

NYISO Business Issues Committee Meeting

March 20, 2002

NYS Nurses Association
11 Cornell Road
Latham, NY 12110

MINUTES OF THE MEETING

I. Welcome & Meeting Objectives

Mr. Stephen Wemple, Chairperson of the Business Issues Committee (BIC), called the meeting to order at 10:05 AM and welcomed the members of the Business Issues Committee. The attendees introduced themselves and the companies that they represent.

II. Approval of the Minutes

The February 20, 2002 and March 20, 2002 meeting minutes were approved with revisions and will be posted to the NYISO web site.

Motion #1:

Motion to approve the minutes from January 23, 2002 and February 20, 2002 meetings.

(Motion passed unanimously by a show of hands)

III. Chairperson's Report

Mr. Wemple's reported that the position for Vice-Chairperson for the BIC has become vacant, with the departure of Joe Holtman. He announced that a solicitation for nominees for the position will be distributed later in the week.

IV. Market Operations Update

Dr. James Savitt, of the NYISO, began his report by pointing out that the CPS2 has been measured at a level above the target level for the prior 12 months. He commented that total price for 2002 was probably lower than similar months in 2001 versus 2001 because of higher gas prices in 2001 and lower demand in 2002. Dr. Savitt noted that a rise in ancillary service rates might be due to shorter supplies in the ending hours and beginning hours of the day. The number of price reservations had decreased in 2002, but the number of corrects were about the same for the first two months.

With respect to the graphs illustrating zonal LBMP, Dr. Savitt indicated how the LBMPs were consistent in the first two months of 2002, and how BME was consistent with Real

Time and Day Ahead prices. Mr. Wemple asked if the amount of uplift for both local reliability and for incremental real time virtual supply could be broken out per zone on these slides. Dr. Savitt took the request as an action item. Dr. Savitt also agreed to look at the possibility of breaking out the amount of uplift generated by virtual bidding, and present that breakout in slide 4-T, "Uplift- OATT Schedule 1 Components"

Dr. Savitt referred to slide number 4-U of the Market Operations Report to illustrate how the level of authorized virtual bidding has increased, but the level bidding activity remains at about one third that amount. A question was raised regarding the possibility that the NYISO may revise credit requirements for involvement in the virtual market. Mr. James Schmidt, of Hunton & Williams, referred to a recent FERC Order on a Request for Clarification regarding the removal of a collateral floor. The committee agreed to raise the question again with Mr. Andrew Ragona, who was scheduled to make a presentation later in the afternoon. The question was raised regarding the specific LBMP used to accept or reject virtual bids. Is it the generator weighted LBMP or load weighted LBMP? It was clarified that load weighted LBMPs apply to virtual bids, and that the NYISO would look into posting the data on the web site.

Dr. Savitt agreed to investigate the possibility of a request from Mr. Jim Scheiderich, of Select Energy, to break out the number of dollars in uplift that are generated from discretionary action awards. He also agreed to look into a request from Mr. Mark Younger, of Slater Consulting, to report virtual bidding uplift as a rate.

Dr. Savitt reported that pending drought conditions could have impact on the availability of generating capacity in the New York control area. He provided an estimate of the possible loss of capability broken down by steam, hydro, retrofits, and new capacity. Mr. Matthew Picardi, of Dynegy Power Marketing, Inc., asked if the NYISO will continue to monitor the water situation. Mr. Wemple replied that the NYISO will continue to monitor and report, as expressed by Mr. William Museler at a recent MC meeting.

Mr. Charles King, of the NYISO, reported the affect of out of merit operation and associated cost. When asked if the NYISO could quantify what amount of "TO Local Security" dollars would not have occurred if SCD had been able to secure at the 138 kv level, he replied that there is no way to back calculate that amount. Mr. King briefly covered the status of anchor projects and announced an agreement with PJM that formalizes the process for working on seams issues.

V. Proposal to Revise the EDRP Manual

Mr. Larry DeWitt, of Pace Energy Project, began his presentation by announcing to the BIC that he had three proposals to revise and improve the Emergency Demand Response Program and Day Ahead Demand Response Program. Those three proposals were to revise the EDRP manual, implement a \$50 bid floor for the DADRP, and extend the DRP beyond its current expiration date by one year. Mr. David Lawrence, of the NYISO,

discussed a revised version of the EDRP manual, and primarily focused on section 5.2. Section 5.2 is a new addition to the manual that addresses how Curtailment Service Providers may reduce demand through the operation of emergency generators. Mr. Lawrence noted that facilities with on-site generation would demonstrate that they have met all environmental compliance requirements.

A motion to accept the changes to the EDRP manual was approved by the committee.

Motion #2:

Motion to approve modifications to the Emergency Demand Response Program Manual dated March 5, 2002.

