

**ORGANIZATION OF MISO STATES, INC.
EXECUTIVE COMMITTEE MEETING MINUTES
March 25, 2004**

Approved April 22, 2004

Commissioner Susan Wefald, President of the Organization of MISO States, Inc. (OMS), called the March 25, 2004, Meeting of the OMS Executive Committee to order via conference call at approximately 2:00 p.m. (CDT). The following people participated in the meeting:

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

Terry McGilvra, Iowa
Janet Hanneman, Michigan
Bob Nelson, Michigan
Lisa Pappas, Michigan
Kevin Holtsberry for Judy Jones, Ohio
Jan Karlak, Ohio
Klaus Lambeck, Ohio
Kim Wissman, Ohio
Mike Proctor, Illinois
Randy Rismiller, Illinois
Bill Smith, OMS

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

Two changes to the draft Minutes of the February 27 Executive Committee Meeting were discussed. Comm. Garvin moved to amend the minutes and Comm. Munns seconded the motion, which carried.

Comm. Munns moved to approve the February 27 Executive Committee meeting minutes as amended. Comm. Garvin seconded the motion and it passed.

New Business

Action Item 1. **Selection of a research project to propose for DOE funding.**
(attachment)

Bill Smith provided general background on discussions in January with Jimmy Glotfelty and Larry Mansueti of DOE. DOE has earmarked \$175,000 for OMS start up projects. President Wefald asked if OMS must choose one of the projects suggested by DOE or if

other projects can be considered. If the Executive Committee chooses another proposal, Bill will go back to Messrs. Glotfelty and Mansueti to see if it fits DOE's agenda.

OMS Transmission Siting and Planning Work Group has proposed an alternative study concept related to DOE's interests. President Wefald asked that Klaus Lambeck report on this project. Klaus provided a description of the Transmission Siting and Planning Work Group proposal which would involve a study of how planning across the MISO-wide footprint would efficiently support a joint and common market. This study would fall within the expertise of the National Laboratories, could be used for other regions as well as to educate regulators.

Discussion of the scope and cost of the proposal ensued. Several concerns were raised. One concern was that this study may duplicate planning work MISO and PJM should be doing. Access to information would require the cooperation of both RTOs. Another concern is that this study would not leave funds for other topics. Also some concern that this proposal could overlap with RECB work.

After much discussion Executive Committee members decided to delay the decision to act on the proposal offered – so as to further explore funds usage with DOE and to compare the study with MISO and PJM 's planning activities. Executive Committee will consider the issue at its April meeting.

Action Item 2. Which OMS Working Groups shall follow the work of the Readiness Advisor and report progress to the OMS board?

Bill Smith offered explanation of the readiness metrics sent out as an agenda attachment. MISO STAFF METRICS is a complete checklist of steps. What does this imply for OMS review? OMS should be aware of the process, be able to understand the Readiness Advisor's report, and be able to zoom in when a controversy arises about a particular metric. OMS should also be able to point out areas such as commercial and seams, where metrics may not be adequate. OMS shouldn't try to replicate the technical work done by MISO and the Readiness Advisor. As this task falls mostly in the scope of the Market Implementation WG, President Wefald recommended that this WG and the Seams WG follow the readiness issues and work with the OMS BOD to decide on any action.

Action Item 3. Update on Planned Work in 2004 of the Siting and Transmission Work Group.

Report not ready. Susan requested that a draft of the report be available to Executive Committee members one week prior to the next Executive Committee Meeting in April.

Action Item 4. Shall June 16 be designated as a Board meeting for which travel funds will be available from OMS as provided in our travel policies?

Executive Committee Consensus that travel funds would not be designated for travel reimbursement to the June 16 OMS BOD meeting since many Board Members would already be in Madison for the prior MARC meeting. OMS events would follow the MARC conference starting at 12:00 noon on June 16, ending by 3:00 pm. OMS will arrange for a telephone hook-up for the formal meeting so that anyone not able to attend can participate by phone.

Travel funds could be approved for others such as OMS board members from commissions in PA, KY, Manitoba, MT and NE to attend the June 16 OMS BOD meeting and for OMS staff.

Administrative Update

Executive Director's Report

(attachment)

- 1) Bill Smith reported that there would be a filing of the Energy Market Tariff on March 31.
- 2) MISO filed on 3/25/04 its response on the large generation interconnection docket. Tentative quality to this filing process – there will be an additional compliance filing to comply with order 2003 A – the rehearing order. May be another round of comments on that filing.
- 3) Regional Expansion Criteria and Benefits Working Group's (the MISO RECB) white paper circulated a few days ago. Bill has copies if anyone needs.
- 4) JOA order from FERC has a compliance filing due May 2. OMS Seams Group dealt with that during its call of 3/25/04.
- 5) OMS Office Activity Items mentioned:
 - OMS now processing all travel approval requests and reimbursements.
 - OMS website now the link on the MISO web site – good news for Missouri who no longer needs to post OMS information. Commr. Gaw will see that there is a hotlink from Missouri's web site to the OMS web site.
 - Executive Director's report to be provided to members prior to Executive Committee Meetings.
- 6) OMS Staff Travel:
 - President Wefald and Bill Smith to attend the National Governors' Assn. Transmission Workshop in Washington, DC March 29-30.
 - Bill Smith to attend the May 21 Nebraska Review Board meeting in Lincoln, NE at Tim Texel's request.
 - Bill Smith to attend ESI's Transmission Planning Task Force – April 19-20 in Charlotte, NC.
 - Bill Smith to attend EPSA May 6 in Washington, DC.

Announcements

President Wefald announced that the next OMS Board Meeting would be Thursday, April 8 at 2:00 pm (central daylight time).

Special OMS BOD Meeting is scheduled for April 19. (Since cancelled and rescheduled for Wednesday, May 5)

MISO files with FERC March 31.

Meeting adjourned at 3:16 p.m.

