

DRAFT

NYISO Management Committee Meeting

**10 January 2002
Consolidated Edison, Inc.
New York, NY**

Meeting Minutes

1. Introductions and Meeting Objectives & Chairman's Report

Mr. Hiney called the meeting to order at 10:07

He recapped the objectives. There are three major actions:

Act on the BME/SCD convergence tariff concept relating to bidding for reserves.

Act on the tariff concept for the Price Responsive Load Working Group program changes.

Act on the Congestion Reduction proposal.

He next reported on the PPT meeting of 9 January 2002. The PPT will meet again on 4 February and then provide opportunities for MP input. He identified the anchor projects as the BME/SCD convergence, the Real-Time/OOM initiative, and AMP enhancements.

Mr. Reed inquired about the status of the demand response programs. Mr. Museler responded that he would address the issue in his report. The response was the same to Mr. D'Andrea's question about in-City DAM mitigation.

2. Approval of the Minutes

Motion #1:

Motion to approve the Minutes of 9 November, 2001.

(Motion passed unanimously by a show of hands)

3. President's Report

System Reliability and Market Performance

Mr. Museler reported on CPS-2, noting that it rose slightly from the November level and continued a rising trend that began in August. For the year, CPS-2 is well above 96%. Other than in August, when CPS-2 was 94.01%, it has not been below 96%.

Mr. Museler then discussed Chart 4-A, the NYISO-administered total price paid by an LBMP customer. For 2001 the average was \$51.39/MWh, down by \$6.42 or 11.1% from the \$57.81/MWh figure for 2000. He noted that market improvements, fuel prices, and nuclear availability have had an effect on the prices.

He provided some brief comments on the monthly LBMP figures detailed in Charts 4-C and 4-D, noting that the price charts now contain BME information as well as DAM and RT information. He briefly discussed the convergence across the major seams in Charts 4-O and 4-P.

He concluded the Market Performance discussion by observing that hourly reservations and price corrections are down for the month of December and for 2001 overall. In December for example, corrected intervals comprised 0.08% of all of the intervals in the month. He commented that continued improvement in reservations and corrections are a performance goal for the NYISO in 2002.

Mr. Fromer inquired as to the status of reporting on uplift. Mr. Museler will address the question later in his report.

Billing Issues

Final bills for December 1999 will be processed over the weekend (12 January 2002). By the end of the first quarter, all of the changes to the reporting system should be coded. Messrs. Bowers and Dewey will be reporting to the appropriate committee on the disposition of each of the billing issues.

There was a question from the floor about the timeliness of subsequent bills, given reporting problems of the loads. Mr. Museler replied that the NYISO should be back on a normal timeline schedule by February.

Mr. Fernands asked about the status of the data warehouse in the process of developing efficient information flows. Mr. Museler stated that the data warehouse development would be addressed as part of the PPT process.

Project Prioritization

Mr. Museler discussed the overall NYISO resources available for projects. The IT annual capability for actual coding and implementation is considerably less than IT's 140,000 man-hours. IT is in the process of assessing the resources

available in the critical path for projects, as opposed to resources used in Levels of Effort (LOE).

He then presented a slide showing the events that have had an impact on the 2002 IT plan. There were three major FERC-related events:

- A delay in the RTO ruling;
- The AMP ruling; and
- The FERC ruling on real-time mitigation and OOM.

There was also the need to:

- Accelerate work on billing projects;
- Adjust for changes to Rate Schedule 1;
- Bring about BME/SCD price convergence;
- Enhance regional ICAP capability; and
- Coordinate control area interface ramp limits.

The next steps that the NYISO and IT need to undertake to bring the project plan to closure include completion of resource estimates, preparation of a revised project plan, PPT review, and MC input on that review.

Some of the outcomes of the task force efforts will inform the PPT process. In the meeting on 4 February the needs, desires, and regulatory requirements will be weighed, with the objective of developing not only a plan and priorities, but also timelines for the projects. The aim is to lock down and direct the resources.

