

FINAL

A meeting of the NEPOOL Participants Committee was held beginning at 10:00 a.m. on Friday, August 24, 2018, at the Seaport World Trade Center, Boston, MA, 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 attended the meeting.

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

RESOLUTION OF APPRECIATION FOR FREDERICK R. PLETT

Mr. Kaslow began the meeting acknowledging Frederick R. Plett on his recent retirement from the Office of the Massachusetts Attorney General (MA AG) and for his years of dedicated service to the Pool. Following motion duly made and seconded, the Committee approved by acclamation the following resolution:

***WHEREAS**, Fred has served with distinction as a Vice-Chair of the NEPOOL Participants Committee, having been elected for that role by his colleagues in the End User Sector; and*

***WHEREAS**, Fred in his representation of the Office of the Massachusetts Attorney General has been an active member of the New England Power Pool for over a decade, exhibiting throughout his tenure dedication, diligence, remarkable perspective and insights, and good humor from time to time, in addressing the many challenging issues confronting electricity consumers in New England; and*

***WHEREAS**, NEPOOL members have always been able to count on Fred to tell us his views, popular or not, and to help seek common ground among the many and varied interests at the NEPOOL table; and*

***WHEREAS**, Fred has retired and surrendered his position on the Participants Committee.*

***NOW, THEREFORE**, the Participants Committee of the New England Power Pool, on behalf of the NEPOOL Participants, hereby expresses its gratitude to Fred for his years of service to NEPOOL and wishes him good health and much happiness in this next chapter of his life.*

APPROVAL OF JUNE 26-28, 2018 AND JULY 24, 2018 MINUTES

Mr. Kaslow referred to the preliminary minutes of the June 26-28 and July 24, 2018 meetings, each as circulated in advance of the meeting. Following motion duly made and seconded, the preliminary minutes of the June 26-28 and July 24, 2018 meetings were unanimously approved without change, with abstentions noted by the member representing Bath Iron Works, Durgin and Crowell Lumber, Elektrisola, Fairchild, Hanover NH, High Liner, King Forest, PNE, The Moore Company, Nylon Corp., St. Anselm College, Shipyard, and Z-TECH.

CONSENT AGENDA AND ENHANCED ENERGY STORAGE PARTICIPATION CHANGES

Mr. Kaslow referred the Committee to the Consent Agenda that was circulated and posted in advance of the meeting. He requested that the Consent Agenda be considered together with Agenda Item 2A (Enhanced Storage Participation Changes), absent objection from the Committee. No objection was raised to voting these matters together. Before that vote, a member expressed appreciation to the ISO for its work on the Enhanced Storage project, noting that there remained some work to be done on the issue but, with ISO engagement and help, the package was a substantial improvement for energy storage and should be supported by the Committee. A motion to approve the Consent Agenda, consolidated with the following motion that was circulated in advance of the meeting, was then duly made and seconded and approved unanimously with an abstention noted by Cross-Sound Cable (CSC):

RESOLVED, that the Participants Committee supports the revisions to ISO Tariff Section I.2.2 (Definitions) and III (Market Rule 1) to enhance the ability of electric storage facilities to participate in the New England Markets (Enhanced Storage Participation Package), as recommended in relevant part by the Markets Committee at its July 17-19, 2018 meeting, the Reliability Committee at its July 11-12, 2018 meeting, the Transmission Committee at its July 24, 2018 meeting, and the Budget & Finance Subcommittee at its May 10 and August 10 meetings, with such further non-material changes as the Chair and Vice-Chair of the Markets Committee may approve.

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 June 26-28 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 to questions received following circulation and posting earlier in the month of the July COO Report. He explained that there were six days in July when there were high load levels and some resource outages that required the ISO to commit resources out-of-merit in Northeast Massachusetts/ Boston (NEMA). Referring to an earlier report on the Greater Boston Transmission Project, he noted that some transmission elements were not likely to be completed until late 2020, which would reduce import limits into Boston in the interim by up to 300-400 MWs. He said that updated transfer limits would be published once the studies were complete. He explained that those reduced transfer limits would not impact planning or upcoming capacity auctions because transfer limits should be restored to planned levels when work on the impacted line was complete and the line put back in service. Continuing, he reported that, to that point, summer temperatures and dew points had been higher than usual, which resulted in increased loads. He committed to review the summer experiences at the October Participants Committee meeting.

Clarifying his remarks in response to questions, he explained that the resource outages in July had been scheduled generation outages. He explained that the potential 300-400 MW reduction to the import levels into NEMA had not affected operations in June because the equipment outages impacting that reduction had been planned for June. He noted the possibility that extended transmission outages could impact the reconfiguration auctions for the 2019-20

and 2020-21 Capacity Commitment Periods, but would have no bearing on the to-be-conducted Forward Capacity Auctions (FCAs) because the impacted transmission facilities were expected to be back in service well before the 2021-22 (FCA13) Capacity Commitment Period.

Dr. Chadalavada committed to finalize and to have circulated and posted in September the monthly report for August operations. He encouraged anyone with questions on that report to contact him directly.

2019 ISO AND NESCOE BUDGETS

Mr. Ken Dell Orto, Budget & Finance Subcommittee Chair, referred the Committee to the materials circulated and posted in advance of the meeting related to the proposed 2019 ISO Capital and Operating Budgets and the 2019 NESCOE Budget. He described the review process followed to that point and reported that no material concerns or objections had been raised in the NEPOOL meetings. Similarly, the 2019 NESCOE Budget had been presented at the Subcommittee's August 10 meeting without objection or concern. He reported that the Budgets would be voted at the October Participants Committee meeting and urged that any questions or concerns be raised and addressed before that time.

