Training Disclaimer: *ISO New England (ISO) provides training to enhance participant and stakeholder understanding. Not all issues and requirements are addressed by the training. Consult the effective Transmission, Markets and Services Tariff and the relevant Market Manuals, Operating Procedures and Planning Procedures for detailed information. In case of a discrepancy between training provided by ISO and the Tariff or Procedures, the meaning of the Tariff and Procedures shall govern.*

June 3, 2026
WebEx Broadcast

Settlements Forum

2026 Q2

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Manager, Settlements
Market Analysis & Settlements

Some slides are intentionally hidden in posted version of this presentation.

forum Topics

Informational Items

- Capacity Scarcity Conditions & Pay for Performance
- Capacity Load Obligation (CLO) Bilaterals Information Review
- ISO Load Definitions
- Ask ISO: Meter Reader Functionalities
- 2026 Settlements Forum Dates

Upcoming Markets and Settlement Changes

Capacity Scarcity Conditions & Pay for Performance

Review Notification of Events and Subsequent Information Availability

Capacity Scarcity Condition Definition

Market Rule 1 Section 13

Market Rule 1 Section 13.7.2.1:

"A Capacity Scarcity Condition shall exist in a Capacity Zone for any five-minute interval in which the Real-Time Reserve Clearing Price for that entire Capacity Zone is set based on the Reserve Constraint Penalty Factor pricing for:

(i) the Minimum Total Reserve Requirement;
(ii) the Ten-Minute Reserve Requirement; or
(iii) the Zonal Reserve Requirement, each as described in Section III.2.7A(c); provided, however, that a Capacity Scarcity Condition shall not exist if the Reserve Constraint Penalty Factor pricing results only because of resource ramping limitations that are not binding on the energy dispatch."

Outlined in Market Rule 1 Section III.2.7A(c)

Real-Time Requirement	Reserve Constraint Penalty Factor
Zonal Reserve Requirement (combined amount of TMSR, TMNSR, and TMOR required for a Reserve Zone)	$250/MWh
Minimum Total Reserve Requirement (does not include Replacement Reserve) (combined amount of TMSR, TMNSR, and TMOR required system-wide)	$1000/MWh
Total Reserve Requirements (includes Replacement Reserve) (combined amount of TMSR, TMNSR, and TMOR required system-wide)	$250/MWh
Ten-Minute Reserve Requirement (combined amount of TMSR and TMNSR required system-wide)	$1500/MWh
Ten-Minute Spinning Reserve Requirement (combined amount of TMSR system-wide)	$50/MWh

