

NYISO Business Issues Committee Meeting Minutes

Wednesday, May 19th, 2004

NYS Nurses Association, Latham, NY

1. Welcome & Meeting Objectives

Wes Yeomans, Chair of Business Issues Committee (BIC) called the meeting to order at 10:03 AM and welcomed the members of BIC. Attendees introduced themselves, naming the organizations they represent.

2. Approval of March minutes

Final drafts of the minutes from April 28th were distributed to BIC members before the meeting, that incorporated changes submitted by Market Participants during the prior week.

Motion #1:

Motion to approve the Minutes from the April 28, 2004 BIC meeting.

(Motion passed unanimously by show of hands)

3. Chair's Report

Wes Yeomans noted that the working group reports have been moved to an earlier point in the agenda to provide more time and higher visibility.

4. Market Operations Report

Chuck King of the NYISO presented the Market Operations report. Mr. King noted that LBMPs increased slightly over the same period last year, and that fuel prices appear to have stabilized through April. The new hourly Regulation requirements were implemented during April, and were distributed to the marketplace. AMP changes were implemented on May 1st. He noted that price reservations and corrections remained at historical levels, and the actual level of the change is smaller.

Tom Rudebush of Duncan, Weinberg, Genzner and Pembroke (Village of Rockport Center) asked whether lower Regulation prices in April were related to the decreased amounts that the NYISO was purchasing. Mr. King indicated that he did think that reduced Regulation purchases could have resulted in lower prices, and that the good CPS performance indicated that the new Regulation requirements have resulted in improved efficiency.

Mr. King then presented the Market Evolution Plan, which addresses post-SMD2 market improvement efforts. He described the proposed stakeholder process that is intended to determine the direction the market should pursue post-SMD. Mr. King stated that a two-track process is envisioned: the first track is to use PPT and 2005 budget process to fine tune what is planned for 2005, with a presentation to the Sector Meetings and Joint Board/MC meeting in Fall 2004; and, the second track is envisioned to take place through the MSWG and the seams process. Current projects would be separated into two categories – expanding market functionality/improving market efficiency and seams projects. Mr. King then presented high-level descriptions of projects that could be proposed.

Mark Younger of Slater Consulting inquired as to why 15-minute scheduling and improved combined-cycle modeling were not on this list. Mr. King replied that the list proposed is not intended to be exhaustive or exclusive, but, instead, merely an initial listing of possible categories. Market Participants will be involved in developing a more detailed and comprehensive list.

Mr. King then discussed the next steps for this effort. A list of 2005 candidate projects will be developed and tied back to the NYISO Strategic Plan. Projects will need to be prioritized, given budget and resource constraints. Operations and billing related projects will also be included in the overall project budget, and will need to be considered as market improvement projects are selected.

Mr. Younger inquired as to whether NYSERDA would be approached to provide funding to defray green power costs. Mr. King replied that the NYISO would be open to any sources of funding.

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Rich Felak requested clarification regarding MSWG serving as a focal point, and whether issues coming through other working groups would have to go through MSWG before reaching BIC. Mr. King replied that this is not the intent, and that feedback is desired from all working groups.

The NYISO will distribute 2004-05 project lists shortly, and discussions at MSWG will begin this summer.

5. Regional Market Enhancements

Mr. King then presented the Regional Market Enhancements Report. Facilitated checkout deployment is anticipated in June. IMO is planning to implement Facilitated Checkout in July.

Jim Scheiderich of Select Energy inquired as to the status of the technical bulletin on E-tagging, and commented that the new procedures are posing challenges to Market Participants. Mr. King was aware that there were some learning curve issues at the beginning of the implementation and that NYISO Customer Relations Department staff was assisting MPs in using the new system. Mr. Ray Stalter volunteered to check on the status of the tech bulletin.

