

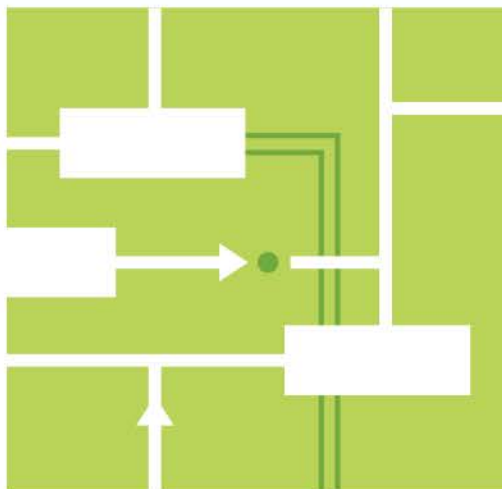
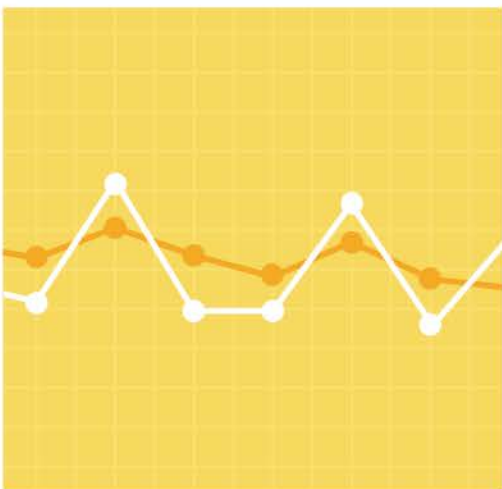


# 2018 Wholesale Market Project Plan

© ISO New England Inc.

JUNE 2018

ISO-NE PUBLIC



## Preface

ISO New England prepares an [Annual Work Plan \(AWP\)](#) that outlines major priorities and activities for a 21-month period designed to improve existing ISO systems, practices, and services to New England. The AWP contains details on projected timelines and objectives for planning, operations, markets, and capital projects. The *Wholesale Markets Project Plan* (WMPP) provides a biannual update of the market-related activities described in the AWP as well as updates on additional market-related activities pursued by the ISO. The section on additional projects identifies new efforts, initiated within the last six months, and communicates the status of ongoing market initiatives. Between the original AWP in September, its update in March, and the WMPP delivered in June and December, the statuses of anticipated market improvements are updated quarterly.

### About the Wholesale Markets Project Plan Structure

- **Annual Work Plan and Work Plan Updates**

For quick reference, this report provides the timeline for market-related activities published within the AWP. This year, the AWP primarily emphasized market-related projects related to Integrating Markets and Public Policy and the Forward Capacity Market. Updates to the AWP Market Projects in the WMPP mirror the format of the AWP timeline and are color coded by category.

The market initiatives contained in the AWP are divided into two main categories—Market Assessments and Market Projects:

- **Market Assessments** identify areas the ISO is evaluating to better understand a problem. The assessments are used to determine whether market design changes are warranted and, if so, how the changes would be organized into market projects. The schedules for working with stakeholders are generally not defined for market assessments but will be developed as assessments transition to Market Projects.
- **Market Projects** have a well-defined scope and the ISO believes the project warrants a revision to the relevant governing document. The ISO may deliver a proposal to stakeholders for consideration and discussion, although the schedules for working with stakeholders are subject to change.

- **Additional Wholesale Market Projects**

In addition to the Market Projects contained in the AWP, the ISO or the IMM may be addressing a number of ongoing or additional Market Projects. The table in the Additional Wholesale Market Projects section lists the status of these additional Market Projects.

# Contents

**Preface ..... ii**

**Contents ..... iii**

**Annual Work Plan Update Timeline: Market Projects ..... 1**

**Annual Work Plan Updates: June 2018 ..... 2**

**Additional Wholesale Market Projects ..... 4**

## Annual Work Plan Update Timeline: Market Projects

The timeline below, as presented in the *2018 Annual Work Plan Update* released on February 26, 2018, summarizes the workflow planned for the second quarter of 2018 to the second quarter of 2019. The table in the next section describes the current status of these projects.

