

NYISO Management Committee Meeting

October 16, 2002

Desmond Hotel, Albany, NY

MOTIONS FROM THE MEETING

Motion #1:

Motion to approve the Minutes of August 19, 2002

(Motion passed unanimously by a show of hands)

Motion #2:

Motion to approve the Minutes of September 12, 2002

(Motion passed unanimously by a show of hands)

Motion #3:

Motion to approve the Minutes of September 20, 2002

(Motion passed unanimously by a show of hands)

Motion #4:

Motion to approve the extension of the Emergency Demand Response Program

WHEREAS the Emergency Demand Response Program (EDRP) will expire 10/31/02; and

WHEREAS the Price Responsive Load Working Group (PRLWG) has been reviewing modifications to the EDRP and SCR programs, and

WHEREAS the PRLWG recommended to the Business Issues Committee (BIC) that the EDRP program continue; and

WHEREAS the PRLWG has developed a list of modifications that the BIC approved, which are included in the BIC meeting materials for the September 25, 2002 meeting; and

WHEREAS the BIC approved the extension of EDRP through 12/31/2002 at its September 25, 2002 meeting; and

WHEREAS the BIC, in its approval, encourages the Management Committee to request that NYISO staff and FERC give such extension request expedited treatment, and further that any tariff language to implement the modifications to SCR and EDRP be reviewed prior to filing by the PRLWG;

NOW THEREFORE IT IS MOVED:

THAT the Management Committee approve an extension of EDRP through 12/31/2002 to avoid the expiration of the EDRP program, and

THAT the Management Committee also approve the modifications included in the BIC meeting

materials for the September 25, 2002 meeting for the EDRP program and the SCR program entitled Attachment A: Proposal on EDRP Extension, provided that the provision pursuant to which SCR's minimum guarantee prices and EDRP's \$500 price would be eligible to set Real-Time LBMP under the hybrid pricing rules to the extent that SCR and EDRP are needed to meet load or reserves, is approved only if the NYISO determines such Real-Time pricing can be implemented. NYISO shall report back to the BIC at its October 23, 2002 meeting as to its determination on this issue. The Chairs and Vice Chairs of the MC, BIC and OC as well as the PRL WG will review the Tariff Language prior to filing.

(Motion passed unanimously by a show of hands with one abstention)

Motion #5:

Motion to Amend Rate Schedule 2 of the Services Tariff to extend the Payments for Voltage Support Service until December 31, 2003, as Proposed by the NYISO Staff.

WHEREAS, Rate Schedule 2, which governs Payments for Voltage Support Service, expires by its own terms on December 31, 2002;

WHEREAS, the NYISO Staff propose to extend Rate Schedule 2 through 2003;

WHEREAS, the NYISO Staff provided the Market Structures Working Group with a status update of its audit of the VSS program at its September 17, 2002 meeting;

WHEREAS, the BIC approved NYISO Staff's Motion to Amend Rate Schedule 2 of the Services Tariff to extend the Payments for Voltage Support Service until December 31, 2003 at its September 25, 2002 meeting;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the MC supports the NYISO Staff's proposal to revise the Services Tariff to extend Rate Schedule 2, governing the Payments for Voltage Support Service, until December 31, 2003.

(Motion passed unanimously by a show of hands)

Motion #6:

It is hereby moved that the proposal to clarify the second part of the TCC Credit Policy, as presented to the Management Committee, is approved. The MC requests that the NYISO Board approve this motion as soon as possible to include this proposal in the overall TCC credit filing to be made with the FERC expeditiously.

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

* The Management Committee elected Joe Oates, of Consolidated Edison, to fill the Vice Chair position for December 2002 through November 2003. Garry Brown, the current Vice Chair will assume the position of Management Committee Chairman beginning December 1, 2002.

(Mr. Oates was elected MC Vice Chairperson by ballot with 95.00 % affirmative votes)