Tim Bush of Navigant Consulting asked whether a vote was planned concerning Rate Pancaking at the next Management Committee meeting. Mr. King said it was. Mr. Bush also wanted to know the status of the additional information requested at the April BIC meeting. Mr. King was under the impression that this information had been distributed already and covered during John Buechler's presentation at the last MC meeting, but that the NYISO would check to ensure that all action items were closed. Market Participants were asked to forward any questions to Ray Stalter for answers prior to the MC meeting. Mr. Yeomans supported the suggestion that a brief conference call take place before the MC meeting to discuss the proposed tariff language and any outstanding questions.

Virtual Regional Dispatch was discussed at the most recent S&P meeting. Details are still being worked through and a pilot is under development.

Also discussed was the status of the Cross Sound Cable. The DOE rescinded the emergency order and the cable has been de-energized. Because of the DOE decision, the interim project is on hold, and the focus is now on the end-state project. Mr. Scheiderich asked if the NYISO would re-evaluate emergency procedures for using the CSC. Mr. King said that these plans would be looked at since the DOE order appeared to allow the possibility of emergency use, though the NYISO believes that it would have to re-apply to the DOE for any subsequent emergency authority to use the cable.

Mr. King noted that the revised seams agreement between NYISO and ISO-NE was included in the BIC meeting packet.

Kevin Jones of Navigant suggested that this report captures other issues that presently are only in the quarterly report. Mr. King replied that these issues were already being tracked in the quarterly report, but that it didn't make sense to track milestones for projects that the NYISO may or may not even undertake. Mr. Jones thought we needed some way to identify at least when the preliminary review would take place. NYISO will look into this idea and report back to BIC.

Doreen Saia of Couch White asked that the agreement reflect the project approval process changes that may result due to changed corporate structure (ISO-NE becoming an RTO vs. NYISO's continuing shared governance structure).

6. Working Group Updates

A. Billing and Accounting (Chair: Kevin Kipers): BAWG has not met since the April BIC. The Final Bill Task Force has been looking into issues concerning shortening the final bill period to four months. Several conference calls have been held, and a draft issues list will be distributed at an upcoming BIC. It was reported that several Market Participants have commented on the workload associated with the high number of bills requiring processing. A SMD Billing issues training was held during May.

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Steve Wemple of ConEd asked if BAWG could address the issue of metered load changing during the final bill challenge process. Kipers indicated that he would put it on the agenda.

- B. Electric System Planning (Joint OC/BIC WG)** (Chair: William Palazzo): The Working Group last met on May 6th, and was dedicated to reaching consensus on the Comprehensive Planning Process. The Working Group generally agreed on the NYISO proposed ATR Study list. Members agreed at a high level that beneficiaries should cover cost allocations. Cost recovery and Regulated Backstop are still under discussion. Once approved by the OC and the MC, a filing will be submitted to FERC.
- C. Installed Capacity** (Chair: Howard Fromer): The independent ICAP Demand Curve cost study was discussed at length during the last meeting. A preliminary report will be presented at the next meeting, and the final report is due in mid-June.
- D. Interconnection Issues Task Force** (Glen Haake gave the report): No meeting has been held since the prior BIC meeting. Comments were received from MPs and will be incorporated into study scope.
- E. Market Structures** (Chair: Jim Scheiderich): The Transmission Services Manual has been posted, and there are several changes. Market Participants were encouraged to review the draft.
- F. Price Responsive Load** (Chair: Bob Loughney): Ancillary Service issues will be discussed at next meeting after DADRP changes are put in place.
- G. Scheduling and Pricing** (Chair: Ray Kinney): The last Working Group meeting held was a joint meeting with MSWG. Locational Operating Reserves and self-supply issues were discussed. The NYISO will look at the possibility of using transmission facilities to provide reserves. The tariff changes that address the PURPA exemption under RTS were also discussed. Credit requirement issues will also be discussed at the next meeting.

Mr. Stalter indicated that a Credit Policy Task Force meeting would be convened in the near future.

