

INITIAL AGENDA

1. To approve the preliminary minutes of the June 4, 2010 meeting and the Participants Committee Summer meeting held on June 22-23, 2010. A copy of the preliminary minutes of the June 4 meeting are included with this notice. A copy of the June 22-23 meeting minutes will be circulated under separate cover. Please provide us with any comments on the preliminary minutes no later than 12:00 p.m. Friday, July 30, 2010.
2. To adopt and approve all actions recommended by the Technical Committees set forth on the Consent Agenda included with this notice. In accordance with the Participants Committee Bylaws, if you wish to remove any of the recommended actions from the Consent Agenda, you must so indicate by notifying the Secretary on or before next Friday, July 30, 2010.
3. To receive an ISO Chief Executive Officer Report.
4. To receive an ISO Chief Operating Officer Report.
5. To consider and take action, as appropriate, on proposed revisions to the Tariff concerning FCM performance penalties for Demand Resources. Background material with any appropriate draft resolution(s) will be circulated with the supplemental notice.
6. To consider and take action, as appropriate, on a recommendation by the Membership Subcommittee to establish a non-voting membership for Wholesale Gas Participants. Background material with any appropriate draft resolution(s) will be circulated with the supplemental notice.
7. To consider and take action, as appropriate, on a proposed outline of comments regarding FERC's transmission planning and cost allocation NOPR. Background material and a draft resolution will be circulated with the supplemental notice.
8. To receive a report on current matters relating to regional wholesale power and transmission arrangements that are pending before the regulators and the courts. The litigation report will be circulated with the supplemental notice.
9. To receive reports from committees and subcommittees.
10. To transact such other business as may properly come before the meeting.

PRELIMINARY

A meeting of the NEPOOL Participants Committee was held at 10:00 a.m. on Friday, June 4, 2010 at the Seaport Hotel, One Seaport Lane, Boston, MA, pursuant to notice duly given. A quorum determined in accordance with the Second Restated NEPOOL Agreement was present and acting throughout the meeting. Attachment 1 identifies the members, alternates, and temporary alternates attending the meeting.

Mr. Brian E. Forshaw, Chair, presided and Mr. David T. Doot, Secretary, recorded. Mr. Forshaw noted that the first Capacity Commitment Period of the Forward Capacity Market (FCM) had become effective and FCM implementation had proceeded smoothly. Reflecting on the significant milestone achieved, Mr. Forshaw, on behalf of the Participants Committees, expressed appreciation to the ISO, its management and staff, and to the Participants for their efforts to implement FCM.

APPROVAL OF MAY 7, 2010 MINUTES

Action on the preliminary minutes of the May 7, 2010 meeting was deferred to the Summer Meeting.

CONSENT AGENDA

Mr. Forshaw referred the Committee to the Consent Agenda that had been circulated in advance of the meeting. Following motion duly made and seconded, the Consent Agenda was unanimously approved.

REPORT OF ISO CHIEF EXECUTIVE OFFICER

Mr. Gordon van Welie began his report by also expressing his appreciation to the Participants for their help in the implementation of third phase of the FCM project, particularly for

all the effort towards the integration of Demand Response. He noted that Dr. Vamsi Chadalavada would speak more about this during his Operations Report, and he commended Dr. Chadalavada and his team for their hard work in meeting this regional milestone.

Mr. van Welie then summarized that, since his May 7, 2010 report, the Board Audit and Finance Committee, Board Markets Committee, System Planning and Reliability Committee (SPARC), Nominating and Governance Committee, and the full Board had each met once. In addition, the Board met with representatives of NECPUC and NEPOOL in conjunction with the NECPUC Symposium.

Audit and Finance Committee

Mr. van Welie reported that the Board Audit and Finance Committee met on May 13. He indicated that the Committee received a report from the ISO's Internal Audit Department (Department) regarding progress on the SAS 70 audit and various other internal and external audits. He reported that Mr. Ray Curry, the Director of the Department, also discussed a recent meeting with the NEPOOL Audit Management Subcommittee (NAMS). He reported that Mr. Robert Ludlow provided an update on 2010 collections and spending, which remained consistent with budgeted amounts. On the topic of the 2010 budget, the Board Committee discussed risks, including the impact of the FCM re-design. He reported that the Committee also reviewed and approved the ISO's unaudited financial statements for the first quarter, after discussing disclosures made pursuant to internal controls. Continuing, he said that the Committee then reviewed the proposed five-year business plan and discussed various scenarios for the 2011 budget. He reported that the Committee asked ISO management to prepare two high-level budget scenarios – one scenario that would presume generally maintaining the *status quo* with regard to service levels (to include normal inflationary effects and the impact of prior commitments) and a second scenario that would allow for further growth in budget to address more fully the increasing demands on the

organization. In this context, he noted that the Committee discussed concerns about the ISO's ability to absorb more work and growth. The Board Committee then reviewed interest rates on the ISO's debt and agreed to maintain its debt at variable rates, which he reported to have saved the ISO more than \$3.2 million over the previous five years relative to fixed-rate debt. Last, Mr. van Welie noted that the Committee reviewed the ISO's draft 2009 Form 990 tax return, which would be filed later in the fall, and a matter related to compliance with the ISO Code of Conduct.

