

## **FINAL**

Pursuant to notice duly given, a meeting of the NEPOOL Participants Committee was held via teleconference on Thursday, September 7, 2023, at 10:00 a.m. 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 meeting.

Mr. David Cavanaugh, Chair, presided, and Mr. Sebastian Lombardi, Secretary, recorded. Mr. Cavanaugh welcomed the members, alternates and guests who were in attendance.

### **APPROVAL OF JUNE 27-29 AND AUGUST 3, 2023 MEETING MINUTES**

Mr. Cavanaugh referred the Committee to the preliminary minutes of the June 27-29 and August 3, 2023 meetings, as circulated and posted in advance of the meeting. Following motion duly made and seconded, the preliminary minutes of those meetings were unanimously approved as circulated, with an abstention by Mr. Jon Lamson recorded.

### **CONSENT AGENDA**

Mr. Cavanaugh then 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 as circulated, with an abstention by Mr. Jon Lamson recorded.

### **ISO CEO REPORT**

In the absence of Mr. Gordon van Welie, ISO Chief Executive Officer (CEO), Ms. Maria Gulluni, ISO General Counsel, invited any questions on the September CEO Report, which had

been circulated and posted in advance of the meeting. There were no questions or comments on the report.

## **ISO COO REPORT**

Dr. Vamsi Chadalavada, ISO Chief Operating Officer (COO), began by referring the Committee to his September Operations Report, which had been circulated and posted in advance of the meeting. Dr. Chadalavada noted that the data in the Report, including the Net Commitment Period Compensation (NCPC) data, was through August 30, 2023, unless otherwise noted. The Report highlighted: (i) Energy Market value for July 2023 was \$301 million, down \$279 million from the updated June 2023 value and down \$1.1 billion from August 2022 (when natural gas prices were at record highs for the summer period); (ii) August 2023 average natural gas prices were 49% lower than July 2022 average prices, and at \$1.41/MMBtu, were just above the record low for natural gas prices (\$1.38/MMBtu). He explained that the low prices were related to the mild temperatures and related Real-Time Loads (which, for the month of August, averaged, respectively, 71° F and 13,600 MWh (the lowest average Real-Time Load since the implementation of Standard Market Design in 2003)); (iii) average Real-Time Hub Locational Marginal Prices (LMPs) for July (\$29.09/MWh) were 26% lower than July averages; (iv) average August 2023 natural gas prices and Real-Time Hub LMPs over the period were down 83% and 70%, respectively, from August 2022 average prices; (v) average Day-Ahead cleared physical energy during the peak hours as percent of forecasted load was 99.6% during August (down from 100.8% reported for July), with the minimum value for the month of 93.5% on Sunday, August 20; and (vi) Daily NCPC payments for August totaled \$2.1 million, which was down \$0.8 million from July 2023 and down \$4.4 million from August 2022. August NCPC payments, which were 0.7% of total Energy Market value, were

compromised of (a) \$1.8 million in first contingency payments (up \$0.7 million from July); (b) \$77,000 in second contingency or voltage payments in July; and (c) \$262,000 in distribution payments (down \$219,000 from July).

Turning to information on the August 21 Master/Local Control Center Procedure No. 2 (M/LCC 2) declaration for hours ending (HE) 18:00 to 22:00, Dr. Chadalavada stated that temperatures were warmer (85-86° F, rather than 80-82° F) and the dew point much higher (68-70° F, rather than 60-62° F) than expected. He explained that, as a result, demand was higher than forecast. For the peak hour (HE 19:00), peak load was only about 200 MW higher than that forecasted. But the load continued to persist, so that, by HE 22:00, load was roughly 1,000 MW higher than that forecasted (17,500 MW rather than the 16,500 MW forecasted). The M/LCC 2 declaration was to protect against potential capacity deficiencies. There were also some generation unit trips that day, but they did not require actions beyond the M/LCC 2 declaration.

Dr. Chadalavada noted two upcoming regional transmission outages: (1) Hydro Quebec's scheduled fall maintenance outage for Phase II, which would take place from September 11 to September 18, and would reduce the total transfer capability of Phase II in both directions to 1,200 MW; and (2) an auto-transformer outage at the Holbrook substation, which for replacement would be out from September 10 to December 1, 2023, and could present, under certain circumstances, the potential for second contingency uplift for the Southeastern Massachusetts/Rhode Island and Boston interfaces. He said that maintenance outages, both generation and transmission outages, were the primary and not unusual reason why capacity margins were projected to be lower during the late September to mid-November timeframe.