(Motion passed by a majority show of hands with abstentions)

VI. Proposal to Implement a \$50 Bid Floor for the DADRP

Mr. Lawrence presented the conclusion of the Price Responsive Load Working Group that the issue of the “Free Rider” was a serious enough to require attention. The PRLWG considered free riders to be a load that plan a reduction for other than market economics, then bid low to be paid whatever the market is clearing at. Mr. Lawrence conveyed the PRLWG recommendation to implement a \$50 bid floor in order to prevent loads from taking a free ride. He stated that the \$50 amount was derived from an analysis of the highest uncongested LBMPs.

Mr Aaron Breidenbaugh, consultant for Management Engineering, raised his concern that a precedent may be set that certain resources have no value below the floor amount. Mr. Keith O’Neal, of NRG, preferred additional training and legislation instead of a bid floor. Mr. Younger thought that generator should come out from “behind the fence”.

A motion to accept the recommendation to implement the \$50 bid floor was approved by the committee.

Motion #3:

Motion to approve the adoption of a Zonal floor bid price for the Day-Ahead Demand Response Program, and set the floor bid price at \$50/Mwhr in each Zone.

(Motion passed by a majority show of hands with abstentions)

VII. Proposal to Extend the Demand Response Program through 10/31/04

Mr. Dewitt explained to the committee that the program needs competitive demand response providers (DRPs) for the last two years of the program, and that the program was designed to be a three-year program. He also commented that the program had essentially lost a year due to the NYISO Prioritization process. He reported that the PRLWG had

recommended an extension of the program from October 31, 2003 to October 31, 2004.

Mr. Ray Kinney, of NYSEG, asked what the harm would be if BIC waited until after the 2002 summer capability period to take up this motion. Mr. DeWitt replied that a positive committee action would get the program back on track, and that a delay until fall was not necessary and may only increase the possibility of further slippage. Mr. Stephen Fernands, of AES New Energy, added that DRPs require significant lead-time to prepare for participation in the program. Mr. Younger expressed his lack of confidence that a one year extension will provide the assurance that the PRLWG is looking for. Ms. Doreen Saia, of Couch White, agreed with Mr. Kinney and added that the NYISO needs to also consider what is happening in the New England ISO.

A motion to extend the Demand Response Program through was approved by the committee, after a motion was rejected to delay voting on the first motion until after the summer period.

Motion #4:

Motion to change the sunset date of the Day-Ahead Demand Response Program from October 31, 2003 to October 31, 2004 as defined in Sections 2.38c and 4.16 of the Market Administration and Control Area Services Tariff.

(Motion passed with 58.50 % affirmative votes)

Motion #5:

Motion to table Motion #4 until the October 2002 BIC Meeting

(Motion failed with 55.75 % affirmative votes)

VIII. Proposal to Revise Attachment K of the ICAP Manual

Mr. John Charlton, of the NYISO, requested the committee to approve a revision to Attachment K of the NYISO Installed Capacity Manual, "Special Case Resource Certification/Verification". The revision was an insertion of a question that asks if the SCR is in compliance with environmental regulations, and a disclaimer that environmental compliance is the responsibility of the SCR.

Mr. Kinney asked why the NYISO should be responsible for certifying the SCRs are environmentally compliant. Mr. Charlton clarified that the revision to the form is only to remind SCRs that they have a responsibility themselves to comply with all environmental regulations.

A motion to accept the revised Attachment K was approved by the committee.

Motion #6:

Motion to approve revisions to Attachment K of the ICAP Manual

(Motion passed by a majority show of hands with abstentions)

IX. Proposal to Revise Attachment B of the ICAP Manual

Mr. Charlton reported to the committee a number of revisions to Attachment B of the NYISO ICAP manual. The revisions were related to the amounts of ICAP that may be located in neighboring control areas. He explained that the determination of external ICAP amounts is the responsibility of the NYISO, and that the NYISO is trying to disseminate notice of the changes as soon as possible. He added that the NYISO interested in comments and feedback from participants.

There was confusion among committee members regarding the need to approve the revised attachment. Some members expressed their preference to defer approval of the revision before Mr. James Schmidt, of Hunton & Williams, clarified for everyone that the changes did not require committee approval.

