

April 23, 2026

VIA E-MAIL

TO: PARTICIPANTS COMMITTEE MEMBERS AND ALTERNATES

RE: Supplemental Notice of Special April 30, 2026 Webex Participants Committee Meeting

Pursuant to Sections 6.5 and 6.6 of the Second Restated New England Power Pool Agreement, supplemental notice is hereby given that a special **Webex meeting** of the Participants Committee will be held **on Thursday, April 30, 2026, at 9:00 a.m.** The special Webex meeting will be held to consider, and take action as appropriate, on proposed revisions to Attachment F (Appendix A, Worksheet 2) of Section II of the ISO-NE Tariff which relate to the region-wide return on equity ("ROE") (the "Attachment F Revisions"). Background materials and a draft resolution are included and posted with this supplemental notice at nepool.com/meetings/.

To join the meeting using the enhanced Webex interface, please **download the Webex app** to your desktop or to your phone (whichever device you will be using) **in advance of the meeting** and use the app to join the meeting. You may also access the meeting through the ISO's Webex meetings page by clicking <https://iso-newengland.webex.com/webappng/sites/iso-newengland/meeting/home> and selecting the meeting (event password = **nepool**).

Respectfully yours,

/s/

Sebastian Lombardi, Secretary

MEMORANDUM

TO: NEPOOL Participants Committee

FROM: Eric Runge, NEPOOL Counsel

DATE: April 23, 2026

RE: Participants Committee Vote on Attachment F Revisions

At the April 30, 2026 special meeting of the Participants Committee, you will be asked to vote on proposed revisions to Attachment F (Appendix A, Worksheet 2) of Section II of the ISO-NE Tariff (“Attachment F Revisions”). The Attachment F Revisions strike the current base return on equity (“ROE”) rate of 10.57% and the reference to the New England ROE complaint proceedings. The Attachment F Revisions also leave a placeholder for a new base ROE rate to be filled in sometime prior to the filing of the Attachment F Revisions. The Attachment F Revisions and related materials have been included with this memorandum.¹

The Participating Transmission Owners Administrative Committee (“PTO-AC”) is bringing this proposal in response to FERC Opinion No. 594, issued on March 19, 2026, regarding several New England ROE complaints in Docket Nos. EL11-66, *et al.*² As represented by the PTO-AC, the Participating Transmission Owners (or a subset of them) are bringing the Attachment F Revisions to NEPOOL on an expedited basis (one meeting at the Transmission Committee and a special meeting of the Participants Committee) to address rate and financial implications of Opinion No. 594 as quickly as practicable and to make a filing by the end of April. The proposed PTO-AC filing will be a voluntary filing under Section 205 of the Federal Power Act, not a compliance filing.

At its April 21, 2026, meeting, the Transmission Committee considered the Attachment F Revisions and did not recommend Participants Committee support for them, with a roll-call vote

¹ The PTO-AC presentation to the Transmission Committee, with the Attachment F Revisions, is available here: https://www.iso-ne.com/static-assets/documents/100034/a04_tc_pto_ac_roe_presentation.pdf.

² *Coakley, Mass. Attorney Gen., et al. v. Bangor Hydro-Electric Co. et al.*, Opinion No. 594, 194 FERC ¶ 61,208 (2026) (“Opinion No. 594”), available here: <https://elibrary.ferc.gov/eLibrary/filedownload?fileid=C2794C9C-FD37-CB26-978E-9D08A0600000>. On April 20, the New England Transmission Owners filed a Request for Rehearing of Opinion No. 594. That filing is available here: <https://elibrary.ferc.gov/eLibrary/filedownload?fileid=A08F4B08-AF14-CC73-9909-9DAFF7B00000>.

of 19.84% in favor.³ The primary reason expressed for abstention or opposition to the proposed Attachment F Revisions was the absence of a specific base ROE replacement rate in the proposal. As of the date of this memo, the PTOs have not determined whether they will be able to specify a base ROE rate prior to the Participants Committee vote.

The following resolution could be used for Participants Committee consideration of the Attachment F Revisions:

RESOLVED, that the Participants Committee supports the Attachment F Revisions, as proposed by the PTO-AC, and as circulated to the Participants Committee in advance of its April 30, 2026, special meeting, together with [any changes agreed to at the meeting and] such non-substantive changes as may be agreed to after the meeting by the Chair of the Participants Committee.

³ The individual Sector votes at the Transmission Committee were Generation (0.00% in favor, 19.84% not in favor, 4 abstentions), Transmission (19.84% in favor, 0.00% opposed, 0 abstentions), Supplier (0.00% in favor, 19.84% not in favor, 4 abstentions), Publicly Owned Entity (0.00% in favor, 19.84% opposed, 2 abstentions), Alternative Resources (0.00% in favor, 0.82% not in favor, 1 abstention), and End User (0.00% in favor, 19.84% opposed, 2 abstentions).