7. Proposed Revisions to the NYISO Demand Response Program

Aaron Breidenbaugh of the NYISO presented the proposed revisions. The current DADRP program is scheduled to lapse on 10/31/04. These changes are intended to integrate Demand Response into the economic markets, and address barriers to entry that have been noted by Market Participants. The NYISO proposes to:

- Remove sunset date from the program
- Conduct annual reviews and recommend changes
- Retain Current Payment/Credit/Cost Recovery structure
- Amend DADRP to settle deviations from DAM schedules at RT price
- Remove requirement that PSC-certified Meter Data Service Providers submit meter data
- Revise Floor Price from \$50 to \$75
- Continue to Limit participation to Curtailable Loads – no distributed generators
- Changes will be effective October 31, 2004

Mr. Kinney noted that the proposal to move revised floor pricing from the tariff to the manual might not be acceptable to FERC. Gerald Deaver of the NYISO said he'd look into the issue. Mr. Breidenbaugh noted that this change would enable the NYISO to adjust the floor price more quickly than the tariff revision process would allow.

Keith O'Neal of E-Cubed inquired whether the floor price should be raised at all, asking if MMP could just monitor the market for abuse. Jim Savitt of NYISO replied that the governance process would need to grant specific authority to MMP to monitor this activity, as the tariff does not presently give this authority.

Several Market Participants indicated that the rationale for raising the floor price and removing the floor price amount from the tariff should be described in the FERC filing.

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Documentation was presented to show that the bulk of the participants were “free riders”, so that while raising the floor price would lower overall participation, it would reduce participation from those parties that are not providing any benefit to the market.

Mr. O’Neal offered an amendment to motion 2 to include eligibility for Distributed Generation to participate in DADRP, and offered comments in support of the motion. FERC and ISO-NE have defined demand response to include behind-the-fence distributed generation. PJM also includes distributed generation in its demand response program. The amendment to the motion is being made to bring consistency in the definition between the ISOs. Mr O’Neal also described the technologies that are being developed as being relatively “clean” technologies.

The PRLWG has addressed this issue, and based on those discussions, the amendment would be considered unfriendly.

Dave Lawrence of the NYISO noted that behind-the-fence generation was included in 2001, and there was no participation from that group. The NYISO does not want to see generation go behind the fence. Mr. Lawrence added that the programs in ISO-NE and PJM are not comparable to NYISO. Mr. Lawrence also noted that distributed generation is able to participate in EDRP and SCR programs in the NY Market.

Mr. Younger indicated that he could not justify a distributed generator receiving both an LBMP and an incentive payment. He added that a distributed generator could participate through teaming up with a load that submits price responsive load bids.

Motion #2:

The NYISO Business Issues Committee (BIC): (i) approves the proposed revisions to the NYISO Day-Ahead Demand Response Program, as presented at the BIC meeting on May 19th, 2004; and, (ii) recommends that the Management Committee approve the proposed revisions and direct NYISO staff to develop any necessary revisions to the NYISO tariffs consistent with the May 19th presentation to the BIC.

(Motion passed by a majority show of hands)

Motion #2a:

Motion to amend Motion #2 to revise the presented proposal to eliminate the 7th bullet, on page 2 of the presentation, that reads “Continue to limit Participation to Curtailable Loads” and add the following bullet:

- Allow participation of Distributed Generation as defined in the ISO Agreement.

(Motion failed with 2.39 % affirmative votes)

8. Proposed Revisions to the NYISO ICAP Manual

John Charlton of the NYISO presented an overview of these changes. The only substantive change is in Section 5, and consists of language to explain how the demand curve will be shaped to govern in-city mitigation.

Motion #3:

The NYISO Business Issues Committee (BIC) approves the proposed revisions to the Installed Capacity Manual, as distributed to Market Participants on May 3rd, 2004, and presented at the BIC meeting on May 19th, 2004.

(Motion passed unanimously by show of hands)

9. Proposed Internal HVDC Controllable Lines Concept of Operations

Brad Kranz of the NYISO presented the proposal outlining how an internal HVDC controllable line would be settled and scheduled, should one be built within New York. The applicable revenue streams would be LBMP differentials between source and sink (DAM and RT) as well as ICAP payments, and TCC expansion awards (if applicable).

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Mr. Kinney noted that any TCC shortfall amount should be billed back to the owner vs. other TOs (unless a TO was in fact the owner of the line).

