Gordon van Welie
President and Chief Executive Officer

May 15, 2024

The Honorable Edward Markey
255 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Bernard Sanders
332 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Elizabeth Warren
309 Hart Senate Office Building
Washington, DC 20510

The Honorable Sheldon Whitehouse
530 Hart Senate Office Building
Washington, DC 20510

Dear Senator Markey, Senator Sanders, Senator Warren, and Senator Whitehouse:

I am writing in response to your April 30 letter concerning ISO New England's (ISO-NE) governance, transmission planning, and markets. During my time with the ISO, I have always appreciated the opportunity to discuss important issues facing our region's bulk power system with members of the New England Congressional delegation. As New England's power grid is undergoing a major transformation, we are working with our federal regulator, the Federal Energy Regulatory Commission (FERC), the states and New England stakeholders to achieve multiple priorities – including the policy objectives of the New England states to transition to a clean energy future and our responsibilities for the reliability of the bulk power system. The ISO is committed to supporting the region during this transformation. Our FERC-approved budget and our annual work plan, which we develop with input from the states and stakeholders, demonstrate our continued pursuit of these priorities on behalf of the region.

Unfortunately, it appears that you may have been misinformed on a number of the points raised in your letter. Several of the assertions in the letter are factually incorrect and the overarching complaint in the letter appears to be uninformed about the substantial coordination and partnership between the ISO and the New England states to address our shared vision for transitioning to a reliable and cost-effective clean energy future.

ISO New England has made recent enhancements to our governance, transmission planning, and markets and we are continuously working to ensure that our company is in a strong position to maintain a reliable electric grid and to support state policymakers in their priorities for a clean energy future.

The ISO's planning for the region's electric grid includes a robust process for stakeholder input and oversight by several federally designated entities. We work closely with public officials across the six New England states and a diverse group of regional stakeholders to develop our annual budget and work plan. We strive to reach consensus with our stakeholders wherever possible, although that is not always possible given the diversity of viewpoints on regional electricity matters. We must abide by federal law and our FERC-approved

Tariff. Further, we must abide by federal and regional mandatory reliability standards set by the North American Electric Reliability Corporation and the Northeast Power Coordinating Council. Our independent board of directors provides oversight of management's actions to fulfill our responsibilities in the region. In addition, external and internal independent market monitors review the operation and performance of the markets and report directly to our board of directors.

I recognize that there is interest from a range of groups regarding governance, transmission planning and markets, but it appears that there is a misunderstanding regarding the role of the ISO, the stakeholder process in New England, the objectives of the region's wholesale markets and transmission planning process, and the limits of our jurisdiction. While the ISO is doing a tremendous amount of work to fulfill our vision to enable the region's transition to a reliable and clean energy future, the ISO does not have the authority to directly drive the clean energy transition. However, Congress has the ability to enact changes that may assist the clean energy transition (as it has done with the Inflation Reduction Act, or potentially through an economy-wide price on carbon). Without further direction from federal policymakers, the states will be the primary drivers of the clean energy transition and the ISO's role will be to assure reliability through competitive electricity markets, effective system operations and various transmission planning processes.

Below I address several of the topics outlined in your correspondence. I welcome the opportunity to discuss these priorities further.

ISO New England Governance

At the ISO, we perform three critical roles for our region: planning the transmission system, administering the region's wholesale markets, and operating the power system to ensure reliable and competitively priced wholesale electricity. In executing those roles, we take very seriously the responsibilities we have to New England stakeholders, including ratepayers. That is why as we work to tackle the challenges facing our region's grid – today and in the future – we remain steadfast in our commitment to having robust engagement with our region's stakeholders. It is through that very engagement that the ISO has made several enhancements to our governance in response to dialogue with the states and our stakeholders. Those enhancements include, but are not limited to, hosting an annual open board meeting, developing plain-language content to describe ISO studies and analysis, and the creation of a new position focused on environmental and community affairs.

In 2022, ISO began hosting an annual open board meeting at the request of the New England states, and this is now a regular practice. These open board meetings are conducted in a hybrid format to make them accessible to both in-person and virtual attendees. In addition, for the past two decades, the ISO has presented its regional system plan in an open meeting with a public comment period. These meetings have included representatives of the board. The ISO also holds regular stakeholder meetings open to anyone interested in discussing the planning of the transmission system (through the Planning Advisory Committee) and consumer issues (through the Consumer Liaison Group).

Our intention in creating a new position for a policy advisor for environmental and community affairs is to use this position to extend our outreach to educate the public about the ISO's role and mission to plan and operate the region's electric grid and administer the wholesale electricity markets, while engaging directly with the public at the community level. This new position helps fulfill one of the ISO's strategic goals, which

is to attract, develop, and retain talent. Honoring diversity and promoting inclusion are key aspects of this goal.[1]

Another important aspect of the ISO's governance is the annual creation of our strategic plan and budget, which are developed by the ISO's board of directors and senior management. Five years ago we realized that while our mission focused on our functional responsibilities, it did not provide forward looking guidance with respect to our role in the clean energy transition. We decided to add a vision statement to "harness the power of competition and advanced technologies to reliably plan and operate the grid as the region transitions to clean energy." The vision statement explicitly connects our mission to the reality that while the New England states are the primary drivers of the rapid transformation of the power system towards clean energy, we have an important role partnering with them to enable a reliable transition. The strategic plan further rests on five strategic goals that all support the clean energy transition: responsive market designs; progress and innovation; operational excellence; stakeholder engagement; and attract, develop and retain talent. These goals are in turn supported by strategic initiatives that manifest in a detailed work plan that forms the basis of our annual budget. The annual work plan and budget undergo an extensive stakeholder review process – allowing stakeholders multiple opportunities to review and provide feedback. At the conclusion of that process, the budget is then filed annually with the FERC, who are tasked with making a determination as to whether our collections to fund our budget are just and reasonable. This process helps ensure that our annual budget reflects our region's needs, while also taking into account valuable stakeholder perspectives and feedback.

The 2024 budget represents our organization's important commitment to supporting the region as it transitions to clean energy and ensuring that the grid continues to operate efficiently and reliably. The clean energy transition is creating increased grid complexity and competition for in-demand talent, especially in a labor market with extremely tight margins. The 2024 budget represents the continued investments needed to address these challenges and ISO management believes these increases are measured and in-line with the trends seen across the industry and at other ISOs.

