



**ORGANIZATION OF MISO STATES, INC.
Board of Directors Meeting
Conference Call Minutes
March 19, 2015**

Approved April 16, 2015

Libby Jacobs, President of the Organization of MISO States, Inc. (OMS), called the March 19, 2015 meeting of the OMS Board of Directors to order via conference call at approximately 1:00 p.m. (CST). The following board members or their proxies participated in the meeting:

Ted Thomas, Arkansas
Randy Rismiller, proxy for Illinois
Angela Weber, Indiana
Libby Jacobs, Iowa
Jim Gardner, Kentucky
Noel Darce, proxy for Eric Skrmetta, Louisiana
Regis Gosselin, Manitoba
Al Freeman, proxy for Sally Talberg, Michigan
Bret Eknes, proxy for Betsy Wergin, Minnesota
Bill Booth, proxy for Brandon Presley, Mississippi
Adam McKinnie, proxy for Robert Kenney, Missouri
Kirk Bushman, Montana
Phil Movish, proxy for Jason Williams, City of New Orleans
David Charles, proxy for Brian Kalk, North Dakota
Ken Anderson, Texas
Mike Huebsch, Wisconsin

Absent

South Dakota

Agency members participating

Dave Johnston, Andrew Wells – Indiana
Hwikwon Ham – Minnesota
Darren Kearney – South Dakota
Wisconsin Staff

Others on the call

Bill Smith, Tanya Paslawski – OMS Staff

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

Approval of Minutes from the February 20, 2015 Board Meeting

The minutes were approved as submitted.

Approval of Minutes from the 2014 Annual Meeting

The minutes were approved as submitted.

Treasurer's Report

The February 2015 treasurer's report was accepted as submitted.

Review of the March 15, 2015 Executive Committee Meeting:

This meeting was cancelled.

Executive Director's Report

A written report was distributed prior to the meeting. Bill Smith highlighted several items from the FERC docket report.

BUSINESS

1. MISO Advisory Committee

- The March meeting was cancelled. Libby Jacobs highlighted some housekeeping items from the February Advisory Committee meeting, which include: changing the start time to be more accommodating of members in the mountain time zone and electronic ballots for voting.
- Libby Jacobs also provided background information on the MISO Board Nominating Committee and indicated that Sally Talberg had been recommended as a nominee.

Kirk Bushman moved to put forward Sally Talberg as a stakeholder representative for the MISO Board Nominating Committee. Angela Weber seconded. The motion passed by unanimous voice vote.

- The last action item from the February AC meeting is approval of funds for the Consumer Advocate sector to litigate the return on equity complaint case that is currently before FERC. MISO asked for feedback on whether MISO should provide those funds, with OMS administering them. The OMS MISO AC delegation is recommending OMS not take a position on the funding request except to reinforce the fact that OMS is able to provide the fiduciary and accounting role as contemplated in the question by MISO. Randy Rismiller asked how OMS currently handles the funding of Consumer Advocate activities and how it would change if this recommendation was approved. Bill Smith explained that OMS currently handles Consumer Advocate travel expenses as separate line item in the budget and would handle the legal fees the same way. Rismiller then asked if those expenses are reflected in the monthly treasurer's report. Bill Smith indicated that they are, and any legal expenses would be as well. Rismiller next asked how the approval process for this issue would work. Libby Jacobs indicated she wasn't sure if it was the MISO Board or senior management that would sign off on it.

The recommendation from the OMS MISO AC delegation was approved by voice vote with Manitoba and Texas abstaining.

- The April Hot Topic is cross border planning. Dave Johnston, Julie Urban and the Regional Planning Work Group will be drafting the comments.

3. MISO Planning Advisory Committee

- Angela Weber highlighted the following from the PAC Meeting:
 - MTEP '16 futures;
 - Update on Phase 3 study on the Clean Power Plan;
 - Update on the Quick Hit study.

4. Nominees for the MISO Board Nominating Committee

- This item was covered during the update on the MISO Advisory Committee.

5. New Commissioner Orientation Process

- Tanya Paslawski provided a reminder to all Board members that OMS staff provides new member orientation. The purpose is to provide information about the structure and function of OMS. It is open to anyone within the member Commissions and can be done on its own or in conjunction with MISO.

6. MISO/SPP Settlement Update

- Bill Smith provided this update to the Board and staff.

7. Resource Adequacy Survey

- Libby Jacobs gave an update on the 2015 Resource Adequacy Survey and Don Neumeyer provided additional details.

