

**ORGANIZATION OF MISO STATES, INC.  
EXECUTIVE COMMITTEE MEETING MINUTES  
January 26, 2006**

**Approved 2/28/06**

Commissioner Steve Gaw, President of the Organization of MISO States, Inc. (OMS), called the January 26, 2006 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:

President - Steve Gaw, Missouri  
Vice President - Judy Jones, Ohio  
Secretary - John Harvey, proxy for John Norris, Iowa  
Treasurer - Kim Pizzingrilli, Pennsylvania  
Commissioner at Large - Burl Haar, proxy for Ken Nickolai, Minnesota

Others participating in the meeting:

Bill Smith, OMS Staff  
Jeff Johnson, Kentucky  
Jorge Valladares, Kentucky  
A.W. Turner, Kentucky  
David Sapper, Wisconsin  
Kevin Wright, Illinois

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

John Harvey offered a motion to approve the minutes of the December 15, 2005 OMS Executive Committee meeting. By voice vote, the directors unanimously approved the minutes as distributed.

**Business Items**

- 1. 2006 OMS Holiday Observances Changed-** Bill Smith, Kim Pizzingrilli  
Bill Smith discussed changing the holidays to be observed by the OMS staff as designated by their 2005 contracts. Bill asked that observance of two of the holidays for 2006 be changed. Kim Pizzingrilli moved and Judy Jones seconded that OMS staff will observe Presidents' Day (usually observed February 20) on July 3, 2006 and Veterans' day (usually observed November 11) on December 26, 2006. By voice vote, the Executive Committee members unanimously approved the motion as offered.
  
- 2. OMS 2006 Meeting Dates -** Bill Smith  
A draft schedule of meeting dates for OMS Board, Executive Committee, Work Group Chairs and the Annual meeting had been distributed prior to the meeting for the directors to comment on and to note potential conflicts. John Harvey noted that May 30 is the day after Memorial Day; he wondered if that would pose difficulties for executive committee members to attend. Bill Smith indicated he would place the date on the April Executive Committee agenda, and ask if there might be objections at that time. (Kim Pizzingrilli, Steve Gaw, and Judy Jones all indicated May 30 would be a good date for them.)
  
- 3. OMS Cash Management Issues -** Bill Smith  
Bill Smith referred to the OMS Cash Flow Analysis spreadsheet he provided the committee previously to discuss the management of the cash from the remaining certificate of deposit that matured January 17. Bill indicated that he planned to purchase another CD for another 3

months, which would run into April. Bill also indicated he had spoken with the MISO financial people and told them of the OMS plan, and that OMS would ask them to resume payments in June or July of 2006. Bill indicated MISO was agreeable to this.

- 4. Performance Evaluation of Executive Director - Process Issues** - Kevin Wright
- Kevin Wright indicated he had not acted further on this agenda item since the last meeting. However, he has received the metric President Wefald used to evaluate Bill Smith the year before and plans to send something to the committee in the next day or two. He plans to provide two documents to the committee: one, that compares the document Susan Wefald used before, with President Wright's proposed changes; and two, a first draft at an evaluation of Bill's performance for the year. Once the committee agrees on the evaluation, Kevin Wright plans to go through the evaluation with Bill to get his comments as well. There was consensus from the committee on Kevin Wright's plan for the evaluation; and he indicated the document would be ready to go out in the next day or so.

**5. Agenda for February 9 Board Meeting** - Bill Smith

Highlights from recommendations for the February 9 Board meeting agenda:

- Bill has invited Graham Edwards, MISO interim CEO, to speak at the next board meeting. He would like him to speak before the business portion of the meeting begins.
- We have a requested briefing on Ancillary Services developments.
- President Gaw requested discussion on "Process" from the recent OMS FERC filings.
- Update the Travel Policy to include per diem changes, and a paragraph change
- Review February MISO Advisory Committee Agenda
- Judy Jones indicated MISO is requesting feedback from each sector concerning benefits. A letter needs to be sent to MISO Planning Advisory Committee by February 10 for a five-minute presentation. David Sapper indicated he would work with the work group chairs to complete this project for OMS. Kevin Wright suggested using a study from PJM as a possible reference from which to compare. Andy Tubbs offered to follow up to provide this reference item.

President Gaw indicated he planned to send a survey out to the work groups regarding the white paper on resource adequacy to determine what direction members feel we should be going. He plans to do this in the next two weeks. This will give a positive concept for the groups to come together on.

**Administrative Report** - Bill Smith

Highlights of the executive director's report follows:

- Angie Butcher of Michigan and Candace Beery of Montana will co-chair the Markets Work Group (in place of Nancy Campbell.)
- Calendar items:
  - At NARUC - February 12-15
  - 1. Joint Board meeting, Sunday afternoon, February 12 (prior to NARUC's start)
  - 2. MISO will serve lunch instead of breakfast on Monday. Graham Edwards and key officers will be there.
  - 3. Following NARUC is the National Electricity Delivery Forum - Wed, Feb 15 - Thurs, Feb 16.
  - 4. FERC staff are interested in a Regulator dinner in Carmel about the time of the MISO AC meeting in March.
  - 5. MISO will hold a stakeholder meeting in April. Bill encouraged a good turnout and urged OMS to reimburse travel for OMS representatives. The OMS LongTerm Development and Governance WG will prepare comments to be presented to the stakeholder meeting.

- Speaking Invitations: if any of the officers wished to attend, they are to let Bill know.
  1. Thurs. afternoon, February 16, as part of the Delivery Forum - panel dealing with RTO relationships. (President Gaw accepted.)
  2. February 27 - Generation Summit - Jacksonville, FL. Craig Glaser, PJM, suggested a presentation by OMS.
  
- Work Plan Spreadsheet:
  1. Control area consolidation - not much attention has been given to this issue by OMS in the past. MISO filing in April. Bill indicated no work group has yet been assigned this issue; President Gaw asked that a work group be assigned and start working on it right away.
  2. Ancillary Services - February 9 John Harvey will brief OMS board.
  3. Joint and Common Market - next event is stakeholder meeting March 3 in Wilmington, DE. Bill is working on finding members willing to cover this meeting.
  4. Resource Adequacy - January 30 is next meeting of RAWG/SAWG.
  5. March 7 - MISO Stakeholder meeting on Control Area Consolidation.
  6. DOE will be requesting comments on National Interest Corridors.

President Gaw requested Bill Smith to prepare a list of issues/meetings where OMS members are still needed to participate.

President Gaw asked John Harvey and Randy Rismiller to work with Bill on a plan of action to prepare a letter to also be sent to PJM & MISO indicating the importance of the Joint and Common market. OPSI should also be encouraged to write.

David Sapper indicated Wisconsin would like to work with Iowa and Illinois to write a letter to request federal funding for LIHEAP. They would also like the other OMS states to join with them in the request.

### **Adjournment**

The meeting adjourned at 3:15 pm CST