



June 14, 2010

**VIA HAND DELIVERY**

The Honorable Kimberly D. Bose, Secretary  
The Honorable Nathaniel J. Davis, Sr., Deputy Secretary  
Federal Energy Regulatory Commission  
Room 1A-East, First Floor  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: ISO New England Inc. and New England Power Pool Participants Committee,  
Docket No. ER10-882-000; Responses to Deficiency Letter**

Dear Secretary Bose and Deputy Secretary Davis:

ISO New England Inc. (the “ISO”) provides the following responses to the questions posed by the Federal Energy Regulatory Commission (“FERC” or “Commission”) in the deficiency letter issued on May 14, 2010 in the above-referenced docket. The Commission’s questions address a proposal to revise the Forward Capacity Market (“FCM”) rules<sup>1</sup> to include an overlapping interconnection impacts analysis for each new active Demand Resource<sup>2</sup> that seeks to participate in the Forward Capacity Auction (“FCA”). The ISO appreciates the opportunity to answer these questions.

**I. RESPONSES TO DEFICIENCY LETTER**

**1. Please explain any reliability impacts that would arise if the proposed FCM rules change is not implemented.**

The FCM is a market for physical resources that have qualified to participate in the FCA. Through the FCA, an amount of capacity equal to the Installed Capacity Requirement (“ICR”) for New England is procured approximately three years prior to the time the capacity is needed. Under the current FCM rules, as part of the qualification process for New Generating Capacity Resources, the ISO conducts an initial interconnection analysis, which includes an analysis of overlapping

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<sup>1</sup> Capitalized terms used but not otherwise defined in this filing have the meanings ascribed thereto in the ISO’s Transmission, Markets and Services Tariff (FERC Electric Tariff No. 3) (the “Tariff”). Section III of the Tariff is Market Rule 1.

<sup>2</sup> Demand Resources that are Real-Time Emergency Generation Resources or that are Real-Time Demand Response Resources as defined in Section I of the Tariff are considered “active.”

interconnection impacts.<sup>3</sup> The overlapping interconnection impacts analysis is used to establish whether the New Generating Capacity Resource can provide incremental capacity if added to the resources that already exist on the New England power system.<sup>4</sup>

Generally, Demand Resources participate in the FCM in the same way as generating capacity resources. However, under the current FCM rules, the qualification process for Demand Resources does not include an overlapping interconnection impacts analysis. Under the proposed rule changes that were submitted to the Commission, an overlapping interconnection impacts analysis similar to the analysis that is conducted for New Generating Capacity Resources will be added for Demand Resources.

If the proposed FCM rule changes are not implemented, there will be a negative impact on the reliability of the system because new active Demand Resources that cannot provide incremental capacity that can be counted toward meeting the ICR will qualify for the FCA. In other words, if some of the capacity that is procured through the FCA (*i.e.* capacity procured from new active Demand Resources) is not deliverable to serve load, then the ICR will not be met. The example shown in Figure 1 below illustrates this concern.

The example consists of a simple two-bus power system connected by a transmission line with 100 MW of transmission transfer capability. For this example, we will assume that the transmission line cannot be upgraded in time for the Capacity Commitment Period of concern. We can think of the two-bus system as a simplified representation of the distribution of load within a Load Zone, with a transmission constraint within that Load Zone. In the base case, on one side of the transmission constraint, 200 MW of load is connected along with 100 MW of generation. This first bus has more load than generation and power is imported to the bus over the transmission line. We will call this bus “Bus I” – an importing bus. On the other side of the constraint is a bus with 100 MW of load and 200 MW of generation. This bus has more generation than load and power is exported away from the bus over the transmission line. We will call this bus “Bus E” – an exporting bus. In the base case, the excess generation at Bus E can be transferred to the excess load at Bus I over the transmission line. As shown in Figure 1, in the base case, the load can be reliably served.