Dr. Chadalavada then noted that the draft 2023-24 Regional System Plan (RSP) had been shared with stakeholders on August 16, with comments received by August 30. He said that

discussions on the second phase of the Extended-Term/Longer-Term Transmission Planning would begin at the Transmission Committee meeting in October. Referring to questions received ahead of the meeting regarding the Resource Capacity Accreditation (RCA) project, he briefly described information that was to be posted by the end of the day for discussion at the September 12-13 Markets Committee meeting, and said he looked forward to feedback after those discussions had taken place.

In response to questions regarding the annual peak load for 2023, Dr. Chadalavada confirmed that the telemetered load (load that the Control Room sees) was higher by approximately 100 MW on September 6 than on July 6 (the previous peak for 2023), but the final Revenue Quality Metered (RQM) Load number (telemetered load plus Settlement Only Resources) would not be available and the final peak load determination unable to be made until the following day. However, because the peak load for September 7 was forecast at 23,500 MW, Dr. Chadalavada expected that September 7 would set the peak load for 2023. He added that, if so, 2023 would be the first year in which the annual peak would be set after Labor Day. At a member's request, he committed, once the full data was available the following week, to update the Participants Committee with the 2023 peak load information.

## **2023 ISO AND NESCOE BUDGETS**

Mr. Tom Kaslow, Budget & Finance Subcommittee (B&F) Chair, referred the Committee to the materials circulated and posted in advance of the meeting related to the proposed 2024 ISO and NESCOE Budgets. He reported that the 2024 Budgets had been reviewed and considered at the Subcommittee's August 11 meeting. He noted that the 2024 NESCOE Budget was consistent with that proposed in the 5-year *pro forma* budget approved the

year before. He reported that no objections or concerns had been raised with respect to either the ISO's or NESCOE's 2024 Budgets.

Addressing the status of the 2024 ISO Budgets process, Mr. Bob Ludlow, ISO Chief Financial and Compliance Officer, referred members to the summary in the meeting materials, and added that the ISO had received comments from a few of the States, which, with all of the information and feedback received, would be reviewed with and discussed by the ISO Board the following week. Responses to the comments received would be sent thereafter, with those responses posted and available in advance of the Committee's planned October 5 vote on the Budgets. Presuming support, the ISO planned to submit the 2024 Budget filings to the FERC by mid-October and to request a January 1, 2024 effective date for those filings. In response to a question, Mr. Ludlow indicated that the ISO planned to make available during the last week in September details on the rate and tariff changes associated with the 2024 ISO Budgets. A member from Vermont thanked Mr. Ludlow and the ISO team for their efforts explaining the 2024 Budgets and associated rate impacts.

Turning to the 2024 NESCOE Budget, Ms. Heather Hunt, NESCOE Executive Director, reiterated that the 2024 NESOCE Budget was within the parameters identified in the NEPOOL-supported and FERC-approved five-year *pro forma* framework. She highlighted that the 2024 Budget was slightly less than the 2023 Budget. She noted that the estimated Schedule 5 billing rate (the mechanism for funding NESCOE's operations) would be updated, if and as appropriate based on ISO data, before being finalized and submitted to the FERC. She encouraged anyone with questions or concerns on the 2024 NESCOE Budget to so indicate or to reach out to her in advance of the Participants Committee's October vote. There were no questions or comments on the NESCOE Budget.

## LITIGATION REPORT

Mr. Lombardi referred the Committee to the September 6, 2023 Litigation Report that had been circulated and posted before the meeting. He highlighted the following developments:

(i) *Second New England Winter Gas-Electric Forum (AD22-9)*. Many comments related to the FERC's June 20 Forum had been filed by the late August comment date established by the FERC.

(ii) *FCA18 De-List Bids Filing (ER23-2379)*. The FERC had accepted the ISO's Permanent and Retirement De-List Bids filing, effective September 11, 2023.

(iii) *Order 2023 (Interconnection Reforms) (RM22-14)*. Mr. Lombardi reported that more than 35 parties had requested clarification and/or rehearing of *Order 2023*. In addition, three of the RTOs (MISO, PJM and SPP) had jointly requested an extension of time for compliance with *Order 2023* to at least 90 days after the FERC issues a substantive order on the issues raised by the requests for clarification and/or rehearing. A more detailed summary of those requests had been separately attached as a supplement to the end of the September 6 Litigation Report. He highlighted that, with the publication of *Order 2023* in the *Federal Register* on September 6, absent further action by the FERC, the deadline for the submission of compliance filings would be on or before December 5, 2023. In response to a question, Ms. Gulluni confirmed that the ISO would not itself seek an extension of the compliance deadline.

