

To: ISO-NE Interconnection Customers

From: ISO New England Inc. (ISO)

Date: June 29, 2026

Subject: Transitional Cluster Study Accomplishments and Next Steps

Transitional Cluster Study (“TCS”) Accomplishments To Date

The ISO is in the process of completing the Transitional Cluster Study, an Interconnection Study performed in accordance with the Interconnection Procedures under the ISO’s Open Access Transmission Tariff (“OATT”).¹ For New England, it is the first full system-wide cluster study being performed since the region’s Order No. 2023 compliance proposal was accepted by the Federal Energy Regulatory Commission (“the Commission”) in 2025. The TCS includes all Interconnection Requests (“IRs”) that were eligible, elected to enter, and continue through the TCS. As required by the Tariff, the ISO issued the interim TCS Report on June 7, 2026.

The interim TCS Report reflects the study of 23 IRs over a period of approximately eight months, including 18 battery energy storage, two solar photovoltaic, and three wind projects. Of these IRs, 18 projects, representing ~3,800 MW, were studied for both energy and deliverable capacity, and five projects, representing an additional ~1,000 MW, were studied only for deliverable capacity. Those five projects already have effective Interconnection Agreements (“IA”).²

In total, the interim TCS report represents the study of approximately 4,800 MW of new deliverable capacity, the most deliverable capacity of 20 MW or greater resources ever studied by the ISO in a single study, and thousands of MW more than what was typically studied and qualified in past Forward Capacity Auctions (“FCA”). The highest amount requested for such resources previously being ~2,900 MW for FCA 2 and FCA 10.

¹ The Interconnection Procedures are in Schedules 22, 23 and 25 of OATT, which is Section II of the ISO’s Transmission, Markets and Services Tariff (“Tariff”).

² In addition to the IRs being studied in the TCS for the first time, the ISO is tracking many other projects that executed an IA before the TCS and can enter Commercial Operation at any time without further Interconnection Studies. For example, currently 10 battery energy storage projects have executed IAs, representing 2,200 MW that can enter Commercial Operation at any time without further Interconnection Studies.

The study, which was conducted consistent with the Tariff and ISO-NE Planning Procedure 5-6, was a major undertaking in a short period of time. For comparison, one serial system impact study performed under the pre-Order No. 2023 rules, which only studied an IR for energy under the Network Capability Interconnection Standard, was expected to be completed in 9 months; in the TCS the ISO and Transmission Owners effectively completed 18 system impact studies, and capacity deliverability analyses for 23 projects, in approximately eight months.

Newly identified Network Upgrade costs assigned to a project listed in the interim TCS Report ranged from \$0 to \$541 million depending on project size, location, proximity to other projects - and the corresponding violations identified by the ISO and upgrades identified by the Interconnecting Transmission Owners and the ISO. The average cost for projects that had not previously been studied for energy (i.e. Network Resource Interconnection Service) is ~\$178 million for an average project size of 213 MW, with 5 such projects having costs of \$65 million or less. None of the five projects studied for only deliverable capacity had Network Upgrade costs exceeding \$1 million. It is important to note that the need for interconnection upgrades is driven by the location and size of the proposed projects. In addition, in the case of a cluster study, cumulative impacts of projects that are located in similar locations will drive the need for additional upgrades.

Next Steps for the TCS and Restudy Timing

The table below lists recent and the next milestones related to the TCS, consistent with the Interconnection Procedures in the ISO's OATT.

Transitional Cluster Study Milestones

DATE	MILESTONE
June 7, 2026	ISO issued the interim TCS Report
July 7, 2026	Deadline for Interconnection Customers ("ICs") to provide written comments to the ISO on the interim TCS Report
August 6, 2026	ISO issues the final TCS Report
August 21, 2026	ISO tenders draft IAs to ICs
August 22 - October 20, 2026	IA negotiations, including meetings with individual ICs and Interconnecting Transmission Owners ("ITOs").
October 20, 2026	ICs must request to execute IA, file IA unexecuted, or enter dispute resolution, or IR is deemed withdrawn
ASAP after October 20, 2026	ISO issues IAs for execution to ICs
October 30, 2026	ICs that request to file IA unexecuted on October 20 th provide IA deposit, or IR is deemed withdrawn
ASAP after November 4, 2026	ICs that request to execute IA on October 20 th provide IA deposit, or IR is deemed withdrawn