Next, suppose that load has grown and 5 MW of additional load has been added to what was the 200 MW load at Bus I. No more power can be transferred over the transmission line, so any additional generation on the opposite end of the line at Bus E cannot be delivered to this incremental load. For this reason, a new 5 MW generator proposed on the exporting side of the constraint (at

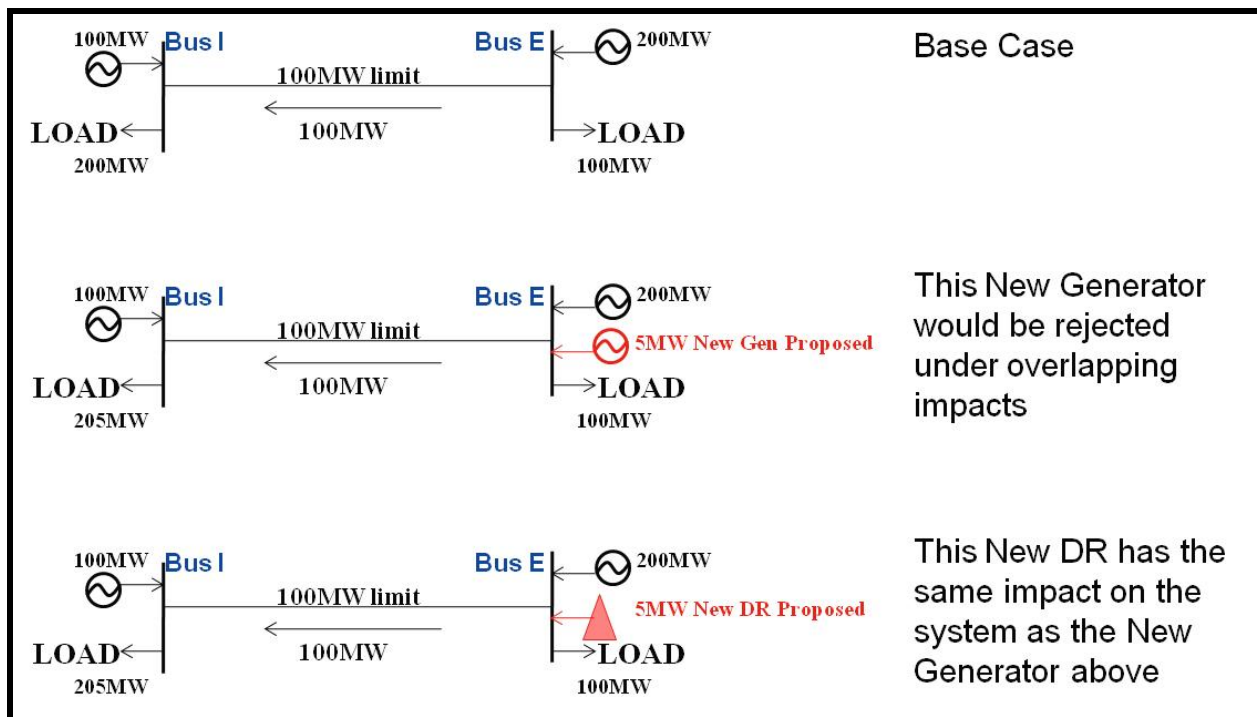
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<sup>3</sup> See Section III.13.1.1.2.3 of the FCM rules. The initial interconnection analysis will include, but will not be limited to, a power flow analysis and a short circuit analysis. *Id.*

<sup>4</sup> A New Generating Capacity Resource is tested to ensure the deliverability of its output to the Load Zone to which it is interconnecting. See Section 5.7.1.3 of ISO New England Planning Procedure No. 10 (“PP-10”), available on the ISO’s website at: [http://www.iso-ne.com/rules\\_proceeds/isone\\_plan/pp10\\_r7.pdf](http://www.iso-ne.com/rules_proceeds/isone_plan/pp10_r7.pdf).

Bus E) would be disqualified as a result of overlapping interconnection impacts. That is, when the new generator is added to the base case that includes the existing generators, the new generator is not deliverable to the load.

Finally, consider a proposed new Demand Resource comprising a load reduction measure of 5 MW at the same exporting bus (Bus E). With the demand reduction, the net load at Bus E is now 95 MW and with the existing generation of 200 MW at Bus E we would have a net export of 105 MW, which of course could not be accommodated by the transmission line. In other words, this proposed new demand reduction of 5 MW at Bus E has an identical impact on the transmission line as the proposed new 5 MW generator at Bus E. That is, when the new Demand Resource is added to the base case that includes the existing resources, the new Demand Resource is not deliverable to the load at Bus I.



