FINAL

The Summer Meeting of the NEPOOL Participants Committee was held at The Cliff House Resort, Ogunquit, Maine, on Tuesday, June 24, Wednesday, June 25, and Thursday, June 26, 2014, pursuant to notice duly given. A quorum determined in accordance with the Second Restated NEPOOL Agreement was present and acting throughout the meeting. All motions acted on at the meeting were voted on Thursday, June 26. Attachment 1 identifies the members, alternates and temporary alternates attending the meeting and voting that day.

Mr. Joel Gordon, Chair, presided and Mr. David Doot, Secretary, recorded for all three days.

JUNE 24, 2014 SESSION

The June 24, 2014 session began at 2:00 p.m., following morning meetings among the Sectors, ISO Board and New England regulators. Mr. Gordon welcomed the members, alternates and guests who were present, noting the attendance by representatives of the New England State Commissions and other state officials (the States), the FERC, and members of the ISO Board. He also acknowledged Ms. Cynthia Jacobs, NEPOOL Administrator, for her efforts and hard work facilitating the arrangements for the meeting and related activities.

Mr. Gordon, referring to a presentation he had made a few weeks earlier to the New England Conference of Public Utilities Commissioners (NECPUC), explained how he embellished upon a circus analogy to provide a short history of NEPOOL, its purpose and the processes undertaken to bring stakeholders together. In that presentation, he likened NEPOOL, and the NEPOOL process, to a spectacular 6-ring circus, under a giant all-inclusive tent, where all perspectives were not only welcomed, but solicited, and with each ring representing: (i) the 6 Sectors, each aligned with different interests from all corners of the wholesale market, (ii) the 6 New England States, each with its unique policy perspectives, and (iii) the 6 branches of the

federal and state government. NEPOOL, as ringmaster, played an important role each time it met, integrating and balancing the needs, desires and wants of the industry performers, so that the audience -- the customers, regulators and Participants -- could each experience the best the industry had to offer. With Maine graciously hosting the Summer 2014 road show version, Mr. Gordon encouraged Participants to take advantage of both the structured and less formal opportunities to engage each other in conversation, to work cooperatively, and to strive for the balance needed to sustain a viable wholesale electric industry.

He then introduced NECPUC President James Volz, of the Vermont Public Service Board (VT PSB). President Volz expressed appreciation for all of the behind-the-scenes work and the way in which proposals were refined and improved through the NEPOOL process. He thanked the Sectors with which he had met earlier in the day for their time and perspectives, encouraging all to continue those discussions as the region thoroughly reviewed the Governors' Infrastructure Initiative in the weeks to come, and worked to increasingly integrate distributed energy resources into the regional energy landscape.

On behalf of Maine, Chairman Thomas Welch, of the Maine Public Utilities Commission, warmly welcomed everyone to Maine. He commended NEPOOL for coming together with the ISO and the States to identify zones of possible agreement, and resolutions designed to help New England prosper. He encouraged all to help Maine prosper, over the course of the meeting, by taking advantage of nearby restaurants, shops, and entertainment.

FERC UPDATE: PLANS TO ESTABLISH A NORTHEAST REGIONAL OFFICE

Mr. Gordon introduced Ms. Jignasa Gadani, the Director of the Division of Electric Power Regulation-East for the FERC's Office of Energy Market Regulation. Ms. Gadani first introduced other FERC representatives at the meeting, including Mr. Michael McLaughlin (her superior), Ms. Sandy Waldstein and Ms. Leanne Khammal, both of whom based on their

previous involvement in New England were already familiar to most members, and Ms. Mary Cain, who was new to the NEPOOL process. She then proceeded to describe for the Committee the plans for the FERC to locate two staff members in the Northeast to cover wholesale market and transmission issues within the jurisdiction of, and of interest to, the FERC. She explained that these two staff members would be assigned to monitor activities in both New England and New York. They would be classified as "decisional employees," which she explained signaled that they could participate in FERC's efforts to address filings if and as needed, but would need to avoid *ex parte* communications. She explained that numerous details for this to occur remained to be worked out, but she wanted members to be aware of FERC's plans and to hear any input or feedback members wished to provide.

In response to a member's question, Ms. Gadani explained that the staff members together would be responsible for monitoring both New York and New England, rather than having one member assigned to New York and one member assigned to New England. She explained that this approach was chosen in recognition that it might be preferable for the same person to cover similar issues in both markets. It also allowed for more flexible assignments between the two. There was some discussion of the advantages and disadvantages of having these staff persons being decisional versus non-decisional. In particular, it was noted that decisional members could not participate in discussions that would be considered *ex parte*, which currently include many of the issues pending before NEPOOL's Committees. FERC representatives identified the advantages of permitting staff members with a potentially better appreciation for the details of proposals and positions of the parties to participate in deliberations as the FERC responds to filings. They recognized the down-side to not permitting them to participate in meetings that would include *ex parte* information that could be considered communications. On balance, the FERC concluded that having embedded staff decisional was

preferred and, in appropriate circumstances, the FERC could issue a notice that discussions would take place so as to allow participation by all parties and avoid *ex parte* concerns.

Ms. Gadani, on her behalf and behalf of her colleagues, thanked the Committee for allowing her time and for the input. On behalf of NEPOOL, Mr. Gordon thanked her for the information and opportunity to discuss this initiative with the FERC and invited her and her colleagues to stay and continue participating in the Summer Meeting.

EXTERNAL MARKET MONITOR (EMM) REPORT

Dr. David B. Patton, Ph.D, President, Potomac Economics, the ISO's EMM, presented highlights from the EMM's 2013 Markets Report (EMM Annual Report), which had been circulated and posted in advance of the session. He began by highlighting the Forward Reserve Market, unique to New England, and how the New England Markets were able, particularly through co-optimized reserves, Real-Time Energy markets, and the ability to efficiently price shortages, to capture significant efficiencies. He also explained how the New England Markets produced substantial benefits through efficient commitment of generation, efficient dispatch and congestion management, enhanced reliability, and efficient price signals. Overall he found New England's framework sound, with 2013 results competitive and, for the most part, efficient.

Dr. Patton then turned to a series of graphs illustrating 2013 price formation and operations. With respect to prices, a comparison of 2012 and 2013 Day-Ahead Energy and natural gas prices illustrated a substantial jump in energy prices in 2013, nearly all of which Dr. Patton attributed to high natural gas prices, as experienced in both the beginning and end of 2013. From a pricing standpoint, he noted the importance of natural gas, which not only fueled 45% of New England's generating resources, but more importantly, was the fuel of marginal resources in most hours of the year. Because fuel costs represented roughly 85% of total marginal costs, a correlation between fuel and electricity prices could be expected in a

competitive market, and as shown, changed in lock step in New England in 2013. A comparison of average implied marginal heat rates provided a sense of other factors that affected price. He provided four reasons why 2013 implied heat rates were down despite substantially higher prices: (i) because not all marginal costs rise in tandem with fuel prices, price spikes (particularly natural gas price spikes) would cause the average to fall (as demonstrated most clearly in Nov/Dec 2013); (ii) substitution away from gas to oil, primarily in most dramatic fuel price scenarios, whether due to economics or supply constraints; (iii) all else being equal, significantly more imports from neighboring Control Areas reduced prices; and (iv) increased output from non-gas-fired resources -- coal (economics), nuclear (fewer outages), and wind (substantial additions), especially when those resources were baseloaded.

Turning to Operating Reserves, Dr. Patton noted that the average clearing prices for operating reserves increased from 2012 to 2013. He attributed the increased Operating Reserves clearing prices to a number of factors including: (i) increased opportunity costs for providing Reserves; (ii) more frequent shortages (239 market intervals during 2013 when the System was short of Thirty-Minute Operating Reserves (TMOR), compared to only 22 intervals in 2012); and (iii) the following Market Rule changes: the increase from $100 to $500 for RCPF for system-level TMOR; 25% increase in the total Ten-Minute Operating Reserve requirement that increased the TMOR requirement by 340 MW; auditing of the non-spinning reserve capability of fast start resources (resulting in a 190 MW reduction in claimed TMOR capability); and procurement of replacement reserves in addition to the minimum TMOR requirement. He added that, in the local areas, TMOR clearing prices were almost identical to the system-wide TMOR prices because the local requirements were rarely binding in the Real-Time Market in 2013 (never in Connecticut and Southwest Connecticut, and less than four hours in Boston). Taken together, all of these changes improved the ISO's shortage pricing, which provided better

incentives for resources to be available and perform reliably under high load conditions and tight market conditions.

Dr. Patton then addressed supplemental commitments. He explained that supplemental commitments by the ISO were down modestly from 2012 levels. Local reliability commitment accounted for 31% of total reliability commitment in 2013, up 28% from 2012 due primarily to Winter Storm Nemo generation and transmission outages that increased reliability needs in Boston and Rhode Island, and more frequent reliability commitments in Maine during planned outages in April. Market Rule changes contributing to reduced supplemental commitments in 2013 included: Day-Ahead Energy Market and RAA process timing changes; generator auditing revisions that reduced over-commitment; implementation of gas availability tracking tools; and a 2% increase in Day-Ahead load scheduling during 2013 (from 93% to 95%).

Referring to a slide that illustrated Real-Time price differences between New England and New York, Dr. Patton reminded Participants of his long-standing recommendation to improve coordination between the markets through Coordinated Transaction Scheduling (CTS) so as to more fully and efficiently utilize the New York-New England interface. In 2013, there were many intervals when economic and reliability benefits went unrealized. With PJM moving to implement CTS with New York sooner, he hoped that experience would also facilitate implementation in New England. In response to a member's question, he indicated that advancement of the Day-Ahead Market timeline did not result in a perceptible difference on this issue.