Furthermore, we believe that our board possesses the right mix of expertise to oversee the organization's plans to fulfill our core responsibilities and address the challenges facing New England as we transition to a clean energy future. Your letter prescribes changes to the board selection process that do not recognize that the ISO's board of directors already possesses much of the experience and expertise you suggest. The ISO Board of Directors is comprised of a diverse cross section of individuals with expertise in wholesale electricity and financial markets, law, electric power operations (including transmission and distribution systems and the advancement of clean energy), and regulation. The current board is comprised of individuals whose experience includes past service as chair of a state public utility commission from New England, a former chair of FERC from New England, a former U.S. Department of Energy official, and a former consumer advocate. Our board and senior management team fully engage with the New England states on a regular basis to ensure that our strategic priorities and work plan are supportive of the direction the states have set for the clean energy transition in the region.

[1] Vision in Action: ISO New England's Strategic Plan, October 26, 2022; https://www.iso-ne.com/static-assets/documents/2022/10/2022-strategic-plan-vision-in-action.pdf

A fundamental principle of our governance since the beginning of the ISO has been an independent board of directors. We believe that is as important today as it was in 1997. In order for the "ISO" to be truly independent, we need an *independent* board of directors that has no financial or organizational ties to the industry or any of the various market participants and stakeholders in New England. In complying with FERC Order 719, we believe that it is very important that our board remains independent, both in fact and in appearance. We do not have designated seats on the board for industry, for generators, or transmission owners, or any other sector of the electricity system. We also do not have designated seats on the board for public officials, but our board has long prioritized having individuals with experience as state or federal regulators and with consumer issues. The board meets several times a year with the state regulators and at least annually with federal regulators. In summary, our board – and the nominating process that selects it – tries to ensure that the board has a full complement of skills to perform its oversight role of the complex role that the ISO performs.

I disagree with the characterization of the board selection process as "anti-democratic" since this implies that our board should be selected through some form of public election process. I want to assure you that our board appointments occur through a rigorous search process, with significant oversight from our stakeholders, including the states. The selection process is overseen by the Joint Nominating Committee (JNC), which reviews candidates to fill vacancies on the ISO board. The JNC contains representatives of all the NEPOOL sectors, including the End User sector (comprising substantially of consumer advocates), the Alternative Resources sector (comprising clean energy asset owners and advocates), and a representative of NECPUC (the New England Conference of Public Utilities Commissioners), to ensure that the states have a say in the selection of board members. The goal of the JNC is to reach consensus when reviewing candidates and they have successfully ensured that the ISO has had a highly qualified, independent board, throughout its existence.

Any changes to the board structure to add more representation from one group would certainly trigger requests for designated seats on the board for other sectors. Any such changes would need to go through the stakeholder process (which would be a protracted process) and ultimately would require approval by FERC. Simply put, you cannot add representation to the board for one group without opening up discussion about the overall structure of the board. At that point, I am concerned that we would likely not end up with an independent board of directors that works together to fulfill a common mission, but rather a group of industry, state and consumer representatives that advocate for specific economic interests, making it difficult to agree on the many complex issues that the ISO has to address.

Your letter asserts that ISO New England is the only grid operator in the country to hold closed board meetings. This statement is incorrect. Different regions adopt different approaches to governance and the ISO's practice is consistent with the practice of boards of directors of other private, not-for-profit organizations, including several other ISOs/RTOs in the US.

Your letter suggests that the ISO should provide accessible public materials, including plain language one-pagers, and summaries of board proceedings. This is our standard practice. We regularly provide plain language fact sheets of ISO New England studies and reports, as well as regional and state profiles. We prepare these fact sheets to communicate technical information in a simple and easy-to-read format for the benefit of non-technical audiences. In addition, we provide plain language summaries of events and ISO proposals on the *ISO Newswire*, as well as general information about the energy industry on the ISO website.

We also host free, public webinars to educate the public about these studies and about how we conduct transmission planning. We post webinar content and recordings after-the-fact for the convenience of members of the public who are unable to attend the live sessions. We conduct training sessions specifically for public officials who represent the public in their roles. We also post a monthly summary of board meetings and I, as the CEO, make myself available to public officials, including consumer advocates, at the monthly NEPOOL Participants Committee meetings to answer questions about our board discussions. Our board meets bi-annually with the states (via NECPUC and the New England States Committee on Electricity [NESCOE]) and NEPOOL to discuss current topics.

The ISO is deeply engaged with the Consumer Liaison Group (CLG) and representatives of the board meet annually with the group. In addition, most of the state-appointed consumer advocates in New England are voting members of NEPOOL in the End User sector. The region's consumer advocates interact with ISO board members directly through regular interactions with NEPOOL. As NEPOOL members, state consumer advocates can vote on the slate of board candidates. Many of the consumer advocates also represent the interests of consumers as founding and continuing members of the CLG Coordinating Committee. The ISO's vice president of External Affairs attends the quarterly CLG meetings and reports to the board on its activities and discussions.

ISO New England has actively supported the CLG and its coordinating committee for 15 years – since we formed the group in 2009 as part of the region's response to FERC Order 719, which related to the responsiveness of RTOs and ISOs to consumers, among other things.

In your letter, you recommend that the ISO consider a tariff-funded consumer advocate representative organization. The region supported the formation of NESCOE in 2007 to represent the interests of the states and the consumers that they represent. The ISO tariff (Schedule 5) provides for the recovery of the costs of NESCOE's operating budget.[2]

In our view, NESCOE does an excellent job of representing the states and consumers interests, however we are aware that some consumer advocates have advocated for another, parallel, consumer advocate organization funded through the ISO tariff. The region's consumer advocates could bring such a proposal to stakeholders and the states, and if there is sufficient support, make a case to FERC for a comparable funding mechanism.

Transmission Planning

Among the ISO's responsibilities as a FERC-authorized Regional Transmission Organization is ensuring the regional power system continues to operate reliably as system conditions change. As mentioned earlier, our bulk power system is in the midst of an enormous transformation, and we expect to see significant increases in demand and the addition of many new resources on the grid. While our region has time to prepare for the impact of these expected changes, transmission planning will be critical to maintaining

[2] *Brief description of NESCOE's origin as a Regional State Committee*: "The New England Governors, through their representatives, worked through a stakeholder process with the New England Power Pool (NEPOOL) and ISO-NE, and advanced an agreed-upon structure, function and funding to FERC. After considering related issues in a proceeding, FERC approved NESCOE's formation, governance and associated issues, as well as funding through the ISO-NE tariff in 2007. NESCOE commenced operations in 2009." Retrieved from NESCOE's website: https://nescoe.com/about-nescoe/

system reliability and enhancing our region's ability to support a robust, competitive wholesale power market by moving power from various internal and external sources to the region's load centers.