The NYISO would be responsible for optimizing and scheduling the line DAM and RT. The owner would be responsible for providing the NYISO with fixed and incremental costs. The owner would have to report outages and derates, and would be responsible for ramping the schedule of the line. Rights held would be restricted to financial rights only, not physical. The owner would be subject to credit requirements by the NYISO, and the necessary requirements will need to be determined. Mr. Kranz noted that these facilities would be eligible for UDRs and expansion TCCs.

Liam Baker of Reliant asked what level of NYISO resources would be devoted to these changes, given the absence of such a controllable line. Mr. Kranz replied that the purpose of this exercise was to secure approval of the concept in advance of some project coming into existence, and that the set of functionality proposed meets the level of need expressed by parties thus far. The NYISO is willing to consider adding physical/fixed scheduling capabilities to the functionality should that be requested by a market participant in the future.

Motion #4:

The NYISO Business Issues Committee (BIC) hereby approves the Internal HVDC Controllable Lines Concept of Operations document that was reviewed by the Market Structures and the Scheduling and Pricing Working Groups on May 10th, 2004, and was presented to the BIC on May 19th, 2004. Upon request by any Market Participant to consider fixed scheduling alternatives not included in the Con Op that this would be taken up in the appropriate working group and brought to BIC in the future.

(Motion passed unanimously by show of hands with abstentions)

10. Proposal to Dis-Aggregate Data Posted to the NYISO Web Site for Zones J and K

Ray Stalter of the NYISO presented the proposal to dis-aggregate zonal data for Zones J and K. Mr. Stalter noted that BIC passed a motion in September 2000 regarding posting zonal data. LIPA appealed the release of Zone K information, and as a result, Zones J and K were combined for posting. At the Public Power/Environmental Sector meeting in March, 2004, it was requested that these zones be dis-aggregated. It was discussed at a subsequent S & P Working Group meeting, and no objections were raised. NYISO internal IT staff should be able to accomplish this fairly quickly.

Several MPs indicated that they would like to see the data disaggregated historically. Kevin Jones of LIPA indicated that he would take this additional request to LIPA management for an opinion. NYISO will check on the level of effort required to dis-aggregate historical data, and S&P will investigate this issue further.

Motion #5:

The NYISO Business Issues Committee (BIC) hereby approves the posting of individual zonal load data for all zonal loads in the same manner as outlined in the prior BIC motion that was approved on September 22nd, 2000 and as further presented and discussed at the May 19th, 2004 meeting.

The posting methodology proposed by this motion revises the methodology that was outlined in the Management Committee Appeal dated January 9th, 2001, by directing NYISO staff to disaggregate posted load data as identified in said motion for Load Zones J and K in future postings.

(Motion passed unanimously by show of hands)

11. Status Report Presentation: Rate Schedule One Evaluation

Mike Mount of RJ Rudden presented the status report. Providing background for the study, Mr. Mount indicated that Market Participants had requested an examination of the unbundling of Rate Schedule 1. NYISO staff and executives were interviewed to gain a full understanding of the cost structure. Rudden also worked closely with the BS&P Working Group. The study also examined other ISO cost recovery structures. Draft recommendations were presented to BS&P and NYISO staff. 2004 Budget information was used.

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Costs were broken into 5 categories

- System Reliability – ensure reliable transmission system operations
- Real-Time Operations – manage energy flows and congestion management
- Energy & Ancillary Service Markets – conduct and administer energy and ancillary services markets, including pricing and billing
- Capacity Market – administering ICAP market including studies and planning
- TCC Market – activities required to conduct the TCC Market.

Additional categories were used to collect costs that were then allocated among the five final categories: Billing & Customer Service, Management Services, and Billing Projects. The analysis then assigned costs for recovery to load and generation based on cost causation and/or benefits received.

	Reliability	RT Ops	Energy/Anc Svcs	ICAP	TCC
Load	100%	100%	60.5%	50%	60.5%
Supply	0	0	39.5%	50%	39.5%

Billing Units were used to create a billing rate or unit rate for each service category.