Updates and Work Group Status Reports

Demand Response WG

- Update contained in WG Reports to BOD 150319 send-out;

Transmission Cost Allocation WG

- Written report;

Markets and Tariffs WG

- Update contained in WG Reports to BOD 150319 send-out;

Resources WG

- Update contained in WG Reports to BOD 150319 send-out;

Regional Planning WG

- Written report. Julie Urban also provided a brief verbal update;

Governance and Budget

- No report;

Seams WG

- Adam McKinnie provided a brief verbal update;

Administrative Ad Hoc WG

- No report;

Ad Hoc 111d WG

- No report;

ADJOURNMENT

The meeting of the OMS Board of Directors meeting adjourned at 1:45 pm CDT.

The Organization of MISO States Board of Directors will hold its monthly meeting via conference call Thursday, March 19, 2015 at 1:00 pm (Central).

- Call-in number is **866-848-2216**. The conference code is **7422895954** followed by the # sign.
- Board members who cannot attend the call should notify Kirk Bushman at kbushman@mt.gov with a copy to Colleen at (colleen@misostates.org) to designate a proxy for this meeting.

Agenda

Call Meeting to Order – President Libby Jacobs 1:00
Attendance, Recognition of Proxies, Declaration of a Quorum
Approval of Minutes from the February 20, 2015 Board meeting
Approval of Minutes from the 2014 Annual Meeting, October 21, 2014
Treasurer’s Reports – February 2015
Review of Executive Committee meeting – March 5, 2015 meeting cancelled

Administrative Update

Report from the Executive Director – Bill Smith 1:05

- FERC dockets
 - Paper Hearing, Charges to PJM on remand, ER10-1971
 - Comments on MISO Fuel Assurance Report, AD14-8
 - FERC Technical Conference on Clean Power Plan, March 31

Business

1. deleted
2. MISO Advisory Committee – March meeting cancelled – Libby Jacobs 1:15

- Action Items from February AC meeting
- April Hot Topic – Cross Border Planning

3. Planning Advisory Committee – Angela Weber 1:25
4. Nominee for MISO Board Nominating Committee – Libby Jacobs 1:35
5. New Commissioner Orientation Process – Tanya Paslawski 1:40
6. deleted
7. deleted
8. MISO/SPP Settlement Update – Bill Smith 1:45
9. Resource Adequacy Survey – Libby Jacobs 1:50

OMS Work Group Status Reports

a. Demand Response WG
b. Transmission Cost Allocation WG
c. Markets and Tariffs WG
d. Resources WG
e. Regional Planning WG
f. Governance and Budget WG
g. Seams WG
h. Administrative Ad Hoc WG
i. 111(d) Ad Hoc WG

Announcements

- Next OMS Executive Committee meeting: Thursday, April 2, 2015 at 1:00 pm CT
- Next regular OMS Board of Directors meeting: Thursday, April 16, 2015 at 1:00 pm CT

Adjourn

2:10

Revised March 18, 2015

OMS

**Organization of MISO States
Report of the Treasurer
Commissioner Ken Anderson, Texas Public Utility Commission
to the Board of Directors
Report for February 2015**

CASH ON HAND

The beginning balance for the Wells Fargo Business Performance Savings Account on February 1 was \$25,338.08. Interest earned for this month totaled \$0.58 and there was no other activity. The February 28, 2015, ending balance was \$25,338.66.

The beginning book balance for the Chase Bank One Checking account on February 1 was \$100,840.17. The total disbursements from the checking account for February 2015 amounted to \$78,604.35. Deposits, interest and adjustments were \$60,000.97 which includes MISO funding of \$60,000.00. As of February 28, 2015, the checking account bank balance was \$85,677.81 (with 9 check payments outstanding) and the book balance was \$82,236.79.

The total savings plus checking account balance as of February 28, 2015, is \$107,575.45.



TREASURER'S REPORT
Organization of MISO States
February 28, 2015

Wells Fargo Business Performance Savings Account

Book Balance as of 01/31/2015		\$	25,338.08
2/28/2015 DEP Interest on Savings		\$	0.58
			\$ 25,338.66

Chase Bank One Commercial Checking with Interest

Book Balance as of 01/31/2015		\$	100,840.17
2/6/15 ACH Midcontinent ISO		\$	60,000.00
2/27/15 DEP Interest on checking		\$	0.97
Total Deposits			\$ 60,000.97