Mr. Robert Ludlow, ISO Vice President and Chief Financial & Compliance Officer, provided additional detail on the 2019 Budget review process. He reported that, pursuant to the process agreed to in settlement, State Agencies had submitted questions on the proposed ISO Budgets on August 16, and the ISO had responded on August 23. Those questions and answers had been included with the materials for the meeting. He said the ISO Board would review the Budgets and State Agencies' comments at its September 13 meeting. He said that, on or before September 20, the ISO planned to complete its responses to any State Agencies' comments and finalize any proposed Budget adjustments. The ISO Board would consider the results of NEPOOL's October vote and all other input when it planned to vote on the 2019 ISO Budgets

after the October Participants Committee meeting. A Tariff filing, following Board action, would be made on or about October 16, with a January 1, 2019 effective date to be requested.

Mr. Ludlow highlighted key drivers of the proposed 2019 Operating Budget, including cyber security cost increases, inflation, and the implementation of fuel security solutions. He said that the ISO completed its negotiations on renewal of its health care plan, resulting in a budget reduction of approximately \$900,000 from prior estimates. He concluded his Operating Budget presentation by noting overall that the Budget was projected to increase the ISO's revenue requirement by about 1.7% or \$3.3 million over 2018, but with an expected 3.3% (or \$6 million) reduction in rate recovery resulting from a projected \$9.3 million true up.

Mr. Ludlow reported that the ISO's 2019 Capital Budget would remain at \$28 million. As required, the ISO would submit its quarterly filings on the Capital Budget and provide updates on specific projects as projects move from conceptual design into chartered, active and completed projects. He expected no change in 2019 to ISO's capital structure and financing.

Turning to the 2019 NESCOE Budget, Mr. Kaslow referred the Committee to the NESCOE Budget materials posted in advance of the meeting. Ms. Heather Hunt, NESCOE Executive Director, reported that the 2019 Budget conformed to the 5-year *pro forma* budget approved by the Participants Committee in June 2017 and accepted by the FERC in August 2017. She encouraged anyone with questions or comments on the NESCOE Budget to contact her.

ORDER 844 COMPLIANCE CHANGES (UPLIFT COST ALLOCATION AND TRANSPARENCY)

Mr. Alex Kuznecow, Markets Committee Chair, referred the Committee to the materials circulated and posted in advance of the meeting concerning Markets Committee-recommended changes to Market Rule 1, the Information Policy and the centralized definitions section of the

Tariff (I.2.2), as proposed by the ISO in response to the FERC's final rule on uplift cost allocation and transparency (Order 844). He reported the Markets Committee considered the changes over two meetings.

He summarized Order 844 requirements, and indicated that the recommended changes were designed to be responsive to those requirements. As directed by Order 844, the ISO planned to submit its compliance filing by September 7, 2018, with the proposed changes to become effective no later than January 7, 2019. He reported that the Markets Committee voted at its August 15, 2018 meeting to recommend Participants Committee support for the proposed Tariff changes, with one opposition and several abstentions noted. He said that, but for the timing of the Markets Committee recommendation, this matter would have been on the Consent Agenda.

The following motion was then duly made and seconded:

RESOLVED, that the Participants Committee supports the revisions to Market Rule 1, Section I.2.2. of the Tariff (Definitions), and the ISO New England Information Policy, as proposed by the ISO in response to the FERC's Order 844 and recommended by the Markets Committee at its August 15, 2018 meeting, 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.

The one member that opposed this matter at the Markets Committee stated that he would abstain, but noted his frustration that the Tariff changes did not require transparent reporting on those units that the ISO postures for fuel security. He urged the ISO to take steps to add clarity and transparency in reporting on those out-of-market commitments.

The Committee then voted and unanimously approved the motion, with abstentions noted by ConEd and Jericho.

ISO CHAPTER 2 FUEL SECURITY PROPOSED REVISIONS

Mr. Kaslow referred the Committee to the materials circulated and posted in advance of the meeting concerning Tariff and Planning Procedure changes to implement “Chapter 2” fuel security provisions in response to the FERC’s July 2 order in Docket No. ER18-1509, which were required to be filed by the ISO by August 31, 2018. He referenced the materials circulated in advance of the meeting in which the ISO proposed a new Appendix L to Market Rule 1, changes to Market Rule 1, and changes to Planning Procedure No. 10 (PP-10). He noted that there were numerous Participant-sponsored amendments to the ISO’s proposed changes that had been discussed and worked through at the Technical Committees and that the ISO had responded with changes to some of those proposals. Given that history, Mr. Doot reminded members of the understanding that no procedural objections would be raised by NEPOOL or the ISO before the FERC if a member chose not to request a Participants Committee vote on any amendment that was presented to, but not supported by, a NEPOOL Technical Committee. With that introduction, the Committee proceeded to discuss the Chapter 2 amendments.

PROPOSED NEW APPENDIX L TO MARKET RULE 1

Ms. Mariah Winkler, Reliability Committee Chair, provided background on and summarized the ISO’s proposal for revisions to the Tariff in a new Appendix L to Market Rule 1. She then reported that the Reliability Committee discussed the proposed trigger criteria over the course of seven meetings and reviewed the amendments that were offered and considered by the Reliability Committee at its August 22 meeting, as outlined in the Reliability Committee Notice of Actions.

The following motion was duly made and seconded:

RESOLVED, that the Participants Committee supports revisions to Tariff in a new Appendix L to Market Rule 1 (Appendix L), as proposed by the 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 Reliability Committee.

NH OCA/ME OPA Appendix L Amendment

The representative for the New Hampshire Office of Consumer Advocate (NH OCA) and Maine Office of the Public Advocate (ME OPA) reviewed an amendment that had been presented at the Reliability Committee to revise Appendix L with an alternative trigger criterion for retaining units needed for fuel security. A motion to amend the main motion with that amendment (NH OCA/ME OPA Amendment) was duly made, seconded and considered without additional discussion. The motion passed based on a show of hands vote, with opposition noted by the Connecticut Office of Consumer Counsel (CT OCC) and the Transmission Sector (other than the split vote of Emera Energy, who was in favor); and abstentions noted by Calpine/Wheelabrator, CSC, Exelon, LIPA, and NRG.