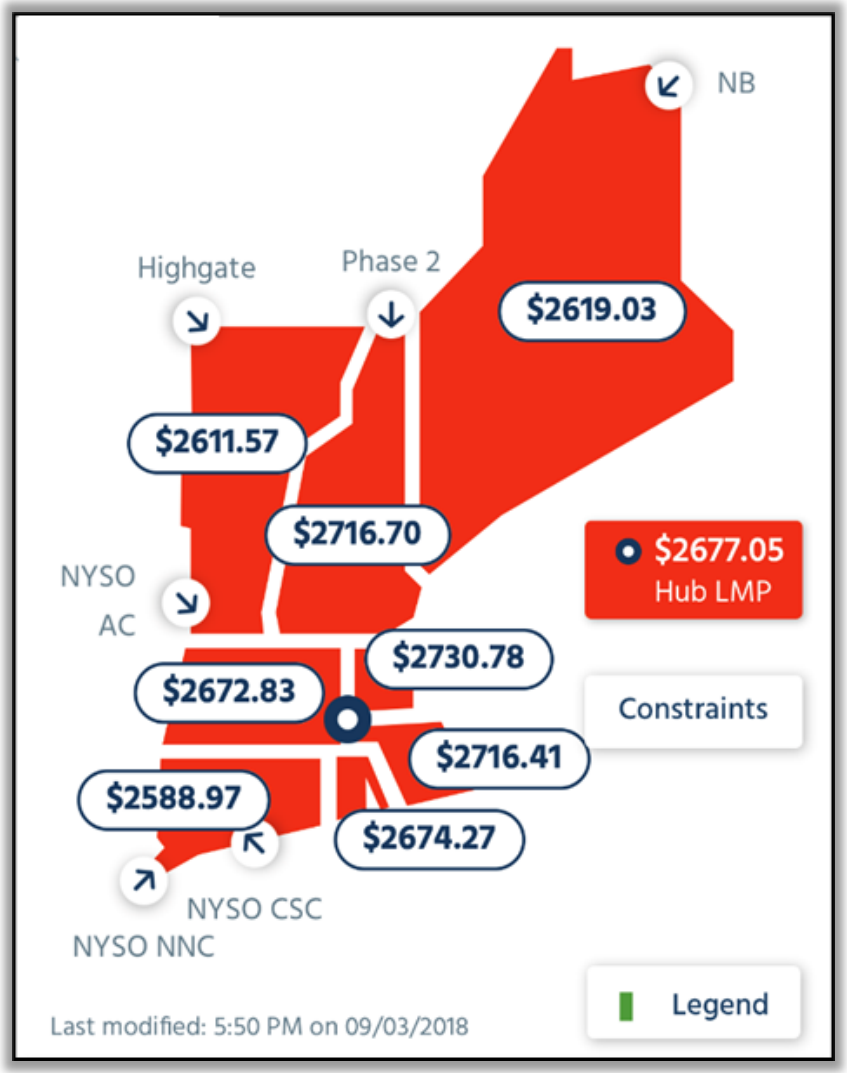
Indicators of a Capacity Scarcity Condition in Real-Time

System-Level Reserve Constraints

- Minimum Total Reserve Requirement
  - Marginal Value = $1,000/MWh
  - Constraint Name: SYSTEM_30MINTOTAL
- Ten-Minute Reserve Requirement
  - Marginal Value = $1,500/MWh
  - Constraint Name: SYSTEM_10MINTOTAL

Zonal Reserve Constraints

- Zonal Reserve Requirement
  - Marginal Value = $250/MWh
  - Constraint Name Examples:
    NEMABSTN_30MINTOTAL, CT_30MINTOTAL, SWCT_30MINTOTAL



[What is a Capacity Scarcity Condition?]

What Notifications Does ISO New England Send When a CSC is Potentially Occurring?

ISO New England will send out a notification to those subscribed to Market Notices

Subscribe to Market Notices/All Notices

ISO New England has made a preliminary determination that a Capacity Scarcity Condition is occurring in one or more Capacity Zones in the New England system at 2025-11-23 05:50:00 PM.

ISO New England has made a preliminary determination that a Capacity Scarcity Condition (CSC) is occurring in one or more Capacity Zones in the New England system at 2025-11-23 05:50:00 PM. This determination is subject to change pending the finalization of real-time reserve prices for the relevant time period, which occurs within five business days from the applicable Operating Day pursuant to Section III.2.9A(a) of the ISO New England Transmission, Markets and Service Tariff.

Pursuant to Section III.13.7.2 of the ISO New England Transmission, Markets and Services Tariff, a CSC exists in a Capacity Zone for any five-minute interval in which the Real-Time Reserve Clearing Price for that entire Capacity Zone is set based on the Reserve Constraint Penalty Factor pricing for: (i) the Minimum Total Reserve Requirement; (ii) the Ten-Minute Reserve Requirement; or (iii) the Zonal Reserve Requirement, each as described in Section III.2.7A(c) of the Tariff; provided, however, that a Capacity Scarcity Condition shall not exist if the Reserve Constraint Penalty Factor pricing results only because of resource ramping limitations that are not binding on the energy dispatch.