Reviewing virtual trading and uplift allocation, Dr. Patton reported virtual trading volumes had been very low for several years, partly because scheduled volumes were allocated large amounts of NCPC charges and because of heightened regulatory risks. Virtual load and supply accounted for less than 2% of the total scheduled demand and supply in the Day-Ahead

Energy Market. The allocation of Economic NCPC charges to virtual transactions averaged $2.95 per scheduled MWh in 2013, placing significant downward pressure on virtual trading volumes and hindering the Day-Ahead Energy Market's natural response to Day-Ahead and Real-Time price differentials. He explained why the current allocation was not consistent with cost causation, and stressed his standing recommendation that NCPC costs not be allocated to virtual load.

Dr. Patton then addressed net revenue and long-term price signals. He reported that net revenues had increased considerably since 2012, due in part to the increase in Operating Reserve prices in 2013, but estimated net revenues for new units were lower than the cost of new entry (CONE) for all the technology types. He explained the importance of having net revenues rise sufficiently in order to maintain adequate resources, which the recently accepted sloped demand curve would play an important role in achieving.

Comparing results from FCA6 through FCA8, Dr. Patton highlighted price volatility, which he attributed to the vertical demand curve and explained should be ameliorated in FCA9 with implementation of a sloped demand curve. He identified inefficiencies caused by the operation of the Insufficient Competition Rule (which was also to be eliminated). He referenced his view of the inadequacy of mitigation rules to ensure workably competitive market outcomes in the face of significant Non-Price Retirement Requests. Further, he opined that pricing rules appeared to be undermining incentives for the maintenance of existing resources and efficient investment in new resources by valuing new resources and imports significantly higher than existing resources. He summarized improvements that could be expected upon implementation of pending Market Rule changes, and recommended further enhancements to address resources' use of Non-Price Retirement De-List bids and adverse impacts of allowing new resources to "lock-in" auction clearing prices for up to seven years.

Following a brief discussion of market power mitigation, fuel usage, and natural gas prices, Dr. Patton concluded his presentation by reviewing the following recommendations with respect to the Energy, Reserve and Capacity Markets and addressing numerous follow-up questions:

- Allow the costs of fast-start units and operator actions to maintain reliability (e.g., export curtailments) to be reflected in Real-Time prices.
- Allow the costs of deployed demand response resources to be reflected in prices when needed to avoid a shortage.
- Develop provisions to coordinate the physical interchange between New York and New England in Real-Time.
- Modify allocation of "Economic" NCPC charges to make it more consistent with a "cost causation" principle.
- Discontinuing the current *ex post* pricing model and establish prices that are more consistent with *ex ante* prices.
- Provide suppliers with flexibility to modify their offers closer to Real-Time to reflect changes in marginal costs.
- Consider introducing Day-Ahead Operating Reserve markets that are co-optimized with the Day-Ahead Energy Market.
- Introduce eligibility requirements governing the use of Non-Price Retirement Requests.
- Evaluate the interaction of the Rationing Election and the Capacity Commitment Period Election to determine whether they will promote efficient investment and FCM outcomes over the long-term.

Following administrative announcements, the June 24 session then adjourned at 4:55 p.m., with the meeting to be reconvened on June 25.

Later that evening, in appreciation for his years of dedicated service to the Pool, and specifically for his term as Participants Committee Chairman during 2012 and 2013, Mr. Gordon presented Mr. Calvin Bowie with the following resolution:

RESOLUTION OF APPRECIATION

Calvin A. Bowie

WHEREAS, Mr. Calvin A. Bowie served as the Chairman of the New England Power Pool Participants Committee during 2012 and 2013, following a five-year "apprenticeship" as the Transmission Sector Vice-Chair and distinguished service for many years prior as a NEPOOL representative and leader; and

WHEREAS, during his tenure as Chairman of the NEPOOL Participants Committee, Cal was an unwavering beacon for full engagement, informed input, collaboration, and consensus wherever possible, by and among the region's stakeholders; and

WHEREAS, with a resilient sense of determination, dedication and statesmanship, Cal helped focus the Pool's discussions on strategic issues, risks and planning, positioning the Pool to address the challenges of our industry's changing landscape; and

WHEREAS, through strong and steady guidance, and the establishment of an independent NEPOOL website, Cal amplified NEPOOL's visible presence as a forum for addressing the region's challenges in a cordial, professional and evenhanded manner; and

WHEREAS, Cal now approaches retirement with the same skill, dedication and enthusiasm displayed during his Chairman's tenure as by the World Championships of his beloved Bruins and Red Sox, and his perfect first pitch at Fenway Park.

NOW, THEREFORE, the Participants Committee of the New England Power Pool, on behalf of the NEPOOL Participants, hereby expresses its sincere gratitude to Cal for his service as its Chairman, and his nearly 40 years of collegial collaboration, looks forward to continuing to work with him until his retirement (if not after), and wishes him many more years before and in retirement of good health, fortune and happiness (and World Championships).

On behalf of NEPOOL, he also presented Mr. Bowie with an appreciation gift.

Mr. Gordon also recognized on behalf of NEPOOL Messrs. David LaPlante and Kevin Kirby, who were retiring from the ISO. He thanked them for their years of service in the New England Markets, and presented each with a small gift of appreciation.

JUNE 25, 2014 SESSION

The Summer Meeting reconvened at 8:30 a.m. on June 25, 2014. Mr. Gordon previewed the panels for the morning's discussion, and noted that, at the end of the day's session, NEPOOL would discuss with all present the pending filing date for response to the FERC's May 30, 2014 Performance Incentives order (PI Order). He notified all that the June 26 session would open in Executive Session, at 8:30 a.m., for the purpose of discussing and taking any NEPOOL action on the PI Order.

PANEL DISCUSSION: "ADDRESSING NEW ENGLAND'S INFRASTRUCTURE NEEDS"

Mr. William Museler, NEPOOL Review Board member and former President and CEO of the New York Independent System Operator (NYISO), moderated a panel discussion regarding "Addressing New England's Infrastructure Needs." The panel included the following presenters: Mr. Lee Olivier, Executive Vice President and COO, Northeast Utilities; Mr. Anthony Scaraggi, Vice President of Operations, Distrigas of Massachusetts LLC, GDF Suez Gas N.A.; Mr. John Kassel, President, Conservation Law Foundation; and Mr. James Ginnetti, Senior Vice President, EquiPower Resources Corp. The presenters from the States included Ms. Katie Dykes, Deputy Commissioner, Connecticut Department of Energy and Environmental Protection (CT DEEP); MPUC Chairman Welch; and Mr. Robert Scott, Commissioner, New Hampshire Public Utilities Commission (NH PUC).

Mr. Museler introduced the panel topic by referencing the Governors' Infrastructure Initiative (Governors' Initiative), and noting that each of the panelists and state presenters had their own perspectives concerning the Initiative.

Mr. Olivier indicated that NU strongly supported the Governors' Initiative. He offered NU's view that New England was facing a serious energy crisis as a result of market

dysfunctions and warned that, if left unaddressed, the region was at risk of a major reliability event due to insufficient gas supplies into New England. He discussed the conditions of the past winter, in which the region experienced, on the coldest days, scarcity of gas supply and very high Real-Time prices for the gas that remained available, and noted that the situation would only get worse if left unaddressed. He said the rising wholesale energy costs, resulting in part from inadequate gas supply into New England, challenged the New England region's economic vitality. The Governors' Initiative best addressed these issues, Mr. Olivier contended, by expanding natural gas pipeline capacity for moving the Marcellus gas supply into New England, as well as the construction of new transmission for moving Canadian hydropower and upper New England wind resources to New England load.

Mr. Scaraggi remarked that the real issue was that there was no local natural gas supply in New England, but that with the existing LNG infrastructure in the region, the necessary supply could be accessed. Commenting that New England had been using LNG for 40 years, he stated that long-haul pipelines from the Marcellus region to New England did not make sense because there was no guarantee that low-priced gas would be available, given the competing needs of other areas of the country. He contended that making a long-term bet on infrastructure with public funding based on the current market spread might not be economic in the long-term and could ultimately leave New England with expensive stranded assets.

Mr. Kassel, for his part, agreed that the region had an infrastructure problem, but he did not think the solution lay in investing substantial resources into a large interstate pipeline serving New England. He called for a more restrained approach that respected the climate and environmental goals of the States. Mr. Kassel expressed concern that large pipeline investments would distract the region from meeting aggressive carbon reduction goals, and called for a solution that increased investments in energy efficiency, access to low-carbon power from

Canada and the use of natural gas as a firming resource, thus facilitating the development of more renewable resources in New England.

Speaking on behalf of EquiPower, and emphasizing he was not speaking for all generators, Mr. Ginnetti acknowledged that his company was a strong supporter of the markets, and agreed that convincing generators to sign long-term contracts was a tall order. However, he stated that EquiPower backed the Governors' Initiative with respect to natural gas pipeline build-out, as the challenges to be addressed benefitted the entire region and were not otherwise being met by the market. Mr. Ginnetti indicated that EquiPower did not support the electric transmission aspect of the Governors' Initiative because that effort might have little impact on overall carbon emission reductions, and might result in significantly higher energy costs.

Speaking first from the perspective of the States, Chairman Welch made the point that, alone among the numerous interest groups in the region, the regulators were the only ones representing the public interest, and the only ones who were required to ensure that public policy goals be met. Noting that there are varying perspectives on how best to meet New England's energy needs, he suggested that the best way to advance the debate and move toward a solution was to maintain the quality of those discussions at a high level. Chairman Welch highlighted the urgency with which the region's infrastructure needs must be addressed, and he described the Governors' Initiative as an integrated proposal designed to solve the problem of high energy costs in New England, which he deemed politically and economically unsustainable. Chairman Welch expressed the view that high energy costs in the region were a function of geographic disadvantage rather than market dysfunction. With respect to the role of LNG, Chairman Welch maintained that there were significant differences between LNG and pipeline infrastructure, particularly with respect to price stability and predictability, and he believed the payback on pipeline investments would be rapid. Chairman Welch concluded by emphasizing that the States

were continuing to review each part of the Governors' Initiative to ensure a cost-effective solution.

