

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

ISO New England Inc.)	
New England Power Pool Participants Committee)	Docket No. ER24-1978
Participating Transmission Owners)	

**COMMENTS OF THE NEW ENGLAND STATES
COMMITTEE ON ELECTRICITY**

Pursuant to the Federal Energy Regulatory Commission’s (the “Commission”) May 9, 2024 Combined Notice of Filings #1, the New England States Committee on Electricity (“NESCOE”) hereby submits these comments in the above-captioned proceeding.¹ On May 9, 2024, ISO-NE, joined by the NEPOOL Participants Committee and the Participating Transmission Owners, filed with the Commission proposed revisions to the Tariff, which the Filing refers to as the “Longer-Term Planning Phase 2 Changes” (“LTTP Phase 2 Changes”).² The proposed revisions would create an optional, competitive ISO-NE-administered process for soliciting transmission solutions to address transmission needs identified in longer-term studies

¹ On May 10, 2024, NESCOE filed a doc-less motion to intervene in this proceeding. NESCOE is the Regional State Committee for New England, representing the collective positions of the six New England states in regional electricity matters.

Capitalized terms not defined in this filing are intended to have the meaning given to such in the ISO New England Inc. (“ISO-NE”) Transmission, Markets and Services Tariff (“Tariff”), the Second Restated New England Power Pool (“NEPOOL”) Agreement, the Participants Agreement, and, as applicable, the Glossary of Terms Used in NERC Reliability Standards.

² ISO New England, Inc., Revisions to the Attachment K Longer-Term Transmission Planning Process, Docket No. ER24-1978-000 (filed May 9, 2024) (the “Filing”).

requested by the New England states. NESCOE strongly supports the Filing and respectfully requests that the Commission adopt the petitioners' proposed revisions to the Tariff.³

The LTTP Phase 2 Changes are the final step in establishing forward-looking, proactive transmission planning reforms that will enable New England to better plan for and invest in the future of its transmission system. On October 16, 2020, the six New England states, acting through NESCOE, issued a vision statement (the "Vision Statement") for "a clean, affordable, and reliable 21st century regional electric grid" in New England.⁴ In the Vision Statement, the New England states supported "the efficient use of existing transmission facilities and the construction of new facilities, where necessary and appropriate, to ensure the transmission grid's reliability, efficiency, and ability to integrate clean energy resources, consistent with certain States' legal requirements and other mandates."⁵ The New England states recommended that "ISO-NE conduct a comprehensive long-term regional transmission planning process that involves interested stakeholders who wish to provide input into the development and implementation of a framework."⁶

As noted in the Filing, following the Vision Statement, ISO-NE subsequently worked with the New England states and stakeholders to "develop Tariff changes to incorporate an optional, complementary longer-term transmission planning process."⁷ ISO-NE developed this

³ NESCOE greatly appreciates ISO-NE and its staff's outstanding efforts in working with the states and stakeholders to develop the LTTP Phase 2 Changes that are the subject of the Filing.

⁴ *New England States' Vision for a Clean, Affordable, and Reliable 21st Century Regional Electric Grid*, New England States Committee on Electricity, 1 (Oct. 16, 2020), available at <https://nescoe.com/resource-center/vision-stmt-oct2020/>

⁵ *Id.* at 3.

⁶ *Id.* at 4.

⁷ Filing at 6.

new process in two phases. The first phase consisted of Tariff changes necessary to authorize ISO-NE to perform state-requested, scenario-based, and forward-looking transmission analyses.⁸ ISO-NE, with support from the states and stakeholders, filed these changes—referred to in the Filing as the Long-Term Transmission Planning Phase 1 Changes (“LTTP Phase 1 Changes”)—with the Commission on December 17, 2021.⁹ The Commission ultimately approved the proposed LTTP Phase 1 Changes on February 24, 2022.¹⁰

During the second phase, ISO-NE worked extensively with NESCOE and stakeholders to develop rules that would enable New England to seek solutions to the longer-term needs identified in ISO-NE’s Phase 1 analyses and create a cost allocation framework for the associated transmission infrastructure.¹¹ The resulting proposed Tariff revisions, which are the subject of the Filing here, create a competitive process whereby ISO-NE, NESCOE, and stakeholders work together to solicit and move forward competitive transmission projects that address the needs identified by the LTTP Phase 1 analyses, with an opportunity to include any non-time-sensitive market and reliability needs identified by ISO-NE.

