

FINAL

Pursuant to notice duly given, a meeting of the NEPOOL Participants Committee was held beginning at 2:00 p.m. on Thursday, November 2, 2023, at the Seaport Hotel, One Seaport Lane, Boston, Massachusetts. 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, either in person or by telephone.

Mr. Dave Cavanaugh, Chair, presided, and Mr. Sebastian Lombardi, Secretary, recorded.

APPROVAL OF OCTOBER 5, 2023 MEETING MINUTES

Mr. Cavanaugh referred the Committee to the preliminary minutes of the October 5, 2023 meeting, as circulated and posted in advance of the meeting. Following motion duly made and seconded, the preliminary minutes of that meeting were unanimously approved as circulated, with an abstention by Mr. Jon Lamson noted.

CONSENT AGENDA

Mr. Cavanaugh 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 approved as circulated, with opposition by the Maine Office of the Public Advocate (MOPA) and with abstentions by the Connecticut Office of Consumer Counsel (CT OCC), Conservation Law Foundation (CLF), Environmental Defense Fund, New Hampshire Office of the Consumer Advocate (NH OCA), Power Options, Massachusetts Office of the Attorney General (MA AG), the Rhode Island Division, and Mr. Lamson. Representatives of MOPA, CT OCC, MA AG, NH OCA, and Power Options attributed their votes on the Consent Agenda to

concerns related to some of the cost of equity updates underlying the annual adjustment to the Net Cost of New Entry for FCAs 19 and 20 (Consent Agenda Item 1).

ISO CEO REPORT

There having been no ISO Board or Board Committee meeting summaries issued since the October 5 meeting, Mr. Gordon van Welie, ISO Chief Executive Officer (CEO), simply invited any comments or questions members might have. One member, referring to the ISO Board's open meeting the day before, commended to Committee members the written and recorded presentation by Dr. Debra Lew, Associate Director, Energy Systems Integration Group, entitled "What Does a Decarbonized Future Look Like: The Last 10%". Mr. van Welie seconded that suggestion, encouraging those interested to review Dr. Lew's presentation in both mediums.

ISO COO REPORT

Dr. Chadalavada began his report first by referring the Committee to his November Operations Report, which had been circulated and posted in advance of the meeting. Dr. Chadalavada noted that the data in the Report was through October 24, 2023, unless otherwise noted. The Report highlighted: (i) Energy Market value for October 2023 was \$186 million, down \$160 million from the updated September 2023 value of \$346 million and down \$326 million from October 2022; (ii) October 2023 average natural gas prices were 15% lower than September 2023 average prices, reflecting the lowest October average natural gas prices since the advent of Standard Market Design; (iii) average Real-Time Hub Locational Marginal Prices (LMPs) for October (\$23.64/MWh) were 27% lower than the September averages; (iv) average October 2023 natural gas prices and Real-Time Hub LMPs over the period were down 73% and 55%, respectively, from October 2022 average prices; (v) average Day-Ahead cleared physical

energy during peak hours as percent of forecasted load was 100.9% during October (up from the 100.6% reported for September), with the minimum value for the month of 93.8% on October 21; and (vi) Daily Net Commitment Period Compensation (NCPC) payments for October totaled \$3.7 million, which was up \$0.8 million from September 2023 and up \$0.8 million from October 2022. October NCPC payments, which were 2% of total Energy Market value, were comprised of (a) \$3.7 million in first contingency payments (up \$0.2 million from September); (b) no second contingency payments; and (c) \$42,000 in distribution payments (down \$25,000 from September).

Dr. Chadalavada then provided an update on the status of the Inventoried Energy Program (IEP). He reported that approximately 845,000 MWh were participating in the IEP's "forward component" (at a cost of approximately \$78 million); roughly 100,000 MWh, in the "spot-only component" or projected 10 inventoried energy days (IEDs) (at a cost of approximately \$9.2 million). IEP costs for the upcoming winter period were thus expected to total approximately a little less than \$88 million. He noted that spot-only program costs were not capped, so that number could increase based on winter season activity or an increase in the number of IEDs experienced.

In response to further questions, Dr. Chadalavada stated that of the resources participating in the IEP, 68% are oil-fired resources and 30% are natural gas-fired resources (one-half fueled by liquefied natural gas (LNG); the other half fueled by pipeline gas). IEP participation consists of 115 resources totaling 17 gigawatts. Dr. Chadalavada noted that most of the resources participating in the forward component were signed up for less than the full 72 hour complement, further indicating a fairly robust level of participation. He explained that there was over two days of energy supply participating in the forward program, providing some comfort that the ISO would be well-positioned for Winter 2023/24.