Mr. Younger asked about whether coding has begun on some of the projects. Mr. Hickey responded that coding won't happen until the guiding documents are in place. Mr. Museler also noted that SAS-70 requirements dictated the appropriate cautions and processes.

Mr. Amati asked whether the Budget Committee should meet to assess the impact of the plan on the budget. Mr. Hiney responded that the Budget Committee's expertise was most welcome.

Mr. D'Andrea asked about the timing of when the NYISO recognized that it had a resource problem. Mr. Museler responded that despite locking things down in October, in November a number of resource-demanding issues emerged (delineated above).

Mr. D'Andrea noted that the task force should be addressing capacity as well as energy in its deliberations.

AI: IT resources need to be at the AMP/ICM task force meeting.

Mr. G. Brown inquired about the use of the contingency line to help fund the resources necessary to respond to the exogenous (regulatory) events. Mr.

Museler noted that some critical path resources are fixed, and that new events would require shifting of resources, since there are major challenges to getting new resources. Mr. Amati noted that there is a process to increase the budget, but that it is a last resort.

Mr. Reed offered the thought that a comprehensive mitigation review and plan would be impossible, given timelines and resources. Mr. Museler responded that the review is not starting from scratch, but rather is building on information already in place. Mr. Reed wants a scheme that will work in the long term for the market. He felt that the NYISO should not limit itself just to what can be accomplished by the summer.

Mr. Picardi asked about collaboration with the neighboring ISOs. Mr. Museler noted that the NYISO has spoken with them already. ISO-NE's approach may look like ours, but PJM's approach is quite different.

Mr. D'Andrea was concerned that in-City DAM mitigation won't receive the attention that the other pieces are receiving. Mr. Museler said that he saw the issue as one of fairness, and that the NYISO would not violate FERC orders.

Mr. Museler reiterated that the PPT would be examining resources for all projects, not just anchor projects.

Other Matters

Mr. Museler met with FERC regarding the ISOs' commenting on FERC's C/B analysis in the assessment of RTO development.

He said that uplift reports will be issued starting 1 February.

AI: report to BIC on 23 January regarding uplift.

On virtual bidding, he reported that that the NYISO had not found strange happenings in bidding patterns.

Mr. Brown asked about the PSC request for bidding information. Ms. Lampi responded that the data has been provided to the PSC subject to confidentiality requirements.

AI: Find out about collateral requirements for the loads doing VB. Determine if Finance is doing anything here.

4. Report on Seams Issues

PJM: In the first two quarters of 2002 there are a number of initiatives that will be implemented: CSS, OSS, and ICAP deliverability issues. Tariff language will come to the MC in February.

ISO-NE: The biggest seams issues are rules changes, and they have agreed to try to execute those, although they will need the concurrence of NEPOOL.

IMO: NYISO and IMO staff are working together to articulate transactions rules.

5. BME/SCD Convergence, Report on BIC action to conform BME and SCD

Messrs. Kinney and Hickey led the discussion on this issue. Mr. Kinney noted that the issue has been a key one since Day 1.

The group found 13 issues that might cause divergence between the market outcomes. They identified five that when addressed, would generate large improvements:

- Small consistent bias;
- Large extreme condition bias;
- Schedule inconsistencies with off-dispatch units and external transactions scheduled in BME;
- Schedule inconsistencies with on-dispatch units scheduled in SCD;
- Uplift costs.

BIC approved five specific initiatives:

- Designate export transactions as reserve suppliers;
- Make use of latent reserves;
- Articulate downward regulation;
- Implement a reserve / regulation ramp constraint; and
- Coordinate the BME / SCD reserve requirement.

MC action is necessary in the area of latent reserves. Tariff changes are necessary for the NYISO to call upon resources as latent reserves.

Ms. Saia asked if the NYISO would be making a payment to generators being called upon to provide latent reserves. Mr. Hickey replied no. Mr. Scheiderich noted that BIC had already approved the initiative. The initiatives collectively are designed to bring about convergence.

Mr. Hickey noted that SCD dispatches any on-dispatch units that it has and pays them for the energy. If there is enough on-dispatch capacity, then the price for the reserves may well be zero.

