

FOR IMMEDIATE RELEASE**Contact:****Ellen Foley** (413) 535-4139**Matt Kakley** (413) 535-3821

Finalized Auction Results Confirm Sufficient Capacity Resources and Historically-Low Prices for 2023–2024

Holyoke, MA—February 18, 2020—Finalized results confirm that New England’s annual capacity auction concluded with sufficient resources to meet electricity demand in 2023–2024, and at the lowest price in auction history. ISO New England Inc. filed [the results](#) today with the Federal Energy Regulatory Commission (FERC).

Capacity acquired and retained

The 14th Forward Capacity Market (FCM) auction (FCA #14), conducted on February 3, procured 33,956 megawatts (MW) of capacity for the June 1, 2023 to May 31, 2024 capacity year.

This capacity is comprised of 28,978 MW of generation, 3,919 MW of demand resources, and 1,059 of imports from New York, Québec, Canada and New Brunswick, Canada. The FERC filing includes a list of resources that have an obligation to be available in 2023–2024.

“Consumers in New England are getting a reliable electric system at a historically-low price,” said Robert Ethier, vice president for system planning at ISO New England. “In addition to low prices, this auction continued New England on its path toward a clean energy grid of the future, with hundreds of megawatts of new solar, wind, and energy efficiency resources clearing to provide this capacity service to the region.”

More than 600 MW of new resources within New England secured obligations during the primary auction. Of this total, approximately 317 MW received their obligations under the renewable technology resource (RTR) designation.

Prior to the auction, ISO New England retained two units, Mystic 8 and 9, needed for fuel security in the 2023-2024 capacity year.

Prices

The primary auction clearing price was \$2.00 per kilowatt-month (kW-month) for all resources in New England and imports from New York, Québec, and New Brunswick. The estimated cost of the capacity market in 2023-2024 will be about \$980 million. A table illustrating results from auctions #10 through #14 is below.

Forward Capacity Market

The FCM is designed to procure the resources that will be needed to meet projected demand in three years’ time. Capacity resources can include traditional power plants, renewable generation, imports, and demand-side resources such as load management and energy-efficiency measures. Resources clearing in the auction will receive a monthly payment during the delivery year in exchange for their commitment to provide power or curtail demand when called on by the ISO. The capacity market is separate from the energy market, where resources compete on a daily basis to provide power, and are paid for the electricity they produce.

Auction Results for FCAs #10 through #14 (2016-2020)

Results for all previous auctions can be found at: <https://www.iso-ne.com/about/key-stats/markets#fcaresults>

Auction, Auction Date, Commitment Period	Total Capacity Acquired (MW)	New Demand Resources (MW)	New Generation (MW)	Clearing Price (\$/kW-month)
FCA #10 in 2016 2019–2020	35,567	371	1,459	\$7.03
FCA #11 in 2017 2020–2021	35,835	640	264	\$5.30
FCA #12 in 2018 2021–2022	34,828	514	174	\$4.63
FCA #13 in 2019 2022–2023	34,839	654	837*	\$3.80
FCA #14 in 2020 2023–2024	33,956	323	335	\$2.00

Pricing

- In FCA #10, New York imports will be paid \$6.26/kW-month; Québec imports will be paid \$7.03/kW-month; and New Brunswick imports will be paid \$4/kW-month.
- In FCA #11, New York and Québec imports will be paid \$5.30/kW-month; and New Brunswick imports will be paid \$3.38/kW-month.
- In FCA #12, New York imports will be paid \$4.63/kW-month; 57 MW over a Québec interconnection will be paid \$4.63/kW-month; 442 MW over another Québec interconnection will be paid \$3.70/kW-month; and New Brunswick imports will be paid \$3.16/kW-month.
- In FCA #13, New York and Québec imports will be paid \$3.80/kW-month; and New Brunswick imports will be paid \$2.68/kW-month.
- In FCA #14, New York, Québec, and New Brunswick imports will be paid \$2.00/kW-month.

*This total includes new generation acquired in both the primary auction (783 MW) and substitution auction (54 MW).

ABOUT ISO NEW ENGLAND

Created in 1997, ISO New England is the independent, not-for-profit corporation responsible for the reliable operation of New England's electric power generation and transmission system, overseeing and ensuring the fair administration of the region's wholesale electricity markets, and managing comprehensive regional electric power planning.

