

DRAFT**NYISO Management Committee Meeting Minutes****January 25, 2017****10:00 a.m. – 10:30 a.m.****1. Introductions, Meeting Objectives, and Chairman's Report**

The chair of the Management Committee (MC), Mr. Scott Leuthauser (HQUS), 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. Approval of Meeting Minutes

The draft minutes for the November 30, 2016 meeting were presented for approval.

Motion #1:

The Management Committee (MC) approves the November 30, 2016 meeting minutes.

The motion passed unanimously by show of hands

3. President/COO Report

Mr. Brad Jones provided an update on Indian Point. Now that the shutdown has been announced, the NYISO needs to decide the best way to analyze the reliability impacts of the Indian Point closure. The retirement dates announced are: 2020 for Unit 2 and 2021 for Unit 3 which together total over 2000 MW. The agreement also provides for a possible extension to 2024 and 2025 respectively for Units 2 and 3.

The best way for the NYISO to analyze reliability impacts is following a notice of deactivation. Under our tariff filed with the FERC, the NYISO would conduct a study following a notification of deactivation that would determine what reliability needs, if any, arise as a result of a generating unit closure and enable the NYISO to seek market-based solutions, regulated solutions, or execute an RMR agreement to maintain reliability.

We also considered analyzing the potential reliability impacts of the Indian Point closure through the 2016 Comprehensive Reliability Plan or CRP. The CRP is conducted every two years and is designed to find solutions for reliability needs that were identified in previous year's Reliability Needs Assessment (RNA) base case. The RNA is also performed every two years and was most recently completed in 2016. The 2016 RNA base case assumed Indian Point would remain in service. The 2016 RNA found no reliability needs; therefore NYISO did not solicit solutions from the market. This approach was consistent with NYISO's prior RNAs. However, we decided not to analyze the Indian Point closure in the 2016 CRP for several reasons:

First, the tariff does not contemplate revising the CRP to identify new needs – that is the function of the RNA and as previously mentioned the 2016 RNA did not find any reliability needs to address. Second, as a practical matter we do not have sufficiently updated information regarding key assumptions, to perform a meaningful study of an Indian Point shut down as part of the CRP. In particular, we do not yet have an updated load forecast which, by itself, could affect the outcome of our LOLE calculation. The CRP relies upon the 2016 load forecast used in the 2016 RNA. The updated load forecast will be available at the beginning of May.

We think it is best to do the reliability study once as part of the deactivation process using the best currently available information. It is our expectation that we will receive a deactivation notice in the coming months.

In the unlikely event that we do not receive a deactivation notice as expected, we would study an Indian Point retirement as part of the RNA base case for 2018. If the shut down creates reliability needs, we would solicit solutions as part of the normal planning cycle.

The NYISO has shared our plans with market participants at the ESPWG and now here again at the MC.

Mr. Kevin Lang (City of NY) expressed concern that too much time would be lost if we waited until 2018-2019 to do the analysis.

Mr. Mark Younger (Hudson Energy Trading) suggested that if the NYISO has not received a deactivation notice by June, the NYISO should consider initiating a study. Mr. Andy Antinori (NYPA) and Ms. Erin Hogan (UIU) both agreed.

Mr. Wes Yeomans (NYISO) presented the Market Operations Highlights and the Operations Report (included with meeting material).

4. New Business

There was no new business

The meeting was adjourned at 10:30 am.