

February 4, 2021

By Electronic Delivery

Hon. Michelle L. Phillips
Secretary to the Commission
New York State Public Service Commission
Agency Building 3
Albany, NY 12223-1350

Subject: Verified Report in Case 18-E-0439 – Petition of the New York Independent System Operator, Inc. for Authority to Incur Indebtedness for a Term in Excess of Twelve Months

Dear Secretary Phillips:

In compliance with Ordering Clause 7 of the order issued by the New York State Public Service Commission (“Commission”) on November 16, 2018 in the above-captioned proceeding (“November 16 Order”),¹ the New York Independent System Operator, Inc. (“NYISO”) hereby submits its verified report regarding the funds received from the credit facilities authorized in the November 16 Order.

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

The 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 (16 NYCRR 115.1(c)):

Cheryl Hussey, Vice President and Chief Financial Officer

¹ Case 18-E-0439, *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 November 16, 2018).

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

February 4, 2021

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

January 1, 2020 to December 31, 2020

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

1. Date the proceeds were utilized for purposes authorized in Ordering Clauses 1, 2, and 3 of the Order (Ordering Clause 7):

The \$30 million credit facility that was extended to December 31, 2019² in Ordering Clause 1 terminated on December 31, 2019. The NYISO therefore did not draw on this facility in the reporting period.

The NYISO drew on the \$30 million (with additional \$20 million available upon request) credit facility approved in Ordering Clause 2 on March 3, 2020 and April 1, 2020.

On May 15, 2020, the NYISO amended the \$30 million credit facility (with additional \$20 million available upon request), increasing it to \$50 million.³

The NYISO drew on the \$90 million credit facility approved in Ordering Clause 3 on March 3, 2020, April 1, 2020, June 1, 2020, July 3, 2020 and November 2, 2020.

² The Commission originally approved the \$30 million credit facility on March 18, 2016. 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 at 8 (issued and effective March 18, 2016).

³ On June 22, 2020, the NYISO filed a Verified Report of Credit Facility Costs and Expenses and the agreement related to the additional \$20 million in financing on the \$30 million credit facility authorized in Ordering Clause 2 of the November 16 Order. Case 18-E-0439, *Petition of the New York Independent System Operator, Inc. for Authority to Incur Indebtedness for a Term in Excess of Twelve Months*, Verified Report of Credit Facility Costs and Expenses (June 22, 2020); Submission of Confidential Information (June 22, 2020).

2. Amount of funds utilized (Ordering Clause 7):

For the reporting period, the NYISO drew \$18,600,000 on the \$50 million credit facility approved in Ordering Clause 2 of the November 16 Order.

For the reporting period, the NYISO drew \$26,600,000 on the \$90 million credit facility approved in Ordering Clause 3 of the November 16 Order.

3. Purpose for which funds were utilized (Ordering Clause 7):

Consistent with the purposes authorized in Ordering Clause 2 of the November 16 Order, these funds were utilized as a cash flow management tool to provide liquidity to the NYISO markets.

Consistent with the purposes authorized in Ordering Clause 3 of the November 16 Order, these funds were utilized to fund capital investments, software development projects and other strategic initiatives.

4. Designation of security (16 NYCRR 115.1(f)(1)(iii)(a)):

The Commission approved the NYISO extending the term of an existing facility and entering into two new unsecured term loan credit facilities.

5. Date of actual issue or assumption (16 NYCRR 115.1(f)(1)(iii)(b)):

The NYISO closed on the credit facility extension to December 31, 2019 authorized in Ordering Clause No. 1 of the November 16 Order on December 12, 2018. The NYISO closed on the credit facilities authorized in ordering Clauses No. 2 and 3 on December 14, 2018. The NYISO closed on the additional \$20 million in financing on the \$30 million credit facility authorized in Ordering Clause 2 on May 15, 2020.

6. Number of shares of each class of stock or principal amount of each debt obligation issued (16 NYCRR 115.1(f)(1)(iii)(c)):

The amounts drawn on the credit facilities authorized by the November 16 Order are set forth in paragraph 2 above.

7. Consideration realized from each class or type of security (16 NYCRR 115.1(f)(1)(iii)(d)):

The amounts drawn on the credit facilities authorized by the November 16 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)(1)(iii)(e)):

The Commission authorized the NYISO to extend the term of an existing facility and to enter into two new unsecured term loan credit facilities in the order issued in Case 18-E-0439 on November 16, 2018.

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: February 4, 2021