Following Chairman Welch, Deputy Commissioner Dykes echoed the States' responsibility to pursue their public policy goals, and expressed concern about the reliability crisis facing the region. She thanked everyone involved in the NEPOOL stakeholder process for their participation and feedback. Describing a meeting with FERC Staff in February 2014, in which State representatives described New England's situation as a "public health crisis," Deputy Commissioner Dykes explained that, while CT DEEP still intended to pursue its policy goals of "cheaper, cleaner and more reliable" and to support energy efficiency initiatives and greater integration of renewables, those alternatives would not solve the region's reliability challenges without the additional benefits of the Governors' Initiative. Noting that the Initiative presented a unique opportunity to meet renewable portfolio standard (RPS) goals over the long term, Deputy Commissioner Dykes emphasized that all of the New England States had agreed to share in the costs of transmission that would unlock additional Class I renewables for the region. Recognizing that the Governors' Initiative was still under development, with many steps ahead, Deputy Commissioner Dykes said she looked forward to, and encouraged, further discussion and debate.

Commissioner Scott offered his view that there was consensus that reliability was the key issue in the infrastructure debate. He commented that the Governors' Initiative sought to advance the transition to a low-carbon economy that included renewables, energy efficiency and demand response. Commissioner Scott also predicted that the market would fully accommodate the Governors' Initiative once it was developed and implemented.

The panelists and the attendees then offered additional thoughts. Chairman Welch observed that of greatest importance to him was to reduce the economic disadvantage to the

region arising from the difference between gas costs in New England as compared to states with plentiful supply such as Pennsylvania. Messrs. Kassel and Olivier both discussed the role storage might play going forward. Mr. Scaraggi reaffirmed GDF Suez's position that building a long-haul pipeline into New England, a 30-40 year depreciating asset, made no economic sense. He opined that necessary infrastructure already existed, in the form of the several dozen LNG facilities located in the region.

A Generation Sector representative articulated what he called a "middle ground" or "hybrid" approach in which the region's Market Participants would be presented with a myriad of public/private market investment strategies that could be structured to require lower levels of state support. Others expressed support for this approach, noting a preference for an incremental approach to infrastructure development, rather than a full build-out of natural gas infrastructure.

PANEL DISCUSSION: "2014 STATE LEGISLATIVE ENERGY DEVELOPMENTS"

At Mr. Gordon's request, Mr. Harold Blinderman, NEPOOL Counsel, explained that the "2014 State Legislative Energy Developments" panel was designed, in response to Participant feedback received following the 2013 Summer Meeting, to provide an opportunity for discussion of energy legislative developments in, and across, the New England States. As a complement to the panel, NEPOOL Counsel had prepared and distributed a legislative summary for 2014, capturing those developments (Summary). He explained that following input, the Summary would be posted on the NEPOOL website and updated periodically. Mr. Blinderman requested feedback on the Summary.

Mr. Gordon then introduced the following panelists: Mr. Christopher Sherman, Director, Regulatory & Legislative Affairs, NextEra Energy Resources; Ms. Sandi Hennequin, Vice President, New England Power Generators Association (NEPGA), and Mr. Daniel Allegretti,

Vice President, State Government Affairs-East, Exelon Corporation, who would each summarize developments in two of the six New England States.

Connecticut

Mr. Allegretti began by thanking Ms. Jennifer Galliette and Mr. Blinderman for their efforts preparing the Summary, which formed the basis for the discussion that ensued. Addressing developments in Connecticut, Mr. Allegretti described at a high level the procedural processes, strategies, and intricacies that influence Connecticut legislation, from introduction through hearing, to passage, including substantive and political twists that can occur as bills are prepared for public comment and finalized for legislative action in the closing days of the session.

To illustrate, he highlighted two recent Connecticut Public Acts, Nos. 14-75 (An Act Concerning Electric Customer Consumer Protection) (Retail Act) and 14-94 (An Act Concerning Connecticut's Recycling and Materials Management Strategy, the Underground Damage Prevention Program, and Revisions to the Energy and Environmental Statutes) (Clean-Up Act). He said the Retail Act demonstrated how simple legislation could evolve into more comprehensive and controversial legislation well after it was set for, and vetted through, public hearing, particularly when the legislature was willing to get ahead of the state agency with primary jurisdiction over the substantive area. The Retail Act, which began as a relatively simple piece of legislation, evolved into an act providing for a more comprehensive set of consumer protections and industry obligations to retail customers. He noted that the Retail Bill, fundamentally influenced by the prior winter's price volatility and issues raised by customer transitions from fixed to pass through rates during such volatility, had focused on consumer education, and the dissemination of information, rather than become a vehicle for a retreat from, or modification of, competitive markets. While he acknowledged the additional obligations

stemming from the Retail Act, he indicated the generally held view that those obligations would be, on the whole, manageable. Mr. Allegretti also drew attention to the Clean-Up Act, which he indicated was not nearly as controversial. He noted that the Clean-Up Act, among other things, abolished the Connecticut Energy Advisory Board, established the Materials Innovation and Recycling Authority and the Connecticut Green Bank, extended yet again the Project 150 Program, and made other minor changes to DEEP requirements.

Massachusetts

Mr. Sherman, echoing appreciation for the Summary, highlighted one Act that had been passed and signed by Governor Deval Patrick (Natural Gas Leaks Act) during Massachusetts' ongoing session, and two legislative initiatives that remained pending and could potentially see further action before the July 31 end of that session. He stated that the Natural Gas Leaks Act was the legislature's top energy priority and, although it had not passed during the prior session, it had passed unanimously during the current session. The Act created a uniform natural gas leaks classification system, and authorized the Massachusetts Department of Public Utilities (MA DPU) to approve and oversee gas companies' response plans and programs to increase the availability, affordability and feasibility of natural gas service to new customers.

Of the two legislative initiatives, Mr. Sherman explained that House Bill. No. 4185 (An Act Relative to Net Metering and Solar Power), which would remove or raise the Commonwealth's caps on net metering and solar renewable energy certificate (SREC) incentive programs, had the better chance of passage, despite its introduction very late in the session, given the comfort legislators took from the perceived stakeholder agreement around a performance-based program that had emerged and encouraged legislative momentum. He concluded his Massachusetts update by explaining the challenges associated with House Bill No. 2935 (An Act to Transition to a Clean Energy Commonwealth), which addressed long-term contracts for

hydropower and Class 1 renewable resources. House Bill No. 4185, like the Net Metering and Solar Power bill, had been introduced late, was substantively challenging and had garnered a lot of discussion and disagreement among stakeholders, particularly objections by environmental organizations. Given its market impacts and, absent a politically negotiated settlement, Mr. Sherman opined that this bill was unlikely to be passed before the end of the legislative session.

New Hampshire

Ms. Hennequin began by distinguishing legislative process in New Hampshire, driven largely by its more populous legislature and its extensive legislative procedures. She focused on three areas of activity during the previous session: siting, energy efficiency, and whether Public Service Company of New Hampshire (PSNH) should continue to own generation assets.

With respect to siting, Ms. Hennequin highlighted legislation to overhaul the New Hampshire's Site Evaluation Committee (SEC) for energy facilities, which grew out of concerns with the siting processes for the Northern Pass transmission project and Newfound Lake wind energy development. She explained that the bill reduced the overall size of the SEC from 15 to 9, added two public members to the panel's seven state agency heads, and included a required finding of "public interest" for new energy siting projects. She added that the bill also provided funding for SEC staff (from New Hampshire's Renewable Energy Fund) and additional time and opportunities for public comments.

She explained that energy efficiency legislation transformed into a study bill, directing the coordinated development of an implementation plan for capturing cost-effective energy efficiency in the state.

Also on the topic of PSNH's generating assets, a bill was passed authorizing the NH PUC to determine whether PSNH generation assets should be divested in whole or in part and, if so, to order that divesture. The NH PUC was required to open a docket by January 2015 and to issue a

report by March 2015 making the requisite economic determinations. She added that this bill was coupled with a wind energy bill adopting rules governing the siting of large wind energy systems.

Looking ahead to 2014-15, Ms. Hennequin indicated that it was unclear who would chair the Energy Committee, but that bills addressing energy efficiency and enhanced electric retail customer protections (much like Connecticut) could be expected.

Rhode Island

Drawing a contrast to New Hampshire, Mr. Allegretti began by explaining that the center of Rhode Island legislative power lies with the leadership. He added that there was not a single Rhode Island legislative committee whose name contained the word "Energy". (In Rhode Island, energy bills go through the Senate's Environmental Committee; in the House, the Corporations Committee.) He drew a correlation between that fact and the small number of energy bills introduced in the Rhode Island assembly.

Mr. Allegretti then reported on two Rhode Island bills that had passed in the last session. One bill, the "Renewable Energy Growth Program," would create a tariff-based renewable energy distributed generation financing program that would, through a series of national Grid solicitations, expand the total amount of distributed generation. A second, controversial regional energy bill was proposed by the Chafee administration and would create the "Affordable Clean Energy Security Act", designed as a vehicle to support NESCOE initiatives, both pipeline expansion and long-term contracting for Canadian hydro and wind from Northern New England.

Vermont

Mr. Sherman described the one Vermont bill that passed during the prior year, a bill that increased Vermont's net metering cap from 4% to 15% of a utility's peak load. Looking

forward, he reflected on the prospects of a Vermont discussion on Renewable Portfolio Standards.

Maine

Ms. Hennequin reported that the recent portion of Maine's two-year legislative session was notable for the number of vetoes, including vetoes of carry-over bills that would have: (i) required the analysis of non-transmission alternates and increased the limit of eligible net metering facilities to 1 MW, (ii) re-established funding for solar and wind equipment rebates, (iii) provided for replacements for MPUC Commissioners in cases where a conflict of interest would prevent the MPUC from having a quorum, (iv) addressed wind energy development requirements, and (v) created higher economic standards in connection with the approval of public utility mergers. She reported that three bills passed, one signed by the Maine Governor preserving the pre-merger rights of Maine Public Service, and two that became law without the Governor's signature, one to address the allocation of the costs and benefits of long-term energy contracts and community-based renewable energy projects, and another to support solar energy development.