FirstLight Appendix L Amendment

The FirstLight representative reviewed the FirstLight amendment as presented to and voted by the Reliability Committee to revise Appendix L so that fuel supply (and re-supply) assumptions must be consistent with obligations under a Capacity Supply Obligation (FirstLight Appendix L Amendment). A motion to amend the once-amended main motion with the FirstLight Appendix L Amendment was duly made and seconded.

An opponent of the FirstLight Appendix L Amendment expressed concern that the amendment's proposed language was too vague and could be misconstrued in the future. In response, a proponent expressed the view that the ISO proposal was even more vague in identifying the assumptions the ISO would use for the planning evaluation. He agreed that further clarity with respect to implementation would be appropriate, but suggested that further clarity could be added to Planning Procedure No. 10 (PP-10), which would be considered later in the meeting and could further evolve through continued dialogue. A member that abstained at

the Reliability Committee reported that the two Participants he represented were prepared to support the Amendment. Another voting member indicated he would abstain on the Amendment because of the vagueness, but believed something less vague would be appropriate to reduce the risk of false positives that support unnecessary reliability calls on resources.

Following further discussion, the Committee voted on the motion to amend the once-amended main motion. The FirstLight Appendix L Amendment passed based on a show of hands vote, with opposition noted by Calpine/Wheelabrator, CT OCC, Dominion, Dynegy, Nautilus, NRG, and all members of the Transmission Sector; and abstentions noted by ConEd, CSC, Entergy, Exelon, Jericho, LIPA, NextEra, and PSEG.

ENE/MA AG Appendix L Amendment

The representative of Energy New England (ENE) reviewed an amendment by ENE and the MA AG to modify the twice-amended proposal so that the applicability of the proposal would be limited to FCA13 and FCA14 only (ENE/MA AG Amendment). A motion to amend the twice-amended main motion with the ENE/MA AG Amendment was then duly made and seconded.

The Committee voted the motion to amend by show of hands vote and the ENE/MA AG Appendix L Amendment passed unanimously with abstentions noted by the AR Small RG Group Member, Calpine/Wheelabrator, CSC, CT OCC, Exelon, and LIPA.¹

Thrice-Amended Main Motion

Without further discussion, the Committee then voted the thrice-amended main motion. That motion passed with a 68.71% Vote in favor (Generation Sector – 8.55%; Transmission Sector – 5.13%; Supplier Sector – 12.22%; AR Sector – 9.92%; Publicly Owned Entity Sector –

¹ Later in the meeting, the National Grid representative requested that National Grid be noted as abstaining on the ENE/MA AG Appendix L Amendment.

17.1%; End User Sector – 15.68%; and Provisional Member Group – 0.11%). (See Vote 1 on Attachment 2).

The ISO's Unamended Appendix L Proposal

At the request of the ISO, the Committee considered the ISO's unamended proposal for a new Appendix L. A member stated the Participant he represented would abstain because the ISO proposal assumed that resources that de-list would be 100% available throughout the winter, which he viewed as inappropriate and unrealistic. The ISO's unamended Appendix L proposal was voted by a show of hands vote and failed to pass, with CT OCC and the Transmission Sector (other than Emera Energy Services) voting in favor, abstentions from the AR Small RG Group Member, Calpine/Wheelabrator, Exelon, and LIPA, and opposition from all others.

MARKET RULE CHANGES (NEW MARKET RULE 1 § III.13.2.5.2.5A AND REVISIONS TO § III.13.2.5.2.5.1).

Mr. Kuznecow referred the Committee to the materials circulated and posted in advance of the meeting concerning the ISO's proposal for a Market Rule 1 § III.13.2.5.2.5A and revisions to § III.13.2.5.2.5.1. (the MR1 Proposal). He summarized that Proposal including noting the ISO's proposal to allocate the costs associated with retaining units for fuel security based on Real-Time Load Obligation (RTLO). He reported that the Markets Committee discussed the proposed revisions over the course of five meetings. He then referred to the related Notice of Actions identifying Participant-sponsored amendments that were offered and considered by the Markets Committee at its August 22 meeting. He concluded by noting that the Markets Committee voted on but did not recommend Participants Committee support for either an amended MR1 Proposal or for the ISO's Proposal.

The following second main motion was duly made and seconded:

RESOLVED, that the Participants Committee supports revisions to Market Rule 1, as proposed by the ISO, and circulated to this

Committee on the morning of this meeting, together with such non-substantive changes as may be approved by the Chair and Vice-Chair of the Markets Committee.

FirstLight MR1 Amendment

The FirstLight representative reviewed an amendment that had been voted at the Markets Committee and he sought to have voted at the Participants Committee as well. A motion was duly made and seconded to amend the main motion:

to modify § III.13.2.5.2.5A to require: (1) a Retirement De-List Bid needed for fuel security reliability reasons would be accepted, not rejected by the ISO in the Forward Capacity Auction (FCA); (2) such a resource retained for fuel security would be contracted for and compensated under a cost-of-service arrangement (COSA); (3) any COSA would be limited to recovery of costs for nine months (the three-month winter need plus the preceding six months); (4) the resource would seek to obtain a monthly CSO for each month of the COSA term through the respective Monthly Reconfiguration Auction; and (5) the resource retained for fuel security would retire and lose its interconnection rights upon termination of the COSA. (FirstLight MR1 Amendment)

A NESCOE representative stated that its members from all New England States other than New Hampshire opposed to the motion. Another voting member reported that he had abstained at the August 22 Markets Committee meeting but the Participant he represented was prepared to support the motion.