For additional information on CSC, please refer to "What is a Capacity Scarcity Condition (CSC): potential indicators, courtesy notifications, and other helpful references."

- Date: Sun Nov 23, 2025 5:50PM
- Notice Category: Market Notices

History of Capacity Scarcity Condition Events

Capacity Scarcity Condition Event

- September 3, 2018
- December 24, 2022
- July 5, 2023
- June 18, 2024
- August 1, 2024
- June 24, 2025
- November 23, 2025

Historical FCM Capacity Scarcity Condition Summaries

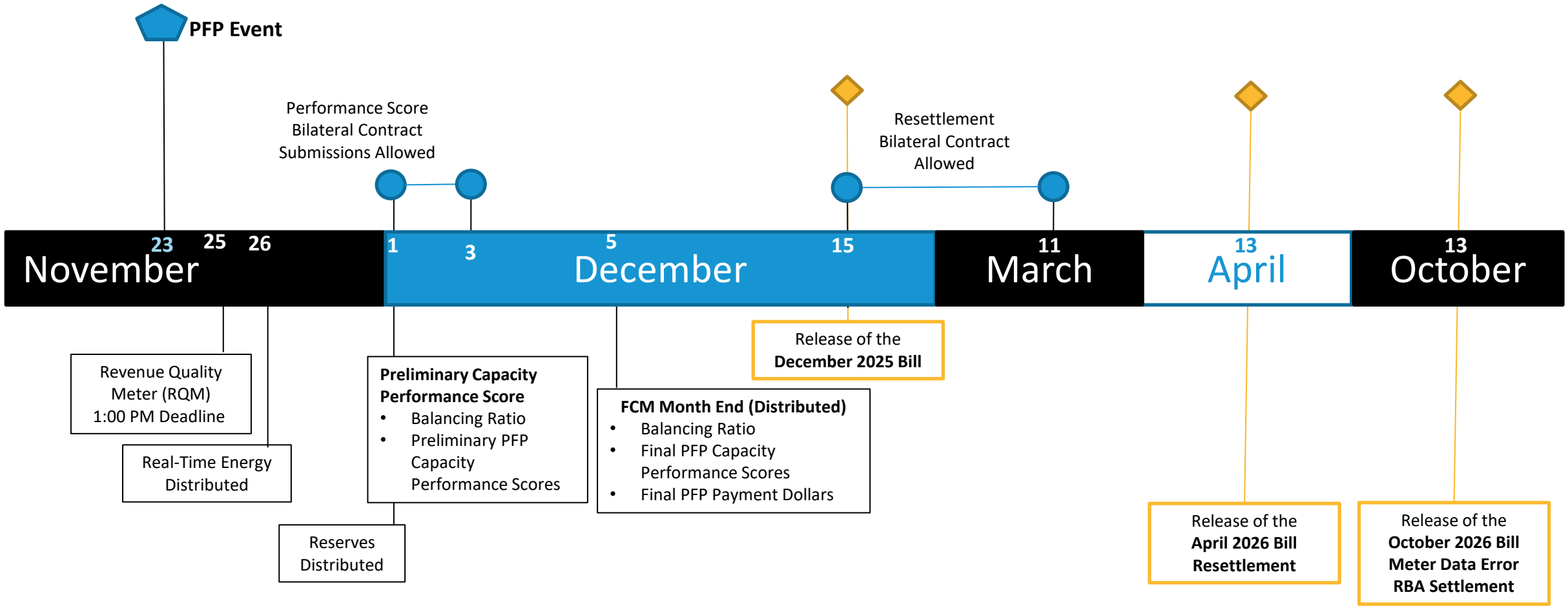
Additional Reports Related to CSC & PFP

- FCM Preliminary Capacity Performance Score Report
- FCM Final Capacity Performance Score Report
- Capacity Scarcity Condition Report
- Historical FCM Capacity Scarcity Condition Summaries

ISO Express

November 23, 2025, PFP Settlement Timeline

2025 Q2 Settlements Forum



Note 1: Events that occur early in the settlement month cannot be finalized until month-end settlements reports are released.
Note 2: Section 2.2 ISO New England Billing Policy, the Monthly Statement is issued on a Monday after the ninth of a calendar month.