Looking to the next legislative session, Ms. Hennequin predicted that the Democrats would maintain their majority in both chambers. She stated that chances were extremely high that there would be a bill addressing RPS standards, though its contours were uncertain. Also possible were bills to address wind development, clarify affiliate transaction restrictions, and study the status of existing hydro-electric facilities and potential reinvestment opportunities.

PREVIEW: NEPOOL RESPONSE TO FERC'S PI ORDER (ER14-1050)

Mr. Gordon introduced this issue by explaining that it would be very helpful to the Participants Committee Officers and NEPOOL Counsel to receive comments and thoughts as to the position that NEPOOL might wish to take institutionally in response to the FERC's May 30th

PI Order. He referred to the background materials that had been circulated in advance of the meeting and explained that discussions would take place the following morning in Executive Session. He asked whether ISO representatives or state representatives wished to make any comments for consideration by the Committee, and whether members had any questions of ISO or state representatives ahead of the discussions in Executive Session.

Members asked the ISO about its plans with respect to compliance given the earlier discussions at the recent Markets Committee meeting. In particular, there were questions as to whether the ISO intended to seek any clarification on the directives in the Order requiring an exemption from penalties for intra-zonal congestion that precludes a resource from performing when needed in that zone. The ISO responded that it did not intend to seek any clarification and that any questions with respect to compliance would be addressed during the stakeholder process and in the subsequent filing in response to the FERC's directives.

On behalf of NESCOE and NECPUC, Ms. Heather Hunt and Ms. Sarah Hofmann each indicated that her organization did not have any separate observations or statements to make with respect to plans to respond to the PI Order.

There being no further business, the June 25 session adjourned at 11:45 a.m., with the meeting to be reconvened on June 26 in Executive Session.

JUNE 26, 2014 SESSION

The Summer Meeting reconvened at 8:30 a.m. on June 26, 2014, in Executive Session after confirmation that only members and alternates, or their designated representatives, were present.

EXECUTIVE SESSION: NEPOOL RESPONSE TO THE PI ORDER

Mr. Doot referred to the materials circulated in advance of the meeting and positions that NEPOOL had taken to date on the Performance Incentives (PI) matter. He reminded the Committee of the timing for any further regulatory action on the underlying proposal and the process for any future filing in this matter. He explained that, if NEPOOL wished to request that the FERC modify its ruling in this matter, it must do so in a filing to be submitted no later than June 30, 2014, either in the form of a motion to clarify or a request to rehear that Order. He explained further that, absent a request for a rehearing, NEPOOL would not have the ability to further challenge any aspect of the Order.

Discussion ensued for some time with various directions being provided to the Officers and NEPOOL Counsel. Following that discussion, a final approach to which all agreed was identified, summarized, and accepted by the Committee directing NEPOOL Counsel to request on behalf of NEPOOL clarification of the May 30, 2014 FERC order addressing the FCM performance incentives jump ball filing in FERC Docket No. ER14-1050, consistent with the input provided during Executive Session. The Committee then emerged from Executive Session at 10:00 a.m.

Mr. Gordon again welcomed the guests who were present and Mr. Doot confirmed there was a quorum in accordance with the Second Restated NEPOOL Agreement.

INTERNAL MARKET MONITOR (IMM) REPORT

Mr. LaPlante, ISO IMM, presented highlights from the 2013 Annual Markets Report that was circulated and posted in advance of the meeting. He began by noting the new format of the presentation, organized to focus on the following three subject areas: (1) natural gas-fired resource availability, commitment, dispatch, and performance; (2) Day-Ahead and Real-Time Energy prices; and (3) a market outcomes and market competitiveness summary.

Natural Gas-Fired Resource Availability, Commitment, Dispatch, and Performance

Addressing resource availability, Mr. LaPlante highlighted the region's growing dependence on natural gas availability, noting that, since 1999, generators' gas consumption has accounted for more than 95% of the overall increase in natural gas consumption for the region. Nearly half of the region's electricity was produced by gas-fired generation, pushing gas pipeline capacity to its limits during periods of peak gas demand.

Mr. LaPlante noted IMM observations that, when meeting electricity supply obligations, gas-fired generators faced either price risk (when gas is procured *after* making an offer) or quantity risk (when gas is procured *before* making an offer) and were subject to a number of obligations to ensure the efficient and reliable operation of the electricity market, including: restrictions against withholding capacity, "must offer" requirements, and obligations to follow ISO dispatch instructions and to ensure consistency of offer and operating information. He indicated his view that the FERC's August 2013 order in response to NEPGA's complaint concerning capacity resource obligations (EL13-66) had improved overall resource performance. He identified various mechanisms used by generators to address the risks faced, including: self-scheduling, fuel switching, fuel price adjustment, and a Limited Energy Generator (LEG) designation.

Mr. LaPlante referred to slides illustrating a significant decrease in the number of instances where generators were not able to dispatched because of natural gas problems (reduction events), with 29 reduction events in 2013 (many of which occurred during storm Nemo), down from 89 events in 2011. He attributed that the decrease to the FERC's clarification of generator obligations discussed earlier, extensive use of fuel price adjustments, changes to the Day-Ahead Energy Market timeline, and improved tools and processes used by system operations in assessing natural gas availability to generators.

While not recommending any immediate changes, the IMM did recommend consideration of Market Rule revisions once hourly markets were implemented to ensure that the use of the LEG provisions in both the Day-Ahead and Real-Time Energy Markets would be restricted to instances of physical fuel limitations, rather than used for quantity risk mitigation.

Addressing the gas trading impacts of the May 2013 change in the ISO's Day-Ahead Market timeline, including setting the closing time at 10:00 a.m., Mr. LaPlante reported that implementation occurred without incident, had provided a number of benefits to Participants, and may have contributed to a reduction in the number of times resources were unable to follow dispatch instructions because of a lack of natural gas. Overall, however, the IMM found that the timeline change did not have any appreciable effect on the timing of natural gas trading in the region, with fixed-price and price-indexed natural gas contracts trending toward later trading times. He added that the percentage of price-indexed gas contracts had increased, while fixed-price contract volumes had declined, since 2011. In response to a question, Dr. Chadalavada indicated that the ISO was investigating ways to decrease the time between the Day-Ahead bidding deadlines and the time that results were announced.

Day-Ahead and Real-Time Energy Prices

To answer the question of how well Day-Ahead and Real-Time Energy Market prices reflect the cost of reliable operation, Mr. LaPlante explained that the IMM assessed price convergence between the Day-Ahead and Real-Time Markets, the percentage of Real-Time Load clearing in the Day-Ahead Market, and the amount and impact of out-of-market commitments (RAA Commitments) made by the ISO. With respect to price convergence between the Day-Ahead and Real-Time Energy Markets, he reported that prices in the Markets had converged consistently on an annual, average basis, despite an 81% reduction in the amount of virtual transactions clearing Day-Ahead since 2009, with an average difference during the 2009 and 2013 period of between 0.01% to 1.40% annually. He indicated that uncertainty produced by the allocation of uplift costs to virtuals inhibited opportunities for virtuals to support price convergence.

Mr. LaPlante reported that the percentage of Real-Time load clearing Day-Ahead in 2013 was, on average, 94% (up 1% from 2012), noting that supplemental commitments were less likely to be needed the nearer to 100% the amount of load clearing Day-Ahead was to Real-Time Load. Comparing the shares of Real-Time and Day-Ahead load cleared by large (≥100 MW) Load Serving Entities (LSEs) versus that of small (<100 MW) LSEs. He explained that large LSEs consistently cleared more Load in the Day-Ahead Markets than did small LSEs.

Addressing the price impacts of ISO RAA commitments, Mr. LaPlante explained that such commitments resulted in understated Real-Time prices relative to Day-Ahead prices, weakening incentives for Load to hedge in the Day-Ahead Market. He expressed concern that lower Real-Time prices were hiding costs, like those of running a generator at its EcoMin when its EcoMin is higher than the Real-Time LMP. However, uncertainty associated with the

tightening of intraday natural gas supply had forced the ISO for reliability reasons to increase RAA Commitments, distorting prices and increasing the challenges for the markets to maintain reliability through price signals alone.

Based on those observations, the IMM made three recommendations. First, it recommended that the ISO study, develop, and implement a market-based reliability commitment method to better reflect the costs of providing reliability in market prices, thereby reducing the use of, and reliance on, the RAA process. Second, the IMM recommended a discontinuation or replacement of the Real-Time LMP calculator (so as to avoid manual corrections by the Day-Ahead Market team, particularly during scarcity conditions when price is important). Third, the IMM recommended that the ISO revise the Market Rules so that Real-Time NCPC charges do not prevent virtual transactions from improving Day-Ahead Market liquidity.

Market Outcomes and Market Competitiveness Summary

Mr. LaPlante highlighted the following key statistics of wholesale market outcomes in 2013 relative to 2012:

- Energy prices were up 57%;
- Ancillary Service costs more than doubled (due to increased reserves purchased in the Forward and Real-Time Markets as well as changes to regulation clearing price calculations implemented in 2013);
- Capacity costs were down 11% ;
- Natural gas costs increased by 76%;
- Total costs rose 45% (a lower percentage because other resources, e.g. coal and pumped storage, were marginal more frequently);
- Energy consumption increased by 1%;
- Energy market total costs were $7.5 billion;
- Wholesale market total costs were $8.8 billion;
- Average energy costs were $58.14 MWh, up from $37.42 MWh in 2012;
- Average Real-Time Hub LMP was $56.06/MWh, roughly $20 more than 2012 (with higher Q1 and Q4 LMP prices reflecting higher fuel costs and subject to less price convergence than during the Q2 and Q3 periods); and

- Uplift costs (NCPC payments) increased by $70.9 million (due to increased fuel prices as well as several unusual operating conditions experienced, particularly Storm Nemo, and the other notable System events identified in the presentation).

