

Memorandum

October 15, 2001

TO: Business Issues Committee
FROM: Nominating Committee
RE: Election of Vice Chair

The Nominating Committee presents a slate of two candidates for Business Issues Committee consideration to serve as Vice-Chair of the Management Committee for a one year term, 12/1/2001 to 11/30/02

The nominees are (in alphabetical order):

Joseph A. Holtman
James M. Parmelee

We are circulating the credentials of the two nominees as submitted.

The election will be held, by secret ballot (s) on October 25, 2001. A vote of 58% in favor is needed to elect the Vice Chair.

Joseph A. Holtman

Submission of information related to NYISO Business Issues Committee Vice-Chair Position.

Resume-see Attached

Questions:

1. Please describe all experience you have had in chairing groups or committees of diverse interests, with a list of such groups.

During my tenure at Orange and Rockland Utilities, I chaired several internal committees charged with design and implementation of demand-side management programs. Given the demand on various divisions' resources to implement these programs, reaching consensus was critical to achieving timely results.

External to the energy industry, I served as President of the Council of Christ Lutheran Church in Airmont, New York during the July 1997 to July 1998 and July 1999 to July 2000 periods. During my tenure, several growth initiatives reached fruition, including its first property acquisition in nearly 25 years and a corresponding unprecedented fund drive.

2. Please describe the support of your organization for your assuming the position of Vice-Chairperson, and describe your ability to make the necessary time commitment.

I currently serve as Mirant New York's representative to the Management and Operating Committees. I also represent Mirant on several subcommittees and working groups, including the TPAS, IITF, Scheduling & Pricing and Market Structure working groups.

Mirant has invested hundreds of millions of dollars in New York State and is committed to the New York energy market. It fully supports my involvement in these NYISO groups, and my fulfillment of duties as Vice Chair of the Business Issues Committee should I be elected.

3. Please describe any training or experience you have had in mediation, ADR or consensus building.

I attended leadership development and team building courses during my tenure at Orange and Rockland, including the Center for Creative Leadership's flagship course.

As a member of the merger transition team during the Con Edison / O&R merger, I helped ensure that merger objectives were attained as seamlessly as possible.

As Acting President of a retail gas supply business during a difficult time in its operation, I used team-building skills to bring improvements in energy

purchasing, sales and marketing, and administrative functions while reducing headcount.

This endeavor, my other business experience and the courses mentioned above have helped me to develop a management style that encourages participation and helps build consensus.

4. Please describe briefly why you would like to have this job.

I believe that the perspective I have developed through my utility, competitive retail and wholesale experiences, coupled with my consensus-building management style, will allow me to help the NYISO and its market participants balance operating and business concerns to achieve their goals in these areas.

5. Please describe briefly your organizations actual and/or potential business interests in the Northeast and New York State, including the sector in which your organization participates for purposes of NYISO governance.

Mirant currently owns and operates over 1700 MW of generation in Rockland, Orange and Sullivan counties. It also has submitted an Application with the New York State Board on Electric Generation Siting and the Environment to construct a combined cycle generating facility on the Bowline site, which would generate an additional 750 MW. Its Application has been deemed complete by the Siting Board. An affiliate, Mirant New England, owns and operates three projects in the Boston area.

Mirant participates in the generator sector of the NYISO.

JOSEPH A. HOLTMAN

OBJECTIVE

Vice Chairman of NYISO Business Issues Committee

FUNCTIONAL SUMMARY

A proven, results-oriented leader with strong communication and computer skills. Proponent of team-based organization structure. Responsibility has ranged from strategic planning and regulatory matters to general management of a competitive retail energy supplier. In-depth knowledge of and experience in public utility affairs.

EMPLOYMENT

2000 - present	Mirant New York, Inc. <i>Director – Regulatory Affairs</i>	Suffern, New York
1999 - 2000	Consolidated Edison, Inc. <i>Director – Corporate Planning</i>	New York, New York
1985 - 1999	Orange and Rockland Utilities, Inc. <i>Director – Energy Resources, and other positions</i>	Pearl River, New York
1997	NORSTAR Management, Inc. <i>Acting President</i>	Houston, Texas

LEADERSHIP

Responsible for all operations of a retail gas marketing firm with \$60 million in sales and staff of 130, through its sale process (1997)

- Retained key employees and improved morale during crisis
- Developed, implemented new pricing procedures to improve profits and reduce risks
- Initiated telemarketing to quickly increase the number of performing sales contracts
 - Reduced non-critical payroll by \$1 million per year

Responsible for purchase of \$220 million of electricity and natural gas per year, and the commodity risk management function. With staff of 13, performed electric and gas capacity and energy planning and procurement, supply contracting, accounting, regulatory affairs and risk management (1996 – 1999)

- Obtained Board approval to use energy derivatives to hedge price risk
- Member of O&R's Generation Divestiture, Con Edison's Merger Transition teams
 - Developed innovative multi-departmental strategic planning process

Council President - Christ Lutheran Church, Airmont, NY (1997/98 & 1999/00)

- Successfully promoted budget increase of 77% over four years
- Successfully promoted large capital spending program and facility expansion

RISK MANAGEMENT, ENERGY SUPPLY AND TRADING

Led development of energy risk management policies and procedures (1997)

Led review of regulated and unregulated energy purchasing and commodity risk management functions (2000)

