
NYISO Management Committee Meeting Minutes**April 15, 2020****10:00 a.m. – 12:30 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 the attendance was recorded. A quorum was determined. Ms. Quin noted that at the request of stakeholders, clarifying revisions to the both the ESR Scheduling Performance and the Comprehensive Mitigation Review tariff language were posted under MC meeting material yesterday.

2. Estimated Impacts of COVID-19 on NYISO Demand

Mr. Chuck Alonge (NYISO) provided an update (included with meeting material). Mr. Alonge noted that the NYISO Operations and Demand Forecasting team continue to monitor and assess the impacts of the COVID-19 shutdowns.

Mr. Kevin Lang (City of NY) asked if impacts of COVID-19 would delay the issuance of the 2020 Gold Book. Mr. Alonge said it would not; the plan is to release the draft this week.

3. Disposition of Funds Remaining from 2019 Budget Cycle

Ms. Cheryl Hussey (NYISO) reviewed the presentation (included with meeting material). The original budget motion, approved by members and the Board, indicated that if a Rate Schedule 1 over-collection and/or a spending under-run occurred, the related funds should be utilized to pay down the principal amount of outstanding debt or reduce anticipated debt borrowings. However, due the Coronavirus outbreak, the NYISO staff is proposing that NYISO retain these funds to potentially offset a significant shortfall in 2020 Rate Schedule 1 recoveries and unplanned expenditures resulting from NYISO's response to the Coronavirus outbreak. Ms. Hussey added that additional details would be provided at the next Budget and Priorities Working Group meeting.

Mr. Lang said that he understood the basis for the recommendation to deviate from what was approved last year and believes this is an appropriate step based on the circumstances; however, these funds should only be used for under recoveries and unplanned expenses due to the coronavirus, and not for new studies or new projects.

Motion #1

The Management Committee hereby recommends that the Board of Directors approve retaining the \$6.4 million remaining from the 2019 budget cycle to potentially offset a shortfall in 2020 Rate Schedule 1 recoveries and unplanned expenditures related to NYISO's Covid-19 response in 2020 as described in the presentation materials for the April 15, 2020 Management Committee meeting.

The motion passed unanimously with an abstention.

4. ESR Scheduling Performance Proposal

Mr. Mike DeSocio (NYISO) reviewed the presentation (included with meeting material).

Mr. Howard Fromer (PSEG) thanked Mr. DeSocio for addressing the concern that stakeholders have expressed regarding the long standing NYISO practice of posting the DA results at 9:30 in the morning and how important that is, in particular to coordination between the gas and electric markets. Mr. DeSocio acknowledged the

importance of the current operating practice for posting results of the DAM prior to 10 a.m. as it relates to electric and gas market coordination, and stated that the NYISO will continue to be mindful of this timing consideration going forward.

Motion #2

The Management Committee ("MC") hereby recommends revisions to the NYISO's Market Services Tariff ("MST") as described in the presentation entitled "ESR Scheduling Performance Proposal," at the April 15, 2020 MC meeting and recommends that the Board of Directors authorize the NYISO staff to file these under Section 205 of the Federal Power Act.

The motion passed unanimously with an abstention.

5. Comprehensive Mitigation Review: Revisions to Part A Exemption Test

Ms. Christina Duong (NYISO) reviewed the presentation (included with meeting material).

Mr. Fromer asked what the next steps would be, if the proposal was approved. Ms. Duong stated that the plan is to tackle Part A and then work on Part B in the future.

Mr. Fromer expressed concern on the lack of a definition for zero-emitting Public Policy resources, and noted that this group is a key reason for the change and will be the group that benefits from it. Mr. Fromer added that the lack of a definition could present an issue for FERC because the term is so open-ended.

Mr. Chris LaRoe (Brookfield) recommended that the NYISO consider specifically listing run-of-river hydro resources as a technology that qualifies as a "public policy resource" under the proposed enhancements to the Part A test.

Mr. Kevin Lang (City of NY) noted that the City of NY supports this proposal and believes it is a good and appropriate improvement to the process to recognize what we are trying to achieve in the State, and doing it in a matter that should not adversely affect the market or pricing per unit. Mr. Lang noted his appreciation to Christina Duong, Shaun Johnson, David Allen, Lorenzo Seirup, for working through this quickly and being responsive to input from all the stakeholders. He added that this is a good example of how the process should work.