The study then generated a composite recommended result of 77%/23% allocation between Load and Supply. This ratio aligns closely with other ISOs that have unbundled rates, although the many differences among the ISOs contribute to some differences in costs. In response to a question from Ms. Saia, Mr. Mount clarified that this was Rudden's recommendation for the NYISO results, not the NYISO's recommendation.

The current NYISO billing system is unable to support multiple service categories and unbundled rate design. These changes would be costly and time-consuming to implement, and could not be implemented until 2006 or later. Mr. Mount suggested instead that the composite results be implemented as a simple change to the existing 85/15 allocation of Schedule 1 costs.

Ron Mackowiak of Energy asked if a MW transaction in the bilateral market results in the same cost causation as in the other markets. Mr. Mount replied that the recommendation is not affected by the bilateral market, since the final recommendation is based on the same billing units as are in place now.

12. Effects of Gas De-Rates on the NYISO Electrical Grid—Winter 2003-04

Andrew Bachert of NYISO presented this information. According to Mr. Bachert, the NYISO fared better than its neighbors this past winter with respect to natural gas de-rates. This winter was relatively warmer than last winter, except for two weeks with very low temperatures in January. In fact, the NYISO was able to export significant amounts of energy to assist ISO-NE. Both in terms of unit hours and magnitude, deratings were down this year over last.

The zones most affected by fuel derates were Capital, Long Island, and NYC. Fuel prices were volatile again this winter. Most dual fuel units were running on fuel oil or kerosene. 21 GTs derated, but did not have DAM schedules, and had a minimal impact. 23 dual fuel units also derated, due largely to having their gas load curtailed. Some also had problems getting fuel oil shipments.

Ms. Saia asked if environmental factors were examined as part of this study, and suggests that operators be contacted to see if additional information not contained in operator logs is available. There is an environmental steering group looking at these issues.

Mr. Wemple asked if NYISO was working with other ISOs on this issue. Mr. Bachert indicated that the NYISO has worked with ISO-NE and is taking ideas from them.

Mark Younger commented that the costs of new fuels should be included in the capacity markets.

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13. New Business

Chuck King asked MPs to review the SMD Readiness Plan information section of the Market Operations report.

14. Administrative Matters

None

Meeting was adjourned at 3:44 PM

Respectfully Submitted,

James Considine
Recording BIC Secretary

NYISO Business Issues Committee

May 19, 2004

The New York State Nurses Association, Latham NY

MOTIONS FROM THE MEETING

Motion #1:

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(Motion passed unanimously by show of hands)

Motion #2:

