

FINAL

A meeting of the NEPOOL Participants Committee was held via teleconference beginning at 10:00 a.m. on Thursday, February 6, 2020, 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.

Ms. Nancy Chafetz, Chair, presided and Mr. David Doot, Secretary, recorded.

APPROVAL OF DECEMBER 6, 2019 MINUTES

Ms. Chafetz referred the Committee to the preliminary minutes of the December 6, 2019 annual meeting, as circulated and posted in advance of the meeting. Following motion duly made and seconded, the preliminary minutes of the December 6, 2019 annual meeting were unanimously approved as circulated, with an abstention by Mr. Michael Kuser noted.

CONSENT AGENDA

Ms. Chafetz referred the Committee to the Consent Agenda that was circulated and posted in advance of the meeting. Following motion duly made and seconded, the Consent Agenda was unanimously approved without comment, with an abstention by Mr. Kuser noted.

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 December 6, 2019 Participants Committee meeting, which had been circulated and posted in advance of the meeting. There were no questions or comments on the summaries.

In response to questions preceding and at the meeting, Mr. Van Welie requested that Ms. Anne George, ISO Vice President, External Affairs and Corporate Communications, summarize the ISO comments provided at Connecticut's January 22, 2020 Integrated Resource Plan

Technical Meeting. She noted that the ISO also provided written comments, which were publicly available on the ISO's website and filed with Connecticut's regulators.

Ms. George summarized her comments as follows:

The ISO respected the states' rights to prioritize public policies and would strive to assist in addressing those policies consistent with the ISO's jurisdictional and legal mandates. She summarized the cost, reliability and environmental benefits that Connecticut and the other New England states experienced through participation in the regional system. She noted that competitive forces, which had driven system efficiencies, could also be used to achieve the states' clean energy goals. In addition, Ms. George noted that Connecticut appeared focused on the capacity market. She stressed the integration and interdependence of all of the ISO markets.

Ms. George also stated that the ISO disagreed with Connecticut's perspective on the effectiveness of Competitive Auctions with Sponsored Policy Resources (CASPR). She identified carbon pricing as a possible mechanism to efficiently address State concerns in the wholesale market framework. She said that the ISO was open to discussing other alternatives as discussions ensued on the future of the wholesale markets.

In response to questions regarding the FERC's recent order on PJM's capacity market, she stated that the ISO did not believe that the effects of that order presented an immediate risk to New England's capacity market. Connecticut regulators also asked about self-supply options, like those discussed in PJM. Ms. George noted in response to these questions that the New England arrangements did not provide for the self-supply Connecticut was inquiring about and changes would need to be worked through the Tariff if the region sought such an outcome. Ms. George again emphasized that the ISO was committing resources for exploring changes to the regional arrangements and studying the potential implications to the region of those changes.

ISO COO REPORT

Dr. Chadalavada reviewed highlights from the February COO report, which was circulated in advance of the meeting and posted on the NEPOOL and ISO websites. He noted that, based on data through January 29, 2020: (i) Energy Market value was \$280 million, down \$188 million from December 2019 and down \$319 million from January 2019; (ii) average natural gas prices over the period were 38 percent lower than December average values; (iii) average Real-Time Hub LMPs (\$26.29/MWh) were 39 percent lower than December averages; (iv) average daily (peak hour) Day-Ahead cleared physical Energy, as a percent of forecasted load, was 99.5 percent in January, up from 98.7 percent in December; and (v) daily Net Commitment Period Compensation (NCPC) for January totaled \$1.6 million, down \$3.1 million from December 2019 and down \$600,000 from January 2019. January 2020 NCPC, which was 0.6 percent of total Energy Market value, was comprised of (a) \$1.5 million in first contingency payments, down \$500,000 from December, and (b) \$108,000 in second contingency payments, down \$168,000 from December.

Dr. Chadalavada noted that January was a very mild month with record high temperatures and correspondingly lower loads. He reported that Real-Time loads averaged about 14,000 MWh. Further, natural gas prices averaged about \$3.00/MMBtu. He also noted that NCPC payments were at record lows, which continued a trend from 2019.

Dr. Chadalavada provided two reminders. First, the Public Policy Process was initiated on January 14, 2020. Stakeholder input on federal, state and local Public Policy Requirements must be submitted by February 28, 2020. Second, proposals in response to the Boston 2028 Phase One request for proposals (RFP) must be submitted by 11:00 p.m. on March 4, 2020.