The Committee then considered the motion to amend the main motion. The motion failed with a 43.44%² Vote in favor (Generation Sector – 17.1%; Transmission Sector – 1.71%; Supplier Sector – 13.44%; AR Sector – 8.63%; Publicly Owned Entity Sector – 0%; End User Sector – 2.45%; and Provisional Member Group – 0.11%). (See Vote 2 on Attachment 2).

² The preliminarily announced vote tally at the meeting and in the Notice of Actions reported a failed vote of 47.23%. That preliminarily announced outcome mis-recorded a vote from a member of the AR Sector and that has since been corrected.

NextEra/Calpine/Direct/NESCOE Amendment

The NextEra representative then reviewed the amendment presented and voted at the Markets Committee, circulated to the Committee with the meeting materials, and identified as the NextEra/Calpine/Direct/NESCOE Amendment. That proposed Amendment would have changed the ISO's Proposal so as to allocate fuel security-related cost-of-service costs to Regional Network Load, and was duly made and seconded.

Representatives of Transmission Owners who opposed the motion to amend made two key points: First, some expressed a willingness to continue working with State regulators to accept provisions in standard offer contracts that would permit any new costs allocated to RTLO to be passed through to customers, which they hoped would eliminate the need for this proposed change. Second, they pointed to the FERC's previous consideration and rejection of a proposal to allocate Winter Reliability Program costs, which they argued were properly considered to be system-wide market costs, not transmission costs, to Regional Network Load. In their view, the proposal to allocate fuel security-related cost-of-service costs to Regional Network Load would be contrary to FERC precedent, including the additional guidance provided in its July 2 order. These entities in response to questions clarified that their discussions with regulators were to address standard offer arrangements and not for other wholesale bilateral transactions negotiated by suppliers in the market place.

Following discussion, supporters of the NextEra/Calpine/Direct/NESCOE Amendment expressed appreciation for the efforts and a strong desire to continue working together on the issue, but would support the amendment in the absence of their ability to predict or to hedge these costs in their wholesale power arrangements. At least one member expressed the view that these costs were properly considered market and not transmission costs, but nonetheless supported the Amendment because of the favorable impact on the Participant he represented.

The NESCOE representative read from its position as presented at the August 22 Markets Committee meeting and asked that the NESCOE statement be included in NEPOOL's records.

Relevant to this proposed amendment, the statement was as follows:

The States collectively agree that these RMR costs should not be collected using RTLO. Collecting Fuel Security RMR costs through Network Load is a more cost-effective solution for the people paying the bill – end-use customers -- for the reasons laid out in the presentation. **NESCOE takes no position on whether those costs should be allocated on a regional or more localized basis.**

We appreciate the concerns noted by the TOs and the prior FERC rulings in other, very different contexts, but believe the COSA presents a much different and much more unique, complicated, and volatile situation than prior matters.

It's troubling enough when consumers incur higher costs as a result of a Market Failure – it is untenable for consumers to have to incur even higher costs by having to pay incremental LSE premiums that would arise with an RTLO allocation.

The NESCOE statement went on to acknowledge differences among the States as to the specific allocation among the various network loads in the region, but emphasized that the States were uniform in their view that the costs should be collected through a network load allocator rather than RTLO.

The Committee then considered the motion to amend the main motion. The motion passed with a show of hands vote, with opposition by the Transmission Sector (other than VELCO), and with all others voting in support or abstaining.

ENE/MA AG MR1 Amendment

The ENE representative referred again to the ENE/MA AG amendment to limit applicability of the ISO's Chapter 2 proposal to FCA13 and FCA14 only. A motion to amend the once-amended main motion was then duly made and seconded to:

limit applicability of the ISO's Chapter 2 proposal to FCA13 and FCA14 only. (ENE/MA AG MR1 Amendment).

On this topic, NESCOE indicated that it was authorized to represent that members of all the States other than Connecticut supported the amendment because it could limit costs consumers would have to pay that might prove to be unnecessary to maintain reliability.

The Committee then considered the motion to amend the once-amended main motion. That motion to amend passed by a show of hands vote, with no opposition and abstentions noted by the AR Small RG Group Member, Calpine/Wheelabrator, CSC, CT OCC, Exelon, LIPA, and National Grid.

Twice-Amended Main Motion

The Committee then considered the twice-amended main motion. The motion failed with a 47.97% Vote in favor (Generation Sector – 0%; Transmission Sector – 3.8%; Supplier Sector – 5.13%; AR Sector – 5.47%; Publicly Owned Entity Sector – 17.1%; End User Sector – 16.36%; and Provisional Member Group – 0.11%). (See Vote 3 on Attachment 2).

ISO Unamended MR1 Proposal

At the request of the ISO, the Committee considered a motion to support the ISO's unamended MR1 Proposal. The motion failed by a show of hands vote, with support from the Publicly Owned Entity Sector and the Transmission Sector (other than the portion of the Avangrid vote cast on behalf of Avangrid Renewables), an abstention by Exelon, and all others opposed.

PROPOSED CHANGES TO PLANNING PROCEDURE NO. 10

Ms. Winkler referred the Committee to the materials circulated and posted in advance of the meeting concerning proposed changes to Planning Procedure No. 10 (PP-10) (Planning Procedure to Support the Forward Capacity Market). She summarized that a new Appendix I to PP-10 identified the criteria and input assumptions the ISO would use for conducting the fuel security reliability review required under the Market Rules. She reported that the Reliability

Committee discussed the proposed changes over the course of five meetings. She then reviewed the amendments that were offered and considered by the Reliability Committee at its August 22 meeting, as outlined in the Reliability Committee Notice of Actions. Referencing that Notice of Actions, she said that motions seeking Reliability Committee recommendations for supporting an amended proposal or the ISO's Proposal had both failed.

She then referred to a series of changes to PP-10 which included in PP-10 certain amendments that had been supported by the Reliability Committee. She noted that those amendments all were reflected in a revised PP-10 that was circulated to the Committee and posted earlier that morning.

