



May 4, 2010

The Honorable Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, D.C. 20426

RE: **ISO New England Inc., Reconciled Tariff Sheet for Compliance With Order No. 614; Docket No. Docket No ER10-787-\_\_\_\_\_.**

Dear Secretary Bose:

In compliance with Order No. 614,<sup>1</sup> ISO New England Inc. (the “ISO”)<sup>2</sup> hereby submits an original and five copies of this transmittal letter and tariff sheet reflecting the reconciliation of two filings previously accepted by the Federal Energy Regulatory Commission (“Commission”).

On February 22, 2010, the ISO and the New England Power Pool (“NEPOOL”) Participants Committee jointly submitted in Docket No ER10-787-000 revisions to the Forward Capacity Market (“FCM”) rules (“February 22 Filing”).<sup>3</sup> The February 22 Filing added the definition of Export-Adjusted LSR to 1st Rev Sheet No. 15W of the Tariff. On April 23, 2010, the Commission accepted this change, effective April 23, 2010.<sup>4</sup>

On March 2, 2010, the ISO submitted in Docket No. ER10-819-000 a filing to reconcile two filings previously accepted by the Commission (“March 2 Filing”).<sup>5</sup> The March 2 Filing added the definition of External Market Monitor to 1st Rev Original Sheet

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<sup>1</sup> *Designation of Electric Rate Schedule Sheets*, Order No. 614, 90 FERC ¶ 61,352 (2000).

<sup>2</sup> Capitalized terms used but not defined in this filing are intended to have the meaning given to such terms in the ISO New England Inc. Transmission, Markets and Services Tariff, FERC Electric Tariff No. 3 (the “Tariff”), the Second Restated New England Power Pool Agreement, and the Participants Agreement. Market Rule 1 is Section III of the Tariff.

<sup>3</sup> *ISO New England Inc. and New England Power Pool*, Various Revisions to FCM Rules Related to FCM Redesign, Docket No. ER10-787-000 (February 22, 2010).

<sup>4</sup> *ISO New England, Inc., et al.*, 131 FERC ¶ 61,065 at P 16 (2010).

<sup>5</sup> *ISO New England Inc.*, Reconciled Tariff Sheets for Compliance With Order No. 614, Docket No. ER10-819-000 (March 2, 2010).

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No. 15W. This change was accepted by the Commission on April 26, 2010 by letter order, effective March 3, 2010.

Because the March 2 Filing became effective on March 3, 2010 – *i.e.*, *before* the effective date of the February 22 Filing (*i.e.* April 23, 2010) – it did not include the change introduced by the February 22 Filing. The ISO submits this filing to incorporate the change accepted by the Commission effective April 23, 2010.

The change made in this filing is ministerial and merely reconciles changes already accepted by the Commission in prior orders. This reconciliation filing only updates the attached Tariff sheet to ensure that it accurately reflects the language accepted by the Commission in prior proceedings as required by Order No. 614.

The ISO submits the enclosed tariff sheet in blacklined (Attachment 1) and clean (Attachment 2) formats for compliance with Order No. 614.

Please acknowledge receipt of the foregoing by date-stamping and returning to our messenger the enclosed extra copies of this filing.


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Respectfully submitted,

**ISO NEW ENGLAND INC.**

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Attachments

cc: Patrick Gerity, Esq., NEPOOL counsel

## **Attachment 1**

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**Existing Generating Capacity Resource** is a type of resource participating in the Forward Capacity Market, as defined in Section III.13.1.2.1 of Market Rule 1.

**Existing Import Capacity Resource** is a type of resource participating in the Forward Capacity Market, as defined in Section III.13.1.3.1 of Market Rule 1.

**Export-Adjusted LSR** is as defined in Section III.12.4(b)(ii).

**Export Bid** is a bid that may be submitted by certain resources in the Forward Capacity Auction to export capacity to an external Control Area, as described in Section III.13.1.2.3.1.3 of Market Rule 1.

**Exports** are Real-Time External Transactions, which are limited to sales from the New England Control Area, for exporting energy out of the New England Control Area.

**External Market Monitor** means the person or entity appointed by the ISO Board of Directors pursuant to Section III.A.1.2 of Appendix A of this Market Rule to carry out the market monitoring and mitigation functions specified in Appendix A and elsewhere in this Market Rule.

**External Node** is a proxy bus or buses used for establishing a Locational Marginal Price for energy received by Market Participants from, or delivered by Market Participants to, a neighboring Control Area or for establishing Locational Marginal Prices associated with energy delivered through the New England Control Area by Non-Market Participants for use in calculating Non-Market Participant Congestion Costs and loss costs.

**External Resource** means a generation resource located outside the metered boundaries of the New England Control Area.

**External Transaction** is a purchase by a Market Participant of energy external to the New England Control Area or a sale by a Market Participant of energy external to the New England Control Area in the Day-Ahead Energy Market and/or Real-Time Energy Market or a through transaction scheduled by a Non-Market Participant in the Real-Time Energy Market.

## **Attachment 2**

**Existing Generating Capacity Resource** is a type of resource participating in the Forward Capacity Market, as defined in Section III.13.1.2.1 of Market Rule 1.

**Existing Import Capacity Resource** is a type of resource participating in the Forward Capacity Market, as defined in Section III.13.1.3.1 of Market Rule 1.

**Export-Adjusted LSR** is as defined in Section III.12.4(b)(ii).

**Export Bid** is a bid that may be submitted by certain resources in the Forward Capacity Auction to export capacity to an external Control Area, as described in Section III.13.1.2.3.1.3 of Market Rule 1.

**Exports** are Real-Time External Transactions, which are limited to sales from the New England Control Area, for exporting energy out of the New England Control Area.

**External Market Monitor** means the person or entity appointed by the ISO Board of Directors pursuant to Section III.A.1.2 of Appendix A of this Market Rule to carry out the market monitoring and mitigation functions specified in Appendix A and elsewhere in this Market Rule.

**External Node** is a proxy bus or buses used for establishing a Locational Marginal Price for energy received by Market Participants from, or delivered by Market Participants to, a neighboring Control Area or for establishing Locational Marginal Prices associated with energy delivered through the New England Control Area by Non-Market Participants for use in calculating Non-Market Participant Congestion Costs and loss costs.

**External Resource** means a generation resource located outside the metered boundaries of the New England Control Area.

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