Mr. Kinney moved the motion and Mr. Scheiderich seconded it.

Mr. Younger noted that there is relatively little incentive for a unit to be on dispatch. He asked that the NYISO and its working groups continue looking at other fixes that the market may need.

Ms. Saia noted that generators had raised the payment issue. She also noted that just prior to the BIC there was a change in position that would result in a price of zero for availability being imputed.

Ms. Lampi noted that the latent reserve issue was the only one of the BME/SCD initiatives that required a tariff change. The penalty structure would be refined to a monitoring function.

Mr. Parmelee noted that LIPA supports the motion, but that it does have a concern that the latent reserve provision might interact with the locational reserve price mitigation. He wanted to offer a friendly amendment to direct MMU to report back. Mr. Hiney replied that maybe an action item read into the minutes would provide the same results. Mr. Parmelee agreed. At Mr. Parmelee's request the following statement was inserted as an action item into the minutes:

The Market Monitoring and Performance Department should review the possible interactions between the latent reserve proposal and the locational reserve pricing mitigation and report to the BIC at its February meeting [Savitt inserts "or as soon thereafter as practicable"] on whether there is a problem, and if there is a problem, on recommended ways of fixing the problem.

Mr. Fromer expressed a desire to have the Tariff Review Committee, rather than the committee chairs, write and review the tariff language. Mr. P. Brown responded that the process allows for technical experts to write and review the language. Mr. Hiney noted that if there were disagreements about the tariff language, it would not get past the MC. There was a further discussion about the efficacy of the Tariff Review Committee process.

Motion #2:

The Management Committee requests the Board to concur in a Section 205 filing with the FERC to amend Rate Schedule 4, and to make all additional changes to the Tariff(s) as necessary to conform to changes in Rate Schedule 4, to indicate that: (i) in BME the ISO will schedule additional suppliers of 30 Minute Reserve as needed by selecting from among all Suppliers that have supplied real-time bids in the energy or reserves markets for that hour (ii) real-time 30 Minute Reserve availability payments will be made to any supplier selected to provide 30 Minute Reserves; (iii) real-time 30 Minute Reserves availability bids will no longer be accepted from Class A Unit Suppliers and (iv) the response to a request for energy from a Class A Unit Supplier of 30 Minute Reserves will be monitored for response to a normal dispatch signal. No separate penalty related to being a reserve provider will be imposed. Tariff language will be developed by the ISO

Staff and the Scheduling & Pricing Working Group, and reviewed and approved by the Chairs of the Operating Committee, Business Issues Committee and Management Committee.

(Motion passed unanimously by show of hands with abstentions)

6. Report on work underway in Working Groups and Task Force meetings

This item was stricken from the formal agenda as the work items from the various meetings were the topics of previous agenda items.

7. Report on Price Responsive Load Working Group of Program Changes approved by the BIC

Mr. Dewitt presented for the MC's consideration the proposal that LSEs provide their customers with energy at the DAM price covering the customer's load reduction shortfall. Mr. Dewitt moved the motion and Mr. Fernands seconded.

Mr. Fromer asked about the resources necessary to implement the mechanism. Mr. Hickey and Mr. Museler responded that the critical path resources for other projects might be the same as for this project.

Motion #3:

Motion to approve a method for allowing Demand Reduction Providers to participate in the Day-Ahead Demand Response Program as described in the material by that name presented at the NYISO Management Committee Meeting on January 10, 2002. Tariff language will be developed by the ISO Staff and the Price Responsive Load Working Group, and reviewed and approved by the Chairs of the Operating Committee, Business Issues Committee and the Management Committee.

(Motion passed with 100% affirmative votes)

8. Congestion Reduction Proposal

Mr. Ancona presented slides on the congestion reduction proposal. The group is trying to develop changes in market rules that currently provide an incentive to create congestion. The proposal would essentially reallocate TCC rent shortfall cost sharing among the TOs. The current formula is inequitable as it ignores the source of an outage and is based on TCC auction residual revenue.