In response to a request from NESCOE, the ISO revised its Tariff in order to incorporate a new component of the transmission planning process designed to look beyond the current 10-year planning horizon. FERC approved these changes to the ISO tariff in early 2022. The first example of this type of longer-term transmission study is the 2050 Transmission Study.[3] The ISO published the final report of this study in February 2024 after numerous public meetings at the ISO's Planning Advisory Committee to discuss various steps in the analysis. In addition, to reach a broader public audience, the ISO held a public webinar in May 2024 to present the highlights of the 2050 Transmission Study. The results, driven by future resource mix and demand assumptions provided by the New England states, offer an overview of regional transmission system investment needs to ensure reliability throughout the clean energy transition, examining the years 2035, 2040, and 2050. The 2050 Transmission Study has identified, as you referenced, that significant amounts of New England's transmission lines could be overloaded by 2050 due unprecedented shifts in the way in which electricity is produced and consumed.

Given the need to meet the challenges presented by those unprecedented shifts, in late 2023, the ISO began discussions with the states and other stakeholders regarding a second phase of the longer-term transmission study Tariff changes that would establish a process to enable the states, through NESCOE, to move policy-related transmission projects forward, with an associated cost allocation. On April 4, following a robust stakeholder process, the NEPOOL Participants Committee approved recommended revisions to our Tariff to enable phase two of the 2050 Transmission Study. These changes will allow the ISO and NESCOE to choose which transmission system concerns to address, and to solicit project proposals and advance them toward construction. These changes, filed with FERC on May 9, 2024, are just one example of how the ISO is helping our region meet these new demands and move towards the grid of the future.

As the RTO and a Transmission Service Provider, the ISO is also responsible for providing open access to New England's administered transmission system, including interconnection service. The ISO administers the FERC-approved Interconnection Procedures.[4] Pursuant to these procedures, the ISO evaluates requests to interconnect elective transmission lines, power plants, and other resources to the New England-administered transmission system to ensure they can connect and operate safely and reliably, and facilitate their wholesale electricity market participation.

Your letter suggests that the ISO must improve its processing of the generator interconnection study queue. Like other ISO/RTOs, ISO New England is seeing similar trends in its Interconnection Queue in terms of new resources and changes in the regional resource mix. In response to the growing number of Interconnection Requests for proposed projects entering the Interconnection Queue, the ISO has taken steps to help ensure projects progress through the interconnection process in an efficient manner. For example, we have already implemented substantial enhancements to the generator interconnection study process in New England that have been approved by FERC (e.g., studying multiple generator proposals as part of cluster studies rather than on a first-come, first-studied basis), and we anticipate a further transformation of the

[3] ISO New England's 2050 Transmission Study, February 2024; https://www.iso-ne.com/static-assets/documents/100008/2024_02_14_pac_2050_transmission_study_final.pdf

[4] Interconnection Process guides, training materials and other pertinent information is available on the ISO-NE website at https://www.iso-ne.com/system-planning/interconnection-service.

interconnection process as we work toward implementing the changes FERC is requiring to comply with its Order 2023. The ISO believes that these reforms – particularly the switch to a first-ready, first-served cluster study process with increased requirements for entering and remaining in the queue – will be particularly helpful in addressing the growth of new resources seeking to interconnect and the differing characteristics of those resources.

Moreover, ISO New England has completed interconnection studies for more than 10,000 MW of new renewable energy and storage systems that have yet to be connected to the grid. In fact, more offshore wind projects have ISO New England approval to interconnect than developers are able to put into service. While there is a lot of attention on backlogs in generator interconnection study queues, many other factors affect the ability of offshore wind and other renewable energy projects to move forward, all of which are outside of the ISO's control, including, for example, widespread opposition to siting energy infrastructure, supply chain issues, and the impact of inflation on project financing.

The ISO has also played an advisory role in the effort of the New England states to secure funding through the U.S. Department of Energy (DOE) Grid Resilience and Innovative Partnerships (GRIP) Program. In September 2023, the states jointly issued an Invitational Call for Innovative Project Design Concepts to Enhance Grid Resilience and Reliability. The states submitted initial concept proposals to DOE in January 2024 and then submitted their final applications in April 2024. The ISO has been engaged with the states on their applications since the concept paper review stage and will continue to serve as a lead technical advisor.

In addition to these efforts, the ISO will be working with the New England states and stakeholders to review and respond to FERC Order No. 1920 – FERC's new rule on transmission planning that was issued on May 13, 2024. This order creates a new Grid Expansion Rule, which will establish new requirements related to long-term transmission planning and cost-allocation for regional transmission facilities to help ensure future transmission needs are met.

Building transmission and connecting resources to the grid is not simply a matter of adopting a more holistic approach to transmission planning, but, in fact, entails resolution of complicated and controversial decisions about what energy infrastructure should be built, where it should be built, and who should pay for it. The reality is that many aspects of a more holistic approach to transmission planning fall outside the scope and decision-making authority of the ISO.

Your letter expresses frustration that the New England Clean Energy Connect (NECEC) transmission project is the only interregional transmission line currently under construction. This is correct, but the ISO has studied and approved several such interregional projects. In addition to the NECEC project, the ISO previously approved the Northern Pass and New England Clean Power Link proposals, which would have delivered power from Quebec into New England through New Hampshire and Vermont respectively. In addition, the ISO has provided recent technical support to the New England states as they have evaluated expanding transmission ties with New York and building transmission to access vast renewable energy potential in Northern Maine.

Expansion of the transmission system can bring many benefits, and we will work with the states to ensure that the region makes investments that make economic sense for the region. Wider-area transmission planning and coordination will be evaluated to ascertain whether they are economically justified, utilizing

the new planning process that we have defined in collaboration with the states. We would caution however, that expanding interregional transmission without ensuring that neighboring regions can deliver supplemental energy is no panacea. When large storms or extreme cold weather hit the entire Northeast region the availability of incremental transmission is only as valuable as the ability of neighboring regions to share excess energy. It will become even more challenging to operate the grid when New England, New York and Quebec are under stress from an extended cold weather period and the regions are (or become) coincident winter-peaking systems. This is one of the main reasons that it makes sense for New England to develop its vast offshore wind potential, providing access to an abundant, nearby source of energy, since it gives the region a measure of self-reliance.

Industry groups regularly issue "report cards" as part of their advocacy for changes in the energy industry, and sometimes this can promote constructive dialogue. This type of advocacy, however, does not always recognize the unique characteristics of each region or accurately portray the full cost of achieving the intended changes; we have also observed that in some instances the reports lag the events happening on the ground.

Your letter, and some stakeholders, advocate for a "connect and manage" approach to interconnecting resources. This approach might expedite resources coming online, but it often results in unintended risks to both the developer and the power system, resulting in costly transmission and resource upgrades and/or curtailments after the development is completed. It is better to do a thorough job on transmission interconnection studies up front, so that the developer is aware of these risks.