Board Markets Committee

Mr. van Welie reported that the Board Markets Committee met on May 10 in Holyoke. At its meeting, that Committee received its regular reports on market monitoring activity, reliability costs, market seams, the NEPOOL Markets Committee, and the FCM and Price-Responsive Demand (PRD) projects. During the Internal Market Monitor report, Mr. David LaPlante discussed the relatively low regulation market prices and recent variances between Real-Time and Day-Ahead prices, and the Committee considered related market design issues. During the FCM update, Mr. van Welie reported that the Board Markets Committee discussed the April 23 FERC order on the FCM re-design changes and related complaints and agreed to schedule a special meeting to discuss the ISO's response. He said that, during the PRD project update, the Committee reviewed the ISO's and Market Monitors' proposed responses to FERC's Notice of Proposed Rulemaking on Demand Response Compensation (RM10-17). In addition to the regular reports, the Board Markets Committee reviewed the final draft of the Internal Market Monitor's Annual Markets Report and the first draft of the External Market Monitor's Annual Markets Report.

System Planning and Reliability Committee (SPARC)

Mr. van Welie reported that SPARC met on May 19. At its meeting, SPARC reviewed two Capacity Deficiency Events and the 2010 summer outlook more generally, as well as the April 2010 update to the Regional System Plan (RSP) Project List. SPARC discussed requests for economic studies and the U.S. Department of Energy's (DOE) Transmission Congestion Study, which indicated that New England was no longer considered congested. Last, SPARC received a report on the status of the work of the Eastern Interconnection Planning Collaborative (EIPC), Kleen Energy, Vermont Yankee, Cape Wind, and FCM "Go-Live" readiness.

Nominating and Governance Committee

Mr. van Welie reported that the Nominating and Governance Committee met on May 19 to nominate a Chairman of the Board and a slate of directors for election by the Board.

Full Board

Mr. van Welie reported that following the Nominating and Governance Committee meeting, the full Board of Directors met as the members of the Corporation and elected a slate of directors, effective October 1. The elected slate consisted of David Vitale, Raymond Hill, and Phil Shapiro. The Board then elected David Vitale as Chairman of the Board, also to become effective on October 1. After the elections, the Board received reports from the various Committees of the Board. Mr. van Welie reported that the Board spent the rest of its meeting reviewing the discussions with NEPOOL and NECPUC, which primarily related to FCM, PRD and impact analysis.

In response to questions, Mr. van Welie clarified that the election of the next Board Vice-Chair and Board Committee Chairs had not yet occurred, but would be considered and acted on during the next several months.

Looking ahead to the 2010 Participants Committee Summer Meeting, Mr. Raymond Hepper reminded the Committee that the ISO Board would, in conjunction with that meeting, meet separately with each of the Sectors on Tuesday, June 22, and asked that the Participants Committee Officers forward any materials and topics for discussion to be proposed by their respective Sectors to him by June 10, in order for the Board to receive the materials and have an opportunity to prepare in advance of those meetings. Mr. Doot further noted that, in addition to the Sector meetings with the ISO Board, there would also be opportunities for the Sectors to meet with the regulators during the off-times that the Sector meetings with the Board were not scheduled. He requested that any interested Sectors promptly notify him so that appropriate arrangements could be incorporated into the Summer Meeting's overall schedule. Mr. Doot noted that a reminder e-mail concerning the Sector meetings with the Board, and with the region's regulators, would be circulated following the meeting.

REPORT OF ISO CHIEF OPERATING OFFICER

Dr. Chadalavada reviewed highlights from the monthly COO report, which was circulated in advance of the meeting and posted on the ISO website. He noted that May was one of the most challenging months for the ISO in terms of operating the power system at least in the last several years. He indicated that the Real-Time Hub Locational Marginal Prices over the month of May were up 35.5% from April 2010 averages.

Turning to Daily Net Commitment Period Compensation (NCPC), Dr. Chadalavada reported that reliability costs had increased notably from prior months. Through May 26, NCPC payments totaled \$7.3 million, with \$6.5 million in first contingency and \$783,000 in second contingency payments. Dr. Chadalavada reported that NCPC payments were expected to exceed \$8 million for the full month of May.

Addressing planning, Dr. Chadalavada reported that the Planning Advisory Committee (PAC) had met on May 25, holding an “Environmental Day” to review a wide range of environmental policies and renewable resource issues. The PAC was next scheduled to meet on June 16 to discuss the RSP project list, and various economic and transmission studies. He noted that the Northeast Coordinated System Plan 2009 was finalized and posted on the ISO website. He then reviewed progress on state siting of major transmission projects, noting that the Maine PUC had just approved a settlement agreement regarding the Maine Power Reliability Program, with a final order anticipated in the near future. The DOE, he reiterated, had recently dropped New England from its list of “congestion areas of concern,” which he expected would reduce the number and frequency of requests for information from, and reports to, the DOE. Dr. Chadalavada reported that the lowest projected Summer Operable Capacity margin was for the week of June 5.

Concerning ISOs efforts on various projects, Dr. Chadalavada reported that, in addition to the FCM implementation, June 1, 2010 marked the completion of the following additional projects undertaken by the ISO: an update of the Oracle database; installation of state-of-the-art communications infrastructure to communicate with generation and demand assets; Phase II of the SMD Software Upgrade; and Demand Resources Integration.

Dr. Chadalavada reported that, over the previous month, ISO staff had reviewed details of the Power Systems in May, analyzed how dispatch of those conditions might differ after June 1

under the new Operating Procedure 4 (OP 4), and reviewed the Shortage Event triggering rules. He then provided a summary of the Power System conditions in May, noting that the weather forecast error due to unseasonably hot weather on several days impacted the load forecast, including on May 3 (17,501 MW), which was recorded as the second highest peak ever for that week; and May 26 (22,837 MW), which was recorded as the highest peak ever for May. He noted that, during these peak times there was a significant amount of generation and transmission out-of-service for maintenance, including approximately 12,000 MW of generation. He noted, in particular, that a noticeable amount of generation located west of the east-west interface normally available for dispatch was out-of-service and the limited flexibility in Real-Time to commit units because of their start-up lead times. He also explained that transmission system improvements, which minimized the need for supplemental commitments, resulted in limited surplus generation committed Day-Ahead.

