

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Participation of Distributed Energy)	
Resource Aggregations in Markets)	
Operated by Regional Transmission)	Docket No. RM18-9-000
Organizations and Independent System)	
Operators)	

**MOTION OF ISO NEW ENGLAND INC. TO EXTEND
THE TIME PERIOD TO COMPLY WITH ORDER NO. 2222**

Pursuant to Rules 212 and 2008 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”),¹ ISO New England Inc. (“ISO-NE”)² respectfully moves for an extension of time to comply with the Final Rule for Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators.³

In Order No. 2222, the Commission amended its regulations to “to remove barriers to the participation of distributed energy resource aggregations in the Regional Transmission Organization (RTO) and Independent System Operator (ISO) markets (RTO/ISO markets).”⁴ The Commission issued Order No. 2222 on September 17, 2020, with a compliance deadline 270 days after publication in the Federal Register. The Order was published in the Federal Register on October 22, 2020 and, therefore, compliance filings are due on July 19, 2021.

¹ 18 C.F.R. §§ 385.212 and 385.2008 (2020).

² Capitalized terms used but not defined in this Motion are intended to have the meanings given to such terms in the Second Restated New England Power Pool Agreement, the Participants Agreement, and the ISO New England Inc. Transmission, Markets and Services Tariff (“Tariff”).

³ *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, 172 FERC ¶ 61,247 (2020) (“Order No. 2222” or “the Order”).

⁴ *Id.* at P 1.

For the reasons stated herein, ISO-NE respectfully requests an extension of the compliance deadline to February 2, 2022 to allow for ISO-NE and its stakeholders to better develop a compliance proposal that meets the goals articulated by the Commission in Order No. 2222.

Pursuant to Rule 2008, the Commission may extend “the time by which any person is required or allowed to act under any statute, rule, or order . . . for good cause, upon a motion made before the expiration of the period prescribed or previously extended.” ISO-NE offers that good cause exists here to grant the requested limited extension. As described below, the extension will provide additional time for ISO-NE to continue to work with electric distribution companies, relevant electric retail regulatory authorities (“RERRAs”), transmission owners, meter readers, prospective distributed energy resource (“DER”) aggregators, and other stakeholders to create a compliance proposal consistent with the Commission’s intent in Order No. 2222. The Commission has previously determined that good cause existed to grant extensions of compliance deadlines for RTOs/ISOs in rulemaking proceedings, specifically when such extensions allow for additional

stakeholder engagement,⁵ including the Commission’s recent decision to grant Order No. 2222 compliance extensions to other multi-state RTOs/ISOs.⁶

⁵ See, e.g., *Demand Response Compensation in Organized Wholesale Energy Markets, Notice of Extension of Time*, Docket No. RM10-17-000 (Jul. 8, 2011) (“ISO-NE states that the extension of time will allow further consideration by stakeholders of ISO-NE’s proposed tariff changes to its demand response program . . . Upon consideration, notice is hereby given that ISO-NE is granted an extension of time to and including August 19, 2011, to submit its compliance filing pursuant to Order No. 745.”); *Demand Response Compensation in Organized Wholesale Energy Markets, Notice of Extension of Time*, Docket No. RM10-17-000 (Jul. 11, 2011) (“MISO states that the extension of time will allow further discussion and consideration by stakeholders of MISO’s proposed compliance filing . . . Upon consideration, notice is hereby given that MISO is granted an extension of time to and including August 19, 2011, to submit its compliance filing pursuant to Order No. 745.”); *Demand Response Compensation in Organized Wholesale Energy Markets, Notice of Extension of Time*, Docket No. RM10-17-000 (Jul. 22, 2011) (“The NYISO states that additional time is needed to conduct analysis related to issues raised at a July 18th Market Issues Work Group meeting and to respond to any additional stakeholder concerns . . . Upon consideration, notice is hereby given that NYISO is granted an extension of time to and including August 19, 2011, to submit its compliance filing pursuant to Order No. 745.”); *Offer Caps in Markets Operated by Regional Transmission Organizations and Independent System Operators, Notice of Extension of Time*, Docket No. RM16-5-000 (Jul. 17, 2018) (“CAISO asserts that this additional time will also allow for stakeholder consideration and approval from its Board of Governors . . . Upon consideration, notice is hereby given that CAISO’s motion is granted, extending the deadline for CAISO to comply with the Final Rule to and including April 30, 2019.”); *Integration of Variable Energy Resources, Notice of Extension of Time*, Docket No. RM10-11-000 (Oct. 18, 2013) (“CAISO states that the additional time is needed to obtain additional stakeholder input on the proposed revisions to its tariff, and to finalize the supporting materials . . . Upon consideration, CAISO is hereby granted an extension of time, to and including November 27, 2013, to submit a compliance filing.”); *PJM Interconnection, L.L.C., Notice of Extension of Time*, Docket No. RM10-23-000 (Oct. 15, 2012) (“PJM states that the requested extension will permit PJM sufficient time to finalize the stakeholder process and related compliance activities . . . Upon consideration, notice is hereby given that PJM is granted an extension of time to and including October 25, 2012, to submit its filing to comply with Order No. 1000.”); *Credit Reform in Organized Wholesale Markets, Notice of Extension of Time*, Docket No. RM10-13-000 (Jan. 24, 2012) (“Upon consideration, notice is hereby given that all RTOs and ISOs are granted an extension of time to and including April 30, 2012, to comply with requirement of Order No. 741 that RTOs and ISOs enhance their ability to offset market obligations in bankruptcy.”); *Standardization of Small Interconnection Agreements and Procedures, Notice of Extension of Time*, Docket No. RM02-12-000 (Nov. 4, 2005) (“The motion states that the CAISO requires additional time to incorporate stakeholder input in developing the SGIP and SGIA compliance filings. CAISO further states that the press of the other stakeholder initiatives has delayed the development of a stakeholder process focusing on these SGIP and SGIA compliance filings . . . Upon consideration, notice is hereby given that an extension of time for the CAISO to make SGIP and SGIA compliance filings is granted to and including February 10, 2006, as requested by the CAISO.”).