Notice of PTOs' Base ROE Filing

**NEPOOL Participants Committee Meeting
April 30, 2026**

Filing pursuant to FPA s. 205 to Revise Region-wide Base ROE

The PTOs will file to revise the region-wide base return on equity (“ROE”) applicable to their transmission assets and contained in the ISO-NE OATT, Attachment F. The PTOs will request that the ROE become effective on June 30, 2026. Through this filing, the PTOs will not be seeking to modify the ROE in effect prior to that date.

The PTOs appreciate the Participants Committee holding this Special Meeting to consider an advisory vote on this matter.* The PTOs are not in a position to wait for the next regularly scheduled Participants Committee meeting in May. The currently effective ROE imposed by FERC in Opinion No. 594 was unanticipated, is based on outdated data, and must be updated as soon as possible. Because the PTOs’ 205 filing will be based on current market inputs that continue to evolve, the PTOs have concluded it is important to file by the end of April to ensure that their returns reflect current market conditions.

*The PTOs are providing notice of this filing to NEPOOL as a courtesy. Nothing in this notice affects the provisions of Section 3.04(a) of the Transmission Operating Agreement indicating that revenue requirement filings of Participating Transmission Owners are not subject to NEPOOL notice requirements.

Tariff Changes – ISO OATT, Attachment F, Appendix A, Worksheet 2

Utility Name							
Annual Transmission Revenue Requirements (ATRR)							
Per Appendix A to Attachment F of the ISO New England Inc. Open Access Transmission Tariff							
Return and Associated Income Taxes							
Worksheet 2							
For Costs in 20__							
Input Cells are Shaded Yellow							
		(A)	(B) = (A) / Total (A)	(C)	(D) = (B) x (C)	(E)	(F)
Line No.	Description	Capitalization	Capitalization Ratios	Cost of Capital	Weighted Cost of Capital	Equity Portion	Reference for (A),(C)
	Transmission Investment						
1	Long-Term Debt	\$ -	0.0000%	0.0000%	0.0000%	N/A	W/S 6, Line 11(B), W/S 6, Line 20(B)
2	Preferred Stock	-	0.0000%	0.0000%	0.0000%	0.0000%	W/S 6, Line 25(B), W/S 6, Line 29(B)
3	Common Equity taxable	-	0.0000%	(b)	0.0000%	0.0000%	W/S 6, Line 36(B)
4	Common Equity non-taxable	-	0.0000%	(b)	0.0000%	0.0000%	W/S 6, Line 37(B)
5	Total Return (Sum Lines 1 thru 4)	\$ -	0.0000%		0.0000%	0.0000%	
6	Weighted Average Cost of Capital (WACC)	0.0000%					Line 5(D)

Notes:

(a)

Enter credit balances as negatives.

(b)

The ROE is ~~xx.xx%~~10.57% (except as may be limited by state law for non-FERC jurisdictional PTOs; see, e.g., Mass Gen. Laws ch. 164, § 58), ~~and is subject to the outcome of Docket No(s): EL11-66, EL13-33, EL14-86 and EL16-64, including any judicial review thereof.~~ No change in ROE will be made absent a Section 205 or Section 206 filing or compliance filing at FERC.

(c)

New England Power Only. The NEP Yankee Adjustments shall be calculated in accordance with FERC Opinion Nos. 49 and 49 (a) issued in NEP's R-10 rate case and FERC Opinion No. 158 issued in NEP's W-3 rate case.

(d)

Federal Income Tax shall equal

$$\frac{(A + ((B + C + D) \cdot E) \cdot (F \cdot I))}{(1 - F \cdot I)}$$

$$+ \left[\frac{(B + D)}{E} \right]$$

(e)

State Income Tax shall equal

$$\frac{(A + [C \cdot E] + \text{Federal Income Tax}) \cdot (S \cdot T))}{(1 - S \cdot T)}$$

(f)

The Federal/State Income Tax Rate shall equal the most recently approved income tax rate by the federal or respective state government agency.

(g)

DA = Direct Assigned. In context of the formula rate means amounts have been directly assigned to Transmission rather than allocated using a W&S or PL allocator.

(h)

For CL&P, PSNH and NSTAR West, Transmission-related ITC will be input directly to Line 9b and Lines 9 and 9a will be \$0.

(i)

For Section 201(f) PTOs only, FERC Form 1 references will be replaced with references from the Section 201(f) PTOs audited financial statements or other Applicable Forms.

Next Steps

- Filing with FERC = April 30, 2026