

FINAL

A meeting of the NEPOOL Participants Committee was held via teleconference beginning at 10:00 a.m. on Friday, June 1, 2018, pursuant to notice duly given. A quorum determined in accordance with the Second Restated NEPOOL Agreement was present and acting throughout the meeting. Attachment 1 identifies the members, alternates and temporary alternates who participated in the teleconference meeting.

Mr. Thomas Kaslow, Chair, presided and Mr. David Doot, Secretary, recorded.

APPROVAL OF APRIL 10, 2018 AND MAY 4, 2018 MEETING MINUTES

Mr. Kaslow referred the Committee to the preliminary minutes for the April 10, 2018 and May 4, 2018 meetings as circulated in advance of the meeting. He requested that the minutes be considered together absent objection from the Committee. Without objection and following motion duly made and seconded, the preliminary minutes of the two meetings were unanimously approved without change, with an abstention on the May 4 minutes by High Liner Foods.

CONSENT AGENDA

Mr. Kaslow 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, with an abstention by Cross-Sound Cable on Consent Agenda Items 1 and 2.

ISO CEO REPORT

Mr. Gordon van Welie, ISO Chief Executive Officer (CEO), referred the Committee to the summaries of the ISO Board and Board Committee meetings that had occurred since the May 4 meeting, which had been circulated and posted in advance of the meeting. There were no questions or comments on the summaries.

ISO COO REPORT

Dr. Vamsi Chadalavada, ISO Chief Operating Officer (COO), referred the Committee to the June COO report, which was circulated in advance of the meeting and posted on the NEPOOL and ISO websites. He said the June COO report reflected data through May 23, 2018. During that time: (i) Energy Market value was \$174 million, down \$263 million from April 2018 and down \$109 million from May 2017; (ii) average natural gas prices were 53% lower than average prices in April 2018; (iii) average Real-Time Hub LMPs (\$21.78/MWh) were 50% lower than April 2018 LMPs; (iv) average daily (peak-hour) Day-Ahead cleared physical Energy, as a percentage of forecasted load, was 94.7% in May, down from 96.4% in April 2018; and (v) daily Net Commitment Period Compensation (NCPC) for April (based on data through May 23, 2018) totaled \$3.9 million, down \$8.2 million from April 2018 and down \$1.4 million from May 2017.

A member asked for further insights concerning a slide on environmental matters (slide 91) relating to emissions in the region. Note was made that emissions were high relative to the in-state emissions cap imposed by Massachusetts. Noting further the specific set-aside for Footprint, the question asked was whether the ISO believed that emissions below the applicable in-state cap would be achievable without major impact on operations. Dr. Chadalavada committed the ISO to review and report back on this issue at a future meeting.

NEW ECONOMIC LIFE CALCULATION FOR PERMANENT & RETIREMENT DE-LIST BIDS

Mr. Alex Kuznecow, Markets Committee Chair, referred the Committee to materials circulated and posted in advance of the meeting concerning Markets Committee-recommended Tariff revisions modifying the economic life calculation to determine competitive Permanent De-List Bid and Retirement De-List Bid prices in the Forward Capacity Market (FCM), as proposed by the ISO's Internal Market Monitor (IMM). He briefly summarized the proposal and

explained the ISO's intent to use the revised calculation for proxy bids if and as needed for FCA13. He went on to explain that the ISO did not believe that it was necessary to request FERC waiver of any rules (including FCA13 qualification deadlines) to implement the proposal. Mr. Kuznecow reported that the Markets Committee recommended at its May 17, 2018 meeting Participants Committee support for the IMM's proposed changes to Section III.13.1.2.3.2.1.2.C of Market Rule 1, with a 68.92% Vote in favor.

Mr. William Fowler, Markets Committee Vice-Chair, provided additional clarification and insight, noting that some of the expressed opposition at the Markets Committee was because of dissatisfaction with underlying mitigation rules as administered by the IMM and the fact that the ISO was changing rules as to how it would handle bids that had already been submitted based on rules in effect at the time of the submission.