⁶ *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, Docket No. RM18-9, Letter Order (April 9, 2021).

I. MOTION FOR EXTENSION OF TIME

ISO-NE began to engage with its stakeholders regarding Order No. 2222 compliance shortly after the final rule was effective and a compliance date was set. This work has primarily occurred through the New England Power Pool (“NEPOOL”) Markets and Transmission Committees. To date, ISO-NE has reviewed the Order and possible compliance pathways in seven formal NEPOOL committee meetings, eliciting and presenting potential compliance pathways for discussion and feedback. In addition to these NEPOOL committee meetings, ISO-NE has also convened numerous meetings with key partners and affected parties, including with the New England Conference of Public Utilities Commissioners (“NECPUC”), with New England’s electric distribution companies (to discuss the Order No. 2222 registration requirements), with both New England’s transmission operators and electric distribution companies (to discuss the Order’s operational coordination framework), with Host Participant Assigned Meter Readers, and with prospective DER Aggregators. These discussions have been productive, but have brought to the fore a number of issues that would benefit from additional time.

First, compliance with Order No. 2222 requires substantial coordination among ISO-NE and a large number of entities, including RERRAs, electric distribution companies, meter readers, and prospective DER aggregators. Further, staff from business units of several NEPOOL members that are directly impacted by Order No. 2222 (e.g., local control center operators, meter readers, the distribution company staff that administers retail distributed energy resource programs, etc.) do not normally attend NEPOOL stakeholder meetings. In addition to actively engaging with the NEPOOL stakeholder process, ISO-NE has been working with other affected entities, and with specific business units within these affected entities, to develop an Order No. 2222 compliance approach. The scale of coordination required to comply with the Order is challenging, particularly

across a multi-state footprint in which all but one state has deregulated electricity markets in which customers choose among competitive suppliers. Among other things, coordination to develop electric distribution companies' role in the ISO-NE asset registration process, and the development of the RERRA role in that process, would benefit from the additional time requested.

Second, the region's Order No. 2222 compliance approach would be improved through the development of a meter reading process for DER aggregations that is workable for all affected parties. In New England, it is typically the Host Participant Assigned Meter Reader—most commonly, the electric distribution company—that performs the meter reading function for the wholesale markets. While the Host Participant Assigned Meter Readers perform their meter reading function and recoup their costs for doing so pursuant to state tariffs under the jurisdiction of state regulators, ISO-NE performs all wholesale settlement based on the data the Assigned Meter Readers report to ISO-NE. Because of this, the recovery of any increased costs to Host Participant Assigned Meter Readers resulting from Order No. 2222 implementation must be approved by state regulators.

In stakeholder discussions to date, a number of specific metering-related challenges have arisen, particularly associated with metering and reporting for DER aggregations that include behind-the-meter components. To help address some of these challenges, the NEPOOL Markets Committee has referred several issues to its Meter Reader Working Group (“MRWG”).⁷ The initial referral directed the MRWG to discuss and consider the following three issues, and then report its observations and recommendations to the NEPOOL Markets Committee:

- 1) The implementation requirements to accomplish the proposed reporting for wholesale market settlement of DER aggregations, meter data acquired from either

⁷ See March 3, 2021 Memorandum to NEPOOL Markets Committee Regarding Referral to the MRWG, available at https://www.iso-ne.com/static-assets/documents/2021/03/a04_mc_2021_03_09_order_2222_mrwg_refer.pdf.

meter reader or third party owned sub-meters of DER devices located within end-use customer facilities.

