

NYISO Management Committee Meeting

December 7, 2005

Teleconference
10:00 A.M-11: 30 A.M

Draft MINUTES OF THE MEETING

1. Introduction and Meeting Objectives

Mr. Jerry Ancona of National Grid, Chairman, called the meeting to order at 10 A.M and welcomed the members of the Management Committee ("MC").

2. Approval of the Minutes

Mr. Ray Stalter of the NYISO requested that approval of the November 9, 2005 Minutes will be delayed until the January MC due to additional comments that were received and are still being reviewed.

3. President's Report

Mr. Mark Lynch, CEO of the NYISO, presented the President's report. Mr. Lynch noted that the NYISO LBMP and average cost for November 2005 have decreased relative to October while uplift cost for November 2005 has increased relative to October 2005 and November 2004. Additional components were included in "uplift". The NYISO is analyzing the numbers to determine the cause of the increase.

Significant progress has been made in the elimination of price errors. The TCC audit report is being finalized and will be available within a week. Mr. Lynch also gave a brief outline of the new organization chart for the NYISO. NYISO's staff has started transitioning to the new Headquarters and will continue to transition through the first half of 2007. NYISO staff email addresses and phone numbers will remain the same, however, a notice will be circulated shortly on the mailing address for the new Headquarters.

Mr. Mike Mager of Multiple Interveners asked that the NYISO comment on the components that were moved into uplift that were not previously included. Mr. Lynch responded that the congestion-balancing component charges were moved from the bid production cost category to the residual balancing category, which flows into uplift.

Mr. Mark Younger of Slater Consulting requested a status update on the fixing of the load forecast errors. Mr. Dewey responded that the NYISO has done analysis and

testing on a new version of the load-forecasting model, and the modification does not exhibit some of the periodic results which have been causing the price errors.

Mr. Younger commented that on certain market design issues, it would be more beneficial to be able to communicate directly to the persons (Directors) in a related area that could provide greater assistance, rather than going through the Customer Relations Group. Mr. Lynch responded by indicated that he will take MPs input into consideration and will assess how the process could be improved.

Board Selection Sub-Committee Update

Tom Rudebusch of Duncan, Weinberg, Genzer & Pembroke presented an update on the Board Selection Sub-Committee ("BSSC") process. Mr. Rudebusch stated that the BSSC met via teleconference on November 1st and again on November 9th. It was decided that confidentiality must be maintained during the selection process. It was also decided that sector representatives would be in attendance during future meetings, with alternates attending if primary representatives are unable to attend. A November 18th deadline was chosen for Market Participant ("MP") to nominate candidates. Mr. Paul Benson has indicated that he has in excess of 12 candidates that were nominated by MPs. A BSSC meeting is scheduled for December 16th at which time Mr. Benson will present a list of 10 candidates. The BSSC goal is to have at least 3 candidates for the January MC to consider and ratify.

4. Winter 2005/2006 Fuel Assessment

Mr. Andy Bachert of the NYISO presented the Winter 2005/2006 Fuel Assessment. Mr. Bachert reported that the NYISO, PJM and NE-ISO have entered into an MOU to coordinate fuel related issues. NYISO and PJM commissioned Levitan to prepare an assessment of fuel availability for the winter 2005/06 after hurricanes Katrina and Rita reduced capacity of natural gas and crude oil production processing and transportation from the Gulf of Mexico. The Levitan study expects remaining idle capacity during the winter months of 1.5 Bcf/day from the Gulf of Mexico. Oil prices have also decreased to pre-hurricane levels. NY gas utilities have acquired supplemental natural gas supplies to replace lost Gulf of Mexico production and cover "firm" customer needs. The NYISO has been working to minimize the impact of potential fuel shortages during the upcoming winter months.

