

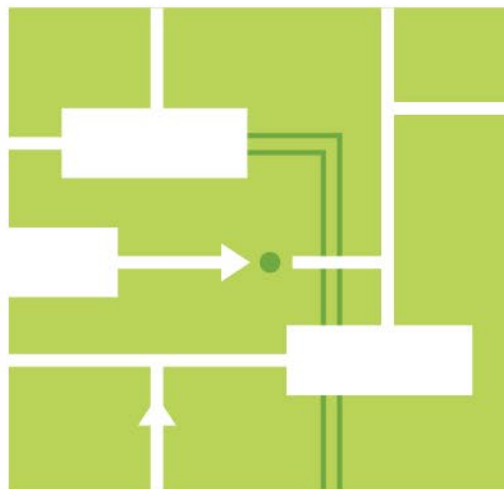
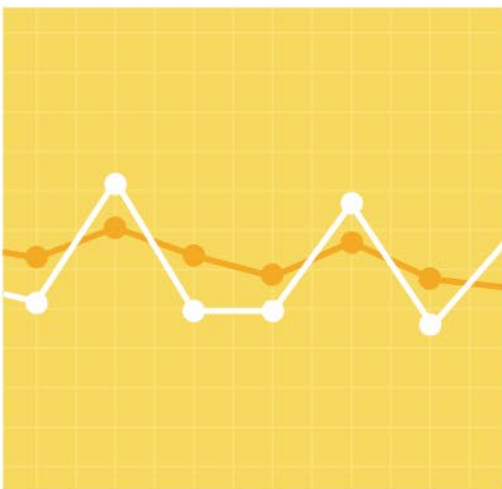


2024 Interim Reconfiguration Auction Qualification Process Guide

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Section 1 - Purpose

On January 2, 2024, the Federal Energy Regulatory Commission (FERC) approved a one-year delay to Forward Capacity Auction (FCA) 19¹ associated with the 2028-2029 Capacity Commitment Period (CCP). Pursuant to Tariff revisions that FERC accepted as part of the filing that effected the FCA 19 delay, the ISO will conduct an interim reconfiguration auction (RA) qualification process in 2024 to support RA participation for resources that have never obtained a Capacity Supply Obligation (CSO).

The purpose of this guide is to provide information on the steps and submissions necessary to participate in the 2024 interim RA qualification process.

¹ The ISO started the stakeholder review process on a [proposal to delay FCA 19 by an additional two years](#) at the February 6-7, 2024 Markets Committee meeting.

Section 2- Interim RA Qualification

Step 1: Meet the Participation Eligibility Criteria

Pursuant to Section III.13.A.2 of the Tariff, the interim RA qualification process is open to New Generating Capacity Resources, Import Capacity Resources and Demand Capacity Resources² that (1) have not acquired a CSO, and (2) intend to achieve Commercial Operation as defined in Section III.13.1.1.2.2.2(h) of the Tariff before June 1, 2026.

The ISO developed a FERC Order No. 2023 compliance proposal through a stakeholder process, and was working towards filing the compliance proposal with FERC on April 1, 2024. This compliance proposal includes a Transitional Capacity Network Resource (CNR) Group Study, which would impact the 2024 interim RA qualification process eligibility rules as follows:

- The June 1, 2026 Commercial Operation deadline would be extended to June 1, 2028 (which supports participation in RAs for Capacity Commitment Periods (CCPs) up to and including the 2027-2028 CCP).
- Projects subject to the ISO Interconnection Procedures would be required to have a completed System Impact Study (SIS) before July 1, 2024 in order to participate in the 2024 interim RA qualification process.

FERC issued Order No. 2023-A on March 21, 2024, and the ISO is assessing how its original Order No. 2023 compliance proposal would be modified as a result. The new order also delays the timing for submitting Order No. 2023 compliance filings to FERC. As a result, the ISO was no longer able to file its originally developed Order No. 2023 compliance proposal by April 1, 2024.

The ISO does not expect to have a FERC approved Order No. 2023 compliance proposal, which would include the supporting Transitional CNR Group Study, before the deadline for submitting an SOI Form for the 2024 interim RA qualification process. The ISO will apply the eligibility criteria in effect at the time it makes qualification determinations for the 2024 interim RA qualification process.