Mr. Picardi noted that the ICAP Working Group did not have the opportunity to review and discuss the revised attachment. Mr. Charlton described the process of determining ICAP locational requirements, as a manual process that is laid out in Section 2 of the ICAP manual. Mr. Howard Fromer, of PSEG, stated that the change in New England ICAP amount would have been relevant at the most recent ICAP working group meeting. Mr. Younger said that ICAP amounts should be based on the basic study, and not the locational study. He was concerned that energy from the external ICAP providers may not be available when needed. Mr. Roy Shanker, of East Coast Power, asked if the method of determining external ICAP had changed, and Mr. Charlton responded that it had not. Mr. Fromer said that the NYISO staff needs to come forward to explain how the locational ICAP amounts were determined, and asked when the new amounts will go into affect. Mr. Charlton thought that a tariff revision needed to be filed with the FERC and agreed to report back to the committee on the specific process and dates for incorporating the revised attachment. In response to a request from Mr. Prevost, of HQUS, Mr. Charlton also agreed to present more details to the ICAP working group.

X. Working Group Update

Mr. Scheiderich announced that the Market Structures Working Group is working on controllable lines, congestion reduction, and seams issues.

Mr. Kinney announced that the Scheduling & Pricing Working Group is working on allocation and breakdown of Schedule 1 costs, soliciting proposals for a better method than the 85/15 percent split method, interim BME/SCD, reserve demand curves, and thunderstorm alert allocation.

Mr. DeWitt announced that the Price Responsive Load Working Group is approaching a final specification for DADRP and EDRP, ICAP issues, and valuation of programs, and an

alternative to the EDRP that expires in October of this year.

Mr. Picardi announced that the ICAP Working Group will be talking about the ICAP Manual in the next meeting.

XI. Report on the Final Bill Procedure

Mr. Ragona reported that the NYISO is working on a method for settling final bills. Mr. Ragona explained that he wanted to informally survey the committee members to get their feedback on different aspects of a method under consideration. He covered five discussion points, and then surveyed the committee by asking for a show of hands when asking for agreement or disagreement to the five talking points. The committee showed no strong preference for socializing billing challenge awards as opposed to re-running the billing and account system. The committee preferred incremental settlements to aggregate settlements. The committee was neutral on the question of whether or not to refer erroneous metering claims to the metering authority. The committee preferred to use billing code changes incorporated after final bill to analyze claims. Finally, the committee indicated a slight preference to using a threshold to determine whether or not to socialize a settlement award.

XII. Presentation on Expansion TCC Allocations

Dr. Susan Pope, of LECG, introduced a system for identifying incremental TCC to be awarded for transmission system upgrades. She explained that the objectives of the system was to reward investors appropriately, award expansion TCC based on investor choices, maintain a simultaneously feasible set of TCCs, and award TCCs only if they are made possible by the expansion. Dr. Pope indicated that the investor would have the option to short term, or long term TCCs, and that mitigating TCC might be necessary in cases where an expansion TCC would make a pre-expansion TCC infeasible.

In response to a question from Mr. Shanker, Dr. Pope indicated that a tariff filing would probably not be necessary to implement this method of allocating expansion TCCs.

XIII. Adjournment

The meeting was adjourned at 4:04 pm.

Respectfully submitted,
David R. Evanoski, P.E.
Recording Secretary, Business Issues Committee

Business Issues Committee – Action Item Listing

Number	Action Items	Assigned to
BIC.03.20.02-1	Investigate the possibility of reporting the amount of uplift generated by virtual bidding and present that breakout in slide 4-T, "Uplift-OATT Schedule 1 Components".	J. Savitt
BIC.03.20.02-2	Investigate and report to BIC on whether Load-Weighted LBMP data, which is used for determining selection of virtual bids, can be posted to the NYISO web site.	J. Savitt
BIC.03.20.02-3	Investigate the possibility of breaking out and reporting the number of dollars in uplift that are generated from discretionary action awards.	J. Savitt
BIC.03.20.02-4	Investigate the possibility of calculating and reporting virtual bidding uplift as a rate (\$/Mwh)	J. Savitt
BIC.03.20.02-5	Look into the specific process and dates for incorporating revisions to Attachment B of the ICAP Manual.	J. Charlton
BIC.03.20.02-6	NYISO staff requested to continue to monitor and report back to the BIC on the impact of the current drought conditions on the NYISO.	J. Savitt

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NYS Nurses Association, Albany, NY

