

Consumer Liaison Group Meeting Summary

June 4, 2024

Introduction

The **Consumer Liaison Group (CLG)** is a forum for sharing information between ISO New England (the ISO or ISO-NE) and electricity consumers in New England. The CLG meets quarterly and attracts a diverse group of attendees at each meeting. Meetings are free and open to the public. Participants generally include consumers and consumer representatives (including state consumer and ratepayer advocates), state business and industry associations, chambers of commerce, individual businesses, trade groups, nonprofit organizations, and other end users. Several New England Power Pool (NEPOOL) members and state regulators are also regular, active participants in CLG discussions.¹ CLG meetings generally follow the same format:

- **Opening remarks** from the CLG Coordinating Committee Chair;
- **A representative from the ISO**, who provides an update on regional energy issues and initiatives that have or will be taking place at NEPOOL and ISO stakeholder meetings that can have an impact on electricity prices;
- **A keynote speech** typically from an industry or business executive, policymaker, or regulator—who provides a unique perspective on a particular topic or issue;
- **A panel discussion**, often representing industry, the ISO, regulators, and consumer perspectives, facilitated by a moderator; and
- **A community roundtable** hosted by a CLG Coordinating Committee member.

The following is a brief summary of the meeting, which was hosted in a hybrid format – remotely (via WebEx) and in-person in Holyoke, Massachusetts – on **June 4, 2024**.

The Consumer Liaison Group Coordinating Committee (CLGCC) selects the topic and speakers. The meeting summary is intended to capture the general discussions that took place at the meeting; it does not necessarily reflect the views of the ISO or the CLGCC.

June 4: Grid Reliability During the Clean Energy Transition

Meeting Objective: To hear perspectives regarding efforts to ensure reliability throughout the clean energy transition.

Opening Remarks:

Liz Anderson, division chief of the energy and ratepayer advocacy division at the Office of the Massachusetts Attorney General, and CLGCC chair (Massachusetts), welcomed meeting attendees. Anderson introduced Naia Tenerowicz for the community welcome.

Naia Tenerowicz, environmental justice organizer at Springfield Climate Justice Coalition, gave the community welcome. Tenerowicz discussed the impacts of siting decisions for energy projects on the health and welfare of environmental justice communities, as well as proposals to alleviate those impacts.

Reliability Roundtable:

Regine Spector, Department of Political Science, University of Massachusetts—Amherst, and

¹ NEPOOL is a group formed in 1971 by the region's private and municipal utilities to foster cooperation and coordination among the utilities in the six-state region for ensuring a dependable supply of electricity. Today, NEPOOL members are ISO stakeholders and market participants. More information is available at www.nepool.com.

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CLGCC member, moderated a reliability roundtable discussion with **Joshua Macey**, assistant professor, University of Chicago Law School, and **Darrin Korte**, executive director, Cambridge Community Center.

Macey [presented](#) on reliability regulations and grid operator governance, highlighting challenges and opportunities related to reliability through the clean energy transition. Macey discussed existing reliability-related initiatives, the various roles of entities with reliability oversight, RTO/ISO governance, and concluded with opportunities for changes to the existing structures.

Korte [presented](#) on resiliency hubs, with a focus specifically on the work of the Cambridge Community Center. Korte provided a brief history of the center, highlighted the various community-based programs they offer, described the ways in which the center is pursuing initiatives to aid in its role as a resiliency hub (including on-site clean energy and energy storage development), and discussed the community needs the center may serve in the event of a multi-day electric grid outage.

A question and answer period followed and panelists answered questions related to the NEPOOL stakeholder processes, wholesale electricity market structures, ISO/RTO governance, pay-for-performance penalties, and the process for creating a community resilience hub, reliability-must-run-agreements, funding for resilience hubs.

ISO New England Update:

Henry Yoshimura, director of demand resource strategy at ISO-NE, [presented](#) the role of demand resources versus demand response. Yoshimura detailed how demand resources can be passive or active resources, while demand response is something that needs to be dispatched in an automated fashion, and both have opportunities in New England. Demand response resources are paid to provide capacity and can be dispatched (like generation resources) based on price. Separately, the ISO has the ability to issue a public appeal to conserve electricity under tight grid conditions.

Anne George, vice president of external affairs and communications, provided the [ISO's regional update](#). The decision to explore the topic of demand response was based on survey responses from attendees of past CLG events. Following a description of roles and responsibilities of ISO-NE, George provided a market administration update, a grid operation update, a system planning update, and an overview of demand response in the region.

- Market Administration Update:
 - Average real-time electricity prices decreased 10% in April 2024 compared with April 2023, and were 6% higher than March 2024. George also provided a snapshot of generation resources for April 2024.
 - George provided an overview of the 2023 Annual Markets Report (AMR), which was released in May 2024; the AMR assess the state of competition in the wholesale electricity markets and presents the most important findings, market outcomes, and market design changes of New England's wholesale electricity markets for 2023
 - Total wholesale electricity market cost was \$9.5 billion in 2023, a 43% decrease compared to 2022 costs. Energy market costs totaled \$4.8 billion, down 59% from 2022 driven by a 67% decrease in year-over-year natural gas prices.
- Grid Operation Update:
 - The ISO reported results from the Probabilistic Energy Adequacy Tool (PEAT) in 2023. The PEAT framework, which assess risk under extreme weather events, will be essential for evaluating the development of a regional energy shortfall threshold

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(REST). The ISO [introduced](#) a scope of work for the “REST” concept at the December NEPOOL Reliability Committee.

- **System Planning Update:**
 - The ISO issued the 2024 Capacity, Energy, Loads, and Transmission ([CELT](#)) Report on May 1. The report shows that overall electricity use is expected to increase 1.8% annually over a ten year period. Summer and winter peaks are expected to increase 1% and 3.1%, respectively.
 - The ISO filed Phase II of the Longer-Term Transmission Planning tariff changes with the FERC on May 9. Tariff changes would create a new process to give the states greater control in achieving environmental policies and goals.

A question and answer period followed. George and Yoshimura responded to questions regarding operations during the solar eclipse and any lessons learned; public appeals for energy conversation; virtual power plants as demand response resources; the role of demand response under the prompt/seasonal market framework; Canadian hydro-electric generation capacity; retail rate design; FERC filings related to the forward capacity auction results; pay-for-performance; managed charging incentives for electric vehicles; and ISO compliance with FERC’s order on distributed energy resource aggregations (Order 2222).

Closing Remarks

Liz Anderson offered closing remarks and thanked everyone who helped to organize the CLG meeting. The next CLG meeting will be held on September 12 in New London, CT. Attendees were encouraged to fill out the survey after the meeting.

A [recording](#) of the meeting can be found on the [CLG page](#) on the ISO website.