

**ORGANIZATION OF MISO STATES, INC.
EXECUTIVE COMMITTEE MEETING MINUTES
December 23, 2004**

APPROVED 1/27/05

Commissioner Susan Wefald, President of the Organization of MISO States, Inc. (OMS), called the December 23, 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

Absent - Laura Chappelle, Michigan

Others participating in the meeting were:

Kevin Wright, Illinois
Margaret Barnabee, Illinois
Ken Nickolai, Minnesota
Bill Smith, OMS

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

Steve Gaw offered a motion to adopt the November 30, 2004 OMS Executive Committee meeting minutes as distributed. Diane Munns seconded. By voice vote the directors unanimously approved the minutes as presented

Business Items

1. Discussion - Review dates of OMS filings January and February - Bill Smith

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

- Long Term Transmission Pricing - Rehearings due December 20.
- Data Access - Next meeting Jan 4. FERC offered its resolution service; encourages participation at meetings in person. (to be held in Carmel, IN from 2 pm to 6 pm EST)
- FTR Allocation - Tier 2 nominations have been completed; results have been sent out.
- Market Readiness - MRIT WG is on schedule to draft comments. Letters were sent out 12/22/04 listing states with readiness issues
- Energy Market Tariff - FERC issued order December 20. Summary sent out by Bill today via email.
- Bill offered to circulate the Scott Hempling draft (12/22) to the OMS board today.

2. Possible voting item - OMS reimbursement of key staff travel to PJM capacity market training (Chicago, Jan 10 or Washington, D.C., Feb 13)

President Wefald referred to an invitation Margaret Barnabee had forwarded to OMS commissions inviting them to participate in the capacity training workshop sponsored by PJM in Chicago January 10. Another idea was to offer training at the time of NARUC in Washington in February. President Wefald suggested that OMS should offer training opportunities to its commissions about capacity markets. She opened the idea to funding ideas. Bill Smith read from a list of dates Margaret Barnabee had prepared that would be available to OMS commissions: Jan 20, January 26 and

February 13. Jan Karlak's RAWG group planned to set-up call-in training for OMS on January 12 and 26. President Wefald felt that OMS would be willing to fund travel expenses for individuals to attend a training session in person. Margaret Barnabee thought that the presentation could easily be held in person - and she would arrange with Jan Karlak to do so. President Wefald asked committee members if they felt a six hour training workshop could be as effective on the phone as in person. Kevin Wright has attended the training in Chicago, and would recommend that anyone who possibly could, attend in person. It is very complicated material. Ken Nickolai proposed that RAWG set up two sessions: one in Minneapolis and one in Chicago.

- **Diane Munns moved that a \$500 travel stipend be available for two persons per state to attend capacity market training on either Jan 26 in Chicago or an alternate date and site chosen by the RAWG chair. David Sapper seconded. The motion was unanimously approved by a voice vote of committee members.**

3. Assign Transmission Planning and Siting WG proposed state statutes from NCSL to review and comment. - Susan Wefald

President Wefald asked that the Transmission Planning and Siting WG be assigned the task of preparing draft comments for NCSL on the proposed state statutes they have sent to OMS. The working group will be asked to have them ready for the January 13 OMS board meeting. There was a consensus of executive committee members that the TPSWG be assigned this task.

4. Report on MISO Special Advisory Committee Meeting - Steve Gaw

On December 22, 2004 a Special MISO A/C meeting was held in Carmel. Bert Garvin, Diane Munns and Steve Gaw attended the closed meeting. Because the meeting was closed, Steve is unsure what the MISO minutes will reflect.

- Each of the individual sectors was given ten minutes to voice concerns about the events of the membership meeting. In particular, each was asked to shed light on the election results of the MISO board meeting two weeks ago. Two sectors offered up-front that it was not an organized effort to unseat the two MISO board members for re-election
- Two common themes emerged from these reports: (1) transparency of the board (2) communication issues. While the sectors were vocal, the board appeared to accept the criticism very well; and the attitude of the sectors was generally positive.

Each sector was given the opportunity to offer the name of a representative to serve in a special advisory role on a committee with Bill Vititoe, Graham Edwards and Jim Torgerson. Sectors may combine and offer just one name, if they so choose. This group is intended to be small. OMS has to decide whether or not it will participate in this new group. President Wefald suggested that OMS wait until a future date to decide whether or not to choose a rep for this committee and include Bert Garvin in this discussion. (January 3 is the date MISO wants reps chosen by.)

Executive Director's Update

- President Wefald asked Bill Smith to report on the telephone interview requested by a reporter from Platt's. However, Bill received an email message today indicating the reporter was home sick with the flu, so the interview would be re-scheduled.
- Bill Smith reported that OMS has paid the Novick Group for insurance for 2005.

At this point in the meeting, Steve Gaw offered a motion that the Executive Committee go into closed session to discuss the 2004 performance review for Bill Smith and to discuss Julie's hours. Diane Munns seconded the motion. A voice vote of the committee members unanimously supported the motion. Meeting adjourned at 2:50 p.m.(cst) into closed session.

NOTE: In the closed meeting, the Executive Committee approved payment for actual hours worked by OMS staff member, Julie Mitchell, in excess of contracted amount.

OMS Working Group and Board Decision Dates

20 December 2004

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	

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