Markets

ISO New England has developed an ambitious plan to evolve the wholesale electricity markets over the next three to five years to enable new technologies and address the needs of the system with a changing resource mix.

The evolution of the wholesale markets to reflect the changing resource mix is not a new phenomenon. Over the last decade, the wholesale electricity markets have evolved to enable new technologies and looking forward, the markets will need to continue to evolve to address the needs of a power system with a very different resource mix. Your letter asserts that the ISO has skewed the markets and directed subsidies for fossil plants to cover the cost of storing extra fuel for winter, arguing that this unfairly tilts the playing field in favor of gas. I disagree with that characterization and you may be unaware of the history behind the Inventoried Energy Program (IEP). The ISO's objective is always to seek a market solution first. The wholesale markets are designed to provide electricity at competitive prices, while ensuring that the system is reliable. The markets are also fuel and technology-neutral. Resources that can be developed and operated at a lower cost will clear our markets before more expensive resources. In limited situations, the ISO has turned to programs outside of the market to mitigate reliability concerns. When the ISO has implemented programs to address reliability concerns during cold weather conditions (e.g., such as the IEP), we have been focused on reinforcing the region's access to stored energy. Our original proposal, approved by FERC in 2020, was to provide a financial incentive to all resources that could demonstrate incremental stored energy. As originally designed, the program was technology neutral. Unfortunately, in 2022 the D.C. Circuit Court of Appeals overturned the FERC order and narrowed it to apply only to energy producing resources that could demonstrably change their behavior in response to the incentive. In practical terms, that resulted in the incentive only applying to pumped hydro, oil and gas units. In recent years, oil and natural gas have been

the most feasible options for storing significant quantities of energy on a seasonal basis. No other available resources have been able to match the energy content of those resources. These programs strengthen the reliability of the electric grid during periods when the region is vulnerable to energy shortfalls, until such time as other technologies emerge to provide a comparable service. The need for long-duration energy storage will increase as the region transitions to an energy mix with large amounts of variable, weather-dependent resources, such as wind and solar, and load growth surges as a result of state electrification policies. The challenge for the region will be to develop energy storage capability that is consistent with the states' decarbonization efforts.

There are also issues facing New England's wholesale electricity market that could benefit from solutions outside the jurisdiction of the ISO. For example, the single biggest variable affecting resource adequacy is the efficacy of the FERC-regulated wholesale markets. The market structure is increasingly under pressure to deliver outcomes that support both the states' decarbonization objectives and the region's reliability objectives. ISO studies have shown that as more renewables are added to the power system, it will put downward pressure on energy market revenues, creating more reliance on increased capacity market revenues, or in the worst case, widespread reliance on contracts to retain selected resources needed for reliability. I believe the most efficient, market-based solution to this problem is effective carbon pricing, which would drive innovation in the market by compensating new and existing clean energy resources for their carbon free energy, while also providing powerful incentives to existing carbon emitting resources to reduce their carbon emissions. This concept, which would require support and action from both the state and federal regulatory communities, would be an efficient mechanism to drive the clean energy transition.

The conclusion of your letter – framed in the form of questions – challenges the ISO to commit to adopt specific positions that you appear to support. That is not possible in all instances, but there is alignment, directionally, in some areas.

Question 1:
We are committed to fulfilling our role as the independent system operator to effectively plan the transmission system and design and administer open and competitive wholesale electricity markets to secure a reliable electricity system for the region today and in the future. We operate in a manner that provides extensive transparency and openness about how we plan and operate this system, and we have taken steps to increase transparency, where appropriate, such as broadening access to, and increasing opportunities for public and community engagement with, the ISO's board of directors. We are intentional about having diverse skill sets and experiences represented on our board of directors. It is important to balance demands for changes to governance with our responsibility to operate effectively as the *independent* system operator. We believe we have struck the right balance.

Question 2:
We are currently implementing enhanced tools for the ISO to conduct longer-term transmission planning and developing meaningful opportunities for state policymakers to guide development of transmission projects. These changes represent the culmination of several years of regional dialogue and I believe they represent a significant step forward for the ISO, the states, and the region in the area of transmission planning. Looking more broadly at the benefits of transmission requires consideration of who pays for transmission; while that is a timely discussion, is not a determination that the ISO is empowered to make unilaterally. The ISO does consider different types of transmission solutions and technologies when there is

a need for transmission. We have already implemented substantial enhancements to the generator interconnection study process in New England that have been approved by FERC (e.g., studying multiple generator proposals as part of cluster studies rather than on a first-come, first-studied basis), and we anticipate a further transformation of the interconnection process as we work toward implementing the changes the Commission is requiring to comply with its Order 2023.

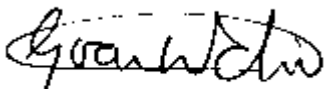
Question 3:
The ISO has put in place short-term measures to address winter reliability issues, such as the Inventoried Energy Program that is in effect for one more winter. Over the past few years, we have conducted analysis in partnership with the Electric Power Research Institute (EPRI) to evaluate New England's energy adequacy risks during extreme weather. This effort has resulted in the creation of a new tool to model energy adequacy risk, known as the Probabilistic Energy Adequacy Tool (PEAT). As a next step, we are working to develop a framework for a Regional Energy Shortfall Threshold (i.e., REST) that would include input from the states and stakeholders to determine what level, or threshold, of energy adequacy risk the region would be willing to accept and what level of risk should be mitigated. We can keep your offices apprised of these developments.

Question 4:
The ISO has designed the wholesale markets in a technology-neutral manner that provides opportunities for any resource that can deliver the needed services. ISO New England has enabled thousands of megawatts of renewable resources, batteries, and distributed energy resources (including energy efficiency and demand response) to participate in the wholesale markets.

This is an incredibly transformative and critical time for our region's bulk power system. The ISO remains committed to working with our state and federal policymakers to help address the challenges of today, tomorrow, and beyond. We appreciate the opportunity to respond to these topics and look forward to continuing the dialogue. As we have stated before, we would welcome the opportunity to host you at the ISO New England headquarters to discuss these or other topics related to our region's bulk power system.

The clean energy transition is a complex undertaking that involves multiple policy priorities spanning state and federal jurisdictions. ISO New England is committed to working with the New England states and our stakeholders to ensure the grid is reliable throughout the clean energy transition.

