



memo

**To:** Participants Committee

**From:** Erin Wasik-Gutierrez, Secretary, Markets Committee

**Date:** March 6, 2019

**Subject:** Actions of the Markets Committee

This memo is notification to the Participants Committee of the following actions taken by the Markets Committee (MC) at its March 5-6, 2019 meeting. All sectors had a quorum.

**1. (Agenda Item 2B) Interim Compensation Treatment**

**ACTION: MOTION FAILED**

The following motion was moved and seconded by the Markets Committee:

RESOLVED, that the Markets Committee recommends that the Participants Committee support the revisions to Tariff Section I.2.2 and Market Rule 1 to support the Interim Compensation Treatment, as proposed by ISO New England Inc. (the "ISO") and as circulated for this meeting with those further changes recommended by this Committee and supported by the ISO and such further non-substantive changes as the Chair and Vice-Chair approve.

**(Vote 1 – Failed)** (Union of Concerned Scientists (UCS) Amendment) Before the main motion could be voted, it was moved and seconded by the Markets Committee to amend [Tariff Section I.2.2](#) and [Appendix K](#) of Market Rule 1 as proposed by UCS.

The motion to amend the main motion was then voted. Based on a show of hands, the motion to amend failed.

**(Vote 2 – Failed)** (Energy New England (ENE) Amendment) Before the main motion could be voted, it was moved and seconded by the Markets Committee to amend [Appendix K of Market Rule 1 as proposed by ENE](#).

The motion to amend the main motion was then voted. The motion to amend failed with a vote of **48.4636.89%** in favor. The individual Sector votes were Generation (2.10% in favor, 14.69% opposed, 2 abstentions), Transmission (4.80% in favor, 11.99% opposed, 1 abstention), Supplier (7.75% in favor, 9.04% opposed, 7 abstentions), Alternative Resources (0% in favor, 16.04% opposed, 2 abstentions), Publicly Owned Entity (9.45% in favor, 7.35% opposed), End User (12.79% in favor, 4.00% opposed).

**(Vote 3 – Failed)** (PSEG Amendment #1) Before the main motion could be voted, it was moved and seconded by the Markets Committee to amend Appendix K of Market Rule 1 [as proposed by PSEG's Amendment #1](#), setting the Inventoried Energy Base Payment rate on April 30 prior to the delivery period, and as modified at the meeting.

The motion to amend the main motion was then voted. Based on a show of hands, the motion to amend failed.

The main motion was then voted. The main motion failed with a vote of 42.29% in favor. The individual Sector votes were Generation (10.79% in favor, 6.00% opposed, 3 abstentions), Transmission (7.20% in favor, 9.60% opposed, 1 abstention), Supplier (4.80% in favor, 11.99% opposed, 6 abstentions), Alternative Resources (10.69% in favor, 5.35% opposed, 3 abstentions), Publicly Owned Entity (7.35% in favor, 9.45% opposed), End User (1.46% in favor, 15.33% opposed, 2 abstentions).

**2. (Agenda Item 4A) Settlement Shortfall Caused by the Energy Efficiency Resource Exemption from Pay-for-Performance Penalties in Off-Peak Hours**

**ACTION: MOTION FAILED**

The following motion was moved and seconded by the Markets Committee:

RESOLVED, that the Markets Committee recommends that the Participants Committee support the revisions to Market Rule 1 to support the proposal to address the settlement shortfall caused by the treatment of Energy Efficiency Resources during Capacity Scarcity Conditions that occur during off-peak hours (previously identified as the “stage 1” proposal), as proposed by Dynegy Marketing and Trade, LLC (“Dynegy”) and as circulated for this meeting with those further changes recommended by this Committee and supported by ~~the ISO~~Dynegy and such further non-substantive changes as the Chair and Vice-Chair approve.

**(Vote 1 – Failed)** (Vermont Energy Investment Corp. (VEIC) Amendment)) Before the main motion could be voted, it was moved and seconded by the Markets Committee to amend [Market Rule 1 as proposed by VEIC](#).

The motion to amend the main motion was then voted. The motion to amend failed with a vote of 58.38% in favor. The individual Sector votes were Generation (1.87% in favor, 14.93% opposed), Transmission (14.93% in favor, 1.87% opposed), Supplier (3.05% in favor, 13.74% opposed, 6 abstentions), Alternative Resources (4.95% in favor, 11.09% opposed, 3 abstentions), Publicly Owned Entity (16.79% in favor), End User (16.79% in favor, 2 abstentions).

**(Vote 2 – Failed)** (Dynegy)

The main motion was then voted. The main motion failed with a vote of 34.95% in favor. The individual Sector votes were Generation (11.99% in favor, 4.80% opposed, 1 abstention), Transmission (1.87% in favor, 14.93% opposed), Supplier (11.19% in favor, 5.60% opposed, 5 abstentions),

Alternative Resources (9.90% in favor, 6.15% opposed, 3 abstentions), Publicly Owned Entity (0% in favor, 16.79% opposed), End User (0% in favor, 16.79% opposed).

**3. (Agenda Item 5) Markets Committee Ad Hoc Group Report & Referral to the Demand Resources Working Group**

**ACTION: REFERRED**

The following request was referred to the Demand Resources Working Group by the Markets Committee:

The Markets Committee instructs the Demand Resources Working Group (“DRWG”) to consider how energy efficiency resources’ performance in all hours for existing and new measures could be established and, what, if any, additional methodological standards and reporting mechanisms are required to accommodate such a change. The DRWG will report potential options back to the Markets Committee, which may include time and cost estimates associated with implementing each option.