Addressing Master/Local Control Center Procedure No. 2 (M/LCC 2) events during the month of October, Dr. Chadalavada identified two declarations – one on October 4; the other on October 23. He explained that both of those declarations were for projected capacity deficiency events during peak hours. Each were transitory, as expected, largely driven by unit outages occurring just prior to the peak hours when there was limited opportunity for the ISO to timely commit other resources in response. In neither case did an actual capacity deficiency materialize. In response to questions, he explained that the supply side, rather than load forecasts, was the principal factor in the M/LCC 2 declarations. He noted that, of the two events, the supply-side shortfall was more pronounced on October 4. That resulted in some additional commitments (between 200 and 400 MW) during the 2-3 hour window, including commitments of Demand Response resources that were at the time the lowest-cost resource in the supply stack. He estimated uplift attributable to those two events to be approximately \$1-1.5 million. In response to a question, he further differentiated the M/LCC 2 events from the Real-Time curtailments experienced in October. He described the Real-Time curtailments as short-term reserve product deficiencies (driven by outage season and a lack of Black Start capability), and not as capacity deficiencies requiring M/LCC 2 declarations.

In response to another member's question regarding planned outages, Dr. Chadalavada answered that, for the rest of 2023, the only outage of note, as reported in October, was a 10-day outage scheduled for Line 344 (West Medway to Bridgewater), which could impact the lower Southeastern Massachusetts/Rhode Island (SEMA/RI) interface, but only for a few hours on a few days during that stretch of time.

An End User Sector representative asked for additional color or clarification related to off-shore wind included in the November Operations Report's new generation back-up detail. Dr. Chadalavada committed to provide, on a roughly semi-annual basis, additional information

related to those projects that either clear in the market or are used in ISO projections, models or planning tools. In response to a second question, Dr. Chadalavada speculated that there were two primary factors driving decreased load numbers – the first was 2023’s wetter, milder summer; the second, and a more important factor, was the remarkable growth in New England’s photovoltaic (PV) resources, contrasting 4,650 MW of PV generation available on a peak day in 2022 against approximately 5,300 MW of PV generation in 2023. He expected similar growth in PV installations, and the attendant reduction in load, to continue for at least the next couple of years.

HQICC/ICR VALUES FOR UPCOMING ARAS

Ms. Emily Laine, Reliability Committee (RC) Chair, referred the Committee to, and summarized the materials circulated and posted in advance of the meeting related to, the Hydro Quebec Interconnection Capability Credits (HQICC Values) and the Installed Capability Requirement (ICR) and related demand curves (collectively, the ICR Values) for the 3rd Annual Reconfiguration Auction (ARA) for the 2024–25 Capacity Commitment Period (CCP), 2nd ARA for the 2025–26 CCP and 1st ARA for the 2026–27 CCP. She explained that the proposed HQICC and ICR Values for the ARAs to be conducted in 2024 were first reviewed by the Power Supply Planning Committee and then by the RC. At its October 24, 2023 meeting, the RC recommended that the Participants Committee support both the HQICC Values (with one opposed and 14 abstentions) and the ICR Values (with one opposed and 7 abstentions). She confirmed that, but for the timing of the RC actions, the HQICC and ICR Values could have been on the Consent Agenda. Ms. Laine also noted that the materials circulated to the Participants Committee could permit, absent objection, action on the motions to support the HQICC and ICR Values through one vote.

Without objection to action by a single vote, the following resolutions were then duly made together in one motion, seconded and approved, with oppositions by Cross-Sound Cable (CSC) and LIPA, and abstentions by BP, Calpine, CLF, DTE, Galt Power, HQ US, Mercuria, Shell, and Mr. Lamson:

RESOLVED, that the Participants Committee supports the proposed **HQICC Values** for the specified ARAs, as recommended by the Reliability Committee and as reflected in the materials distributed to the Participants Committee for its November 2, 2023 meeting, together with such non-substantive changes as may be agreed to after the meeting by the Chair and Vice-Chair of the Reliability Committee.

RESOLVED, that the Participants Committee supports the proposed **ICR Values** for the specified ARAs, as recommended by the Reliability Committee and as reflected in the materials distributed to the Participants Committee for its November 2, 2023 meeting, together with such non-substantive changes as may be agreed to after the meeting by the Chair and Vice-Chair of the Reliability Committee.

