

**DRAFT****NYISO Management Committee Meeting Minutes****October 26, 2022****10:00 a.m. – 11:30 a.m.****1. Introductions, Meeting Objectives, and Chairman's Report**

The chair of the Management Committee (MC), Mr. Chris Wentlent (NYMPA), called the meeting to order at 10:00 a.m. by welcoming the members of the MC. A quorum was determined.

Mr. Wentlent stated the BSSC will interview candidates in early December and expect to have a slate of candidates for MC approval at the December or January meetings. Mr. Wentlent also thanked the NYISO for its public outreach on the System Resource Outlook Report. He also reported the winter assessment will be covered at the November meeting.

**2. August 30, 2022 Meeting Minutes**

The draft meeting minutes from August 30, 2022 were presented for approval.

Motion #1

Motion to approve the draft August 30, 2022, Management Committee meeting minutes.

*The motion passed unanimously.*

**3. CEO/COO Report**

Mr. Rich Dewey (NYISO) thanked Mr. Wentlent for his comments on the System Resource Outlook Report. Mr. Dewey stated the next round of the NYISO survey will be distributed soon and requested Stakeholders take the time to provide their input.

Mr. Robb Pike (NYISO) reviewed the COO Report. There were no questions or comments.

**4. 2022-2023 Management Committee Vice Chair Election**

Ms. Dana Lazarus (Con Edison) was elected Vice Chair for the 2022-2023 term.

**5. Draft 2023 Budget Overview**

Mr. Alan Ackerman (Customized Energy Solutions) reviewed the presentation included with the meeting materials. Mr. Kevin Lang (Couch White) recognized the NYISO's efforts to maintain a reasonable budget while balancing increased costs due to staffing requirements. Mr. Mike Mager (Couch White) thanked the NYISO for applying a portion of the 2022 surplus to reduce the 2023 increase.

Motion #2:

The Management Committee hereby recommends that the Board of Directors approve the proposed Rate Schedule #1 Revenue Requirement for the 2023 budget year as described in the presentation materials for the October 26, 2022, Management Committee meeting, subject to the following provisions:

**Revenue Requirement** – The Revenue Requirement is \$190.0 million.

**Rate Schedule #1** – The budgeted Rate Schedule #1 is \$1.213/MWh.

**Spending Under-runs** – If a spending under-run occurs, the related funds should be utilized to pay down the

principal amount of outstanding debt or reduce anticipated debt borrowings.

**Volume Over-collections** – If an over-collection on Rate Schedule #1 occurs, the related funds should be utilized to pay down the principal amount of outstanding debt or reduce anticipated debt borrowings.

*Motion passed unanimously.*

#### **6. 2022 Reliability Needs Assessment**

Mrs. Laura Popa (NYISO) and Mr. Keith Burrell (NYISO) reviewed the presentation included with the meeting materials.

Mr. Mark Younger (Hudson Energy Economics) stated how much we rely on emergency assistance should be included IRM and RNA studies.

Mr. Lang asked if the two major transmission projects contemplated for downstate would address the 2022 transmission security concerns. Mr. Burrell replied those projects were not included in this study but should be in future studies such as STAR. Mr. Zach Smith (NYISO) stated that those projects are expected to have positive impacts.

Mr. Lang asked how far in advance peaker unit owners will be notified they need to remain in-service due to reliability concerns. Mr. Smith explained we will continue to monitor on a quarterly basis as we have since the peaker rule was implemented.

Ms. Doreen Saia (Greenburg Traurig) stated there are growing concerns about what's going to happen May 1, 2023. Ms. Saia added it is critical for the NYISO to in writing or in a presentation confirm that you have been advised that the Champlain Hudson Power Express is on schedule and will be completed by the May 1, 2023, date. It is not good for the market to have the kind of uncertainty that is sitting out there. Ms. Saia said more transparency around the status of Con Ed's local transmission plans would alleviate many of the concerns and suggested that the NYISO conduct a peaker assessment to help stakeholders better forecast resource planning. Mr. Smith (NYISO) committed to providing an update at a working group.

Mr. Liam Baker (Eastern Gen) agreed with Ms. Saia and added that, as the largest owner of assets impacted by the peaker rule, it is very hard to make plans without knowing what the future holds.

Mr. Smith stated that the STAR reports have included such assessments since the peaker rule compliance plans were filed in 2020, and the NYISO will provide information to stakeholders as transparently as possible.

#### Motion #3:

The Management Committee (MC) concurs with the draft 2022 Reliability Needs Assessment (RNA) as presented and discussed at the October 26, 2022 MC meeting, and based upon the concurrence and recommendation for MC approval of the draft 2022 RNA by the Operating Committee at its October 13, 2022 meeting. The MC recommends approval of the draft 2022 RNA by the NYISO's Board of Directors.

*Motion passed unanimously.*

#### **7. MMU Comments on 2022 RNA Findings**

Mr. Pallas LeeVanSchaick (Potomac Economics) reviewed the presentation included with the meeting materials.

Mr. Scott Leuthauser (HQUS) provided the statement below in response to the proposal to discount capacity payments to large-contingency resources in order to better align compensation with their reliability value (slide 11).

“Issues identified by HQUS include (i)Duration, Since the transmission is extremely available, and MMU agreed, that this penalty would only apply during the time transmission security was actually derated; (ii) Hurdle, measuring based upon N-1-1-0 is a higher standard than that (i.e. N-1 in the MIS) required of Installed capacity, (iii) Transmission Security has Historically been conducted separately from resource adequacy (iv) CRIS rights indicated in the SDU report as of last Monday has CHPE 100% deliverable (v) such loss of load incident maybe irrelevant to actually serving customer load. HQUS’ concern rises in the event NYISO proposes to include this in Capacity Accreditation.”

#### **8. New Business**

Mr. Dewey notified the Management Committee of a status change of NYISO Board member Ave Bie; she will retire from her law firm at the end of 2022 and has accepted an appointment to the WEC Energy Group where she will assume a membership position on that Board. NYISO has investigated whether that poses a conflict of interest and concluded it does not.

The meeting adjourned at 11:30 am.