The following motion was duly made and seconded:

RESOLVED, that the Participants Committee supports the revisions to Section III.13.1.2.3.2.1.2.C of Market Rule 1, as recommended by the Markets Committee at its May 17, 2018 meeting and 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.

Members then commented and asked questions. The ISO confirmed in response to questions and comments that the Market Rule changes sought by the IMM were not expected to impact FCA13, but could impact calculations of proxy bids for certain individual resources seeking to retire for FCA13. Some members re-raised points that they had made also at the Markets Committee about their concerns with the precedent of making changes without the benefit of the full stakeholder process. They were concerned that there was not sufficient time to assure a full understanding of the implications of the changes or to explore potentially more acceptable alternatives to address the IMM's concerns. Some questioned whether the IMM's

proposed changes needed to be rushed through the process in light of the ISO's conclusion that it would likely not impact the next auction.

The ISO clarified in response to questions that its conclusion of whether the IMM's proposed changes would impact FCA13 did not hinge on whether the ISO's pending waiver request in the Mystic 8&9 Waiver Request proceeding (ER18-1509) was accepted. The IMM further explained in response to questions that Market Participants considering whether to retire resources could be required to make that decision to retire without knowing whether the proxy bid associated with that retirement would be calculated under the existing rules or the IMM's proposed changes.

There was further discussion on process. Members sought and received assurance from the IMM that it would be open to discussing further changes to the mitigation rules in the future, but would not agree to delay the changes it sought now. NEPOOL counsel noted that the process followed here, even with such a commitment, could potentially deny NEPOOL its jump ball rights if the IMM or the ISO did not support future changes to the mitigation rules. NEPOOL counsel requested that the ISO consider this if future discussions produce a NEPOOL-supported set of additional mitigation changes. ISO counsel responded that the IMM's proposed changes were to correct promptly an error discovered in the economic life calculation. She explained that the ISO sought to undertake as much process as they could under the circumstances, and had concluded that the two-meeting stakeholder process undertaken, which met the requirements of the Participants Agreement, was preferable to an Exigent Circumstances filing.

In response to questions about the process going forward, the ISO explained its intent to file the changes promptly, with NEPOOL joining the filing if possible. The ISO did not intend to seek waiver of the applicable 60-day notice requirements.

NEPOOL counsel then clarified for the Committee the limited nature of the vote. He explained that the motion was solely on whether to support the IMM's proposed changes as an improvement to the *status quo*, and would not be deemed a vote in support of the current mitigation rules. He assured members that any filing reporting on the outcome of the vote would explain this fact in order to minimize the chance for a misunderstanding about the significance of the vote.

Following further discussion, the Committee considered and voted on the motion. The motion passed with a 69.01% Vote in favor (Generation Sector – 0.00%; Transmission Sector – 15.39%; Supplier Sector – 8.55%; AR Sector – 10.76%; Publicly Owned Entity Sector – 17.10%; End User Sector – 17.10%; and the Provisional Member Group – 0.11%). See Attachment 2.

LITIGATION REPORT

Mr. Doot referred the Committee to the May 31 Litigation Report that had been circulated and posted in advance of the meeting. He highlighted that the ISO's Mystic 8&9 waiver request had been filed and there were about 40 pleadings filed in response which were summarized in a memorandum circulated with the additional materials in advance of the meeting. He noted that summary may have missed some of the filings and NEPOOL counsel would circulate a supplement to address any filings not previously summarized or to clarify any summaries needing clarification. He reported that responsive pleadings were due on June 7. He went on to report that the proposed the cost-of-service agreement for Mystic 8&9 had been filed and noticed (ER18-1639), and that any pleadings and interventions in response to that filing were due on June 6. He stated NEPGA filed a complaint (EL18-154) to change the Market Rules should the FERC grant the ISO's waiver request, with any answers or responsive comments to that complaint also due on June 6.