As the schedule shows, within 15 Calendar Days of the issuance of the final TCS Report (*i.e.*, August 21, 2026), the ISO will tender IAs to ICs and begin IA negotiations with ICs and applicable ITO. Pursuant to Section 11 of Schedules 22/23, these negotiations are to be completed within 60 Calendar Days. At the conclusion of this period, ICs will need to: 1) execute the IA; 2) ask that the IA be filed unexecuted with the Commission; or 3) enter dispute resolution as to unagreed upon terms. ICs will also need to provide an IA deposit to the applicable ITO (*i.e.*, 20% of identified Network Upgrade costs) at the date of IA execution or within ten (10) Business Days after the IC requests that the IA be filed unexecuted at the Commission.³

Following the date when IA deposits are due (as shown in the table above), the ISO will determine whether the withdrawal of any TCS IR(s), or other higher queued IR(s), result in a need for restudy of the TCS. Order No. 2023 did not prescribe, and Section 5 of Schedules 22/23 does not specify a restudy period for the TCS. However, should restudy be required due to the withdrawal of IR(s), the ISO will conduct the restudy in parallel with the formation of the base case for the first regular Cluster Study and the early parts of that study.⁴ Determining the need for any necessary restudy at this stage reduces the risk of prolonged multiple rounds of restudy, allowing the ISO to open the first Cluster Study window on time to allow other committed projects to enter and move through the interconnection process.

The ISO's focus since August of 2025 has been the timely completion of the TCS in order to meet the Tariff-established deadlines. The ISO has taken multiple steps to provide ICs, stakeholders, and the public with as much timely information as practicable about the results of the study, while ensuring the proper treatment of confidential information in accordance with the Tariff. This includes: publishing a non-CEII/public version of the interim TCS Report; providing case files and information that enable review of study results to all ICs; and [providing answers \(both public and CEII\)](#) to ICs questions about the interim TCS Report.

Additionally, the ISO intends to conduct a lessons-learned meeting with ITOs, ICs, and other stakeholders with the intent to identify areas for improvement for future Clusters. The ISO anticipates holding this meeting in Q4 2026. Details regarding the specific timing, scope, and format of this meeting will be provided to all stakeholders in the coming months.

According to the Commission's Order Nos. 2023 and 2023-A, the TCS was intended to eliminate interconnection queue backlogs by creating a structured pathway that allowed projects willing and

³ Upon request, IRs identified by the ISO as needing an Affected System Study can extend the IA execution deadline to 30 Calendar Days after receipt of the Affected System Studies Report. The ISO will identify projects needing an Affected System Study shortly after it issues the final TCS Report (*i.e.*, shortly after August 6, 2026). The Affected System Operator will determine the scope of the Affected System Study.

⁴ Consistent with the Tariff, the ISO will open the Cluster Request Window for the first regular Cluster Study governed by Schedules 22/23/25 on October 5, 2026. This window will close on November 19, 2026. The Cluster Request Window will be followed by a 60-day Customer Engagement Window, which will include a Cluster Scoping Meeting. Following this window, the ISO will begin study work in early 2027.

able to demonstrate commercial readiness to quickly complete required Interconnection Studies, while simultaneously shifting the industry toward the cluster study framework. As a result, the TCS process differs with respect to the timing, activities, participation requirements and penalties, when compared to the regular Cluster Study process. For example, the TCS process requires higher deposits and withdrawal penalties in exchange for faster studies; a balance that is intended to ensure participation by serious developers and reduce delays from late-stage withdrawals.⁵

The ISO continues to work towards completing the TCS and meeting all related Tariff requirements and deadlines, with the aim to accomplish the intent of the TCS – to support first-ready first-served interconnection.

⁵ In Order No. 2023, the Commission noted that the TCS was necessary to address queue backlogs that existed “in part, because the *pro forma* LGIP creates an incentive for interconnection customers to submit multiple interconnection requests for a given potential generating facility and remain in the interconnection queue to determine which of those interconnection requests has the lowest costs to interconnect.” (Order No. 2023 at P 857). Further, those projects that were not prepared to move forward quickly were encouraged by the Commission to “withdraw their interconnection requests without penalty and wait for the first standard cluster study with associated lower deposit requirements.” (Order No. 2023 at P 859)