

**ORGANIZATION OF MISO STATES, INC.
SPECIAL BOARD OF DIRECTORS MEETING
CONFERENCE CALL
DECEMBER 8, 2003**

APPROVED JANUARY 12, 2004

Commissioner Susan Wefald, President of the Organization of MISO States, Inc. (OMS) called the Special Board of Directors meeting to order at approximately 3:15.

The following directors were present by conference call for the meeting:

Susan Wefald, North Dakota	Kevin Wright, Illinois
Steve Gaw, Missouri	Laura Chappelle, Michigan
Diane Munns, Iowa	Gary Gillis, Kentucky
LeRoy Koppendrayner, Minnesota	Judy Jones, Ohio
Robert Garvin, Wisconsin	

The directors listed above established the necessary quorum for the meeting of at least eight directors being present.

Other parties also participated in the conference call.

Agenda Item 1, MISO/PJM Joint Operating Agreement

Commissioner Wright stated that the draft Joint Operating Agreement (JOA) between the Midwest Independent System Operator, Inc. (MISO) and the PJM Interconnection (PJM) will be the subject of a resolution sponsored by a group of transmission dependent utilities (TDUs) at the December 10, 2003 MISO Advisory Council Meeting (MAC). The TDU resolution calls for the MISO/PJM JOA to be delayed until a separate JOA is negotiated with American Electric Power (AEP). On this topic, the OMS Board then gave consideration to draft comments from the OMS Seams Working Group concerning the JOA, dated December 5, 2003. These comments indicate in summary that, while the MISO/PJM JOA is a significant step forward, there remain two significant problems with the draft: 1) AEP has not been incorporated into the JOA; and 2) the Wisconsin-Michigan "hold harmless" requirements issue need to be resolved. There was considerable discussion among the Board concerning these two points, and whether the OMS should support holding up the JOA until these two issues were resolved. The following consensus decision was then reached by the Board: that the OMS would not oppose filing of the MISO/PJM JOA with the Federal Energy Regulatory Commission (FERC), but that the FERC should not approve the JOA until the two issues listed above are resolved. In the context of the December 10, 2003 MAC meeting, it was hoped that the OMS position would be offered as an amendment to the TDU resolution.

However, if the TDU resolution was to be voted on as-is, it was determined that the OMS representatives on the MAC should vote “no”, with the OMS representatives articulating the position of the OMS Board of Directors taken at this meeting.

Agenda Item 2, Court of Appeals Intervention

In regard to possible intervention in Case Nos. 02-1221, 02-1222, 03-1236 and 03-1256, United States Court of Appeals for the District of Columbia, Commissioner Wefald stated there were three decisions for the OMS Board to make. Decision One: shall the OMS intervene in these cases? The consensus of the Board was “yes.” Decision Two: Shall the OMS take the position that utilities’ agreements to implement rate freezes must be binding? The consensus of the Board was again “yes.” Decision Three: Shall the OMS retain legal counsel to pursue this matter or shall it ask a state be retained by OMS for the intervention filing? The Board decided that an OMS member state would be recruited to handle processing of the intervention request.

Commissioner Wefald adjourned the meeting at approximately 4:30.

Respectfully submitted by Steve Gaw, Secretary