Step 2: Complete and Submit Qualification Materials

The following submissions and activities are required to participate in and complete the 2024 interim reconfiguration auction qualification process:³

1. Show of Interest (SOI) Form
2. Qualification Process Cost Reimbursement Deposit (QPCRD)⁴

² Pursuant to Section III.13.A.3 and for the purposes of the 2024 interim RA qualification process, a New Demand Capacity Resource is an Active Demand Capacity Resource that has not cleared in a previous Forward Capacity Auction, or an On-Peak or Seasonal Peak Demand Capacity Resource that has not cleared in a previous Forward Capacity Auction and consists of measures that were not in service prior to June 1, 2024.

³ Pursuant to Section III.13.1.1.2.7, the ISO may consult with Project Sponsors to seek clarification, gather additional necessary information, or address questions or concerns arising from the materials submitted.

⁴ The QPCRD is billed as a line item on the Non-Hourly invoice that the ISO issues, typically in May after the close of the SOI submission window. The ISO will withdraw projects from the 2024 interim RA qualification process if it does not receive the required payment by the invoice due date. See Section III.13.1.9.3 of the Tariff for required QPCRD amounts.

3. New Capacity Qualification Package (NCQP)
4. Commercial Readiness Deposit⁵
5. Critical Path Schedule Monitoring Election

The information that must be included for these required materials, submissions, and activities is consistent with the information that has been included for required materials, submissions, and activities in the qualification processes for recent Forward Capacity Auctions (FCAs). Additional details on the [list of materials and timelines](#) associated with these submissions and activities for the 2024 interim RA qualification process are posted to the ISO website.

All qualification materials must be submitted to the ISO via the Forward Capacity Tracking System (FCTS). A digital certificate with the proper role is required to access this application and submit qualification materials. Contact [ISO Participant Support and Solutions](#) to obtain access.

The ISO will use FCTS functionality consistent with the functionality used for recent FCA qualification processes to facilitate the 2024 interim RA qualification process, including user interfaces for submitting an SOI Form and NCQP. Previously produced training videos are helpful resources for understanding how to submit an SOI Form and NCQP, since much of the content of those videos will still be applicable.

Submitting an SOI Form

Training videos with step-by-step instructions to submit an SOI are available for each resource type:

- [Submitting a Show of Interest for New Generating Capacity Resources using FCTS \(video\)](#)
- [Submitting a Show of Interest for New Import Capacity Resources using FCTS \(video\)](#)
- [Submitting a Show of Interest for New Demand Capacity Resources using FCTS \(video\)](#)⁶

Changes to the SOI user interfaces in FCTS for the 2024 interim RA qualification process when compared to recent FCA qualification processes include, but are not limited to:

1. Unavailability of “Project Type” selections associated with Existing Capacity Resources. Only New Capacity Resources that have never obtained a CSO can participate in the 2024 interim RA qualification process.
2. Upon submitting the SOI Form, a message will remind the user the SOI Form submission is only for the 2024 interim RA qualification process (i.e. the submission is not for participation in the FCA 19 qualification process).

FCTS will allow Project Sponsors to submit an SOI Form for projects that intend to achieve Commercial Operation on or after June 1, 2026. The ISO will apply the Commercial Operation deadline in effect at the time it makes qualification determinations for the 2024 interim RA qualification process (see Step 1 above for additional detail).

⁵ The Commercial Readiness Deposit applies in the case of FERC acceptance of ISO-NE’s proposed compliance with Order No. 2023. Only Generating Capacity Resources and Import Capacity Resources associated with a project subject to the ISO interconnection Procedures would require a Commercial Readiness Deposit, pursuant to Schedules 22, 23 and 25 of the Open Access Transmission Tariff.

⁶ Active Demand Capacity Resources will select a Dispatch Zone when submitting an SOI Form. There are no changes to the [existing Dispatch Zones](#) for the purposes of the 2024 interim RA qualification process.