Explaining their votes, the representatives for CSC and LIPA attributed their opposition, and the Shell representative its abstention, to the view that the proposed set of Values did not properly recognize the reliability benefits of the Cross-Sound Cable, including the emergency energy assistance that the CSC had provided and would continue to provide.

FCA19 DELAY PROPOSAL

Ms. Mariah Winkler, Markets Committee (MC) Chair, referred the Committee to the materials that were circulated and posted with the meeting materials. She explained that the proposed Market Rule revisions would delay FCA 19 qualification and auction activities by one year, incorporate a gradual transition back to a three and one-half year forward auction construct, eliminate the first ARA for FCAs 19 through 24 during the transition period, permit specific resources to submit qualification materials in 2024 so those resources can qualify to participate

in ARAs, and clarify when particular demand capacity resources can be considered as new capacity for FCA 19. She noted that the FCA 19 Delay Proposal was part of the ISO's proposed approach to moving forward with the Resource Capacity Accreditation (RCA) project. The MC recommended Participants Committee support for the Proposal, with limited abstentions noted. But for the timing of the MC action, she added, this matter could have been considered by way of the Consent Agenda.

Following Ms. Winkler's overview, the following motion was duly made and seconded:

RESOLVED, that the Participants Committee supports the FCA 19 Delay Proposal as reflected in revisions to Section III.13 of the Tariff, 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.

Members and State representatives expressed their appreciation for the ISO's responsiveness to stakeholder feedback provided during Markets Committee consideration, which many felt improved the overall Proposal. Some, following further consideration, identified the possibility for additional refinements and improvements, and looked forward to working through those as part of future Market Rule discussions, but would not oppose the MC-recommended revisions to implement the Proposal. Others, noting some concerns that might follow from a delay, and an overall preference not to delay FCA19, nevertheless stated their plans not to oppose the Proposal.

Following further discussion, the Proposal was voted and approved unanimously, with abstentions noted by BlueWave Public Benefit Corp., BP, Brookfield, CSC, DTE, FirstLight, Galt Power, the Generation Group Member, Mercuria, New Leaf Energy, NextEra, SYSO, Tenaska, and Mr. Lamson.

LITIGATION REPORT

Mr. Lombardi referred the Committee to the November 2 Litigation Report that had been circulated and posted the morning of the meeting. He highlighted the following developments:

- (i) *SATOA Revisions (ER23-739, ER23-743)*. The FERC accepted the revisions to enable electric storage facilities to be planned and operated as transmission-only assets (SATOAs Revisions); notice of the Revisions' actual effective date must be filed no less than 30 days prior to implementation (currently projected to be July 1, 2024).
- (ii) *Order 2023: Interconnection Reforms (RM22-14)*. FERC issued an order that extended the *Order 2023* compliance filing deadline to April 3, 2024.

Ms. Maria Gulluni, ISO General Counsel, then reported on the proposed timelines for compliance with *Order 2023*. She explained that the ISO's plan was to ask the Participants Committee to consider/vote on its compliance proposal at the March 7, 2024 meeting and to file its proposal with the FERC on or about April 1, 2024. Regarding questions related to the *Order 2023* transition period, the ISO planned to ask for an effective date of May 31, 2024, which would make the eligibility date May 1, 2024. At that point, Participants could decide whether they wanted to be a part of the transition period or withdraw. With a proposed effective date of May 31, 2024, the ISO planned to issue contracts and have those returned along with related requirements by July 30, 2024. She encouraged those seeking more detail or with questions to attend the November 9 Transmission Committee meeting at which the plan for the process to review ISO's *Order 2023* compliance proposal would be discussed in more detail.

COMMITTEE REPORTS

Markets Committee. Mr. William Fowler, the MC Vice-Chair, reported that the next MC meeting would take place the following week, November 7-8, at the Doubletree in Westborough, MA. He further noted that the December MC would be a full three-day meeting.

Transmission Committee (TC). Mr. Dave Burnham, the TC Vice-Chair, reported that the next TC meeting, as mentioned previously, was scheduled for November 9, also in Westborough. The main items for consideration would be action on proposed Tariff revisions in response to *Order 676-J*, as well as discussion on the proposed schedule for reviewing and finalizing the region's *Order 2023* compliance filing, including a stakeholder presentation on proposed aspects of compliance with *Order 2023*. A second, virtual meeting of the TC was scheduled for November 21 and would focus on Longer-Term Transmission Planning issues. The main focus of the December TC meeting would be *Order 2023* compliance.