5. New Business

Mr. Mike Mager of Multiple Interveners requested an update to the elimination of rate "pancaking" between the NYISO and PJM that would indicate that the process is moving forward. Mark Lynch responded that the NYISO has been looking at an internal analysis on the seams issues and will update it's previous report with the help of an outside consultant. The updated information will be discussed with PJM.

6. Adjourn

Meeting was adjourned at 10:56

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MOTIONS FROM THE MEETING

There were no motions for consideration at this meeting.

New York Independent System Operator - Committee Membership

Management Committee - Attendance December 07, 2005 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
NYS Energy Research & Develop. Auth.	End Use - Gov. Agency/Aggr.	Paul DeCotis	✓ David Coup	✓ Erin Hogan	Chris Hall	John Spath			
The City of New York	End Use - Gov. Agency/Aggr.	✓ Michael Delaney	Gil Quiniones	Thomas Simpson	Jonathan Wallach	Tim Daniels			
Alcoa/Reynolds Metals Company	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
Helmsley-Spear Inc.	End Use - Large Consumer	David Bonke	George Diamantopoulos	Edward Strauss	Herb Rose				
IBM Corporation	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
Occidental Chemical Corp.	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
Praxair Inc.	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
Xerox Corporation	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Morgan Parke					
Metropolitan Transportation Authority	End Use - Large Cons. Gov.	Jesse Samberg	Gary Caplan	Walter McCarroll					
American Sugar Refining, Inc.	End Use - Small Consumer	John Gebhard	Quintin George	Catherine Luthin	✓ John Dowling	Jennifer Kearney			
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				
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 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			
NY State Consumer Protection Board	End Use - State Agency	✓ Tariq Niazi	Doug Elfner						
AES NY	Generation Owners	✓ Christopher Wentlent	Rick Santoroski	Charles Sjoberg					
American National Power, Inc.	Generation Owners	Dorothy Capra	Bill Henson						
Astoria Energy LLC	Generation Owners	Joseph Swift	Leonard Singer						
Calpine	Generation Owners	Thomas Kaslow	Tracee Bersani	✓ Richard Felak					
East Coast Power Linden Holding LLC	Generation Owners	Thomas Hoatson	Robert Licato	Kathy Benini					
Edison Mission Marketing & Trading	Generation Owners	William Roberts	Jeffrey Ellis	Peter Brown	✓ Rich Mooney				
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	Jim Brennan	Rich Hohlman	Joe Vignola	Jim D'Andrea	✓ Madison Milhous	Rich Rapp		