## COMMITTEE REPORTS

*Markets Committee (MC)*. Mr. Bill Fowler, MC Vice-Chair, reported that the MC would next meet the following week in Westborough for a one and one half day meeting. He indicated that key topics would include, in addition to discussion on FCA19, consideration and a vote on an update to Net Cost of New Entry (CONE), as well as a discussion related to upward

mitigation issues that had been experienced the prior winter and was the topic of a FERC Show Cause order (EL23-62) that was being held in abeyance through at least February 1, 2024. He previewed that the ISO planned to present a new proposal to the MC to respond to the Show Cause order and, with sufficient support, may pursue condensed Participant Processes to potentially permit implementation of that proposal for Winter 2023/24.

**Reliability Committee.** Mr. Robert Stein, the RC Vice-Chair, reported that the RC would next meet on September 19, 2023. He highlighted planned action on: the FCA18 Hydro-Québec Interconnection Capability Credits (HQICCs), Installed Capability Requirement (ICR) and related values (including net ICR, Maine Maximum Capacity Limit (MCL), Northern New England MCL, and Capacity Demand Curves for the System and Capacity Zones based on the Marginal Reliability Impact (MRI) methodology); additional information to be received related to the probabilities in the 2032 extreme weather study; and preliminary discussion regarding the 2024 load forecast cycle.

**Transmission Committee.** Mr. David Burnham, TC Vice-Chair, reported that the TC would next meet on September 27, 2023. The primary matter to be addressed would be *Order 2023* compliance. He noted that, because of *Order 2023*'s December 5, 2023 compliance deadline, plans had been made for an additional TC meeting on November 9, at which the *Order 2023* compliance changes could be voted, followed by Participants Committee action at a special teleconference meeting, likely to be held on November 16.

**Budget & Finance Subcommittee.** Mr. Kaslow reported that, in addition to the posted October 10 meeting, there would also be an earlier meeting, during the afternoon of September 26, to address ISO proposed changes to the Financial Assurance Policy's Pay-for-Performance

provisions. He encouraged all those interested to watch for a memo and further information from the ISO on that topic.

*Membership Subcommittee.* Ms. Sarah Bresolin, Membership Subcommittee Chair, reported that the next Membership Subcommittee meeting was scheduled for September 11, 2023.

#### **ADMINISTRATIVE MATTERS**

Mr. Lombardi noted that the next Participants Committee meeting was scheduled to be held in person on October 5, 2023 at the Marriott Downtown in Providence, RI. Looking further ahead, he said that the November 2 meeting would be held in person at the Seaport Hotel in Boston and would include the second of the semi-annual opportunities for modified Sector meetings with the ISO Board and State Officials. The November 2 meeting would be held the day after the ISO Board's planned open meeting, also to be held at the Seaport Hotel. He noted, as mentioned earlier, the possibility of an additional Participants Committee meeting in November to address *Order 2023* compliance and other matters, which, if held, was likely to be a teleconference meeting on November 16. The 2023 Annual Meeting of the Participants Committee was scheduled for December 7 at the Colonnade Hotel in Boston.

There being no other business, the meeting adjourned at 10:43 a.m.

Respectfully submitted,

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Sebastian Lombardi, Secretary