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New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance May 19, 2004 - 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.	✓ David Coup	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						
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	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	Judith Mondre	Ted Lee	✓ Tariq Niazi				
CNYC Inc. (Council of NY Coop & Condo)	End Use - Small Consumer	Herb Rose	MaryAnn Rothman	Judith Mondre	Ted Lee	✓ Tariq Niazi			
Columbia University	End Use - Small Consumer	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Mount Sinai Medical Center	End Use - Small Consumer	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
New York Energy Buyers Forum	End Use - Small Consumer	Herb Rose	David Bomke	✓ Tariq Niazi					
New York Presbyterian Hospital	End Use - Small Consumer	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
New York University	End Use - Small Consumer	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Refined Sugars, Inc.	End Use - Small Consumer	John Gebhard	Quintin George	Catherine Luthin	John Dowling	Jennifer Kearney			
NY State Consumer Protection Board	End Use - State Agency	✓ Tariq Niazi	Doug Elfner						
AES NY	Generation Owners	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 Linden Holding LLC	Generation Owners	✓ Roy Shanker	Thomas Hoatson	Robert Licato	Kathy Benini				
Edison Mission Marketing & Trading	Generation Owners	✓ William Roberts	Robert Agnello	Jeffrey Ellis	✓ Peter Brown	Rich Mooney	Pam Van Horn		
Entergy Nuclear Northeast	Generation Owners	✓ Marc Potkin	Angelo Vai	✓ Ron Mackowiak					
Indeck Energy Services	Generation Owners	Mike Ferguson	John Schrage	✓ Mark Younger					
KeySpan Ravenswood, LLC	Generation Owners	James Brennan	Rich Hohlman	Joseph Vignola	James D'Andrea	Terrence Kain	Rich Rapp		
Mirant New York, Inc.	Generation Owners	Vicki Lynch	Susann Felton	✓ Doreen Saia					
Orion Power New York	Generation Owners	✓ Liam Baker	Bill Berg						
Selkirk Cogen Partners, L.P.	Generation Owners	✓ Tim Biittig	Steve Kamppila						
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						✓ Keith O'Neill	
Advantage Energy, Inc.	Other Suppliers	Kyle Storie							
Agway Energy Services, Inc.	Other Suppliers	Russell Miller	✓ Jim Scheiderich						
Amerada Hess Corporation	Other Suppliers	Kevin LaGuardia	Blas Hernandez	✓ George Braulke					
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	Susan Chamberlin				
Constellation Power Source	Other Suppliers	✓ Glen McCartney	Mary Lynch	Daniel Allegretti					✓ Michael Gildea
Coral Power, LLC	Other Suppliers	✓ Matt Picardi	Dave French						
Dominion Energy Marketing, Inc.	Other Suppliers	Wes Walker	Lou Oberski	Michael Bekker					
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	Jeff Moore	Asavari Alvarez						
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	✓ Christian Desilets	Michel Prevost	Paul Norris	Benoit Goyette				
KeySpan Energy Services	Other Suppliers	Terrence Kain	James D'Andrea	Edwin Kichline	James Cross	John Vaughn			
Morgan Stanley Capital Group	Other Suppliers	Patrick Murray	Karen Kochonies	Levon Kazarian	Doron Ezickson				
NRG Power Marketing	Other Suppliers	✓ Tim Foxen	Katie Sullivan	Peter Chamberlain					
NU / Select Energy	Other Suppliers	✓ Jim Scheiderich	Gunnar Jorgensen						