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New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance March 20, 2002 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Alternate6	Proxy	Guest
NYS Energy Research & Develop. Auth.	End Use - Gov. Agency/Aggr.	Paul DeCotis								✓ P. Sovio, T, Barone
The City of New York	End Use - Gov. Agency/Aggr.	Jay Kooper	Richard Miller						Jonathan Wallach	
Alcoa/Reynolds Metals Company	End Use - Large Consumers	✓ Robert Loughney	Michael Mager	Michael Mager						
ATCO Management Co.	End Use - Large Consumers	Peter DiCapua	Scott Petersen	George Diamantopoulos	Steven Latargia					
IBM Corporation	End Use - Large Consumers	✓ Robert Loughney	Michael Mager	Michael Mager						
Occidental Chemical Corp.	End Use - Large Consumers	✓ Robert Loughney	Michael Mager	Michael Mager						
Praxair Inc.	End Use - Large Consumers	Christian Lenci	✓ Robert Loughney	Michael Mager						
Xerox Corporation	End Use - Large Consumers	✓ Robert Loughney	Michael Mager	Michael Mager						
Metropolitan Transportation Authority	End Use - Large Cons. Gov.	✓ Robert Loughney	Michael Mager	Michael Mager						
Aaron Breidenbaugh	End Use - Small Consumers	Jesse Samberg	Gary Caplan	Walter McCarroll						
Association for Energy Affordability, Inc.	End Use - Small Consumers	✓ Aaron Breidenbaugh								
Beth Israel Health Care System	End Use - Small Consumers	David Hepinstall	✓ Larry DeWitt							
Building and Realty Institute	End Use - Small Consumers	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
Caihness Energy, L.L.C	End Use - Small Consumers	Herb Rose	Marjorie Ochrach	Ted Lee	Judith Mondre	✓ Tariq Niazi				
Cianbro Corporation	End Use - Small Consumers	Daniel McBrearty	Jack Feinstein							
Citizens Advisory Panel	End Use - Small Consumers	Ed Krapels	Brian Chernack							
CNYC Inc. (Council of NY Coop & Condo)	End Use - Small Consumers	Gordian Raacke	✓ Larry DeWitt							
Columbia University	End Use - Small Consumers	Herb Rose	MaryAnn Rothman	Marjorie Ochrach	Ted Lee	Judith Mondre	✓ Tariq Niazi			
Hudson River Energy Group	End Use - Small Consumers	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
Mount Sinai Medical Center	End Use - Small Consumers	Frank Radigan								
New York Energy Buyers Forum	End Use - Small Consumers	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
New York Presbyterian Hospital	End Use - Small Consumers	Marjorie Ochroch	Ted Lee	David Bomke	✓ Tariq Niazi	Doug Elfner				
New York University	End Use - Small Consumers	Catherine Luthin	John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
Refined Sugars, Inc.	End Use - Small Consumers	John Gebhard	Paul Faia	Catherine Luthin	John Dowling	Jennifer Kearney				
William P. Short	End Use - Small Consumers	William Short	Marc Schaefer	Joe DeVito	John Dowling	Ron Matlock	Paul Savage	Jim Verna	Roberto Denis	
NY State Consumer Protection Board	End Use - State Agency	✓ Tariq Niazi	Doug Elfner							
AES NY	Generation Owners	Doug Roll	✓ Charles Sjoberg							
American National Power, Inc.	Generation Owners	Bill Henson								
Astoria Energy LLC	Generation Owners	Dorothy Capra	Leonard Singer							
Calpine	Generation Owners	William May	John Eff	✓ Richard Felak						
East Coast Power	Generation Owners	John Eff	Thomas Kaslow							
Edison Mission Marketing & Trading	Generation Owners	✓ Roy Shanker	Gary Keevill							
Energy Nuclear Northeast	Generation Owners	✓ William Roberts	Robert Agnello	Jeffrey Ellis						
Indeck Energy Services	Generation Owners	Marc Potkin	William Stone	Ron Mackowiak						✓ Glenn Haake
KeySpan Ravenswood, Inc	Generation Owners	Mike Ferguson	John Schrage	✓ Mark Younger						
Mirant New York, Inc.	Generation Owners	Kevin Knapp	Rich Hohlman	✓ Dick Ackerson	Ron Lukas	Terrence Kain	James D'Andrea	R Plaskon		
NRG Energy	Generation Owners	None Assigned	Vicki Lynch	Mark Petro	✓ Doreen Saia					
Orion Power New York	Generation Owners	Joe DeVito	✓ Frank Rapley	Paul Savage	Marc Dworkin	Ruben Brown	Peter Chamberlain	✓ Keith O'Neal	Chris Young	
PG&E Generating	Generation Owners	✓ John Reese	Bruce Bleiweis							
PSEG Energy Resources & Trade	Generation Owners	✓ Steve McDonald	Jeff Simmons							
Sithe Energies, Inc.	Generation Owners	Howard Fromer	Michael LaFalce	Bob Logan	Dennis Sobieski					
TransCanada Power Marketing	Generation Owners	Tim Bush	✓ Garry Brown	David Applebaum						
NYS Department of Public Service	Generation Owners	William Taylor	Elaine Beaudry							
1st Rochdale Cooperative NYC	Non-voting	Joel Brainard	✓ Bill Heinrich							
Advantage Energy, Inc.	Other Suppliers	Phyllis Kessler	Gregory Wortham	Andrea Mendez						
Amerada Hess Corporation	Other Suppliers	Kyle Storie								
American Electric Power (AEP) Svc. Corp.	Other Suppliers	Kevin LaGuardia	Keith Mills							
Aquila Energy Marketing Corp.	Other Suppliers	Ron McNamara	Paul Leanza							
Cinergy Capital and Trading	Other Suppliers	Jason Stever	Peter Brown	David Wiesner	Pamela VanHorn	✓ Richard Mooney	Susan Chamberlin			
Con Edison Energy	Other Suppliers	Jan Bagnall	John Ambrose							
Con Edison Solutions	Other Suppliers	✓ Stephen Wemple	Ivan Kimball							
Conectiv	Other Suppliers	✓ Stephen Wemple	Rich Staines							
Constellation Power Source	Other Suppliers	Steve Huntoon	Bill Fehr							
Duke Energy North America, LLC	Other Suppliers	✓ Glen McCartney	David Taylor	Harvey Reed						
Dynergy	Other Suppliers	Ronald Matlock	Del Disher	Tom Bankert						
El Paso Merchant Energy	Other Suppliers	Chad Wagner	✓ Matthew Picardi							
Energetix, Inc.	Other Suppliers	✓ Alan Foster	Eric Stoerr							
Exelon Generation - Power Team	Other Suppliers	Barney Farnsworth	Gerald Strassner							
FPL Energy	Other Suppliers	Jeff Guistwhite	Tim Bush	Regina Carrado	✓ Garry Brown					
HQ Energy Services	Other Suppliers	Bill Fenerty	Dan Wheeler							
KeySpan Energy Services	Other Suppliers	✓ Michel Prevost	Paul Norris							
Morgan Stanley Capital Group	Other Suppliers	Ron Lukas	Ruben Brown	Peter Chamberlain	John Smith					
New Energy Inc.	Other Suppliers	Patrick Murray	Karen Kochonies	Levon Kazarian	Doron Ezickson					
NU / Select Energy	Other Suppliers	Peter Duprey	✓ Stephen Fernands							
Ontario Power Generation Inc.	Other Suppliers	✓ James Scheiderich	Gunnar Jorgensen							
PP&L Energy Plus	Other Suppliers	Tasos Karatsoreos	Brian McConville	Ken Lacivita	Scott McArthur	Erica Cheung				
Reliant Energy Services, Inc.	Other Suppliers	Jim Strobel	Harry Tom	Roland Moor						
Sempra Energy Trading	Other Suppliers	Bruce Bleiweis	✓ John Reese							
Strategic Energy LLC	Other Suppliers	Tom Halleran	Dana Volpe	✓ Russel Like	Mally Becker	Bob Chilton				
	Other Suppliers	Michael Swider	Jeffrey Knox	James McCormick	Helen Caldwell					

