

DRAFT**NYISO Management Committee Meeting Minutes****May 20, 2019****10:00 a.m. – 1:00 p.m.****1. Introductions, Meeting Objectives, and Chairman's Report**

The chair of the Management Committee (MC), Mr. Chris LaRoe (Brookfield Renewables), called the meeting to order at 10:00 a.m. by welcoming the members of the MC. Members identified themselves and attendance was recorded. A quorum was determined.

2. President/COO Report

Ms. Emilie Nelson (NYISO) reminded members of the upcoming annual Joint Board of Directors and Management Committee meeting; being held on June 3 and 4 at the Sagamore Resort in Bolton Landing, NY. Ms. Nelson noted that the format would be similar to prior years; on June 3, a round table discussion with stakeholders and board members, followed by activities and a wrap up on June 4 followed by a brief Management Committee meeting. Ms. Nelson noted that the two areas of focus for discussion are 1) Reliability Considerations for a Grid in Transition and 2) Market Considerations for a Grid in Transition. She added that the NYISO team has been working on a white paper to support the discussion and is targeting a draft release later this week.

Mr. Wes Yeomans (NYISO) reviewed the Market Performance Highlights and Operations Performance Report (presentation include with meeting material). Ms. Doreen Saia asked if the NYISO could look into including the specific total monthly production of wind and behind the meter solar and amount of curtailment and general location in the summary slide.

3. Comprehensive Reliability Plan

Mr. Kevin DePugh (NYISO) provided an update (presentation included in the meeting material). Mr. DePugh noted that the CRP re-iterated the conclusions of the 2018 RNA that there were no reliability needs throughout the 10-year Study Period (2019-2028). The CRP also performed a scenario based on the DEC proposed peaker rule.

As required by the tariff, Dr. David Patton (Potomac Economics) reviewed the Market Monitoring Unit memo which discussed the results of the 2019-2028 CRP and the implications for the NYISO's market design (presentation included in the meeting material).

Motion #1

Upon consideration of the draft report, presentation, Operating Committee discussion and action, and the report of the Market Monitoring Unit, the Management Committee ("MC") hereby recommends that the NYISO Board of Directors approve the NYISO 2019-2028 Comprehensive Reliability Plan ("CRP"), as presented and discussed at the May 20, 2019 MC meeting.

The motion passed unanimously by show of hands.

Ms. Doreen Saia (Entergy) asked that the comments filed with the DEC reflect that the vote at the MC passed unanimously.

4. NYISO-PJM JOA Revisions for M2M

Mr. Cameron McPherson (NYISO) reviewed the presentation (included in the meeting material). Mr. McPherson provided an overview of market-to-market re-dispatch coordination, background on the waiver filing with FERC, and the proposed JOA revisions. There were no questions.

Motion #2

The Management Committee (“MC”) hereby approves, and recommends to the NYISO Board for filing under Section 205 of the Federal Power Act, revisions to Attachment CC of the NYISO’s Open Access Transmission Tariff (OATT), as described in the presentation entitled “NYISO-PJM JOA Changes” made to the MC on May 20, 2019.

The motion passed unanimously by show of hands.

5. External SRE Penalty Provision

Ms. Amanda Carney (NYISO) reviewed the presentation (included in the meeting material). Ms. Carney noted that the proposal is part of the external resource performance & eligibility project, which originates from recommendations in the October 2017 analysis group report for improving external resource performance, particularly during critical operating conditions.

Mr. Fromer stated that he hoped when this gets filed at FERC, the NYISO would devote some discussion to the concern that several stakeholders have raised regarding wanting to be sure that nothing involved and complying with the proposed bidding rules, including but not limited to the submission of counterflow transactions, will not result in FERC determining that an external capacity supplier engaged in an impermissible wash trade.

Mr. Howard Fromer (PSEG) reiterated that suppliers submitting counterflow transaction to hedge legitimate risks would not be engaging in an improper wash transaction.

Mr. Pallas LeeVanSchaick (NYISO MMA) stated that he will make it clear why the treatment of counterflows and the practice of scheduling in this situation has a legitimate business purpose and should not be construed as a washed transaction.

Ms. Doreen Sais (Entergy) stressed the importance of submitting the filing to FERC as quickly as possible. Ms. Karen Gach stated that the NYISO will file in June.

Motion #3

The Management Committee (“MC”) hereby approves, and recommends to the NYISO Board for filing under Section 205 of the Federal Power Act, revisions to the Market Administration and Control Area Services Tariff, as more fully described in the presentation entitled “External SRE Penalty” made to the MC on May 20, 2019.

The motion passed by show of hands with abstentions.

6. Proposed Change to Acceptable Collateral for Foreign Market Participants

Ms. Sheri Prevratil (NYISOI) provided an update (presentation included in the meeting material). Ms. Prevratil noted that the NYISO is proposing to modify rules to allow only entities that are formed or incorporated in, are residents of, and whose operations are located primarily in U.S. or Canada to post cash collateral.

Mr. Fromer asked if a foreign market participant created an affiliate that was domestically created in the US, and sought to provide a parent guarantee, would there be the ability to control the form of what that parent guarantee looked like? Ms. Prevratil stated that the guarantor would have to meet very specific tariff obligations prior to be able to provide that guarantee. If the Guarantor was a US or Canadian entity, NYISO would accept them consistent with the tariff.

Motion #4:

The Management Committee (MC) hereby approves, and recommends to the NYISO Board for filing under Section 205 of the Federal Power Act, revisions to Attachment K of the Market Administration and Control Area Services Tariff as described in the presentation entitled "Proposed Change to Acceptable Collateral for Foreign Market Participants," made at the May 20, 2019 MC meeting.

The motion passed unanimously by show of hands.

7. New Business

There was no new business.

The meeting adjourned at 12:35.