

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

ISO New England Inc.	)	
New England Power Pool Participants	)	Docket Nos. ER26-3533
Committee	)	ER26-3534
Participating Transmission Owners	)	
Administrative Committee	)	

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

Pursuant to the Federal Energy Regulatory Commission’s (the “Commission”) August 17, 2026, Combined Notice of Filings #1, the New England States Committee on Electricity (“NESCOE”) hereby submits these comments in the above-captioned proceedings.¹ On August 17, 2026, ISO New England, Inc. (“ISO-NE”), joined by the NEPOOL Participants Committee (the “NEPOOL PC”) and the Participating Transmission Owners Administrative Committee (the “PTOAC”), on behalf of the Participating Transmission Owners (the “PTOs”), jointly filed with the Commission (the “Filing”)² proposed revisions to the Transmission Operating Agreement (the “TOA”) and the Open Access Transmission Tariff (the “OATT”) in Section II of the ISO New England Transmission, Markets and Services Tariff.

¹ On August 28, 2026, NESCOE filed a doc-less motion to intervene in these proceedings. NESCOE is the Regional State Committee for New England, representing the collective positions of the six New England states in regional electricity matters.

² As discussed in the cover letter to the filing docketed as ER26-3533, the petitioners explain that their request was made in two parts to accommodate the Commission’s eTariff system, but that “the Commission should treat the submissions as a single filing.” For ease of reference, in these comments NESCOE refers to only a single “Filing” and cites only the filing made in ER26-3533, as that particular filing includes nearly all of the background and reasoning supporting the petitioners’ request.

NESCOE, on behalf of the New England States, strongly supports the Filing. As set forth at greater length below, the Filing represents an important step forward following a three-year-long dialogue between ISO-NE, the PTOs, the States, the consumer advocates, and other stakeholders on bringing much-needed transparency to and regional oversight of asset condition project planning and costs. Accordingly, for the reasons set forth below, NESCOE respectfully requests that the Commission approve the Filing and thereby allow for the creation of the requested “Asset Condition Reviewer” in New England.

I. DESCRIPTION OF COMMENTER

NESCOE is the Regional State Committee (“RSC”) for New England. It is governed by a board of managers appointed by the Governors of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont and is funded through a regional tariff that ISO-NE administers.³ NESCOE’s mission is to represent the interests of the citizens of the New England region by advancing policies that will provide electricity at the lowest possible price over the long term, consistent with maintaining reliable service and environmental quality.⁴ These comments represent the collective view of the six New England states.

II. BACKGROUND

Under the TOA, the PTOs are responsible for physically operating, maintaining, and repairing their transmission facilities.⁵ PTO projects that replace aged and damaged

³ *ISO New England Inc.*, 121 FERC ¶ 61,105 (2007).

⁴ See Sept. 8, 2006 NESCOE Term Sheet that was filed for information as Exhibit A to the Memorandum of Understanding among ISO-NE, the New England Power Pool (“NEPOOL”), and NESCOE (the “NESCOE MOU”). Informational Filing of the New England States Committee on Electricity, Docket No. ER07-1324-000 (filed Nov. 21, 2007). Pursuant to the NESCOE MOU, the Term Sheet is the binding obligation of ISO-NE, NEPOOL, and NESCOE.

⁵ TOA, § 3.06.

infrastructure are referred to as “asset condition projects.” In 2023, NESCOE noticed a sharp increase in the PTOs’ spending on asset condition projects and became increasingly concerned about the lack of oversight on these projects. On February 8, 2023, NESCOE issued a memorandum describing the states’ concerns and proposing potential reforms (the “February 2023 NESCOE Memo”).⁶ The February 2023 NESCOE Memo recognized that asset condition projects have “an important role in system reliability” but observed that asset condition costs had steadily increased and that “the process by which Asset Condition Projects are developed by [the New England Transmission Owners], reviewed by ISO-NE, states and the public, approved for rate recovery, and considered in overall transmission system needs and planning is antiquated and ultimately, inadequate.”⁷ The February 2023 NESCOE Memo proposed several potential reforms to “improve the transparency, predictability, and cost discipline of Asset Condition Projects in the nearest term...”⁸ NESCOE further expressed its interest “in working collaboratively and expeditiously with [the New England Transmission Owners], ISO-NE and stakeholders on such reforms.”⁹

Since issuing the February 2023 NESCOE Memo, NESCOE has worked with ISO-NE, the PTOs, consumer advocates, and other stakeholders on several asset-condition-related reforms. In connection with these discussions, NESCOE and the PTOs have agreed on and implemented certain transparency-related reforms that did not require any changes to the OATT

⁶ NESCOE, Memorandum to New England Transmission Owners (NETOs) on Asset Condition Projects and Process Improvements (Feb. 8, 2023), available at <https://nescoe.com/resource-center/memo-asset-condition-projects-feb8-2023/>.