2018			2019	
Q2	Q3	Q4	Q1	Q2
<b>Integrating Markets and Public Policy (IMAPP) Related</b>				
	<b>CASPR Conforming Changes</b>			
<b>Discussions on IMAPP "Achieve" Solutions ◊</b>				
<b>Capacity Market</b>				
<b>Zonal Demand Curves: FCM Cost Allocation</b>				
			<b>FCA #14 CONE Adjustment</b>	<b>FCA #15 CONE Recalculation</b>
<b>Delayed Commercial Operation of New Resources</b>				
<b>Energy and Reserve Markets</b>				
<b>Enhanced Storage Participation</b>				
	<b>Day-Ahead Reserves Technical Sessions</b>			
<b>Other Market Related Items</b>				
<b>Potential Fuel Security Solutions</b>				
<b>FERC Orders and NOPRs</b>				

<b>Chart Key</b>	<b>Market Design Project (anticipated period of stakeholder discussion)</b>
	<b>Market Assessment (potential start of stakeholder discussion)</b>
	<ul style="list-style-type: none"> <li>◊ A diamond indicates that the ISO will continue to actively engage with Participants on their long-term approaches to public policy</li> </ul>

## Annual Work Plan Updates: June 2018

This table follows the same color key as the table above. It may also include projects from the entire timeline of the 2018 Annual Work Plan, as projects remain in this table until the project is complete or a FERC Order has been noticed below.

- [Hyperlinks](#) of Market Project titles indicate that the project’s posted materials can be accessed on the Key Project webpage located on the ISO website.
- \* An asterisk indicates that the date has been changed since the AWP Update.

Project ID	Market Project/Market Assessment	Estimated Start of Stakeholder Process <sup>(a)</sup>	Status <sup>(b)</sup>	Estimated Earliest Effective Date
<b>Integrating Markets and Public Policy</b>				
117	<a href="#">Competitive Auctions with Sponsored Policy Resources (CASPR)</a>	Complete	Order issued March 9, 2018 ER18-619-000	March 9, 2018
N/A	Long Term “Achieve” IMAPP Approaches	N/A	Deferred	N/A
117	CASPR Conforming Changes	July 2018	In assessment	Q1 2019
<b>Capacity Market</b>				
103	<a href="#">Zonal Demand Curves: CSO Transactions using MRI Demand Curves (Annual Reconfiguration Transactions)</a>	Complete	Order issued February 28, 2018 ER18-455-000 ER18-455-001	March 1, 2018
75	FCM Enhancements Phase II	Complete	Order issued May 8, 2018 ER18-1287-000	June 1, 2018
N/A	Covering Obligations for FCM Repowerings (Repowering Construct)	Complete	To be filed	September 1, 2018
119	Dynamic De-List Bid Threshold	Complete	Order issued March 9, 2018 ER18-620-000	March 9, 2018
109	<a href="#">FCM Pay for Performance (Performance Incentives): Conforming Changes</a>	Complete	Order issued May 11, 2018 ER18-1223-000	June 1, 2018
112	Zonal Demand Curves: FCM Cost Allocation (Allocation of Forward Capacity Costs)	Underway	In development	June 1, 2022
N/A	FCA #13 Cost of New Entry (CONE) Adjustment	N/A	<a href="#">Published to the ISO-NE website in Q1 2018</a>	Q1 2018

