

circumstances.⁴ The September 1 Filing described this process as “working well throughout the New England Transmission System with [a System Impact Studies (“SIS”)] being completed, on average, within a year of execution of the SIS Agreement.”⁵

However, ISO-NE has identified challenges in undertaking studies in certain areas of the system, specifically in Northern and Western Maine.⁶ ISO-NE stated that in these areas “the transmission network . . . was built to serve low levels of area load, and there are already a number of generators connected to this part of the system, leaving this part of [the] transmission system at its performance limit with no remaining margin.”⁷ ISO-NE further stated:

Despite the limited transmission infrastructure in the area, the ISO’s interconnection queue contains requests for approximately 5,800 MWs (as of September 2017) of new resources (mostly wind) seeking to interconnect in the area. Simply put, significant infrastructure is needed to interconnect the quantity of proposed resources in Northern and Western Maine. While the primary obstacle to interconnection for these resources is a physical one of limited transmission infrastructure, ISO-NE has identified the key contributing factors to the Maine queue study backlog. [These] factors . . . introduced significant complexities to the Interconnection Studies, requiring more effort and time to those studies.^{8]}

Working with stakeholders, ISO-NE “initiated a programmatic effort to address”⁹ these challenges, culminating in the Clustering Revisions.

The Clustering Revisions are designed “to resolve the queue backlog in Northern and Western Maine and, in the future, elsewhere on the New England Transmission System, should

⁴ *Id.* at 14.

⁵ *Id.* at 16 (footnote omitted).

⁶ *Id.*

⁷ *Id.* (footnote omitted).

⁸ *Id.* (footnotes omitted).

⁹ *Id.*

similar conditions arise.”¹⁰ They are intended “to increase certainty, facilitate more informed decisions, and reduce the likelihood of restudies under clustering” while conforming to past Commission objectives regarding interconnection reform.¹¹ The Clustering Revisions would not “create a mechanism for transmission infrastructure itself to get built unless the Interconnection Customer commits to pay for the transmission through the process.”¹² The Clustering Revisions would also not eliminate the current serial queue process but instead would apply the cluster approach only if certain triggering events are met.¹³

Specifically, ISO-NE proposes to implement a two-phased study approach if the following two conditions occur: (1) two or more interconnection requests are submitted “without [a] completed SIS in the same electrical part of the New England Control Area based on the requested Point of Interconnection,” and (2) a “common significant new transmission line infrastructure rated at or above 115 kV AC or HVDC” is required for interconnection, whether on an individual or cluster basis.¹⁴ Provided those conditions are met, ISO-NE would initiate the first phase of the study, which includes the identification of interconnection requests “eligible to participate in a cluster study, the magnitude of the needed transmission infrastructure to interconnect those projects, and the estimated cost of those upgrades.”¹⁵ This phase of the study is intended to provide the interconnection sponsor with the information needed to make a decision about interconnecting.¹⁶ The second phase of the study would identify the “facilities

¹⁰ *Id.* at 3 (footnote omitted).

¹¹ *Id.* at 4.

¹² *Id.* at 19 (footnote omitted).

¹³ *See id.* at 21.

¹⁴ *Id.* (footnote omitted).

¹⁵ *Id.* at 25.

¹⁶ *See id.*

needed to accommodate only those Interconnection Requests that are ready to move forward with their proposed resources, and elect to participate in the second-phase cluster studies.”¹⁷ The Clustering Revisions include additional rules regarding eligibility, deposits, milestones, and transition procedures.¹⁸

The Clustering Revisions also include provisions relating to cost allocation. These include a methodology for how common or shared upgrades costs would be allocated to interconnection customers participating in a cluster.¹⁹ It also includes how costs will be allocated to so-called “late comer projects”—addressing “the opportunity for free-riders to follow with later interconnection making use of the clustering upgrades.”²⁰

II. COMMENTS

NESCOE supports the Clustering Revisions as a package of needed enhancements to the interconnection process. The proposed changes build on modifications to ISO-NE’s interconnection process that the Commission has approved in recent years to promote greater efficiencies, information, and certainty.²¹ By providing a mechanism for projects to be studied together, the Clustering Revisions increase efficiencies, inform the decisions of project developers, and offer a methodology for project developers to share upgrade costs. Implementation of a cluster mechanism in New England also better aligns the region’s

¹⁷ September 1 Filing at Prepared Testimony of Mr. Alan McBride on Behalf of ISO New England Inc., at 24.

¹⁸ Transmittal Letter at 33-42, 45-46.

¹⁹ *Id.* at 42-44.

²⁰ *Id.* at 44 (footnote omitted).

²¹ *See ISO New England Inc.*, 151 FERC ¶ 61,024 (2015) (Elective Transmission Upgrade interconnection process improvements); *ISO New England Inc. and Participating Transmission Owners Admin. Comm.*, 155 FERC ¶ 61,031 (interconnection process improvements for wind and inverter-based resources).

interconnection processes with those available to developers in other regions.²² NESCOE appreciates ISO-NE's continued efforts to improve the interconnection process in New England.

For many years, the length of the interconnection queue in certain areas of northern New England has been a factor in impeding the integration of renewable energy projects. In addition, the existing study process may allow less economic projects with an earlier queue position to effectively block more economic projects that are later in the queue. The Clustering Revisions are targeted at relieving the queue backlog and allowing projects to take the next steps toward development.

The Clustering Revisions reflect the outcome of a long stakeholder process. Interconnection procedures are complicated, involving multiple layers of study, numerous entities, and potentially significant financial implications and upgrade costs. As with any complex issue, the Clustering Revisions are not a perfect solution. However, the Clustering Revisions, viewed together and as a complement to prior interconnection process improvements, provide the region with additional mechanisms to remove obstacles to new resource development and facilitate the sharing of upgrade costs among developers. NESCOE supports the implementation of these reforms and looks forward to future work with ISO-NE and others on any further needed enhancements to the interconnection process.

²² See Transmittal Letter at 17-18.

III. CONCLUSION

For the reasons stated herein, NESCOE respectfully requests that the Commission consider the above comments in this proceeding.

Respectfully submitted,

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Date: September 22, 2017

CERTIFICATE OF SERVICE

In accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, I hereby certify that I have this day served by electronic mail a copy of the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Boston, Massachusetts this 22nd day of September, 2017.

Respectfully submitted,

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