

New England States' Preferred Approach
ORTP EXEMPTIONS

November 9 -10, 2011
MARKETS COMMITTEE

First...

None of the proposals appear to be perfect long-term solutions

Irrespective of which proposal is ultimately implemented, the region should evaluate & discuss over time

States appreciate the opportunity to communicate their collective sense of best way forward at this time

Eligible Resources

Definition of Renewable Resource

Those Renewable Technology Resources recognized - in common - by all six New England states:
solar, wind, biomass, landfill gas, small hydro and ocean.

		STATE					
		CT	MA	ME	NH	RI	VT
RESOURCE TYPE	Small Hydro	x	x	x	x	x	x
	Large Hydro						x
	Wind	x	x	x	x	x	x
	Solar	x	x	x	x	x	x
	Waste	x		x (w/recycling op)			x
	BioMass	x	x ¹	x	x	x	x
	Landfill Gas	x	x	x	x	x	x
	Demand	x (class 3)					x
	Ocean	x	x	x	x	x	
	Efficiency	x (class 3)					x

*

¹ Massachusetts recently completed a biomass study. Massachusetts will conduct stakeholder process in which it will consider the study results and current regulations.

Update to footnote, above: Eligibility of biomass in Massachusetts is currently under consideration by the Massachusetts DOER. Until DOER adopts final regulations, biomass eligibility is suspended in Massachusetts. * Vermont recognizes certain wastes.

Exemption

For all Renewable Technology Resources, the IMM shall not review the Offer Review Trigger Prices for these resources or increase the Offer Review Trigger Prices for these resources above \$0.00.

Discussion

- ▶ FERC open to exemption to further State policy objectives: FERC noted it had insufficient information to act previously. FERC recognizes States' rights to pursue State policy objectives
- ▶ Procurement of these resources will occur regardless of FCA prices
- ▶ Case-by-case exemption creates barrier to resources that advance collective New England States' policy objectives

Further Discussion

- ▶ States preferred approach intended to provide resource with a capacity supply obligation
- ▶ Resources *not* eligible per States' preferred approach could *still* request exemption as contemplated in ISO's proposal
- ▶ States' preference on this matter substantively aligned with NECPUC's Request for Clarification filed 5/13/11 with FERC

Thanks.

Questions?