Continuing, he highlighted that the region's compliance filing in response to Order 844, the FERC's final rule on cost allocation transparency, was due on September 7, the same date as the September Participants Committee meeting. He said that, based on discussions with the Officers and ISO senior management, members should anticipate that the proposed compliance filing would be brought through the NEPOOL process in order to permit Participants Committee consideration at its September 7 meeting.

COMMITTEE REPORTS

Mr. Fowler reported that the Markets Committee was scheduled to meet on June 6 and 7 in Westborough. He highlighted a joint meeting with the Reliability Committee, which had been deferred from its initially-scheduled date in May, scheduled for June 20, to begin Chapter 3 discussions on fuel security.

Mr. José Rotger reported that the Transmission Committee was scheduled to meet on June 19 in Westborough. He said that an additional teleconference meeting was tentatively scheduled for July 10 to continue discussion of the ISO's plan to comply with Order 845 and the interconnection reform changes. He said that additional meeting would likely be cancelled if the FERC grants the requested extension of the Order 845 compliance date.

Mr. Patrick Gerity reported that the Membership Subcommittee was scheduled to meet via teleconference the following Monday to review straw proposals reflecting this Committee's guidance at the May 4 meeting to continue NEPOOL's policy of not having press attend NEPOOL meetings. He reported that a second teleconference meeting was scheduled for June 11 to identify any recommendations from the Subcommittee for consideration by the Participants Committee at its Summer Meeting. He requested that anyone interested in participating in the meetings that does not usually attend Subcommittee meetings to let him know so they can be added to the distribution list for discussion materials.

OTHER BUSINESS

Mr. Doot reminded members that the 2018 NEPOOL Summer Meeting was scheduled to take place June 26-28 at the Water's Edge Resort in Westbrook, CT. He encouraged Participants to register for the Summer Meeting if they had not already done so, and noted the Water's Edge discounted room block had closed. He suggested that anyone with reservation requests to contact Ms. Cindy Jacobs, NEPOOL Administrator, for assistance. He also encouraged interested Participants to register for the 2018 NEPOOL Golf Outing on June 27, noting the golf registration form and all the Summer Meeting information were posted on the NEPOOL website Summer Meeting page.

There being no further business, the meeting adjourned at 11:15 a.m.

