

Summary of ISO New England Board and Committee Meetings

September 1, 2022 Participants Committee Meeting

Since the last update, the Markets Committee, the Audit and Finance Committee, and the Board of Directors each met on August 18. All of the meetings were held by videoconference.

The Markets Committee discussed management's responses to the recommendations included in the Market Monitors' annual reports. In addition, the Committee was provided with an overview of the market projects prioritization process, how it interacts with stakeholder and other external requests, and how the multi-year and annual work plans are developed and updated. In executive session, the Committee considered the appointment of an internal market monitor.

The Audit and Finance Committee received an update regarding the development of the 2023 operating and capital budgets, including a review of the capital structure, and an update on budget discussions with stakeholders. The Committee also received an update on the 2022 budget and approved the second quarter unaudited financial statements after management confirmed that all relevant disclosures from managers were included in the financial statements. Throughout the budget discussions, the Committee considered the impact of inflation, and the difficulty in hiring and retaining a qualified workforce. With reference to a report on New England wholesale electricity costs and retail electricity rates, the Committee also considered the impact of increasing costs on consumers. Next, the Committee conducted its annual review of the Company's liability insurance coverage, and reviewed a summary of external audit services proposals, after which it approved a three-year appointment of KPMG to conduct SSAE 18 engagements and annual audits of the Company's financial statements. The Committee also received an update on internal audit activities, as well as highlights of recent external audits. Finally, in regular session, the Committee received an overview of the funding status of the Company's benefit and post retirement plans. During executive session, the Committee met with the Company's internal auditors and then reviewed the results of its self-evaluation.

The Board of Directors met to discuss winter reliability topics, and reviewed an assessment from management with recommendations specific to winter 2022-2023. The Board discussed the operational analysis, including information that was obtained from recent fuel surveys and from discussions with resource owners about expected fuel inventories and replenishment strategies for facilities with stored fuel capabilities. The Board noted the criticality of the Everett

LNG terminal and Mystic in ensuring reliability for the upcoming winter, and also discussed scenario modeling that was completed in order to evaluate regional energy adequacy under various operating conditions and assumptions. Regarding the steps the Company has taken to enhance regional energy adequacy, the Board discussed the 21-day forecast and gas tools, as well as the markets improvements that will give generators more flexibility in making and reflecting fuel arrangements in the markets. Last, the Board agreed that members of the Board should meet with the Consumer Liaison Group Coordinating Committee. The Board went into executive session and considered the appointment of an internal market monitor, among other topics.