

DRAFT**NYISO Management Committee Meeting Minutes****November 19, 2019****10:00 a.m. – 1:00 p.m.****1. Introductions, Meeting Objectives, and Chairman's Report**

The chair of the Management Committee (MC), Ms. Jane Quin (Con Edison), called the meeting to order at 10:00 a.m. by welcoming the members of the MC. Members identified themselves and attendance was recorded. A quorum was determined.

2. President/COO Report

Mr. Rich Dewey (NYISO) welcomed Ms. Quin to her first meeting as MC Chair and stated that he looks forward to working with her in 2020.

Mr. Dewey acknowledged a major milestone; today's 20 year-anniversary of NYISO start up. He thanked everyone who participated in initiating the wholesale markets and he wished all a happy anniversary.

Mr. Dewey provided an update on the NYISO's participation in GridEx, an emergency readiness simulation conducted by the North American Electric Reliability Corporation (NERC). This drill took place on a national level with hundreds participating, and included testing communications on how NYISO would manage and facilitate discussion with the State and Federal Government to restore power to NY. Mr. Dewey noted that the drill was successful and there will be a follow-up in the future.

Mr. Rick Gonzales (NYISO) provided an update on the market operations highlights and operations report.

3. Winter Capacity Assessment

Mr. Wes Yeomans provided the winter capacity report (presentation included in meeting material). Mr. Yeomans reported that for the projected baseline forecast peak conditions and expected performance of the transmission system, generation, and pipeline infrastructure, the NYISO expects to meet reliability criteria throughout the winter.

4. Class Year Redesign

Mr. Thinh provided an update on the Class Year Redesign (presentation included in meeting material).

Mr. Mark Reeder (Alliance for Clean Energy) provided the following statement for the record:

The renewable energy industry is pleased that the NYISO has put so much effort into making the interconnection process more efficient. With the dramatic increase in renewable energy that the law now requires, it's a new world, and the NYISO's efforts show they recognize this and are helping to make this a smooth and efficient transition as much as possible. We look forward to FERC approving these reforms and more importantly, the reforms bearing fruit in the form of a speedier process.

Mr. Matt Schwall (Eastern Energy), commended the NYISO's efforts in collaborating with stakeholders to develop the proposed enhancements to the Class Year and interconnection processes and noted IPPNY's support.

Mr. Dewey thanked Mr. Reeder and Mr. Schwall and stated that the NYISO recognizes that there are many changes driven by both policy and the industry, and the interconnection process is very important to make sure we getting the appropriate studies and analysis done in order to safely and effectively operate the grid

while not unnecessarily creating barriers. He thanked the NYISO staff and stakeholders for working through this complicated proposals and considerations and stated that the NYISO is committed to looking at future enhancements.

Motion 1

The Management Committee (MC) hereby approves the revisions to the Market Administration and Control Area Services Tariff and Open Access Transmission Tariff as described in the tariff revisions accompanying the presentation entitled “Class Year/Interconnection Queue Redesign,” made at the November 20, 2019 MC meeting, including modifications to tariff revisions discussed at that meeting, and recommends that the NYISO Board of Directors authorize NYISO staff to file such revisions under Section 205 of the Federal Power Act.

The motion passed unanimously by show of hands.

5. Competitive Entry Exemption Proposals: Additional CRIS/Non-Qualifying Contract Rule Change

Mr. Jonathan Newton (NYISO) provided an update on the Competitive Entry Exemption Proposals (presentation included in meeting material).

Mr. Kevin Lang (City of NY) noted that the City has been pushing for a repowering exemption for many years; and the City has expressed a lot of concern over the years regarding the extent of buyer side mitigation in NYC and are supportive of this as an alternative to repowering. He hopes that these enhancements will spur projects to move forward in NYC. He also commented that the City continues to be concerned that it is not the NYISO’s job to approve how utilities or other LSE’s conduct their competitive solicitations when determining whether a competitive entry exemption is awarded. He agreed that the NYISO made this clear in the stakeholder process – that its review of a solicitation is solely for the purpose of determining whether it is in compliance with the tariff requirements for a competitive entry exemption and not an approval of the solicitation. Mr. Lang suggested that this point did not come through clearly in the NYISO’s proposal. With this clarification the City appreciates that NYISO’s efforts to move this forward and will be supporting the proposed revisions.

Ms. Doreen Sais (Entergy) stated that the NYISO should use the collaborative NYISO Stakeholder process, which was integral to reaching consensus for the enhancements to the Competitive Entry Exemption rules, as a template as much as possible when undertaking further review of the current mitigation paradigm and capacity market rules, as this will result in a more effective market design. Ms. Saia urged parties to start thinking along the lines of the status quo probably isn’t going to work and eliminating it entirely won’t work either, so we should agree to talk about other alternatives within the collaborative NYISO process.

Mr. Dewey agreed that when you look at the comments in the proceeding there are overriding themes that all parties could agree on. He stated that the status quo is not going work and we all need to recognize there are changes that are necessary in light of what is being driven both from a policy and industry standpoint. Mr. Dewey stated that time is not going to be on our side in this and we do need to focus on this and get it right, and added that this is the approach we are taking and we do intend to make sure everyone at FERC knows we are taking it very seriously and working very hard on this. We believe our stakeholder process is the most effective means of getting a solution in a timeframe that benefits everyone and, hopefully, minimizes the amount of litigation we have at the back end.

Motion 2

The Management Committee (MC) hereby approves the revisions to the Market Administration and Control Area Services Tariff as described in the tariff revisions accompanying the presentation entitled “Competitive Entry Exemption Proposals for Additional CRIS and the Non-Qualifying Contract Rule Change,” made at the November 20, 2019 MC meeting, and recommends that the NYISO Board of Directors authorize NYISO staff to file such revisions under Section 205 of the Federal Power Act.

The motion passed unanimously by show of hands.

6. Energy Management System Update

Mr. Doug Chapman provided the following verbal update on the Energy Management System.

We are working on resolving the issues with the Energy Management System (EMS) and expect to have the software in a completed state in mid-December, at which point we start the parallel testing. That testing period will run through early February and at that point, we expect the EMS platform to be ready to operate. We are targeting a cut over in the first week of March, however, we want to be ready by the end of January so we have the option of cutting over early in February in the event the weather conditions will allow that. We would like to get the EMS deployed as soon as possible so we can begin the integrated testing of the energy storage platform as quickly as possible. We are keenly aware of how important the project is, and want to see it go live as soon as possible and we have been working diligently with our vendor to make sure that we are progressing aggressively on the software development for energy storage and can begin testing as early as possible in 2020.

We have not received an order from FERC yet, agreeing to the approach we are taking to implement energy storage. That order is pending so in the event we get an order from FERC and they direct us to make changes to the energy storage functionality that we have assumed we would be approved; we would have to adjust the software development in order to address that change. The degree to which that would impact the schedule is subject to that, but hopefully we will get an approval on what we submitted and can move to testing.

7. New Business

Ms. Quin encouraged members to attend the monthly MC Board Liaison meetings. She noted that these meetings provide a unique opportunity to interact with the NYISO board and raise any issues and concerns, something that not all RTO's and ISO provide.

Mr. Dewey wished all a Happy Thanksgiving.

The meeting was adjourned at 12:15.