Turning to the Seventh Forward Capacity Auction (FCA7) conducted in February 2013, Mr. LaPlante highlighted that FCA7 was the first FCA to model import-constrained capacity zones (NEMA-Boston and Connecticut), with NEMA-Boston zone new resources clearing at $14.99/kW-month; existing resources, $6.661/kW-month. Administrative pricing rules designed to protect the market from the exercise of market power impacted prices for the first time during FCA7, in the NEMA-Boston zone, due to insufficient competition among new resources.

Reviewing Ancillary Service Market outcomes, Mr. LaPlante indicated that the Regulation Market was competitive in 2013, with payments to resources providing regulation services totaling $20.4 million, an increase of $8.8 million from 2012.

Mr. LaPlante concluded his presentation by stating that, based on observations and analysis of the markets in 2013, the IMM found that the New England Markets were structurally competitive and price outcomes consistent with those expected of a competitive marketplace. Energy prices reflected supplier short-run marginal costs and, when needed, mitigation rules provided adequate behavioral remedies. These findings were determined based on review of the following competitiveness measures:

- Herfindahl-Hirschman Index (HHI): 2013 HHI results showed that New England (on average at 800) was in all hours well below the U.S. Department of Justice's threshold HHI value for determining market concentration (1,500 points). Participants requested the IMM calculate HHI on a zonal basis, given the increased number and decreased size of the region's Zones.
- Residual Supplier Index (RSI): Measuring the percentage of Real-Time demand in a given hour that can be met without any capacity from the largest supplier, RSIs in New England during 2013 showed that pivotal suppliers existed during 123 hours, or approximately 1.4% of all hours.
- Gross Margin Metric: With little change over the prior three years, the results of this measurement of revenues above offer costs earned by Market Participants, with

competitive markets having small gross margin metric values, was consistent with the analysis that showed limited ability for generators to exercise market power.

- Competitiveness Measure: This metric demonstrated that in 2013 a smaller component of the LMP was the result of marginal offers above cost, and suggested that there was not any systematic attempt to use pricing power to manipulate market outcomes, either via economic or physical withholding.

In response to a member's question, Mr. LaPlante indicated that the IMM was reviewing the recent increases in Forward Reserve auction clearing prices and would, when and as appropriate, discuss its findings with the Markets Committee. Mr. Gordon then thanked Mr. LaPlante for his report and wished him well in his retirement.

REPORT OF THE ISO CHIEF EXECUTIVE OFFICER

Mr. Gordon van Welie referred the Committee to the summaries of the ISO Board and Board Committee meetings that had occurred since the June 6, 2014 meeting, which were circulated and posted in advance of the meeting. He highlighted Compensation and Human Resources Committee efforts to mitigate cost increases, including costs associated with the Affordable Care Act; Board Markets Committee review of the EMM's Annual Report and recommendations, quarterly market seams update, and ISO management's Capacity Supply Obligation (CSO) deferral proposal; and SPARC's review of the 2014 Regional System Plan Executive Summary and public meeting plans and operational issues associated with the May Millstone Point outage. Mr. van Welie reported that the Board established for a 6-month term an ad hoc committee to focus on the ISO's cyber security risk mitigation, to be composed of Ms. Vickie VanZandt (Chair), Ms. Roberta Brown and Messrs. Chris Wilson and Barney Rush. He also reported that the Board had elected Dr. Robert Ethier as Vice President of Market Operations and Mr. Mark Karl as Vice President of Market Development. Mr. van Welie asked for questions on his report and none were asked.

Mr. van Welie thanked the Sectors for the level of engagement in the Sector/ISO Board meetings that had been held prior to the meeting's first general session. He noted the feedback from Board members and Participants alike identifying a deep appreciation for the thorough, frank and open discourse generated during the meetings. Board members had indicated that, in combination with the afternoon's panel discussions (which many had attended), they had come away with more insight and appreciation for Participants' perspectives. In response, Participants expressed appreciation for the direct dialogue and openness with which the Board members shared their viewpoints and received those of Participants. Mr. van Welie urged Participants to continue to foster productive and open dialogue and to receive individual Board Member's comments with the understanding that opinions evolve as the Board acts like NEPOOL through its final votes on proposals. Mr. Gordon echoed those sentiments, quoting John Maynard Keynes' ("When my information changes, I alter my conclusions") and the Talmud ("Who is wise? [The one] who learns from everyone").

APPROVAL OF MAY 2, 2014 MINUTES

Mr. Doot referred the Committee to the preliminary minutes for the May 2, 2014 Participants Committee meeting that had been circulated in advance of the meeting. Following motion duly made and seconded, the preliminary minutes, as circulated, were unanimously approved.

CONSENT AGENDA

Mr. Doot referred the Committee to the Consent Agenda that was circulated in advance of the meeting. Following motion duly made and seconded, the Consent Agenda was unanimously approved.

DUAL-FUEL AUDITING REVISIONS

Mr. Donald Gates, as Chair and on behalf of the Reliability Committee, referred the Committee to and summarized the materials circulated and posted in advance of the meeting related to revisions to Section III.1.5.2 of the ISO Tariff (the Dual-Fuel Auditing Revisions). He reported that the Dual-Fuel Auditing Revisions had been unanimously recommended for Participants Committee support by the Reliability Committee at its June 18, 2014 meeting, and would have been on the Consent Agenda but for the timing of the Reliability Committee action.

The following motion was then duly made, seconded, and unanimously approved:

> RESOLVED, that the Participants Committee supports the proposed dual-fuel auditing revisions to Section III.1.5.2 of the ISO Tariff (ISO-Initiated Parameter Auditing), as recommended by the Reliability Committee and as reflected in the materials distributed to the Participants Committee for its June 24-26, 2014 Summer Meeting, together with such non-substantive changes as may be agreed to after the meeting by the Chair and Vice-Chair of the Reliability Committee.

WINTER 2014/15 RELIABILITY PROGRAM

Ms. Allison DiGrande, Markets Committee Chair, referred the Committee to and summarized materials circulated and posted in advance of the meeting regarding revisions to Market Rule 1 to address Winter 2014/16 reliability concerns (Winter 2014/15 Program). She also referenced related changes supported on the Consent Agenda and the prior vote on Dual-Fuel Auditing Revisions. She summarized the substance of amendments to the ISO's proposal offered at the June 10-11 Markets Committee meeting, a number of which were expected to be offered again during this discussion. She reported that the Markets Committee had approved a once-amended main motion to recommend Participants Committee support for the Winter 2014/15 Program (with a March 15 program end date for unused oil inventory) by a vote of

77.68% in favor and, at the ISO's request, had also voted to support the ISO's unamended proposal (with a March 1 program end date for all Resources) with a vote of 92.46% in favor.

Mr. Gordon indicated that the Committee would begin with the amended main motion recommended by the MC (reflecting UI's amendment setting a March 15 end date for unused oil inventory) and would consider amendments in the same order as those amendments were considered at the Markets Committee.

The following main motion was then duly made and seconded:

> RESOLVED, that the Participants Committee supports revisions to Appendix K to Market Rule 1 to implement the Winter 2014/15 Reliability Program (with a March 15 program end date for unused oil inventory), as recommended by the Markets Committee at its June 10-11, 2014 meeting, together with such non-substantive changes as may be approved by the Chair and Vice-Chair of the Markets Committee.

Members then commented and asked clarifying questions related to the Winter 2014/15 Program. A Generation representative criticized the extension of the end date for unused oil inventory beyond the March 1 end of the obligation period as inconsistent with effective market design. He suggested that the primary purpose of the change was to reduce overall program cost and that it was unclear whether the change would incent or guarantee that resources would use oil to generate electricity any more effectively than already provided for in the ISO's proposed changes.

Members of the Publicly Owned Entity Sector, while generally expressing support for the Program, identified concerns with the potential aggregate cost of the program and that an extension to March 15 appeared not to be reflected in the rate initially proposed by the ISO that paid for final inventory. Raising a procedural concern, a Member also urged the Participants Committee to support a single proposal, whichever end date provision was ultimately supported. In response to a question, Dr. Chadalavada indicated that, absent further amendment, and if the

Winter 2014/15 Program with a March 15 end date for unused oil inventory was supported by NEPOOL, the ISO would not request a vote on its unamended Proposal (reflecting a March 1 end date for all Resources). Accordingly, Mr. Gordon clarified that if a member wished to have a vote on March 1, an amendment to that effect would have to be proposed. A NESCOE representative indicated that the States fully supported the main motion.

The Committee then proceeded to consider amendments to the main motion.

Graduated Payment Rate Amendment

The NRG representative made a motion to amend the main motion, which was duly seconded, to amend the main motion so as to replace the payment rate proposed by ISO for oil inventory service with a graduated payment structure that varied based on the start-of-program inventory levels (NRG Rate Amendment), as follows:

For oil inventory levels of at least:	*Payment rate at the end of the season would be:*
Lesser of 65% or 6 days	$12/barrel
Lesser of 75% or 8 days	$15/barrel
Lesser of 85% or 10 days	$18/barrel

The NRG representative explained that the amendment, modified to reflect feedback received at and after the Markets Committee meeting, would provide additional incentive for oil-fired units to try to achieve the highest possible inventory/payment level. He illustrated by example how the amendment would address concerns that the cut-off proposed by the ISO would, by intensifying the risk associated with falling just short of the proposed single threshold, ultimately hinder participation in the program.

In response, Mr. Christopher Parent, for the ISO, explained that the 85/10 mark in the ISO Proposal focused on numbers the ISO believed would result in the addition of a desired 2.8 million barrels of incremental oil inventory to the System. Lower numbers, he added, would likely result in inventory levels below the threshold needed to ensure reliability, and could

include oil inventory that would not be incremental. Looking back to the previous winter period, Mr. Parent reported that a majority of the resources that had participated in the program were at, or above, the 85/10 threshold, reinforcing the ISO's belief that the 85/10 mark was achievable and appropriate. In addition, he added that the proposal provided a month grace period for resources that may be a month late in achieving inventory levels, whether for logistics or other reasons, to continue to bring oil in and participate in program

The NRG Rate Amendment was then voted and determined to have failed by a show of hands.