Submitting an NCQP

Similarly, training videos on submitting an NCQP are also available:

- [Submitting a New Capacity Qualification Package for Generating Capacity Resources \(video\)](#)
- Import Capacity Resources:
 - [Submitting an NCQP for Import Capacity Resources Backed by a Control Area \(video\)](#)
 - [Submitting an NCQP for Import Capacity Resources Backed by an Existing External Generator that Is New to New England \(video\)](#)
- [Submitting a New Capacity Qualification Package for Demand Resources \(video\)](#)⁷

Changes to the NCQP user interfaces in FCTS for the 2024 interim RA qualification process when compared to recent FCA qualification processes include, but are not limited to:

1. The “Additional Requirements” tab will be shown for Non-Intermittent as well as Intermittent Generating Capacity Resources. This will support submission of requested capacity values and supporting documentation for the intermittent technology portion of a co-located facility represented by a single resource.
2. The “Offer Floor Price” tab is not shown, which is not required to support participation in RAs.
3. The “Substitution Auction⁸” tab is not shown, which is not required to support participation in RAs.
4. The “Elections” tab includes only the CPS Monitoring election. Other election options seen in this tab for recent FCA qualification processes are not required to support participation in RAs (e.g. rationing election).

Additional FCTS Notes:

- Participants can expect to see 2028-2029 CCP labels in the FCTS when using its user interfaces for the 2024 interim RA qualification process. The use of these labels is a result of adapting the FCTS to support the 2024 interim RA qualification process. The 2024 interim RA qualification process only supports participation in RAs; it does not support qualification for FCA 19.
- As part of the submission of a Show of Interest Form for Import Capacity Resources for the 2024 interim RA qualification process, the FCTS requires values for the Proposed Summer MW and Proposed Winter MW for the 2028-2029 CCP. However, the submission of these values is not for participation in the FCA 19 qualification process. The submission of these values is only for the 2024 interim RA qualification process. The values entered in the 2028-2029 fields must be non-zero values and must equal the highest value from the fields below the 2028-2029 field. Each of the fields below the 2028-2029 fields should be populated with a value equal to or greater than zero and these values should reflect the requested Qualified Capacity for each listed CCP.

⁷ For the Simple Critical Path Schedule submitted by Demand Capacity Resources, Target Dates 1 and 2 will be December 29, 2025 and January 4, 2027 respectively.

⁸ Substitution auctions will not be held as part of an FCA after FCA 18.

Step 3: Become a Market Participant

Project Sponsors must be a Market Participant by October 4, 2024 to complete the 2024 interim RA qualification process. Please review the step-by-step [New Participant Registration Instructions](#) for information on how to become a Market Participant if you are a Project Sponsor that is not currently a Market Participant.

Step 4: Receive a Qualification Determination Notification

The ISO will review all projects seeking to successfully complete the interim RA qualification process and will issue a qualification determination notification via the FCTS by October 18, 2024.

Step 5: Submit the Commercial Readiness Deposit or Withdraw from the 2024 Interim RA Qualification Process

A Project Sponsor may withdraw its project from the 2024 interim RA qualification process by submitting a request to [ISO Participant Support and Solutions](#). The deadline for requesting a withdrawal from the 2024 interim RA qualification process is October 24, 2024 at 23:59.

Based on the FERC Order No. 2023 compliance package the ISO proposed and stakeholders supported before the issuance of FERC Order No. 2023-A on March 21, 2024, some projects will require a Commercial Readiness Deposit to complete the 2024 interim RA qualification process. Specifically, only Generating Capacity Resources and Import Capacity Resources associated with a project subject to the ISO Interconnection Procedures would be required to submit a Commercial Readiness Deposit, pursuant to the related Order No. 2023 compliant Schedules 22, 23 and 25 of the Open Access Transmission Tariff.

Step 6: Elect Critical Path Schedule (CPS) Monitoring

Pursuant to Section III.13.A.2 of the Tariff, projects with a positive qualification determination notification must request that the ISO monitor the New Capacity Resource's compliance with its critical path schedule as described in Section III.13.3.1.1 in order to successfully complete the 2024 interim RA qualification process. The window to elect CPS monitoring in FCTS opens on October 25, 2024 and closes on November 1, 2024 at 23:59. Projects that do not make this election by the deadline will be deemed withdrawn from the 2024 interim RA qualification process.

A project that elects CPS monitoring is subject to the provisions in Section III.13.3 of the Tariff.