Respectfully submitted,

David T. Doot, Secretary

**PARTICIPANTS COMMITTEE MEMBERS AND ALTERNATES
PARTICIPATING IN
JUNE 1, 2018 TELECONFERENCE MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
AR Small Load Response (LR) Group Member	AR-LR	Doug Hurley	Brad Swalwell	
AR Small Renewable Generation (RG) Group Member	AR-RG	Erik Abend		
Ashburnham Municipal Light Plant	Publicly Owned		Brian Thomson	
Associated Industries of Massachusetts	End User			Roger Borghesani
AVANGRID: CMP/UI	Transmission	Eric Stinneford	Alan Trotta	Adam Sokoloski
Belmont Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Block Island Power Company	Supplier	Dave Cavanaugh		
Boylston Municipal Light Department	Publicly Owned		Brian Thomson	
BP Energy Company	Supplier			Nancy Chafetz
Braintree Electric Light Department	Publicly Owned			Dave Cavanaugh
Chester Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Chicopee Municipal Lighting Plant	Publicly Owned		Brian Thomson	
Citigroup Energy Inc.	Supplier	Barry Trayers		
CLEARResult Consulting, Inc.	AR-DG	Doug Hurley		
Competitive Energy Services, LLC	Supplier			Glenn Poole
Concord Municipal Light Plant	Publicly Owned		Dave Cavanaugh	
Connecticut Municipal Electric Energy Coop. (CMEEC)	Publicly Owned	Brian Forshaw		
Connecticut Office of Consumer Counsel (CT OCC)	End User			Dave Thompson
Conservation Law Foundation	End User	David Ismay		
Cross-Sound Cable Company (CSC)	Supplier		Jose Rotger	
Danvers Electric Division	Publicly Owned		Dave Cavanaugh	
Direct Energy Business, LLC	Supplier			Nancy Chafetz
Dominion Energy Generation Marketing, Inc.	Generation	Michael Purdie		
DTE Energy Trading, Inc.	Supplier			Nancy Chafetz
Dynergy Marketing and Trade, LLC	Supplier			Bill Fowler
Emera Energy Services	Transmission	Sandi Hennequin		Bill Fowler
Emera Maine	Transmission	Lisa Martin		
EnerNOC, Inc.	AR-LR		Herb Healy	
Enerwise Global Technologies Inc. d/b/a CPower	AR-LR		Herb Healy	
Entergy Nuclear Power Marketing, LLC	Generation	Ken Dell Orto		Bill Fowler
Environmental Defense Fund	End User	Liz Delaney		
Eversource Energy	Transmission	James Daly	Cal Bowie	Vandan Divatia
Exelon Generation Company	Supplier	Steve Kirk	Bill Fowler	
FirstLight Power Resources Management	Generation	Tom Kaslow		
Galt Power, Inc.	Supplier	Nancy Chafetz		
Generation Group Member	Generation	Dennis Duffy		Bob Stein, Ron Coutu
Georgetown Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Great River Hydro, LLC	AR-RG			Bill Fowler
Groton Electric Light Department	Publicly Owned		Brian Thomson	
Groveland Electric Light Department	Publicly Owned		Dave Cavanaugh	
H.Q. Energy Services (U.S.) Inc.	Supplier		Bob Stein	
Harvard Dedicated Energy Limited	End User		Michael Macrae	Roger Borghesani; Paul Peterson; Doug Hurley
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		Brian Thomson	
Holyoke Gas & Electric Department	Publicly Owned		Brian Thomson	
Hull Municipal Lighting Plant	Publicly Owned		Brian Thomson	
Ipswich Municipal Light Department	Publicly Owned		Brian Thomson	

**PARTICIPANTS COMMITTEE MEMBERS AND ALTERNATES
PARTICIPATING IN
JUNE 1, 2018 TELECONFERENCE MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Littleton (MA) Electric Light and Waster Department	Publicly Owned		Dave Cavanaugh	
Long Island Lighting Company (LIPA)	Supplier		William Killgoar	
Maine Power LLC	Small SOS Provider	Jeff Jones		
Mansfield Municipal Electric Department	Publicly Owned		Brian Thomson	
Marblehead Municipal Light Department	Publicly Owned		Brian Thomson	
Massachusetts Attorney General's Office (MA AG)	End User	Fred Plett	Christina Belew	
Mass. Municipal Wholesale Electric Company	Publicly Owned	Brian Thomson		
Mercuria Energy America, Inc.	Supplier			Nancy Chafetz
Merrimac Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Middleborough Gas & Electric Department	Publicly Owned		Brian Thomson	
Middleton Municipal Electric Department	Publicly Owned		Dave Cavanaugh	
National Grid	Transmission	Tim Brennan	Tim Martin	
Nautilus Power, LLC	Generation		Bill Fowler	
New Brunswick Energy Marketing Corp.	Supplier		Kim McKinley	
New Hampshire Electric Cooperative (NHEC)	Publicly Owned	Steve Kaminski		Brian Forshaw
New Hampshire Office of Consumer Advocate (NH OCA)	End User	Paul Peterson		
NextEra Energy Resources, LLC	Generation	Michelle Gardner		
NRG Power Marketing LLC	Generation		Pete Fuller	
Pascoag Utility District	Publicly Owned		Dave Cavanaugh	
Paxton Municipal Light Department	Publicly Owned		Brian Thomson	
Peabody Municipal Light Department	Publicly Owned		Brian Thomson	
PowerOptions, Inc.	End User			Paul Peterson
Princeton Municipal Light Department	Publicly Owned		Brian Thomson	
PSEG Energy Resources & Trade LLC	Supplier	Joel Gordon		
Reading Municipal Light Department	Publicly Owned			Brian Forshaw
Repsol Energy North America Company	Gas Industry Part.		Nancy Chafetz	
Rowley Municipal Lighting Plant	Publicly Owned		Dave Cavanaugh	
Russell Municipal Light Dept.	Publicly Owned		Brian Thomson	
Shrewsbury Electric & Cable Operations	Publicly Owned		Brian Thomson	
South Hadley Electric Light Department	Publicly Owned		Brian Thomson	
Sterling Municipal Electric Light Department	Publicly Owned		Brian Thomson	
Stowe Electric Department	Publicly Owned		Dave Cavanaugh	
Taunton Municipal Lighting Plant	Publicly Owned		Dave Cavanaugh	
Templeton Municipal Lighting Plant	Publicly Owned		Brian Thomson	
The Energy Consortium	End User	Roger Borghesani		Paul Peterson, Fred Plett Doug Hurley
Union of Concerned Scientists	End User		Francis Pullaro	
Utility Services Inc.	End User			Paul Peterson
Vermont Electric Power Company	Transmission	Frank Ettori		
Vermont Energy Investment Corporation	AR-LR		Doug Hurley	
Vermont Public Power Supply Authority	Publicly Owned			Brian Forshaw
Verso Energy Services LLC	Generation	Glenn Poole		
Vitol Inc.	Supplier	Joe Wadsworth		
Wakefield Municipal Gas & Light Department	Publicly Owned		Brian Thomson	
Wallingford DPU Electric Division	Publicly Owned		Dave Cavanaugh	
Wellesley Municipal Light Plant	Publicly Owned		Dave Cavanaugh	
West Boylston Municipal Lighting Plant	Publicly Owned		Brian Thomson	
Westfield Gas & Electric Department	Publicly Owned		Dave Cavanaugh	
Wheelabrator/Calpine	AR-RG			Bill Fowler