Dr. Chadalavada then reviewed several events in May with respect to M/LCC2, OP 4, and Reserve Constraint Penalty Factor (RCPF) activations for Thirty-Minute Operating Reserves (TMOR) including: May 2 - M/LCC2, RCPF activation and OP4; May 3 - M/LCC2, RCPF activation; May 8 - M/LCC2, RCPF activation; and May 26 - M/LCC2, RCPF activation and OP-4. Based on analysis of the events in May, he explained, effective June 1, and consistent with the Market Rules, the ISO tied the declaration of Shortage Events to the RCPF activation for total TMOR (of 30 or more contiguous minutes). He noted that the implementation was based on NPCC criteria which allowed each Control Area four hours to recover its TMOR, and that the current Market Rules specify a RCPF value of \$100 for total TMOR and \$840 for total 10-minute operating reserves. He then explained that, in light of recent transmission improvements, which had significantly reduced surplus commitment, it was reasonable to expect an increase in M/LCC 2

and OP 4 procedures. He said that even small deviations in load forecast, tie schedules and generation/transmission outages could cause a more frequent depletion of TMOR for short periods of time.

Concluding his summary of the May system events, Dr. Chadalavada provided a high-level glimpse of how the events might have unfolded had they occurred with full implementation of FCM. He noted that, under the revised OP 4, Actions 1 and 2 would have been implemented system-wide to maintain TMOR. Real-Time exports above the Day-Ahead schedule, he explained, would have been curtailed prior to declaration of OP 4 and approximately 275 to 375 MW of Real-Time Demand Resources likely would have been required. With such implementation, Shortage Events would not have been declared.

In response to members' questions, Dr. Chadalavada reviewed how Shortage Events are determined, noting that the Market Rules focused on RCPF activation and did not otherwise provide specific triggers, and adding that the May events illustrated why tying RCPF to TMOR reserves would not be appropriate. He acknowledged the dependency of load forecasts on weather forecasts. Mr. Peter Brandien clarified that much of the uplift was driven by 345 kV line outages, as well as out-of-service generation in western New England, and while the hot weather and the forecast just made it more difficult to operate the system, the uplift would have been there even without the load forecast error. Dr. Chadalavada also explained the treatment and impact of capacity imports during the May events. Looking ahead to June, Dr. Chadalavada noted his expectation that, with persisting outages and other expected system conditions, higher uplift would continue into June.

RETENTION OF CONSULTANT TO REVIEW CERTAIN ISO AUDIT RESULTS AND PROCESSES

Mr. Doot referred the Committee to the materials circulated in advance of the meeting concerning the retention of a consultant to review certain ISO audit results and processes and report back to the NEPOOL Audit Management Subcommittee (NAMS). He explained that the Budget and Finance Subcommittee supported a NAMS recommendation to hire Mr. William H. Dunn. He said that the consultant would work closely with the ISO Internal Audit Division and would receive no more than \$80,000 in total compensation, which would be a NEPOOL expense.

The following motion was duly made, seconded, considered and unanimously approved:

RESOLVED, that (a) NEPOOL retain an independent consultant, William Dunn, to review certain ISO audit results and processes and report back to the NEPOOL Audit Management Subcommittee (NAMS) regarding the same, as discussed at this meeting and upon such other terms and conditions as the Chair of NAMS and Pool counsel shall determine to be appropriate; provided that the total compensation paid to Mr. Dunn shall not exceed \$80,000 in total, including out-of-pocket expenses, (b) that a Consulting Agreement with Mr. Dunn containing such terms and conditions, as determined by the Chair or any Vice-Chair of this Committee or the Chair of NAMS, in consultation with Pool counsel, is authorized and approved, and (c) that the Chair and Vice-Chairs of this Committee and the Chair of NAMS are severally authorized, designated and directed to execute and deliver, on behalf of NEPOOL and the Participants, such Consulting Agreement and such other related agreements, documents and certificates as they may deem necessary or desirable.

REPORT REGARDING THE EASTERN INTERCONNECTIN PLANNING COLLABORATIVE (EIPC) AND STAKEHOLDER PROCESS

Mr. Forshaw referred the Committee to materials circulated in advance of the meeting concerning EIPC matters and updated the Committee on EIPC stakeholder process matters that had taken place since the last Participants Committee meeting. He referred to a May 21, 2010 memo from NEPOOL counsel describing the selection process and the list of proposed representatives. He noted that the list of EIPC caucus representatives would be finalized following an opportunity

for others to be proposed, and that a memo regarding this process had been posted on the EIPC website and included with the meeting materials. Mr. Forshaw reported that the EIPC had announced two webinars (June 3 and 4, 2010) to address the selection of caucus representatives and the EIPC Stakeholder Steering Committee (SSC) members. Additional information regarding these webinars was available on the EIPC website at <http://www.eipconline.com>.

Referring to the EIPC calendar, Mr. Forshaw noted that the first SSC meeting was planned for July 15-16, 2010. He reported that the NEPOOL EIPC steering committee held a teleconference on May 28, 2010 and agreed to try to meet before the first SSC meeting, which was scheduled to occur during the week of July 5.

Dr. Chadalavada then updated the Committee, reporting that the EIPC still did not have a contract with the DOE and that, anticipating an executed DOE contract, EIPC's principal investigators had begun to advance funds to begin assembling power flow models for the base case (which at that point in time was still the 10-year base case, but would in the future become a 20-year base case).

Mr. William Nugent, the Executive Director of NECPUC, stated that the Eastern Interconnection States Planning Council (EISPC) was in the same position, without a contract, and explained growing frustration and difficulties experienced by the EISPC with the delay in contract execution.