Sincerely,



Gordon van Welie
President & Chief Executive Officer

United States Senate

April 30, 2024

Gordon van Welie
President and CEO
ISO New England
One Sullivan Road
Holyoke, MA 01040

Dear Mr. van Welie:

As New England undergoes significant electric grid transformation, we write to urge ISO-New England (ISO-NE) to continue to improve its governance policies, proactively plan for new transmission, and ensure fair access to markets for clean energy technologies. Too many of ISO-NE's policies—as well as those of the New England Power Pool (NEPOOL), its stakeholder advisory group—limit community involvement, stymie comprehensive transmission investment, and prioritize incumbent fossil interests over affordable and reliable clean technologies. Even though ISO-NE is funded by ratepayers, it lacks key accountability measures and has historically failed to meet the needs of states with clean energy and climate targets. While we are encouraged by ongoing progress on transparency, longer term transmission planning, and resource accreditation, ISO-NE must listen to its customers, state leaders, and advocates to ensure a clean energy grid that works for all.

Transparent and Accountable Governance

ISO-NE charges ratepayers across New England more than $200 million annually to fund its operations including more than $2 million for your salary, and proposed a 21.5 percent budget increase for 2024.[1] With such enormous operating revenue funded from the pockets of customers, ISO-NE has an outsized obligation to ensure transparency and accountability, diverse leadership, open meetings, and stakeholder engagement. ISO-NE's 10-member board of directors (or Board) is currently stacked with energy industry representatives. We urge you to diversify the ISO-NE Board to include those with experience and expertise on environmental justice, consumer protection, clean energy, and New England state policies. To do so, ISO-NE should change its slate voting system, where stakeholders must vote for or against an entire slate of nominees, providing stakeholders with only a façade of choice for the Board. We urge you to

[1] Jon Lamson, *ISO-NE Proposes 21.5% Budget Increase for 2024*, RTO Insider (Aug. 13, 2023), https://www.rtoinsider.com/52613-iso-ne-proposes-budget-increase-2024/; Tyson Slocum, *ISO-NE: The Most Powerful and Unaccountable Utility in New England*, Public Citizen (Sept. 8, 2023), https://www.citizen.org/wp-content/uploads/ISONEA.pdf; Jon Lamson, *NEPOOL Participants Committee Briefs: Oct. 5, 2023*, RTO Insider (Oct. 9, 2023), https://www.rtoinsider.com/57809-nepool-pc-100523/.

change this anti-democratic system so that stakeholders may vote for or against board members individually.

The Board must also operate in a more open and transparent manner, and continue to improve upon its governance reforms.[2] It is encouraging that ISO-NE held its second public board meeting this year, after being the only grid operator in the country to hold all its board meetings behind closed doors. But ISO-NE must go further and open all its board meetings to the public.[3] This includes facilitating public participation by widely distributing meeting information in advance of board meeting dates and ensuring community members have the opportunity to raise concerns and questions leading up to and during public board proceedings, through in person and remote engagement. This is especially important considering NEPOOL's meetings are closed to the public, which already limits the ability of the public to participate as stakeholders. ISO-NE should also endeavor to provide accessible public materials related to meetings and policy or administrative changes. For example, plain language one-pagers that summarize key agenda items and decisions, published before and after board proceedings, would help ensure that ISO-NE decisions and policies are not only understood by those with technical or professional expertise, but also by the public at large.

To enable true community participation, ISO-NE must improve its current stakeholder engagement process. ISO-NE's plans to establish a position dedicated to community engagement and environmental justice is an important first step, but cannot stop there. ISO-NE must develop a strong environmental justice team with the expertise, decision-making power, and staffing capacity to uplift lived experiences, account for social costs and benefits, and align with larger environmental justice priorities, such as the Biden administration's Justice40 Initiative.

The Board should also engage more deeply with the ISO-NE Consumer Liaison Group (CLG) to ensure that public interest is a core tenet of all future decisions and policies. Now that more community voices have been elected to the CLG governing committee, the Board and ISO-NE leadership should continue to participate in CLG meetings in order to fully assess and understand the impacts of its decisions on the communities it serves and who pay for its operation.[4]

Finally, ISO-NE should better equip consumers to more effectively advocate in grid proceedings. Currently, the state-authorized consumer advocates that represent the 15 million consumers who ultimately pay the entire region's electricity costs hold less than 2 percent of the

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[2] Letter to NESCOE Board of Directors. From ISO-NE Board of Directors. *ISO New England Governance Enhancements – Update to May 20, 2022 Memo*, (July 6, 2022), https://www.iso-ne.com/static-assets/documents/2022/05/board_memo_to_nescoe_governance_enhancements_052022.pdf

[3] Sabrina Shankman, *New England's Electric Grid Operator Opened its Doors to Public Participation — and Got a Dressing Down,* Boston Globe (Nov. 1, 2022), https://www.bostonglobe.com/2022/11/01/science/new-englands-electric-grid-operator-opened-its-doors-public-participation-got-dressing-down/.

[4] Sabrina Shankman, *Power to the People: How Activists are Working to Change New England's Grid Operator From the Inside*, Boston Globe (Jan. 26, 2023), https://www.bostonglobe.com/2023/01/25/science/how-climate-activists-took-over-little-known-group-iso-new-england/.

voting power in NEPOOL.[5] While the NEPOOL voting structure must change—which gives outsized voting influence to power generator and utility operator members to the detriment of public interest advocates—ISO-NE can still make progress.[6] ISO-NE should consider a tariff-funded consumer advocate representative organization, which would provide a steady, regionalized source of funding to support state consumer advocates in their engagement at NEPOOL.[7] This will help address the imbalance of power, in pursuit of a voting body that is truly democratic.

Holistic Transmission Planning

Increased transmission capacity is critical for affordability, reliability, and decarbonization. New England state climate plans, such as the Massachusetts Clean Energy and Climate Plan, identify transmission as key to bringing on new renewable capacity and meeting clean energy goals.[8] By ISO-NE's own estimates, approximately 4,000 miles—or 50 percent—of New England's transmission lines could be overloaded by 2050, due to increased electrification demand.[9] As of March 2024, 71 transmission project components were planned, proposed, or under construction across ISO-NE, and in a recent report, the region earned a grade of D+ in Overall Transmission Planning and an F for Transmission Capacity Available for New Resources.[10] In a separate report on interconnection of energy projects, the region also ranked second-lowest with a D+.[11]

Given the importance of increased transmission capacity, new transmission planning and deployment processes are urgently needed. We are encouraged by ISO-NE's progress on its 2050 Transmission Study—the first longer-term transmission planning study in the region—and the ongoing effort between ISO-NE and the New England States Committee on Electricity