New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance March 20, 2002 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Alternate6	Proxy	Guest
Strategic Power Management, Inc.	Other Suppliers	Mario DiValentino	Tom Folchi	Dan Duthie						
Transalta (formerly MEGA)	Other Suppliers	Daniel Lobue	John Carmody							
TransÉnergie U.S. Ltd.	Other Suppliers	Michael Jacobs	José Rotger							
Williams Energy Marketing & Trading Co.	Other Suppliers	Dennis Keener	Robert O'Connell							
Long Island Power Authority	Public Power - Authorities	James Parmelee	Alan Eiberfeld	✓ Kevin Jones						
New York Power Authority	Public Power - Authorities	Bob Deasy	✓ Bob Gow	Paul Rougeaux						
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			✓ Tom Rudebusch	
City of Jamestown Board of Pub. Util.	Public Power - Munis & Co-ops	Michael Darroch	✓ David Gustafson	Wally Haase	✓ Tom Rudebusch					
Plattsburgh Municipal Lighting Dept.	Public Power - Munis & Co-ops	Jack Brown	Ken Moore	✓ Tom Rudebusch						
Village of Fairport	Public Power - Munis & Co-ops	Ken Moore	✓ Tom Rudebusch	Paul Pallas						
Village of Freeport	Public Power - Munis & Co-ops	Hubert Bianco	Robert Kortright	✓ Anthony Fiore						
Village of Rockville Centre	Public Power - Munis & Co-ops	Paul Pallas	Ken Moore	Jim Hamilton	Jack Brown	Matthew Benesh			✓ Tom Rudebusch	
Village of Westfield	Public Power - Munis & Co-ops	Jim Hamilton	Ken Moore	Matthew Benesh	Jack Brown	Paul Pallas			✓ Tom Rudebusch	
Central Hudson Gas & Electric	Transmission Owners	James Valteau	Thomas Canino	✓ Jeff May	Rick Greener					
Consolidated Edison	Transmission Owners	None Assigned	✓ Gary Rozmus	Gerry Dunbar						
Niagara Mohawk Power Company	Transmission Owners	✓ Jerry Ancona	Martin Amati	Scott Leuthauser						
NY State Electric Gas (NYSEG)	Transmission Owners	✓ Rick Mancini	John Kobuskie	✓ Ray Kinney						
Orange & Rockland, Inc.	Transmission Owners	✓ Gary Rozmus								
Rochester Gas & Electric	Transmission Owners	✓ Laurie King-Pirchner	Gerald Walter							
New Member	Non-voting	None Assigned								
New Member	Non-voting	None Assigned								
New Member	Non-voting	None Assigned								
New Member	Non-voting	None Assigned								
New Member	Non-voting	None Assigned								
New Member	Non-voting	None Assigned								
New Member	Non-voting	None Assigned								
New Member	Non-voting	None Assigned								