New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance May 19, 2004 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
Ontario Power Generation Inc.	Other Suppliers	Tasos Karatsoreos	Jim Mastorakos	Ken Lacivita	Erica Cheung	Scott McArthur	✓ Glenn Haake		
PP&L Energy Plus	Other Suppliers	Roland Moor	David Yannarell	Jeff Bell	John Brodbeck			✓ Tom Hyzinski	✓ Joe Langan
PSEG Energy Resources & Trade	Other Suppliers	Howard Fromer	Michael LaFalce	Bob Logan	Dennis Sobieski				
Reliant Energy Services, Inc.	Other Suppliers	✓ Liam Baker	Bill Berg						
Sempra Energy Trading	Other Suppliers	Dan Staines	Maria Agovino	✓ Scott Englander	Robert Fagan				
SESCO Enterprises, LLC	Other Suppliers	Mike Schubiger	Jim Thoresen						
Strategic Energy LLC	Other Suppliers	Francis Pullaro	Michael Swider	Jeffrey Knox	James McCormick	Matt Morais			
Strategic Power Management, Inc.	Other Suppliers	✓ Mario DiValentino	Tom Folchi	Dan Duthie					
TransÉnergie U.S. Ltd.	Other Suppliers	Michael Jacobs	José Rotger						
Williams Energy Marketing & Trading Co.	Other Suppliers	David Singer	Dennis Keener	Robert O'Connell					
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	Valerie Strauss	✓ Larry DeWitt	Douglas Ward	Mike Jacobs				
Environmental Advocates	Public Power - Environmental	Anne Reynolds	✓ Larry DeWitt						
Nat'l Resources Defense Council	Public Power - Environmental	Dale Bryk	✓ Larry DeWitt						
Pace University	Public Power - Environmental	Edward Smeloff	✓ Larry DeWitt						
Scenic Hudson	Public Power - Environmental	✓ Larry DeWitt							
Bath Electric, Gas & Water Systems	Public Power - Munis & Co-ops	Ken Moore	✓ Tim Bush	Matthew Benesh	Ken Moore	Jack Brown			
City of Jamestown Board of Pub. Util.	Public Power - Munis & Co-ops	Michael Darroch	✓ David Gustafson	Wally Haase	✓ Tom Rudebusch				
Plattsburgh Municipal Lighting Dept.	Public Power - Munis & Co-ops	Jack Brown	✓ Tim Bush	Ken Moore					
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	Matthew Benesh	Jim Hamilton	Paul Pallas	Jack Brown	✓ Tom Rudebusch	
Village of Westfield	Public Power - Munis & Co-ops	Jim Hamilton	✓ Tim Bush	Ken Moore	Matthew Benesh	Jack Brown	Paul Pallas		
Central Hudson Gas & Electric	Transmission Owners	James Valleau	✓ Thomas Canino	Jeff May	Rick Greener				
Consolidated Edison	Transmission Owners	✓ Rebecca Craft	Gerry Dunbar						
National Grid	Transmission Owners	✓ Bart Franey	✓ Wesley Yeomans	Jerry Ancona					
NY State Electric Gas (NYSEG)	Transmission Owners	✓ Ray Kinney	✓ Patti Caletka	Steve Jeremko	Hank Masti				
Orange & Rockland, Inc.	Transmission Owners	None Assigned							
Rochester Gas & Electric	Transmission Owners	✓ Ray Kinney	✓ Patti Caletka	Steve Jeremko	Hank Masti				
Boundless Energy, L.L.C	Non-voting	Brian Chernack	Chuck Gilbert	Mark Mainetti					
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					
Ecogen, L.L.C	Non-voting	Tom Hagner							
Energetix, Inc.	Non-voting	Barney Farnsworth	Gerald Strassner						
Hudson River Energy Group	Non-voting	Frank Radigan	Richard Canfield						
Hydro-Quebec TransÉnergie	Non-voting	Glenn Sylvain	Mario Boucher						
NYS Department of Public Service	Non-voting	✓ Bill Heinrich	David Drexler						
The Structure Group	Non-voting	Bob Furry							
Tom Halleran	Non-voting	Tom Halleran							
William P. Short	Non-voting	William Short	Marc Schaefer	Joe DeVito	John Brodbeck	Ron Matlock	Paul Savage	Roberto Denis	
zNew Member	Non-voting	None Assigned							
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
Steve Balsler	NYISO
✓ John Buechler	NYISO
✓ Jim Savitt	NYISO
✓ Kristen Kranz	NYISO
✓ Andrew Bachert	NYISO
✓ Ray Stalter	NYISO

New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance May 19, 2004 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
✓ Debbie Eckels	NYISO								
✓ James Considine	NYISO								
✓ Gerald Deaver	NYISO								
✓ Belinda Thornton	NYISO								
✓ Brad Kranz	NYISO								
Phil Gootee	NYISO								
John Cutting	NYISO								
✓ Jane Lathrop	NYISO								
✓ Aaron Breidenbaugh	NYISO								
✓ John Charlton	NYISO								
Kathy Whitaker	NYISO								
Andy Hartshorn	NYISO/LECG								

Key:

✓ = In attendance

New York Independent System Operator

Business Issues Committee - May 19, 2004

Motion: Motion #2a

Result: Motion Failed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	0.00	6.00	4	0.00	21.50	
Other Suppliers	21.5	✓	✓	21.50	1.00	8.00	7	2.39	19.11	
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	0.00	5	0.00	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	0.00	1.00	8	0.00	20.00	
Gov. State-wide Cons. Advocate	2.7	✓		2.70	0.00	0.00	1	0.00	0.00	
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	0.00	0.00	2	0.00	0.00	
Public Power			✓							
State Power Authorities	8	✓		8.00	0.00	2.00	0	0.00	8.00	
Munis and Coops	7	✓		7.00	0.00	4.00	2	0.00	7.00	
Environmental	2	✓		2.00	0.00	5.00	0	0.00	2.00	
				5	100.00	1.00	30.00	29	2.39	97.61
					100.00	Normalized to 100% :			2.39	97.61

