

NYISO Management Committee Meeting Minutes

April 23, 2008

NYISO – Krey Corporate Center

10:00 a.m. to 12:00 p.m.

DRAFT Minutes of the Meeting

1. Introductions, Meeting Objectives, and Chairman's Report

The Chair of the MC, Mr. Ray Kinney (NYSEG/RG&E) called the meeting to order at 10:05 AM and welcomed the members of the MC. The members of the MC then identified themselves.

Mr. Kinney initiated business by recognizing MC Members and NYISO staff, as well as NYISO Board Chair and presiding CEO, Karen Antion.

Mr. Kinney noted the Board had recently added one of those candidates selected by the Board Selection Subcommittee (BSSC) to its slate. The new Board member is Christopher Ward.

2. Approval of Minutes

Mr. Kinney presented for approval MC minutes from the February 6, 2008 and February 29, 2008 meetings. Mr. Alcombright (NYISO) reported no comments were received to-date and asked if members had any comments. No comments or questions were raised. Both sets of minutes were approved.

Motion #1:

Motion to approve the Minutes of the February 6, 2008 and February 29, 2008 Management Committee meetings.

Motion passed unanimously.

2. President's Report

Ms. Antion reported that the volume of price corrections continues to trend in a favorable (downward) direction from the regular report (See posted meeting materials).

Mr Younger requested additional information regarding the NYISO's payoff of the TCC shortfall debt. Ms McGarvey (NYISO) noted that this was done in the March invoice.

Ms McGarvey stated that the NYISO had received further proceeds from recovery actions associated with the Enron bankruptcy. \$400,000 will be refunded in the May invoice. Recovery now stands at approximately 75% of total losses.

Ms. McGarvey also noted that the NYISO would be declaring a bad debt loss in the April invoice associated with Fulton Cogen's operations in June and July of 2006. She pointed Market Participants to the NYISO's Finance department for further details on impact and/or actions.

3. Enhancements to Creditworthiness Provisions

Mr Fernandez (NYISO) provided an introduction to the topic (Enhancements to Creditworthiness Provisions) that focused on the NYISO's ongoing efforts to bring tariff language current and in alignment with standard operating procedures. Mr Fernandez noted that much of the language being revisited throughout the tariff was crafted over eight (8) years ago and that it was time for such administrative reviews and updates to occur. Mr Fernandez said that the MC members should expect to continue to filings such as, with similar goals, going forward.

Ms Prevratil (NYISO) presented and discussed the posted motion and supporting materials (See posted meeting materials).

Motion #2:

The Management Committee hereby recommends that the Board of Directors approve revisions to improve and clarify the customer creditworthiness provisions of Attachment K of the Market Administration and Control Area Services Tariff and Attachment W of the Open Access transmission Tariff as presented to and approved by the Management Committee on April 23, 2008.

Motion passed unanimously.

4. NYISO Sector Meetings

Ms. Antion expressed her own and Mr. Hiney's interest in the upcoming Sector Meetings scheduled for early May, noting that arrangements had been made to ensure that at least one of them will be present at each of the five (5) meetings.

Ms. Eckels reviewed the Sector Meeting schedules and reminded MC members of the Focus Group meetings that would be initiating immediately following each of the Sector Meetings. The Focus Group sessions are aimed at gaining important feedback from the NYISO stakeholder community with respect to the annual Customer Satisfaction Survey.

5. Joint Board of Directors/ Management Committee Meeting

Mr. Kinney highlighted that he – and the other MC members – were looking forward to the opportunity to interact directly with the Board.

Ms. Antion expressed that the joint meeting represents a unique opportunity to discuss important strategic topics, such as Forward Capacity Markets and the integration of wind into the NY market.

Ms. Antion also noted that she was interested in initiating a dialog on another major strategic topic at the joint meeting -- interregional planning.