NYISO and Hunton & Williams Members in Attendance:

Ira Freilicher	Hunton & Williams
Gina Fedele	Hunton & Williams
✓ James Schmidt	Hunton & Williams
✓ Jim Savitt	NYISO
✓ Andy Ragogna	NYISO
✓ Kristen Kranz	NYISO
✓ Leigh Bullock	NYISO
✓ Elaine Robinson	NYISO
✓ Chuck King	NYISO
✓ Jen Davies	NYISO
✓ Mike Jaeger	NYISO
✓ Art Desell	NYISO
✓ Dave Evanoski	NYISO
✓ John Cutting	NYISO
✓ Kathy Whitaker	NYISO
✓ Kate Doyle	NYISO
✓ John Charlton	NYISO
Andrew Hartshorn	NYISO/LECG

Key:

✓ = In attendance

New York Independent System Operator

Business Issues Committee - March 20, 2002

Motion: Motion #4

Result: Motion Passed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	1.00	3.00	5	5.38	16.13	
Other Suppliers	21.5	✓	✓	21.50	3.00	1.00	5	16.13	5.38	
Transmission Owners	20.0	✓	✓	20.00	1.00	4.00	0	4.00	16.00	
End Use Consumers			✓							
Large Consumers	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 Consumers	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	4.50	0.00	
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	0.00	0.00	0	0.00	0.00	
Public Power			✓							
State Power Authorities	8	✓		8.00	1.00	1.00	0	4.00	4.00	
Munis and Coops	7	✓		7.00	7.00	0.00	0	7.00	0.00	
Environmental	2	✓		2.00	5.00	0.00	0	2.00	0.00	
				5	100.00	35.00	9.00	10	58.50	41.50
					100.00	Normalized to 100% :		58.50	41.50	

