

**NOTICE REGARDING THE APPOINTMENT
OF CERTAIN MEMBERS OF THE EXECUTIVE COMMITTEE OF
THE NEW YORK STATE RELIABILITY COUNCIL**

The New York State Reliability Council ("NYSRC") Executive Committee is comprised of thirteen (13) members, including: six (6) members representing Transmission Owners and affiliated companies; four (4) members who are not affiliated with any Market Participant; and one (1) representative of each of the following groups of Market Participants:

- (1) Parties who are engaged in the New York Control Area ("NYCA") principally in the business of selling electricity in the wholesale market ("Wholesale Sellers");
- (2) Parties who are Large Commercial or Industrial Consumers ("Large Consumers") in the NYCA (i.e., with a peak load in any month within the previous twelve months of two megawatts or more); and
- (3) Parties who are Municipal Electric Systems or Cooperatively Owned Electric Systems in the NYCA ("Municipal Systems and Cooperatives").

The terms of the current members of the NYSRC Executive Committee expire on July 31, 2003. The reappointment of the NYSRC Executive Committee members representing the three above described groups of Market Participants, or the selection of new representatives, will be effected pursuant to the

procedures approved by the NYISO Board of Directors on August 21, 2001. A copy of the procedures is attached.

Process for the Selection of the Representative Wholesale Sellers

Any Wholesale Seller willing to provide financial support for the annual dues of the NYSRC will be eligible to participate in a "Wholesale Sellers Steering Committee" for the NYSRC. A New York State trade organization for generators and power marketers, the Independent Power Producers of New York ("IPPNY") will facilitate the formation of the Steering Committee through the use of its membership roster and the list of parties who have been participating in the Generation Owners Sector or the Other Suppliers Sector of the NYISO committees. IPPNY may have a seat on the Steering Committee. If IPPNY is unwilling or unable to effectively perform this function, the Executive Committee will facilitate the formation of the Wholesale Sellers Steering Committee.

Any member of the Wholesale Sellers Steering Committee is free to submit a candidate, either in-house or retained, for consideration. The final candidate will be selected by the Steering Committee on a one person-one vote basis.

Any party that qualifies as a Wholesale Seller who wishes to participate in the selection of the Wholesale Sellers representative in the NYSRC should contact Glenn D. Haake, General Counsel, Independent Power Producers of New York,

Inc., 19 Dove Street, Suite 302, Albany, NY 12033 phone:
(518) 436-3749 or electronic mail glenn@ippny.com.

Process for the Selection of Representative of Large Consumers

The seat on the NYSRC Executive Committee that is allocated to Large Consumers (*i.e.*, an Industrial Consumer or a Commercial Consumer whose peak load in any month within the previous twelve months was two megawatts or more) shall be filled by a representative designated by the entity that would best represent industrial and large commercial consumers. Any party who is a Large Consumer and is willing to provide financial support for the annual dues of the NYSRC may participate in the selection process. The annual dues currently payable by the representative of Large Consumers is \$5,000. Expenses related to participation in the NYSRC will be borne by the representative of Large Consumers.

Any Large Consumer qualified to participate should advise the Secretary of the NYSRC Executive Committee, Joseph C. Fleury, of its choice of the entity that would best represent Large Consumers, by no later than July 16, 2003. The entity to represent Large Consumers will be selected on a one party - one vote basis. Mr. Fleury may be contacted by e-mail at "jcfleury@nyseg.com", or by fax at (607) 762-4862.

Process for the Selection of the Municipal Systems and Cooperatives Representative

The municipal electric utilities and rural electric cooperatives in New York State shall select their representatives on the basis of one vote for each eligible system.

Eligible municipals and cooperatives must own or control electric distribution facilities and must have a utility obligation to serve their customers or members. Eligible systems shall also agree to pay an appropriate share of the annual dues of the NYSRC.

- (1) Any eligible system is allowed to propose a candidate to be the municipal representative. Each proposal shall include a request for financial support, if one is to be made, for the candidate's service on the NYSRC.
- (2) The selection process will be guided by a special committee comprised of individuals from three eligible systems. The special committee will review proposals and the credentials of proposed candidates to ensure that the candidates are qualified to represent eligible systems on the NYSRC.
- (3) The special committee shall give notice of an upcoming election and the slate of candidates to all eligible systems. The eligible systems will select a representative from the candidate(s) on the basis of one system-one vote.
- (4) The municipal representative will serve for two years.

Eligible systems who wish to participate in the selection of the Municipal Systems and Cooperative representative on the NYSRC Executive Committee should contact Mr. Robert A. Mullane, General Manager, New York Municipal Power Agency, 445

Electronics Parkway, Suite 207, Liverpool, NY 13088;
Telephone: 315-641-1287.

Any questions concerning the selection process for the representatives of Wholesale Sellers, Large Consumers or Municipal Systems or Cooperatives should be addressed to Joseph C. Fleury, Secretary to the NYSRC Executive Committee, by electronic mail at "jcfleury@nyseg.com" or by fax at (607) 762-4862.