

ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR ASSOCIATION

Minutes from the Eighteenth Special Meeting of Board of Directors
September 14, 1999
SRP PERA Club
1 E. Continental Drive
Tempe, AZ

I. Welcome and Introductions

The Eighteenth Special Meeting of the AZ ISA Board of Directors was held September 14, 1999, at the SRP PERA Club. Laurel Whisler, Executive Director, ascertained the presence of a quorum, and called the meeting to order.

II. Appoint Corporate Secretary

Charles Post of PG&E Energy Services agreed to act as the Corporate Secretary for the meeting.

III. Approve Agenda

The Agenda was approved as drafted.

IV. Approve Minutes from 8/16/99 Meeting

The Minutes were approved as drafted.

V. PricewaterhouseCoopers Technical Analysis Report and Additional Protocols Manual Work

Laurel proposed a timetable for finalization and director recommendation of the protocol manual. The timetable is as follows: 9/29/99 – comments on the PWC Report due; 10/4/99 – Final PWC Report (including comments and suggestion submitted by interested parties) due; 10/6/99 – Laurel to present her proposal to the Board; 10/11/99 – Conference call for Board Members to discuss Laurel's recommendation. After Board approval of the Laurel's recommendation, a small group, to be named by Laurel, will finalize the protocol manual and report back to the Board by the 2nd week in November. The Manual will then be filed with FERC by the middle of December.

Laurel then suggested the following people be included in the small group tasked with finalizing the protocol manual: Laurel Whisler, Pat Sanderson, Ed Beck, Charlie Post, Barry Huddleston, Leroy Michaels, Kevin Higgins, Resal Craven, Dan Brickly, Ray Williamson, and Bob Smith. A short discussion was held on

maintaining the openness of the Operating Committee as it relates to this new small group.

A lengthy discussion then ensued about the inclusion of the ultimate features in the manual. The possibility of issuing an RFP for interest in providing the ultimate features was also discussed.

A discussion was then held on how APS' and TEP's OATT filings will relate to the AZ ISA filing and the inherent problems presented by the fact that APS and TEP will be filing their tariffs prior to the filing of the AZ ISA tariff. Laurel stated that she would like to see the CAO OATTs prior to their being filed with FERC. Furthermore, Laurel would like to work with the CAOs to revise their tariffs once the AZ ISA tariff is ready. A lengthy discussion was then held on possible ways that Laurel can work with the CAOs prior to the filing of their OATTs.

There was a spirited discussion on whether PWC will determine if protocols are non-discriminatory, or simply discuss FERC concerns. PWC will not render on whether or not a particular protocol is discriminatory; it will only point out various protocols which it feels FERC may have concerns regarding discrimination. PWC was then complimented on their job preparing the overview.

VI. AZ ISA Financial Report

Laurel distributed the Financial Report as prepared by the AZ ISA accountant. Laurel stated that she will distribute similar reports at each monthly meeting.

VII. Board Resolution – Checking Account Signature Authority

Laurel informed the members that with the departure of David Murphy from the Board, a new member of the Board of Directors would have to be given check-signing authority. Laurel then asked for volunteers. Rob Kondziolka volunteered. With Rob's addition, Laurel Whisler, Rob Kondziolka, Tom Delaney, and Dennis Delaney will have check signing authority.

VIII. Office Space

Laurel informed the members that Grand Canyon State does not have enough available office space to allow the AZ ISA to expand. She has been looking into other alternatives. One option she is looking into is to share space with CREDA. After a brief discussion, Laurel was charged with continuing her search for alternatives including possible discussions with WAPA.

IX. Next Board Meeting

The next special meeting was scheduled for 10/11/99 via conference call. The next in-person meeting was scheduled for 11/5/99, at a place to be determined.

X. Executive Session – Proposal to Retain FERC Counsel

The Board went into Executive Session to discuss the retention of FERC Counsel.

XI. Adjourn

There being no further business, the meeting was adjourned.

Respectfully submitted,

Charles H. Post, Jr.
Acting Corporate Secretary