⁷ *Id.* at 1.

⁸ *Id.*

⁹ *Id.*

or TOA.¹⁰ NESCOE and other stakeholders continued to seek reforms that would give ISO-NE an expanded role in the region’s process for oversight of asset condition projects. On May 15, 2025, after discussions between NESCOE and stakeholders with ISO-NE staff, ISO-NE issued a memorandum that noted that states and stakeholders had asked ISO-NE to take an expanded role—referred to as the “Asset Condition Reviewer”—and reported that ISO-NE would consider taking on that role subject to certain conditions.¹¹ NESCOE appreciated ISO-NE’s willingness to explore an expanded role, found its conditions to be reasonable, and expressed its views on priorities for a potential Asset Condition Reviewer.¹²

As described in the Filing, ISO-NE undertook significant efforts to develop the Asset Condition Reviewer role. ISO-NE engaged in discussions with stakeholders at the September 2025 NEPOOL Participants Committee and the October 2025 PAC meeting and issued a regional survey for feedback on the Asset Condition Reviewer role.¹³ ISO-NE also consulted the Asset Condition Process Guide,¹⁴ conducted individual PTO interviews on their asset management practices, considered NESCOE’s principles and recommendations for an Asset

¹⁰ These reforms, although important, are not a substitute for effective project oversight. *See* NESCOE Statement on Asset Condition Reviewer, at 1 (May 16, 2025), available at <https://nescoe.com/resource-center/nescoe-statement-on-asset-condition-reviewer/>.

¹¹ ISO-NE, Update on Asset Condition Project Process (May 15, 2025), available at https://www.iso-ne.com/static-assets/documents/100023/iso_memo_acr_5_15_2025.pdf.

¹² NESCOE, Asset Condition Reviewer Priorities (June 9, 2025), available at <https://nescoe.com/resource-center/asset-condition-reviewer-priorities>.

¹³ Filing, at 13.

¹⁴ *See* Joint New England Transmission Owner Asset Condition Process Guide (Oct. 23, 2024), available at https://www.iso-ne.com/static-assets/documents/100018/acpg_v1.pdf (“This Guide was developed by the Transmission Owners to provide stakeholders with greater insights into the Transmission Owners’ decision-making processes for asset condition projects...”).

Condition Reviewer, and engaged consultants for input and perspective.¹⁵ At the Planning Advisory's Committee's January 2026 meeting, ISO-NE indicated its willingness to take on the Asset Condition Reviewer role and review select projects in the interim while the permanent role was developed.¹⁶ These interim reviews also ultimately informed ISO-NE's development of the permanent Asset Condition Reviewer role.¹⁷

Subsequent to the January 2026 Planning Advisory Committee meeting, ISO-NE worked extensively with the PTOs to develop the necessary changes to the OATT and TOA to create the Asset Condition Reviewer role.¹⁸ ISO-NE further developed the Asset Condition Reviewer design and the TOA and OATT revisions with the PTOs, the states, consumer advocates, and other stakeholders through a robust stakeholder process.¹⁹ ISO-NE's efforts in developing and building consensus surrounding the Asset Condition Reviewer proposal were ultimately successful. As described in the Filing, on July 22, 2026, the Transmission Committee unanimously (with two noted abstentions) recommended that the Participants Committee support the changes necessary to create a permanent Asset Condition Reviewer.²⁰ On August 6, 2026, the Participants Committee unanimously supported the Asset Condition Reviewer OATT and

¹⁵ Filing, at 13.

¹⁶ ISO-NE, Asset Condition Review: List of Projects for Interim Review (Jan. 27, 2026), available at https://www.iso-ne.com/static-assets/documents/100031/a05.1_pac_acr_interim_update.pdf.

¹⁷ Filing, at 13.

¹⁸ *Id.*, at 14.

¹⁹ *Id.*

²⁰ *Id.*, at 33.

