

ISO New England Board of Directors' Response to 2024 Open Board Meeting Comments

February 5, 2025

The ISO New England Board of Directors met in open session on November 6, 2024. Attendees joined both in person in Boston and virtually. The Board holds these open sessions annually to provide an opportunity for the public to observe its discussions firsthand. The meeting includes a listening session during which the public can address the Board directly. The Board began this practice in 2022 in response to a request from the New England States Committee on Electricity (NESCOE).

The Board appreciates the continued public interest and engagement in the work of the ISO. The Board received written comments related to the November 6 open meeting, primarily focused on emissions and climate change, and verbal comments in person at the meeting regarding the asset condition process, a tariff-funded independent transmission monitor, and ISO governance. The following provides responses to key themes from the comments. A full video recording and meeting materials are posted on the ISO website.¹

In addition to the annual open board meeting, several other open forums, including, the Consumer Liaison Group (CLG), the Planning Advisory Committee (PAC), and informational webinars, provide opportunities for dialogue and information sharing with the ISO and regional stakeholders. The ISO External Affairs team is also available to help answer questions and navigate the available resources on our website.²

Emissions Reductions

In many respects, the comments received are directionally consistent with the ISO's Vision Statement and ongoing efforts to provide support to the New England states in achieving their decarbonization and clean energy goals.³ The ISO is fully engaged with the New England states to ensure power system reliability, one of our core responsibilities, throughout the transition to renewable energy.

In other areas, the comments urge the ISO to take action that falls outside our responsibilities and the jurisdiction of our regulator, the Federal Energy Regulatory Commission (FERC). For example, the ISO is not empowered to set emissions reductions targets or standards. Federal and state policymakers have that authority. In our role as an independent entity, we regularly work with government agencies to provide technical assistance in the areas of power system operations, wholesale electricity market administration, and transmission planning.

At the request of the New England states, the ISO has conducted numerous studies to analyze various future scenarios that meet state climate and clean energy targets and provide insights to better understand the possible implications of those policies for the bulk power system. Some recent examples of these studies include the 2050 Transmission Study and the Economic Planning for the Clean Energy

¹ Meeting materials, including a video recording, are available on the November 6 event webpage (<https://www.iso-ne.com/event-details?eventId=156283>) and the ISO Board of Directors webpage (<https://www.iso-ne.com/about/corporate-governance/board>).

² Contact information for the ISO External Affairs team (<https://www.iso-ne.com/about/contact/government-industry-affairs>).

³ ISO mission and vision statement (<https://www.iso-ne.com/about/who-we-are/our-mission-vision-and-values>)

Transition (EPCET).^{4,5} In response to previous comments, the ISO has provided educational webinars and fact sheets on these studies to share the valuable insights from the analyses with non-technical audiences.

The ISO additionally tracks emissions from generating resources in the region and reports on that annually to stakeholders.⁶ This reporting shows that the region has made significant progress in transitioning away from coal and oil, but also that the region will need to achieve much deeper emissions reductions to meet the states' long-term policy goals.

Carbon Pricing

Some comments urged the ISO to incorporate a shadow price of carbon in the economic dispatch of the wholesale electricity markets. The ISO has long supported carbon pricing as an efficient means of integrating the states' clean energy goals into the wholesale markets. The ISO has conducted studies that demonstrate the cost effectiveness of net carbon pricing as compared to other actions aimed at promoting clean energy.⁷ However, there has not been sufficient support from state policymakers and regulators to implement carbon pricing in this manner and the ISO cannot make this change in our market structure unilaterally.

Resource Interconnection

Some comments expressed concern with the pace of interconnecting new renewable energy resources in New England. The ISO understands the urgency of state clean energy and climate policies and that renewable resources and transmission development are key components to meeting those targets. Developing sufficient renewable resources and clean energy technologies will be required for a successful clean energy transition.

ISO New England has studied and approved the interconnection applications for a substantial amount of renewable resources, particularly offshore wind. Currently, there are more projects with ISO approval to interconnect than developers have been able to put into service. Some factors delaying the development of renewables are outside of the ISO's control (e.g., supply chain, permitting and financing challenges). The ISO has enhanced the interconnection process on our own initiative, and we put forward a proposal that is pending at FERC to comply with the commission's generator interconnection reforms (Order 2023).⁸ The ISO compliance filing would allow implementation of additional reforms to ensure reliable, efficient, transparent, timely, and fair interconnection of resources that are most ready to be developed

⁴ 2050 Transmission Study and longer-term transmission study materials (<https://www.iso-ne.com/system-planning/transmission-planning/longer-term-transmission-studies>)

⁵ EPCET Final Report (<https://www.iso-ne.com/static-assets/documents/100016/2024-epcet-report.pdf>) and Fact Sheet (<https://www.iso-ne.com/static-assets/documents/100016/2024-epcet-report-fact-sheet.pdf>)

⁶ Stakeholder discussions take place at the open Environmental Advisory Group (<https://www.iso-ne.com/committees/planning/environmental-advisory>), and the latest report is the 2023 ISO New England Electric Generator Air Emissions Report ([2023-air-emission-report-20241016.pdf](https://www.iso-ne.com/static-assets/documents/20241016.pdf)).

⁷ *Evaluations of Pathways to a Future Grid* (<https://www.iso-ne.com/static-assets/documents/2022/04/schatzki-et-al-pathways-final.pdf>)

⁸ Order No. 2023 Key Project webpage (<https://www.iso-ne.com/committees/key-projects/order-no-2023-key-project>).

and operating. We are working intentionally to enable the interconnection of new resources to support the states' goals, while maintaining reliability of the system.

Asset Condition Process and an Independent Transmission Monitor

The ISO is supportive of the dialogue between the region's transmission owners and the New England states on reforms to the asset condition process, and discussions are ongoing at the PAC. The ISO has supported the concept of an independent transmission monitor (ITM) that would report to the New England states or FERC.

An additional comment shared at the open meeting was related to ISO governance. The ISO has made enhancements to its governance, including creating the format for the open meeting, and we believe the existing governance structure is appropriate for the organization.

Continued Engagement

In response to feedback from previous years, the ISO expanded opportunities for both in person and virtual attendees to provide comments during this year's meeting. Additionally, written comments can be provided prior to the meeting and are posted to the open meeting event webpage.⁹ Written comments to the Board can be provided at any time throughout the year through a dedicated link on the ISO Board of Directors' [webpage](#). The comments that are submitted are provided to the Board and the ISO posts submitted comments on its website.¹⁰

The Board acknowledges that some stakeholders chose not to attend the open meeting in person or virtually due to circumstances at the Boston venue. Any hindrance to stakeholders was unintentional and the ISO will take this into consideration in planning future meetings. As noted above, the ISO also posts a recording of the event for the benefit of any members of the public who were unable to attend the open meeting either in person or virtually.

The Board appreciates the time and attention given to engage in ISO processes. We appreciate the feedback and look forward to continued discussion moving forward.

⁹ All meeting materials, including slides, video recording, and written comments are available on the ISO website: <https://www.iso-ne.com/event-details?eventId=156283>

¹⁰ Open Board Meeting written comments (<https://www.iso-ne.com/about/corporate-governance/board/public-comments-to-the-board-of-directors>)