

**ISO RTO COUNCIL
ELECTION PROCEDURES AND RESPONSIBILITIES
FOR INDUSTRY ORGANIZATIONS**

December 8, 2006

I. Background

The ISO RTO Council (IRC) participates in various electric industry organizations including the North American Electric Reliability Organization (“NERC”), the North American Energy Standards Board (“NAESB”), and the Electric Power Research Institute (“EPRI”).

To the extent these organization’s procedures allow for representatives from the ISO/RTO community on their Committees, the procedure below provides a process for which IRC members can nominate and elect members to serve on committees and working groups where IRC representation is appropriate and determined to be necessary. Appendix A is a list of currently known organizations and groups for IRC participation. These procedures are intended to be consistent with any of the requirements set in these Organizations’ own election procedures. It also proposes any appropriate funding mechanisms for the IRC to participate in these industry organizations.

Additionally, the IRC may choose to select candidates to fill representative positions on working groups, task forces, subcommittees, or any industry group that does not have a specific segment for ISO and RTO representation, or to select a nominee for a representative position in which a non-IRC member also may nominate for. Chairpersons of the IRC committees shall determine the appropriate IRC committee to elect the representative and use these procedures.

Definitions used in this document include:

IRC Committee – a standing committee of the ISO/RTO Council that has selected a representative to serve on an industry representative committee

Industry organization – an organization composed of industry stakeholders which ISO/RTO Council members are participating in

Industry representative committee (“committee”) – the committee, subcommittee, working group, task force, or task group, which the IRC has nominated and/or elected a representative to

A. ELECTION

- (1) These election procedures should be utilized to fill representative seats in industry organization/industry representative committee where a segment has been formed to represent RTOs and ISOs, where the Committee allows for representatives from an “industry segment”, and when the bylaws or rules of procedures of that industry organization/industry representative committee allows for

that segment to utilize its own election procedure to elect or nominate its representative(s).

(2) The election method of the RTOs/ISOs shall be as follows:

(a) The RTOs/ISOs shall elect a representative(s) from among those entities who are in the ISO/RTO Council. Only those entities who are members or who are eligible to vote in that industry organization may nominate and vote. The candidate is elected upon receiving a two-thirds (2/3) majority of the votes. The responsible IRC committee referenced in Appendix A shall be the designated voting body for the election. If more than one IRC committee is referenced, the acting chairpersons for each respective committee shall decide which seats will be appointed by their committee.

(b) If the industry organization allows for entities outside of the ISO/RTO Council to participate and nominate in the segment which the ISO/RTO Council members are registered in, the ISO/RTO Council shall nominate the representative(s) to such industry organization for election under that organization's procedures.

(c) The nominations and votes should be from the IRC Committee which designates the representative/nominee. Appendix A suggests IRC Committees to oversee known industry organization committees.

B. RESPONSIBILITIES

(1) Representative for the RTOs/ISOs

The RTOs/ISOs representative elected to the committee shall keep their IRC members informed of activities of the committee. This may include sending a committee agenda to the chairman of the IRC Committee as soon as possible prior to a regularly scheduled meeting (telephone conference or face to face meeting) at the discretion of the representative. The purpose of this is to solicit input from IRC committee members on any agenda items in order to allow the representative to carry forth the views of the RTOs/ISOs on the agenda items. After actions have been taken by the committee at its meeting/conference call, the representative shall immediately inform the RTOs/ISOs of actions taken or other important items.

Representatives should provide updates to the IRC Committee it represents at their regular meetings.

It is highly recommended that representatives be selected from the membership of the IRC Committee it represents to maintain a close working relationship required to meet these responsibilities.

(2) IRC Members

IRC members may approach the representative at any time to provide input and opinions on issues affecting that representative's committee. IRC members are encouraged to raise these concerns through their IRC Committee with the intent to gain consensus opinions for the representative to carry forward.

C. TIME COMMITMENT

The representative elected by the IRC Committee must commit to spending the time necessary for that committee. Once elected, if that representative is unable to carry out his or her duties on the committee, the IRC Committee should be notified and a new representative should be elected.

D. REPLACEMENT

The IRC Committee may recall a representative upon two-thirds (2/3rds) vote of the IRC Committee.