FCM Capacity Performance Payment Rate

Effective June 1, 2025

Capacity performance payment rate is used in calculating performance-dependent portion of revenue received in the Forward Capacity Market (FCM).

Capacity Commitment Period	Capacity Performance Payment Rate
June 1, 2026- May 31, 2027*	$9,337/MWh

**As the Tariff currently stands in accordance with III.13.7.2.5*

Capacity Load Obligation Bilaterals

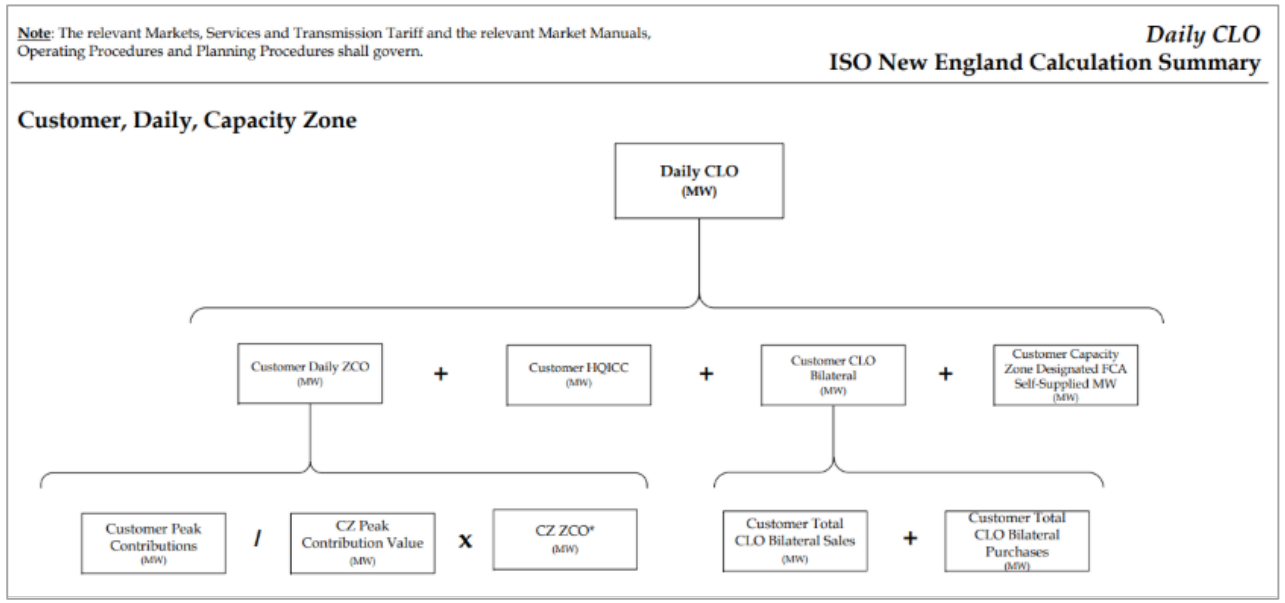
Knowledge Article Publication

Capacity Load Obligation Overview

Daily CLO (MW) = Zonal Capacity Obligation (ZCO) + Hydro-Quebec Interconnection Capability Credits (HQICC) + **CLO Bilateral Position** + Self Supplied MW

For the Buyer: Bilateral amount increases their load obligation and increases charges

For the Seller: Bilateral amount decreases their obligation and decreasing charges