Checks and Charges

Date	Check #	Descriptions	
02/02/2015	5056	MG Trust Co.	\$ 6,109.28
02/03/2015	5057	Bill Smith	\$ 43.11
02/03/2015	5058	Bill Smith	\$ 37.25
02/10/2015	5075	Michigan State University	\$ 13,590.00
02/10/2015	5078	Thor Projects LLC	\$ 4,324.00
02/10/2015	5072	100 Court Investors LLC	\$ 1,950.60
02/10/2015	5073	Combined Systems Technology (CST)	\$ 988.98
02/10/2015	5074	Energy Data LLC	\$ 150.00
02/10/2015	5076	Premier Copiers	\$ 83.29
02/10/2015	5079	Triplett Office Essentials	\$ 78.40
02/10/2015	5077	Ryun.Givens & Co. PLC	\$ 60.00
02/11/2015	w/d	VISA (Chase Bank One)	\$ 8,630.38
02/13/2015	w/d	WF Payroll Service - Processing Fee	\$ 65.00
02/16/2015	5062	Minnesota PUC (H. Ham)	\$ 1,359.32
02/16/2015	5063	Minnesota PUC (H. Ham)	\$ 1,218.81
02/16/2015	5059	Chris Devon (MI)	\$ 887.56
02/16/2015	5060	State of Iowa (Libby Jacobs)	\$ 697.44
02/16/2015	5061	Walt Cecil (MO)	\$ 540.25
02/24/2015	5067	Customized Energy Solutions	\$ 3,500.00
02/24/2015	5070	Triplett Office Essentials	\$ 76.85
02/24/2015	5069	Premier Copiers	\$ 55.48
02/27/2015	w/d	Paychex, Inc - Payroll Net	\$ 20,987.93
02/27/2015	w/d 2	Paychex, Inc - Taxes	\$ 10,214.73
02/19/2015	5064	Tanya Paslawski (OMS-DED)	\$ 18.50
02/24/2015	5068	Jennings Strouss	\$ 2,435.34
02/24/2015	5065	CenturyLink	\$ 285.26
02/24/2015	5066	Crystal Clear Water	\$ 25.07
02/25/2015	5071	100 Court Investors LLC	\$ 46.92
02/25/2015	5087	Diversified Management Services (DMS)	\$ 19.50
03/06/2015	w/d 3	VISA (Chase Bank One)	\$ 95.10
03/08/2015		VISA (Chase Bank One)	\$ 30.00
Total Disbursements - Checks and Charges			\$ 78,604.35

CHECKING ACCOUNT BALANCE at 02/28/2015 \$ 82,236.79

TOTAL Certificates of Deposit, Savings and Checking Account Balances as of: 2/28/2015 \$ 107,575.45

CHASE CHECKING ACCOUNT RECONCILIATION

Bank Balance 02/28/2015		\$	85,677.81
<u>Less Checks Outstanding</u>			
12/16/2014	4997	Richard Zuraski (IL)	\$ 395.76
1/29/2015	5048	Sally Talberg (Michigan)	\$ 164.91
1/29/2015	5047	Sally Talberg (Michigan)	\$ 49.76
2/19/2015	5064	Tanya Paslawski (OMS-DED)	\$ 18.50
2/24/2015	5068	Jennings Strouss	\$ 2,435.34
2/24/2015	5065	CenturyLink	\$ 285.26
2/24/2015	5066	Crystal Clear Water	\$ 25.07

2/25/2015	5071	100 Court Investors LLC	\$	46.92
2/25/2015	5087	Diversified Management Services (DMS)	\$	19.50

Total Outstanding Checks			<u>\$</u>	<u>3,441.02</u>
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Book Balance 02/28/2015			<u>\$</u>	<u>82,236.79</u>
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OMS

OMS Treasurer Report for Month of February 2015

Wells Fargo Business Performance Savings Account

Beginning Balance	25,338.08	
Interest Earned this Month	0.58	
Ending Balance		<u><u>25,338.66</u></u>

Chase Bank One Checking Account

Beginning Balance	100,840.17	
Total Disbursements	(78,604.35)	
Deposits/Interest/Adjustments	<u>60,000.97</u>	
Ending Balance		<u><u>82,236.79</u></u>
Ending Bank Balance	85,677.81	
Outstanding Deposits	0.00	
Outstanding Checks	<u>(3,441.02)</u>	
Book Balance	<u><u>82,236.79</u></u>	

Total Savings & Checking Balances as of February 28, 2015 107,575.45

9 checks outstanding at 2/28/2015



Organization of MISO States

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OMS Executive Director Report March 19, 2015

FERC Issues

1. OMS intervened in a request by the municipal utilities for the same 50 basis point adder to the ROE that was recently approved for the investor-owned transmission companies (ER15-1067).
2. FERC's Central region technical conference on the Clean Power Plan will be held on March 31st in St. Louis. OMS will not present but Bill will attend to monitor.
3. Negotiations in the MISO/SPP settlement process continue to be productive. We have had staff conversations with other parties to help commissions understand the issues.
4. Complainants filed testimony in the MISO Transmission Owner Return on Equity lead docket (EL14-12) on February 23rd. The Transmission Owners will file their testimony on April 6th. The TOs have answered the second complaint, EL15-45. No procedural schedule has been set for the second complaint.
5. OMS filed post technical conference comments on price formation in RTO regions on March 3rd (AD14-14).

