



Organization of MISO States

**ORGANIZATION OF MISO STATES, INC.
Board of Directors Meeting
Conference Call Notes
June 20, 2007**

The following board members or their proxies participated in the meeting:

Only partial attendance was recorded on the tape.

Absent

Manitoba

Agency members participating

No method of determining. It was an open meeting at the St. Paul Marriott.

Also Bill Smith - OMS Staff

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

Business Items

1. RTO 101 Signups

Bill Smith spoke about where this issue was at.

2. Post-Transition Transmission Pricing

Pricing Work Group Update – Mike Proctor

- Mike Proctor went over the briefing paper.

Commissioners' Discussion

- Discussion of balance between "beneficiary-pays" principle and avoidance of cost shift.
- Possible OMS position at June 27th stakeholder meeting.
- Possible OMS position on a joint stakeholder process.

3. OMS Workshop: Options for Ensuring Load Serving Entities are in Compliance with Resource Adequacy Requirements

- Discussion about which organizations have a role in compliance with Resource Adequacy Requirements and the role that each organization is playing at this time and what role they plan to play.

4. Status Report on Activities of Organizations who may have a role in compliance and enforcement of Resource Adequacy Requirements

- Susan Wefald gave an introduction to the topic.

- Representatives from the Midwest Reliability Organization (MRO) gave a presentation comparing the Resource Adequacy Requirement Standards of MRO, ReliabilityFirst and the Southeast Reliability Council.
- There was Q&A from the Board Members
- Representatives of MISO (CEO Graham Edwards and Richard Doying) gave a presentation on the MISO Planning Reserve Sharing Group process and the status of the PRSG Agreement and the Resource Adequacy Requirements and the status of Module E of the Midwest ISO Markets Tariff.
- There was additional Q&A from the Board Members.

5. Section 215 of the Federal Power Act – Section (i) – Savings Clause – What Role do the Federal Energy Regulatory Commission, and the State regulators play in compliance and enforcement of Resource Adequacy Requirements? What role should RTOs play in ensuring or encouraging adequate long term resources?

- Discussion with representative from FERC, Office of General Counsel (by phone) about FERC authority over Resource Adequacy and review of the Resource Adequacy concepts in the April 20, 2007 FERC Order Denying Rehearing (Docket No. ER06-615-001, *et al.*) regarding resource adequacy, the California Independent System Operator Corporation and the California Public Utilities Commission.
- Following the phone conference, there was open discussion.

6. Resource Adequacy Timeline

- June 5: RAWG discussion with MISO staff
- June 12: RAWG discussion with FERC staff
- June 26: RAWG discussion on demand response
- October: OMS target for MISO's draft resource adequacy proposal
- December: MISO's projected filing date for resource adequacy proposal

7. Upcoming OMS Meetings

- The next OMS Board of Directors meeting is Thursday, July 12 at 2:00pm CDT
- The next OMS Executive Committee meeting is Thursday, June 28 at 2:00pm CDT

The meeting adjourned at 4:00 p.m. CDT