

The Organization of MISO States Executive Committee will hold a meeting by conference call, Thursday, December 23, 2004 at 2:00 pm (central time). The call in number is 877-452-6418. The conference code is 701-328-2400 followed by the # sign. Board members who cannot attend the call should notify Bert Garvin to designate a proxy for this meeting.

Agenda

Attendance

Recognition of Proxies

Declaration of a Quorum

Call Meeting to Order

Approval of the Minutes of the November 30 meeting – Bert Garvin, Secretary
(minutes attached)

Business Items

- Review dates of OMS filings in January and Feb.2005 – Bill Smith
- Possible voting item - OMS reimbursement of key staff travel to PJM capacity market training. (Chicago, Jan. 10 or Washington D.C, Feb 13)
- Motion to Go Into Closed Session – Bill Smith 2004 Performance Review – Susan Wefald

Adjourn to Happy Holidays!

**ORGANIZATION OF MISO STATES, INC.
EXECUTIVE COMMITTEE MEETING MINUTES
November 30, 2004**

Approved 12-23-04

Commissioner Susan Wefald, President of the Organization of MISO States, Inc. (OMS), called the November 30, 2004 Meeting of the OMS Executive Committee to order via conference call at approximately 2:00 p.m. (CST). The following directors participated in the meeting:

Susan Wefald, North Dakota
Bert Garvin, Wisconsin
Diane Munns, Iowa
Steve Dottheim, proxy for Steve Gaw, Missouri
Laura Chappelle, Michigan

Others participating in the meeting were:

Jack Dwyer, Iowa OCA
Jorge Valladares, KY
Judy Jones, OH
Jan Karlak, OH
Bill Malcolm, MISO
Bill Smith, OMS

The directors listed above established the necessary quorum of three (3) Executive Committee members.

Bert Garvin offered a motion to adopt the October 28, 2004 OMS Executive Committee meeting minutes as distributed. By voice vote the directors unanimously approved the minutes as presented

Business Items

1. Update of IRS filing - Bill Smith

Upon recommendation of the OMS auditor Tim DeVries of Ryun, Givens and Wenthe, OMS filed form 990 with the IRS on November 22, 2004 for the calendar year 2003. Accompanying the 990 was a letter of explanation for late filing and request for abatement of penalties. OMS will now remain on a calendar year fiscal year.

2. Attorney Solicitation Recommendations - Bert Garvin and Bill Smith

OMS received over a dozen applications which were gridded to include principals, locations, experience, communication they propose, cost, fee basis (fixed process or fee per project). Weighing all the factors (including the working relationship they propose) yielded five names from which to choose. All five agreed to flexible arrangements. Using consideration of cost, background, and flexibility, the five proposals most suitable for OMS (in random order) appeared to be:

Karegianes & Field
Gorak & Bay
William Mogel and Robert Gee
Eisen Law Offices
Law Offices of Scott Hempling

Steve Dottheim asked if there would be a further winnowing of the number or if the group would remain at five. President Wefald consulted each of the executive members individually and each indicated that five was a satisfactory number, as each group seemed to represent different issues.

Bert Garvin moved to accept the recommended counsel list for OMS from now until the end of 2005 (prior to the 2005 Annual meeting). The motion carried unanimously.

Diane Munns asked that copies of the letters to be sent to the attorneys selected, and those not selected, be sent to the executive committee before being sent to the firms.

3. Discussion - Review date of OMS filings in December and January - Bill Smith

Bill Smith highlighted some of the filing dates referred to in the work group schedules document (follows minutes)

- OMS hired Scott Hempling to draft comments (for approval at a special meeting possibly in late December) on state access to confidential data
- Market Readiness - Nancy Campbell's work group is to meet Friday, December 3, 2004. She will have a draft report ready for the annual meeting. (OMS report on Market Readiness due January 28)
- Market Readiness Advisor has a call every Thursday to provide updates.
- Reference was made to the AEP/SEC case and the memo that was sent out about it. (Diane Munns further elaborated on this topic).
- NERC voting on reliability standards - call November 30 at 1:30 - 4:30 pm. Bill is not proposing that OMS register as a ballot participant, but Bill is urging OMS states to pay attention to this. You must register first to vote if you're going to vote.
- Long Term Transmission Pricing - Diane Munns had a question about its status. Unified plan was approved through 2008. OMS was not able to take a position when it was filed. More time is available to look at this under Pricing.