Increased LNG Excess Payment Rate Amendment

The UI representative made a motion to amend the main motion, which was duly seconded, to revise Appendix A to Market Rule 1 to increase the unused, or excess, LNG payment rate from $3.00/MMBtu (as reflected in the main motion) to $8.00/MMBtu (UI Amendment). He explained that the increased rate reflected (i) the higher volatility associated with delivered LNG prices than with oil prices and (ii) the higher risk associated with being long on LNG inventory. Referring to the updated presentation circulated and posted in advance of the meeting, he further indicated that the increased rate was warranted because it was based on a put option calculation rather than on less volatile oil price calculations used by the ISO in developing its proposal.

A NESCOE representative indicated that the oil price calculation appeared to be appropriate and reiterated the States' support for the unamended main motion. The ISO representative indicated that the ISO did not support the UI Amendment. He explained that the addition of LNG to the program responded to feedback received from the prior winter program, reflected a significant evaluation of LNG availability to the New England System, and provided an opportunity for LNG to participate where it might not have before. He stated that indexing

the LNG rate to oil rate reflected a trade off between the MWs generated by oil versus those produced by LNG. He opined that the $3 rate was appropriate in context of the Winter 2014/15 Program. He added that the $8 rate could increase program costs by up to $31 million.

The UI Amendment was then voted and failed to pass with a Vote of 33.53% in favor (Generation – 8.58%; Transmission – 5.72%; Supplier – 5.5%; Alternative Resources – 0%; Publicly Owned Entity – 0%; and End User – 13.73%). (See Vote 1 on Attachment 2)

March 1 Program End Date Amendment

The NextEra representative then proceeded to make a motion, which was duly made and seconded, to amend the main motion so as to revise Appendix A to Market Rule 1 to set the program end date for unused oil inventory to March 1 (instead of March 15 as reflected in the main motion and as originally proposed to the Markets Committee by the ISO) (NextEra Amendment).

Those addressing the NextEra Amendment, highlighting the States' strong support for a March 15 program end date and the ISO's expressed willingness to proceed with either a March 1 or March 15 program end date, urged the Committee not to approve the NextEra Amendment

The NextEra Amendment was then voted and determined to have failed by a show of hands.

Vote on Unamended Main Motion

Without further discussion, the unamended main motion was then voted and approved, with opposition noted by: ConEd, Entergy, Exelon, LIPA, Texas Retail, and Vitol; and abstentions by: BP, CSC, Energy America, EnerNOC, Enerwise, Galt, Hess, Integrys, and the AR Sector's Small Renewable Generation Group Member.

ISO CSO DEFERRAL PROPOSAL – MARKET RULE CHANGES

Ms. DiGrande referred the Committee to the materials circulated and posted in advance of the meeting regarding ISO-proposed changes to the Forward Capacity Market (FCM) rules that would allow, under specific circumstances, a new resource that has cleared in a Forward Capacity Auction (FCA) to request a one-year deferral of its Capacity Supply Obligation (CSO) (CSO Deferral Proposal). She explained that, should the ISO determine that a new resource that has cleared in an FCA was needed for reliability but is delayed in achieving commercial operation, then the Market Participant would be able to file with the FERC a request to defer its CSO for one year. In seeking such a deferral, the Market Participant would also be required to demonstrate that the deferral was critical to the resource's ability to achieve commercial operation and that the reasons for the deferral were beyond the Market Participant's control. Related changes to the Financial Assurance Policy (FAP) were required and, given the higher voting threshold, would be separately discussed and voted after the Market Rule changes. Ms. DiGrande summarized the amendments to the ISO's proposal offered and considered by the Markets Committee. She reported that, at its June 10-11 meeting, the Markets Committee approved one amendment offered by NRG with a 66.8% Vote in favor, but failed to recommend for Participants Committee support either the once-amended main motion (with a 12.59% Vote in favor) or the ISO's unamended CSO Deferral Proposal.

The following main motion was then duly made and seconded:

> RESOLVED, that the Participants Committee supports revisions to Market Rule 1 to implement the CSO Deferral Proposal, as proposed by ISO and as circulated to this Committee in advance of this meeting, together with such non-substantive changes as may be approved by the Chair and Vice-Chair of the Markets Committee.

In response to questions, Dr. Ethier identified certain alternatives to the CSO Deferral Proposal that had been explored, including a waiver request and a gap request for proposal (Gap

RFP) process, and the challenges they presented. He indicated that, after due consideration of the alternatives, the ISO had concluded that the CSO Deferral Proposal was, under the circumstances, the preferred course to address the needs presented.

NRG Market Rule Amendment

The NRG representative then made, and explained the rationale behind, a motion to amend the main motion, which was duly seconded, so as to revise Market Rule 1 to (i) establish new, incremental financial assurance obligations under the FAP associated with the filing of a request for, and FERC granting of, a CSO deferral request and (ii) require the ISO promptly to file to terminate all of the resource's CSOs if the FERC does not grant the deferral (NRG Market Rule Amendment). He explained that the Amendment was the same Amendment considered by the Markets Committee that did not pass.

No member raised any comments, questions or concerns on the NRG Market Rule Amendment. Dr. Ethier indicated that the ISO did not support either element of the NRG Market Rule Amendment.

The NRG Market Rule Amendment was then voted and failed to pass with a 45.16% Vote in favor (Generation – 11.44%; Transmission – 4.29%; Supplier – 11.44%; Alternative Resources – 14.17%; Publicly Owned Entity – 0%; and End User – 3.82%). (See Vote 2 on Attachment 2.)

Vote on Unamended Main Motion

Without further discussion, the unamended main motion was then voted and determined to have failed by a show of hands.

ISO CSO DEFERRAL PROPOSAL – FAP CHANGES

Mr. Fuller, Budget & Finance Subcommittee (Subcommittee) Chair, referred the Committee to the materials circulated and posted in advance of the meeting regarding FAP changes proposed as part of the ISO's CSO Deferral Proposal (FAP Changes). He reported that the Subcommittee had met by teleconference the Monday before the Summer Meeting to review the FAP Changes, which the ISO explained were intended to make as few changes to the FAP as possible, merely accelerating the provision of the financial assurance required for a failure to become commercial by the commencement of the Capacity Commitment Period starting with FCA9. He reported further that the Subcommittee had also discussed NRG's concerns with the FAP Changes and its proposal to set the financial assurance requirement for non-commercial capacity based on the clearing price of the FCA in which the CSO was awarded rather than at an administrative rate of $5.737/kW-mo, and to require a resource whose operation was delayed beyond the start of the Capacity Commitment Period for which it held a CSO to post additional FA at a rate of one additional month of FCM payments. He indicated that, while there had been a full vetting of the FAP-related issues, the Subcommittee had neither reached a consensus nor made a recommendation with respect to the FAP Changes, with most Subcommittee members indicating a desire to hear the discussion at this meeting before deciding.

The following main motion was then duly made and seconded:

> RESOLVED, that the NEPOOL Participants Committee supports the changes to the Financial Assurance Policy, as proposed by the ISO and as circulated to this Committee in advance of this meeting, together with such further non-substantive changes as the ISO Chief Financial Officer and the Budget & Finance Subcommittee Chairman may approve.

Mr. Doot reminded the Committee that support for the FAP Changes would require a NEPOOL Vote of two-thirds or greater. He emphasized that a vote on the FAP Changes was

limited to support for the FAP Changes presuming the ISO would proceed with the Market Rule changes just considered (but not supported by NEPOOL). Those who did not support the CSO Deferral Market Rule changes could nevertheless separately support the FAP Changes as appropriate should the CSO Deferral Market Rule changes be implemented.

NRG FAP Amendment

The NRG representative then made, and explained the rationale behind, a motion to amend the main motion, which was duly seconded, so as to revise the ISO's proposed FAP changes (i) to require a resource seeking a CSO deferral to post additional financial assurance at the time of making the request and (ii) to apply the logic reflected in recent changes to Section VII.B.2.b of the FAP with respect to non-commercial capacity to any resource seeking a CSO deferral (effectively basing non-commercial financial assurance on the clearing price of the FCA in which the CSO was awarded, rather than the administrative rate of $5.737/kW-mo, and requiring a resource whose operation was delayed beyond the start of the Capacity Commitment Period for which it had a CSO to post additional financial assurance at a rate of one additional month of FCM payments for every six months of delay).

No member raised any comments, questions or concerns on the NRG FAP Amendment. Mr. Hepper indicated that the ISO opposed the NRG FAP Amendment. He explained the ISO view that accelerating the financial assurance obligation in the case of a CSO deferral but otherwise leaving the remaining FAP requirements unchanged was sufficient to protect the Pool.

The NRG FAP Amendment was then voted and failed to pass with a 51.25% Vote in favor (Generation – 13.73%; Transmission – 4.29%; Supplier – 15.45%; Alternative Resources – 14.17%; Publicly Owned Entity – 0%; and End User – 3.61%). (See Vote 3 on Attachment 2.)

Vote on Unamended Main Motion

Without further discussion, the unamended main motion was then voted and approved with a 68.04% Vote in favor (Generation – 4.29%; Transmission – 17.17%; Supplier – 3.24%; Alternative Resources – 9.91%; Publicly Owned Entity – 17.17%; and End User – 16.26%). (See Vote 4 on Attachment 2.)

LITIGATION REPORT

Mr. Doot referred the Committee to the June 23 Litigation Report that had been posted in advance of the meeting, noting the high level of activity notwithstanding the brief period of time covered since the June 5 Report was circulated. He encouraged anyone with comments or questions on the June 23 Report to please contact NEPOOL Counsel.

