

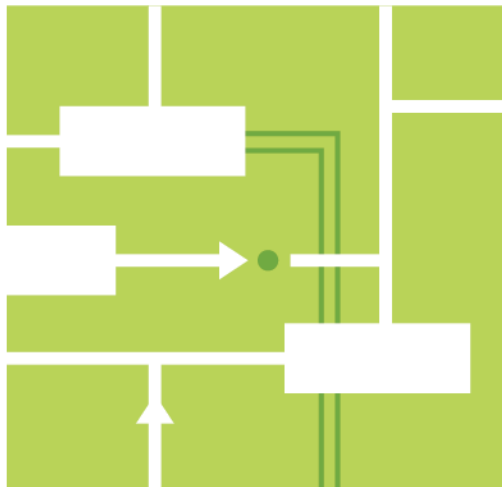
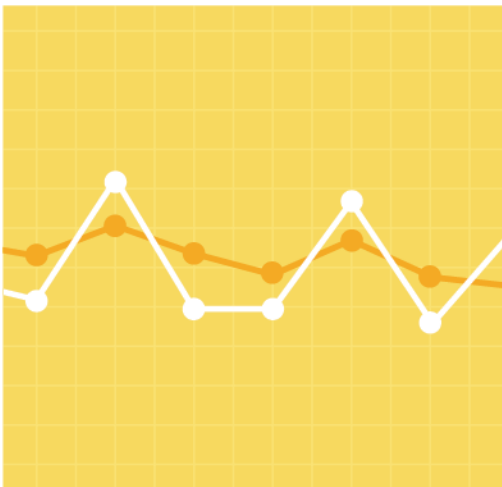


2018 Wholesale Market Project Plan

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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 the Winter Energy Security subject 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 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.

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Annual Work Plan Timeline: Market Projects

The timeline below, as presented in the *2019 Annual Work Plan* released on September 28, 2018, summarizes the workflow planned for the fourth quarter of 2018 to the fourth quarter of 2019. The table in the next section describes the current status of these projects.

2018	2019			
Q4	Q1	Q2	Q3	Q4
Winter Energy Security Related Projects				
Opportunity Costs and Energy Market Offers (phase 1)		Opportunity Costs and Energy Market Offers (phase 2)		
Interim Compensation Treatment				
Winter Energy Security Improvements (Chapter 3)			Winter Energy Security: Conforming and/or Additional Changes	
Energy, Reserves, and Regulation Related Projects				
PRD: Post Implementation Changes and Clean-Up				
Day-Ahead Enhancements Technical Sessions				
Forward Capacity Market Related Projects				
Delayed Commercial Resource Treatment				
CASPR Conforming Changes, Clean-Up, and Enhancements				
CONE and ORTP Consolidation				
	Nested Export Constrained Capacity Zones under Zonal Demand Curves (FCA 14)			
FERC Orders and NOPRs				
Order 841: Compliance: Electric Storage Participation in Markets				

Chart Key	Market Design Project (anticipated period of stakeholder discussion)
	Market Assessment (potential start of stakeholder discussion)

Annual Work Plan: September 2018

This table follows the same color key as the table above. It may also include projects from the entire timeline of the 2019 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 (a)	Status ^(b)	Estimated Earliest Effective Date
Winter Energy Security Related Projects				
N/A	Long Term “Achieve” IMAPP Approaches	N/A	Deferred	N/A
131	Opportunity Costs and Energy Market Offers (phase 1)	Complete	Complete	December 1, 2018
133	Interim Compensation Treatment	Underway	In development	March 2019
125	Winter Energy Security Improvements	Underway	In development	June 2024
131	Opportunity Costs and Energy Market Offers (phase 2)	TBD	Deferred	N/A
Energy, Reserves, and Regulation Related Projects				
122	Enhanced Storage Participation	Complete	Filed on October 10, 2018 ER19-84-000	April 1, 2019
69	PRD: Post Implementation Changes and Clean-Up	Complete	Filed on December 20, 2018 ER19-614-000	February 19, 2019
N/A	Day-Ahead Enhancements: Technical Sessions	Underway	First session held December 5, 2018	N/A
Forward Capacity Market Related Projects				
112	Zonal Demand Curves: FCM Cost Allocation (Allocation of Forward Capacity Costs)	Complete	Order issued September 26, 2018 ER18-2125-000	June 1, 2022

127	Delayed Commercial Resource Treatment	Complete	Order issued December 20, 2018 Docket ER19-169-000	December 24, 2018
117	CASPR Conforming Changes, Clean-Up and Enhancements	Complete	Filed on November 30, 2018 ER19-84-000	January 29, 2019
132	CONE & ORTP Consolidation	Complete	Order issued December 19, 2018 ER19-335-000	January 14, 2019
TBD	Nested Export Constrained Capacity Zones under Zonal Demand Curve (FCA14)	TBD	In assessment	TBD
FERC Orders and NOPRs				
128	Order 844 Compliance: Uplift Cost Allocation and Transparency	Complete	Order issued November 29, 2018 ER18-2394-000	January 1, 2019
129	Order 841 Compliance: Electric Storage Participation in Markets	Complete	Filed on December 3, 2018 ER19-470-000	December 3, 2019

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. 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.

Project ID	Market Project	Estimated Start of Stakeholder Process ^(a)	Design Status ^(b)	Estimated Earliest Effective Date
104	Balance of Planning Period: Conforming Market Changes	Complete	To be filed with FERC	September 17, 2019*
126	Forward Capacity Auction Rationing Limit	Complete	Order issued September 17, 2018 ER18-2078-000	September 25, 2019*
N/A	FTR/LTTR Conforming Changes	TBD	Deferred	N/A
124	FCM Retain Resources for Fuel Security	Complete	Order issued December 3, 2018 ER18-2365-000 & ER18-155-000	October 30, 2018*
TBD	Resource Performance Evaluation	TBD	Deferred	N/A
69/75/109/121	Conforming Manual Changes	Complete	Approved by NEPOOL Participants Committee on October 4, 2018	October 4, 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.