**Figure 1 - Overlapping Interconnection Impacts Graphic Example**

Although this is a very simplified example, the principle applies to real world power systems. Certain reductions in load, depending on the location of the reduction, do not provide an overall benefit to the system because of transmission constraints. This is the essence of the reliability concern that is behind the proposal to add an overlapping interconnection impacts analysis for new active Demand Resources. In short, adding new active Demand Resources at a location that is already export-constrained will negatively impact reliability because these resources will constitute a part of the ICR that is purchased, but will not be able to serve load. This will mean that

the total system will have insufficient resources to meet its needs. Therefore, applying the overlapping interconnection impacts analysis to new active Demand Resources is warranted.

2. **Sections 5.7.2 and 5.9 of “ISO New England Planning Procedure No. 10: Planning Procedure to Support the Forward Capacity Market” describe provisions relating to the ability of a proposed New Generating Capacity Resource to implement a transmission upgrade in time for the Capacity Commitment Period in the event an overlapping interconnection impact analysis determines that the resource will cause violations. Please explain whether and how a proposed new active Demand Resource that causes similar violations could alleviate its similar impact on the transmission system.**

Section 5.9 of PP-10 contains guidelines and factors for the ISO to consider in establishing whether a transmission upgrade that is needed for the interconnection and delivery of power from a New Generating Capacity Resource can be implemented in time for the Capacity Commitment Period to address violations determined through the overlapping interconnection impact analysis. The upgrades that are needed for the interconnection of and delivery of power from a New Generating Capacity Resource are identified by the ISO pursuant to the Large/Small Generator Interconnection Procedures.<sup>5</sup> Under these procedures, the ISO determines whether upgrades are needed by conducting Interconnection Studies (*e.g.*, Interconnection Feasibility Study; Interconnection System Impact Study). For New Generating Capacity Resources (or Capacity Network Resources), the ISO also performs a Capacity Network Resource (“CNR”) Group Study<sup>6</sup> in association with qualification for the FCA. Any upgrades that are identified as needed for the interconnection and delivery of power from the New Generating Capacity Resource are documented in an interconnection agreement, which includes, among other things, a detailed schedule for the completion of the upgrade.

Unlike New Generating Capacity Resources, Demand Resources are not subject to the interconnection procedures and, consequently, the ISO does not assess the upgrades to the transmission system that are needed in order to “interconnect” a Demand Resource. In any event, in determining whether a new active Demand Resource can qualify for the FCA, the ISO does not determine whether or not the Demand Resource can “interconnect” in time for the Capacity Commitment Period.<sup>7</sup> A new active Demand Resource that seeks to qualify for the FCA is a

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<sup>5</sup> Schedules 22 and 23 of the ISO Open Access Transmission Tariff.

<sup>6</sup> The CNR Group Study is briefly described in the answer to Question No. 5.

<sup>7</sup> It is not the purpose of the overlapping interconnection impacts analysis for new active Demand Resources to determine whether or not the measure proposed by the Demand Resource can “interconnect” or whether or not the load reduction is allowable. Rather, as already noted, the analysis seeks to determine whether the measure proposed by the Demand Resource constitutes a useful action that can be counted towards meeting the ICR. In other words, if a proposed new active Demand

measure to reduce the load level at one or more facilities during certain events. The load is already connected to the transmission system and is receiving transmission service.<sup>8</sup>

Notwithstanding the foregoing, the ISO New England Open Access Transmission Tariff provides mechanisms by which upgrades can be made that could result in a Demand Resource being deliverable. For instance, reliability upgrades are planned through the Regional System Planning Process and, although not the purpose of a reliability upgrade, it is possible that such an upgrade could result in a Demand Resource being deliverable where it would have otherwise not been deliverable. There is also an Elective Transmission Upgrades process whereby any entity can sponsor an upgrade at its own cost. Such an upgrade could be sponsored to create the headroom in a particular location in the system so that more resources can qualify to participate in the FCA. Similar to a New Generating Capacity Resource, Demand Resources have the option to pursue a transmission upgrade through the existing processes, and that transmission upgrade could be certified for inclusion in the network model used for the qualification process consistent with the provisions in Section III.12.6 of Market Rule 1.

