

THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.
FINAL MINUTES OF BOARD OF DIRECTOR'S MEETING
REGULAR SESSION – NOVEMBER 19, 2019

The Board of Directors of the New York Independent System Operator (NYISO) met at Hunton Andrews Kurth in NYC on November 19, 2019. Chairman Bie chaired the meeting, and all Board members were present. Ms. Egan, Ms. Hussey, and Messrs. Fernandez, Gonzales, Jones, Lanahan and Mukerji were also present.

I. Approval of Board Meeting Minutes

Upon motion duly made and seconded, the Board approved the September 17, 2019 Board meeting minutes, and deferred approval of the October 15, 2019 Board meeting minutes until the next meeting.

II. Consent Agenda

There were no items on the Consent Agenda for approval this month.

III. Report of the Board Chair

No items to report on this month.

IV. Committee Reports

A. Audit & Compliance

The Audit & Compliance Committee met on November 18, 2019 and discussed/accepted the following:

- 1) 2019 SOC 1 Report – KPMG provided a 2019 SOC 1 Audit Report summary, and reported that they examined the NYISO's description of its Bid-to-Bill System for bidding, accounting, billing and settlements of energy, regulation, capacity, transmission, reserves, and related market services for user entities' transactions throughout the period of October 1, 2018 to September 30, 2019, and will issue their report on November 21, 2019. 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 how the Bid-to-Bill System made available to user entities of the system was designed and implemented throughout the period October 1, 2019 to September 30, 2019; (2) the controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control

objectives stated in the description were achieved throughout the period October 1, 2018 to September 30, 2019 if complementary user entity controls, assumed in the design of the NYISO's controls, operated effectively throughout the period.

The Audit & Compliance Committee thoroughly reviewed and accepted the NYISO's 2019 SOC 1 Audit Report, and the auditor's unqualified opinion, and made a motion for Board acceptance of the 2019 SOC 1 Audit Report conducted by KPMG and authorizing NYISO management to release the Audit Report to the market participants. The Board approved the motion.

- 2) Met in Executive Session with KPMG.
- 3) Minutes – 10/14/19 A&C Committee meeting – Approved
- 4) Cyber & Physical Security Program Update – Mr. Chapman briefed the A&C Committee on items outlined in his memo.
- 5) Annual State of Compliance – Mr. Fernandez provided an overview of the NYISO's Compliance Program.

B. Commerce & Compensation

Mr. Hill reported that the Commerce & Compensation Committee met on November 18, 2019 and reviewed/approved the following:

- 1) NYISO 2020 Budget – Motion for Board approval of the NYISO's 2020 Budget in the amount of \$168.0M and a Rate Schedule 1 charge of \$1.089/MWh was approved by the Board.
- 2) 2020 Annual Incentive Goals – Motion for Board approval of the 2020 Annual Incentive Goals, as amended, was approved by the Board.
- 3) 2020 Business Plan – Motion for Board approval of the 2020 Business Plan, as amended, was approved by the Board.
- 4) Tariff Revision – Financial Information Requirements for Applicants and Existing Customers – Motion for Board approval of the tariff revisions to Attachment K of the Market Administration and Control Area Services Tariff and Attachment U of the Open Access Transmission Tariff regarding the proposed changes to Enhance Credit Reporting Requirements and Remedies, was approved by the Board.
- 5) Overview of GreenHat and NYISO Recommendations.
- 6) EMS/BMS System Upgrade Project.
- 7) Customer Satisfaction Survey – Update.

C. Governance

Mr. Bemis reported that the Governance Committee met, via teleconference, on October 11th and in person on November 18, 2019 to discuss the status and timeline for the of the Board search to-date.

D. Reliability & Markets

Mr. Lynch reported that the Reliability & Markets Committee met on November 18, 2019 and discussed/approved the following:

- 1) MMU briefing with Dr. Patton in Executive Session.
- 2) Tariff Revision – Cost Containment Mechanism in Public Policy Planning – Motion for Board approval of the tariff revision, and to authorize NYISO management to file these changes with FERC, pursuant to Section 205 of the Federal Power Act, was approved.
- 3) 2019-2020 Winter Capacity Assessment.
- 4) Strategic Plan Rollout – 2020-2024 Strategic Plan.
- 5) Class Year 2019.

V. Report of the President & CEO

Mr. Dewey provided his report in Executive Session.

VI. Chief Operating Officer Report

Mr. Gonzales briefed the Board on items outlined in the COO Report.

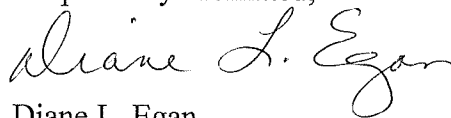
VII. Other Business

There were no other topics for discussion.

VIII. Next Meeting

The next meeting of the Board is being held on December 5, 2019 at Hunton Andrews Kurth offices in NYC.

Respectfully submitted,



Diane L. Egan

Corp. Secretary & Secretary to the Board