob Deasy	✓ Bob Gow	Paul Rougeaux	✓ Kevin Kipers				✓ Bill Palazzo
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	Ken Moore	Matthew Benesh	Jim Hamilton	Paul Pallas	Jack Brown	✓ 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	Ken Moore	✓ Tim Bush					
Village of Fairport	Public Power - Munis & Co-ops	Ken Moore	✓ Tim Bush	Paul Pallas					
Village of Freeport	Public Power - Munis & Co-ops	Anthony Fiore	✓ Ted Kimlingen						
Village of Rockville Centre	Public Power - Munis & Co-ops	Tom Cardile	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	✓ Tim Bush		
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					✓ Sasson, Cadwalader
NY State Electric Gas (NYSEG)	Transmission Owners	✓ Ray Kinney	✓ Patti Caletka	Steve Jeremko	Hank Masti				✓ M. Paravalos
Orange & Rockland, Inc.	Transmission Owners	Gary Rozmus							
Rochester Gas & Electric	Transmission Owners	✓ Ray Kinney	✓ Patti Caletka	Steve Jeremko	Hank Masti				
Caithness Energy, L.L.C	Non-voting	Ross Ain	Jack Feinstein						
Cianbro Corporation	Non-voting	Ed Krapels	Brian Chernack	Paul Flemming					
Customized Energy Solutions	Non-voting	✓ Rick Mancini	Stephen Fernands	Bill Schofield					
Energetix, Inc.	Non-voting	Barney Farnsworth	Gerald Strassner						
Hudson River Energy Group	Non-voting	Frank Radigan							
Hydro-Quebec TransEnergie	Non-voting	Glenn Sylvain	Mario Boucher						
NYS Department of Public Service	Non-voting	✓ Bill Heinrich	David Drexler						
The Structure Group	Non-voting	✓ Bob Furry							
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							
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
✓ Mollie Lampi	NYISO
Bill Museler	NYISO
Chuck King	NYISO
✓ Dave Lawrence	NYISO
✓ John Cutting	NYISO
✓ Elaine Robinson	NYISO
✓ Kristen Kranz	NYISO
✓ Leigh Bullock	NYISO
✓ Ray Stalter	NYISO

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✓ Debbie Eckels	NYISO								
✓ Carol Murphy	NYISO								
✓ Jim Savitt	NYISO								
✓ Valerie Ross	NYISO								
✓ Greg Goodrich	NYISO								
✓ Rich Miller	NYISO								
John Cutting	NYISO								
Jane Lathrop	NYISO								
Ernie Cardone	NYISO								
John Charlton	NYISO								
Kathy Whitaker	NYISO								
Andy Hartshorn	NYISO/LECG								

Key:

✓ = In attendance

New York Independent System Operator

Business Issues Committee - September 9, 2003

Motion: Motion #3

Result: Motion Passed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	0.00	5.00	2	0.00	21.50	
Other Suppliers	21.5	✓	✓	21.50	5.00	8.00	5	8.27	13.23	
Transmission Owners	20.0	✓	✓	20.00	4.00	0.00	0	20.00	0.00	
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	0	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	2.00	0.00	0	8.00	0.00	
Munis and Coops	7	✓		7.00	7.00	0.00	0	7.00	0.00	
Environmental	2	✓		2.00	5.00	0.00	0	2.00	0.00	
				5	100.00	41.00	13.00	7	65.27	34.73
					100.00	Normalized to 100% :		65.27	34.73	

New York Independent System Operator

Business Issues Committee - September 9, 2003

Motion Motion #3

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	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	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		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	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Ron Mackowiak		y		1.00
Generation Owners	Indeck Energy Services	Mark Younger		y		1.00
Generation Owners	KeySpan Ravenswood, LLC	Terrence Kain		y		1.00
Generation Owners	Mirant New York, Inc.	Doreen Saia		y		1.00
Generation Owners	Orion Power New York	John Reese	y	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		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		1.00
Other Suppliers	Dominion Energy Marketing, Inc.					
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy	Alan Foster		y		1.00
Other Suppliers	ECONergy	Tom Halleran		y		
Other Suppliers	EI Paso Merchant Energy	Roy Shanker		y		
Other Suppliers	Exelon Generation - Power Team	David Applebaum		y		1.00
Other Suppliers	Fortistar/Lockport Energy Associates, L.P.	Mark Younger		y		1.00
Other Suppliers	FPL Energy					
Other Suppliers	HQ Energy Services	Michel Prevost		y		
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		1.00
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.	John Reese		y		1.00
Other Suppliers	Sempra Energy Trading	Tom Halleran		y		
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	Kevin Jones		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	Tim Bush		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.	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	Ted Kimlingen		y	1.00	
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	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)	Ray Kinney		y	1.00	
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Ray Kinney	y	y		

New York Independent System Operator

Business Issues Committee - September 9, 2003

Motion: Motion #3a

Result: Motion Failed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	6.00	0.00	1	21.50	0.00	
Other Suppliers	21.5	✓	✓	21.50	9.00	7.00	2	12.09	9.41	
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	11.00	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	4.00	3.00	0	4.00	3.00	
Environmental	2	✓		2.00	0.00	5.00	0	0.00	2.00	
				5	100.00	19.00	39.00	3	37.59	62.41
					100.00	Normalized to 100% :		37.59	62.41	

New York Independent System Operator

Business Issues Committee - September 9, 2003

Motion Motion #3a

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	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	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	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	William Roberts		y	1.00	
Generation Owners	Entergy Nuclear Northeast	Ron Mackowiak		y	1.00	
Generation Owners	Indeck Energy Services	Mark Younger		y	1.00	
Generation Owners	KeySpan Ravenswood, LLC	Terrence Kain		y	1.00	
Generation Owners	Mirant New York, Inc.	Doreen Saia		y	1.00	
Generation Owners	Orion Power New York	John Reese	y	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		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	1.00	
Other Suppliers	Dominion Energy Marketing, Inc.					
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy	Alan Foster		y	1.00	
Other Suppliers	ECONergy	Tom Halleran		y	1.00	1.00
Other Suppliers	EI Paso Merchant Energy	Roy Shanker		y	1.00	
Other Suppliers	Exelon Generation - Power Team	David Applebaum		y	1.00	
Other Suppliers	Fortistar/Lockport Energy Associates, L.P.	Mark Younger		y	1.00	
Other Suppliers	FPL Energy					
Other Suppliers	HQ Energy Services	Michel Prevost		y		
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	1.00	
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.	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	Kevin Jones		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	Tim Bush		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.	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	Ted Kimlingen		y		1.00
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	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)	Ray Kinney		y		1.00
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Ray Kinney	y	y		