**PARTICIPANTS COMMITTEE MEMBERS AND ALTERNATES  
PARTICIPATING IN SEPTEMBER 7, 2023 TELECONFERENCE MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Advanced Energy United (AEU)	Associate Non-Voting	Caitlin Marquis		
Ashburnham Municipal Light Plant	Publicly Owned Entity			Dan Murphy
Associated Industries of Massachusetts (AIM)	End User			Mary Smith
AVANGRID: CMP/UI Avangrid Renewables	Transmission	Alan Trotta Kevin Kilgallen	Jason Rauch	Zach Teti
Bath Iron Works Corporation	End User			Bill Short
Belmont Municipal Light Department	Publicly Owned Entity		Dave Cavanaugh	
Block Island Utility District	Publicly Owned Entity	Dave Cavanaugh		
Boylston Municipal Light Department	Publicly Owned Entity			Dan Murphy
BP Energy Company	Supplier			José Rotger
Braintree Electric Light Department	Publicly Owned Entity		Dave Cavanaugh	
Brookfield Renewable Trading and Mktg.	Supplier	Aleks Mitreski		
Castleton Commodities Merchant Trading	Supplier			Bob Stein
Chester Municipal Light Department	Publicly Owned Entity		Dave Cavanaugh	
Chicopee Municipal Lighting Plant	Publicly Owned Entity			Dan Murphy
ClearResult Consulting, Inc.	AR-DG	Tamera Oldfield		
Clearway Power Marketing LLC	Supplier			Pete Fuller
Concord Municipal Light Plant	Publicly Owned Entity		Dave Cavanaugh	
Connecticut Municipal Electric Energy Coop.	Publicly Owned Entity	Brian Forshaw		
Connecticut Office of Consumer Counsel	End User		J.R. Viglione	
Conservation Law Foundation (CLF)	End User	Phelps Turner		
Constellation Energy Generation	Supplier		Bill Fowler	
CPV Towantic, LLC	Generation	Joel Gordon		
Cross-Sound Cable Company (CSC)	Supplier		José Rotger	
Danske Commodities US LLC	Supplier			Norman Mah
Danvers Electric Division	Publicly Owned Entity		Dave Cavanaugh	
Dominion Energy Generation Marketing, Inc.	Generation	Wes Walker		
DTE Energy Trading, Inc.	Supplier			José Rotger
Durgin and Crowell Lumber Co., Inc.	End User			Bill Short
Dynegy Marketing and Trade, Inc.	Supplier	Andy Weinstein		Bill Fowler
ECP Companies Calpine Energy Services, LP New Leaf Energy	Generation	Brett Kruse Liz Delaney	Andy Gillespie	Bill Fowler
EDF Trading North America, LLC	Supplier	Eric Osborn		
Elektrisola, Inc.	End User			Bill Short
Emera Energy Services Companies	Supplier			Bill Fowler
Enel X North America, Inc.	AR-LR	Alex Worsley		
Engie Energy Marketing NA, Inc.	AR-RG	Sarah Bresolin		
Eversource Energy	Transmission	James Daly	Dave Burnham	
FirstLight Power Management, LLC	Generation	Tom Kaslow		
Galt Power, Inc.	Supplier	José Rotger	Jeff Iafrati	
Garland Manufacturing Company	End User			Bill Short
Generation Bridge Companies	Generation	Bill Fowler		
Generation Group Member	Generation		Abby Krich	
Georgetown Municipal Light Department	Publicly Owned Entity		Dave Cavanaugh	
Granite Shore Companies	Generation			Bob Stein
Groton Electric Light Department	Publicly Owned Entity			Dan Murphy
Groveland Electric Light Department	Publicly Owned Entity		Dave Cavanaugh	
H.Q. Energy Services (U.S.) Inc. (HQUS)	AR-RG	Louis Guilbault	Bob Stein	
Hammond Lumber Company	End User			Bill Short