- 3. On Page 5 of your transmittal letter, you state: “Where, as a result of this analysis, the ISO determines that because of overlapping interconnection impacts, such a New Demand Resource that is otherwise accepted for participation in the FCA in accordance with the other requirements of Section III.13.1 cannot deliver any of the capacity that it would otherwise be able to provide (in the absence of the other relevant Existing Capacity Resources), then that New Demand Resource will not be accepted for participation in the FCA.” Please explain in detail what is meant by “in the absence of the other relevant Existing Capacity Resources.” Please also explain what the implications would be if “other relevant Existing Capacity Resources” were present.**

The qualification process for the FCM includes several requirements. For a New Generating Capacity Resource, the process includes the examination of a critical path schedule to ensure that the facility can reasonably be expected to be permitted, financed, constructed and interconnected to the transmission system in time for the relevant Capacity Commitment Period. For a new active Demand Resource, the process includes submittal of Measurement and Verification Plans, customer acquisition plans, financing plans and other items that are examined to ensure that the proposed demand response measures can be reasonably expected to be in place in time for the relevant Capacity Commitment Period. During these steps in the qualification process, all resources are analyzed to determine their appropriate capacity value.

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Resource does not pass the overlapping interconnection impacts analysis, while the demand response measure may still take place, the result is that the resource cannot be counted towards meeting the ICR.

<sup>8</sup> Generally, Real Time Emergency Generators are constructed or added at certain facilities without using interconnection service.

Once a new resource passes the screens described above, it is considered as potentially being able to provide capacity to the system. The next step in the qualification process for the FCA is to determine whether the new resource can pass the overlapping interconnection impacts analysis. This means that, even if the resource has shown that it could provide capacity to the system, it must also be determined that the resource can provide incremental capacity to the system when all the other resources that already exist on the system are taken into account. Accordingly, the overlapping interconnection impacts analysis has been designed to ensure that new resources are incrementally useful when added to the New England power system. Specifically, for new active Demand Resources, the proposed analysis takes into account the proposed megawatt reductions using the New England topology (the “base case”). The base case includes all relevant existing capacity resources, which are those resources that are already on the system in the area where the new resource is being proposed. This was shown in Figure 1 above by including an existing 200 MW generator at the exporting Bus E when determining the incremental usefulness of the new proposed resource seeking to provide capacity at Bus E.

**4. Please explain how Dispatch Zone generation is scaled within a Load Zone when using the Overlapping Interconnection Impact Analysis for New Demand Resources and New Generating Capacity Resources.**

Load Zones have long been used in New England for the purposes of energy market operations and settlement and they were also used as a building block in the formation of Capacity Zones for the FCM. Dispatch Zones were created in New England when the ISO filed revisions to the FCM rules regarding Demand Resource Integration (“DRI”).<sup>9</sup> Under those revisions, each Load Zone was divided into one or more Dispatch Zones to enable the ISO to dispatch active Demand Resources when and where they are needed in response to a wide variety of system conditions. As the ISO explained in the DRI filing, “Dispatch Zones [are] comprised of groups of Nodes within the same Load Zone that the ISO [identifies] to reflect the transmission constraints within a Load Zone that it expects to exist during a Capacity Commitment Period.”<sup>10</sup>

When using the overlapping interconnection impact analysis for new active Demand Resources and New Generating Capacity Resources, Dispatch Zone generation will be scaled pursuant to the methodology described in Section 5.7.1 of PP-10. Under that provision, each Dispatch Zone will be analyzed to determine whether any new resource could deliver capacity from the Dispatch Zone to which it is interconnecting to all of the other Dispatch Zones in the Load Zone.

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<sup>9</sup> See the ISO’s filing of tariff revisions regarding Demand Resource Integration filed October 1, 2008 in Docket No. ER09-5-000 (the “DRI Filing”). The DRI Filing was accepted by the Commission by letter order dated October 29, 2008.

<sup>10</sup> DRI Filing at p. 6.

It is expected that, because of existing transmission constraints and the existing resources already located within each Dispatch Zone, certain Dispatch Zones may be effectively export-constrained. That means that no new resource (generation or Demand Resource) proposed within that Dispatch Zone would be incrementally deliverable to the rest of the Load Zone. Dispatch Zones will be analyzed to determine whether the addition of any amount of capacity at any node within the Dispatch Zone can be delivered to the rest of the Load Zone. The analysis will make use of automated linear power flow calculations. Full AC power flow methods will be used to verify linear power flow results as appropriate.

