

ISO NEW ENGLAND INC.
CHARTER OF THE
SYSTEM PLANNING AND RELIABILITY COMMITTEE
OF THE BOARD OF DIRECTORS

COMMITTEE TITLE

This committee (the “Committee”) will be called the System Planning and Reliability Committee of the Board of Directors of ISO New England Inc. (the “Company”).

PURPOSE

The Committee is a standing committee of the Board of Directors of the Company.

The Committee will be responsible for studying and making recommendations to the Board of Directors with respect to system planning and reliability issues, including transmission planning, system operations, resource adequacy, and compliance with mandatory reliability standards.

MEMBERSHIP

The Committee will consist of three or more members of the Board of Directors of the Company, at least one of whom has experience in transmission planning or system operations. Each member of the Committee must meet all independence standards imposed under the Company’s charter, by-laws and code of conduct.

AUTHORITY AND RESPONSIBILITIES

The Committee has the authority to study and make recommendations to the Board with respect to system planning and reliability issues, which include transmission planning, system operations, resource adequacy, and compliance with mandatory reliability standards. In performing its functions, the Committee shall undertake those tasks and responsibilities that, in its judgment, would most effectively contribute to fulfilling and implementing the purpose of the Committee. The following are some common recurring activities of the Committee in carrying out its responsibilities:

Transmission Planning:

- Oversee management’s administration of the Regional System Planning process and recommend a Regional System Plan to the Board for approval
- Oversee management’s execution of competitive, long-term, and public policy planning, including the issuance of Requests for Proposals
- Oversee management’s process for interconnection of new generators and regional and interregional transmission facilities

- Oversee management in their execution of RTO responsibilities under Transmission Operating Agreements, including transmission cost allocation
- Monitor progress on transmission projects
- Monitor progress on studies, including economic studies
- Ensure management's compliance with related orders of the Federal Energy Regulatory Commission

System Operations:

- Review key operational metrics, such as inter-area operating standards and forecast accuracy, in a dashboard format or otherwise, to determine whether operating performance meets established standards of safety and reliability
- Preview summer and winter operations readiness, including load forecasts
- Receive reports on post-season operational performance and assess performance against expectations
- Receive briefs on major system disturbances within and outside New England to understand future vulnerability to similar events, lessons learned, and any appropriate corrective actions

Resource Adequacy:

- Preview capacity auction operations
- Receive updates on sufficiency of capacity auction outcomes to serve load
- Follow major new generation projects, technologies and trends, including distributed and inverter-based resources

Compliance with Mandatory Reliability Standards:

- Annually review the Company's compliance with mandatory reliability standards, including those approved by the North American Electric Reliability Corporation's Board of Trustees and the Federal Energy Regulatory Commission, with the exception of cyber-related standards, which are reviewed by the Information Technology and Cyber Security Committee
- Receive regular reports from Company personnel responsible for compliance

General:

- Ensure that its recommendations to the Board regarding system planning and operations issues are consistent with the Vision Statement adopted by the Board
- To the extent it deems necessary or appropriate, retain special legal or other advisors to advise the Committee in the performance of its duties
- Make regular reports to the Board

- Review key risks within the scope of its oversight of Company operations and report to the Board of Directors regarding these key risks no less frequently than annually
- Review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval
- Review its own performance annually
- Preview its annual calendar with reference to the Committee's purpose and authority, as set forth in this charter
- As needed, consider staffing, including turnover and hiring, of Company personnel in the areas of transmission planning, system operations, resource adequacy, and compliance with mandatory reliability standards