Penalties for not reducing congestion are misdirected and incentives are weakened. The proposed rules would reallocate cost sharing among the TOs for significant outages. The implementation mechanism would be "outage TCCs"

and “counterflow TCCs.” The proposal provides stronger incentives to reduce congestion.

There was a clarifying question about the nature of outage TCCs. Mr. Ancona replied that it was a way to address the congestion costs resulting from outages.

The NYSEG amendments were also displayed.

There was a question from the floor about an outage forecast that does not play out (item 2 of the NYSEG proposed amendment). Mr. Kinney replied that the TO would get the rents but not the TCC revenue.

Mr. Reed wanted to know if the proposal would be brought back to the MC upon articulation of the concepts and the development of tariff language. Mr. Ancona replied that the presentation is a concept proposal.

There are concerns both about the substance of the TCC reallocation method and the level of examination that this proposal has undergone. Mr. Fromer was concerned that the proposal is changed from what was considered earlier in the committee process.

There were concerns about the time available to consider the motion.

The motion was withdrawn.

9. New Business

Mr. Hiney stated that the bylaws call for materials and items to be noticed five days before the MC meeting. Material that does not meet that deadline is not timely and agenda items resulting therefrom would be considered out of order. Mr. Gioia argued for “reasonable notice.”

10. Adjourn

The meeting was adjourned at 1453.

NYISO Management Committee Meeting

January 10, 2002

Consolidated Edison, New York, NY

MOTIONS FROM THE MEETING

Motion #1:

Motion to approve the Minutes of November 9, 2001

(Motion passed unanimously by show of hands)

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(Motion passed with 100% affirmative votes with abstentions)