Ms. Antion noted that Mr. Boston (PJM) had reached out to the NYISO to open a dialog regarding Regional Markets and that the NYISO welcomed such a dialog. Ms. Antion noted that while the NYISO was willing to discuss cost allocation with PJM as it relates to interregional issues, the conversation would need to be more inclusive and holistic than just cost allocation.

A series of letters had been exchanged recently between the NYISO and PJM on this matter and Ms. Antion said that these documents would be made available to the MC members as soon as possible.

6. Customer Satisfaction Survey Update

Ms. Hockford (NYISO) presented and discussed the posted materials (See posted meeting materials) as per the NYISO's commitment to update the MC on a quarterly basis throughout the year. Ms. Hockford noted solid progress in the major areas identified in the 2007 Customer Satisfaction Survey.

Mr Fromer requested that the NYISO offer a one (1) day NYMOC-like overview course to serve as a refresher to those Market Participants that had taken their original NYMOC course several years or more ago. Mr. Mukerji (NYISO) pointed Mr Fromer to the NYISO's quarterly-held Mini NYMOC course.

7. New Business

Mr. Fromer requested an update on the search for the NYISO's next CEO. Ms. Antion replied that the search was still very active and that a slate of candidates was under review.

Ms. Bouchez brought a "market inefficiency" to the committee's attention, noting that the issue would be brought through the stakeholder process beginning in a subsequent Market Issues Working Group (MIWG) meeting (April 30, 2008).

Ms. Bouchez stated that the inefficiency was tied to the NYISO's paying of BPCG on all imports, but not on exports and that MPs could – and do – schedule both import and export transactions within the same hour. In such cases, no net flow would occur, yet BPCG would be paid. The NYISO's position is that such transactions for the purpose of gaining BPCG prices are inappropriate.

Ms. Bouchez said that the NYISO would not be seeking an emergency rule change to address this issue at this time, but that the FERC had been made aware of the situation.

Ms. Bouchez noted that the magnitude of impact from this inefficiency ranged from approximately \$30,000 to \$200,000 in a given month as it related to BPCG transactions that were "offsetting transactions."

Meeting adjourned at 11:30

NYISO Management Committee Meeting

April 23, 2008

Teleconference

MOTIONS FROM THE MEETING

Motion #1:

Motion to approve the Minutes of the February 6 and February 29, 2008 Management Committee Meetings.

Motion passed unanimously with abstentions.

Motion #2:

The Management Committee hereby recommends that the Board of Directors approve revisions to improve and clarify the customer creditworthiness provisions of Attachment K of the Market Administration and Control Area Services Tariff and Attachment W of the Open Access Transmission Tariff as presented to and approved by the Management Committee on April 23, 2008. The draft Tariff language will be distributed to Market Participants for review. Market Participants shall provide any comments or revisions to the Chairs and/or Vice Chairs of Operating Committee, Business Issues Committee and Management Committee who shall approve the Tariff revisions prior to being submitted to the Board.

Motion passed unanimously.