Mirant New York, Inc.	Generation Owners	James Mayhew	✓ Doreen Saia	Vicki Lynch					
Orion Power New York	Generation Owners	Liam Baker	Bill Berg						
Selkirk Cogen Partners, L.P.	Generation Owners	Tim Biittig	Steve Kampilla						
Sithe Energies, Inc.	Generation Owners	Scott Silverstein	Joe Klimaszewski	Jim Verna					
TransCanada Power Marketing	Generation Owners	William Taylor	Elaine Beaudry						
Advantage Energy, Inc.	Other Suppliers	Kyle Storie							
Amerada Hess Corporation	Other Suppliers	Hemant Jain	Kevin Laguardia	Blas Hernandez	George Braulke				
Brascan Energy Marketing Inc.	Other Suppliers	✓ Robert Ricketts	Daniel Whyte						
Cinergy Capital and Trading	Other Suppliers	John Deeds	Walt Yeager						
Con Edison Energy	Other Suppliers	Ken Bekman	Ivan Kimball						
Con Edison Solutions	Other Suppliers	Ken Bekman	Stephen Wemple						
Conectiv	Other Suppliers	Bill Fehr	John Foreman						
Constellation Energy Commodities, Inc.	Other Suppliers	Glen McCartney	Dan Allegretti	Sara O'Neill					
Constellation New Energy Inc.	Other Suppliers	Michael Constantine	Sara O'Neill						
Consumer Powerline	Other Suppliers	Vinay Gupta	Mike Gordon	Ray Stirbys	Chau Shen				
Coral Power, LLC	Other Suppliers	✓ Matt Picardi	Marc Overdyk	Dave French					
DC Energy	Other Suppliers	Bruce Bleiweis	Bruce Wilde	Andrew Stevens					
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	✓ Barry Huddleston	Jason Cox	Kevin White					
ECONergy	Other Suppliers	Saul Horowitz	Tom Halleran						
Epic Merchant Energy	Other Suppliers	Mike Kinsey	Erik Abend	Wade Sullivan					
Exelon Generation - Power Team	Other Suppliers	Scott Silverstein	Joe Klimaszewski	Jim Verna					
Fortistar/Lockport Energy Associates, L.P.	Other Suppliers	Roger Kelley	Tom Gesicki	✓ Mark Younger	Glenn Haake				
FPL Energy	Other Suppliers	✓ David Applebaum	Fernando DaSilva	Ron Scheirer					
Galt Power	Other Suppliers	✓ Rick Mancini	Stephen Fernands						
HQ Energy Services	Other Suppliers	✓ Michel Prevost	Paul Norris	Erik Bellavance					
KeySpan Energy Services	Other Suppliers	Terrence Kain	Jim D'Andrea	Edwin Kichline	James Cross	John Vaughn			
Morgan Stanley Capital Group	Other Suppliers	Patrick Murray	Karen Kochonies	Levon Kazarian	Doron Ezickson	Nikolai Markarian			
NRG Power Marketing	Other Suppliers	Tim Foxen	Katie Sullivan	Peter Chamberlain					
NU / Select Energy	Other Suppliers	Gunnar Jorgensen	✓ Jim Scheiderich						
Ontario Power Generation Inc.	Other Suppliers	Barry Green	Barry Green	Ken Lacivita	Scott McArthur	✓ David Barr	Glenn Haake		
PPM Energy	Other Suppliers	Donald Winslow	Murray O'Neil						
PP&L Energy Plus	Other Suppliers	✓ Tom Hyzinski	John Brodbeck	Joseph Langan	Sharon Weber				

