

## PROPOSALS TO INCREASE RATEPAYER/END USER INPUT IN ISO/NEPOOL PROCESS

The management of the system is intended to provide safe, reliable and cost-effective electricity to ratepayers. Many of the most important decisions about New England's electricity system, which directly impact ratepayers, are made by ISO and NEPOOL.

However, ratepayers are not able to consistently provide effective input about what is in their interest in the ISO/NEPOOL process because the process is too complicated and time consuming, and most ratepayers and their advocates lack the resources required to meaningfully affect the process. For example, the GAO report noted that ISO New England had 184 stakeholder meetings in 2007. Many of the decisions made by ISO/NEPOOL indirectly affect end users, and it is therefore impractical to think that end users or their advocacy organizations can devote the resources to effectively monitor and influence every part of the large stakeholder process.

The lack of adequate ratepayer involvement in the ISO/NEPOOL process has led to decisions that do not adequately recognize impacts on the price of electricity for consumers. We believe that ratepayers must have a more meaningful opportunity to participate at the regional level.

Some proposed solutions:

1) Two dedicated ISO Board member positions for individuals who have extensive background in representing consumers in issues related to retail electric rate regulation.

2) The creation of a New England Regional Consumer Advocate ("NERCA") whose mission would be to advocate for safe, reliable and adequate electric service at reasonable rates in all matters administered by ISO-NE and NEPOOL.

The NERCA would be funded out of tariffed regional transmission charges, and therefore supported by all ratepayers in the region. Funding of NERCA would be sufficient to allow it to carry out its duties and responsibilities. NERCA would have the following duties and responsibilities:

- Actively participate in regional stakeholder processes on behalf of NE ratepayers by attending all pertinent meetings of ISO NE/NEPOOL committees, work groups, etc.
- Intervene in and participate in docketed cases at FERC
- Meet biannually with the full ISO NE Board
- Consult regularly with the individual state consumer advocate offices, and meet with regional consumer advocates as a group at least annually.
- Collaborate and coordinate with NESCOE as appropriate
- Publish an Annual Report detailing its activities