New York Independent System Operator - Committee Membership

Management Committee - Attendance April 23, 2008 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
NYS Energy Research & Develop. Auth. The City of New York	End Use - Gov. Agency/Aggr. End Use - Gov. Agency/Aggr.	Paul DeCotis ✓ Michael Delaney	Karl Michael Gil Quiniones	David Coup Thomas Simpson	Erin Hogan Jonathan Wallach	✓ Christopher Hall Craig Wilson			
Alcoa/Reynolds Metals Company	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Jay Goodman					
Atco Properties & Management Inc.	End Use - Large Consumer	David Bomke	George Diamantopoulos						
IBM Corporation	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Jay Goodman					
Occidental Chemical Corp.	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Jay Goodman					
Praxair Inc.	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Jay Goodman					
Wegmans Food Markets	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	Jay Goodman					
Metropolitan Transportation Authority	End Use - Large Cons. Gov.	Jesse Samberg	Gary Caplan	Walter McCarroll					
American Sugar Refining, Inc.	End Use - Small Consumer	Catherine Luthin	✓ John Dowling						
Association for Energy Affordability, Inc.	End Use - Small Consumer	David Hepinstall	✓ Christopher Young						
Beth Israel Health Care System	End Use - Small Consumer	Catherine Luthin	✓ John Dowling						
Fordham University	End Use - Small Consumer	✓ John Dowling	Catherine Luthin						
Memorial Sloan Kettering Cancer Center	End Use - Small Consumer	✓ John Dowling	Catherine Luthin						
Mount Sinai Medical Center	End Use - Small Consumer	Catherine Luthin	✓ John Dowling						
New York Presbyterian Hospital	End Use - Small Consumer	David Bomke	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
New York University	End Use - Small Consumer	Catherine Luthin	✓ John Dowling						
NY State Consumer Protection Board	End Use - State Agency	✓ Tariq Niazi	Doug Elfner						
AES NY	Generation Owners	Christopher Wentlent	Rick Santoroski	Charles Sjoberg	Dave Evanoski				
Astoria Energy LLC	Generation Owners	Joseph Swift	Leonard Singer	Chuck McCall	Lathrop Craig				
Calpine	Generation Owners	Brett Kruse	Kris Zadlo	Brent Hebert					
East Coast Power Linden Holding LLC	Generation Owners	Andy Keleman	Mark Mellana	Kurt Schreder					
Edison Mission Marketing & Trading	Generation Owners	✓ Ray Stalter	Jeff Ellis						
Entergy Nuclear Northeast	Generation Owners	Marc Potkin	Angelo Vai	Ron Mackowiak					
Horizon Wind Energy	Generation Owners	Patrick Doyle	Gary Davidson						
Indeck Energy Services	Generation Owners	Mike Ferguson	John Schrage	✓ Mark Younger					
Innovative Energy Systems Inc.	Generation Owners	Carol Muessigbrodt	Peter Zelfiff						