New York Independent System Operator - Committee Membership

Management Committee - Attendance January 10, 2002 - Con Ed, 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	✓ Jeffrey Gerber	Erin Hogan					
The City of New York	End Use - Gov. Agency/Aggr.	✓ Jay Kooper	Richard Miller					Jonathan Wallach	
Alcoa/Reynolds Metals Company	End Use - Large Consumers	Leonard Singer	Robert Loughney	✓ Michael Mager					
Amerada Hess Corporation	End Use - Large Consumers	Hemant Jain	Mike DiBella	Keith Mills					
ATCO Management Co.	End Use - Large Consumers	Peter DiCapua	Scott Petersen	George Diamantopoulos	Steven Latargia				
IBM Corporation	End Use - Large Consumers	Leonard Singer	Robert Loughney	✓ Michael Mager					
Occidental Chemical Corp.	End Use - Large Consumers	Leonard Singer	Robert Loughney	✓ Michael Mager					
Praxair Inc.	End Use - Large Consumers	Christian Lenci	Leonard Singer	Robert Loughney	✓ Michael Mager				
Xerox Corporation	End Use - Large Consumers	Leonard Singer	Robert Loughney	✓ Michael Mager					
Metropolitan Transportation Authority	End Use - Large Cons. Gov.	✓ Jesse Samberg	Gary Caplan	Walter McCarroll					
Aaron Breidenbaugh	End Use - Small Consumers	✓ Aaron Breidenbaugh							
Association for Energy Affordability, Inc.	End Use - Small Consumers	David Hepinstall	✓ Larry DeWitt						
Beth Israel Health Care System	End Use - Small Consumers	✓ Catherine Luthin	John Dowling	✓ Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Building and Realty Institute	End Use - Small Consumers	✓ Herb Rose	Jeff Hanley	Catherine Luthin	John Dowling	✓ Jennifer Kearney			
Caithness Energy, L.L.C	End Use - Small Consumers	Daniel McBrearty	✓ Jack Feinstein						
Cianbro Corporation	End Use - Small Consumers	Chuck Hewett	✓ John Tompkins						
Citizens Advisory Panel	End Use - Small Consumers	Gordian Raacke	✓ Larry DeWitt						
CNYC Inc. (Council of NY Coop & Condo)	End Use - Small Consumers	✓ Herb Rose	MaryAnn Rothman	Catherine Luthin	John Dowling	✓ Jennifer Kearney			
Columbia University	End Use - Small Consumers	Catherine Luthin	John Dowling	✓ Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Hudson River Energy Group	End Use - Small Consumers	Frank Radigan							
Mount Sinai Medical Center	End Use - Small Consumers	Catherine Luthin	John Dowling	✓ Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
New York Energy Buyers Forum	End Use - Small Consumers	✓ Ted Lee							✓ Marjorie Ochroch
New York Presbyterian Hospital	End Use - Small Consumers	Catherine Luthin	John Dowling	✓ Jennifer Kearney	✓ 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 Brodbeck	Ron Matlock	Paul Savage	Roberto Denis	
NY State Consumer Protection Board	End Use - State Agency	✓ Tariq Niazi	Doug Elfner						
AES NY	Generation Owners	✓ Christopher Wentlent	Rick Santoroski						✓ Chuck Sjoberg
American National Power, Inc.	Generation Owners	Dorothy Capra	Bill Henson						
Astoria Energy LLC	Generation Owners	William May	Leonard Singer						
Calpine	Generation Owners	✓ John Eff	Thomas Kaslow	Richard Felak					
East Coast Power	Generation Owners	Gary Keevill	Asavari Alvarez						✓ Roy Shanker
Edison Mission Marketing & Trading	Generation Owners	✓ William Roberts	✓ Robert Agnello	Jeffrey Ellis					
Entergy Nuclear Northeast	Generation Owners	Marc Potkin	William Stone	✓ Ron Mackowiak					
Indeck Energy Services	Generation Owners	Mike Ferguson	John Schrage	✓ Mark Younger					
KeySpan Ravenswood, Inc	Generation Owners	James Brennan	Kevin Knapp	✓ Dick Ackerson	Ron Lukas	✓ Terrence Kain	✓ James D'Andrea		
Mirant New York, Inc.	Generation Owners	✓ Joe Holtman	Mark Petro	✓ Doreen Saia					
NRG Energy	Generation Owners	✓ Joe DeVito	✓ Frank Rapley	Paul Savage	Marc Dworkin	Ruben Brown	Peter Chamberlain	Chris Young	
Orion Power New York	Generation Owners	Mark Sudbey	Janet Audunson	✓ John Reese					✓ Bruce Bleiweis
PG&E Generating	Generation Owners	✓ Steve McDonald	Jeff Simmons					✓ Harry Singh	
PSEG Energy Resources & Trade	Generation Owners	✓ Howard Fromer	✓ Michael LaFalce						
Sithe Energies, Inc.	Generation Owners	✓ Tim Bush	Garry Brown	✓ David Applebaum					✓ Glenn Haake
TransCanada Power Marketing	Generation Owners	William Taylor	Elaine Beaudry						
American Electric Power (AEP) Srvc. Corp.	Non-voting	Glenn Riepl	James Shrewsbury						
NYS Department of Public Service	Non-voting	✓ Saul Rigberg	Joel Brainard						
1st Rochdale Cooperative NYC	Other Suppliers	Phyllis Kessler	Gregory Wortham	Andrea Mendez					
Advantage Energy, Inc.	Other Suppliers	Kyle Storie							
Aquila Energy Marketing Corp.	Other Suppliers	Jason Stever	✓ Peter Brown	David Wiesner	Pamela VanHorn	Richard Mooney			
Cinergy Capital and Trading	Other Suppliers	Walt Yeager	Jan Bagnall						
Con Edison Energy	Other Suppliers	✓ Ken Bekman	Ivan Kimball						
Con Edison Solutions	Other Suppliers	✓ Ken Bekman	✓ Stephen Wemple						
Connectiv	Other Suppliers	Steve Huntoon	Bill Fehr						
Constellation Power Source	Other Suppliers	✓ Harvey Reed	Glen McCartney	David Taylor					
Duke Energy North America, LLC	Other Suppliers	Ronald Matlock	Del Disher	Tom Bankert					
Dynegy	Other Suppliers	Chad Wagner	✓ Matthew Picardi						
El Paso Merchant Energy	Other Suppliers	✓ Alan Foster	Eric Stoerr						
Energetix, Inc.	Other Suppliers	✓ Barney Farnsworth							
Exelon Generation - Power Team	Other Suppliers	Regina Carrado	Garry Brown	✓ David Applebaum	✓ Tim Bush	Jack Crowley			
FPL Energy	Other Suppliers	Roberto Denis	Bill Fenerty						
HQ Energy Services	Other Suppliers	Benoit Goyette	Michel Prevost	Paul Norris	Joel Zipp	Gunnar Birgisson			
KeySpan Energy Services	Other Suppliers	Ron Lukas	Ruben Brown	Peter Chamberlain	John Smith				
Morgan Stanley Capital Group	Other Suppliers	Patrick Murray	Karen Kochonies	Levon Kazarian	✓ Doron Ezickson				
New Energy Inc.	Other Suppliers	Peter Duprey	✓ Stephen Fernands						✓ Bill Schofield
NU / Select Energy	Other Suppliers	Gunnar Jorgensen	✓ James Scheiderich						

