

**ORGANIZATION OF MISO STATES, INC.  
EXECUTIVE COMMITTEE MEETING  
CONFERENCE CALL  
DECEMBER 30, 2003**

**APPROVED JANUARY 30, 2004**

Commissioner Susan Wefald, President of the Organization of MISO States, Inc. (OMS), called the Executive Committee meeting of the OMS to order at approximately 2:00 p.m.

The following members of the Executive Committee were present by conference call for the meeting:

Susan Wefald, North Dakota

Bob Nelson, proxy for Laura Chappelle, Michigan

Robert Garvin, Wisconsin

Steve Gaw, Missouri

Diane Munns, Iowa

The members of the Executive Committee listed above established the necessary quorum for the meeting of at least three members being present.

Other parties also participated in the conference call.

**Agenda Item 1, Minutes for November 25, 2003, Meeting**

The Executive Committee approved the minutes for November 25, 2003, as distributed.

**Agenda Item 2, Joint Study With EEI on Siting Matters**

Diane Munns discussed the proposed work plan for completing a report on siting matters. It would be a factual report for just our region and would not cover policy analysis of state siting criteria. Some of the questions would be:

1. State statutes on need determination.
2. Regional need.
3. Who could apply.
4. How long does it take.
5. Public processes in place in your state.
6. Who is included in the hearing.
7. Do you separate need from route.
8. The different ways states do it.
9. Common ground.
10. Do state laws need to be changed?

Diane Munns indicated that the Executive Committee will likely receive a letter from EEI regarding this matter and the letter will be a discussion item on the agenda for January 12, 2004.

### **Agenda Item 3, FERC Order 2003 - Large Generator Interconnection Pricing Issue**

Randy Ritsmiller gave an update report on large generator interconnection pricing issue with FERC Order 2003.

Mr. Rismiller stated that on MISO would conduct a conference call on January 7, 2004 to discuss MISO's proposed filing. MISO plans to make a filing on January 20, 2004. It is the understanding of OMS participants, that the most current draft of the principles will be sent out to stakeholders in advance of the January 7<sup>th</sup> meeting and will be an agenda item at the MISO advisory committee on January 14, 2004. The likely changes relating to pricing issues is set forth in Section 11.4 of the Interconnection Agreement.

### **Agenda Item 4, Reimbursement for Associate Members**

Commissioner Chapelle discussed the OMS policy concerning travel policies. This topic concerns the policy regarding the reimbursement for associate members. Under the current policy, associate members are not "ordinarily" reimbursed unless they are serving the needs of OMS. Under that circumstance, the decision to award any stipend has been done on a case-by-case basis. A recent example is Nancy Campell's work on behalf of an OMS subcommittee.

The Executive Committee concluded that the OMS Executive Director shall continue to assess such request from associate members on a case-by-case basis and that such requests do not require additional guidance from the Executive Committee

### **Agenda Item 5, Discussion of FERC Ordering AEP Into PJM - Role for OMS**

Bill Smith briefly summarized the FERC's November 25, 2003 Order directing AEP to join the PJM Interconnection LLC. Mr. Smith indicated that the Commission had set three questions for public hearing and that an ALJ would be conducting an evidentiary hearing on those matters. He further indicated that the Commission had directed the ALJ to issue his or her initial decision by March 14, 2004.

Members on the Executive Committee indicated that OMS would likely not present any testimony or witness for the evidentiary hearing. OMS member states may participate in either the hearing or participate in this proceeding through the submission of briefs at a future date.

### **Agenda 6, Administrative Matters**

Bill Smith advised the Committee that he had signed a lease for office space. The lease term is 18 months lease. Julie Mitchell will serve as the OMS Office Manager and will be working approximately 32 hours per week. The Executive Committee directed Mr. Smith to execute a written employment agreement for Ms. Mitchell by January 2<sup>nd</sup> or as soon as practicable.

There was also discussion concerning other possible discussion items for the next OMS Board of Directors meeting in January in addition to agenda items 2 and 3. Members expressed interest in adding discussion items for that meeting, including a proposal to implement a staged implementation of the MISO day-ahead market. This matter was previously discussed at the OMS Executive Committee meeting in November, 2003.