

DRAFT**NYISO Management Committee Meeting Minutes****March 28, 2018****10:00 a.m. – 1:00 p.m.**

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

The chair of the Management Committee (MC), Ms. Erin Hogan (NYS Utility Intervention Unit), called the meeting to order at 10:00 a.m. by welcoming the members of the MC. A quorum was determined.

2. Approval of the Draft January 31, 2018 Meeting Minutes

The draft meeting minutes from January 31, 2018 were presented for approval with a suggested correction to the identification of a representative's organization.

Motion 1

The Management Committee (MC) approves the January 31, 2018 meeting minutes.

The motion passed unanimously by show of hands

3. President/COO Report

Mr. Brad Jones (NYISO) thanked everyone for their participation in the sector meetings, noting that stakeholder feedback from the meeting has been tremendous and very helpful for the NYISO in preparation for the annual Joint Board of Directors and Management Committee meeting in Cooperstown, NY. Mr. Dave Clarke (LIPA) thanked the NYISO for listening to the stakeholder feedback.

Mr. Rick Gonzales (NYISO) reviewed the Market Performance Highlights and Operations Performance Report (presentation included with meeting material).

4. CRIS for External-to-ROS Transmission Investment

Mr. Ethan Avallone (NYISO) provided an overview of the NYISO's proposal (presentation included with meeting material). Mr. Mark Younger (Hudson Energy Economics) asked if HQ-US specifically requested from FERC the ability to get CRIS rights only into rest of state (ROS), or did they request ability to get CRIS rights into ROS for their specific project. Ms. Sara Keegan (NYISO) replied that the waiver was premised on the transmission upgrade associated with queue number 430 upgrade to the Cedars Dennison line which sinks into ROS; the waiver allowed HQ-US to request CRIS associated with the incremental transfer capability created by that transmission upgrade, so as a result they entered the Class Year 2017 and are being evaluated with CRIS associated with that transfer capacity.

Mr. Younger stated that NYISO put together a process where HQ gets CRIS rights and ability to sell capacity, but if something happened and the terminus of that line were to end up in a locality HQ's ability to sell capacity goes away. Mr. Younger questioned whether this is consistent with the FERC order. Ms. Gloria Kavanah (NYISO) stated that the NYISO has committed to working with Stakeholders on a product by which the CRIS rights would be available to use in the market. She added that in its filing to FERC NYISO would make clear that EDRs can only sink into ROS, therefore by definition they couldn't be used to sell capacity if the location of the sink were to become a locality. Ms. Kavanah noted that the NYISO is open to considering a transition mechanism for EDRs or external CRIS rights. Mr. Younger mentioned a proposal he had that would have resolved issue now, but stated the NYISO was not interested in that proposal. Mr. Younger then stated that this current proposal could allow HQ-US to bypass the project prioritization process.

Mr. Howard Fromer (PSEG) asked for confirmation that this facility is controllable facility, and that NYISO is not deviating from the fundamental understanding that controllable is an element of being able to provide capacity rights over the facility. Mr. Scott Leuthauser (HQ-US) said the EDR proposal is designed to require schedulability of the lines.

Mr. Leuthauser provided the following statement for the meeting minutes.

The EDR proposed rules resolve a significant issue with the ICAP market that an external supplier is currently unable to obtain CRIS rights from incremental capacity that it funds. While the EDR rules do not solve all of the issues in the ICAP market, they are a clear improvement. HQUS believes the EDR proposed rules are well aligned with the FERC Order granting HQUS' tariff waiver. We are pleased today to see the outcome after 8 years of work, and hope stakeholders will join us in support of these rules. Thank you.

Motion #2:

The Management Committee (MC) hereby (i) approve revisions to the NYISO's Open Access Transmission Tariff and Market Administration and Control Area Services Tariff as described in the presentation entitled "CRIS for External-to-Rest of State Transmission Investment" and as discussed during the March 28, 2018 MC meeting; and (ii) 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 with abstentions

5. 2017 CARIS Phase 1 Report

Mr. Tim Duffy (NYISO) provided an update (presentation included with meeting material).

Motion #3:

The Management Committee (MC) approves and recommends that the Board of Directors approve the NYISO 2017 Congestion Assessment and Resource Integration Study Phase 1 Report (2017 CARIS Phase 1 Report) as presented by the NYISO to the MC at its March 28, 2018 meeting. The motion passed unanimously by show of hands

The motion passed unanimously by show of hands

6. New Business

Ms. Hogan reminded members that topics for the monthly MC Liaison Subcommittee meetings are welcome and encouraged. Topics can be submitted to Leigh Bullock.

The meeting adjourned at 12:30