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[5] NEPOOL Participants, https://nepool.com/participants/ (last visited Feb. 2, 2024).
[6] *New England Power Pool Second Restated NEPOOL Agreement*, NEPOOL (April 7, 2017), https://www.iso-ne.com/static-assets/documents/2015/01/op_2d_rna.pdf ("NEPOOL Agreement")
[7] Letter from Consumer Advocates of New England. To Heather Hunt, New England States Committee on Electricity. *New England Energy Vision, Governance Ideas* (Mar. 26, 2021).
[8] *Massachusetts Clean Energy and Climate Plan for 2025 and 2030*, State of Massachusetts, (June 30, 2022), https://www.mass.gov/doc/clean-energy-and-climate-plan-for-2025-and-2030/download; *A Transmission Blueprint for New England: Delivering on Renewable Energy*, RENEW Northeast (May 23, 2022), https://renewne.org/transmission-blueprint-for-new-england/; Joint State Innovation Partnership for Offshore Wind (Jan. 2023), https://newenglandenergyvision.files.wordpress.com/2023/01/joint-state-innovation-partnership-for-offshore-wind-concept-paper.pdf.
[9] Future Grid Reliability Study Summary, ISO-NE (Sept. 2022), https://www.iso-ne.com/static-assets/documents/2022/09/future_grid_reliability_study_summary_03.pdf.
[10] RSP Project List and Asset Condition List March 2024 Update, Planning Advisory Meeting, ISO New England (Mar. 20, 2024); Zach Zimmerman et al., *Transmission Planning and Development Regional Report Card*, Americans for a Clean Energy Grid (June 2023), https://www.cleanenergygrid.org/wp-content/uploads/2023/06/ACEG_Transmission_Planning_and_Development_Report_Card.pdf;
[11] *Advanced Energy United Generator Interconnection Scorecard*, Advanced Energy United (Mar. 6, 2024). https://blog.advancedenergyunited.org/reports/generator-interconnection-customer-survey-and-performance-scorecard

(NESCOE) to better plan for transmission over a longer time horizon.[12] The second phase of the 2050 Transmission Study, already approved by NEPOOL, will capitalize on the momentum of states and establish the procurement process and cost allocation framework to get New England to its 2050 transmission goals. This codified structure will enable all states to have a seat at the table, minimize project-by-project negotiations, and enable more rapid and equitable transmission development.[13]

Still, there is room for more proactive, holistic, and community-centered transmission planning. The Federal Energy Regulatory Commission (FERC) is currently finalizing its "Regional Transmission Planning and Cost Allocation and Generator Interconnection" proposed rule.[14] ISO-NE should use that filing to improve its transmission planning by accounting for extreme weather scenarios, incorporating advanced transmission technologies and grid-enhancing technologies such as dynamic line ratings and high-performance conductors, and considering the full scope of transmission benefits including health, environmental justice, and emissions impacts. Additionally, ISO-NE should collaborate to address gaps in the oversight of asset condition projects that refurbish or rebuild transmission in existing rights of way, and advocate to incorporate these projects into planning processes.[15]

ISO-NE must also expand interregional transmission planning to improve system resilience and reduce decarbonization costs through access to diverse generation across varying climate zones.[16] ISO-NE is already interconnected with the New York Independent System Operator (NYISO), TransEnergie (Québec), and the New Brunswick System Operator, through which it imports around 17 percent of its annual energy needs.[17] Bidirectional interregional transfer capacity should be further explored for reliability and integration of clean energy resources, yet New England Clean Energy Connect is the only interregional transmission line to Quebec currently under construction, and will only deliver energy north to south.[18] In partnership with

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[12] *Transmission Planning for the Clean Energy Transition – Pilot Study Final Report*, ISO-NE (Jan. 2022), https://www.iso-ne.com/static-assets/documents/2022/01/final_transmission_planning_for_clean_enery_transitiont_pilot_study_report.pdf.

[13] Jon Lamson, *NEPOOL PC Supports Additional Delay of FCA 19*, RTO Insider (April 7, 2024) https://www.rtoinsider.com/75605-nepool-pc-additional-delay-fca-19/; *Extended-Term Transmission Planning Tariff Changes Key Project*, ISO-NE (last visited April 1, 2024), https://www.iso-ne.com/committees/key-projects/extended-term-transmission-planning-key-project; Jennifer Danis et al., *Transmission Planning for the Energy Transition,* Institute for Policy Integrity (Dec. 1, 2023), https://policyintegrity.org/publications/detail/transmission-planning-for-the-energy-transition

[14] Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection, 87 Fed. Reg. 26504, 26504 (May 4, 2022) (to be codified at 18 C.F.R. 35), https://www.federalregister.gov/documents/2022/05/04/2022-08973/building-for-the-future-through-electricregional-transmission-planning-and-cost-allocation-and.

[15] *States Press New England TOs on Asset Condition Projects,* RTO Insider (May 19, 2023) https://www.rtoinsider.com/32235-states-press-new-england-tos-asset-condition-projects/

[16] *National Transmission Needs Study*, U.S. Department of Energy (Oct. 2023), https://www.energy.gov/sites/default/files/2023-12/National%20Transmission%20Needs%20Study%20-%20Final_2023.12.1.pdf.

[17] ISO-NE, FERC, https://www.ferc.gov/industries-data/electric/electric-power-markets/iso-ne.

[18] *National Grid says Biden-backed transmission line 'not viable,'* Commonwealth Beacon (last updated Oct. 19, 2023), https://commonwealthbeacon.org/energy/national-grid-says-biden-backed-transmission-line-not-viable/.

state governments, ISO-NE should embrace a much more ambitious paradigm for interregional grid coordination and planning with neighboring balancing authorities on both sides of the border, building on the work of the Interregional Planning Stakeholder Advisory Committee.[19] Doing so would enable the greater region to collectively plan and build for the future, achieve shared climate and clean energy goals, and fully harness the complementary energy resources spread across its footprint.[20]

Finally, ISO-NE must improve its processing of the interconnection queue to ensure the timely integration of new clean energy generation and storage onto the grid. As of March 2024, 404 projects were waiting in ISO-NE's Interconnection Request Queue, up from 289 in 2021, the majority of which are battery, wind, and solar.[21] For New England to achieve the lowest cost energy transition that maintains reliability, ISO-NE must maximize the opportunity for reforms through both forward-looking reforms and its imminent filing to the FERC "Improvement to Generator Interconnection Procedures and Agreements" rule, known as Order 2023. It is encouraging that ISO-NE has integrated stakeholder feedback into its modified compliance filing proposal, which will improve interconnection processing speed, increase customer flexibility, and reduce prohibitive network upgrade costs.[22]

Now, ISO-NE must go further by adopting a forward-looking approach to interconnection.[23] This means identifying collective interconnection needs and prioritizing interconnection where transmission capacity is present or approved.[24] ISO-NE can achieve this through exceeding FERC Order 2023's heatmap requirements to provide comprehensive and regular updates of maps of available transmission capacity required by FERC Order 2023 and through prioritization of transparency and data availability. ISO-NE should also investigate the feasibility and practicality of a "connect-and-manage" approach, where pre-approval analysis focuses on the immediate local network upgrades required for a generation request to interconnect to the electric grid, saving more extensive deliverability studies for after a source is integrated.[25] Ultimately, ISO-NE should work with states and neighboring regions to develop a proactive,

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[19] *Interregional Planning Stakeholder Advisory Committee*, ISO-NE, https://www.iso-ne.com/committees/planning/ipsac.

