

# Overview of Asset Condition Reviewer



## *Role Development & Draft List of Interim Projects*

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# Agenda

- Background on ISO undertaking the Asset Condition Reviewer (AC Reviewer) role
- Development of the permanent role
- Interim reviews



# BACKGROUND ON ISO UNDERTAKING THE ASSET CONDITION REVIEWER (AC REVIEWER) ROLE



# Background

- Today, the ISO has a very limited role regarding asset condition projects\*
  - ISO Tariff Section I.3.9 review – ensuring that an asset condition project does not have a significant adverse impact on the system
  - Updating the asset condition list with Transmission Owner (TO) provided information
- TO rate filings with FERC provide the forum for incorporating asset condition expenditures
- Some review of asset condition projects occurs through state siting and permitting
  - Not all such projects are subject to these provisions
- Stakeholder interest in additional visibility at earlier stages has led to request for a new opportunity for reviews

\*ISO also conducts Transmission Cost Allocation (TCA) reviews, but these reviews are limited to determining if certain costs should be localized, for example, as a result of a state siting requirement



# ISO as the New England AC Reviewer

- Strong desire in the region to have an independent entity, such as ISO New England, serve as the region's AC Reviewer
- The ISO has agreed to take on this role, subject to the following limitations, which have been accepted by all New England TOs\*:
  - The transmission owners will indemnify the ISO for any liability related to the ISO's reviewer role on asset condition projects, except for the ISO's gross negligence or willful misconduct;
  - The "Asset Condition Reviewer" role is advisory. It will not make decisions about whether to proceed with specific asset condition projects, nor will it be the petitioning party in any local, state or federal regulatory or siting proceeding concerning an asset condition project; and
  - The "Asset Condition Reviewer" will not make a legal finding on or issue an opinion on the question of whether the costs of any given asset condition project are prudent.

\*On May 15, 2025, ISO New England shared via [memo](#) to NEPOOL, NECPUC, and NESCOE, its necessary requirements should it take on this role.



# AC Reviewer: Vision

- Development of a framework to establish a new role for the ISO is a novel undertaking in the industry and will require time, resources, and stakeholder engagement
  - The ISO has prioritized this as a key project for the remainder of 2025 and 2026
- Under this new structure, New England TOs would continue to plan, develop, own and maintain transmission facilities for asset conditions in their service territory
  - The ISO does not currently propose, fund, or select these projects, and this would not change under this proposal
- The new function is envisioned to provide an independent review and opinion of asset condition projects submitted for review by the TOs
  - The review is intended to help better inform states and stakeholders, including Planning Advisory Committee (PAC) attendees



# Plan Overview

- The ISO held an initial discussion at the September 4, 2025 NEPOOL Participants Committee Meeting ([see pdf pages 157-169](#))
- As part of assuming the role as the AC Reviewer, the ISO will need to develop the internal structure to support the task, along with hiring additional staff with these specialized skills and knowledge, and will need to develop the documentation to support the responsibility
  - The current timeline to complete this task is approximately Jan 2027
- Due to the time required to develop a permanent structure vs continued asset condition projects (ACPs) being initiated by the Transmission Owners, stakeholders have requested that the ISO begin reviewing ACPs in an interim capacity in parallel with developing the role



# DEVELOPMENT OF THE PERMANENT ROLE





# Development of the Permanent AC Reviewer Role

- The ISO is already working with its consultant to develop draft documentation to describe the AC Reviewer process
- This draft documentation will support stakeholder discussions regarding expectations for the role and the associated process
- Starting in January 2026, the ISO will begin discussions at the Transmission Committee regarding the organizational structure and implementing documents
- The ISO will also be providing status updates to the Planning Advisory Committee along the way



# Request for Feedback on the Permanent Role

- To understand stakeholders' objectives for the permanent AC Reviewer function, the ISO is requesting feedback in the following areas until **November 21st**:
  - Objectives for the Role (impartial project reviews, expertise, advisory role)
  - Possible Governance Structures
  - Defined criteria for how ACPs are submitted, reviewed, and presented
  - Actionable, Cost-Focused Review Outputs
  - Stakeholder Involvement, Understanding, and Confidence in Asset Development Needs
  - Holistic System Planning With Other Regional Upgrades
- [Access the Asset Condition Reviewer Process Feedback Form here](#)



# INTERIM REVIEWS



# Interim Reviews

- In response to stakeholder requests to begin assuming the AC Reviewer role as soon as possible, the ISO will be reviewing selected projects while permanent processes are in development
  - Allows for lessons learned to be incorporated into the permanent process
- The ISO will utilize consultants to provide the necessary expertise to perform the interim reviews



# Approach for Interim Reviews

- The ISO has developed a proposed list of projects for stakeholder review
- The initial goal was to select approximately 10\* projects that would:
  - Have significant potential cost, approximately \$50M or greater
  - Be of interest to stakeholders
  - Allow the process to be exercised for both overhead and underground transmission circuits
- The initial goal strikes a balance between starting the review process, staff availability, and budget
- These interim projects would be reviewed between early November 2025 and the end of 2026, as the TOs bring those selected projects forward to present and discuss at the PAC
- ISO, with the assistance of its consultant(s), will discuss their project review findings at PAC
  - The ISO is targeting a 3-month review period for each project, except for the Underground Cable Modernization Plan

\*The first phase of the UCMP consists of numerous projects



# Draft List of Projects Subject to Interim Review

Project	Type	Conceptual Cost Estimate	Location	TO
Line 1670/1771	Line Rebuild	>\$120M	Central CT	Eversource
West Medway/West Walpole Corridor	Line Rebuilds	>\$75M	Southeast MA	Eversource
Underground Cable Modernization Plan	Multiple Cable Replacements	>>>\$50M	Eastern MA	Eversource
New Haven LPFF	Cable Replacements	>\$100M	Southern CT	Avangrid

# Draft List of Projects Subject to Interim Review

Project	Type	Conceptual Cost Estimate	Location	TO
Line 332	Line Rebuild	>\$75M	RI	Rhode Island Energy
Line 323	Line Rebuild	>\$75M	Eastern MA	National Grid
Line 394/397	Partial Line Rebuild	>\$100M	Northeast MA	National Grid
Line F206:	Partial Line Rebuild	>\$50M	VT/NH	VELCO
Highgate Converter replacement	Facility Replacement	>\$500M	VT	VELCO

# Next Steps

- Requesting comments on the list of interim projects at [pacmatters@iso-ne.com](mailto:pacmatters@iso-ne.com) by **November 7, 2025**
  - The ISO will provide an update on the final list of interim projects and more details on the approach to interim reviews at the January 2026 PAC meeting
- Requesting feedback on the permanent role through the feedback form by **November 21, 2025**
  - The ISO will provide a summary of stakeholder feedback at the January 2026 PAC meeting
- Based, in part, on lessons learned from the interim reviews and stakeholder feedback, the ISO will begin discussion of a framework for the AC Reviewer role at the Transmission Committee in Q1 2026
  - The ISO will also be providing status updates to the Planning Advisory Committee along the way