New York Independent System Operator

Business Issues Committee - March 20, 2002

Motion Motion #4

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					
End Use - Large Consumers	Alcoa/Reynolds Metals Company	Robert Loughney		y	1.00	
End Use - Large Consumers	ATCO Management Co.					
End Use - Large Consumers	IBM Corporation	Robert Loughney		y	1.00	
End Use - Large Consumers	Occidental Chemical Corp.	Robert Loughney		y	1.00	
End Use - Large Consumers	Praxair Inc.	Robert Loughney		y	1.00	
End Use - Large Consumers	Xerox Corporation	Robert Loughney		y	1.00	
End Use - Large Cons. Gov.	Metropolitan Transportation Authority					
End Use - Small Consumers	Aaron Breidenbaugh	Aaron Breidenbaugh		y	1.00	
End Use - Small Consumers	Association for Energy Affordability, Inc.	Larry DeWitt		y	1.00	
End Use - Small Consumers	Beth Israel Health Care System	Tariq Niazi		y	1.00	
End Use - Small Consumers	Building and Realty Institute	Tariq Niazi		y	1.00	
End Use - Small Consumers	Caithness Energy, L.L.C					
End Use - Small Consumers	Cianbro Corporation					
End Use - Small Consumers	Citizens Advisory Panel	Larry DeWitt		y	1.00	
End Use - Small Consumers	CNYC Inc. (Council of NY Coop & Condo)	Tariq Niazi		y	1.00	
End Use - Small Consumers	Columbia University	Tariq Niazi		y	1.00	
End Use - Small Consumers	Hudson River Energy Group					
End Use - Small Consumers	Mount Sinai Medical Center	Tariq Niazi		y	1.00	
End Use - Small Consumers	New York Energy Buyers Forum	Tariq Niazi		y	1.00	
End Use - Small Consumers	New York Presbyterian Hospital	Tariq Niazi		y	1.00	
End Use - Small Consumers	New York University	Tariq Niazi		y	1.00	
End Use - Small Consumers	Refined Sugars, Inc.					
End Use - Small Consumers	William P. Short					
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y	1.00	
Generation Owners	AES NY	Charles Sjoberg		y		
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine	Richard Felak		y		1.00
Generation Owners	East Coast Power	Roy Shanker	y	y		
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Glenn Haake		y		
Generation Owners	Indeck Energy Services	Mark Younger		y		1.00
Generation Owners	KeySpan Ravenswood, Inc	Dick Ackerson		y		
Generation Owners	Mirant New York, Inc.	Doreen Saia		y		
Generation Owners	NRG Energy	Frank Rapley		y	1.00	
Generation Owners	Orion Power New York	John Reese	y	y		
Generation Owners	PG&E Generating	Steve McDonald		y		1.00
Generation Owners	PSEG Energy Resources & Trade					
Generation Owners	Sithe Energies, Inc.	Garry Brown	y	y		
Generation Owners	TransCanada Power Marketing					
Non-voting	NYS Department of Public Service	Bill Heinrich	y	y		
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	Amerada Hess Corporation					
Other Suppliers	American Electric Power (AEP) Srvc. Corp.					
Other Suppliers	Aquila Energy Marketing Corp.	Richard Mooney		y		
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy	Stephen Wemple	y	y		
Other Suppliers	Con Edison Solutions	Stephen Wemple	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation Power Source	Glen McCartney		y		
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy	Matthew Picardi		y		
Other Suppliers	El Paso Merchant Energy	Alan Foster		y	1.00	
Other Suppliers	Energetix, Inc.		y			
Other Suppliers	Exelon Generation - Power Team	Garry Brown		y	1.00	
Other Suppliers	FPL Energy					
Other Suppliers	HQ Energy Services	Michel Prevost		y		
Other Suppliers	KeySpan Energy Services		y			
Other Suppliers	Morgan Stanley Capital Group					
Other Suppliers	New Energy Inc.	Stephen Fernands	y	y		
Other Suppliers	NU / Select Energy	James Scheidenich		y	1.00	
Other Suppliers	Ontario Power Generation Inc.					
Other Suppliers	PP&L Energy Plus					
Other Suppliers	Reliant Energy Services, Inc.	John Reese		y		
Other Suppliers	Sempra Energy Trading	Russel Like		y		1.00
Other Suppliers	Strategic Energy LLC					
Other Suppliers	Strategic Power Management, Inc.					
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	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	David Gustafson		y	1.00	
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	Village of Fairport	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	Village of Freeport	Anthony Fiore		y	1.00	
Public Power - Munis & Co-ops	Village of Rockville Centre	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	Village of Westfield	Tom Rudebusch		y	1.00	
Transmission Owners	Central Hudson Gas & Electric	Jeff May		y		1.00
Transmission Owners	Consolidated Edison	Gary Rozmus		y		1.00
Transmission Owners	Niagara Mohawk Power Company	Jerry Ancona		y	1.00	
Transmission Owners	NY State Electric Gas (NYSEG)	Rick Mancini		y		1.00
Transmission Owners	Orange & Rockland, Inc.	Gary Rozmus	y	y		
Transmission Owners	Rochester Gas & Electric	Laurie King-Pirchner		y		1.00

New York Independent System Operator

Business Issues Committee - March 20, 2002

Motion: Motion #5

Result: Motion Failed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	5.00	1.00	3	17.92	3.58	
Other Suppliers	21.5	✓	✓	21.50	4.00	2.00	3	14.33	7.17	
Transmission Owners	20.0	✓	✓	20.00	4.00	1.00	0	16.00	4.00	
End Use Consumers			✓							
Large Consumers	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 Consumers	4.5	✓		4.50	0.00	5.00	6	0.00	5.17	
Gov. State-wide Cons. Advocate	2.7	✓		2.70	0.00	1.00	0	0.00	4.50	
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	0.00	0.00	0	0.00	0.00	
Public Power			✓							
State Power Authorities	8	✓		8.00	1.00	1.00	0	7.50	7.50	
Munis and Coops	7	✓		7.00	0.00	0.00	7	0.00	0.00	
Environmental	2	✓		2.00	0.00	5.00	0	0.00	2.00	
				5	100.00	14.00	21.00	19	55.75	44.25
					100.00	Normalized to 100% :		55.75	44.25	