Responsible for procurement of \$200 million of fuel per year, including natural gas for resale; natural gas, coal and oil for electric generation; and vehicle fuels (1991 – 1996)

REGULATORY

Responsible for all aspects of Mirant's affairs with NY Independent System Operator and NY Public Service Commission

Testified as expert witness in four New York electric and gas rate case and other proceedings from 1989 to 1999; testified in New Jersey annual fuel cost recovery proceedings from 1992 to 1999; testified in Pennsylvania gas rate case

Responsible for utility's state and federal gas supply regulatory matters (1991 – 1999)

Negotiated recovery of \$3.1 million of gas take-or-pay costs (1995)

Designed and implemented two changes in gas transfer pricing for electric generation to lower electric costs and stabilize gas prices (1992, 1998)

BUSINESS DEVELOPMENT

Member of utility's valuation and due diligence team for major northeast and overseas utility acquisitions (1999)

Member of team responsible for business development of utility subsidiaries (2000)

Member of utility's retail access development team; developed capacity trading rules (1998)

SALES AND COMMUNICATIONS

Media contact for Mirant

Managed all seven residential and two commercial demand-side management programs for O&R (1989 – 1991)

Negotiated an innovative gas sales contract with utility's largest customer (1995)

EDUCATION

1986 - 1989 Iona College Hagan School of Business New Rochelle, New York
Master of Business Administration: Financial Management

1981 - 1984 State University of New York Plattsburgh, New York
Bachelor of Arts: Physics (Cum Laude)

James Parmelee

1. Please describe all experience you have had in chairing groups or committees of diverse interests, with a list of such groups.

Transmission Owners Technical Committee – Chaired a group of diverse utilities on a variety of issues including RTO mediation participation.

LIPA – Chaired working group of LIPA, KeySpan and Navigant Consulting staff to create LIPA’s Long Island Choice Program.

Church Committees – Chaired Budget Committee, Endowment Committee and Finance Committee

New York State Energy Office – Chaired Division Computer Users Group

2. Please describe the support of your organization for your assuming the position of Vice-Chairperson, and describe your ability to make the necessary time commitment.

LIPA has committed to provide full support for me to serve as BIC Vice-Chair and then Chair. Currently 90% of job responsibility is ISO matters, allowing BIC to be a priority task. When I become Chair of BIC, I will give up my chair of the Transmission Owners Technical Committee to make time for the BIC chairmanship.

3. Please describe any training or experience you have had in mediation, ADR or consensus building.

All of the positions described in 1 above have provided experience in consensus building. My participation in the various ISO committees, working groups and task forces also has provided the opportunity develop consensus.

4. Please describe briefly why you would like to have this job.

The next few years will be critical in transitioning from the New York ISO to a regional RTO. I believe my background in working with a variety of entities and experience in different regions of the country will help in understanding the issues needed to build a consensus to work toward an expeditious transition while maintaining system reliability and market efficiency.

5. Please describe briefly your organizations actual and/or potential business interests in the Northeast and New York State, including the sector in which your organization participates for purposes of NYISO governance.

LIPA participates in the Public Power Sector. It owns and or controls approximately 4200 MW of generation in New York State, owns a most of the Bulk power system on Long Island and an interconnection to New England. LIPA owns most of the distribution system on Long Island and is an LSE for approximately 4500 MW of load. LIPA has contracted for the construction of a New Transmission Tie to New England and is in the process of contracting for numerous new generation projects on Long Island.

JAMES M. PARMELEE

Jim Parmelee, Director of Power Markets for LIPA, has over 23 years of experience in the electric power industry. His primary responsibility is coordinating LIPA’s ISO policy. He currently serves as a representative on the NYISO Management Committee, Business Issues Committee and Operating Committee. He has also actively participated in a many Management Committee and Business Issues Committee working groups including: Liaison Committee, Management Committee Bylaws committee, Budget Standards and Performance Review, Credit Policy, Scheduling and Pricing, and Reserve Working Group and the Circuit Breaker Working Group. Beginning 18 months prior to the start of the NYISO, he represented LIPA on the steering committee that managed the ISO development and was a member of the working group that made policy decisions on the design of the ISO, crafted the modifications to the Tariffs and agreements that accommodated LIPA’s tax exempt financing requirements, and drafted the FERC filings. In his previous job with Navigant Consulting he worked on projects for electric utilities, independent power producers, ESCOs, power marketers, municipal utilities, Power Authorities, ISOs and End use customers throughout the country providing a understanding of the diverse interests of market participants and alternative approaches to managing power systems and power markets. His New York State Energy Office position as chief electric planner for the New York State Energy Office provides a strong background in the New York State system and its transition from regulated monopolies to a more competitive power markets.

EDUCATION M.S. - Nuclear Engineering
Rensselaer Polytechnic Institute, Troy, New York

B.S. - Nuclear Engineering
Rensselaer Polytechnic Institute, Troy, New York
Electric Power Engineering Studies
Rensselaer Polytechnic Institute, Troy, New York

PROFESSIONAL 2001 – Present – Long Island Power Authority

HISTORY Current Position – Director of Power Markets

1995 - 2000 - Resource Management International, Inc.

Last position - Director

1979 – 1995 - New York State Energy Office

Last position - Chief Electric Planner