The LTTP Phase 2 Changes create a mechanized process for the solicitation and selection of longer-term transmission solutions. Project selection, and ultimately cost allocation, will be driven by the evaluation of a comprehensive set of benefits measured against project costs (i.e., a benefit-to-cost ratio). The LTTP Phase 2 Changes include two methodologies to select a project and create its cost allocation—namely, the “core” and “supplemental” processes.¹² The

⁸ *Id.*

⁹ *Id.* at 7.

¹⁰ *Id.* at 8, citing *ISO New England Inc.*, 178 FERC ¶ 61,137 (2022) at P 15.

¹¹ *Id.* at 2, 9–10, 39–41.

¹² Filing at 8–10.

supplemental process—which can be invoked only if no proposed projects have a benefit-to-cost ratio greater than one—allows one or more states agree to bear the additional costs necessary to bring the benefit-to-cost ratio equal to one for the other New England states.¹³

The LTTP Phase 2 Changes also include provisions that appropriately provide for state-and-RTO cooperation regarding investment decisions directly related to the states’ own public policies. As the Commission is aware, the lack of a tariff-recognized state role in the construction of new transmission to satisfy the requirements of states’ laws has led to dead letter tariff provisions in the past.¹⁴ As ISO-NE states, the states’ role in the LTTP Phase 2 process does not undermine in any way ISO-NE’s authority over projects needed for reliability and market efficiency.¹⁵ The central role of the states in the Phase 2 process underpins the unanimous state support for the project selection and cost allocation creation methodologies in the core and supplemental processes. Together, the core and supplemental processes create a wide avenue for successful solicitations that will result in efficient transmission investment in the region.

NESCOE strongly supports the Filing and respectfully requests that the Commission approve the LTTP Phase 2 Changes. The LTTP Phase 2 Changes are the culmination of a multi-year collaborative process between ISO-NE, the New England states, and stakeholders. The LTTP Phase 2 Changes received overwhelming support across a diverse group of stakeholders. The LTTP Phase 2 Changes will capture the benefits of competitive dynamics for consumers,

¹³ *Id.* at 10.

¹⁴ *See* Filing at 14–15 (noting that “[t]o date, the New England states have declined to identify any state or federal policies as driving transmission need for consideration under the Tariff’s Order No. 1000 public policy transmission planning construct...”)

¹⁵ *Id.*, at 17.

ensure that costs are commensurate with consumer benefits and are fairly allocated, and create a process that solves the region's needs and provides opportunities for stakeholder feedback at every step of the way.

As described in the Filing, the process that the LTTP Phase 2 Changes creates aligns with the Commission's transmission planning principles as expressed in Order Nos. 890 and 1000.¹⁶ Together with the LTTP Phase 1 Changes, the LTTP Phase 2 Changes provide New England with a vehicle to operationalize in the near term the results of the longer-term analysis that the region established in Phase 1 and will allow for "long-term, forward-looking, and more comprehensive regional transmission planning."¹⁷ With a process for longer-term regional transmission planning and investment in place, NESCOE looks forward to working with ISO-NE to move from study to action in the near term in order to help New England achieve a more cost-effective and reliable transmission system that satisfies a range of needs. Looking ahead, NESCOE is committed to continuing discussions with ISO-NE and stakeholders on ways to further enhance longer-term transmission planning in New England.

Accordingly, for the reasons stated herein, NESCOE respectfully requests that the Commission approve the proposed Tariff revisions.

¹⁶ *Id.* at 3 (internal citations omitted).

¹⁷ See *Building for the Future Through Elec. Reg'l Transmission Planning and Cost Allocation*, 187 FERC ¶ 61,068 at PP 134–39 (2024).

Respectfully Submitted,

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Date: May 30, 2024

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 Arlington, Massachusetts this 30th day of May, 2024.

/s/ Nathan Forster

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