Mr. Bill Heinrich (PSC) echoed Mr. Lang's comments.

Mr. Jim D'Andrea (Ravenswood) countered the response, noting that Ravenswood will be voting against this proposal; not because it's against change, but due to some significant concerns and uncertainty on as to how the proposal will impact necessary reliability investments in resources. He noted that Ravenswood, owned by LS power, supports the states policy and has affiliates that are investing in these resources in NY and elsewhere across the country, and with the right market design, renewables could be incorporated in the energy, capacity, and ancillary services markets in a way that doesn't undermine reliability. Mr. D'Andrea said reliability must be the top priority, and that the resource adequacy market that the capacity market is designed to provide is being jeopardized by some of these proposals. He added that the pending proposal at FERC needs to have a decision before we make what is being claimed to be another comprehensive change. Mr. D'Andrea stated that the proposal is by no means comprehensive; this is a piece mail approach. He concluded by saying that he is not against the changes that may be needed to accommodate renewables, but he does not think this is the correct one and will respectfully vote against.

Ms. Doreen Saia (Greenberg Traurig) asked that the final tariff revisions posted on the NYISO website be clearly labeled "final tariff revisions" and the motion language reference the specific files. The files and motion were revised as requested.

Motion #3

The Management Committee (MC) hereby approves the revisions to the Market Administration and Control Area Services Tariff as described in the final revised tariff revisions dated April 15, 2020 accompanying the presentation entitled “Comprehensive Mitigation Review: Revisions to Part A Exemption Test” made at the April 15, 2020 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 with two votes in opposition and abstentions.

6. New Business

Mr. Rich Dewey (NYISO) provided an update on the NYISO’s pandemic preparedness and coordination.

- Grid Operators – Mr. Dewey reported that the grid operators continue to be sequestered at both facilities, alternating day and night shifts since March 26, which has worked very well, and their health and well-being are continually monitored.
- NYISO Staff – Mr. Dewey reported that the rest of the NYISO population is almost exclusively work from home, which has gone amazingly well, despite all the challenges with teleconferencing and inability of both staff and stakeholders to interface in-person. Mr. Dewey expressed his appreciation for the patience and cooperation of all the stakeholders and the NYISO staff.
- Operations and coordination with the utilities - Mr. Dewey reported that the NYISO has daily calls with the Transmission Owners, and weekly calls with all of the Transmission Owner CEOs and executive management of the other IRC entities. In addition, the NYISO has regular communication with the gas pipelines and LDCs, exchanging status information and coordination around specific challenges or limitations that any organization might be facing, that could result in operational issues. Mr. Dewey stated that he is happy to report that there have been no issues yet, and added that the coordination is an important part of what we do day to day as we keep our eyes on the results of the impact of the pandemic.
- Generator community – Mr. Dewey reported that the NYISO Operations team, led by Mr. Wes Yeomans (NYISO) coordinates weekly surveys as a status checkpoint to determine if there are any limitations or challenges as a result of the pandemic. Conference calls are held on a bi-weekly basis with state agencies, DPS and the Governor’s office and discuss any issues related to the challenges the generator community might be experiencing. Mr. Dewey stated that he is pleased to report that all organizations have demonstrated very good pandemic response and readiness. There have been no real operational challenges experienced to date. Mr. Dewey stated that it is refreshing how responsive the industry has been across the board. The NYISO continues to assess the pandemic, and to the extent that challenges pop up, communication is key.

Mr. Chris Wentlent (MEUA) thanked Mr. Dewey for providing the update. He asked if the NYISO anticipates any operational impacts from outages that normally occur in the spring. Mr. Yeomans replied that the asset owners on both the TO and generator sides have reviewed their spring maintenance schedules and are making their determinations on critical maintenance that needs to be done this spring to make sure their assets work well during the summer; there have been some maintenance outages rescheduled on both sides. Mr. Yeomans noted that based on the outreach with the asset owner, the NYISO has a high level of confidence that the correct amount of maintenance is underway and being performed and will perform well during this summer, especially during heat wave conditions.

Under other New Business, Mr. Howard Fromer (PSEG) noting that a petition had recently been filed at FERC seeking a technical conference for carbon pricing, and asked if the NYISO would be supportive. Mr. Dewey stated that he would be supportive of any open discussion that promotes the advancement of carbon pricing.