New York Independent System Operator - Committee Membership

Management Committee - Attendance January 10, 2002 - Con Ed, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
Ontario Power Generation Inc.	Other Suppliers	Barry Green	Tasos Karatsoreos	Ken Lacivita				✓ Joel Singer	
PP&L Energy Plus	Other Suppliers	✓ John Brodbeck		Roger Dolan					
PSEG Energy Technologies Inc.	Other Suppliers	Patricia Esposito			Garreth Kirkner				
Semptra Energy Trading	Other Suppliers	✓ Tom Halleran	Dana Volpe	✓ Russel Like	Mally Becker	Bob Chilton			
Strategic Energy LLC	Other Suppliers	✓ Michael Swider	Jeffrey Knox	James McCormick	Helen Caldwell				
Strategic Power Management, Inc.	Other Suppliers	Dan Duthie	✓ Mario DiValentino						
Transalta (formerly MEGA)	Other Suppliers	Daniel Lobue	John Carmody						
TransÉnergie U.S. Ltd.	Other Suppliers	Other Suppliers	José Rotger						
Williams Energy Marketing & Trading Co.	Other Suppliers	Dennis Keener	Robert O'Connell						
Long Island Power Authority	Public Power - Authorities	✓ Jim Parmelee	Seth Hulkower	Alan Elberfield					
New York Power Authority	Public Power - Authorities	✓ Robert Hiney	✓ William Palazzo	✓ Kim Byham					
American Wind Energy Association	Public Power - Environmental	David Wooley	✓ Larry DeWitt						
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	✓ Paul Pallas	Matthew Benesh	Jim Hamilton	Jack Brown	Ken Moore		✓ 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	✓ Paul Pallas	✓ 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						
Village of Rockville Centre	Public Power - Munis & Co-ops	✓ Paul Pallas	Jim Hamilton	Jack Brown	Ken Moore	Matthew Benesh		✓ Tom Rudebusch	
Village of Westfield	Public Power - Munis & Co-ops	✓ Jim Hamilton	✓ Jim Hamilton	Matthew Benesh	Jack Brown	Ken Moore		✓ Tom Rudebusch	
Central Hudson Gas & Electric	Transmission Owners	✓ Charles Freni	John Watzka	Ronald Brand					
Consolidated Edison	Transmission Owners	✓ Joe Oates	Terry Agriss	✓ Neil Butterklee					
Niagara Mohawk Power Company	Transmission Owners	✓ Martin Amati	✓ Jerry Ancona	Herb Schrayshuen					
NY State Electric Gas (NYSEG)	Transmission Owners	Denis Wickham	✓ Raymond Kinney	Hank Masti					
Orange & Rockland, Inc.	Transmission Owners	Phil Nannery							
Rochester Gas & Electric	Transmission Owners	Clifton Olson	✓ Laurie King-Pirchner						
New Member	Non-voting								
New Member	Non-voting								
New Member	Non-voting	None Assigned							
New Member	Non-voting								
New Member	Non-voting								
New Member	Non-voting								
New Member	Non-voting								
New Member	Non-voting								