The following third main motion was then duly made and seconded:

RESOLVED, that the Participants Committee supports revisions to Planning Procedure No. 10 (Planning Procedure to Support the Forward Capacity Market) (PP-10), as proposed by the ISO, and as circulated to this Committee on the morning of this meeting, together with such non-substantive changes as may be approved by the Chair and Vice-Chair of the Reliability Committee.

NESCOE Amendment

The NESCOE representative reviewed an amendment sought by NESCOE to change Appendix I to PP-10 to require that the ISO assume in its studies that the New England States will achieve their Renewable Portfolio Standard (RPS) mandates (NESCOE Amendment). He explained that this motion was a portion of the motion to amend PP-10 that was considered and supported by the Reliability Committee, removing as unnecessary the portion of the amendment that had already been adopted by the ISO. The following motion to amend the main motion, as offered at the Reliability Committee but with the unnecessary provisions stricken was then duly made and seconded:

To amend Appendix I to PP-10 to require the ISO to ~~update the wind profiles used in the reliability review model and to~~ include an

assumption that the New England states will achieve their Renewable Portfolio Standard mandates.

A proponent of the NESCOE Amendment encouraged support for the motion, noting that there was clear evidence the States had met their RPS requirements in the past and would do so for the next several years, supporting the assumption that the ISO should be required to use.

The Committee then voted and the motion to amend the main motion with the NESCOE Amendment passed by a show of hands vote, with no opposition and abstentions noted by the AR Small RG Group Member, Calpine/Wheelabrator, ConEd, CPV, CSC, Dynegy, Entergy, Exelon, Jericho, National Grid, Nautilus, and NRG.

Other Amendments Considered by the Reliability Committee

Following that vote, Mr. Kaslow questioned whether those who had sponsored the amendment voted at the Reliability Committee and referred to in materials as the NextEra/RENEW Amendment wished to have the Participants Committee consider that amendment. He noted that the amendment related to the use of vendor-supplied information on off-shore wind. The sponsors of the NextEra/RENEW Amendment indicated that they did not intend to ask for a Participants Committee vote, noting appreciation to the ISO for the work on this issue to that point and a commitment to continue to work with the ISO on this issue. They explained that they would be evaluating off-shore wind profiles proposed by the ISO when those profiles were presented to NEPOOL next year.

The NRG representative then stated that NRG was not requesting a Participants Committee vote on its proposed PP-10 amendment, which would have required the ISO to conduct a fuel security review that accounted for De-List Bids and was voted by the Reliability Committee but failed. He asked that the record reflect NRG's opposition to the overall package and belief that the ISO was being short-sighted in not applying this fuel security review to all De-List Bids. Further, he added that, if a resource was permitted to de-list, it was NRG's view

that it would be inappropriate for the ISO to presume that resource could be counted on for reliability.

Once-Amended Main Motion

Without further discussion, the Committee then considered and approved the once-amended main motion. The motion passed with a 70.39% Vote in favor (Generation Sector – 2.85%; Transmission Sector – 17.1%; Supplier Sector – 8.55%; AR Sector – 8.25%; Publicly Owned Entity Sector – 17.1%; End User Sector – 16.42%; and Provisional Member Group – 0.11%). (See Vote 4 on Attachment 2).

ISO's Unamended PP-10 Proposal

At the request of the ISO, the Committee considered a motion to support the ISO's unamended PP-10 proposal. The motion failed by a show of hands vote with support from the Transmission Sector, an abstention by Exelon and all others voting in opposition.

Mr. Kaslow thanked the Committee for the discussion and for the hard work of the Technical Committees and ISO staff in collaborating to find common ground and helping to clearly and efficiently identify and present alternative proposals.

LITIGATION REPORT

Mr. Doot referred the Committee to the August 6 Litigation Report and the Executive Summary of the Mystic Retirement FERC proceedings circulated and posted in advance of the meeting. He asked that anyone with questions on that summary to contact NEPOOL Counsel. Mr. Patrick Gerity, NEPOOL Counsel, reported that the next Litigation Report would be circulated in September together with the August COO Report. He reported that a Settlement Agreement to resolve the RNS/LNS rates and rate protocols proceeding initiated by the FERC, that included Tariff changes supported by the Participants Committee at its July 24 meeting, had been filed with Commission, with a date identified to submit reply comments. He referenced the

Market Rule changes proposed by the Internal Market Monitor to modify the economic life calculations for determining the acceptability of retirement bids. He said that the FERC had issued a deficiency letter with respect to the filing of those changes and the ISO had until September 10 to respond to several multi-part questions, which would provide an additional opportunity for comments and would re-set the clock for FERC action on the filing. He also reported that NEPOOL's filing of the 132nd Agreement was in active litigation and a request for additional time for comments on that filing had been granted in part by the FERC, with comments due on or before September 14.

OTHER BUSINESS

Mr. Kaslow acknowledged Mr. Daniel Allegretti, noting that after a long, full-time career in the electric industry, Dan would retire from Exelon as of September 7. The Committee congratulated Dan on his retirement with a round of applause.

Mr. Doot reported that the September 7 meeting date would likely be either cancelled or used for a teleconference meeting. NEPOOL Counsel would work with the NEPOOL Officers to determine if a meeting was necessary and, if so, provide the required notice. He then identified the next scheduled in-person meeting of the Participants Committee as the Thursday, October 4 meeting at the Colonnade Hotel in Boston.

There being no further business, the meeting adjourned at 12:30 p.m.