Section 5.7.1 of PP-10 describes the criteria used in establishing the power flow scaling and dispatch adjustments under the overlapping interconnection impacts analysis. Existing capacity resources that contribute to loading transmission elements up to their transmission limits must be running in the study base case if those existing resources have a harming impact on the element that is greater than a specified threshold (in this case a three percent “distribution factor”). The resource that is being studied is then added to the reference base case and its power is transferred to a region that is outside the region that is made up of the harming resources identified in the previous step. In the case of the Dispatch Zone analysis, this would mean a transfer to a region outside of the Dispatch Zone under study to other Dispatch Zones within the corresponding Load Zone.

Accordingly, under the proposed rule changes, in those Dispatch Zones where, when the existing resources are modeled within the Dispatch Zone, no new resource could deliver capacity from the Dispatch Zone to which it is interconnecting to all of the other Dispatch Zones in the Load Zone due to overloads of transmission lines or other violations of the transmission system that cannot be fixed in time for the relevant Capacity Commitment Period, no new active Demand Resources will be qualified to participate in the FCA. On the other hand, if it is determined that a new active Demand Resource could deliver a portion of its capacity from the Dispatch Zone to which it is interconnecting to all of the other Dispatch Zones in the Load Zone (without the inclusion of any other new resources seeking qualification in that Dispatch Zone), then the full capacity amount proposed by the new active Demand Resource will qualify to participate in the FCA.

**5. Please explain why New Demand Resources and New Generating Capacity Resources are not analyzed together in a Capacity Network Resource Group Study.**

New Demand Resources and New Generating Capacity Resources are not analyzed together in a CNR Group Study for two reasons.

First, the CNR Group Study is the analysis performed during the FCM qualification process, in accordance with Section III.13.1.1.2.3 of the FCM rules, to determine the interconnection requirements, including overlapping interconnection impacts, of New

Generating Capacity Resources.<sup>11</sup> The purpose of the CNR Group Study is to analyze New Generating Capacity Resources individually and cumulatively by Queue Position to identify whether they can meet the overlapping interconnection impacts analysis, and establish each New Generating Capacity Resource's upgrade and cost responsibilities. In the CNR Group Study, all New Generating Capacity Resources that have submitted an Interconnection Request for Capacity Network Resource Interconnection Service and a Show of Interest Form for the purpose of qualifying in the same Forward Capacity Auction are added to the base case.<sup>12</sup> The New Generating Capacity Resources are included in the CNR Group Study in accordance with their assigned Queue Positions, on a first-come, first-serve basis, relative to other resources that have submitted a Show of Interest Form for the same Forward Capacity Auction. Demand Resources do not participate in the interconnection process established under the Large/Small Generator Interconnection Procedures and, as such, they do not submit Interconnection Requests or have the associated Queue Positions, which are a key parameter used to establish the CNR Group Study and the prioritization of the subset of generating facilities included in that study.

Second, the CNR Group Study assesses whether a New Generating Capacity Resource can deliver its output to the Load Zone to which it is electrically interconnected. In the qualification process for the FCA, Demand Resources are required to provide the Dispatch Zone to which the resource will be interconnecting.<sup>13</sup> Without the exact nodal location of all facilities, together with a relative Queue Position that allows the prioritization of resources, there is no meaningful way to include new active Demand Resources in the CNR Group Study.

**6. Please explain in detail, with numerical examples, how a New Generating Capacity Resource might not qualify to participate in the FCA because of overlapping interconnection impacts yet a Demand Resource with the same overlapping impacts might qualify to participate in the same FCA. Your explanation should**

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<sup>11</sup> See *ISO New England Inc., et al.*, Joint Filing of Proposed Revisions to the Generator Interconnection Process and Forward Capacity Market Participation Provisions Set Forth in the ISO New England Inc. Transmission, Markets and Services Tariff, Docket Nos. ER04-432-000, *et al.*, (Oct. 31, 2008) ("FCM/Queue Amendments"). The FCM/Queue Amendments were accepted by the Commission in *ISO New England Inc., et al.*, 126 FERC ¶ 61,080 (2009).

<sup>12</sup> See Schedule 22 at § 4.1; Schedule 23 at § 1.5.

<sup>13</sup> Demand Resources are not required to provide an exact nodal location in the Show of Interest Form that is submitted to qualify in the FCA. This allows a Project Sponsor to sign up specific customer facilities that will be part of the New Demand Resource during the three year lead-time between the FCA and the beginning of the Capacity Commitment Period. The Project Sponsor may not have the need to sign up those customer facilities at the time it submits its Show of Interest Form for qualification in the FCA and, as a result, the Project Sponsor does not know the specific location of those facilities in time to provide the exact nodal location of the New Demand Resource in the Show of Interest Form.

