



NEW ENGLAND POWER POOL

MEMORANDUM

TO: NEPOOL Members, New England State Officials, ISO New England and Invited Guests

FROM: NEPOOL Counsel and Secretary

DATE: November 9, 2016

RE: Integrating Markets and Public Policy (IMAPP) – Revised Stakeholder Schedule

This memorandum lays out a suggested revised schedule for the IMAPP process, reflecting what has been learned over five IMAPP meetings. At the beginning of this process, an admittedly aggressive schedule was issued in an effort for NEPOOL to be able at its December 2, 2016 Annual Meeting “to provide guidance to ISO New England (ISO-NE) on adjustments to New England’s wholesale power markets to be pursued to accomplish public policy objectives of New England states through the wholesale power market.” As reflected in the Chairman’s October 2 message circulated prior to the third IMAPP meeting, “I ... believe we need to step back, to take a breath, to ease off from the break-neck speed we have been traveling, and to recalibrate our efforts together.” The suggested revised schedule is intended to do just that.

As with the initial proposed schedule, this revised schedule has been assembled by NEPOOL leadership with preliminary input from ISO-NE staff and NESCOE staff. Please let us or a NEPOOL Officer know if you have comments on this revised schedule, which will be reviewed at the November 10 IMAPP meeting.

Future IMAPP Meetings and Process?

NEPOOL’s revised process for IMAPP is intended to provide an opportunity for the organization to advance what had been originally envisioned for the October – December 2016 timeframe into a Q1/Q2 2017 timeframe (original schedule can be viewed at: http://nepool.com/uploads/IMAPP_Stakeholder_Schedule_Summary_20160719.pdf). All materials for the IMAPP meetings to date are posted at: <http://nepool.com/IMAPP.php>.

Optimistically, with the benefit of additional input from the IMAPP group, the States, and ISO-NE, and any further refinement of proposals, NEPOOL could be in a position late in the first quarter or in the second quarter of 2017 to take the previously contemplated indicative vote on one or more conceptual proposal(s). As indicated in the initial proposed stakeholder schedule, “[t]he form of vote would be formulated with the intent of providing sufficient guidance to the States and ISO-NE that could be used to set a clear path forward.” To clarify, NEPOOL counsel expects that, if NEPOOL were to decide to proceed with an indicative vote, that vote would precede any necessary impact studies, conversion of proposals to more detailed framework designs and documents, and potentially ultimately to Tariff language on the supported

conceptual proposal(s) that would subsequently be developed within the standard FERC-approved NEPOOL process. To get to the point of an indicative vote, the following revised process is suggested, with at least two additional IMAPP meetings contemplated in 2017:

November 10, 2016 Meeting – A proposed agenda for this meeting has been circulated previously and posted. That agenda includes a summary for stakeholders on the preliminary results of the scenario analyses that ISO-NE has been performing in response to earlier NEPOOL requests and that are being discussed in detail at ISO-NE’s Planning Advisory Committee. The agenda will also entertain further discussions on conceptual proposals, including FCM-C, FCEM, and carbon pricing in the energy market. For perspective on the timing of recent public policy objectives, the stakeholders will receive at the November 10 meeting timelines that overlay certain scheduled State-mandated solicitations with future Forward Capacity Auctions.

January 25, 2017 Meeting – The time period between the November 10 meeting and this proposed late January meeting is intended to accomplish the following:

- permit and encourage proponents to engage productively in “off-line” discussions with State officials, ISO-NE staff, and other interested stakeholders in efforts to further refine, combine or augment their proposals;
- provide ISO-NE, with the benefit of additional time, the opportunity to better reflect upon, and provide further feedback on, IMAPP discussions to date, including any additional input on conceptual proposals and thoughts on potential next steps; and
- provide State officials, with the benefit of additional time, the opportunity to provide further input on any conceptual proposals and/or propose adjustments to conceptual proposals.

The plan at this point for the January 25, 2017 meeting will be for proponents to have the opportunity to present any new, updated or refined proposals and the group to hear further input/feedback from the ISO and NESCOE, and to discuss expectations for future IMAPP process.

Additionally, at the outset of this process, NESCOE indicated that it was conducting a study of potential state-jurisdictional mechanisms. NESCOE’s study was timed to conclude in December 2016. This was to enable consideration of state-jurisdictional mechanisms simultaneously with any potential wholesale market mechanism(s) that might have emerged from the IMAPP process. NESCOE has indicated to us that it expects to be able to share the results of its study with the IMAPP group.

February 16, 2017 Meeting – This additional meeting in February 2017 would provide stakeholders the opportunity, after hearing from ISO-NE, NESCOE and others on January 25, to identify any refinements or details on any of the proposals that would be useful for the NEPOOL members, ISO, and the States to explore at any further IMAPP meetings and to confirm any future plans for the indicative NEPOOL vote described above or any future action by NEPOOL through its regular FERC-approved stakeholder processes.



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Proposed Schedule for IMAPP Process

November 2016						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat
30	31	1	2	3	4	5
					NPC	
6	7	8	9	10	11	12
			TTF STF	MC IMAPP MRWG	Veterans Day	
13	14	15	16	17	18	19
	MEMB	RC	PAC	TC		
20	21	22	23	24	25	26
		B&F		Thanksgiving	Thanksgiving	
27	28	29	30	1	2	3
		STF	TTF DRWG			

December 2016						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat
27	28	29	30	1	2	3
				CLG	NPC	
4	5	6	7	8	9	10
	VRWG	MC	MC	MRWG		
11	12	13	14	15	16	17
	MEMB	RC	STF TTF PAC	TC	DGWG	
18	19	20	21	22	23	24
25	26	27	28	29	30	31
Christmas			DRWG			

January 2017						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat
1	2	3	4	5	6	7
New Years Day					NPC	
8	9	10	11	12	13	14
		MC	MC	MRWG		
15	16	17	18	19	20	21
	MLK Day	RC	MEMB PAC			
22	23	24	25	26	27	28
		STF	TC TTF DRWG	IMAPP DRWG	B&F	
29	30	31				

February 2017						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat
29	30	31	1	2	3	4
					NPC	
5	6	7	8	9	10	11
		MC	MC	MRWG PAC	B&F	
12	13	14	15	16	17	18
	MEMB		RC	IMAPP		
19	20	21	22	23	24	25
	Presidents Day	TC	DRWG			
26	27	28	1	2	3	4
		STF DGWG				

March 2017						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat
26	27	28	1	2	3	4
			TTF		NPC	
5	6	7	8	9	10	11
	VRWG	MC	MC	MRWG		
12	13	14	15	16	17	18
	MEMB					
19	20	21	22	23	24	25
		RC	PAC	PAC		
26	27	28	29	30	31	1
	B&F	STF TC	TTF DRWG			