[20] *The Northeast Grid Planning Forum,* Acadia Center (Jan. 12 2024), https://acadiacenter.org/resource/the-northeast-grid-planning-forum-framing-paper/.

[21] *NEPOOL Participants Committee Report*, ISO-NE (Mar. 7, 2024) https://www.iso-ne.com/static-assets/documents/100009/mar-2024-coo-report.pdf.

[22] Jon Lamson, *Stakeholders Propose Amendments to ISO-NE Order 2023 Compliance,* RTO Insider (Jan. 7, 2024), https://www.rtoinsider.com/67718-stakeholders-propose-amendments-to-iso-ne-order-2023-compliance/

[23] Improvements to Generator Interconnection Procedures and Agreements, 88 Fed. Reg. 61014 (July 28, 2023) (to be codified at 18 C.F.R. pt. 35), https://www.federalregister.gov/documents/2023/09/06/2023-16628/improvements-to-generator-interconnection-procedures-and-agreements.

[24] Commissioner Clements Concurrence on Order No. 2023: Improvements to Generator Interconnection Procedures and Agreements, Docket No. RM22-14, FERC (July 28, 2023), https://www.ferc.gov/news-events/news/e-1-commissioner-clements-concurrence-order-no-2023-improvements-generator.

[25] Ethan Howland, *Can ERCOT Show the Way to Faster and Cheaper Grid Interconnecton?*, Utility Dive (Nov. 27, 2023), https://www.utilitydive.com/news/connect-and-manage-grid-interconnection-ferc-ercot-transmission-planning/698949/.

transparent, stakeholder-informed approach to transmission planning to predict future infrastructure and interconnection needs and eliminate the interconnection logjam.

Fair Access to Markets

For years, ISO-NE has routinely made the case that fossil fuels, particularly natural gas, are vital for a reliable grid, especially in extreme weather events. Through skewed market rules and direct subsidies to fossil plants to cover the cost of storing extra fuel for winter, ISO-NE has used this logic to unfairly tilt the playing field in favor of gas. The result is an electricity system increasingly dependent on just-in-time delivery of gas, putting us at risk of failing to meet our climate goals and failing to keep the lights on. Ironically, by subsidizing the very fuel source that contributes to the climate crisis, ISO-NE practices are contributing to the intensifying winter storms that challenge grid reliability. We encourage ISO-NE to strengthen and finalize its new market rules under development, phase out its artificial market support for fossil plants, continue to lead the way in extreme weather resource modeling, and ensure its rules do not prevent energy storage, demand response, and distributed energy resources from participating in the markets.[26]

Gas is a bad investment decision in a world that already needs to address the climate crisis. The North American Electric Reliability Corporation (NERC) found that "growing reliance on natural gas as an electricity generation fuel source increases the potential for common-mode failures that have widespread reliability impacts."[27] In five recent extreme winter weather events, gas plants failed disproportionately in comparison to the percentage of total installed gas capacity. Cold weather can lead to malfunctions in plant operations and equipment as well as constraints in fuel supply, exacerbated by the mutual dependence of power and gas systems. And heat, as well as drought, can also force power plant reductions and forced outages.[28] By contrast, multiple studies have demonstrated the sustained benefits to resilience and reliability that come with a clean and diverse energy mix that includes renewable generation, energy storage, demand-side solutions, and transmission. Modeling by the National Renewable Energy Laboratory, UC Berkeley, and Energy Innovation all demonstrate that a grid run almost entirely on clean electricity and demand management can maintain resource adequacy during extreme weather events.[29]

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[26] Order Accepting Tariff Revisions, 184 FERC ¶ 61,082 (Aug. 4, 2023), https://www.iso-ne.com/static-assets/documents/2023/08/er23-1588-000.pdf.

[27] 2022 State of Reliability Report, North American Electric Reliability Corporation (July 2022), https://www.nerc.com/pa/RAPA/PA/Performance%20Analysis%20DL/NERC_SOR_2022.pdf.

[28] Paul Arbaje & Mark Specht, *Gas Malfunction: Calling into Question the Reliability of Gas Power Plants,* Union of Concerned Scientists (Jan. 9, 2024), https://www.wsj.com/articles/new-england-risks-winter-blackouts-as-gas-supplies-tighten-11665999002; *PJM, 3 other RTOs propose steps to improve gas-electric sector coordination, boost reliability,* Utility Dive (Feb 22, 2024), https://www.utilitydive.com/news/SPP-PJM-New-England-MISO-propose-gas-electric-coordination-improvements/708184/

[29] Rachel Chang, *Renewable Energy Is the Key to Building a More Resilient and Reliable Electricity Grid*, Center for American Progress (Nov. 7, 2023), https://www.americanprogress.org/article/renewable-energy-is-the-key-to-building-a-more-resilient-and-reliable-electricity-grid/; Melissa Birchard & Casey Roberts, *New England's Winter Electricity Challenges Call for a Clean Energy Solution*, Sierra Club et al., https://www.sierraclub.org/sites/default/files/2563%20NE%20Winter%20Reliability%20WP%2003_web.pdf.

Accurate modeling will help ensure ISO-NE's practices reflect more realistic assumptions of resource performance in summer and winter conditions.[30] We are supportive of ISO-NE's probabilistic energy-security study conducted by the Electric Power Research Institute (EPRI), which is innovative in how it accounts for intermittent renewable energy sources. Preliminary results found renewable energy and efficiency improvements are a key to grid stability, and have increased reliability such that the Everett liquefied natural gas (LNG) import facility may no longer be needed.[31] These results would be even stronger if EPRI includes modeling of long duration storage and flexible demand.

Within the ISO-NE Forward Capacity Market, auction rules have long privileged gas-fired generation. The capacity accreditation rules unrealistically assume gas-only resources are available at their summer qualified capacity value year-round, which has not historically been the case during the winter as the gas supply gets diverted to home heating. They also excuse operators from failing to have gas available for real-time dispatch—flexibility not afforded to renewable resources. Additionally, ISO-NE's phased out Minimum Offer Price Rule (MOPR) forced renewables to bid at artificially high prices so more expensive gas units could clear the auction and remain in the market. Encouragingly—if later than necessary—ISO-NE has taken steps to address these unfair and unrealistic practices, including phasing out the MOPR and reevaluating methodology for accrediting resources.