KeySpan Ravenswood, LLC	Generation Owners	Rich Hohlman	James Flannery	Joe Vignola	Jim D'Andrea	Madison Milhous	John Vaughn		
Mirant New York, Inc.	Generation Owners	Philip Smith	Doreen Saia					✓ Kevin Lang	
New Athens Generating Co.	Generation Owners	Jack Breen	Chris Bursaw	Dan DeVinney	Rich Felak				
Noble Environmental Power LLC	Generation Owners	Thomas Swank	Liz Grisar	Sidney Change					
Selkirk Cogen Partners, L.P.	Generation Owners	Tim Biittig	Steve Kamppila						
TransCanada Power Marketing	Generation Owners	William Taylor	✓ Dan Congel	Elaine Beaudry					
UPC Wind	Generation Owners	Steve Vavrik	Mike Jacobs						
Amerada Hess Corporation	Other Suppliers	Hemant Jain	Kevin Laguardia	Blas Hernandez	George Braulke				
BJ Energy	Other Suppliers	Bing Ni	George Lee						
Brookfield Energy Marketing Inc.	Other Suppliers	Robert Ricketts	Daniel Whyte	✓ Frank Francis					
Cinergy Capital and Trading	Other Suppliers	John Deeds	Walt Yeager						
Citi Group Energy	Other Suppliers	Lisa Yoho							
Con Edison Solutions	Other Suppliers	Ken Bekman	Stephen Wemple						
Conectiv	Other Suppliers	Robert Steele	Tony Gabrieli	Gloria Ogenyi					
Constellation Energy Commodities, Inc.	Other Suppliers	✓ Glen McCartney	Dan Allegretti	Tim Daniels					
Constellation New Energy Inc.	Other Suppliers	Michael Constantine							
Consumer Powerline	Other Suppliers	Janette Dudley	Nick Planson	Mike Gordon	Ray Stirbys				
Coral Power, LLC	Other Suppliers	Matt Picardi	Marc Overdyk	Dave French					
Cross Sound Cable Co.	Other Suppliers	John Miller	Brian Reinhart	Bradley Railing	Jose Rotger				
DC Energy	Other Suppliers	Bruce Bleiweis	Chris Carpenter	Andrew Stevens	Matthew Tate	Sadao Milberg	Dean Wilde		
Dynegy	Other Suppliers	✓ Glenn Haake	Barry Huddleston						
Energy Curtailment Specialists, Inc	Other Suppliers	Glen Smith	Stephen Lynch	Marie Pieniazek	Mike Jaeger				
Energy Spectrum	Other Suppliers	Gary David	Henry Hartstein	Aron Iskowitz	Ruben Brown	Arthur Pearson			
EnerNoc	Other Suppliers	David Brewster	Aaron Breidenbaugh						
Epic Merchant Energy NY, LP	Other Suppliers	Michael Kinsey	Robert Erbrick	Pierre Tournois	✓ Erik Abend	Gordon Scott	Wesley Anderson		
Exelon Generating Co. LLC	Other Suppliers	Denise Foster	Jack Crowley						
Fortistar/Lockport Energy Associates, L.P.	Other Suppliers	Tom Gesicki	✓ Mark Younger						
FPL Energy	Other Suppliers	David Applebaum	Fernando DaSilva	Ron Scheirer					
Galt Power	Other Suppliers	✓ Rick Mancini	Stephen Fernands	Bill Schofield	Alan Ackerman				✓ Kevin Lang
HQ Energy Services	Other Suppliers	Michel Prevost	Paul Norris	Erik Bellavance					
Integrus Energy Services	Other Suppliers	Michael Haugh							
KeySpan Energy Services	Other Suppliers	Terrence Kain	Jim D'Andrea	Edwin Kichline	James Cross	John Vaughn			