Dr. Chadalavada then turned to the forward capacity auctions (FCA). He stated that preparations for FCA15 were underway and a press release on the results of FCA14 had been

published earlier that week. He confirmed, in response to a question, that no Capacity Supply Obligations were transferred by way of substitution auction in FCA14.

Dr. Chadalavada then addressed questions received ahead of the meeting in four areas. First, he commented on the historic low loads that the region had experienced during December and January. He explained those loads directly correlated to the region's mild weather (temperature seasonally 4.5° higher, and for January, 8° higher, than normal; and little snow coverage increasing the efficiency of photovoltaic (PV) resources). He said that there had been only two very cold days in January -- one at the beginning of the month and the other in the middle -- which had not happened in a very long time.

Second, he responded to a question on the emissions exhibit in his report, which highlighted two ISO analysis efforts underway. The first effort was to produce load-weighted and a non-load-weighted emissions analyses of marginal resources. The ISO planned to review its preliminary findings from this effort at the February Environmental Advisory Group meeting. The second effort was an effort to assess the emissions intensity of imports into New England. The ISO was working to obtain data for this effort and hoped to begin discussion of that effort with stakeholders in April.

A third question related to planned refinements to the ISO's Installed Capacity Requirement (ICR) and load forecast models to recognize contributions of behind-the-meter PV resources and to improve the modeling of intermittent power resources. Dr. Chadalavada noted on-going ISO efforts to evaluate and improve upon its models, and reported that changes would be reviewed with NEPOOL beginning in the second quarter, with the Participants Committee to be apprised ahead of time on the details of how those discussions would be structured and where and how they would be scheduled.

Finally, in response to questions concerning the potential change of the deadline for Day-Ahead Energy Market bids from 10:00 a.m. to 10:30 a.m., Dr. Chadalavada confirmed that the ISO would propose such a change in the second quarter following the Energy Security Improvements (ESI) filing. He stated, in response to a question, that the ISO was targeting to implement such a change late in 2020.

FURTHER *ORDER 841* (ELECTRIC STORAGE) TARIFF REVISIONS

Ms. Chafetz referred the Committee to Tariff changes proposed in response to the FERC's November 22, 2019 order requiring further revisions to New England's *Order 841* compliance filing (the Order).

Ms. Mariah Winkler, Markets Committee Chair, summarized the Markets Committee-recommended changes and provided the procedural background for that Committee's consideration of the changes. She reported that, at its January 28, 2020 meeting, the Markets Committee unanimously recommended Participants Committee support for the changes, with an abstention noted.

The following motion was duly made and seconded:

RESOLVED, that the Participants Committee supports the revisions to Tariff Section III.1.10.6 to address certain requirements set forth in the FERC's November 22, 2019 Order in Docket No. ER19-470, as recommended by the Markets Committee at its January 28, 2020 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.

A Generation Group Seat representative expressed concern with the timing of the revisions addressing the Order's directives related to the state of charge and duration characteristics of an energy storage facility in the Day-Ahead Energy Market. The specific concern was the indication that such a change would not be implemented until January 1, 2026. She noted that about 2,500 MW of storage resources were already positioned in the

interconnection queue and delaying such a change until 2026 could adversely impact those resources. She requested that efforts to address this issue be scheduled for later in 2020, with the hope that any required software changes could be integrated with or facilitated by the Day-Ahead Market changes to be developed in connection with the ESI proposal. Others, recognizing those concerns, nonetheless supported the ISO's proposed revisions, and opposed any linkage to the ESI changes.

The Committee then voted and approved the motion with no opposition and the following Participants abstaining: Generation Group Member and Mr. Michael Kuser.¹

LITIGATION REPORT

Mr. Doot referred the Committee to the February 4 Litigation Report circulated and posted in advance of the meeting. He highlighted the following developments: (i) the more than 50 requests for rehearing of the FERC's December 19, 2019 order addressing PJM's Minimum Offer Price Rule; (ii) denial of two pending FCA14-related waiver requests and rejection of the Mystic cost-of-service agreement amendment that could have impacted FCA14; and (iii) the denial of the requests for rehearing of the FERC orders addressing membership by and treatment of press reporters in NEPOOL.