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PSEG Energy Resources & Trade	Other Suppliers	Howard Fromer	Michael LaFalce						
Reliant Energy Services, Inc.	Other Suppliers	Liam Baker	Mark Sudbey	John Orr					
Sempra Energy Trading	Other Suppliers	Dan Staines	Maria Agovino	Scott Englander	Barry Trayers				
SESCO Enterprises, LLC	Other Suppliers	Mike Schubiger	Jim Thoresen						
Strategic Energy LLC	Other Suppliers	Jason Barker	Jeff Knox	Pamela Melton					
Strategic Power Management, Inc.	Other Suppliers	Mario DiValentino	Thomas Folchi						
TransEnergie U.S. Ltd.	Other Suppliers	Raymond Coxo	Michael Jacobs						
Williams Power Company	Other Suppliers	David Singer	Mark Lassman	Robert O'Connell					
Long Island Power Authority	Public Power - Authorities	✓ Kevin Jones	Jim Wittine	Dave Clarke					
New York Power Authority	Public Power - Authorities	Robert Hiney	✓ William Palazzo	Kim Byham					
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	Matthew Benesh	✓ Tim Bush	Jim Hamilton	Ken Moore	Jack Brown			
City of Jamestown Board of Pub. Util.	Public Power - Munis & Co-ops	David Gustafson	Wally Haase	John Oelbracht	Steven Kulig	✓ Tom Rudebusch			
Lake Placid Village	Public Power - Munis & Co-ops	Peter Kroha	✓ Tim Bush						
Municipal Commission of Boonville	Public Power - Munis & Co-ops	Kenneth Stabb	✓ Tim Bush						
Plattsburgh Municipal Lighting Dept.	Public Power - Munis & Co-ops	Jack Brown	✓ Tim Bush						
Village of Arcade	Public Power - Munis & Co-ops	Larry Kilburn	✓ Tim Bush						
Village of Fairport	Public Power - Munis & Co-ops	Ken Moore	✓ Tim Bush	Paul Pallas					
Village of Freeport	Public Power - Munis & Co-ops	Hubert Bianco	✓ Anthony Fiore	✓ Tom Rudebusch					
Village of Rockville Centre	Public Power - Munis & Co-ops	Paul Pallas	Jim Hamilton	Matthew Benesh	Jim Hamilton	Jack Brown	Ken Moore	✓ Tom Rudebusch	
Village of Solvay	Public Power - Munis & Co-ops	Anthony Modafferi	✓ Tim Bush						
Village of Westfield	Public Power - Munis & Co-ops	Jim Hamilton	✓ Tim Bush	Matthew Benesh	Jack Brown	Ken Moore			
Central Hudson Gas & Electric	Transmission Owners	Charles Freni	✓ John Watzka						
Consolidated Edison	Transmission Owners	Terry Agriss	Stuart Nachmias	Neil Butterklee					
National Grid	Transmission Owners	✓ Jerry Ancona	Wes Yeomans	Janet Gail Besser	Herb Schrayshuen	Bart Franey	Terron Hill	✓ Diedre Facendola	✓ Marcia Collier
NY State Electric Gas (NYSEG)	Transmission Owners	✓ Ray Kinney	✓ Patti Caletka	Hank Masti	Cliff Olson	Denis Wickham			
Orange & Rockland, Inc.	Transmission Owners	None Assigned							
Rochester Gas & Electric	Transmission Owners	✓ Ray Kinney	✓ Patti Caletka	Hank Masti	Cliff Olson	Denis Wickham			
Boundless Energy, L.L.C	Non-voting	John Tompkins	Brian Chemack	Chuck Gilbert					
Caithness Energy, L.L.C	Non-voting	Ross Ain	Jack Feinstein						
Cianbro	Non-voting	Chuck Hewitt	John Tompkins						
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							
Fluent Energy	Non-voting	Michael Mastroianni	David Koplas	Margie Miller					
Hudson River Energy Group	Non-voting	Frank Radigan	Richard Canfield						
Hydro-Quebec TransEnergie	Non-voting	✓ Glenn Sylvain	Mario Boucher						
NYS Department of Public Service	Non-voting	Penny Rubin	✓ Rajendra Addepalli						✓ Steve Keller
Stealth Energy	Non-voting	Gad Cohen							
The Structure Group	Non-voting	Bob Furry	Alex Lago						
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								
zNew Member	Non-voting								
zNew Member	Non-voting								
zNew Member	Non-voting								
zNew Member	Non-voting								
zNew Member	Non-voting								
zNew Member	Non-voting								
zNew Member	Non-voting	None Assigned							

NYISO and Hunton & Williams Members in Attendance:

- ✓ Ira Freilicher Hunton & Williams
- Kevin Jones Hunton & Williams
- James Schmidt Hunton & Williams
- ✓ Rob Fernandez NYISO
- ✓ Mark Lynch NYISO
- ✓ Carl Patka NYISO

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✓ Rich Dewey	NYISO								
✓ Deb Murley	NYISO								
✓ Diane Egan	NYISO								
✓ Elaine Robinson	NYISO								
✓ Jacquie Ponds	NYISO								
✓ Leigh Bullock	NYISO								
✓ Ray Staller	NYISO								
✓ Debbie Eckels	NYISO								
✓ Nicole Bouchez	NYISO								
✓ Garry Brown	NYISO								
✓ Frank Francis	NYISO								
John Cutting	NYISO								
Jane Lathrop	NYISO								
✓ Ernie Cardone	NYISO								
John Charlton	NYISO								
Kathy Whitaker	NYISO								
Andrew Hartshorn	NYISO/LECG								
Belinda Thornton	NYISO								

Key:

✓ = In attendance