Respectfully submitted,

David Doot, Secretary

**PARTICIPANTS COMMITTEE MEMBERS AND ALTERNATES
PARTICIPATING IN
AUGUST 24, 2018 MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Acadia Center	End User			Bruce Ho
American PowerNet Management	Supplier			Mary Smith
AR Small Load Response (LR) Group Member	AR-LR	Doug Hurley		
AR Small Renewable Generation (RG) Group Member	AR-RG	Erik Abend (tel)		
Ashburnham Municipal Light Plant	Publicly Owned		Brian Thomson	Brian Forshaw
AVANGRID: CMP/UI	Transmission		Alan Trotta	
Bath Iron Works Corporation	End User			William P. Short III
Belmont Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Block Island Power Company	Supplier	Dave Cavanaugh		
Boylston Municipal Light Department	Publicly Owned		Brian Thomson	Brian Forshaw
BP Energy Company	Supplier			Nancy Chafetz
Braintree Electric Light Department	Publicly Owned			Dave Cavanaugh
Brookfield Energy Marketing	Supplier	Aleksandar Mitreski		
Chester Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Chicopee Municipal Lighting Plant	Publicly Owned		Brian Thomson	Brian Forshaw
CLEAResult Consulting, Inc.	AR-DG	Doug Hurley		
Competitive Energy Services, LLC	Supplier			Glenn Poole (tel)
Concord Municipal Light Plant	Publicly Owned		Dave Cavanaugh	
Connecticut Municipal Electric Energy Coop.	Publicly Owned	Brian Forshaw		
Connecticut Office of Consumer Counsel (CT OCC)	End User		Joe Rosenthal (tel)	Dave Thompson (tel)
Conservation Law Foundation	End User	David Ismay		
Consolidated Edison Energy, Inc. (ConEd)	Supplier	Jeff Dannels		
CPV Towantic, LLC	Generation	Daniel Pierpont		
Cross-Sound Cable Company (CSC)	Supplier		Jose Rotger	
Danvers Electric Division	Publicly Owned		Dave Cavanaugh	
Direct Energy Business, LLC	Supplier	Ron Carrier		Nancy Chafetz
Dominion Energy Generation Marketing, Inc.	Generation	Michael Purdie		
DTE Energy Trading, Inc.	Supplier			Nancy Chafetz
Durgin and Crowell Lumber Co., Inc.	End User			William P. Short III
Dynergy Marketing and Trade, LLC	Supplier			Bill Fowler
Elektrisola, Inc.	End User			William P. Short III
Emera Maine	Transmission			Jeffrey Fenn (tel)
Emera Energy Services Subsidiaries (Emera Energy)	Transmission	Sandi Hennequin		Bill Fowler
Enerwise Global Technologies (d/b/a CPower Corp.	AR-LR		Herb Healy	
EnerNOC, Inc.	AR-LR		Herb Healy	
Entergy Nuclear Power Marketing, LLC	Generation	Ken Dell Orto (tel)		Bill Fowler
Environmental Defense Fund	End User	Liz Delaney		
Eversource Energy	Transmission	James Daly	Cal Bowie	Vandan Divatia
Exelon Generation Company	Supplier		Bill Fowler	
Fairchild Semiconductor Corporation	End User			William P. Short III
FirstLight Power Resources Management	Generation	Tom Kaslow		
Galt Power, Inc.	Supplier	Nancy Chafetz		
Generation Group Member	Generation	Dennis Duffy (tel)		Bob Stein Susan Muller (tel)
Georgetown Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Great River Hydro, LLC	AR-RG			Bill Fowler
Groton Electric Light Department	Publicly Owned		Brian Thomson	Brian Forshaw
Groveland Electric Light Department	Publicly Owned		Dave Cavanaugh	
H.Q. Energy Services (U.S.) Inc.	Supplier		Bob Stein	

**PARTICIPANTS COMMITTEE MEMBERS AND ALTERNATES
PARTICIPATING IN
AUGUST 24, 2018 MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Hanover, NH (Town of)	End User			William P. Short III
Harvard Dedicated Energy Limited	End User	Mary Smith	Michael Macrae	Paul Peterson
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	Brian Forshaw
Holyoke Gas & Electric Department	Publicly Owned		Brian Thomson	Brian Forshaw
Hull Municipal Lighting Plant	Publicly Owned		Brian Thomson	Brian Forshaw
Industrial Energy Consumer Group	End User	Kevin Penders		
Invenergy Energy Management LLC	Generation			Kaley Bagley (tel)
Ipswich Municipal Light Department	Publicly Owned		Brian Thomson	Brian Forshaw
Jericho Power LLC (Jericho)	AR-RG			James D'Andrea (tel)
King Forest Industries, Inc.	End User			William P. Short III
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 (tel)		
Maine Public Advocate Office (ME OPA)	End User	Agnes Gormley		Paul Peterson
Maine Skiing, Inc.	End User	Kevin Penders		
Mansfield Municipal Electric Department	Publicly Owned		Brian Thomson	Brian Forshaw
Marblehead Municipal Light Department	Publicly Owned		Brian Thomson	Brian Forshaw
Marble River, LLC	Supplier	Seth Kaplan (tel)		
Massachusetts Attorney General's Office (MA AG)	End User	Christina Belew	Sarah Bresolin Silver	
Mass. Municipal Wholesale Electric Company	Publicly Owned	Brian Thomson		Brian Forshaw
Merrimac Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Middleborough Gas & Electric Department	Publicly Owned		Brian Thomson	Brian Forshaw
Middleton Municipal Electric Department	Publicly Owned		Dave Cavanaugh	
The Moore Company	End User			William P. Short
National Grid	Transmission	Tim Brennan	Tim Martin	
Natural Resources Defense Council	End User	Bruce Ho		
Nautilus Power, LLC	Generation		Bill Fowler	
New Hampshire Electric Cooperative	Publicly Owned	Steve Kaminski (tel)		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	
Nylon Corporation of America	End User			William P. Short III
Pascoag Utility District	Publicly Owned		Dave Cavanaugh	
Paxton Municipal Light Department	Publicly Owned		Brian Thomson	Brian Forshaw
Peabody Municipal Light Department	Publicly Owned		Brian Thomson	Brian Forshaw
PowerOptions, Inc.	End User			Paul Peterson
PNE Energy Supply	Supplier			William P. Short III
Princeton Municipal Light Department	Publicly Owned		Brian Thomson	Brian Forshaw
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	Brian Forshaw
Saint Anselm College	End User			William P. Short III
Shipyard Brewing LLC	End User			William P. Short III
Shrewsbury Electric & Cable Operations	Publicly Owned		Brian Thomson	Brian Forshaw
South Hadley Electric Light Department	Publicly Owned		Brian Thomson	Brian Forshaw