TOA changes.²¹ On August 17, 2026, ISO-NE, the NEPOOL PC, and the PTOAC jointly submitted the Filing to the Commission.

III. COMMENTS

NESCOE strongly supports the petitioners' proposed changes to the OATT and the TOA to create the Asset Condition Reviewer role at ISO-NE. As described *supra*, these changes are a culmination of a three-year collaborative process between ISO-NE, the New England states, the PTOs, the New England consumer advocates, and other stakeholders to bring additional regional oversight and transparency to asset condition projects in New England. NESCOE, in prior filings with the Commission, has emphasized the need for additional regional oversight and transparency on asset condition projects as their costs have spiked sharply in recent years.²² NESCOE continues to have concerns with the rising costs of asset condition projects, which account for the vast majority of expected transmission spending in the region in the coming years. The most recent data published by ISO-NE forecasts \$5.3 billion in spending on asset condition projects in the future, compared to just \$281 million in reliability projects.²³ This means that 95 percent of future transmission spending in New England will be made on asset condition projects, which, unlike reliability projects, are subject to little regional oversight and

²¹ *Id.*

²² See Comments of the New England States Committee on Electricity, Docket No. EL25-44, at 9 (filed Mar. 20 2025) (“Asset condition project spending in New England has increased dramatically in recent years, increasing the region’s need for regional planning that includes transparent and reliable processes and regulatory oversight.”); Comments of the New England States Committee on Electricity, Docket No. EL26-66, at 1 (filed June 1, 2026) (stating, *inter alia*, that “New England sorely needs additional oversight over asset condition projects” and supporting what were then ongoing discussions to create the Asset Condition Reviewer.).

²³ Final Asset Condition List – June 2026 and Final RSP List – June 2026, available at <https://www.iso-ne.com/system-planning/system-plans-studies/rsp/rsp-project-list-and-the-asset-condition-list>.

review. Indeed, there are several individual asset condition projects that are each budgeted to cost more than ISO-NE's total forecasted costs for reliability projects.²⁴ New England's electricity customers, who are already struggling to pay high electric bills, will ultimately be asked to pay these costs. Although NESCOE continues to support necessary investments to maintain reliability, the significant impact on consumers warrants ensuring that these costs are transparent and subject to robust oversight so that only prudent investments necessary to maintain reliability are achieved.

The Commission has similarly noted the importance of oversight and transparency on asset condition costs. Commissioner Chang, in a recent concurrence, stressed the need for transparency in light of increasing asset condition costs:

At a time of sharply rising customer bills and increasing concern about the prudence of transmission planning decisions, transmission owners have an obligation to address those concerns and help customers, state regulators, and stakeholders better understand how their money is being spent. Transmission companies that do so in a transparent way will be able to increase consumer confidence, which in turn will provide long-term regulatory certainty for transmission investors. I therefore encourage transmission owners, states, and stakeholders to develop and use procedures to provide the needed information transparency to all transmission investments, especially those not planned through robust regional processes.²⁵

Similarly, Commissioner Rosner, in a concurrence in a subsequent order on the same matter, also called for increased transparency from the region's PTOs on asset condition projects:

It has become clear that many state regulators and consumer advocates lack confidence regarding the need for these utility-planned projects. In my view, utilities should work harder to demonstrate the need for their projects. Simply put, when customers are concerned about whether a project is needed, utilities' response should always be: "Let us show you why it is." In the context of growing demand and an aging electric grid, building trust and confidence in the

²⁴ For example, proposed and under construction asset condition projects identified as ACL 237, ACL 444, ACL 447, ACL 447, and ACL 557 all have cost estimates that exceed \$300 million. *See id.*

²⁵ *ISO-NE*, 192 FERC ¶ 61,234, at P 11 (2025) (Chang, concurring).

need for infrastructure will only serve to expedite permitting and improve the likelihood that projects are ultimately constructed.²⁶

Commissioner Rosner also generally encouraged states and regions to make efforts to improve regional oversight of asset condition projects, citing ISO-NE's development of the Asset Condition Reviewer as an example.²⁷

In addition to generally supporting the Asset Condition Reviewer, NESCOE also specifically supports the individual OATT and TOA changes that the petitioners included in the Filing. NESCOE agrees with ISO-NE, the NEPOOL PC, and the PTOAC that those changes are just and reasonable and not unduly discriminatory or preferential.²⁸ Accordingly, under the Commission's standard of review under Section 205 of the Federal Power Act, the Commission should approve the Filing's requested changes.²⁹

