

**THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.**  
**FINAL MINUTES OF BOARD OF DIRECTOR'S MEETING**  
**REGULAR SESSION – NOVEMBER 14, 2023**

The Board of Directors of the New York Independent System Operator (NYISO) met, in person, at Hunton Andrews Kurth on November 14, 2023. Chairman Dan Hill chaired the meeting, and all Board members were present. Ms. Egan, Ms. Hussey, Ms. Nelson, and Messrs. Fernandez, Gonzales, Jones, Lanahan, and Mukerji were in person. Mr. Adam Evans of the Public Service Commission also participated via teleconference.

**I. Approval of Board Meeting Minutes**

Upon motion duly made and seconded, the Board approved the September 19, 2023 Board meeting minutes, and deferred approval of the October 17, 2023 Board meeting minutes until the next meeting.

**II. Consent Agenda**

Chairman Dan Hill made a motion for Board approval of the following tariff revisions, and to authorize NYISO management to file the revisions with the Federal Energy Regulatory Commission, pursuant to Section 205 of the Federal Power Act:

- Coordination of Interconnection and Transmission Expansion Studies – 205 Filing
- NYISO and PJM Joint Operating Agreement – 2023 Revisions
- Seasonal ICAP Demand Curve Proposal

The Board approved the motion.

**III. Report of the Board Chair**

Chairman Dan Hill provided his report in Executive Session.

**IV. Committee Reports**

**A. Audit & Compliance**

Ms. Marrinan reported that the Audit & Compliance Committee (A&C) met on November 13, 2023 and discussed, accepted, and approved the following:

1. 2023 SOC 1 Presentation (KPMG) – The A&C Committee met in person with Mr. Mark Brennan and Mr. Justin Slater of KPMG. KPMG provided a 2023 SOC 1 Audit Report

summary and reported that KPMG examined the NYISO's description of its Bid-to-Bill System for processing user entities' transactions for bidding, accounting, billing and settlements of energy, regulation, capacity, transmission, reserves, and related market services throughout the period October 1, 2022 to September 30, 2023, and will issue their report on November 17, 2023. KPMG's examination included procedures to determine, based on criteria described in the NYISO management assertion included in the report that: (1) The description fairly presents the Bid-to-Bill System that was designed and implemented throughout the period October 1, 2022 to September 30, 2023; and (2) the controls related to the control objectives stated in the Description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period October 1, 2022 to September 30, 2023 to achieve those control objectives if user entities applied the complementary controls assumed in the design of the NYISO's controls.

Ms. Marrinan reports that the Audit & Compliance Committee thoroughly reviewed and accepted the 2023 SOC 1 Audit Report and the auditor's unqualified opinion, and made a motion for Board acceptance of the 2023 SOC 1 Audit Report and KPMG's unqualified opinion. The Board approved the motion.

2. Met in Executive Session with KPMG.
3. Minutes of October 16, 2023 A&C Committee meeting – Approved.
4. Cyber & Physical Security Update – Mr. Chapman provided a thorough Cyber & Physical Security Program update, including the following:
  - a) Security program advancements completed with the deployment of ServiceNow's Security Incident Response platform designed to streamline and automate security incident response processes.
  - b) Briefing on the ServiceNow security incident that occurred on October 16<sup>th</sup> when an independent security researcher published an article outline that identified a design flaw in ServiceNow that could inadvertently expose customer data to unauthenticated users. Upon learning of the design flaw, the NYISO performed an analysis and confirmed that no NYISO grid reliability, markets, or other electric system data were accessible through the ServiceNow design flaw.
  - c) Annual State of Compliance – Mr. Fernandez provided a thorough summary of the NYISO's Corporate Compliance Program and the company's performance over the past year.

## **B. Commerce & Compensation**

Mr. Abbas reported that the Commerce & Compensation Committee (C&C) met on November 13, 2023 and approved the following:

1. NYISO 2024 Budget - Mr. Abbas made a motion for Board approval of the 2024 Budget in the amount of \$194.8M and a Rate Schedule 1 charge of \$1.213/MWh. The Board approved the motion.
2. 2024 Annual Incentive Goals – Mr. Abbas made a motion for Board approval of the 2024 Annual Incentive Goals. The Board approved the motion.
3. 2024 Business Plan – Mr. Abbas made a motion for Board approval of the 2024 Business Plan. The Board approved the motion.

## **C. Governance**

Mr. David Hill reported that the Governance Committee met on November 13, 2023 and discussed the following:

1. Board Self-Assessment Process
2. Governance Principles and Guidelines
3. Board Search - Update

## **D. Reliability & Markets**

Mr. Oates reported that the Reliability & Markets Committee met on November 13, 2023 and discussed/approved the following:

1. Proposed tariff revisions for Coordination of Interconnection and Transmission Expansion Studies 205 Filing; NYISO and PJM Joint Operating Agreement – 2023 Revisions; and Seasonal ICAP Demand Curve Proposal. The Board approved the motion for the proposed tariff revisions on the Consent Agenda.
2. 2023 Comprehensive Reliability Plan (CRP) – Mr. Oates made a motion for Board approval of the 2023 CRP. The Board approved the motion.
3. External MMU Performance/Summary of MMU Feedback from MPs.
4. Winter 2023-2024 Operations Capacity Assessment.
5. Short-Term & Long-Term Demand Forecasting.
6. Q2 STAR – Near-Term Reliability Need Solution.
7. Coordinated Grid Planning Process

## **V. Report of the President & CEO**

Mr. Dewey provided an update on the Environmental Advisory Council meeting held on November 6 & 7, 2023.

**VI. Report of the COO**

Ms. Nelson briefed the Board on the following items outlined in the COO Report included in the Board package:

1. Gas Electric Coordination.
2. New York City Public Policy Transmission Need.
3. Interregional Planning.
4. New York State Installed Reserve Margin (IRM) Effort.

**VII. Other Business**

Chairman Dan Hill thanked Mr. Gonzales for his thirty-five plus years of service at the NYISO, and stressed the impact Mr. Gonzales has had on the NYISO and the State of New York. Chairman Dan Hill, on behalf of the Board, wished Mr. Gonzales all the best in his retirement.

Mr. Adam Evans of the Public Service Committee also echoed Chairman Hill's kind words to Mr. Gonzales.

**VIII. Next Meeting**

The next meeting of the Board is being held on November 30, 2023 at Hunton Andrews Kurth offices in NYC.

Respectfully submitted,



Diane L. Egan  
Corp. Secretary & Secretary to the Board