

**Minutes**  
**New York State Reliability Council, L.L.C. (“NYSRC”)**  
**Executive Committee**  
**Conference Call #3 - May 2, 2000**

**Members and Alternates:**

Richard J. Bolbrock	Long Island Power Authority (“LIPA”) - Chairman
William H. Clagett	Unaffiliated Member - Vice Chairman
Roger E. Clayton	Wholesale Sector, PG&E Generating
Mark J. Cordeiro	Municipals, PLM, Inc
Joseph C. Fleury	New York State Electric & Gas Corporation - Secretary
H. Kenneth Haase	New York Power Authority (“NYPA”)
John Hauber	Rochester Gas & Electric Corporation
George C. Loehr	Unaffiliated Member
Kenneth A. Mennerich	Central Hudson Gas & Electric Corporation (“CHG&E”)
P. Donald Raymond	Niagara Mohawk Power Corporation
Mayer Sasson	Consolidated Edison Co. of New York, Inc. (“Con Edison”)
Robert M. Loughney	Retail Sector, Couch, White, LLP (Alternate)

**Others**

Paul L. Gioia	LeBoeuf, Lamb, Greene & MacRae (“LLG&M”) - Legal Counsel
Keith O’Neal	New York Public Service Commission (“PSC”)
Howard A. Tarler	PSC

**Agenda Items**

**1.0 NYSRC Funding Mechanism**

Mr. Bolbrock scheduled the Committee Conference Call No. 3 to discuss the following four (4) options regarding the NYSRC funding mechanism proposal included on the agenda for the May 4, 2000 NYISO Management Committee Meeting:

- (i) Remove the NYSRC funding mechanism motion from the May 4<sup>th</sup> agenda; the Committee shall discuss issue further at the next Committee meeting;
- (ii) Pursue approval of the NYSRC funding mechanism motion at the May 4<sup>th</sup> meeting;
- (iii) Pursue approval of the NYSRC funding mechanism motion at the May 4<sup>th</sup> meeting, with a proposal to add two new positions on the NYSRC for a Marketer Sector and Small Consumers’ Sector;
- (iv) Remove the NYSRC funding mechanism motion from the May 4<sup>th</sup> agenda; the Committee shall develop another NYSRC funding mechanism proposal.

The Committee discussed the options in detail. Mr. Gioia noted that, based on the discussions regarding the NYSRC at the NYISO's Annual Meeting and communications with other Market Participants, the proposed NYSRC funding mechanism has the best chance of being approved by the NYISO Management Committee, if the NYSRC agrees to add two new positions on the NYSRC for a Marketer Sector and Small Consumers' Sector. However, even with the addition of two new positions, Mr. Gioia could not assure the Committee of a favorable vote by the NYISO Management Committee. Mr. Gioia also noted that based on the opposition already expressed towards the NYSRC, that the Committee should carefully consider all options. Mr. Tarler noted that the PSC continues to support the original NYSRC funding mechanism proposal. The Committee members provided additional comments supporting each of the options and further emphasized their continuing view that costs distributed through the NYISO Schedule 1 charge is the most sensible approach.

After considerable discussion, the Committee took straw votes on Options (ii) and (iii) with the results being the same with six (6) votes in favor and six (6) votes against each Option. The Committee agreed to remove the NYSRC funding mechanism proposal from the May 4<sup>th</sup> agenda of the NYISO Management Committee and discuss the issue further at the next Committee meeting. Mr. Bolbrock suggested one possible alternative for NYSRC funding to include a cap (i.e. \$500K) on the NYSRC expenses funded by all NYS loads through the NYISO Schedule 1 charge, with the costs above the set amount allocated to the Affiliated Members of the NYSRC.

## **2.0 Next Meeting**

The next Committee meeting will be on May 12, 2000 at the NPCC Offices in New York City, starting at 9:30 A.M.

The Committee Conference Call No. 3 was adjourned at 5:05 P.M.

Completed By: Joseph C. Fleury - Secretary

Final Issue Date: May 12, 2000