



New England States Committee on Electricity

**To: ISO-NE, NEPOOL Reliability Committee**  
**From: NESCOE**  
**Date: December 1, 2023**  
**Subject: Community Benefits Agreement Cost Recovery**

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NESCOE wishes to offer its views and requests in connection with the cost recovery of community benefits agreements (CBAs). This issue arose at the November 14, 2023, Reliability Committee in the context of ES-23-TCA-29, *Eversource New East Eagle 115 KV Station Between Mystic And Chelsea Connecting To A Planned Line Project TCA*. The views and requests set forth below apply generically to all community benefits-type agreements.

NESCOE appreciates the market participant that had followed the East Eagle siting proceeding closely and raised the question of the rate treatment of a CBA that was entered into pursuant to that proceeding. In response to that question, Eversource confirmed that it seeks regional cost allocation for the \$1.4M in costs associated with the CBA.

Costs of this nature should be clearly identified in transmission cost allocation presentations and documentation. Going forward, NESCOE requests that transmission owners proactively, timely and clearly disclose to the Reliability Committee all costs associated with agreements akin to the CBA at issue in ES-23-TCA-29.

Second, NESCOE encourages ISO-NE to schedule discussions about revising Planning Procedure No. 4, *Procedure for Pool-Supported PTF Cost Review (PP-4)*. It seems appropriate to consider whether PP-4 should provide guidance on the presumptive recovery of CBA costs, which are not currently included in the examples provided in Attachment A of PP-4.

NESCOE encourages ISO-NE to treat CBA costs as Localized Costs, but to allow the relevant transmission owner(s) the opportunity demonstrate that such costs are more appropriately recovered from the region in certain instances (i.e., a large inter-state transmission project that delivers broad regional benefits).

Thank you for considering these requests.