

The Honorable Willie L. Phillips
Chairman

The Honorable Mark C. Christie
Commissioner

The Honorable David Rosner
Commissioner

The Honorable Lindsey S. See
Commissioner

The Honorable Judy W. Chang
Commissioner

Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

November 25, 2024

Dear Chairman Phillips and Commissioners,

We write to you today¹ to respectfully urge the Federal Regulatory Energy Commission (“Commission”) to act on the proposed Tariff revisions that ISO New England (“ISO-NE”), the New England Power Pool (“NEPOOL”) Participants Committee, and the Participating Transmission Owners Administrative Committee filed with the Commission on May 14, 2024 (“Compliance Proposal”)² to comply with Order Nos. 2023 and 2023-A.³

¹ A copy of this letter has also been filed in Docket Nos. ER24-2007-000 and ER24-2009-000.

² *ISO New England Inc.*, Revisions to the ISO New England Inc. Transmission, Markets and Services Tariff in Compliance with Order Nos. 2023 and 2023-A, Docket No. ER24-2009-000 (May 14, 2024); *ISO New England Inc.*, Errata to Revisions to the ISO New England Inc. Transmission, Markets and Services Tariff in Compliance with Order Nos. 2023 and 2023-A, Docket No. ER24-2009-000 (May 31, 2024) (combined, the “Order No. 2023 Revisions”); *ISO New England Inc.*, Revisions to Section II of the ISO New England Inc. Transmission, Markets and Services Tariff Related to Compliance with Order Nos. 2023 and 2023-A, Docket No. ER24-2007-000 (May 14, 2024).

³ *Improvements to Generator Interconnection Procedures and Agreements*, Order No. 2023, 184 FERC ¶ 61,054, *limited order on reh’g*, 185 FERC ¶ 61,063 (2023), *order on reh’g & clarification*, Order No. 2023-A, 186 FERC ¶ 61,199 (2024), *appeals pending*, Petition for Review, *Advanced Energy United v. FERC*, Nos. 23-1282, et al. (D.C. Cir. Oct. 6, 2023).

In its Compliance Proposal, ISO-NE requested an August 12, 2024 effective date for the Compliance Proposal rules and a Commission order on the Compliance Proposal on or before that date.⁴ As of today, the Commission has not issued such an order.

On September 5, 2024, ISO-NE notified stakeholders that, given the lack of an order, it would be suspending activities relating to the Compliance Proposal rules and would continue processing existing Interconnection Requests in the Interconnection Queue on a serial basis under the current Tariff provisions.⁵ ISO-NE noted that it would also move ahead with upcoming Forward Capacity Market activities under current rules, explaining that Order No. 2023 states that the proposed requirements will not be effective until the Commission-approved effective date of the Compliance Proposal.⁶ ISO-NE further explained that having certainty as to the applicable rules is necessary to consistently apply all aspects of the Compliance Proposal.⁷ The continued uncertainty around the timing of an Order places ISO-NE on a tightrope where it is forced to balance the need to be postured to move quickly toward compliance once an order is issued with the need to continue to process resources under the currently effective tariff.

When it issued Order No. 2023, the Commission directed changes to the interconnection process to address challenges such as queue backlogs, uncertainty regarding the cost and timing of interconnecting to the transmission system, and increasing costs for consumers, which, in turn, can create reliability issues as needed new generating facilities are unable to come online in an efficient and timely manner.⁸

ISO-NE's Compliance Proposal positioned the region to move swiftly to address the challenges identified by the Commission. In preparing its Compliance Proposal, ISO-NE conducted collaborative stakeholder outreach through the NEPOOL Participant Process in order to obtain feedback from the region's stakeholders.⁹ The Compliance Proposal was considered through the complete NEPOOL Participant Process and ultimately unanimously accepted by the NEPOOL Participants Committee.¹⁰ Based on large part on extensive stakeholder outreach and engagement, the Compliance Proposal was widely supported by the region's stakeholders, including the New England States. These stakeholders are now stuck in limbo as they await a Commission decision on the Compliance Proposal.

The Commission's concerns related to existing generator interconnection procedures are just as relevant today as they were when Order No. 2023 was issued. Despite its intention to execute useful reforms, unfortunately, the Commission's delay in action has added another significant

⁴ See Order No. 2023 Revisions at 1.

⁵ *ISO New England*, Suspension of Ongoing Order No. 2023 Compliance Proposal Implementation Activities (Sept. 5, 2024) ("ISO-NE Memo") at 1, available at https://www.iso-ne.com/static-assets/documents/100015/memo_re_order_2023_implementation.pdf.

⁶ ISO-NE Memo at 1.

⁷ *Id.*

⁸ See Order No. 2023 at PP 37–44.

⁹ Order No. 2023 Revisions at 4, 71.

¹⁰ *Id.*

challenge – regulatory uncertainty. This has resulted in ambiguity for generators as to when and by which process their projects will be interconnected and has left ISO-NE unsure as to how best to posture ISO-NE staffing and other internal resources. The ambiguity extends to non-FERC-jurisdictional distributed generation projects subject to Affected System Operator Studies that must coordinate with and respect FERC-jurisdictional cluster studies. This uncertainty undermines one of the principal tenets of Order 2023 around which there is general agreement – the efficient and timely interconnection of new resources. A Commission order on the Compliance Proposal is sorely needed to help alleviate existing interconnection challenges and to provide certainty to both stakeholders and ISO-NE.

NESCOE urges the Commission to act swiftly on the Compliance Proposal. Near-term action on the widely supported filing is necessary to help alleviate the interconnection queue backlogs and uncertainty that continues to exist in New England and that the Commission endeavored to address in Order Nos. 2023 and 2023-A. Thank you for your consideration and we look forward to continued collaboration with the Commission on these important issues.

Sincerely,

/s/ Heather Hunt

Heather Hunt

Executive Director

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cc:

Docket No. ER24-2007-000 service list

Docket No. ER24-2009-000 service list