Reliability Committee. Mr. Robert Stein, the RC Vice-Chair, reported that the next RC meeting was scheduled for November 4, at which the results of the extreme weather and stakeholder-requested scenarios would be discussed. Looking further ahead, he reported that the RC planned to meet for two days in December (18-19), January (16-17), and February (13-14).

Budget & Finance Subcommittee (B&F). Mr. Kaslow reported that the next B&F meeting was scheduled for November 28, and would include a review of the proposed 2024 NEPOOL budget.

Membership Subcommittee. Ms. Ashley Gagnon, Membership Subcommittee Chair, reported that the next Subcommittee meeting was scheduled for Monday, November 13 at 10:00 a.m.

ADMINISTRATIVE MATTERS

Mr. Lombardi reminded the Committee that the December Annual Meeting of the Participants Committee was scheduled for December 7, 2023 at the Colonnade Hotel in Boston. He reported that the FERC Chairman, Willie Phillips, was scheduled to provide remarks at that meeting. He encouraged all members to attend the holiday breakfast scheduled to precede the Annual Meeting.

There being no other business, the meeting adjourned at 2:56 p.m.

Respectfully submitted,

Sebastian Lombardi, Secretary

**PARTICIPANTS COMMITTEE MEMBERS AND ALTERNATES
PARTICIPATING IN NOVEMBER 2, 2023 MEETING**

PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Advanced Energy United	Associate Non-Voting		Alex Lawton	
Ashburnham Municipal Light Plant	Publicly Owned Entity		Matt Ide	Dan Murphy
AVANGRID: CMP/UI	Transmission	Alan Trotta (tel)	Jason Rauch	
Bath Iron Works Corporation	End User			Bill Short (tel)
Belmont Municipal Light Department	Publicly Owned Entity		Dave Cavanaugh	
Block Island Utility District	Publicly Owned Entity	Dave Cavanaugh		
BlueWave Public Benefit Corp.	AR-DG	Mike Berlinski		
Boylston Municipal Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
BP Energy Company (BP)	Supplier			José Rotger
Braintree Electric Light Department	Publicly Owned Entity		Dave Cavanaugh	
Brookfield Renewable Trading and Marketing	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		Matt Ide	Dan Murphy
Concord Municipal Light Plant	Publicly Owned Entity		Dave Cavanaugh	
Connecticut Municipal Electric Energy Coop.	Publicly Owned Entity	Brian Forshaw		
Connecticut Office of Consumer Counsel (CT OCC)	End User	Claire Coleman		Jason Frost
Conservation Law Foundation (CLF)	End User	Phelps Turner (tel)	Priya Gandbnir	
Constellation Energy Generation	Supplier	Gretchen Fuhr	Bill Fowler	
CPV Towantic, LLC (CPV)	Generation	Joel Gordon		
Cross-Sound Cable Company (CSC)	Supplier		José Rotger	
Danvers Electric Division	Publicly Owned Entity		Dave Cavanaugh	
DTE Energy Trading, Inc. (DTE)	Supplier			José Rotger
Durgin and Crowell Lumber Co., Inc.	End User			Bill Short (tel)
Dynergy Marketing and Trade, LLC	Supplier	Andy Weinstein		Bill Fowler
ECP Companies Calpine Energy Services, LP (Calpine) New Leaf Energy	Generation	Brett Kruse Liz Delaney	Andy Gillespie	Bill Fowler Alex Chaplin
Elektrisola, Inc.	End User			Bill Short (tel)
Emera Energy Services	Supplier			Bill Fowler
Enel X North America, Inc.	AR-LR	Alex Worsley		
ENGIE Energy Marketing NA, Inc.	AR-RG	Sarah Bresolin		
Eversource Energy	Transmission		Dave Burnham	Vandan Divatia
Environmental Defense Fund (EDF)	End User	Jolette Westbrook (tel)		
FirstLight Power Management, LLC	Generation	Tom Kaslow		
Galt Power, Inc. (Galt)	Supplier	José Rotger		
Garland Manufacturing Company	End User			Bill Short (tel)
Generation Bridge Companies	Generation	Bill Fowler		
Generation Group Member	Generation		Abby Krich (tel)	
Georgetown Municipal Light Department	Publicly Owned Entity		Dave Cavanaugh	
Groton Electric Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Groveland Electric Light Department	Publicly Owned Entity		Dave Cavanaugh	
H.Q. Energy Services (U.S.) Inc. (HQ US)	AR-RG		Bob Stein	
Hammond Lumber Company	End User			Bill Short (tel)
Harvard Dedicated Energy Limited	End User			Jason Frost
High Liner Foods (USA) Incorporated	End User		William P. Short III (tel)	
Hingham Municipal Lighting Plant	Publicly Owned Entity		Dave Cavanaugh	
Holden Municipal Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Holyoke Gas & Electric Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Hull Municipal Lighting Plant	Publicly Owned Entity		Matt Ide	Dan Murphy