COMMITTEE REPORTS

Markets Committee (MC). Mr. William Fowler, the MC Vice-Chair, reported that the MC was scheduled to meet three days from February 11–13, 2020, and two days on March 10–11, 2020, all in Westborough. He also reminded members that the Committee was meeting again

¹ Secretary's note: following the meeting, Calpine's member, who's abstention had not been communicated in the teleconference call, requested that Calpine be noted as abstaining on the revisions for the same reason articulated when the revisions were considered by the Markets Committee. Specifically, at the Markets Committee Calpine objected to the ISO's use of two-hour capability, rather than Effective Load Carrying Capability (ELCC), in the determination of the capacity value of energy limited resources, which Calpine indicated it would pursue following consideration of the ESI proposal.

on March 24, 2020 in Worcester, at which it was scheduled to vote on the ISO's ESI proposal. Mr. Fowler asked Participants to provide any ESI-related amendments as soon as possible.

Reliability Committee (RC). Mr. Robert Stein, the RC Vice-Chair, reported that the next RC meeting would be February 18, 2020. On March, 17, 2020, the RC would have an ISO-led presentation on FCA14.

Transmission Committee (TC). Mr. José Rotger, the TC Vice-Chair, reported that the next TC meeting was scheduled for Wednesday, February 26, 2020, and would be held by teleconference, if not cancelled. He urge members to pay attention to further notices.

Budget & Finance Subcommittee (B&F). Ms. Michelle Gardner, B&F Chair, reported that the first B&F meeting of the year (following cancellation of the January 28 meeting) would be held February 10. Agenda items would include consideration of the ISO's fourth quarter capital funding tariff filing, NEPOOL year end results and a preview of upcoming items for 2020.

Membership Subcommittee. On behalf of the Subcommittee Chair, Mr. Patrick Gerity, NEPOOL Counsel, reported that, at its December 9, 2019 meeting, the Subcommittee members present recommended that the Participants Committee approve Advanced Energy Economy as a Fuels Industry Participant. That recommendation would be taken up at the next in-person Participants Committee meeting. He encourage all those interested to participate in the Subcommittee's next meeting scheduled for February 14, 2020.

Joint Nominating Committee (JNC). Mr. Doug Hurley reported that the JNC was scheduled to meet in mid-March to review and to narrow the list of candidates for the one open Board seat to be interviewed in-person in early May. Mr. Hurley also advised members to watch for the set of documents to be circulated by NEPOOL counsel that would describe the areas of

Board expertise, the retirement schedule for each Board member, and a brief description of the role of the ISO Board of Directors.

GIS Agreement Working Group. Mr. Dave Cavanaugh reported that the GIS Agreement Working Group had been re-formed to address the upcoming (December 31, 2020) expiration of the amended and restated GIS Administration Agreement between NEPOOL and APX. The first meeting was scheduled for February 18, 2020, and all those interested were encouraged to join.

OTHER BUSINESS

There being no further business, the meeting adjourned at 10:47 a.m.

Respectfully submitted,

David Doot, Secretary

**PARTICIPANTS COMMITTEE MEMBERS AND ALTERNATES
PARTICIPATING IN
FEBRUARY 6, 2020 TELECONFERENCE MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
American Petroleum Institute	Fuels Industry Part.	Zoe Cadore		
AR Small Load Response (LR) Group Member	AR-LR		Brad Swalwell	
AR Small Renewable Generation (RG) Group Member	AR-RG	Erik Abend		
American PowerNet Management	Supplier			Mary Smith, Mike Macrae
Ashburnham Municipal Light Plant	Publicly Owned		Brian Thomson	
AVANGRID: CMP/UI	Transmission		Alan Trotta	
Belmont Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Block Island Utility District	Publicly Owned	Dave Cavanaugh		
Boylston Municipal Light Department	Publicly Owned		Brian Thomson	
BP Energy Company	Supplier			Nancy Chafetz
Braintree Electric Light Department	Publicly Owned			Dave Cavanaugh
Brookfield Renewable Trading and Marketing	Supplier	Aleksandar Mitreski		
Calpine Energy Services, LP	Supplier			Bill Fowler
Central Rivers Power	AR-RG		Dan Allegretti	
Chester Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Chicopee Municipal Lighting Plant	Publicly Owned		Brian Thomson	
Concord Municipal Light Plant	Publicly Owned		Dave Cavanaugh	
Connecticut Municipal Electric Energy Coop.	Publicly Owned	Brian Forshaw		
Connecticut Office of Consumer Counsel	End User		Dave Thompson	
Conservation Law Foundation (CLF)	End User	Jerry Elmer		
CPV Towantic, LLC	Generation	Dan Pierpont		
Cross-Sound Cable Company (CSC)	Supplier		José Rotger	
Danvers Electric Division	Publicly Owned		Dave Cavanaugh	
Direct Energy Business, LLC	Supplier			Nancy Chafetz
Dominion Energy Generation Marketing, Inc.	Generation	Mike Purdie		
DTE Energy Trading, Inc.	Supplier			Nancy Chafetz
Dynegy Marketing and Trade, LLC	Supplier	Andy Weinstein		Bill Fowler
Emera Maine	Transmission	Lisa Martin		
Enel X North America, Inc.	AR-LR		Herb Healy	
ENGIE Energy Marketing NA, Inc.	AR-RG	Sarah Bresolin		
Entergy Nuclear Power Marketing LLC	Supplier			Bill Fowler
Eversource Energy	Transmission	James Daly	Cal Bowie	Vandan Divatia
Excelerate Energy LP	Fuels Industry Part.			Gary Ritter
Exelon Generation Company	Supplier	Steve Kirk	Bill Fowler	
FirstLight Power Management, LLC	Generation	Tom Kaslow		
Galt Power, Inc.	Supplier	Nancy Chafetz		
Generation Group Member	Generation			Susan Muller; Bob Stein
Georgetown Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Great River Hydro	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	Louis Guibault	Bob Stein	Susan Muller
Harvard Dedicated Energy Limited	End User	Mary Smith	Mike Macrae	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	
Industrial Energy Consumer Group (IECG)	End User	Kevin Penders		