**summarize relevant parameters (e.g., transmission constraints and generation resource limits) and detail all assumptions. Provide the power flow model (in .raw or .sav file format) and support data files (mon, con, and sub files) used to develop any examples.**

In most cases, if a New Generating Capacity Resource does not qualify to participate in the FCA because of overlapping interconnection impacts, then a new active Demand Resource that has the same overlapping impacts will also not qualify to participate in the same FCA.<sup>14</sup> This is true even though the proposed overlapping interconnection impacts analysis for new active Demand Resources is not identical to the analysis that is currently used for New Generating Capacity Resources.

The overlapping interconnection impacts analysis that will be used for new active Demand Resources will use the same power flow model and support data files as the analysis that is used for New Generating Capacity Resources. Although new active Demand Resources may not provide exact nodal locations at the time of the submission of the Show of Interest Form, they will provide their Dispatch Zone location. In an export constrained Dispatch Zone, the qualification outcomes will be identical for New Generating Capacity Resources and new active Demand Resources. Specifically, no New Generating Capacity Resource would qualify in an export constrained Dispatch Zone because the combination of the existing resources and the limited transmission export capability results in an inability to deliver incremental capacity from the Dispatch Zone. Similarly, under the proposed rule changes, no new active Demand Resource would qualify in that Dispatch Zone.

On the other hand, if the Project Sponsor for a proposed new active Demand Resource knows the exact nodal location of the resource, then, under the proposed rule changes, the ISO will apply the same overlapping interconnection impacts analysis that is used for New Generating Capacity Resources to that Demand Resource. Accordingly, if no New Generating Capacity Resource can qualify at that nodal location in the system, then the new active Demand Resource proposed at the same nodal location would also not qualify.

There are a limited set of circumstances under which a New Generating Capacity Resource might not qualify to participate in the FCA because of overlapping interconnection impacts yet a new active Demand Resource with the same overlapping impacts might qualify to participate in the same FCA. Specifically, this could happen if a Dispatch Zone is not constrained but specific nodes within that Dispatch Zone are constrained. In such a case, a New Generating Capacity Resource that is proposed at a node that is constrained could fail to

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<sup>14</sup> Note that, if the proposed rule changes are not accepted by the Commission, then no overlapping interconnection impacts analysis will be conducted for Demand Resources. Consequently, while a New Generating Capacity Resource may not qualify to participate in the FCA because of overlapping interconnection impacts, at the same time, a new active Demand Resource that has the same impact on the transmission system could qualify to participate in that same FCA.

qualify for participation in the FCA, and, at the same time, a new active Demand Resource could qualify to participate in that same FCA.

The relevant system conditions can be observed in load flow cases contained in Attachment 1, which represent the system as analyzed for the first FCA. The analysis examines proposed new resources in the Rhode Island Load Zone (“RI Load Zone”). At this time, there is one Dispatch Zone in Rhode Island (“RI Dispatch Zone”). In this hypothetical numerical example, a New Generating Resource is proposed at the Warren substation (this is power flow bus number 72641 in the attached .sav file). This bus is in the RI Load Zone and is in the RI Dispatch Zone. The monitored element file (.mon) and the contingency file (.con) describe the elements that are monitored for overload and the contingencies that are tested. When generation is added at the Warren bus, the Brayton Point to Chartley 115kV line (Bus numbers 72252-72253) is overloaded for the loss of the parallel Brayton Point to Mansfield Tap 115kV line. The long-term emergency (“LTE”) rating of the Brayton Point to Chartley line is 268MVA. For purposes of this example, we will assume that the Brayton Point to Chartley 115kV line cannot be upgraded in time for the Capacity Commitment Period. In this circumstance, a New Generating Capacity Resource proposed at the Warren substation would not qualify because of overlapping interconnection impacts when added to the existing New England power system. If a new active Demand Resource was proposed at that specific bus location, it would also be disqualified because of overlapping impacts under the proposed rule change. However, if the proposed new active Demand Resource is specified as being within the RI Dispatch Zone (without a specific nodal location), then the resource would qualify to participate in the FCA because incremental capacity in the RI Dispatch Zone is deliverable to the RI Load Zone.

