

ORGANIZATION OF MISO STATES, INC.
Special Board of Directors Meeting
Conference Call Notes
April 16, 2007

Laura Chappelle, President of the Organization of MISO States, Inc. (OMS), called the April 16, 2007 Meeting of the OMS Board of Directors to order via conference call at approximately 2:00 p.m. (CST). The following board members or their proxies participated in the meeting:

Robert Lieberman, Illinois
Greg Server, Indiana
Jeff Kaman, proxy for John Norris, Iowa
Jeff Johnson, proxy for Mark David Goss, Kentucky
Laura Chappelle, Michigan
Burl Haar, proxy for Tom Pugh, Minnesota
Steve Gaw, Missouri
Greg Jergeson, Montana
Tim Texel, proxy for Eugene Bade, Nebraska
Jerry Lein, proxy for Susan Wefald, North Dakota
Valerie Lemmie, Ohio
Kim Pizzingrilli, Pennsylvania
Greg Rislov, proxy for Gary Hanson, South Dakota
Randel Pilo, proxy for Dan Ebert, Wisconsin

Absent

Manitoba

State Agency members participating

Bob Pauley - Indiana
Angie Butcher - Michigan
Nancy Campbell – Minnesota
Mike Proctor - Missouri
Candace Beery - Montana
Randel Pilo - Wisconsin

Others participating

Bill Smith - OMS Staff

Business Items

1. Approve OMS Review of ICF Study Report for Submission to MISO – Steve Gaw
Steve Gaw explained the background on the ICF Study Report. The Board the discussed individual State's requests for changes to the document:

- Illinois requested removal of the last sentence in the first paragraph of Section IV on page 13. The Board discussed the request and it was agreed to rework the sentence and the sentence prior to say "...what it has learned from the ICF study results other than the need from an ASM and focus on improving its operations in the energy markets. In other words, MISO should seek to develop a comprehensive understanding of the

efficiencies/benefits realized from the implementation of the Day-2 energy market as it adds yet another layer of complexity to its operations.”

- Illinois also requested deletion of first sentence of the last paragraph on page 11. Steve Gaw suggested changing the sentence to read “This invites a larger, and more comprehensive, understanding of the costs and benefits of Day-2 market implementation.”
- On page 12, an addition was made to the last sentence. “Lastly, the OMS is not asking the MISO to perform another cost-benefit study...”
- Minnesota requested changing the title to OMS Comments on ICF Study Report. This was agreed to.
- Minnesota requested that items related to Day-1 or Day-3 be removed on page 12. It was agreed to note Minnesota’s concerns in a footnote.
- Minnesota requested addition of a sentence to the last paragraph of the document that says “OMS encourages MISO to work with OMS and states to see if a more geographically granular break-out of MISO Day-2 benefits could occur in the future.” It was agreed to and there was discussion about the difficulties and complexities of getting this data from MISO.

Steve Gaw moved the Board adopt the report and send it to MISO and then have it be publicly disseminated. Randy Pilo seconded the motion.

A roll call vote was taken. Vote yes to approve the motion:

**Illinois – aye
Indiana – aye
Iowa – aye
Kentucky – aye
Manitoba – absent
Michigan – aye
Minnesota – aye
Missouri – aye
Montana – aye
Nebraska – aye
North Dakota – aye
Ohio – aye
Pennsylvania – aye (e-mail)
South Dakota – aye
Wisconsin – aye**

Yes – 14, Absent – 1

2. Approve Reply to MISO’s Answer to FERC on Long-Term Transmission Rights – Mike Proctor

Mike Proctor gave background on this issue. Bill Smith discussed his conversations with MISO regarding their failure to address OMS concerns and said MISO stated their failure to do so was inadvertent.

Steve Gaw moved to accept the reply. Greg Jergeson seconded.

A roll call vote was taken. Vote yes to approve the motion:

Illinois – aye

Indiana – aye
Iowa – aye
Kentucky – aye
Manitoba – absent
Michigan – aye
Minnesota – aye
Missouri – aye
Montana – aye
Nebraska – aye
North Dakota – aye
Ohio – aye
Pennsylvania – abstain
South Dakota – aye
Wisconsin – aye

Yes – 13, Abstain – 1, Absent – 1

Announcements

- Next Regular OMS Board Meeting: May 10, 2:00 pm (CDT)
- Next OMS Executive Committee Meeting: April 26, after the Special Board Meeting
- MISO Annual Stakeholder Meeting: April 18, Indianapolis

The meeting adjourned at approximately 3:15 pm CDT.