COMMITTEE REPORTS

Mr. Fuller announced that the next regularly-scheduled meeting of the Subcommittee would be held August 13, and that the meeting to consider the ISO's 2015 budgets would be held August 27. He encouraged all those interested to participate. There were no other Committee or working group reports.

OTHER BUSINESS

Mr. Doot referred the Committee to the NEPOOL calendar posted on the NEPOOL website for July and August. He highlighted the Markets Committee Summer Meeting scheduled for July 8-10 and the joint Reliability/Transmission Committee Summer Meeting scheduled for August 11-12. He reminded the Committee of the special July 10 Participants Committee meeting to be held at the conclusion of the Markets Committee Summer Meeting to address the FERC's May 30 Performance Incentives Order and ISO-proposed Tariff changes to be submitted in response to directives in that order. Mr. Doot also noted that the August 1

Participants Committee meeting would be held at The Charles Hotel in Cambridge, Massachusetts.

Mr. Doot concluded by thanking the NEPOOL team for their efforts planning and facilitating the Committee's 13th Annual Summer Meeting, highlighting the efforts of Mr. Harold Blinderman in developing the schedule, establishing the panel discussions and ensuring the panelists were prepared and present when needed, and for producing the state legislative summary, as requested at the previous summer meeting. He also echoed the thanks and individual recognition of Ms. Cynthia Jacobs for her tireless efforts and responsiveness in choreographing the meeting's activities. Mr. Gordon added his thanks and appreciation to Participants for enhancing the meeting by encouraging the attendance of additional colleagues and family.

There being no further business, the June 26 session and the Summer Meeting adjourned at 1:45 p.m.

Respectfully submitted,

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David T. Doot, Secretary

ATTACHMENT 1

MEMBERS AND ALTERNATES PARTICIPATING IN
THE PARTICIPANTS COMMITTEE
JUNE 24-26, 2014 SUMMER MEETING

PARTICIPANT NAME	SECTOR	MEMBER NAME	ALTERNATE NAME	PROXY
Ashburnham Municipal Light Plant	Publicly Owned		Gary Will	
Associated Industries of Massachusetts	End User			Roger Borghesani
Boylston Municipal Light Department	Publicly Owned		Gary Will	
BP Energy Company	Supplier			Nancy Chafetz
Braintree Electric Light Department	Publicly Owned		Dave Cavanaugh	
Brookfield Energy Marketing/Cross-Sound Cable (CSC)	Supplier	Aleks Mitreski	Nicolas Bosse	Jose Rotger
Calpine Energy Services, L.P.	Supplier	John Flumerfelt (tel)	Brett Kruse	Tom Kaslow
Central Maine Power Company	Transmission	Eric Stinneford		
Cianbro Companies	End User	Gus Fromuth		
Chicopee Municipal Lighting Plant	Publicly Owned		Gary Will	
Concord Municipal Light Plant	Publicly Owned		Dave Cavanaugh	
Connecticut Municipal Electric Energy Coop.	Publicly Owned	Brian Forshaw		
Connecticut, State of, Office of Consumer Counsel	End User		Joe Rosenthal (tel)	Dave Thompson
Conservation Law Foundation (CLF)	End User	Seth Kaplan	N. Jonathan Peress	
Conservation Services Group (CSG)	AR			Doug Hurley (tel)
Consolidated Edison Energy, Inc. (ConEd)	Supplier	Jeff Dannels		
Danvers Electric Division	Publicly Owned		Dave Cavanaugh	
DC Energy, LLC	Supplier	Bruce Bleiweis		
Dominion Energy Marketing, Inc.	Generation	Ronald Hart	Lisa Moerner	
Dragon Products Company LLC	End User	Gus Fromuth		
Dynegy Marketing and Trade, LLC	Supplier			Bill Fowler
Elektrisola, Inc.	End User	Gus Fromuth		
Emera Maine	Transmission	Jeff Jones	Stacy Dimou	
Energy America, LLC	Supplier	Ron Carrier		Nancy Chafetz
EnerNOC, Inc.	AR	Herb Healy		Greg Geller
Enerwise Global Technologies Inc.	AR		John Driscoll (tel)	
Entergy Nuclear Power Marketing, LLC	Generation			Bill Fowler
EquiPower Resources Management, LLC	Generation	Jim Ginnetti	Bill Fowler	
Essential Power, LLC	Generation	M.Q. Riding	Bill Fowler	
Exelon New England Holdings / Constellation	Supplier	Steve Kirk	Bill Fowler	Daniel Allegretti
Fairchild Semiconductor Corporation	End User	Gus Fromuth		
First Wind Energy Marketing, Inc.	AR	John Keene		Bob Stein
Galt Power, Inc.	Supplier	Nancy Chafetz		
GDF SUEZ Energy Marketing NA, Inc.	Generation	Thomas Kaslow		
Generation Group Member	Generation	Dennis Duffy	Abby Krich	Bob Stein
Georgetown Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Granite Ridge/Merrill Lynch	Supplier		Bill Fowler	
Groton Electric Light Department	Publicly Owned		Gary Will	
H.Q. Energy Services (U.S.) Inc.	Supplier		Bob Stein	Abby Krich
Harvard Dedicated Energy Limited	End User	Mary Smith		Roger Borghesani
Hess Corporation	Supplier			Nancy Chafetz
High Liner Foods (USA) Incorporated	End User		William P. Short III	
Hingham Municipal Lighting Plant	Publicly Owned		Dave Cavanaugh	
Holden Municipal Light Department	Publicly Owned		Gary Will	
Hudson Light and Power Department	Publicly Owned		Gary Will	
Hull Municipal Lighting Plant	Publicly Owned		Gary Will	
Industrial Energy Consumer Group	End User	Don Sipe		
Ipswich Municipal Light Department	Publicly Owned		Gary Will	
Integrys Energy Services Inc.	Supplier			Nancy Chafetz
Long Island Lighting Company (LIPA)	Supplier	William Killgoar (tel)		
Littleton (MA) Electric Light & Water Department	Publicly Owned		Dave Cavanaugh	

ATTACHMENT 1

MEMBERS AND ALTERNATES PARTICIPATING IN
THE PARTICIPANTS COMMITTEE
JUNE 24-26, 2014 SUMMER MEETING

PARTICIPANT NAME	SECTOR	MEMBER NAME	ALTERNATE NAME	PROXY
Macquarie Energy, LLC	Supplier	Christi Nicolay		Nancy Chafetz
Maine Public Advocate Office	End User	Agnes Gormley	Tim Schneider	
Maine Skiing, Inc.	End User	Don Sipe		
Mansfield Municipal Electric Department	Publicly Owned		Gary Will	
Marble River, LLC	Supplier	Mel Palmer		Steve Garwood
Marblehead Municipal Light Department	Publicly Owned		Gary Will	
Marden's Inc.	End User	Gus Fromuth		
Massachusetts Attorney General's Office (MA AG)	End User	Fred Plett	Christina Belew	Jesse Reyes
Mass. Development Finance Agency	Publicly Owned		Dave Cavanaugh	
Mass. Municipal Wholesale Electric Company (MMWEC)	Publicly Owned	Gary Will		
Mercuria Energy America, Inc.	Supplier		Sean Edington	
Merrimac Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Middleborough Gas and Electric Department	Publicly Owned		Gary Will	
Middleton Municipal Electric Department	Publicly Owned		Dave Cavanaugh	
MoArk, LLC	End User	Gus Fromuth		
New Brunswick Power Generation Corporation	Supplier	Rick McGivney		
New England Power Company	Transmission	Timothy Brennan	Timothy Martin	
New Hampshire Electric Cooperative (NHEC)	Publicly Owned		Steve Kaminski	Brian Forshaw
New Hampshire Office of Consumer Advocate (NH OCA)	End User		Sarah Jackson	
NextEra Energy Resources, LLC	Generation	Michelle Gardner	Chris Sherman	
NU/NSTAR	Transmission	James Daly	Calvin Bowie	Joseph Staszowski
NRG Power Marketing, Inc.	Generation	Peter Fuller		
PalletOne of Maine	End User	Gus Fromuth		
Pascoag Utility District	Publicly Owned		Dave Cavanaugh	
Paxton Municipal Light Department	Publicly Owned		Gary Will	
Peabody Municipal Light Plant	Publicly Owned		Gary Will	
PowerOptions	End User			Sarah Jackson
PPL EnergyPlus, LLC	Supplier		Sharon Weber	
Princeton Municipal Light Department	Publicly Owned		Gary Will	
Provisional Group Member – Load Response Sub-Sector	AR	Brad Swalwell (tel)		
Provisional Group Member – Transmission Sector	Transmission	Steve Conant		
PSEG Energy Resources & Trade LLC	Supplier	Joel Gordon		
Rowley Municipal Lighting Plant	Publicly Owned		Dave Cavanaugh	
Shipyard Brewing LLC	End User	Gus Fromuth		
Shrewsbury Electric & Cable Operations	Publicly Owned		Gary Will	
Small Distributed Generation Group Member	AR	Doug Hurley (tel)		
Small Load Response Group Member	AR	Doug Hurley (tel)		
Small Renewable Generation Group Member	AR	Erik Abend (tel)		
South Hadley Electric Light Department	Publicly Owned		Gary Will	
St. Anselm College	End User	Gus Fromuth		
Sterling Municipal Electric Light Department	Publicly Owned		Gary Will	
Stowe Electric Department	Publicly Owned		Dave Cavanaugh	
Taunton Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Templeton Municipal Lighting Plant	Publicly Owned		Gary Will	
Texas Retail, LLC	Supplier	Chris Hendrix		
The Energy Consortium	End User	Roger Borghesani		
TransCanada Power Marketing Ltd.	Generation		Mike Hachey	
Union of Concerned Scientists (UCS)	End User		Francis Pullaro	
United Illuminating Company, The	Transmission	Rich Peters	Alan Trotta (tel)	
Vermont Electric Power Company, Inc.	Transmission	Francis Ettori		
Vermont Energy Investment Corporation	AR		Doug Hurley (tel)	