Ms. Heather Hunt, Executive Director of NESCOE, stated that Vermont Chairman James Volz was proposed to fill the vacancy on the EISPC Executive Committee created by Mr. Paul Hibbard's resignation from the MA DPU. That appointment still need to be confirmed through the EISPC process.

LOAD RECONSTITUTION FOR DEMAND RESOURCES

Ms. Allison DiGrande, on behalf of the Markets Committee, referred the Committee to materials circulated in advance of the meeting concerning changes to Section III.13.7.3.1 of Market Rule 1 relating to the future implementation of load reconstitution for Demand Resources and described those changes. She reported that the NEPOOL Markets Committee voted 65.4% in favor of a proposal that would preclude load reconstitution for the first five FCAs and would require the ISO to file its recommendation as to whether or not to reconstitute load on, or before, February 1, 2012 in order to become effective for the sixth Capacity Commitment Period. By a 35.2% Vote, she reported, the Markets Committee did not support an ISO proposal to reconstitute load starting with the fourth FCA.

Mr. Doot informed the Committee that, following consideration of the actions of the Markets Committee, the ISO indicated that it could support an approach that would not reconstitute load for the first five FCAs and would delay stakeholder consideration on this issue (likely until September 2011) with a Section 205 filing on, or before, February 1, 2012. He noted that the ISO would prefer, however, to reflect that understanding in the Participants Committee record and in a filing with the FERC, as follows:

The Committee agrees with ISO-NE to defer until September 2011 efforts to implement voluntarily a load reconstitution methodology for Demand Resources with the understanding and agreement that ISO-NE will file a recommendation to institute or not to institute a load reconstitution methodology with the FERC pursuant to Section 205 of the Federal Power Act on or before February 1, 2012 to become effective for the Sixth Forward Capacity Auction on April 2, 2012, and the further understanding that this agreement does not restrict an earlier filing by ISO-NE and/or an earlier effective date if either is required to comply with any final FERC determinations on this issue in ongoing proceedings.

Ms. Michelle Gardner, NEPOOL counsel, flagged the main difference between the proposed ISO approach and the recommendation of the Markets Committee, and confirmed that remaining edits to Market Rule 1 that had been recommended by the Markets Committee.

The following motion was duly made and seconded:

RESOLVED, that the Participants Committee supports the revisions to Section III.13.7.3.1 regarding load reconstitution, as recommended by the Markets Committee, together with such other non-substantive changes as the Chair and Vice-Chair of the Markets Committee may approve.

Mr. Forshaw noted that the approach outlined by NEPOOL counsel was the result of conversations between the ISO and other Participants following the Markets Committee recommendation. Responding to members questions concerning the ISO's subsequent agreement to the approach, Mr. Robert Laurita of the ISO stated that, while the ISO has not changed its position and still supported reconstituting load, the ISO decided for now to support the proposed approach. He added that future discussions would benefit from the completion of the current FERC proceedings addressing compensation for demand resources, with the additional two-year moratorium providing the region with additional flexibility to respond to the outcome of those proceedings.

Mr. Michel Harrington, on behalf of the NHPUC, stated that he appreciated the ISO's approach. He clarified that, although the states were not opposed to load reconstitution, they were opposed to permitting it at that time. Some members expressed disappointment with the proposal. One noted that it was, as a practical matter, already too late to reconstitute load for FCA 4, and the proposal ensured it would not occur for FCA 5. Another member stated that, by maintaining the status quo through FCA 5, costs to certain classes of customers would be increased.

A DR supplier and load-serving entity representative, noting that stakeholders were scheduled to discuss during the summer of 2010 comparability issues as between Demand

Resources and generation, asked whether stakeholders would be precluded from raising load reconstitution as part of those discussions. Mr. Laurita responded that it was not the ISO's intent to bring rule changes sooner than the dates mentioned in the agreement with NEPOOL, but that did not mean that the issue of load reconstitution cannot be discussed alongside issues around comparability.

The following motion to amend the main motion was then made and seconded to remove the last two sentences of the final paragraph of Section III.13.7.3.1 that were supported by the Markets Committee, and to reflect the understanding in the Participants Committee record and in a filing with the FERC, as follows:

The Committee agrees with ISO-NE to defer until September 2011 efforts to implement voluntarily a load reconstitution methodology for Demand Resources with the understanding and agreement that ISO-NE will file a recommendation to institute or not to institute a load reconstitution methodology with the FERC pursuant to Section 205 of the Federal Power Act on or before February 1, 2012 to become effective for the Sixth Forward Capacity Auction on April 2, 2012, and the further understanding that this agreement does not restrict an earlier filing by ISO-NE and/or an earlier effective date if either is required to comply with any final FERC determinations on the issue of reconstitution in ongoing proceedings.

The motion to amend was voted and approved with a vote of 92.67% in favor (Generation – 17.1%; Transmission – 17.1%; Supplier- 9.77%; Alternative Resources – 14.5%; Publicly Owned Entity – 17.1%; and End User – 17.1%). (See Vote 1 on Attachment 2).

The amended main motion was then voted and approved with a vote of 71.32% in favor (Generation – 1.42%; Transmission – 17.1%; Supplier- 4.1%; Alternative Resources – 14.5%; Publicly Owned Entity – 17.1%; and End User – 17.1%). (See Vote 2 on Attachment 2).

REVISIONS TO OP 12 (NPCC CONFORMING AND ADMINISTRATIVE CHANGES)

Mr. Donald Gates, on behalf of the Reliability Committee, referred the Committee to materials circulated in advance of the meeting related to revisions to ISO New England Operating

Procedure No. 12 (Voltage and Reactive Control) (OP 12), which were intended to conform OP 12 to NPCC requirements, and also to include various non-substantive, administrative changes. He reported that at its May 24, 2010 meeting, the Reliability Committee voted to recommend Participants Committee support of the revisions by a vote of 76% in favor, and that some of the members who opposed the revisions at the Reliability Committee meeting wished to further discuss with the Participants Committee issues raised in connection with the revisions.

