

ORGANIZATION OF MISO STATES, INC.
EXECUTIVE COMMITTEE MEETING NOTES
August 29, 2006

Commissioner Steve Gaw, President of the Organization of MISO States, Inc. (OMS), called the August 29, 2006 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:

President - Steve Gaw, Missouri
Vice President - Judy Jones, Ohio
Secretary - John Norris, Iowa
Treasurer - Kim Pizzingrilli, Pennsylvania
Commissioner at Large - Gary Hanson, South Dakota

Others present on the conference call:

Bob Lieberman, Illinois
Paveen Baig, Iowa
Candace Beery, Montana
David Sapper, Wisconsin
Bill Smith, OMS Staff
Julie Mitchell, OMS Staff

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

Approval of the May 30, 2006 Executive Committee Meeting minutes.

John Norris moved approval of the minutes. Judy Jones seconded. The minutes were approved as submitted by unanimous voice vote.

Business Items

1. Nominating Committee Report.

Bill Smith reported that the Nominating Committee had a call scheduled. The full report is due in November.

2. Personnel Committee Report. – Judy Jones

Personnel Committee has sent an initial report. Judy Jones recommended going into closed session to discuss proposal at the end of the meeting to discuss it.

3. Demand Response Initiative.

Bill Smith gave background on the Demand Response issue. The idea being to create the Midwest Demand Response Initiative work group. The Executive Committee started with Bob Lieberman's letter. President Gaw indicated he would add a letter from OMS over his signature to the Lieberman letter and both would go out together. Letters would go to each Commissioner in each state. Bob Lieberman is working with DOE on funding. President Gaw offered John Norris's name to chair the MISO Demand Response Task Force.

4. Draft Budget.

The Budget as presented retains format of previous budgets. Continue to get monthly payments of \$40,000 a month from MISO. Personnel expenses were figured prior to the Personnel Committee recommendations. Bill recommends OMS keeps the

\$60,000 for DC counsel-consultant. Meeting expenses need to go up. Annual meeting location costs need to go up. Conference call expenses has been moved to be a meeting cost from an administrative cost. Steve Gaw & Judy Jones asked that the negative numbers not be shown. Bill explained how the carryover from previous years works. The Executive Committee wants to see the budget reflect all positive numbers without the "loss" showing. Committee gave Bill needed consent to take to the Board to act on the Budget at the September 14th meeting.

Administrative Report - Bill Smith

Upcoming OMS project deadlines – The upcoming deadlines were highlighted in the agenda.

Lease Renewal – 100 Court Investors to prepare an amendment to the existing lease to extend the lease at the same rate for the next two years at the same price.

There is a request that OMS co-sponsor a Modern Grid Conference with DOE in the Midwest. It will require no OMS funds. David Sapper offered a memo on the conference he attended in Memphis to OMS Executive Committee more information. Bill Smith was asked by President Gaw to explore this conference with DOE and the consulting group.

MISO Board wants comments on Resource Adequacy in the future (September).

There are a couple of issues the Board may need additional info on: RECB and transmission rights task force and Ancillary Markets. Executive Committee will try to set up a conference call set up on these issues. MISO intends to road show the Ancillary Services Market to commissions before the filing. Bill Smith will check on this and encourage them to do so.

Announcements

- Next OMS Executive Committee meeting Tuesday, September 26 at 2:00 pm (CDT)
- Next OMS Board of Directors meeting Thursday, September 14 at 2:00 pm (CDT)

Adjournment

At 3:00 pm (CDT) Judy Jones moved to close the OMS Executive Committee meeting to discuss personnel issues. The motion was seconded by Kim Pizzigrilli. The motion passed by unanimous voice vote.