NESCOE is extremely grateful to ISO-NE for its willingness to take on this role and its hard work developing the changes to the OATT and the TOA reflected in the Filing. As the Commission is well aware, ISO-NE currently has significant responsibilities and was not required to design and take on the Asset Condition Reviewer role. Nevertheless, it was willing to do so because it recognized that it was in the best interests of the region's consumers. ISO-NE should also be commended for its outstanding engagement with stakeholders. As the Commission is aware, the states, PTOs, and stakeholders, have diverse and strongly held views about asset condition projects, and thus there was a robust debate amongst all parties on the scope of the Asset Condition Reviewer's responsibilities. ISO-NE, however, was able to

²⁶ *ISO-NE*, 196 FERC ¶ 61,150, at P 2 (2026) (Rosner, concurring).

²⁷ *Id.* at P 3.

²⁸ Filing at 5.

²⁹ *See* Filing at 9–10 and authorities cited.

successfully incorporate diverse feedback and develop an Asset Condition Reviewer process that was unanimously approved during the vote at the Participants Committee meeting. It is, quite simply, a monumental accomplishment, and NESCOE commends ISO-NE for its great work.

NESCOE is similarly grateful to the parties who worked thoughtfully with ISO-NE to create the Asset Condition Reviewer. For one, the new role would not have been possible without the cooperation of the PTOs. NESCOE greatly appreciates that the PTOs worked collaboratively with the states and ISO-NE to understand the states' concerns, came to the issue with an open mind, were solutions-oriented, and provided a valuable perspective based on their experience with asset condition projects. NESCOE is also grateful for the thoughtful work of the consumer advocates, who provided valuable suggestions that improved upon the already strong Asset Condition Reviewer processes that ISO-NE initially proposed.

NESCOE expects and hopes that the process that ISO-NE developed will increase transparency and regional oversight of asset condition projects. Indeed, the first two draft reports that were recently presented as part of the interim review process are already demonstrating value to the region. The reports have provided a depth of information previously unavailable to stakeholders, indicate a close review and assessment of significant amounts of complex material, and provide conclusions that support the PTO proposal in one instance and raise questions around timing in the other.³⁰ In fact, the questions raised in that second report have led the PTO

³⁰ ISO-NE, Interim Asset Condition Reviewer – Eversource 1670/1771 Replacement Project, July 2026, and ISO-NE Interim Asset Condition Reviewer – Eversource 325/331/344 Rebuild Project, July 2026, available at <https://www.iso-ne.com/committees/planning/planning-advisory/?eventId=160141>.

at issue to hold off on pursuing the proposed rebuild for now.³¹ This demonstrates the promise that stronger oversight through the Asset Condition Reviewer function can provide. Ultimately, time will be needed to assess the success of the Asset Condition Reviewer role, its work products, and whether any changes may be appropriate in the future. Nonetheless, the Asset Condition Reviewer process proposed in the Filing is a critically important step forward for the region and New England consumers.

That said, the new Asset Condition Reviewer process is not a panacea, and it requires the Commission's continued engagement to be successful. Importantly, the Asset Condition Reviewer process is necessarily limited, as ISO-NE's role will be advisory only and ISO-NE "will not make a legal finding or issue an opinion on the question of whether the costs of any given asset condition project are prudent."³² Accordingly, pursuant to its role as set forth in the Federal Power Act to ensure just and reasonable rates, the Commission will remain the authority ultimately responsible for regulatory oversight of asset condition projects and their impacts on rates.

³¹ Eversource Energy, ISO-NE Review of Proposed Lines 325, 331, and 334 Full and Partial Rebuilds (Medway, MA to Walpole, MA), at 3 (Sept. 3, 2026), available at https://www.iso-ne.com/static-assets/documents/100039/eversource_response_to_iso_re_325_331_334_rebuild.pdf.

³² Filing, at 12.

IV. CONCLUSION

Therefore, for the reasons stated herein, NESCOE respectfully requests that the Commission approve the proposed revisions to the OATT and the TOA.

Respectfully Submitted,

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Date: September 8, 2026

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 Osterville, Massachusetts this 8th day of September, 2026.

/s/ Nathan Forster

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