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PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Icetec Energy Services, Inc.	AR-LR	Doug Hurley		
Ipswich Municipal Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Jericho Power LLC (Jericho)	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	
Long Island Power Authority (LIPA)	Supplier	Bill Kilgoar (tel)		José Rotger
Maine Public Advocate's Office	End User	Drew Landry		
Mansfield Municipal Electric Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Maple Energy LLC	AR-LR			Doug Hurley
Marblehead Municipal Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Mass. Attorney General's Office (MA AG)	End User	Ashley Gagnon	Jamie Donovan	
Mass. Bay Transportation Authority	Publicly Owned Entity		Dave Cavanaugh	
Mass. Department of Capital Asset Management	End User			Nancy Chafetz
Mass. Municipal Wholesale Electric Company	Publicly Owned Entity	Matt Ide	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 (tel)
Narragansett Electric Co. (d/b/a RI Energy)	Transmission	Brian Thomson		Preston Walker
Nautilus Power, LLC	Generation		Bill Fowler	
New Hampshire Electric Cooperative	Publicly Owned Entity			Brian Forshaw
New Hampshire Office of Consumer Advocate	End User	Donald Kreis	Jason Frost	
New England Power (d/b/a National Grid)	Transmission	Tim Brennan	Tim Martin	
New England Power Generators Assoc. (NEPGA)	Associate Non-Voting	Bruce Anderson		
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	
Nylon Corporation of America	End User			Bill Short (tel)
Pascoag Utility District	Publicly Owned Entity		Dave Cavanaugh	
Pawtucket Power Holding Company LLC	Generation	Dan Allegretti		
Paxton Municipal Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Peabody Municipal Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
PowerOptions, Inc.	End User			Jason Frost
Princeton Municipal Light Department	Publicly Owned Entity	Matt Ide		
Reading Municipal Light Department	Publicly Owned Entity		Dave Cavanaugh	
RI Division (DPUC)	End User	Paul Roberti		
Rowley Municipal Lighting Plant	Publicly Owned Entity		Dave Cavanaugh	
Russell Municipal Light Dept.	Publicly Owned Entity	Matt Ide		
Saint Anselm College	End User			Bill Short (tel)
Shell Energy North America (US), L.P.	Supplier	Jeff Dannels		
Shipyards Brewing LLC	End User			Bill Short (tel)
Shrewsbury Electric & Cable Operations	Publicly Owned Entity		Matt Ide	Dan Murphy
South Hadley Electric Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Sterling Municipal Electric Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Stowe Electric Department	Publicly Owned Entity		Dave Cavanaugh	
SYS Inc.	AR-DG	Doug Matheson (tel)		
Taunton Municipal Lighting Plant	Publicly Owned Entity		Dave Cavanaugh	

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PARTICIPANT NAME	SECTOR/ GROUP	MEMBER NAME	ALTERNATE NAME	PROXY
Templeton Municipal Lighting Plant	Publicly Owned Entity	Matt Ide		Dan Murphy
Tenaska Power Services Co. (Tenaska)	Supplier		Eric Stallings (tel)	
Union of Concerned Scientists	End User		Francis Pullaro	
Vermont Electric Power Company (VELCO)	Transmission	Frank Etori		
Vermont Energy Investment Corp (VEIC)	AR-LR			Jason Frost
Vermont Public Power Supply Authority	Publicly Owned Entity			Brian Forshaw
Versant Power	Transmission	Dave Norman		
Village of Hyde Park (VT) Electric Department	Publicly Owned Entity	Dave Cavanaugh		
Wakefield Municipal Gas & Light Department	Publicly Owned Entity		Matt Ide	Dan Murphy
Walden Renewables Development LLC	Generation			Abby Krich (tel)
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		Matt Ide	Dan Murphy
Westfield Gas & Electric Department	Publicly Owned Entity		Dave Cavanaugh	
Wheelabrator North Andover Inc.	AR-RG		Bill Fowler	
Z-TECH LLC	End User			Bill Short (tel)