The following motion was duly made and seconded:

RESOLVED, that the Participants Committee supports the proposed revisions to ISO New England Operating Procedure No. 12 to conform the procedure to NPCC requirements, and also to include various non-substantive, administrative changes, as recommended by the Reliability Committee, and as reflected in materials circulated to the Participants Committee in advance of this meeting, together with such non-substantive changes as may be approved by the Chair and Vice-Chair of the Reliability Committee.

Members then commented and asked clarifying questions. The MMWEC representative reported that, although MMWEC had not supported the recommendation at the Reliability Committee, it had since gained a better understanding of the issue and would support the proposed revisions. The Mirant representative explained that Mirant would abstain because, although conforming OP 12 to NPCC/NERC requirements was important, the ISO had not considered what needed to be done in order to ensure that generators aren't forced to operate at a loss in order to perform the newly-imposed testing. He urged that changes to Schedule 2, which already contemplated such testing as an option in connection with the calculation of Schedule 2 compensation, be revised to reflect and appropriately address situations in which units might be required to operate at a loss while undergoing the required testing.

The Committee then voted and unanimously approved the motion with abstentions noted by BP, Brookfield, Dighton, Mirant, and PSEG.

MEMBERSHIP SUBCOMMITTEE RELATED PERSON ISSUE

Mr. Patrick Gerity, NEPOOL counsel, referred the Committee to the materials circulated in advance of the meeting regarding certain ODR-Only and DRP-Only customers of the ISO that became NEPOOL Participants on June 1, 2010. He stated that, although there was no objection to the NEPOOL membership of any of those Entities, a Subcommittee member had raised concerns over whether certain of the government agencies that are Participants should be Related Persons under the Second Restated NEPOOL Agreement. Mr. Gerity indicated that, when tabulating votes, and unless instructed otherwise by the Participants Committee, the identified government officials or agencies would be treated as independent Participants and *not* as Related Persons. Although such treatment was not expected to materially alter any vote, the Subcommittee sought to confirm that there was not any additional guidance or interpretation of the NEPOOL arrangements by the Participants Committee that would require different treatment.

Following discussion, the Committee directed the Membership Subcommittee to review the definition of Related Person as set forth in the Second Restated NEPOOL Agreement and Participants Agreement, particularly as it might apply to state officials or agencies, and to report back to the Participants Committee on its efforts and any recommended changes to that definition.

LITIGATION REPORT

Mr. Doot referred the Committee to the Litigation Report circulated in advance of the meeting. He noted that the Report continued to reflect an intense level of activity and encouraged anyone with questions on the Report to raise them with any member of the NEPOOL counsel team.

COMMITTEE REPORTS

Mr. Doot reported that an *ad hoc* committee had been established at the request of the Massachusetts Attorney General's Office to talk through some of the issues related to the NEPOOL Review Board. That committee had met twice and was in the process of exploring and refining proposals that would ultimately be brought back to the Participants Committee for consideration. Mr. Doot encouraged those interested to participate in those efforts and to direct any questions or interest to Mr. David Cetola or NEPOOL counsel.

OTHER BUSINESS

Mr. Doot then discussed the calendar for June, July and August that had been distributed at the meeting. He noted the time, venue and schedule for the 2010 Summer Meeting. He announced the planned golf outing and encouraged those interested in participating to contact Mr. Joseph Staszowski or Mr. Calvin Bowie for additional details. He reminded the Committee of the planned welcome reception and dinner with the ISO Board the evening before the summer meeting.

There being no further business, the meeting was adjourned at 12:00 p.m.