New resource accreditation is an opportunity to meaningfully incorporate stakeholder feedback, address gas plants' over-accreditation, and ensure solar photovoltaic, storage, and demand response are not under-accredited or subject to other market barriers. The Resource Capacity Accreditation (RCA) project is currently developing methodology that will better capture gas capacity constraints by taking into consideration resources' operating characteristics including maximum capability, intermittency, fuel limitations, and forced outages.[32] However, concerns persist around the transparency, comprehensibility, and calculation of accreditation values. ISO-NE should expand the scope of RCA to better reflect gas plant performance, and ensure accreditation values adequately incentivize the resources states policies demand to participate in the capacity markets.[33]

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[30] *Calling into Question the Reliability of Gas Power Plants*, Union of Concerned Scientists (Jan. 2024), https://www.ucsusa.org/sites/default/files/2024-01/Gas%20Malfunction_brief_1.8.pdf.

[31] Bruce Mohl, *Grid operator dials back electricity concerns*, CommonWealth Beacon (June 20, 2023), https://commonwealthbeacon.org/energy/grid-operator-dials-back-electricity-concerns/; Vamsi Chadalavada & Stephen George, *Extreme Weather Risks to ISO-NE, Presentation of the EPRI Study* (June 20, 2023), https://www.iso-ne.com/static-assets/documents/2023/06/ad22-9_winter_gas_electric_forum_extreme_weather.pdf.

[32] Resource Capacity Accreditation in the Forward Capacity Market Key Project, ISO-NE https://www.iso-ne.com/committees/key-projects/resource-capacity-accreditation-in-the-fcm; Dane Schiro, Resource Capacity Accreditation in the Forward Capacity Market, NEPOOL Markets Committee (March 12-13), https://www.iso-ne.com/static-assets/documents/100009/a03b_mc_2024_03_12_13_impact_analysis_sensitivity_results.pdf.

[33] *The Impact of Resource Inflexibility on Capacity Accreditation in New England,* Synapse Energy Economics, (March 2024), https://www.sierraclub.org/sites/www.sierraclub.org/files/2023-03/Capacity%20Accreditation%20for%20Inflexible%20Resources%202023_03_07%20%281%29.pdf

While the RCA is on track to finalize by the fall, ISO-NE has more recently proposed moving from its current capacity market structure to a "prompt/seasonal" model and integrating a market constraint approach.[34] The market constraint approach would account for issues of fuel availability, and the prompt/seasonal model would ensure the capacity auction takes place closer to the delivery period instead of three years away and addresses the distinct reliability challenges of winter and summer.[35] If ISO-NE's request for a delay to pursue this proposal is approved by FERC, it will have an additional two years to make changes.[36]

Finally, in line with improved market rules, ISO-NE must not employ any other expensive mechanisms to manage winter energy adequacy concerns that subsidize fossil fuels out of consumers' pockets. The Inventoried Energy Program, first adopted in 2019 and re-approved last August, authorized up to $812 million to pay mostly fossil plants to store fuel for two winters out of consumers' pockets.[37] The Mystic Cost of Service Agreement, which started June 2022, also takes ratepayer money to keep the Mystic generating plant online and has cost consumers more than $660 million as of January 2024.[38] If any such programs are proposed in the future, they need to be based on clear, cohesive, and transparent evidence that they are truly necessary.

Our Northeast Grid Future

The Northeast energy grid is about more than technical markets—it is about the people it serves. ISO-NE must address issues of governance with increased accountability and transparency, strategically build out transmission capacity, and reshape the ISO-NE market structures that have a history of unfairly subsidizing existing fossil fuel generation. Ultimately, continued reliance on fossil fuels creates both long-term climate and economic risks and short-term public health risks for frontline communities. We must look towards a clean, affordable, and reliable energy future—built with good-paying union jobs that delivers a livable future for all. We appreciate your attention to this matter.

To help us better understand how ISO-NE is addressing our concerns, please respond to the following questions in writing by May 10, 2024:

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[34] Jon Lamson, *NEPOOL PC Supports Additional Delay of FCA 19*, RTO Insider (April 7, 2024) https://www.rtoinsider.com/75605-nepool-pc-additional-delay-fca-19/

[35] *See* Capacity Market Reforms to Accommodate the Energy Transition While Maintaining Resource Adequacy, Docket No. ER24-___-000, FERC (Oct. 13, 2023), https://www.pjm.com/-/media/documents/ferc/filings/2023/20231013-er24-99-000.ashx.

[36] Revisions to ISO New England Transmission, Markets and Services Tariff to Further Delay the Nineteenth Forward Capacity Auction and Related Capacity Market Activities, Docket No. ER24-_____-000, ISO-NE and NEPOOL (April 5, 2024), https://www.iso-ne.com/static-assets/documents/100010/rev_to_further_delay_19th_fca.pdf; *ISO-NE recommends capacity market reforms*, ISO Newswire (Feb. 8 2024), https://isonewswire.com/2024/02/08/iso-ne-recommends-capacity-market-reforms/.

[37] *Order Accepting Tariff Revisions*, 184 FERC ¶ 61,082 (Aug. 4, 2023), https://www.iso-ne.com/static-assets/documents/2023/08/er23-1588-000.pdf.

[38] Mystic Cost of Service Preliminary Report, ISO-NE (Jan. 2024), https://www.iso-ne.com/static-assets/documents/100008/mystic_cos_prelim_01_2024.pdf.

1. Will ISO-NE commit to transparent and accessible governance through open and responsive board meetings, diverse Board representation, and more proactive community engagement? If so, how is ISO-NE moving forward on these elements of governance?

2. Will ISO-NE continue to improve upon its long-term transmission planning by including a more complete list of benefits, ensuring adequate evaluation and use of grid-enhancing technologies, and continuously improving the interconnection process? If so, how?

3. How is ISO-NE working with states and other stakeholders to address market rules and out-of-market mechanisms that create an unfair advantage for oil and gas? What structures and frameworks are in place to determine if market rules and out-of-market mechanisms are necessary and based on clear, cohesive, and transparent evidence?

4. How is ISO-NE ensuring market rules reduce barriers to participation by renewable resources, distributed energy, demand response, and energy storage?

CC:
Cheryl LaFleur
Chair, Board of Directors
ISO New England

Sarah Bresolin
Chair, Participants Committee
NEPOOL

Sincerely,

Edward J. Markey
United States Senator

Sheldon Whitehouse
United States Senator

Elizabeth Warren
United States Senator

Bernard Sanders
United States Senator