**PARTICIPANTS COMMITTEE MEMBERS AND ALTERNATES
PARTICIPATING IN
AUGUST 24, 2018 MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Sterling Municipal Electric Light Department	Publicly Owned		Brian Thomson	Brian Forshaw
Stowe Electric Department	Publicly Owned		Dave Cavanaugh	
Taunton Municipal Lighting Plant	Publicly Owned		Dave Cavanaugh	
Templeton Municipal Lighting Plant	Publicly Owned		Brian Thomson	Brian Forshaw
Texas Retail, LLC	Supplier	Chris Hendrix (tel)		
The Energy Consortium	End User		Mary Smith	Paul Peterson
Utility Services Inc.	End User			Paul Peterson
Vermont Electric Power Company	Transmission	Frank Ettori		
Vermont Energy Investment Corp	AR-LR		Doug Hurley	
Vermont Public Power Supply Authority	Publicly Owned			Brian Forshaw
Verso Energy Services LLC	Generation	Glenn Poole (tel)		
Wakefield Municipal Gas & Light Department	Publicly Owned		Brian Thomson	Brian Forshaw
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	Brian Forshaw
Westfield Gas & Electric Department	Publicly Owned		Dave Cavanaugh	
Wheelabrator/Calpine	AR-RG	Brett Kruse		Bill Fowler
Z-TECH, LLC	End User			William P. Short III

**AUGUST 24, 2018 PARTICIPANTS COMMITTEE MEETING
ROLL CALL VOTES**

TOTAL

Sector	Vote 1	Vote 2	Vote 3	Vote 4
GENERATION	8.55	17.10	0.00	2.85
TRANSMISSION	5.13	1.71	3.80	17.10
SUPPLIER	12.22	13.44	5.13	8.56
ALTERNATIVE RESOURCES	9.92	8.63	5.47	8.25
PUBLICLY OWNED ENTITY	17.10	0.00	17.10	17.10
END USER	15.68	2.45	16.36	16.42
PROVISIONAL GROUP MEMBER	<u>0.11</u>	<u>0.11</u>	<u>0.11</u>	<u>0.11</u>
% IN FAVOR	68.71	43.44	47.97	70.39

GENERATION SECTOR

Participant Name	Vote 1	Vote 2	Vote 3	Vote 4
CPV Towantic, LLC	A	F	O	O
Dominion Energy Generation Mktg.	A	F	O	O
Entergy Nuclear Power Marketing LLC	A	F	O	A
FirstLight Power Resources Mgmt.	A	F	O	O
Generation Group Member	F	F	O	F
Invenergy Energy Management LLC	A	A	A	--
Nautilus Power, LLC	A	F	O	A
NextEra Energy Resources, LLC	A	A	O	O
NRG Power Marketing, LLC	O	F	O	O
Verso Energy Services LLC	A	F	A	A
IN FAVOR (F)	1	8	0	1
OPPOSED (O)	1	0	8	5
TOTAL VOTES	2	8	8	6
ABSTENTIONS (A)	8	2	2	3

TRANSMISSION SECTOR

Participant Name	Vote 1	Vote 2	Vote 3	Vote 4
Avangrid (CMP/UI)	O	O	O	F
Emera Maine	Split	Split	Split	Split
Emera Maine	O	O	A	--
Emera Energy Services Subsidiaries	F	F	O	F
Eversource Energy	O	O	O	F
National Grid	O	O	O	A
Vermont Electric Power Company, Inc.	F	O	F	F
IN FAVOR (F)	1.5	0.5	1	3.5
OPPOSED	3.5	4.5	3.5	0
TOTAL VOTES	5	5	4.5	3.5
ABSTENTIONS (A)	0	0	0.5	1

ALTERNATIVE RESOURCES SECTOR

Participant Name	Vote 1	Vote 2	Vote 3	Vote 4
Renewable Generation Sub-Sector				
Great River Hydro	A	F	O	A
Jericho Power	A	F	O	A
Calpine/Wheelabrator	A	F	O	O
Small RG Group Member	A	A	A	A
Distributed Generation Sub-Sector				
CLEAResult Consulting	F	O	F	F
Load Response Sub-Sector				
CPower (Enerwise Global Tech.)	F	F	O	F
EnerNOC, Inc.	F	F	O	F
Vermont Energy Investment Corp.	F	O	F	F
Small LR Group Member	F	Split	A	O
Energy Federation Inc.		O		
Tangent Energy Solutions, Inc.		F		
IN FAVOR (F)	5	5.5	2	4
OPPOSED	0	2.5	5	2
TOTAL VOTES	5	8	7	6
ABSTENTIONS (A)	4	1	2	3

SUPPLIER SECTOR

Participant Name	Vote 1	Vote 2	Vote 3	Vote 4
American PowerNet Management, LP	F	O	A	F
Block Island Power Company	F	O	F	F
BP Energy Company	A	F	A	A
Brookfield Energy Marketing Inc.	A	F	O	A
Competitive Energy Services, LLC	A	F	A	A
Consolidated Edison Energy, Inc.	A	F	O	O
Cross-Sound Cable Company	O	A	O	O
Direct Energy Business, LLC	A	F	A	A
DTE Energy Trading, Inc.	A	F	A	A
Dynegy Marketing and Trade, LLC	F	F	O	A
Exelon Generation Company	A	A	A	A
H.Q. Energy Services (U.S.) Inc.	F	F	O	F
LIPA	A	A	A	A
Marble River, LLC	--	--	F	A
Mercuria Energy America, Inc	A	F	A	A
PNE Energy Supply LLC	F	O	F	F
PSEG Energy Resources & Trade LLC	A	F	O	O
Texas Retail, LLC	O	F	O	O
IN FAVOR (F)	5	11	3	4
OPPOSED	2	3	7	4
TOTAL VOTES	7	14	10	8
ABSTENTIONS (A)	10	3	8	10