NYISO and Hunton & Williams Members in Attendance:

✓ Ira Freilicher	Hunton & Williams
✓ Jim Schmidt	Hunton & Williams
✓ John Buechler	NYISO
✓ Bill Museler	NYISO
✓ Kristen Kranz	NYISO
✓ John Cutting	NYISO
✓ Belinda Thornton	NYISO
✓ Jim Savitt	NYISO
✓ Leigh Bullock	NYISO
✓ Brad Kranz	NYISO
✓ Elaine Robinson	NYISO
✓ Mollie Lampi	NYISO
✓ John Hickey	NYISO

✓ Paul Gioia
✓ Stu Caplan

New York Independent System Operator Management Committee - January 10, 2002

Motion: Motion #3

Result: Motion Passed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	7.00	0.00	4	21.50	0.00	
Other Suppliers	21.5	✓	✓	21.50	12.00	0.00	0	21.50	0.00	
Transmission Owners	20.0	✓	✓	20.00	3.00	0.00	2	20.00	0.00	
End Use Consumers			✓							
Large Consumers	9.0	✓		9.00	5.00	0.00	0	9.00	0.00	
Large Cons. Gov. Agency	2.0	✓		2.00	1.00	0.00	0	2.00	0.00	
Small Consumers	4.5	✓		4.50	13.00	0.00	2	4.50	0.00	
Gov. State-wide Cons. Advocate	2.7	✓		2.70	1.00	0.00	0	2.70	0.00	
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	2.00	0.00	0	1.80	0.00	
Public Power			✓							
State Power Authorities	8	✓		8.00	2.00	0.00	0	8.00	0.00	
Munis and Coops	7	✓		7.00	6.00	0.00	0	7.00	0.00	
Environmental	2	✓		2.00	5.00	0.00	0	2.00	0.00	
				5	100.00	57.00	0.00	8	100.00	0.00
				100.00		Normalized to 100% :		100.00	0.00	