- 2) The feasibility of the proposed reconstitution of such DER devices' sub-metered consumption or generation to the remaining loads reported for settlement of the Load Assets in which the end-use customers with DERs are associated, such that the DER devices' consumption or generation is not also reflected in the reported load of those Load Assets.
- 3) Identify Meter Reader and Host Participant current capabilities and identify and consider what increased capabilities would be needed to provide interval meters and daily reads of those meters for any end-use customer who seeks to be a part of a DER aggregation.

The MRWG presented its initial report to the Markets Committee on April 6, and the Committee issued the MRWG a second referral to address an additional issue.⁸ The extension of time requested here would benefit the metering compliance proposal as it will allow the MRWG and the NEPOOL Markets Committee to continue to work toward resolution of these issues, and will also allow time for necessary coordination with state regulators, both of which will ultimately inform ISO-NE's compliance proposal.

Third, ISO-NE expects that additional time will also ensure the incorporation of Order No. 745-compliant demand response resources into its DER aggregation participation model consistent with the expectations of the Commission in Order No. 2222. After presenting its initial proposal for the inclusion of demand response resources in DER aggregations to stakeholders, ISO-NE determined that additional development was needed and that such development would benefit from more time. The additional time also allows for ISO-NE and its stakeholders to review whether

⁸ For the MRWG report to the NEPOOL Markets Committee on the initial referral, *see* presentation of Sue Clary on behalf of the NEPOOL Meter Reader Working Group, available at https://www.iso-ne.com/static-assets/documents/2021/03/2021_03_24_MRWG_A02_Presentation_FERC_Order_2222_Draft.pdf. For the second MRWG referral, *see*, Letter to NEPOOL Participants Committee Re: Actions of the MC, available at https://www.iso-ne.com/static-assets/documents/2021/04/a00_mc_2021_04_06_actions.pdf.

Order No. 2222-A, issued by the Commission on March 18, 2021,⁹ has any impact on its compliance proposal.

In sum, in order to provide ISO-NE, RERRAs, electric distribution companies, Transmission Owners, Host Participant Assigned Meter Readers, prospective DER aggregators, and other New England stakeholders sufficient time to develop a compliance proposal that meets the goals outlined by the Commission in Order No. 2222, ISO-NE requests that its compliance deadline be extended until February 2, 2022. ISO-NE's proposed stakeholder schedule is attached as Attachment A to this Motion.

II. CONCLUSION

For the foregoing reasons, ISO-NE respectfully requests that the Commission grant the requested extension of the Order No. 2222 compliance deadline to February 2, 2022.

Respectfully submitted,

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Dated: April 16, 2021

⁹ See *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, 174 FERC ¶ 61,197 (2021) ("Order No. 2222-A").

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Holyoke, Massachusetts this 16th day of April, 2021.

/s/ Julie Horgan

Julie Horgan
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Attachment A: ISO-NE Proposed Stakeholder Schedule

memo

To: NEPOOL Markets Committee (MC), NEPOOL Reliability Committee (RC), and NEPOOL Transmission Committee (TC)

From: Mariah Winkler, MC Chair; Emily Laine, RC/TC Chair; William Fowler, MC Vice Chair; Robert Stein, RC Vice Chair; and José Rotger, TC Vice Chair

Date: April 9, 2021

Subject: Revised Order No. 2222 Stakeholder Schedule

Starting in December 2020, the ISO began discussing with stakeholders its proposed compliance approach to Order No. 2222 regarding incorporating Distributed Energy Resource Aggregations (DERAs) into the wholesale electric markets. The compliance directives in Order No. 2222 impact several areas of the ISO's wholesale markets and the bulk electric systems. Accordingly, the MC, RC, and TC (collectively the NEPOOL Technical Committees) are each considering different aspects of the Order No. 2222 compliance proposal in the stakeholder process.

The focus of the MC's discussions on Order No. 2222 have been on defined terms, DERA participation models, metering and telemetry requirements, DERA registration coordination, DERA incorporation into the Forward Capacity Market, and updates to the Market Participant Service Agreement. The focus of the TC's discussions have been on operational coordination, interconnection, and the updates to the Market Participant Service Agreement. The RC has not yet discussed proposed revisions associated with Order No. 2222, but potential issues related to Installed Capacity Requirement (ICR) and resource capacity audits may require time at that committee as well.