4. Final Review of Stage 2 OMS Process for Approving Position Statements - Susan Wefald

President Wefald read the changed wording of Stage 2 from the document. The highlighted passage reads "Board Members or Associate Members may suggest language changes to the document at the board meeting" The Executive Committee agreed to this change. It will now go to the board for final approval.

Announcements

- Diane Munns asked Bill Smith the status of the work groups concerning the elections the groups are to have completed before the annual meeting. Bill indicated all were on target to complete their elections and to have their 3-5 minute reports ready.
- Jan Karlak asked if she could present a report to the Executive Committee from the Resource Adequacy Work Group. Highlights of her report:
 1. SAWG was directed by FERC to design a capacity market that would not conflict with PJM.
 2. As complicated as the FTR model Mike Proctor developed.
 3. Need to understand the features of the PJM pricing model.
 4. Purpose of the capacity market is to help all generator owners recover their investment costs. This is the big lion's share of the investment costs.
 5. PJM thinks it has the answer, and wants to be able to keep OMS informed.
 6. This issue will be discussed at the next SAWG/RAWG conference call.
 7. The impact will be on every state. Both OMS RAWG and SAWG are trying to eliminate PJM and MAPP labels.
 8. Jan Karlak encouraged the OMS Executive Committee members to please consider the PJM training programs that will be available.
 9. Diane Munns asked about the vote that was taken at MISO concerning the proposed PJM reliability pricing model.
 10. President Wefald instructed Jan Karlak to ask her work group to have a suggestion of education and process ready on this issue for the OMS Executive Committee Meeting on December 23.

Meeting adjourned at 3:05 pm (cst)

OMS Working Group and Board Decision Dates as of November 30, 2004

Long Term Transmission Pricing

November 19	FERC decision issued
December 20	Rehearing due

Data Access

Sept 30 -	FERC granted extension to January 28
November 30	Next meeting with stakeholders
December 8	Presentation to Advisory Committee
Mid-December	Filing target
Late December or early January	Comments/protests will be due

FTR Allocation

November 22-30	Tier 1 nominations
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Market Readiness

January 28	OMS report on market readiness
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Financial Reporting and Cost Accounting for RTOs (NOI by FERC)

November 15 -	OMS Comments were filed at FERC
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FERC orders (rehearing deadline is 30 days after issuance)

November 8	Rehearing order on Energy Market Tariff, Docket ER04-691, was issued
November 19	Order on JOA in Docket ER04-375 was issued
_____	Order on October 5 compliance filing, Docket ER04-691, to be issued

Possible MISO filings (comment date is usually 20 days after filing)

November 1	Compliance filing on reactive power was made
November 15	"Carve-out" filing explaining how MISO intends to administer GFA
carve-outs	
December 1	Status report 90 days before startup of energy market
Mid-December	MISO to file 2005 annual budget
December 30	PJM and MISO to file JOA refinements

Other Dates To Note

December 8	MISO Advisory Committee
December 9	OMS Annual Meeting in Carmel

Long Term Transmission Pricing

November 19	FERC decision issued
December 1	SECA Compliance Filing
December 20	Rehearing due

Data Access

Sept 30 -	FERC granted extension to January 28
December 20	Hempling draft available
Early January	Filing target
Mid-January	Comments/protests will be due

FTR Allocation

December 17-30	Tier 2 nominations completed and posted
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Market Readiness

January 28	OMS report on market readiness
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FERC orders (rehearing deadline is 30 days after issuance)

December 15	Second rehearing order on Energy Market Tariff, Docket ER04-691, to be issued
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Possible MISO filings (comment date is usually 20 days after filing)

Mid-December	MISO to file 2005 annual budget
December 30	PJM and MISO to file JOA refinements

Other Dates To Note

January 13	OMS Board Meeting
January 19	MISO Advisory Committee
January 27	OMS Executive Committee