



January 17, 2019

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”),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 March 18 Order.²

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

The New York Independent System Operator, Inc.

¹ 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).

² The credit facilities approved in the March 18 Order expired on December 31, 2018, so this is the final verified report regarding the funds received from these credit facilities. The Commission recently approved (1) a one-year extension of the Energy Management System/Business Management System (EMS/BMS) project facility that was approved in this case; (2) replacement of the \$50 million revolving credit facility approved in this case with a new five-year revolving line of credit of up to \$30 million, with an additional \$20 million available upon the NYISO’s request; and (3) replacement of the expiring \$125 million term loan facility approved in this case with a new five-year term loan facility with a maximum aggregate principal amount outstanding of \$90 million. 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). The funds from these credit facilities are available as of January 1, 2019. Consistent with the order in Case 18-E-0439, the NYISO will file verified reports on the new credit facilities in that case beginning in 2020.

(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

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

January 17, 2019

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

January 1, 2018 to December 31, 2018

(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 and 2 of the Order (Ordering Clause 5):

The NYISO drew on the \$125 million credit facility approved³ in Ordering Clause 1 on March 1, 2018, June 1, 2018, August 1, 2018, October 1, 2018, November 1, 2018 and December 1, 2018.

The NYISO drew on the \$30 million credit facility approved in Ordering Clause 2 on May 1, 2018, August 1, 2018, October 1, 2018, November 1, 2018 and December 14, 2018.

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

For the reporting period, the NYISO drew \$25,329,000 on the \$125 million credit facility authorized in Ordering Clause 1 of the March 18 Order.

For the reporting period, the NYISO drew \$9,575,000 on the \$30 million credit facility approved in Ordering Clause 2 of the March 18 Order.

³ The March 2018 Order approved a \$25 million increase in principal amount available under a previously-approved term loan facility of \$100 million. March 2018 Order at 4.

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

Consistent with the purposes authorized in Ordering Clause 1 of the March 18 Order these funds were utilized to fund capital investments, software development projects and other strategic initiatives.

Consistent with the purposes authorized in Ordering Clause 2 of the March 18 Order these funds were utilized to fund the Energy Management System/Business Management System (EMS/BMS) 2018 project deliverables as follows:

Complete factory acceptance testing

Complete infrastructure build-out

Defined site acceptance test procedures

Commence site acceptance testing

4. Designation of security (16 NYCRR 115.1(f)(1)(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)(1)(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)(1)(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)(1)(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)(1)(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 17, 2019