New York Independent System Operator - Committee Membership

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Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
Liberty Power Corp.	Other Suppliers	David Hernandez							
Morgan Stanley Capital Group	Other Suppliers	Patrick Murray	Karen Kochonies	Levon Kazarian	Doron Ezickson	Nikolai Markarian			
NRG Power Marketing	Other Suppliers	✓ Brad Kranz	Lee Davis						
Ontario Power Generation Inc.	Other Suppliers	Colin Anderson	✓ Dave Barr	Ken Lacivita	Richard Gell				
PPM Energy	Other Suppliers	Thresa Allen	T.H. Rawls	Tom Shields					
PP&L Energy Plus	Other Suppliers	Tom Hyzinski	✓ Joseph Langan	Sharon Weber					
PSEG Energy Resources & Trade	Other Suppliers	✓ Howard Fromer	Michael LaFalce						
Reliant Energy Solutions Northeast	Other Suppliers	Richard Barlette	John Rohrbach	Derek Bandera					
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					
U.S. Power Generating Co.	Other Suppliers	✓ Liam Baker	Mark Sudbey						
Long Island Power Authority	Public Power - Authorities	✓ Kevin Jones	Jim Wittine	Dave Clarke					
New York Power Authority	Public Power - Authorities	✓ William Palazzo	Scott Brown	Kim Byham					
American Lung Association	Public Power - Environmental	✓ Christopher Young	Michael Seilback						
American Wind Energy Association	Public Power - Environmental	Valerie Strauss	Carol Murphy	Rob Gramlich					
Environmental Advocates	Public Power - Environmental	✓ Christopher Young	David Gahl	Robert Moore					
Nat'l Resources Defense Council	Public Power - Environmental	✓ Christopher Young	Ashok Gupta	Dale Bryk					
Pace University	Public Power - Environmental	✓ Christopher Young	Tom Bourgeois	Dan Rosenblum					
Scenic Hudson	Public Power - Environmental	✓ Christopher Young							
Bath Electric, Gas & Water Systems	Public Power - Munis & Co-ops	Matthew Benesh	✓ Richard Bolbrock	Mark Cordeiro					
City of Jamestown Board of Pub. Util.	Public Power - Munis & Co-ops	David Gustafson	David Leathers	Steven Kulig	✓ Tom Rudebusch				
Lake Placid Village	Public Power - Munis & Co-ops	Peter Kroha	✓ Richard Bolbrock	Mark Cordeiro					
Municipal Commission of Boonville	Public Power - Munis & Co-ops	Kenneth Stabb							
Plattsburgh Municipal Lighting Dept.	Public Power - Munis & Co-ops	William Treacy	✓ Richard Bolbrock	Mark Cordeiro					
Village of Arcade	Public Power - Munis & Co-ops	Larry Kilburn	✓ Richard Bolbrock	Mark Cordeiro					
Village of Fairport	Public Power - Munis & Co-ops	Ken Moore	✓ Richard Bolbrock	Mark Cordeiro					
Village of Freeport	Public Power - Munis & Co-ops	Anthony Fiore		✓ Tom Rudebusch					
Village of Rockville Centre	Public Power - Munis & Co-ops	Paul Pallas	Jim Hamilton	Matthew Benesh	Jim Hamilton	Ken Moore		✓ Tom Rudebusch	
Village of Solway	Public Power - Munis & Co-ops	Anthony Modafferi	✓ Richard Bolbrock	Mark Cordeiro					
Village of Westfield	Public Power - Munis & Co-ops	Jim Hamilton	Matthew Benesh	Ken Moore					
Central Hudson Gas & Electric	Transmission Owners	Charles Freni	✓ John Watzka						
Consolidated Edison	Transmission Owners	Stuart Nachmias	✓ Neil Butterklee	Deidre Altobell					
National Grid	Transmission Owners	✓ Terron Hill	Madison Milhous	Bart Franey	Joseph Rossignoli				
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			
Ace Energy Company, Inc	Non-voting	Marie Pieniasek	Stephen Lynch						
ACENY	Non-voting	Carol Murphy	Valerie Strauss						
Ancona Consulting	Non-voting	Jerry Ancona							
Boundless Energy, L.L.C	Non-voting	John Tompkins	Chuck Gilbert						
Caithness Energy, L.L.C	Non-voting	Ross Ain	Gary Keevill	Mitchell Garber					
Customized Energy Solutions	Non-voting	✓ Rick Mancini	Stephen Fernands	Bill Schofield	Alan Ackerman				
DTE Energy	Non-voting	Gregory Pakela	Raymond Wieszczyk						
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							
NYS Department of Public Service	Non-voting	Penny Rubin	Rajendra Addepalli						
The Structure Group	Non-voting	Ishita Roy	Phung Nguyen						
Tom Halleran	Non-voting	Tom Halleran							
US Direct Energy Inc.	Non-voting	Marie Pieniasek	Stephen Lynch	Glen Smith					
William P. Short	Non-voting	William Short	Marc Schaefer	Joe DeVito	John Brodbeck	Ron Matlock	Paul Savage	Roberto Denis	
Acciona Wind Energy USA, LLC	Non-voting	Dan DuBois	Pete Zedick						
zNew Member	Non-voting	None Assigned							

NYISO and Hunton & Williams Members in Attendance:
Ira Freilicher Hunton & Williams

New York Independent System Operator - Committee Membership

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Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
Kevin Jones	Hunton & Williams								
✓ Rob Fernandez	NYISO								
✓ Karen Antion	NYISO								
✓ Nicole Bouchez	NYISO								
✓ Mollie Lampi	NYISO								
✓ Rich Dewey	NYISO								
✓ Rana Mukerji	NYISO								
✓ Elaine Robinson	NYISO								
✓ Sheri Prevratil	NYISO								
✓ Leigh Bullock	NYISO								
✓ Jim Alcombright	NYISO								
✓ Debbie Eckels	NYISO								
✓ Henry Chao	NYISO								
✓ Joseph Williams	NYISO								
✓ Kate Hockford	NYISO								
✓ Pete Lemme	NYISO								
✓ Sheri Prevratil	NYISO								
✓ Mike Swider	NYISO								
✓ Robb Pike	NYISO								
Kathy Whitaker	NYISO								
Andy Antinori	NYISO								

Key:

✓ = In attendance