Respectfully submitted,

David T. Doot, Secretary

PARTICIPANTS IN ATTENDANCE AT THE
JUNE 4, 2010 PARTICIPANTS COMMITTEE MEETING

PARTICIPANT NAME	SECTOR	MEMBER NAME	ALTERNATE NAME	PROXY
511 Plaza LP	End User	William P. Short III		
Ashburnham Municipal Light Plant	Publicly Owned		Gary Will	
Bangor Hydro-Electric Company	Transmission		Stacy Dimou	
Boston Generating, LLC	Generation		William Fowler	
Boylston Municipal Light Department	Publicly Owned		Gary Will	
BP Energy Company	Supplier			Nancy Chafetz
Brookfield Energy Marketing /Cross-Sound Cable (CSC)	Supplier	Nicolas Bosse		Jose Rotger
Caithness New England Services Company	Generation		Ken Bekman (tel)	
Central Maine Power Company	Transmission	Eric Stinneford (tel)	Susan Clary (tel)	
Chicopee Municipal Lighting Plant	Publicly Owned		Gary Will	
Competitive Energy Services, LLC	Supplier			Don Sipe (tel)
Comverge, Inc.	AR	Brad Caswell (tel)		
Concord Municipal Light Plant	Publicly Owned		Gary Will	
Connecticut Municipal Electric Energy Coop.	Publicly Owned	Brian Forshaw	Julie Cammarata	
Connecticut Office of Consumer Counsel (CT OCC)	End User		Richard Steeves (tel)	
Conservation Law Foundation	End User	Seth Kaplan		
Conservation Services Group (CSG)	AR	Doug Hurley		
Consolidated Edison Energy, Inc. (ConEd)	Supplier	Jeff Dannels	Ken Bekman (tel)	
Constellation Energy Commodities Group, Inc.	Supplier	Steve Kirk	Dan Allegretti	
CPower, Inc.	AR	Janette Dudley (tel)		
Dighton Power, LLC	Generation		William Fowler	
Dominion Energy Marketing, Inc.	Generation	Ron Hart (tel)		
Dynegy/Calpine	Supplier	Glenn Haake (tel)		
Energy America, LLC	Supplier			Nancy Chafetz
EnerNOC, Inc.	AR	Herb Healy		
Entergy Nuclear Power Marketing LLC	Generation	Ron Mackowiak (tel)		
Exelon Generation Company, LLC	Supplier	William Fowler		
Gas Recovery Systems, LLC (GRS)	AR		Doug Hurley	
GDF SUEZ Energy Marketing NA/FirstLight	Supplier	Thomas Kaslow		
Generation Group Member	Generation	Dennis Duffy	Abigail Krich (tel)	
Granite Ridge Energy, LLC	Supplier		William Fowler	
Groton Electric Light Department	Publicly Owned		Gary Will	
H.Q. Energy Services (U.S.) Inc.	Supplier		Robert Stein	
Hess Corporation	Supplier			Nancy Chafetz
Holden Municipal Light Department	Publicly Owned		Gary Will	
Holyoke Gas & Electric Department	Publicly Owned			Gary Will
Hudson Light and Power Department	Publicly Owned		Gary Will	
Hull Municipal Lighting Plant	Publicly Owned		Gary Will	
Industrial Energy Consumer Group	End User	Donald Sipe (tel)		
Ipswich Municipal Light Department	Publicly Owned		Gary Will	
Integrus Energy Services Inc.	Supplier			Nancy Chafetz
International Power America (ANP Funding I)	Generation	Dorothy Capra		
Kimberly-Clark Corporation	Supplier			Vicki Kirandrikas (tel)
Linde Energy Services	Supplier			Vicki Kirandrikas (tel)
Littleton (NH) Water & Light Department	Publicly Owned		Craig Kiemy (tel)	
Long Island Lighting Company (LIPA)	Supplier	William Killgoar		
Maine Skiing, Inc.	End User	Donald Sipe (tel)		
Mansfield Municipal Electric Department	Publicly Owned		Gary Will	
Marblehead Municipal Light Department	Publicly Owned		Gary Will	
Massachusetts Attorney General's Office	End User	Jesse Reyes	David Cetola	
Massachusetts Municipal Wholesale Electric Co.	Publicly Owned	Gary Will		

PARTICIPANTS IN ATTENDANCE AT THE
JUNE 4, 2010 PARTICIPANTS COMMITTEE MEETING

PARTICIPANT NAME	SECTOR	MEMBER NAME	ALTERNATE NAME	PROXY
Mead Oxford	End User	Donald Sipe (tel)		
Middleborough Gas and Electric Department	Publicly Owned		Gary Will	
Middleton Municipal Electric Department	Publicly Owned		Gary Will	
Millennium Power Partners	Generation		Ken Dell Orto	
Mirant Energy Trading, LLC	Generation	Phil Smith		
NAEA Energy Massachusetts, LLC	Generation	Ken Bekman		
New England Power Company (NGrid)	Transmission	Timothy Brennan (tel)	Terron Hill (tel)	
New Hampshire Office of Consumer Advocate (NH OCA)	End User	Paul Peterson (tel)		
NextEra Energy Resources, LLC	Generation	Fernando DaSilva (tel)		
Northeast Utilities Service Company (NU)	Transmission	Joseph Staszowski	Cal Bowie	
NRG Power Marketing, Inc.	Generation	Pete Fuller		
NSTAR Electric Company	Transmission			Paul Krawczyk (tel)
Paxton Municipal Light Department	Publicly Owned		Gary Will	
Peabody Municipal Light Plant	Publicly Owned		Gary Will	
Pepco Energy Services, Inc.	Supplier			Nancy Chafetz
Pinpoint Power, LLC	Supplier	Tom Atkins		
PowerOptions, Inc.	End User			Seth Kaplan
PPL EnergyPlus	Supplier		Sharon Weber (tel)	
Praxair, Inc.	End User			Vicki Kirandrikas (tel)
Princeton Municipal Light Department	Publicly Owned		Gary Will	
PSEG Energy Resources & Trade LLC	Supplier	Joel Gordon (tel)		
Rowley Municipal Lighting Plant	Publicly Owned		Gary Will	
Sempra Energy Trading Corp.	Supplier			Nancy Chafetz
Shrewsbury Electric & Cable Operations	Publicly Owned		Gary Will	
Small Distributed Generation Group Member	AR	Doug Hurley		
Small Load Response Group Member	AR	Doug Hurley		
Small Renewable Generation Group Member	AR			Doug Hurley
South Hadley Electric Light Department	Publicly Owned		Gary Will	
Sterling Municipal Electric Light Department	Publicly Owned		Gary Will	
Taunton Municipal Light Department	Publicly Owned		Brian Forshaw	
Templeton Municipal Lighting Plant	Publicly Owned		Gary Will	
TransCanada Power Marketing Ltd.	Generation		Michael Hachey	
Union of Concerned Scientists (UCS)	End User		Paul Peterson (tel)	
United Illuminating Company, The	Transmission	Rich Peters		
Vermont Electric Cooperative	Publicly Owned		Craig Kieny (tel)	
Vermont Electric Power Company, Inc. (VELCO)	Transmission		Kirk Shields (tel)	
Vermont Energy Investment Corporation (VEIC)	AR		Doug Hurley	
Verso Maine Energy LLC	Generation	Glenn Poole (tel)		
Wakefield Municipal Gas and Light Department	Publicly Owned		Gary Will	
West Boylston Municipal Lighting Plant	Publicly Owned		Gary Will	
Westfield Gas & Electric Department	Publicly Owned			Gary Will