New York Independent System Operator

Management Committee - January 10, 2002

Motion Motion #3

Sector	Organization	Representative	Affiliate	Present	For	Against
End Use - Gov. Agency/Aggr.	NYS Energy Research & Develop. Auth.	Jeffrey Gerber		y	1.00	
End Use - Gov. Agency/Aggr.	The City of New York	Jay Kooper		y	1.00	
End Use - Large Consumers	Alcoa/Reynolds Metals Company	Michael Mager		y	1.00	
End Use - Large Consumers	Amerada Hess Corporation					
End Use - Large Consumers	ATCO Management Co.					
End Use - Large Consumers	IBM Corporation	Michael Mager		y	1.00	
End Use - Large Consumers	Occidental Chemical Corp.	Michael Mager		y	1.00	
End Use - Large Consumers	Praxair Inc.	Michael Mager		y	1.00	
End Use - Large Consumers	Xerox Corporation	Michael Mager		y	1.00	
End Use - Large Cons. Gov.	Metropolitan Transportation Authority	Jesse Samberg		y	1.00	
End Use - Small Consumers	Aaron Breidenbaugh	Aaron Breidenbaugh		y		
End Use - Small Consumers	Association for Energy Affordability, Inc.	Larry DeWitt		y	1.00	
End Use - Small Consumers	Beth Israel Health Care System	Catherine Luthin		y	1.00	
End Use - Small Consumers	Building and Realty Institute	Herb Rose		y	1.00	
End Use - Small Consumers	Caithness Energy, L.L.C	Jack Feinstein		y		
End Use - Small Consumers	Cianbro Corporation	John Tompkins		y	1.00	
End Use - Small Consumers	Citizens Advisory Panel	Larry DeWitt		y	1.00	
End Use - Small Consumers	CNYC Inc. (Council of NY Coop & Condo)	Herb Rose		y	1.00	
End Use - Small Consumers	Columbia University	Jennifer Kearney		y	1.00	
End Use - Small Consumers	Hudson River Energy Group					
End Use - Small Consumers	Mount Sinai Medical Center	Jennifer Kearney		y	1.00	
End Use - Small Consumers	New York Energy Buyers Forum	Ted Lee		y	1.00	
End Use - Small Consumers	New York Presbyterian Hospital	Jennifer Kearney		y	1.00	
End Use - Small Consumers	New York University	Jennifer Kearney		y	1.00	
End Use - Small Consumers	Refined Sugars, Inc.	Jennifer Kearney		y	1.00	
End Use - Small Consumers	William P. Short	John Brodbeck		y	1.00	
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y	1.00	
Generation Owners	AES NY	Christopher Wentlent		y	1.00	
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine	John Eff		y	1.00	
Generation Owners	East Coast Power		y			
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y	1.00	
Generation Owners	Entergy Nuclear Northeast	Ron Mackowiak		y	1.00	
Generation Owners	Indeck Energy Services	Mark Younger		y		
Generation Owners	KeySpan Ravenswood, Inc	Dick Ackerson		y		
Generation Owners	Mirant New York, Inc.	Joe Holtman		y		
Generation Owners	NRG Energy	Frank Rapley		y	1.00	
Generation Owners	Orion Power New York	John Reese		y		
Generation Owners	PG&E Generating	Steve McDonald		y	1.00	
Generation Owners	PSEG Energy Resources & Trade	Howard Fromer		y	1.00	
Generation Owners	Sithe Energies, Inc.	Tim Bush	y	y		
Generation Owners	TransCanada Power Marketing					
Non-voting	American Electric Power (AEP) Srvc. Corp.		y			
Non-voting	NYS Department of Public Service	Saul Rigberg	y	y		
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	Aquila Energy Marketing Corp.	Peter Brown		y	1.00	
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy	Ken Bekman	y	y		
Other Suppliers	Con Edison Solutions	Ken Bekman	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation Power Source	Harvey Reed		y	1.00	
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy	Matthew Picardi		y	1.00	
Other Suppliers	El Paso Merchant Energy	Alan Foster		y	1.00	
Other Suppliers	Energetix, Inc.	Barney Farnsworth	y	y		
Other Suppliers	Exelon Generation - Power Team	David Applebaum		y	1.00	
Other Suppliers	FPL Energy					
Other Suppliers	HQ Energy Services					
Other Suppliers	KeySpan Energy Services		y			
Other Suppliers	Morgan Stanley Capital Group	Doron Ezickson		y	1.00	
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.	Joel Singer		y	1.00	
Other Suppliers	PP&L Energy Plus	John Brodbeck		y	1.00	
Other Suppliers	PSEG Energy Technologies Inc.					
Other Suppliers	Sempra Energy Trading	Tom Halleran		y	1.00	
Other Suppliers	Strategic Energy LLC	Michael Swider		y	1.00	
Other Suppliers	Strategic Power Management, Inc.	Mario DiValentino		y	1.00	
Other Suppliers	Transalta (formerly MEGA)					
Other Suppliers	TransEnergie U.S. Ltd.		y			
Other Suppliers	Williams Energy Marketing & Trading Co.					
Public Power - Authorities	Long Island Power Authority	Jim Parmelee		y	1.00	
Public Power - Authorities	New York Power Authority	Robert Hiney		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	Paul Pallas		y	1.00	
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	Michael Darroch		y	1.00	
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Paul Pallas		y	1.00	
Public Power - Munis & Co-ops	Village of Fairport	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	Village of Freeport					
Public Power - Munis & Co-ops	Village of Rockville Centre	Paul Pallas		y	1.00	
Public Power - Munis & Co-ops	Village of Westfield	Paul Pallas		y	1.00	
Transmission Owners	Central Hudson Gas & Electric	Charles Freni		y	1.00	
Transmission Owners	Consolidated Edison	Joe Oates		y	1.00	
Transmission Owners	Niagara Mohawk Power Company	Martin Amati		y	1.00	
Transmission Owners	NY State Electric Gas (NYSEG)	Raymond Kinney		y		
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Laurie King-Pirchner		y		