## II. REQUEST FOR SPECIAL TREATMENT AS CRITICAL ENERGY INFRASTRUCTURE INFORMATION (“CEII”)

The ISO requests CEII treatment for the information included in Attachment 1 to these responses. Attachment 1 is a CD containing the .sav, .mon, .con and .sub files requested in Question 6. Because this information contains detailed design information about the existing critical infrastructure of the New England power system, in accordance with Section 388.112 of the Commission's regulations,<sup>15</sup> the ISO requests that the Commission and its staff treat this information as CEII. Accordingly, Attachment 1 has been marked: **“Contains Critical Energy Infrastructure Information – Do Not Release.”** Pursuant to the Commission’s regulations, the ISO is filing one original plus two copies of Attachment 1.

## III. REQUESTED EFFECTIVE DATE

The ISO respectfully requests that the Commission accept the proposed revisions to the FCM rules with an effective date of August 13, 2010. This effective date will allow the ISO to

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<sup>15</sup> 18 C.F.R. § 388.112 (2009).

conduct the overlapping interconnection impacts analysis for new active Demand Resources for the fifth FCA.<sup>16</sup>

#### **IV. CONCLUSION**

The proposed overlapping interconnection impacts analysis for new active Demand Resources, which is similar to the analysis that is currently in place for New Generating Capacity Resources, addresses the reliability concern that has been described in these responses. Consequently, the ISO respectfully requests that the Commission approve the rule changes proposed in this docket, to become effective on August 13, 2010, without condition or change.

As directed in the deficiency letter and pursuant to section 35.8 of the Commission's regulations, a form of notice of amendment to the filing is being submitted with this filing. As also directed in the deficiency letter, six public copies of these responses are being filed with the Commission, and the seventh public copy is being sent electronically to Angela Cavallucci at [angela.cavallucci@ferc.gov](mailto:angela.cavallucci@ferc.gov)

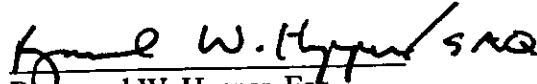
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<sup>16</sup> In the March 15, 2010 filing in this docket, the requested effective date was May 15, 2010. That day coincided with the end of the show of interest period, and the beginning of the qualification review period for the fifth FCA and the associated Capacity Commitment Period beginning June 1, 2014. While the filing letter noted that an effective date of May 15, 2010 would allow the ISO to apply the overlapping interconnection impacts analysis to new active Demand Resources in this particular review period, an effective date of August 13, 2010 will also allow the ISO to apply the overlapping interconnection impacts analysis to new active Demand Resources in this particular review period.

Responses to Commission Deficiency Letter  
FERC Docket No. ER10-882-000  
June 14, 2010  
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Please acknowledge receipt of this filing by date-stamping and returning the extra copy of this transmittal letter in the enclosed pre-posted, pre-addressed envelope.

Respectfully submitted,



Raymond W. Hepper, Esq.

Kerim P. May, Esq.

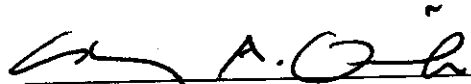
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**UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION**

ISO New England Inc.            )  
and New England Power Pool    )  
Participants Committee         )

Docket No. ER10-882-000

**NOTICE OF AMENDMENT**

(\_\_\_\_\_, 2010)

Take notice that on June 14, 2010, ISO New England Inc. (the "ISO") submitted responses to the questions posed in the deficiency letter issued by the Commission on May 14, 2010, in Docket No. ER10-882-000, which responses shall constitute an amendment to the ISO's March 15, 2010, filing of changes to Market Rule 1.

Any person desiring to intervene or to protest this filing should file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. All such motions or protests should be filed on or before the comment date, and, to the extent applicable, must be served on the applicant and on any other person designated on the official service list. This filing is available for review at the Commission or may be viewed on the Commission's web site at <http://www.ferc.gov> using the "eLibrary" link, select "Docket #" and follow the instructions (call 202-208-2222 for assistance). Protests and interventions may be filed electronically via the Internet in lieu of paper; see 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the "e-Filing" link.

Comment Date: \_\_\_\_\_, 2010

Kimberly D. Bose  
Secretary

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing public document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 14th day of June, 2010.

A handwritten signature in black ink, appearing to read "S. A. Quirk", written over a horizontal line.

Sherry A. Quirk, Esq.