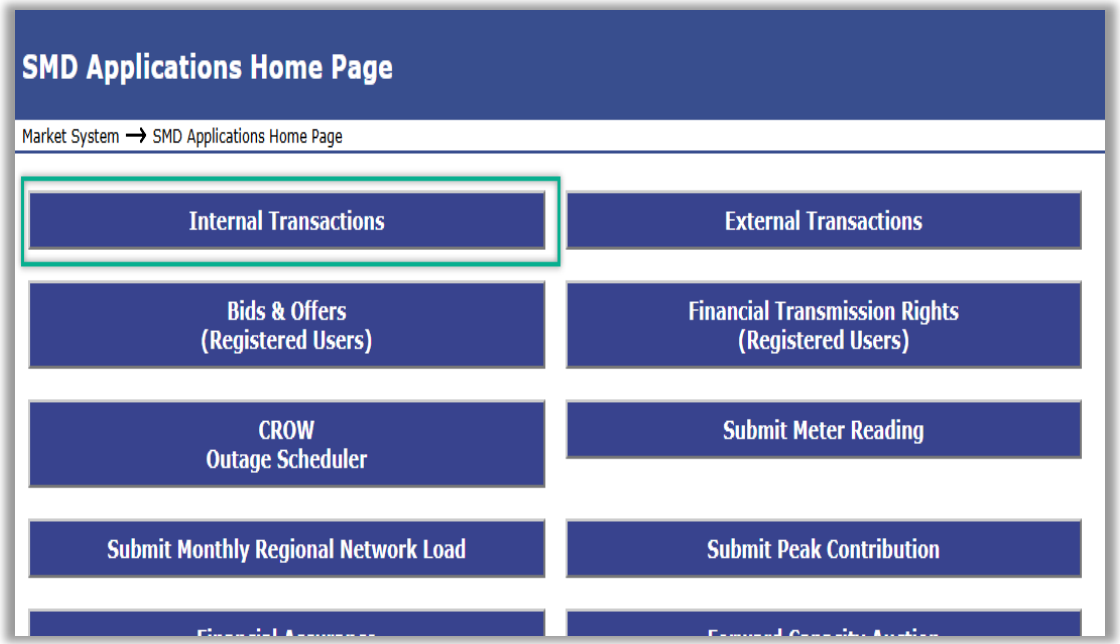


[Capacity Load Obligation (CLO) Bilateral Transactions Overview, Rules, and Impacts]

Capacity Load Bilateral Mechanics

Bilateral contract must include:

- Amount of CLO being transferred in MW (3 decimals)
- Term of transaction (duration)
- Transferring and acquiring participant (seller and buyer)
- Capacity zone
- Manual confirmation from both participants



User Guide for Submitting Internal Bilateral Transactions Using SMS; Section 4

ISO Load Definitions

Telemetered, RQM, and FCM

Different Types of New England Load

ISO Peak Load Definitions

Telemetered System Load:

- Real time demand for the system
- Used by operations to monitor the system
- Aggregation of generation and net interchange; excludes pumping and settlement only

Revenue Quality Metering (RQM) System Load:

- Collection of meter reads after the operating day
- Calculated from the supply side
- Used in the settlement process

FCM Annual Peak Load:

- Calculated from the demand side
- Used to determine FCM charges to load-serving entities
- Sum of active load assets included in FCM settlement