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FEBRUARY 6, 2020 TELECONFERENCE MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Ipswich Municipal Light Department	Publicly Owned		Brian Thomson	
Jericho Power LLC (Jericho)	AR-RG	Mark Spencer		
Littleton (MA) Electric Light and Water Department	Publicly Owned		Dave Cavanaugh	
Littleton (NH) Water & Light Department	Publicly Owned	Craig Kiemy		Dave Cavanaugh
Long Island Power Authority (LIPA)	Supplier		Bill Killgoar	
Maine Power LLC	Supplier	Jeff Jones		
Maine Public Advocate's Office	End User			Erin Camp
Maine Skiing, Inc.	End User	Kevin Penders		
Mansfield Municipal Electric Department	Publicly Owned		Brian Thomson	
Maple Energy LLC	AR-LR			Doug Hurley
Marblehead Municipal Light Department	Publicly Owned		Brian Thomson	
Mass. Attorney General's Office (MA AG)	End User	Christina Belew	Benjamin Griffiths	
Mass. Bay Transportation Authority	Publicly Owned		Dave Cavanaugh	
Mass. Municipal Wholesale Electric Company	Publicly Owned	Brian Thomson		
Mercuria Energy America, LLC	Supplier			Nancy Chafetz
Merrimac Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Michael Kuser	End User	Michael Kuser		
Middleborough Gas & Electric Department	Publicly Owned		Dave Cavanaugh	
Middleton Municipal Electric Department	Publicly Owned		Dave Cavanaugh	
National Grid	Transmission		Tim Martin	
Natural Resources Defense Council	End User	Bruce Ho		
Nautilus Power, LLC	Generation		Bill Fowler	
New Hampshire Electric Cooperative	Publicly Owned			B. Forshaw; D. Cavanaugh; B. Thomson
New Hampshire Office of Consumer Advocate				Erin Camp
NextEra Energy Resources, LLC	Generation	Michelle Gardner		
North Attleborough Electric Department	Publicly Owned		Dave Cavanaugh	
Norwood Municipal Light Department	Publicly Owned		Dave Cavanaugh	
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			Erin Camp
Princeton Municipal Light Department	Publicly Owned		Brian Thomson	
PSEG Energy Resources & Trade LLC	Supplier	Joel Gordon		
Reading Municipal Light Department	Publicly Owned		Dave Cavanaugh	
Repsol Energy North America Company	Fuels 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	
Sunrun Inc.	AR-DG			Pete Fuller
Taunton Municipal Lighting Plant	Publicly Owned		Dave Cavanaugh	
Templeton Municipal Lighting Plant	Publicly Owned		Brian Thomson	
The Energy Consortium	End User		Mary Smith	Doug Hurley; Mike Macrae
Vermont Electric Coop.	Publicly Owned	Craig Kiemy		Dave Cavanaugh
Vermont Energy Investment Corp (VEIC)	AR-LR		Doug Hurley	

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FEBRUARY 6, 2020 TELECONFERENCE MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Vermont Public Power Supply Authority	Publicly Owned			Brian Forshaw
Village of Hyde Park (VT) Electric Department	Publicly Owned		Dave Cavanaugh	
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 North Andover Inc.	AR-RG		Bill Fowler	