VOTES TAKEN AT THE
JUNE 4, 2010 PARTICIPANTS COMMITTEE MEETING

TOTAL

Participant Name	VOTE 1	VOTE 2
GENERATION	17.10	1.425
TRANSMISSION	17.10	17.10
SUPPLIER	9.77	4.096
ALTERNATIVE RESOURCES	14.50	14.50
PUBLICLY OWNED ENTITY	17.10	17.10
END USER	17.10	17.10
% IN FAVOR	92.67	71.32

GENERATION SECTOR

Participant Name	VOTE 1	VOTE 2
Boston Generating, LLC	A	O
Caithness New England Services Co	A	O
Dighton Power, LLC	A	O
Dominion Energy Marketing, Inc.	A	O
International Power America (ANP Funding I, LLC)	A	O
Millennium Power Partners	A	O
Mirant Energy Trading, LLC	A	O
NAEA Energy Massachusetts, LLC	A	O
NextEra Energy Resources, LLC	A	O
NRG Power Marketing, LLC	--	O
TransCanada Power Marketing Ltd.	A	O
Verso Maine Energy LLC	F	F
IN FAVOR (F)	1	1
OPPOSED (O)	0	11
TOTAL VOTES	1	12
ABSTENTIONS (A)	10	0

TRANSMISSION SECTOR

Participant Name	VOTE 1	VOTE 2
Bangor Hydro-Electric Company	F	F
Central Maine Power Company	F	F
New England Power Company	F	F
Northeast Utilities System Companies	F	F
NSTAR Electric Company	F	F
The United Illuminating Company	F	F
Vermont Electric Power Company	A	F
IN FAVOR (F)	6	7
OPPOSED	0	0
TOTAL VOTES	6	7
ABSTENTIONS (A)	1	0

SUPPLIER SECTOR

Participant Name	VOTE 1	VOTE 2
BP Energy Company	A	A
Brookfield Energy Marketing Inc./CSC	A	S
Brookfield Energy Marketing Inc.		A
Cross-Sound Cable Company		O
Competitive Energy Services, LLC	F	F
Consolidated Edison Energy, Inc.	O	O
Constellation Energy Commodities Group	O	O
Dynegy Power Marketing, Inc.	A	O
Energy America, LLC	A	O
Exelon Generation, LLC	A	O
GDF SUEZ Energy Marketing NA, Inc. / FirstLight	A	O
Granite Ridge/Merrill Lynch Commodities/BoA	A	O
Hess Corporation	A	O
H.Q. Energy Services (U.S.) Inc.	O	O
Integritys Energy Services, Inc.	A	O
Kimberly-Clark Corporation	F	F
Linde Energy Services, Inc.	F	F
LIPA	A	A
Pinpoint Power	F	F
PPL EnergyPlus, LLC	A	O
PSEG Energy Resources & Trade	A	O
IN FAVOR (F)	4	4
OPPOSED	3	12.7
TOTAL VOTES	7	16.7
ABSTENTIONS (A)	12	2.3

ALTERNATIVE RESOURCES SECTOR

Participant Name	VOTE 1	VOTE 2
Renewable Generation Sub-Sector		
Gas Recovery Systems, Inc.	F	F
Distributed Generation Sub-Sector		
Small DG Group Member	F	F
Load Response Sub-Sector		
Comverge, Inc.	F	F
Conservation Services Group	F	F
CPower, Inc.	F	F
EnerNOC, Inc.	F	F
Vermont Energy Investment Corp.	F	F
Small LR Group Member	F	F
IN FAVOR (F)	8	8
OPPOSED	0	0
TOTAL VOTES	8	8
ABSTENTIONS (A)	4	9

VOTES TAKEN AT THE
JUNE 4, 2010 PARTICIPANTS COMMITTEE MEETING

PUBLICLY OWNED ENTITY SECTOR

Participant Name	VOTE 1	VOTE 2
Ashburnham Municipal Light Plant	F	F
Belmont Municipal Light Department	F	F
Boylston Municipal Light Department	F	F
Chicopee Municipal Lighting Plant	F	F
Conn. Municipal Electric Energy Coop.	F	A
Concord Municipal Light Plant	F	F
Danvers Electric Division	F	F
Georgetown Municipal Light Dept.	F	F
Groton Electric Light Department	F	F
Holden Municipal Light Department	F	F
Holyoke Gas & Electric Department	F	F
Hudson Light and Power Department	F	F
Hull Municipal Lighting Plant	F	F
Ipswich Municipal Light Department	F	F
Littleton (MA) Electric Light Dept.	F	F
Littleton (NH) Water & Light Department	F	F
Mansfield Municipal Electric Dept.	F	F
Marblehead Municipal Light Dept.	F	F
Mass. Municipal Wholesale Electric Co	F	F
Middleborough Gas and Electric Dept.	F	F
Middleton Municipal Electric Dept.	F	F
North Attleborough Electric Dept.	F	F
Pascoag Utility District	F	F
Paxton Municipal Light Department	F	F
Peabody Municipal Light Plant	F	F
Princeton Municipal Light Department	F	F
Rowley Municipal Lighting Plant	F	F
Shrewsbury's Electric & Cable Ops	F	F
South Hadley Electric Light Dept.	F	F
Sterling Municipal Electric Light Dept.	F	F
Taunton Municipal Lighting Plant	F	F
Templeton Municipal Lighting Plant	F	F
Vermont Electric Cooperative	F	F
Wakefield Municipal Gas & Light Dept.	F	F
West Boylston Municipal Lighting Plant	F	F
Westfield Gas & Electric Light Dept.	F	F
IN FAVOR (F)	36	35
OPPOSED	0	0
TOTAL VOTES	36	35
ABSTENTIONS (A)	0	1

