

NYISO Management Committee Meeting Minutes**August 26, 2015****10:00 a.m. – 12:00 p.m.**

1. Introductions, Meeting Objectives, and Chairman's Report

The chair of the Management Committee (MC), Ms. Deidre Altobell (Con Edison) called the meeting to order at 10:05 a.m. by welcoming the members of the MC. The members of the MC identified themselves and attendance was recorded. A quorum was determined.

2. Approval of Meeting Minutes**Motion #1:**

The Management Committee (MC) approves the June 2015 meeting minutes.

The motion passed unanimously by show of hands

3. President/COO Report

Mr. Stephen Whitley (NYISO) introduced Mr. Doug Chapman (NYISO), VP of Information Technology, and Mr. Gary Will (FERC) who is from the recently established FERC office in New England that also covers the NYISO.

Mr. Whitley reported that Ms. Mollie Lampi (NYISO) would be retiring in early September. The MC recognized and applauded Ms. Lampi for her contributions to the NYISO shared governance process.

Mr. Whitley reviewed the EPA's Clean Power Plan and its impact on NY. He said the EPA incorporated comments that it received from the NYISO, which significantly reduced any possible harm to reliability in NY. He noted that the NYISO would present the information in greater detail at the August 27th ESPWG meeting. Mr. Paul Gioia (representing the NYTOs) appreciated the NYISO's efforts in submitting comments to the EPA and supporting reliability.

Mr. Rick Gonzales (NYISO) reviewed the market operations and operations performance metric reports included with the meeting material. He reported there would be transmission line outages scheduled until June 1, 2016 to accommodate the TOTS projects and there would be a significant impact to the Central East transfer capability and congestion. He noted that the NYISO had to schedule these outages during some of the cold weather months. In response to a question from Ms. Doreen Saia (Entergy), Mr. Gonzales said that the TOTS projects included the NYPA Marcy South Series Compensation and Con Edison's Rock Tavern-Ramapo projects. He added that the outage schedule was posted on the NYISO website, and said that the TOTS projects would increase cross state transfer capability by approximately 500 MW.

Summer 2015 Warm Weather Operations

Mr. Wes Yeomans (NYISO) reviewed the presentation included with the meeting material. He noted that the NYISO provided a more comprehensive presentation to the August 13th Operating Committee and stakeholders may want to view that presentation for more information.

Mr. Yeomans said that the improved transmission voltage performance across the state could be attributed to the capacitors that were installed as part of the Department of Energy Smart Grid grant.

Mr. Luc Bernier (HQ US) asked why the NYISO could not post the wind generation performance on its website. Ms. Emilie Nelson (NYISO) said that the NYISO has a project to increase transparency and provide five minute wind data in near Real Time showing the actual NYCA-wide wind performance on its website. The project is expected to be deployed in December 2015. Mr. Jackson Morris (NRDC) thanked the NYISO for reporting the wind generation performance on the warm weather days in its presentations.

4. Rate Schedule 1: Allocation of NYISO Budget

Ms. Cheryl Hussey (NYISO) reviewed the presentation included with the meeting materials. She reminded the MC that the purpose of today's vote was for the MC to act on whether there should be a study in 2016 to evaluate a change to the current Rate Schedule allocation. She noted that if the motion fails, the topic would return to the MC for action in Q3 2016.

Motion #2:

The Management Committee hereby determines that a new Cost of Service study should be conducted during late 2015 and 2016 to inform a decision on whether a modification of the 72%/28% cost allocation between Withdrawal Billing Units and Injection Billing Units is warranted, pursuant to OATT Section 6.1.2.3.

The motion failed unanimously by show of hands with abstentions

5. Changes to the Market Services Tariff Attachment H

Mr. Giacinto Pascazio (NYISO) reviewed the presentation included with the meeting material.

Mr. David Clarke (LIPA) supported the NYISO for the change to Section 23.3.1.4.6.1. He expressed a concern with Section 23.3.1.4.6.2.1.1 because LIPA continues to oppose incorporation by reference the definition and thresholds of non-OFO penalty gas and non-OFO unauthorized gas use as defined in a local gas distribution company's tariffs. It requires significant PSC attention to what is called "penalty gas" in PSC jurisdictional tariffs and their determination could have huge implication on whether non-OFO balancing charges can be recovered. The non-OFO balancing charges are not under LIPA's control and LIPA is opposed to the NYISO having the right to say that LIPA cannot recover those costs. This proposal is not just and reasonable. LIPA is not opposed to precluding cost-recovery for unauthorized gas usage during OFOs. LIPA is okay with the general idea that you can preclude recovery for OFOs, but is uncomfortable with precluding recovery of unauthorized gas usage or penalty gas that is not under OFO conditions.

Mr. Clarke said that LIPA made a motion to amend at the August 12th Business Issues Committee meeting, but LIPA would not make a motion to amend at the MC. He also noted that LIPA opposed the Reference Level Manual changes that were approved at the BIC.

Ms. Kathy Logan (Entergy) said understood the concerns that LIPA has expressed and hoped that the NYISO would address those concerns in the future. Ms. Saia said it would be helpful for the NYISO to address the concerns because they continue to be raised. She said the proposed changes were important and should be approved. Mr. Pascazio agreed to address the concerns in the future.

Motion #3:

The Management Committee ("MC") hereby recommends that the NYISO's Board of Directors authorize the NYISO staff to file with the Federal Energy Regulatory Commission changes to the NYISO's Services Tariff Attachment H as described in the presentation entitled "Changes to the Market Services Tariff Attachment H", made to the MC on August 26, 2015.

The motion passed with 88.98% affirmative votes

6. Customer Service Index Update

Mr. Don Levy (Siena College) reviewed the presentation included with the meeting material.

Ms. Patti Caletka (NYSEG) asked if Siena would send the survey to numerous people at all of the Market Participant organizations. Mr. Levy said the survey would be distributed to Market Participants that had meaningful independent interactions with the NYISO.

7. New Business

Mr. Rich Barlette (NYISO) reported that the NYISO would be upgrading its audio/visual system in the NYISO's conference center in the near future and targeting for the work to be completed in December. In response to a question from Mr. Rich Bolbrock (MEUA), Mr. Barlette said the NYISO would not be upgrading its off-site audio equipment as the NYISO has been contracting with a local vendor to use their equipment.

Meeting adjourned at 12:00 p.m.