Any IRC Committee member may ask for a replacement representative if it is determined that the person is unable to represent the ISO RTO Council due to:

- Termination of employment by an ISO RTO Council member organization
- Lack of commitment to fulfill duties in appointed committee
- Lack of objectivity in representing the consensus viewpoints of the ISO RTO Council

APPENDIX A

Industry Organization Committees & Representative Attributes

The list of known industry organizations and committees which the IRC actively participates in is to be utilized to select qualifying candidates for IRC nominations.

Industry Organization and Committee	Segment/# reps	IRC Committee Responsible	Attributes of Representative	Term of Service	Time Commitment	Fees
NERC Members Representative Committee	Segment 2 ISO RTOs, 1 representative*	CEOs	Senior management level and above required. (NERC Bylaws at art. VII, sec. 2) Knowledge of NERC Standards Familiarity with organization governance issues.	Staggered 2 year term.	4 (1 day) meetings per year	None
NERC Standards Committee	Segment 2 ISO RTOs, 2 representatives (NERC Rule of Procedure, 306)	Standards Review Committee	Manager level and above preferred. Technical background in operations or engineering	Staggered 2 year term.	4 (2 day) meetings per year, conference calls as needed	None

			Familiarity with consensus building processes.			
NERC Registered Ballot Body	Segment 2 ISO RTOs, 1 representative per registered voting segment (NERC allows entities to register for more than one business interest segment)	Individual organization	Familiarity with NERC standards and system operations and/or transmission planning. This person should vote to represent the views of his organization. Close communications and/or participation in the SRC is encouraged.	unlimited	N/A	None
NERC Operating Committee	Segment 2 ISO RTOs, 1 representative*	Standards Review Committee	Manager level and above preferred. Technical background in operations or reliability standards	Staggered 2 year term.	4 (2 day) meetings per year	None

			applications.			
NERC Planning Committee	Segment 2 ISO RTOs, 1 representative*	Planning Committee	Manager level and above preferred. Technical background in engineering or reliability standards applications.	Staggered 2 year term.	4 (2 day) meetings per year	None
NERC Personnel Certification Governance Committee	Segment 2 ISO RTOs, 2representatives	Training Committee	Supervisory level and above preferred. Knowledge of operator training and NERC certification requirements.	2 year term.	4 (1 ½ day) meetings per year.	None
NERC Compliance and Certification Committee*	Segment 2 ISO RTOs, 1 representative*	Standards Review Committee	Manager level and above preferred. Familiarity with NERC reliability standards and NERC compliance program.	2 year term.	4 (1 ½ day) meetings per year.	None
NERC Critical Infrastructure Protection	Representation by Regions and trade	IT Subcommittee			4 (1 ½ day) meetings per year.	None

Committee	associations, no ISO RTO segment					
NASEB Board of Directors	Segment 6 ISOs RTOs and Independent Grid Planners, 7 representatives	CEOs	Senior management and above preferred. Familiarity with governance and consensus building processes.	2 year term (1/2 members are staggered). Board representatives may not serve on any NAESB executive committees.	4 meetings per year, conference call capabilities (required min. 25% in person attendance per year, and 75% min. attendance per year, no proxies or substitutes)	\$5000 annual NAESB membership fee per entity
NAESB Executive Committee	Segment 6 ISOs RTOs and Independent Grid Planners, 7 representatives	Standards Review Committee and Markets Committee	Manager level and above preferred. Background in tariffs (OASIS) and market protocols.	2 year term (1/2 members are staggered). A pre-designated alternate (5 days prior to meeting) is allowed.	4 meetings per year, conference call capabilities (required min. 25% in person attendance per year, and 75% min.	\$5000 annual NAESB membership fee per entity

					attendance per year, no substitutes, proxy voting allowed)	
NERC-NAESB-JIC Joint Interface Committee	ISO RTO Council members 5 primary and 5 alternate members	Regulatory Legal Committee and Standards Review Committee	Manager level and above preferred. Familiarity with NERC and NAESB processes and governance issues.	Unlimited	Once per quarter (approx.) and as needed. Mix of in-person meetings and conference calls.	None
EPRI CEOs	1 ISO/RTOs representative	CEOs	Executive level. Expertise in ISO RTO principles and operations.	3 year term		Fees borne by the serving member

- * possible restructuring in early 2007 to add one ISO RTO segment representative, these committees are not in NERC's Rules of Procedures and therefore not subject to the open and balanced representation requirements of the ERO