**AUGUST 24, 2018 PARTICIPANTS COMMITTEE MEETING
ROLL CALL VOTES**

END USER SECTOR

Participant Name	Vote 1	Vote 2	Vote 3	Vote 4
Acadia Center	F	A	A	F
Bath Iron Works Corporation	F	O	F	F
Conn. Office of Consumer Counsel	O	O	F	F
Conservation Law Foundation	O	A	O	O
Durgin and Crowell Lumber Co.	F	O	F	F
Elektrisola, Inc.	F	O	F	F
Environmental Defense Fund	F	F	F	F
Fairchild Semiconductor Corp.	F	O	F	F
Hanover, NH (Town of)	F	O	F	F
Harvard Dedicated Energy Limited	F	A	F	F
High Liner Foods (USA) Inc.	F	O	F	F
Industrial Energy Consumer Group	A	F	A	A
King Forest Industries, Inc.	F	O	F	F
Maine Public Advocate Office	F	O	F	F
Maine Skiing, Inc.	A	F	A	A
Mass. Attorney General's Office	F	O	F	F
Moore Company	F	O	F	F
Natural Resources Defense Council	F	A	A	F
NH Office of Consumer Advocate	F	O	F	F
Nylon Corporation of America	F	O	F	F
PowerOptions, Inc.	F	O	F	F
St. Anselm College	F	O	F	F
Shipyard Brewing Co., LLC	F	O	F	F
The Energy Consortium	F	A	F	F
Union of Concerned Scientists	F	A	F	F
Utility Services Inc.	A	O	F	F
Z-TECH, LLC	F	O	F	F
IN FAVOR (F)	22	3	22	24
OPPOSED	2	18	1	1
TOTAL VOTES	24	21	23	25
ABSTENTIONS (A)	3	6	4	2

PUBLICLY OWNED ENTITY SECTOR (cont.)

Participant Name	Vote 1	Vote 2	Vote 3	Vote 4
Princeton Municipal Light Dept.	F	O	F	F
Russell Municipal Light Dept.	F	O	F	F
Shrewsbury's Elec. & Cable Ops.	F	O	F	F
South Hadley Electric Light Dept.	F	O	F	F
Sterling Municipal Electric Light Dept.	F	O	F	F
Templeton Municipal Lighting Plant	F	O	F	F
Wakefield Mun. Gas and Light Dept.	F	O	F	F
West Boylston Mun. Lighting Plant	F	O	F	F
Mass. Mun. Wholesale Electric Co.	F	O	F	F
New Hampshire Electric Cooperative	F	O	F	F
Reading Municipal Light Dept.	F	O	F	F
VT Public Power Supply Authority	F	O	F	F
Conn. Mun. Electric Energy Coop.	F	O	F	F
Braintree Electric Light Dept.	F	O	F	F
Belmont Municipal Light Dept.	F	O	F	F
Chester Municipal Light Dept.	F	O	F	F
Concord Municipal Light Plant	F	O	F	F
Danvers Electric Division	F	O	F	F
Georgetown Municipal Light Dept.	F	O	F	F
Groveland Electric Light Dept.	F	O	F	F
Hingham Municipal Lighting Plant	F	O	F	F
Littleton (MA) Electric Light Dept.	F	O	F	F
Mass. Bay Transportation Authority	F	O	F	F
Merrimac Municipal Light Dept.	F	O	F	F
Middleton Municipal Electric Dept.	F	O	F	F
Pascoag Utility District	F	O	F	F
Rowley Municipal Lighting Plant	F	O	F	F
Stowe (VT) Electric Dept.	F	O	F	F
Taunton Municipal Lighting Plant	F	O	F	F
Village of Hyde Park (VT) Elec. Dept.	F	O	F	F
Wallingford, Town of	F	O	F	F
Wellesley Municipal Light Plant	F	O	F	F
Westfield Gas & Electric Light Dept.	F	O	F	F
IN FAVOR (F)	46	0	46	46
OPPOSED	0	46	0	0
TOTAL VOTES	46	46	46	46
ABSTENTIONS (A)	0	0	0	0

PUBLICLY OWNED ENTITY SECTOR

Participant Name	Vote 1	Vote 2	Vote 3	Vote 4
Ashburnham Municipal Light Plant	F	O	F	F
Boylston Municipal Light Dept.	F	O	F	F
Chicopee Municipal Lighting Plant	F	O	F	F
Groton Electric Light Dept.	F	O	F	F
Holden Municipal Light Dept.	F	O	F	F
Holyoke Gas & Electric Dept.	F	O	F	F
Hull Municipal Lighting Plant	F	O	F	F
Ipswich Municipal Light Dept.	F	O	F	F
Mansfield Municipal Electric Dept.	F	O	F	F
Marblehead Municipal Light Dept.	F	O	F	F
Middleborough Gas and Elec. Dept.	F	O	F	F
Paxton Municipal Light Dept.	F	O	F	F
Peabody Municipal Light Plant	F	O	F	F

PROVISIONAL MEMBER GROUP

Participant Name	Vote 1	Vote 2	Vote 3	Vote 4
Maine Power, LLC	F	F	F	F
IN FAVOR (F)	1	1	1	1
OPPOSED	0	0	0	0
TOTAL VOTES	1	1	1	1
ABSTENTIONS (A)	0	0	0	0