

**ORGANIZATION OF MISO STATES, INC.
EXECUTIVE COMMITTEE MEETING MINUTES
May 26, 2005**

Approved 8/4/05 as corrected

Commissioner Kevin Wright, President of the Organization of MISO States, Inc. (OMS), called the May 26, 2005 Meeting of the OMS Executive Committee to order via conference call at approximately 2:00 p.m. (CDT). The following directors participated in the meeting:

Kevin Wright, Illinois
Ken Nickolai, Minnesota
Judy Jones, Ohio
Steve Gaw, Missouri
David Sapper, proxy for Bert Garvin, Wisconsin

State Commission Members Present:

Chris Ericson, Illinois
Bill Vanderlaan, Illinois
Dave Hadley, Indiana
Bob Pauley, Indiana
Brad Borum, Indiana
Jeff Johnson, Kentucky
Kevin Holtsberry, Ohio

Others participating in the meeting were:

Patrick Clarey, FERC
Poonum Agrawal, DOE, Electric Distribution Office
Sherman Elliott, MISO
Bill Malcolm, MISO
Peggy Ladd, Ameren
Purvi Patel, ITC
Bill Smith, OMS Staff

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

Ken Nickolai offered a motion to adopt the minutes of the April 28, 2005 OMS Executive Committee meeting as distributed. Steve Gaw seconded. By voice vote the directors unanimously approved the minutes as presented

Business Items

1. Report on Financial Items - Bill Smith

Banking Options for Surplus Funds Bill Smith recommended that OMS continue to use the Chase BankOne account it currently has in order to avoid the paper work and electronic hassles that would take place by moving it, plus transferring the account wouldn't address the problem of having an excess of funds in one bank. With an approximate \$430,000 balance in the account, Bill proposed purchasing three short term certificates of deposit of \$100,000 each from three different banks. Those he contacted were in the Des Moines area and offered the following interest rates on CD's:

3 months at 2.58 % interest
6 months at 2.68 % interest
8 months at 3.05 % interest

He suggested that OMS would need a resolution at the next board meeting to be in compliance with the bylaws. Bill offered to prepare a resolution for the treasurer to offer at the next board meeting.

OMS Treasurer Steve Gaw offered a motion to transfer \$300,000 into three short term certificates of deposit. Ken Nickolai seconded the motion. By a voice vote of the executive committee members present the motion was unanimously approved.

2. Discussion: Work Group Restructure Proposal- Bill Smith

- Bill Smith referred to the proposed new working groups discussed at the previous OMS board meeting and again at a subsequent OMS Work Group Chair Meeting. Concerns were raised at both meetings about staffing problems. Bill and the work group chairs were concerned about having enough committed staff to work on both the OMS Accounting and Financial Reporting Work Group and the Long-Term Development and Governance Working Group.
- Bill asked for the Executive Committee's advice on whether they believed OMS would be stretching commission resources too thinly by trying to initiate both work groups at the same time. After some discussion, President Wright spoke for the other Executive Committee members in suggesting that OMS go forward with the formal development of the RTO Development and Governance Working Group, and informally deal with the second work group on OMS Accounting and Financial Reporting.
- By a consensus of its members, the Executive Committee agreed to move this proposal along to the board of directors for their consideration.

Administrative Report - Bill Smith

- Upcoming Dates

May 27	MISO Market Issues Call @ 10:00 am CDT for OMS
June 2	MISO-PJM Joint & Common Market Meeting - Wilmington DE
June 9	OMS BOD Regular Meeting
June 16	Pricing Briefing for OMS Commissioners in Carmel -
June 17	MISO RECB Meeting
June 22	OMS Special BOD Meeting
June 24	RTO 101 - Nebraska
June 28-29	RTO 101 - South Dakota
- Review of FERC Issues
 - **Long term FTR position** - Mike Proctor sent out comments the OMS FTR Work Group has drafted and circulated to each other this morning for further review. The comments should be ready for the OMS Board to discuss at its meeting on June 9. Final consideration of the document will need to be given at the OMS Board meeting in Little Rock, June 22, in order to file at the end of June.
 - **FERC has issued rule making proposal on RTO accounts** - OMS will try to re-activate the group that commented on that action last fall. Bill Smith was uncertain as to the number of days in the cycle - whether 30 or 60 day comment period.
 - **Generator run status and available transfer capacity report** - would be reported in a proposal in a confidential basis -- something OMS might consider commenting on - those are on a 60 day comment schedule.
 - **Wind power connection rule**
 - **FERC meeting May 25:** Bob Pauley noted the issue of the diminished role of the Market Monitor was discussed. Patrick Clarey of FERC mentioned that it hasn't been posted yet.

- Review of OMS Outside Counsel Issue

The discussion of the outside counsel post-mortem issue postponed from the last executive committee meeting, has been postponed to a future meeting to accommodate Vice President's Bert Garvin's thoughts.

Announcements

Meeting Schedule for June:

- Board Meeting Thursday, June 9, 2005 at 2:00 pm (CDT)
 - Review Advisory Committee Issues
 - Approve personnel contracts (closed)
- Board Meeting Wednesday, June 22, 2005 Little Rock, Arkansas, at 12:45 pm (CDT)
 - Business Items
 - Market Monitor review
 - Stand-Alone Transmission Companies
- Next regular OMS Executive Committee meeting Thursday June 30 at 2:00 pm (CDT)

The meeting was adjourned at 2:45 pm CDT