MISO Matters

1. MISO released a paper titled "Issues Statement on Facilitating Resource Adequacy in the MISO Region" to facilitate a discussion with stakeholders on how to support resource adequacy issues in the region. Comments on the proposed process are due March 25th and stakeholder workshops will begin in April.
2. At the February Advisory Committee, OMS presented a Hot Topic paper on Resource Adequacy issues.

Public Relations

- Commissioner Jacobs and Bill Smith will participate in NARUC Black Sea Regulatory Initiative workshops March 25-27.
- Bill and Tanya will meet the Kentucky PSC on April 2 to provide an OMS orientation.

Upcoming dates:

- Next Executive Committee Meeting: April 2
- Next Board Meeting: April 16
- Future OMS Board meetings: May 21, June 11
- Future OMS Executive Committee meetings: April 30, May 28

Work Group Reports
 OMS BOD Meeting
 March 19, 2015

Work Group	Issue	Description	Status
Demand Response and Technology	Revision of OMS DR principles.	In a December 2014 meeting, the OMS Executive Committee expressed a desire to revisit and likely revise OMS principles – starting with DR.	The DR&TWG presented a revised version to the OMS Board on 2/20/2015. The Board approved, with noted abstentions, and the new OMS DR Principles were posted to the OMS site in early March.
Demand Response and Technology	Potential for OMS (as a whole or only those state interested) to collaborate with outside groups on DR issues.	This is an idea carried forward from 2014. RAP is interested in helping out. Perhaps the group known as Association for Demand Response and Smart Grid is as well. CES should be looked at as a resource. MISO DRWG may want to collaborate on workshop type event. Other reliable resources are FERC’s “National Assessment of DR Potential” and the Applied Energy Group who conducted an independent EE/DR/DG forecast for the MISO Region.	Now that the OMS DR Principles have been updated and revised, there is a need to determine OMS Board desire for education/collaboration opportunities. The DR&TWG co-chairs are engaging stakeholders for input, and will develop options with workgroup in March and April. The workgroup will then present options to the Board for direction.
Demand Response and Technology	Analysis of IMM 2012 State of the Market Recommendations #20: Evaluate capacity credits provided to wind resources and DR resources to increase their accuracy.	This item focuses on LMR capacity credit (resources used in emergency protocols). Based on limited observations, the IMM recommended that MISO review the amount for which LMRs receive capacity credit.	#20: Discussed at 2014 Dec AC Hot Topic, and will now receive further discussion at DRWG in early 2015, and later likely at the SAWG. MISO and stakeholders seem in agreement that credit changes aren’t needed, however review of M&V and similar issues should be pursued. At the March DRWG, MISO staff said they are working on a white paper on how to move this item forward.

Work Group Reports
 OMS BOD Meeting
 March 19, 2015

Work Group	Issue	Description	Status
Resources	The OMS/MISO Long Term Resource Adequacy Survey	Work with MISO to establish parameters for participation in 2015 as directed by the OMS Board	Resources WG call with MISO set for Mar. 18 - set to go out mid-April
Resources	Resource Adequacy - Issues Statement by MISO draft	MISO released a draft Issue Statement on the combined issues concerning Resource Adequacy such as, seasonal, winter performance, retirements,, operations, etc.	Resources WG call held March 12 for staff comment options. Due Mar. 20. In progress. Next workshop April 2nd.
Resources	SSR Filing by MISO	MISO was directed Feb. 19th to modify its SSR cost allocation process and methodology. Several FERC Dockets.	MISO SSR Workshop March 12th. Individual State comments due Mar. 23. Another workshop in early April. Filing extension at 90 days - May 20th
Resources	Fuel Assurance	The collective States reports have been reviewed.	MISO filed their report to FERC using the State information. Comments allowed, but no comprehensive OMS comment noted.
Seams	ORCA	Adam, Chris watch regularly	MISO, SPP, and the joint Parties have filed a one year extension to the ORCA, which was originally an 18 month agreement that was due to expire in Spring 2015. This extension increases the amount of energy that can flow from MISO North-South to 3,000 megawatts. It is possible elements of ORCA will be in incorporated into the SPP-MISO JOA dispute settlement.

Work Group Reports
 OMS BOD Meeting
 March 19, 2015

Work Group	Issue	Description	Status
Seams	MISO-PJM	FERC issued an Order in AD14-3 directing the RTOs and IMMs to file reports on the status of these issues: (1) interface pricing; (2) capacity deliverability; (3) Day-Ahead market coordination; (4) modeling of the Ontario/Michigan phase angle regulators for congestion management; (5) Firm Flow Entitlement Freeze Date; and (6) use of commercial flow in the Market-to-Market process.	Informational reports by the IMMs and RTOs are required to be filed by April 10, 2015. Comments on these filings will be due April 27, 2015.