New York Independent System Operator

Business Issues Committee - March 20, 2002

Motion Motion #5

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					
End Use - Large Consumers	Alcoa/Reynolds Metals Company	Robert Loughney		y		1.00
End Use - Large Consumers	ATCO Management Co.					
End Use - Large Consumers	IBM Corporation	Robert Loughney		y		1.00
End Use - Large Consumers	Occidental Chemical Corp.	Robert Loughney		y		1.00
End Use - Large Consumers	Praxair Inc.	Robert Loughney		y		1.00
End Use - Large Consumers	Xerox Corporation	Robert Loughney		y		1.00
End Use - Large Cons. Gov.	Metropolitan Transportation Authority					
End Use - Small Consumers	Aaron Breidenbaugh	Aaron Breidenbaugh		y		1.00
End Use - Small Consumers	Association for Energy Affordability, Inc.	Larry DeWitt		y		1.00
End Use - Small Consumers	Beth Israel Health Care System	Tariq Niazi		y		
End Use - Small Consumers	Building and Realty Institute	Tariq Niazi		y		
End Use - Small Consumers	Caithness Energy, L.L.C					
End Use - Small Consumers	Cianbro Corporation					
End Use - Small Consumers	Citizens Advisory Panel	Larry DeWitt		y		1.00
End Use - Small Consumers	CNYC Inc. (Council of NY Coop & Condo)	Tariq Niazi		y		1.00
End Use - Small Consumers	Columbia University	Tariq Niazi		y		
End Use - Small Consumers	Hudson River Energy Group					
End Use - Small Consumers	Mount Sinai Medical Center	Tariq Niazi		y		
End Use - Small Consumers	New York Energy Buyers Forum	Tariq Niazi		y		1.00
End Use - Small Consumers	New York Presbyterian Hospital	Tariq Niazi		y		
End Use - Small Consumers	New York University	Tariq Niazi		y		
End Use - Small Consumers	Refined Sugars, Inc.					
End Use - Small Consumers	William P. Short					
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y		1.00
Generation Owners	AES NY	Charles Sjoberg		y		
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine	Richard Felak		y		1.00
Generation Owners	East Coast Power	Roy Shanker	y	y		
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Glenn Haake		y		
Generation Owners	Indeck Energy Services	Mark Younger		y		1.00
Generation Owners	KeySpan Ravenswood, Inc	Dick Ackerson		y		1.00
Generation Owners	Mirant New York, Inc.	Doreen Saia		y		1.00
Generation Owners	NRG Energy	Frank Rapley		y		1.00
Generation Owners	Orion Power New York	John Reese	y	y		
Generation Owners	PG&E Generating	Steve McDonald		y		1.00
Generation Owners	PSEG Energy Resources & Trade					
Generation Owners	Sithe Energies, Inc.	Garry Brown	y	y		
Generation Owners	TransCanada Power Marketing					
Non-voting	NYS Department of Public Service	Bill Heinrich	y	y		
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	Amerada Hess Corporation					
Other Suppliers	American Electric Power (AEP) Srvc. Corp.					
Other Suppliers	Aquila Energy Marketing Corp.	Richard Mooney		y		1.00
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy	Stephen Wemple	y	y		
Other Suppliers	Con Edison Solutions	Stephen Wemple	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation Power Source	Glen McCartney		y		
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy	Matthew Picardi		y		
Other Suppliers	El Paso Merchant Energy	Alan Foster		y		1.00
Other Suppliers	Energetix, Inc.		y			
Other Suppliers	Exelon Generation - Power Team	Garry Brown		y		
Other Suppliers	FPL Energy					
Other Suppliers	HQ Energy Services	Michel Prevost		y		1.00
Other Suppliers	KeySpan Energy Services		y			
Other Suppliers	Morgan Stanley Capital Group					
Other Suppliers	New Energy Inc.	Stephen Fernands	y	y		
Other Suppliers	NU / Select Energy	James Scheidenich		y		1.00
Other Suppliers	Ontario Power Generation Inc.					
Other Suppliers	PP&L Energy Plus					
Other Suppliers	Reliant Energy Services, Inc.	John Reese		y		1.00
Other Suppliers	Sempra Energy Trading	Russel Like		y		1.00
Other Suppliers	Strategic Energy LLC					
Other Suppliers	Strategic Power Management, Inc.					
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	Tom Rudebusch		y		
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	David Gustafson		y		
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Tom Rudebusch		y		
Public Power - Munis & Co-ops	Village of Fairport	Tom Rudebusch		y		
Public Power - Munis & Co-ops	Village of Freeport	Anthony Fiore		y		
Public Power - Munis & Co-ops	Village of Rockville Centre	Tom Rudebusch		y		
Public Power - Munis & Co-ops	Village of Westfield	Tom Rudebusch		y		
Transmission Owners	Central Hudson Gas & Electric	Jeff May		y		1.00
Transmission Owners	Consolidated Edison	Gary Rozmus		y		1.00
Transmission Owners	Niagara Mohawk Power Company	Jerry Ancona		y		1.00
Transmission Owners	NY State Electric Gas (NYSEG)	Rick Mancini		y		1.00
Transmission Owners	Orange & Rockland, Inc.	Gary Rozmus	y	y		
Transmission Owners	Rochester Gas & Electric	Laurie King-Pirchner		y		1.00