

We are proposing that the IJT meeting scheduled for October 28, 2008 be a conference call. The agenda, so far, is as follows:

1. Action Item and Initiatives Review
2. Transactions Failures - MISO Transmission
3. NY Failure Update

With respect to Agenda Item 1, the IESO is proposing to close the following action items and initiatives seen in the attached lists, the rest will remain open:

Open Action Items to be Closed

Action Item 1

This action item, along with the long term solution design, is being addressed through the long term solution working group.

Action Item 5

The IESO has confirmed that the cause for no longer accepting operating reserve as an import from PJM is a timing issue.

Action Item 6

The Treasury Policy is classified as a confidential document, meaning only internal staff can view it. However, the policies allow only high-quality investments and are approved by our CFO and reviewed by our Audit Committee.

Action Item 7

The IESO received no comments. Moving forward, the IESO will remove priority exports and will stakeholder the appropriate rule and manual changes.

Action Item 8

There is currently no trade of OR from any markets. The only market that does not allow it in their rules is NYISO. MISO does not have an OR market, PJM does not have a synchronized market. NE has identified a software limitation as a barrier to OR trade but has a provision to consider importing OR when the software tool supports it. Quebec does allow exporting of OR.

This issue has been discussed at the Market Pricing Working Group (MPWG). Please review the material from the MPWG webpage for more details.

Action Item 9

The IESO received no comments and the initiatives list will be discussed at the October IJT meeting.

Action Item 10

The first Economic Dispatch of Linked Wheels Working Group was held on September 12, 2008.

Open Initiatives to be Closed

Initiative 1

The publication of intertie information (shadow prices, congestion prices and when the NISL is binding) has been completed.

Initiative 6

The initiative around counter intuitive failure charges was closed at the IJT meeting held on August 21, 2008. Refer to minutes for details.

Initiative 9

Notification of curtailed transaction due to recallability is closed. Since the removal of CAOR from predispach, there are no more recallable transactions to be curtailed. Furthermore, participants can sign up for an email service where they will receive notifications when their transactions are curtailed. In the comments section of this email, it will say if the curtailment was due to CAOR.

Initiative 13

TransEnergy scheduling protocols are being discussed at the TE/IESO Seams Committee as well as with the Inadvertent Working Group. This issue should be closed as it stands in other groups.

Initiative 15

This information can be found at

http://www.ieso.ca/imoweb/pubs/tr/Transmission_Rights_sw_r25.pdf

Initiative 16

This initiative is closed with the removal of CAOR from predispach. There are no longer exports recalled due to CAOR.

With respect to Agenda Item 2, the following is a brief description of what will be discussed:

Market Participants are submitting NODs for failure charges when their imports from MISO are failing due to not obtaining transmission in MISO.

The IESO has noticed over the past few weeks that participants who cannot acquire transmission service in MISO have not been submitting tags. As a result, the IESO has tagged this failure as within the participants control (OTHER). However, the participants have

informed the IESO that the lack of the etag is due to the inability to acquire transmission in MISO.

In order to apply the appropriate failure code, in this case, MrNH, the IESO requires "proof" that an attempt to acquire transmission was made. In the past, this "proof" has been a denied etag.

If this method of providing proof is proving to be cumbersome, we are open to suggestions and discussion on other solution.

To summarize, the items in this memo will be discussed at the meeting on October 28, 2008. What we are looking for right now is if there are any objections to holding this meeting as a conference call. If so, please contact myself by end of business October 15, 2008.

Thanks,
Dave