**PARTICIPANTS COMMITTEE
VOTE TAKEN AT
JUNE 1, 2018 TELECONFERENCE MEETING**

TOTAL

Sector/Group	Vote
GENERATION	0.00
TRANSMISSION	15.39
SUPPLIER	8.55
ALTERNATIVE RESOURCES	10.76
PUBLICLY OWNED ENTITY	17.10
END USER	17.10
PROVISIONAL MEMBERS	0.11
% IN FAVOR	69.01

GENERATION SECTOR

Participant Name	Vote
Dominion Energy Gen. Marketing	O
Energy Nuclear Power Marketing	O
FirstLight Power Res. Management	A
Generation Group Member	A
Nautilus Power, LLC	O
NextEra Energy Resources, LLC	O
NRG Power Marketing, LLC	O
Verso Energy Services LLC	O
IN FAVOR (F)	0
OPPOSED (O)	6
TOTAL VOTES	6
ABSTENTIONS (A)	2

TRANSMISSION SECTOR

Participant Name	Vote
AVANGRID (CMP/UI)	F
Emera	Split ¹
Emera Maine	F
Emera Energy Services Subs.	O
Eversource Energy	F
National Grid	F
Vermont Electric Power Co.	F
IN FAVOR (F)	4.5
OPPOSED	0.5
TOTAL VOTES	5
ABSTENTIONS (A)	0

ALTERNATIVE RESOURCES SECTOR

Participant Name	Vote
Renewable Generation (RG) Sub-Sector	
Great River Hydro, LLC	O
Wheelabrator/Calpine Companies	O
Small RG Group Member	A
Distributed Generation Sub-Sector	
CLEAResult Consulting, Inc.	F
Load Response (LR) Sub-Sector	
CPower (Enerwise Global Tech.	F
EnerNOC, Inc.	F
VT Energy Investment Corp.	F
Small LR Group Member	F
IN FAVOR (F)	5
OPPOSED (O)	2
TOTAL VOTES	7
ABSTENTIONS (A)	1

