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L.L.P.

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January 28, 2002

TO: By-Laws Subcommittee
FROM: Paul L. Gioia
RE: Relationship Among NYISO Committees

The following is an outline of a proposed description of the relationship between the Management Committee and the BIC and the OC. The outline reflects discussions held at previous subcommittee meetings. The subcommittee did not adopt the outline, but I believe that a consensus was developing around the elements contained in the outline.

1. Non-Tariff matter raised initially at the MC:
 - (a) must be referred to the BIC or OC;
 - (b) may be considered by the MC and referred to BIC and OC with a recommendation.
2. Non-Tariff matter raised initially at the BIC or OC:
 - (a) may be considered by MC on appeal from a BIC or OC decision;
 - (b) MC vote of at least 58% is needed to overturn a decision of the BIC and OC;
 - (c) MC may make revisions to the BIC or OC decision reasonably related to the subject of the appeal.
3. Tariff matter raised initially at the MC:

- (a) MC may vote directly on any matter that requires the revision of a NYISO tariff;
- (b) MC may refer the matter to the BIC or OC for analysis and recommendation.

4. Tariff matters raised initially at BIC or OC:

- (a) may be considered by the BIC or OC and referred to the MC with a recommendation;
- (b) the BIC or OC may consider the matter and decide not to refer it to the MC.