Net Energy and Peak Load by Source Data

ISO New England Public

Monthly Peak Load and Energy Data

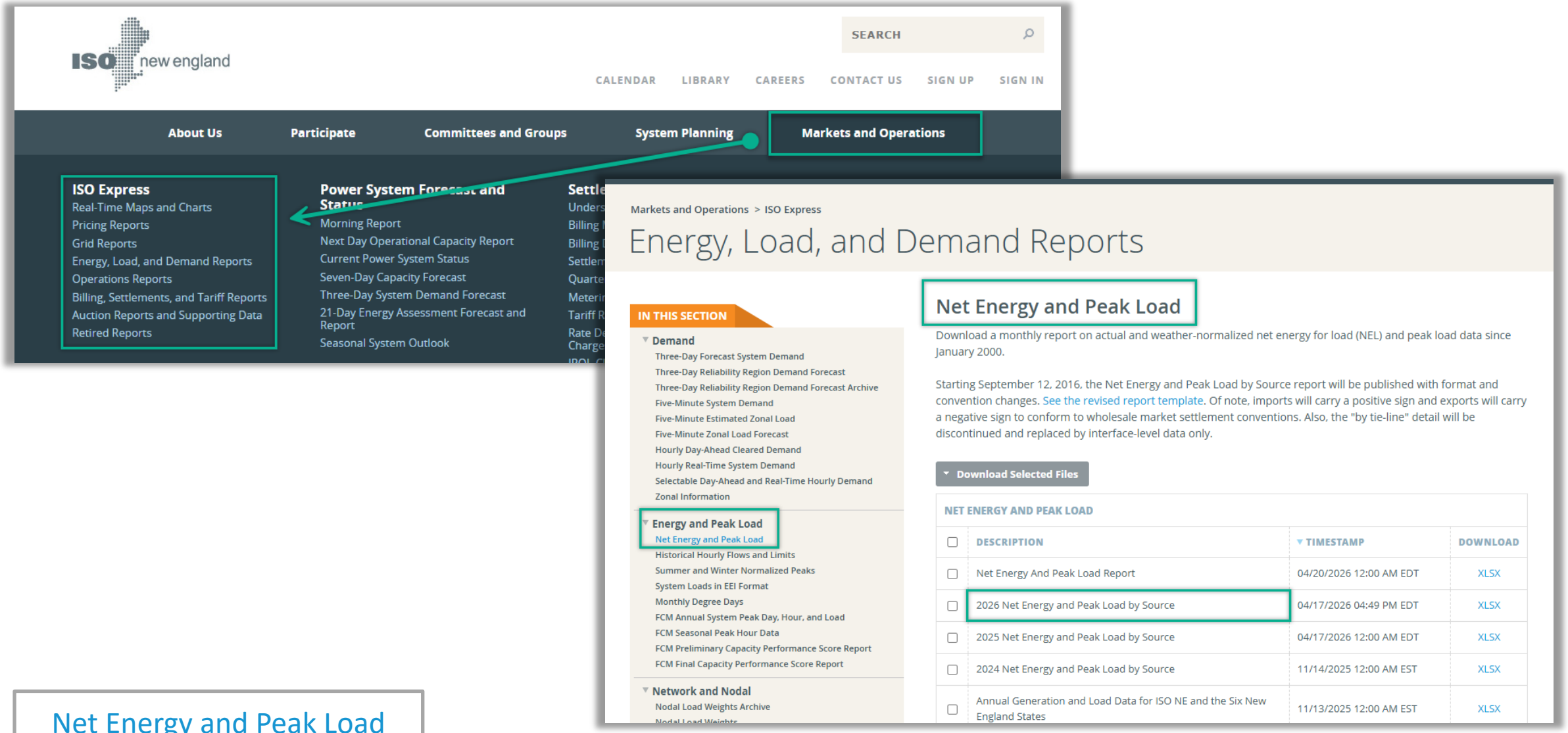
2025 - Peak Hour Data (MW)*	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Max YTD	
Supply at Peak Hour	17,610	15,573	14,919	13,943	13,793	23,622	22,773	20,636	14,763	15,426	17,057	18,376	23,622	
Pumping/Charging Load at Peak Hour	6	7	10	9	11	11	5	9	16	8	5	11	16	
Net Interchange at Peak Hour	2,027	3,207	2,437	1,401	864	2,975	2,548	2,457	2,472	517	-523	1,113	3,207	
Imports at Peak Hour	2,403	3,291	2,852	1,746	871	3,308	2,851	2,789	2,897	705	453	1,640	3,308	
Exports at Peak Hour	-376	-84	-415	-345	-7	-333	-303	-332	-425	-188	-976	-527	-976	Min YTD
System Peak Day	22	18	3	8	16	24	29	11	6	6	17	15		
System Peak Hour	19	19	19	20	19	18	19	18	16	19	18	18		
System Peak Load (MW) **	**19,631**	**18,773**	**17,346**	**15,335**	**14,646**	**26,586**	**25,315**	**23,083**	**17,219**	**15,935**	**16,526**	**19,477**	**26,586**	
System Minimum Load (MW)	10,463	11,055	9,234	7,684	8,116	8,906	10,038	9,170	8,958	8,997	9,388	10,687	7,684	Min YTD