SUPPLIER SECTOR

Participant Name	Vote
Block Island Power Company	F
BP Energy Company	A
Citigroup Energy Inc.	A
Competitive Energy Services, LLC	O
Cross-Sound Cable Company	F
Direct Energy Business, LLC	F
DTE Energy Trading, Inc.	A
Dynegy Marketing and Trade, LLC	O
Exelon Generation Company	A
Galt Power, Inc.	F
H.Q. Energy Services (U.S.) Inc.	O
Long Island Power Authority (LIPA)	A
Mercuria Energy America, Inc.	A
New Brunswick Energy Marketing Corp.	A
PSEG Energy Resources & Trade	O
Vitol Inc.	A
IN FAVOR (F)	4
OPPOSED	4
TOTAL VOTES	8
ABSTENTIONS (A)	8

¹ Pursuant to Section 6.2 of the NEPOOL Agreement, Participants and their Related Persons are for voting purposes together permitted to join only one Sector to which any of them is eligible to join, but are permitted to split the vote in that Sector as they see fit. Emera Maine and the Emera Energy Services Subsidiaries split their vote evenly.

**PARTICIPANTS COMMITTEE
VOTE TAKEN AT
JUNE 1, 2018 TELECONFERENCE MEETING**

PUBLICLY OWNED ENTITY SECTOR

Participant Name	Vote
Ashburnham Municipal Light Plant	F
Belmont Municipal Light Dept.	F
Boylston Municipal Light Dept.	F
Braintree Electric Light Dept.	F
Chester Municipal Light Dept.	F
Chicopee Municipal Lighting Plant	F
Concord Municipal Light Plant	F
Conn. Mun. Electric Energy Coop.	F
Danvers Electric Division	F
Georgetown Municipal Light Dept.	F
Groton Electric Light Dept.	F
Groveland Electric Light Dept.	F
Hingham Municipal Lighting Plant	F
Holden Municipal Light Dept.	F
Holyoke Gas & Electric Dept.	F
Hull Municipal Lighting Plant	F
Ipswich Municipal Light Dept.	F
Littleton (MA) Electric Light Dept.	F
Mansfield Municipal Electric Dept.	F
Marblehead Municipal Light Dept.	F
Mass. Municipal Wholesale Electric Co.	F
Merrimac Municipal Light Dept.	F
Middleborough Gas & Elec. Dept.	F
Middleton Municipal Electric Dept.	F
New Hampshire Electric Coop.	F
Pascoag Utility District	F
Paxton Municipal Light Dept.	F
Peabody Municipal Light Plant	F
Princeton Municipal Light Dept.	F
Reading Municipal Light Dept.	F
Rowley Municipal Light Plant	F
Russell Municipal Light Dept.	F
Shrewsbury's Electric & Cable Ops.	F
South Hadley Electric Light Dept.	F
Sterling Mun. Elec. Light Dept.	F
Stowe (VT) Electric Dept.	F
Taunton Municipal Light Plant	F
Templeton Mun. Lighting Plant	F
VT Public Power Supply Authority	F
Wakefield Mun. Gas & Light Dept.	F
Wallingford, Town of	F
Wellesley Municipal Light Plant	F
West Boylston Municipal Lighting Plant	F
Westfield Gas & Electric Light Dept.	F
IN FAVOR (F)	44
OPPOSED	0
TOTAL VOTES	44
ABSTENTIONS (A)	0

END USER SECTOR

Participant Name	Vote
Associated Industries of MA	F
Conn. Office of Consumer Counsel	F
Conservation Law Foundation	F
Environmental Defense Fund	F
Harvard Dedicated Energy Limited	F
High Liner Foods (USA) Inc.	F
Mass. Attorney General's Office	F
NH Office of Consumer Advocate	F
PowerOptions, Inc.	F
The Energy Consortium	F
Utility Services, Inc.	F
IN FAVOR (F)	11
OPPOSED	0
TOTAL VOTES	11
ABSTENTIONS (A)	0

PROVISIONAL MEMBER GROUP

Participant Name	Vote
Maine Power LLC	F
IN FAVOR (F)	1
OPPOSED	0
TOTAL VOTES	1
ABSTENTIONS (A)	0