ATTACHMENT 1

MEMBERS AND ALTERNATES PARTICIPATING IN
THE PARTICIPANTS COMMITTEE
JUNE 24-26, 2014 SUMMER MEETING

PARTICIPANT NAME	SECTOR	MEMBER NAME	ALTERNATE NAME	PROXY
Vermont Public Power Supply Authority	Publicly Owned	David Mullett		
Verso Maine Energy LLC	Generation		David Norman	
Vitol Inc.	Supplier	Joe Wadsworth		
Wakefield Municipal Gas and Light Department	Publicly Owned		Gary Will	
Wallingford DPU Electric Division	Publicly Owned		Dave Cavanaugh	
Wellesley Municipal Light Plant	Publicly Owned		Dave Cavanaugh	
West Boylston Municipal Lighting Plant	Publicly Owned		Gary Will	
Westerly Hospital	End User		Gus Fromuth	
Westfield Gas & Electric Light Department	Publicly Owned		Gary Will	
ZTECH, LLC	End User		Gus Fromuth	

ATTACHMENT 2

VOTES TAKEN AT
JUNE 24-26, 2014 PARTICIPANTS COMMITTEE SUMMER MEETING

TOTAL

Participant Name	VOTE 1	VOTE 2	VOTE 3	VOTE 4
GENERATION	8.58	11.44	13.73	4.29
TRANSMISSION	5.72	4.29	4.29	17.17
SUPPLIER	5.50	11.44	15.45	3.24
ALTERNATIVE RESOURCES	0.00	14.17	14.17	9.91
PUBLICLY OWNED ENTITY	0.00	0.00	0.00	17.17
END USER	13.74	3.82	3.61	16.26
% IN FAVOR	**33.54**	**45.16**	**51.25**	**68.04**

GENERATION SECTOR

Participant Name	VOTE 1	VOTE 2	VOTE 3	VOTE 4
Dominion Energy Marketing, Inc.	A	F	F	--
Entergy Nuclear Power Marketing LLC	A	A	A	A
EquiPower Resources Management, LLC	O	O	A	A
Essential Power, LLC	A	A	A	A
GDF SUEZ Energy Marketing NA, Inc.	F	A	A	A
Generation Group Member	A	O	O	F
NextEra Energy Resources, LLC	O	F	F	O
NRG Power Marketing, LLC	A	F	F	O
TransCanada Power Marketing Ltd.	A	F	F	O
Verso Maine Energy LLC	F	A	A	A
IN FAVOR (F)	2	4	4	1
OPPOSED (O)	2	2	1	3
TOTAL VOTES	4	6	5	4
ABSTENTIONS (A)	6	4	5	5

TRANSMISSION SECTOR

Participant Name	VOTE 1	VOTE 2	VOTE 3	VOTE 4
Emera Maine	A	F	F	A
New England Power Company	O	O	O	F
The United Illuminating Company	F	A	O	F
NU / NSTAR	O	O	O	F
Vermont Electric Power Company, Inc.	A	O	--	--
IN FAVOR (F)	1	1	1	3
OPPOSED	2	3	3	0
TOTAL VOTES	3	4	4	3
ABSTENTIONS (A)	2	1	0	1

ALTERNATIVE RESOURCES SECTOR

Participant Name	VOTE 1	VOTE 2	VOTE 3	VOTE 4
Renewable Generation Sub-Sector				
First Wind Energy Marketing	A	A	A	A
Small RG Group Member	A	F	F	O
Distributed Generation Sub-Sector				
Conservation Services Group	O	A	F	F
Small DG Group Member	O	A	F	F
Load Response Sub-Sector				
Enerwise Global Technologies Inc.	O	A	A	A
EnerNOC, Inc.	O	--	--	--
Vermont Energy Investment Corp.	O	A	F	F
Small LR Group Member	O	A	F	F
LR Provisional Group Voting Member	O	F	F	F
IN FAVOR (F)	0	1	6	5
OPPOSED	7	0	0	1
TOTAL VOTES	7	1	6	6
ABSTENTIONS (A)	2	7	2	2

ATTACHMENT 2

VOTES TAKEN AT
JUNE 24-26, 2014 PARTICIPANTS COMMITTEE SUMMER MEETING

SUPPLIER SECTOR

Participant Name	VOTE 1	VOTE 2	VOTE 3	VOTE 4
BP Energy Company	A	A	A	A
Brookfield Energy Marketing Inc./CSC	S	S	S	S
Brookfield Energy Marketing Inc.	A	A	F	A
Cross-Sound Cable Company	F	A	F	O
Calpine Energy Services	F	A	A	A
Competitive Energy Services, LLC	F	A	A	A
Consolidated Edison Energy, Inc.	A	A	F	O
Dynegy Marketing and Trade, LLC	F	F	F	A
Energy America, LLC	O	A	F	A
Exelon Generation Company	O	F	F	A
Galt Power, Inc.	A	A	A	A
Granite Ridge/Merrill Lynch Commodities	A	F	A	A
H.Q. Energy Services (U.S.) Inc.	A	O	O	F
Hess	O	A	F	A
Integrys Energy Services, Inc.	O	A	F	A
LIPA	A	A	A	A
PSEG Energy Resources & Trade LLC	O	F	F	O
Texas Retail, LLC	O	A	A	O
Vitol Inc.	O	O	F	O
IN FAVOR (F)	3.3	4.0	9.0	1.0
OPPOSED	7.0	2.0	1.0	4.3
TOTAL VOTES	10.3	6	10	5.3
ABSTENTIONS (A)	6.7	11.0	7.0	11.7

END USER SECTOR

Participant Name	VOTE 1	VOTE 2	VOTE 3	VOTE 4
Associated Industries of Massachusetts	A	A	F	A
Cianbro Companies	F	O	O	F
Connecticut Office of Consumer Counsel	O	O	O	F
Conservation Law Foundation	F	F	F	O
Dragon Products Company	F	O	O	F
Elektrisola, Inc.	F	O	O	F
Fairchild Semiconductor Corporation	F	O	O	F
Harvard Dedicated Energy Limited	F	F	F	A
High Liner Foods (USA) Inc.	F	F	O	F
Industrial Energy Consumer Group	A	A	A	F
Maine Public Advocate Office	O	O	O	F
Maine Skiing, Inc.	A	A	A	F
Marden's Inc.	F	O	O	F
Mass. Attorney General's Office	O	O	O	F
MoArk, LLC	F	O	O	F
NH Office of Consumer Advocate	O	A	A	A
PalletOne of Maine	F	O	O	F
St. Anselm College	F	O	O	F
Shipyard Brewing Co., LLC	F	O	O	F
The Energy Consortium	F	F	F	F
Union of Concerned Scientists	F	A	A	A
Westerly Hospital	F	O	O	F
Z-TECH, LLC	F	O	O	F
IN FAVOR (F)	16	4	4	18
OPPOSED	4	14	15	1
TOTAL VOTES	20	18	19	19
ABSTENTIONS (A)	3	5	4	4

ATTACHMENT 2

VOTES TAKEN AT
JUNE 24-26, 2014 PARTICIPANTS COMMITTEE SUMMER MEETING

PUBLICLY OWNED ENTITY SECTOR

Participant Name	VOTE 1	VOTE 2	VOTE 3	VOTE 4
Ashburnham Municipal Light Plant	O	O	O	F
Boylston Municipal Light Department	O	O	O	F
Braintree Electric Light Department	O	O	O	F
Chicopee Municipal Lighting Plant	O	O	O	F
Concord Municipal Light Plant	O	O	O	F
Conn. Municipal Electric Energy Coop.	O	O	O	F
Danvers Electric Division	O	O	O	F
Georgetown Municipal Light Department	O	O	O	F
Groton Electric Light Department	O	O	O	F
Groveland Electric Light Department	O	O	O	F
Hingham Municipal Lighting Plant	O	O	O	F
Holden Municipal Light Department	O	O	O	F
Holyoke Gas & Electric Department	O	O	O	F
Hudson Light and Power Department	O	O	O	F
Hull Municipal Lighting Plant	O	O	O	F
Ipswich Municipal Light Department	O	O	O	F
Littleton (MA) Electric Light Department	O	O	O	F
Mansfield Municipal Electric Department	O	O	O	F
Marblehead Municipal Light Department	O	O	O	F
Mass. Development Finance Agency	O	O	O	F
Mass. Municipal Wholesale Electric Co.	O	O	O	F
Merrimac Municipal Light Department	O	O	O	F
Middleborough Gas and Electric Dep't	O	O	O	F
Middleton Municipal Electric Department	O	O	O	F
New Hampshire Electric Coop.	O	O	O	F
Pascoag Utility District	O	O	O	F
Paxton Municipal Light Department	O	O	O	F
Peabody Municipal Light Plant	O	O	O	F
Princeton Municipal Light Department	O	O	O	F
Rowley Municipal Lighting Plant	O	O	O	F
Russell Municipal Light Department	O	O	O	F
Shrewsbury's Electric & Cable Ops.	O	O	O	F

PUBLICLY OWNED ENTITY SECTOR (cont.)

Participant Name	VOTE 1	VOTE 2	VOTE 3	VOTE 4
South Hadley Electric Light Department	O	O	O	F
Sterling Municipal Electric Light Dep't	O	O	O	F
Stowe (VT) Electric Department	O	O	O	F
Taunton Municipal Lighting Plant	O	O	O	F
Templeton Municipal Lighting Plant	O	O	O	F
Wakefield Municipal Gas and Light Dep't	O	O	O	F
Wallingford, Town of	O	O	O	F
Wellesley Municipal Light Plant	O	O	O	F
West Boylston Municipal Lighting Plant	O	O	O	F
Westfield Gas & Electric Light Dep't	O	O	O	F
IN FAVOR (F)	0	0	0	42
OPPOSED	42	42	42	0
TOTAL VOTES	42	42	42	42
ABSTENTIONS (A)	0	0	0	42