2025 - FCM Peak Load	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Max YTD
FCM Peak Day	21	18	3	8	16	24	29	11	6	6	11	15	
FCM Peak Hour	18	19	19	20	19	19	19	18	16	19	18	18	
FCM Peak Load (MW)**	**19,342**	**18,400**	**17,115**	**14,946**	**14,340**	**26,086**	**24,875**	**22,736**	**16,912**	**15,700**	**16,253**	**19,118**	**26,086**

2025 - Telemetered System Peak Load	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Max YTD
Telemetered Peak Day	22	18	3	8	16	24	29	11	6	6	17	15	
Telemetered Peak Hour	19	19	19	20	20	19	19	19	17	19	18	18	
Telemetered System Peak Load (MW)**	**19,607**	**18,657**	**17,200**	**15,119**	**14,308**	**26,024**	**24,863**	**22,635**	**16,806**	**15,842**	**16,389**	**19,382**	**26,024**

2025 - Monthly Energy Data (GWh)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SUM YTD
Supply	9,083	7,903	8,909	7,817	7,983	9,866	11,921	10,466	8,947	8,946	9,436	10,375	111,653
Pumping/Charging Load	151	129	152	162	144	148	189	209	172	192	206	194	2,049
Net Interchange (+ = Import)	2,457	2,186	573	600	585	259	449	71	52	-100	-27	1,048	8,154
Imports	2,532	2,226	862	782	632	552	821	508	412	398	624	1,430	11,779
Exports	-75	-40	-289	-181	-47	-293	-372	-436	-360	-498	-651	-382	-3,625
Net Energy for Load (GWh) ***	**11,389**	**9,960**	**9,330**	**8,256**	**8,424**	**9,976**	**12,181**	**10,328**	**8,826**	**8,654**	**9,204**	**11,229**	**117,758**

ISO Express Navigation



[Net Energy and Peak Load]

Ask ISO: Meter Reader Functionalities

Meter-Readers@iso-ne.com

Updated Communications for Specific Ask ISO Cases Related to Meter Reads

- Certain inquiries can now be sent to and from Meter-Readers@iso-ne.com
- Ask ISO Portal creating a case:
  - Category: Meter Readers
- For the following cases only:
  - Upload Files (Metering & Settlement Deadline)
  - SP_MeterDomain Requests
  - Meter Reader Extension Requests
  - Meter Variance Reports
  - Meter Reader Performance Report
- General settlement related questions should continue to be directed to Participant Support at AskISO@iso-ne.com
  - Examples: MIS report, invoice, market related inquiries

2026 Settlements Forum Dates

Wednesday, March 4 at 10:00 AM

Wednesday, June 3 at 10:00 AM

Wednesday, September 2 at 10:00 AM

Wednesday, December 2 at 10:00 AM

Questions?

Contact Participant Support & Solutions

Ask ISO
ISO NEW ENGLAND PARTICIPANT SUPPORT

Submit a request via Ask ISO *(preferred)*
https://askiso.iso-ne.com

Email AskISO@iso-ne.com

Phone

(413) 540-4220 (call center)

(833) 248-4220

Pager ***(for emergency inquiries outside of business hours)***

(877) 226-4814

Business hours and additional contact details are available from the Participant Support & Solutions page

Visit the Participant Support & Solutions page