

January 31, 2017

By Electronic Delivery to: secretary@dps.ny.gov

Hon. Kathleen H. Burgess  
Secretary to the Commission  
New York State Public Service Commission  
Agency Building 3  
Albany, NY 12223-1350

Re: Verified Report in Case 15-E-0655 – Petition of the New York Independent System Operator, Inc. for Authority to Incur Indebtedness for a Term in Excess of Twelve Months

Dear Secretary Burgess:

In compliance with Ordering Clause 5 of the order issued by the New York State Public Service Commission (“Commission”) on March 18, 2016 in the above-captioned proceeding (“March 18 Order”),<sup>1</sup> the New York Independent System Operator, Inc. (“NYISO”) hereby submits its verified report regarding the funds received from the credit facilities authorized in the March 18 Order.

**(a) Name of reporting entity (16 NYCRR 115.1(a)):**

New York Independent System Operator, Inc.

**(b) Address of reporting entity (16 NYCRR 115.1(b)):**

10 Krey Blvd.  
Rensselaer, NY 12144

**(c) Name of the official responsible for statements submitted and to whom should be addressed any correspondence relating thereto:**

Cheryl Hussey, Vice President and Chief Financial Officer

**(d) Date of the report (16 NYCRR 115.1(c)):**

January 30, 2017

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<sup>1</sup> Case 15-E-0655, *Petition of the New York Independent System Operator, Inc. for Authority to Incur Indebtedness for a Term in Excess of Twelve Months*, Order Granting Authorization to Incur Indebtedness (issued and effective March 18, 2016).

**(e) Period covered by the report (16 NYCRR 115.1(d)):**

March 18, 2016 to December 31, 2016

**(f) Information regarding securities or obligations issued (16 NYCRR 115.1(e)):**

**1. Date the proceeds were utilized for purposes authorized in Ordering Clauses 1 and 2 of the Order (Ordering Clause 5):**

Ordering Clause 1 of the March 18 Order authorized the NYISO to extend the term of its previously-approved credit facilities (a \$50 million revolving line of credit and a \$100 million term loan facility) to December 31, 2018, and to increase the amount available under the previously-approved \$100 million term loan facility by \$25 million. The NYISO has not yet utilized the \$25 million increase approved by the Commission in the March 18 Order.

The NYISO drew on the \$30 million credit facility approved in Ordering Clause 2 on November 14, 2016 and December 16, 2016.

**2. Amount of funds utilized (Ordering Clause 5):**

For the reporting period, the NYISO drew \$6,730,000 on the \$30 million credit facility approved in Ordering Clause 2. As referenced above, the NYISO has not yet utilized the \$25 million credit facility increase authorized in Ordering Clause 1.

**3. Purpose for which funds were utilized (Ordering Clause 5):**

Consistent with the purposes authorized in the March 18 Order these funds were utilized to fund the Energy Management System/Business Management System (EMS/BMS) 2016 project deliverables as follows:

Define system requirements;

Negotiate commercial terms;

Complete contractual agreements with vendor for the replacement; and

Start the design/development activities.

**4. Designation of security (16 NYCRR 115.1(f)(iii)(a)):**

The Commission approved the NYISO extending the term of and increasing the principal amount available for certain existing facilities and entering into a new unsecured term loan credit facility.

**5. Date of actual issue or assumption(16 NYCRR 115.1(f)(iii)(b)):**

The NYISO closed on the credit facilities described in the March 18 Order on March 18, 2016.

**6. Number of shares of each class of stock or principal amount of each debt obligation issued (16 NYCRR 115.1(f)(iii)(c)):**

The amounts drawn on the credit facilities authorized by the March 18 Order are set forth in paragraph 2 above.

**7. Consideration realized from each class or type of security (16 NYCRR 115.1(f)(iii)(d)):**

The amounts drawn on the credit facilities authorized by the March 18 Order are set forth in paragraph 2 above.

**8. Case number and date of order of this commission under which the security issue was authorized (16 NYCRR 115.1(f)(iii)(e)):**

The Commission authorized the NYISO to extend the term of and increase the principal amount available for certain existing facilities and to enter into a new unsecured term loan credit facility in the order issued in Case 15-E-0655 on March 18, 2016.

Respectfully submitted,

*/s/ Cheryl Hussey*  
Cheryl Hussey  
Vice President and Chief Financial  
Officer

I, Cheryl Hussey, do hereby affirm that the contents of this document are true to the best of my knowledge.

Signed: */s/ Cheryl Hussey* (E-signature)

Date: January 30, 2017