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PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Hanover, NH (Town of)	End User			Bill Short
High Liner Foods (USA) Incorporated	End User		William P. Short III	
Hingham Municipal Lighting Plant	Publicly Owned Entity		Dave Cavanaugh	
Holden Municipal Light Department	Publicly Owned Entity			Dan Murphy
Holyoke Gas & Electric Department	Publicly Owned Entity			Dan Murphy
Hull Municipal Lighting Plant	Publicly Owned Entity			Dan Murphy
Icetec Energy Services, Inc. (Icetec)	AR-LR	Doug Hurley		
Industrial Energy Consumer Group	End User	Dan Collins		
Ipswich Municipal Light Department	Publicly Owned Entity			Dan Murphy
Jericho Power LLC (Jericho Power)	AR-RG	Ben Griffiths	Nancy Chafetz	
Jupiter Power	AR-RG			Ron Carrier
Lamson, Jon	End User	Jon Lamson		
Littleton (MA) Electric Light and Water Department	Publicly Owned Entity		Dave Cavanaugh	
Littleton (NH) Water & Light Department	Publicly Owned Entity		Craig Kieny	
Maine Power LLC	Supplier	Jeff Jones		
Maine Public Advocate's Office	End User	Drew Landry		
Maine Skiing, Inc.	End User	Dan Collins		
Mansfield Municipal Electric Department	Publicly Owned Entity			Dan Murphy
Maple Energy LLC	AR-LR			Doug Hurley
Marblehead Municipal Light Department	Publicly Owned Entity			Dan Murphy
Mass. Attorney General's Office (MA AG)	End User	Ashley Gagnon	Jaimie Donovan	Tina Belew
Mass. Bay Transportation Authority	Publicly Owned Entity		Dave Cavanaugh	
Mass. Climate Action Network	End User	Elischia Fludd		
Mass. Dept. Capital Asset Management	End User		Paul Lopes	Nancy Chafetz
Mass. Municipal Wholesale Electric Company	Publicly Owned Entity		Dan Murphy	
Mercuria Energy America, LLC	Supplier			José Rotger
Merrimac Municipal Light Department	Publicly Owned Entity		Dave Cavanaugh	
Middleborough Gas & Electric Department	Publicly Owned Entity		Dave Cavanaugh	
Middleton Municipal Electric Department	Publicly Owned Entity		Dave Cavanaugh	
Moore Company	End User			Bill Short
Narragansett Electric Co. (d/b/a RI Energy)	Transmission	Brian Thomson		
Nautilus Power	Generation		Bill Fowler	
New England Power (d/b/a National Grid)	Transmission		Tim Martin	
New England Power Generators Assoc. (NEPGA)	Associate Non-Voting	Bruce Anderson	Dan Dolan	
New Hampshire Electric Cooperative	Publicly Owned Entity			Brian Forshaw
NextEra Energy Resources, LLC	Generation	Michelle Gardner	Nick Hutchings	
North Attleborough Electric Department	Publicly Owned Entity		Dave Cavanaugh	
Norwood Municipal Light Department	Publicly Owned Entity		Dave Cavanaugh	
NRG Business Marketing, LLC	Supplier		Pete Fuller	
Nylon Corporation of America	End User			Bill Short
Pascoag Utility District	Publicly Owned Entity		Dave Cavanaugh	
Pawtucket Power Holding Company	Generation	Dan Allegretti		
Paxton Municipal Light Department	Publicly Owned Entity			Dan Murphy
Peabody Municipal Light Department	Publicly Owned Entity			Dan Murphy
Princeton Municipal Light Department	Publicly Owned Entity			Dan Murphy
Reading Municipal Light Department	Publicly Owned Entity		Dave Cavanaugh	
RI Division of Public Utilities Carriers	End User	Paul Roberti		
Rowley Municipal Lighting Plant	Publicly Owned Entity		Dave Cavanaugh	

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<b>PARTICIPANT NAME</b>	<b>SECTOR/ GROUP</b>	<b>MEMBER NAME</b>	<b>ALTERNATE NAME</b>	<b>PROXY</b>
Russell Municipal Light Dept.	Publicly Owned Entity			Dan Murphy
Saint Anselm College	End User			Bill Short
Shipyard Brewing LLC	End User			Bill Short
Shrewsbury Electric & Cable Operations	Publicly Owned Entity			Dan Murphy
South Hadley Electric Light Department	Publicly Owned Entity			Dan Murphy
Sterling Municipal Electric Light Department	Publicly Owned Entity			Dan Murphy
Stowe Electric Department	Publicly Owned Entity		Dave Cavanaugh	
Sunrun Inc.	AR-DG			Peter Fuller
Tangent Energy	AR-LR	Brad Swalwell		
Taunton Municipal Lighting Plant	Publicly Owned Entity	Devon Tremont	Dave Cavanaugh	
Templeton Municipal Lighting Plant	Publicly Owned Entity			Dan Murphy
The Energy Consortium	End User		Mary Smith	
Vermont Electric Cooperative	Publicly Owned Entity			
Vermont Electric Power Company (VELCO)	Transmission	Frank Etori		
Vermont Public Power Supply Authority	Publicly Owned Entity			Brian Forshaw
Versant Power	Transmission		David Norman	
Village of Hyde Park (VT) Electric Department	Publicly Owned Entity	Dave Cavanaugh		
Wakefield Municipal Gas & Light Department	Publicly Owned Entity			Dan Murphy
Walden Renewables Development LLC	Generation			Abby Krich
Wallingford DPU Electric Division	Publicly Owned Entity		Dave Cavanaugh	
Wellesley Municipal Light Plant	Publicly Owned Entity		Dave Cavanaugh	
West Boylston Municipal Lighting Plant	Publicly Owned Entity			Dan Murphy
Westfield Gas & Electric Department	Publicly Owned Entity		Dave Cavanaugh	
Wheelabrator North Andover Inc.	AR-RG		Bill Fowler	
ZTECH, LLC	End User			Bill Short