END USER SECTOR

Participant Name	VOTE 1	VOTE 2
511 Plaza, LP	F	--
Conservation Law Foundation	F	F
CT Office of Consumer Counsel	F	F
Industrial Energy Consumer Group	F	F
Maine Skiing, Inc.	F	F
Mass. Attorney General's Office	F	F
Mead Oxford	F	F
NH Office of Consumer Advocate	F	F
PowerOptions, Inc.	F	F
Praxair, Inc.	F	F
IN FAVOR (F)	10	9
OPPOSED	0	0
TOTAL VOTES	10	9
ABSTENTIONS (A)	0	0

CONSENT AGENDA

From the notice of actions of the Transmission Committee meeting dated July 1, 2010, which has been previously circulated:¹

1. Revisions to Ancillary Service Schedule No. 2 Business Procedure

Support the revisions to ISO New England Ancillary Service Schedule No. 2 Business Procedure, as recommended by the Transmission Committee at its June 28, 2010 meeting, with such further non-substantive changes as the Chair and Vice-Chair of the Transmission Committee may approve.

The motion to recommend Participants Committee support was unanimously approved.

From the notice of actions of the Markets Committee meeting dated July 16, 2010, which has been previously circulated:²

2. Manual M-27 Retirement and Revisions to M-28 and M-29

Support the retirement of ISO New England Manual M-27 (Tariff Accounting) and revisions to ISO New England Manuals M-28 (Market Rule 1 Accounting) and M-29 (Billing) to reflect that retirement and further clarify those Manuals, as recommended by the Markets Committee at its July 12-14, 2010 meeting, with such further non-substantive changes as the Chair and Vice-Chair of the Markets Committee may approve.

The motion to recommend Participants Committee support was unanimously approved.

From the notice of actions of the Reliability Committee meeting dated July 21, 2010, which has been previously circulated:³

3. Revisions to Planning Procedure 5-6

Support the revisions to ISO New England Planning Procedure No. 5-6 (Scope of Study for System Impact Studies Under the Generator Interconnection Procedures), as recommended by the Reliability Committee at its July 19, 2010, meeting, with such further non-substantive changes as the Chair and Vice-Chair of the Reliability Committee may approve.

The motion to recommend Participants Committee support was unanimously approved.

¹ Transmission Committee Notices of Actions are also posted on the ISO website at: http://www.iso-ne.com/committees/comm_wkgrps/trans_comm/tariff_comm/actions/2010/index.html.

² Markets Committee Notices of Actions are also posted on the ISO website at: http://www.iso-ne.com/committees/comm_wkgrps/mrkt_comm/mrkt/actions/index.html.

³ Reliability Committee Notices of Actions are also posted on the ISO website at: http://www.iso-ne.com/committees/comm_wkgrps/relbty_comm/relbty/actions/index.html.

Directions:

From The Airport:

Follow signs from the airport for Boston/Sumner Tunnel. At the end of the Sumner Tunnel, move into the left lane and merge onto I-93N. Follow I-93N to Exit 26 – Cambridge/Storrow Drive. Follow Storrow Drive to the Copley Square/Back Bay Exit (The 2nd left hand exit). At the traffic light, turn right onto Beacon Street. Follow Beacon Street 4 blocks and turn left onto Exeter Street. Follow Exeter Street until it ends and turn right onto Huntington Avenue. Follow Huntington Avenue through the 1st set of lights. Make a U-turn at the 2nd set of lights (The hotel will be on your left hand side at this set of lights). Once you make the U-turn, the hotel entrance will be immediately on your right hand side. The garage entrance is located just beyond Brasserie Jo.

From The West:

From New York and Connecticut (Route I-90E)

Follow the Massachusetts Turnpike/Route I-90E to Exit 22 - Copley Square/Prudential. Stay in the left lane and follow signs for “Prudential.” This exit will place you directly onto Huntington Avenue. Proceed through the stop sign and merge into the far left lane. Make a U-turn at 1st the set of lights (The hotel will be on your left hand side at this set of lights). Once you make the U-turn, the hotel entrance will be immediately on your right hand side. The garage entrance is located just beyond Brasserie Jo.

From Worcester and Fitchburg (Route 2E)

Follow Route 2E to Exit 52A – Route 95S/Route 128S. Follow Route 95S/Route 128S for 7 miles to Exit 25 – Massachusetts Turnpike/Route I-90E. Follow the same directions as above from Route I-90E.

From The North: (Maine, New Hampshire, Vermont and the North Shore)

Heading southbound on Route 95S, take Exit 37 – I-93S. Follow I-93S to Exit 26 – Storrow Drive. Stay in the left lane and follow signs for “Storrow Drive.” Follow Storrow Drive to the Copley Square/Back Bay Exit (The 2nd left hand exit). At the traffic light, turn right onto Beacon Street. Follow Beacon Street 4 blocks and turn left onto Exeter Street. Follow Exeter Street until it ends and turn right onto Huntington Avenue. Follow Huntington Avenue through the 1st set of lights. Make a U-turn at the 2nd set of lights (The hotel will be on your left hand side at this set of lights). Once you make the U-turn, the hotel entrance will be immediately on your right hand side. The garage entrance is located just beyond Brasserie Jo.

From The South: (Cape Cod and the South Shore)

Heading northbound on Route I-93N, take Exit 18 – Massachusetts Avenue. Proceed through the 1st set of lights. At the 2nd set of lights, turn left over the highway and follow signs for Massachusetts Avenue. Turn right onto Massachusetts Avenue and continue through 8 sets of lights to Huntington Avenue. Turn right onto Huntington Avenue and continue through 2 sets of lights. The hotel will be immediately on your right hand side. The garage entrance is located just beyond Brasserie Jo.

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