New York Independent System Operator

Business Issues Committee - May 19, 2004

Motion Motion #2a

Sector	Organization	Representative	Affiliate	Present	For	Against
End Use - Gov. Agency/Aggr.	NYS Energy Research & Develop. Auth.	David Coup		y		
End Use - Gov. Agency/Aggr.	The City of New York	Michael Delaney		y		
End Use - Large Consumer	Alcoa/Reynolds Metals Company	Michael Mager		y		
End Use - Large Consumer	ATCO Management Co.					
End Use - Large Consumer	IBM Corporation	Michael Mager		y		
End Use - Large Consumer	Occidental Chemical Corp.	Michael Mager		y		
End Use - Large Consumer	Praxair Inc.	Michael Mager		y		
End Use - Large Consumer	Xerox Corporation	Michael Mager		y		
End Use - Large Cons. Gov.	Metropolitan Transportation Authority					
End Use - Small Consumer	Association for Energy Affordability, Inc.	Larry DeWitt		y		1.00
End Use - Small Consumer	Beth Israel Health Care System	Tariq Niazi		y		
End Use - Small Consumer	Building and Realty Institute	Tariq Niazi		y		
End Use - Small Consumer	CNYC Inc. (Council of NY Coop & Condo)	Tariq Niazi		y		
End Use - Small Consumer	Columbia University	Tariq Niazi		y		
End Use - Small Consumer	Mount Sinai Medical Center	Tariq Niazi		y		
End Use - Small Consumer	New York Energy Buyers Forum	Tariq Niazi		y		
End Use - Small Consumer	New York Presbyterian Hospital	Tariq Niazi		y		
End Use - Small Consumer	New York University	Tariq Niazi		y		
End Use - Small Consumer	Refined Sugars, Inc.					
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y		
Generation Owners	AES NY	Christopher Wentlent		y		1.00
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC	Leonard Singer		y		1.00
Generation Owners	Calpine	Richard Felak		y		
Generation Owners	East Coast Power Linden Holding LLC	Roy Shanker		y		1.00
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Marc Potkin		y		1.00
Generation Owners	Indeck Energy Services	Mark Younger		y		1.00
Generation Owners	KeySpan Ravenswood, LLC					
Generation Owners	Mirant New York, Inc.	Doreen Saia		y		1.00
Generation Owners	Orion Power New York	Liam Baker	y	y		
Generation Owners	Selkirk Cogen Partners, L.P.	Tim Biittig		y		
Generation Owners	Sithe Energies, Inc.	David Applebaum	y	y		
Generation Owners	TransCanada Power Marketing	Elaine Beaudry		y		
Other Suppliers	1st Rochdale Cooperative NYC	Keith O'Neill		y	1.00	
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	Agway Energy Services, Inc.	Jim Scheiderich		y		
Other Suppliers	Amerada Hess Corporation	George Braulke		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 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	Dynergy	Alan Foster		y		1.00
Other Suppliers	ECONergy					
Other Suppliers	EI Paso Merchant Energy					
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	Christian Desilets		y		1.00
Other Suppliers	KeySpan Energy Services		y			
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.	Glenn Haake		y		
Other Suppliers	PP&L Energy Plus	Tom Hyzinski		y		
Other Suppliers	PSEG Energy Resources & Trade					
Other Suppliers	Reliant Energy Services, Inc.	Liam Baker		y		1.00
Other Suppliers	Sempra Energy Trading	Scott Englander		y		
Other Suppliers	SESCO Enterprises, LLC					
Other Suppliers	Strategic Energy LLC					
Other Suppliers	Strategic Power Management, Inc.	Mario DiValentino		y		1.00
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	Natl Resources Defense Council	Larry DeWitt		y		1.00
Public Power - Environmental	Pace University	Larry DeWitt		y		1.00
Public Power - Environmental	Scenic Hudson	Larry DeWitt		y		1.00
Public Power - Munis & Co-ops	Bath Electric, Gas & Water Systems	Tim Bush		y		1.00
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	David Gustafson		y		
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		
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	Rebecca Craft		y		1.00
Transmission Owners	National Grid	Bart Franey		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		