In mid-March, the ISO notified the NEPOOL Technical Committees that it would be filing a motion with the Commission by mid-April to extend the Order No. 2222 compliance filing deadline to February 2, 2022.¹ With this extension request in mind, we propose the following preliminary approach for the Technical Committee meetings. This is a tentative schedule as we wait for the Commission's ruling on the extension request and may be revisited depending on that ruling.

May, 2021

At the May Markets and Transmission Committee meetings, the ISO will review the unchanged design elements of its Order No. 2222 compliance proposal and indicate areas where it may be considering changes in its design. The focus of the discussions will be on the unchanged design elements and stakeholders are encouraged to come prepared to share input on those elements at these meetings.

In addition, at the Markets Committee meeting, the Meter Reader Working Group may report on the status of the April MC referral request.

June, 2021

At the June Markets and Transmission Committee meetings, the ISO is not planning to present, but time will be set aside on the agenda for stakeholders to present suggestions for changes to the ISO's Order No. 2222 design elements. If members would like time on the MC or TC agenda to present, please notify the associated committee Secretary by **Friday, May 28**.

¹ The ISO previously indicated it would seek to extend the compliance filing deadline to February 1, 2022. Based on stakeholder feedback, the ISO plans to request February 2, 2022 as the extended compliance filing deadline.

July, 2021

At the July Technical Committee meetings, the ISO will present its design changes on its Order No. 2222 compliance proposal and respond to suggestions made at the June Markets and Transmission Committee meetings. A refined ISO proposal may result from this feedback and will be presented at these July meetings.

August, 2021

At the August Technical Committee meetings, the ISO will continue to present on its Order No. 2222 compliance proposal. We recommend that the ISO and the committees focus on what is new from the prior meetings and on further clarifying and discussing questions about the overall proposal.

September, 2021

At the September Technical Committee meetings, the ISO will present the final draft of its Order No. 2222 compliance design and initial Tariff redlines.

We ask that members who anticipate pursuing alternative approaches indicate their intentions to present in October at the appropriate committees at this meeting in order to inform the other committee members of their proposed changes. From this feedback, we will schedule time accordingly at the October Technical Committee meetings for further discussion on potential amendments.

October, 2021

At the October Technical Committee meetings, the ISO will present any design refinements on its Order No. 2222 compliance proposal and continue to review the Tariff redlines focusing on revisions since the prior meeting.

We plan to provide sufficient opportunity at these meetings for committee discussion of any potential amendments to the ISO proposal. If members have potential amendments they would like to discuss at the October Technical Committee meetings, we ask that you notify the given committee Secretary with your request in advance.

Members should provide their materials in advance so we can distribute them by the posting date for the given Technical Committee meeting. We highly encourage members to work with NEPOOL Counsel in the drafting of any desired amendments to the ISO proposal.

November, 2021

At the November Technical Committee meetings, the ISO will discuss any remaining design refinements on its Order No. 2222 compliance proposal in response to feedback and continue to review the Tariff redlines. We recommend that the ISO and the committee focus on what is new from the prior meetings and any alternative proposals previously presented.

Any alternative proposals should also include Tariff language to the extent possible in order for members to review the language and review it with their organizations before the decisional meeting. We anticipate posting any proposed Tariff revisions by the ISO earlier than the normal posting requirement in order to provide the members with as much review time as possible and to facilitate the drafting of potential amendments.

Members should provide their materials in advance so we can distribute them by the posting date for the given Technical Committee meeting and should work with NEPOOL Counsel in the drafting of any desired Tariff changes or amendments to the ISO proposal.

December, 2021

At the December Technical Committee meetings, the ISO will seek votes on its Order No. 2222 compliance proposal, as developed in the process, as well as on any potential amendments.

If members will also be seeking to have amendments voted, they should submit requests in writing to the associated committee Secretary so time can be allocated on the agenda in advance of the meetings. In order for committee members to be able to review the amendment language and materials before making a decision, we ask that members also submit the amendment language and associated materials for distribution on the posting date for the given Technical Committee meeting. Again, we encourage members to work with NEPOOL Counsel in drafting any amendments and with ISO staff on implementation questions regarding any proposals.

Participants Committee Action and FERC Filing

The ISO will be requesting a Participants Committee vote at its January 2022 meeting and it plans to file the Order No. 2222 Tariff changes with the Commission by February 2, 2022 if the compliance filing deadline extension request is approved. If the Commission rejects the ISO's extension request or approves a different extended compliance filing deadline for Order No. 2222, an update on the stakeholder schedule will be provided.

If you have any questions, please let us know.