N/A	FCA #14 CONE Adjustment	N/A	To be published to the ISO-NE website in Q1 2019	Q1 2019
TBD	FCA #15 CONE Recalculation	Q2 2019	N/A	Q1 2020
127	Delayed Commercial Operation of New Resources	Underway*	In development	December 2018
<b>Energy and Reserve Markets</b>				
121	Real-Time Reserve Designation & Settlement Rules	Complete	Order issued March 29, 2018 ER18-897-00	June 1, 2018
N/A	Multi-Period Ramp Pricing: Technical Session #3	Complete*	Complete	N/A
122	Enhanced Storage Participation	Underway*	In development	Q1 2019
N/A	Day Ahead Co-optimization: Technical Sessions	Q4 2018	In assessment	N/A
<b>Other Market Related Items</b>				
125	Potential Fuel Security Solutions ( <a href="#">Regional Energy Security: Market Based Approaches</a> )	June 2018	In assessment	Q1 2021
TBD	NOPR: Uplift Cost Allocation and Transparency in Markets Operated by RTOs and ISOs	TBD	Order 844 issued April 19, 2018 RM17-2-000	TBD
128	Order 844 Compliance: Uplift Cost Allocation and Transparency	July 2018*	In assessment	Q1 2019
TBD	NOPR: Fast Start Pricing in Markets Operated by RTOs and ISOs	TBD	NOPR withdrawn December 21, 2017RM17-3-000	N/A
TBD	NOPR: Electric Storage Participation in Markets Operated by RTOs and ISOs	Q3 2018	Order 841 issued February 15, 2018 RM16-23-000	TBD
TBD	NOPR: Grid Reliability and Resilience Pricing	TBD	Docket terminated January 9, 2018 RM18-1-000 Initiated AD18-7-000	N/A

## Additional Wholesale Market Projects

This section summarizes the current status and schedule of Market Projects not listed in the AWP section above.

- [Hyperlinks](#) of Market Project titles indicate that the project’s posted materials can be accessed on the Key Project webpage located on the ISO website.
- **Bolded** Market Project titles indicate a new project initiated since the last edition of the WMPP.
- \* An asterisk indicates that the date has been changed since the June WMPP.

Market Projects will remain in this section until either the appropriate governing documents have been modified or no further action is determined to be necessary. Closed projects will be moved to the closed market project report, available at [www.iso-ne.com/wmpp](http://www.iso-ne.com/wmpp). ISO filings to the FERC and FERC orders related to the ISO are posted by month and year at [www.iso-ne.com/participate/filings-orders](http://www.iso-ne.com/participate/filings-orders).

Project ID	Market Project	Estimated Start of Stakeholder Process <sup>(a)</sup>	Design Status <sup>(b)</sup>	Estimated Earliest Effective Date
104	Balance of Planning Period: Financial Assurance	Complete	To be filed	September 1, 2019
104	Balance of Planning Period: Conforming Market Changes	Complete	To be filed	September 1, 2019
126	<b>Forward Capacity Auction Rationing Limit</b>	Underway	In development	October 2018
N/A	<a href="#">FTR/LTRR Conforming Changes</a>	TBD	In assessment	N/A
123	<b>Permanent and Retirement De-list Economic Life Calculation</b>	Complete	Filed June 11, 2018 ER18-1770-000	August 2018
124	<b>FCM Retain Resources for Fuel Security</b>	Underway	In development	March 2019
TBD	Resource Performance Evaluation	TBD	Deferred	N/A
35/69/75/121	<b>Conforming Manual Changes</b>	Underway	In development	September 2018

- (a) This date indicates when the ISO expects to present a formal proposal to stakeholder committee(s). Some projects may involve discussion with committees before becoming a formal ISO proposal.
- (b) The design status of “in assessment” means that the ISO is evaluating potential solutions; “in development” means that the ISO is preparing or has presented a proposal to stakeholder committee(s); “deferred” means that the ISO is not actively evaluating solutions or developing a proposal for the stakeholder committees on the project but expects it will reinstate in the future; “filed” means that the ISO has gone through the stakeholder process and filed the change with FERC, with the docket number provided along with the date of filing; “filed comments” means the ISO has responded to a NOPR or informational request from the FERC; “complete” means that the development process is finished; “no action taken” means that the ISO has assessed the item and determined that no additional work is required; “merged with other project” means the project shifted and was either merged or replaced with a project that more effectively reaches the desired goal; “order issued” is followed by the date the FERC issued the order and the docket number; “manuals complete” means the project has been integrated into the appropriate manuals.