

175 FERC ¶ 61,156  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

May 24, 2021

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

ISO New England Inc.  
One Sullivan Road  
Holyoke, MA 01040

Attention: Jennifer Wolfson

Dear Ms. Wolfson:

1. On April 16, 2021, you filed on behalf of ISO New England Inc. (ISO-NE) a motion for extension of time until February 2, 2022 to submit a filing to comply with the requirements of Order No. 2222.<sup>1</sup>
2. ISO-NE explains that compliance with Order No. 2222 requires substantial coordination and that an extension would help ensure that ISO-NE has sufficient time to engage with relevant electric retail regulatory authorities, electric distribution companies, meter readers, and other affected stakeholders.<sup>2</sup> Additionally, ISO-NE asserts that its compliance approach with respect to topics such as metering and the integration of demand response resources would benefit from further discussions.<sup>3</sup> ISO-NE further

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<sup>1</sup> *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, Order No. 2222, 172 FERC ¶ 61,247 (2020), *order on reh'g*, Order No. 2222-A, 174 FERC ¶ 61,197 (2021).

<sup>2</sup> Motion at 4-5.

<sup>3</sup> *Id.* at 5-6.

contends that the extension would provide ISO-NE and its stakeholders time to review whether Order No. 2222-A has any impact on its compliance proposal.<sup>4</sup>

3. According to ISO-NE, granting the extension would be consistent with prior Commission rulings, specifically when such extensions permitted additional stakeholder engagement, including the Commission's recent decision to grant Order No. 2222 compliance extensions to other multi-state Regional Transmission Organizations and Independent System Operators (RTO/ISO).<sup>5</sup> In support of its motion, ISO-NE provides a schedule to demonstrate how the additional time will allow it to engage with stakeholders as it further develops and refines its compliance proposal.<sup>6</sup>

4. No entities oppose ISO-NE's motion. The Massachusetts Department of Public Utilities (Massachusetts Commission), with the support of the Connecticut Public Utilities Regulatory Authority and the Vermont Public Utilities Commission, requests that the Commission grant ISO-NE's motion.<sup>7</sup> The Massachusetts Commission states that it agrees with ISO-NE that extending the compliance deadline to February 2, 2022 will allow New England stakeholders to discuss ISO-NE's Order No. 2222 compliance approach more comprehensively.<sup>8</sup> Likewise, Advanced Energy Economy (AEE) agrees with ISO-NE that several compliance issues warrant further discussion and emphasizes the importance of allowing stakeholders to provide feedback on ISO-NE's draft compliance proposal to ensure full compliance with Order No. 2222.<sup>9</sup> AEE asserts that ISO-NE's request is appropriately tailored to ensure sufficient time for stakeholder review, discussion, and engagement on ISO-NE's proposed approach to Order No. 2222 compliance.<sup>10</sup>

5. We grant ISO-NE's request for extension until February 2, 2022, to submit its filing in compliance with the requirements of Order No. 2222. Moreover, consistent with

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<sup>4</sup> *Id.* at 6-7.

<sup>5</sup> *Id.* at 2-3 (citing *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, 175 FERC ¶ 61,013 (2021) (April 9 Order)).

<sup>6</sup> *Id.* attach. A.

<sup>7</sup> Massachusetts Commission Comments at 2-3.

<sup>8</sup> *Id.* at 2.

<sup>9</sup> AEE Comments at 3.

<sup>10</sup> *Id.* at 1.

our prior directives to other RTOs/ISOs,<sup>11</sup> to assist in facilitating stakeholder deliberations and provide information on the progress of Order No. 2222 compliance, we require ISO-NE to submit an informational filing indicating any changes to the stakeholder process schedule provided in its motion within 30 days of the issuance of this order and to submit status reports every 90 days thereafter until the date that it submits its compliance filing.<sup>12</sup>

By direction of the Commission. Commission Christie is concurring with a separate statement attached.

Debbie-Anne A. Reese,  
Deputy Secretary.

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<sup>11</sup> See April 9 Order, 175 FERC ¶ 61,013 at P 5 (requiring the filing of an informational filing containing a stakeholder process schedule, and status reports).

<sup>12</sup> These reports should be filed in the instant docket and will not be noticed for comment or require Commission action.

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

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

(Issued May 24, 2021)

CHRISTIE, Commissioner, *concurring*:

1. I concur with today's letter order, which grants extensions of the deadline to submit filings to comply with the requirements of Order No. 2222 to ISO-NE.
2. As set forth more fully in my April 9, 2021 concurrence in which requests for extension of time related to Order No. 2222 compliance made by MISO, SPP and PJM were granted,<sup>1</sup> I would not have voted for Order No. 2222 had I been on the Commission last September and I dissented this March from approving Order No. 2222-A.<sup>2</sup>

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<sup>1</sup> *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, 175 FERC ¶ 61,013 (2021) (Christie, Comm'r, concurring, available at <https://www.ferc.gov/news-events/news/commissioner-mark-c-christie-concurrence-regarding-order-granting-compliance> ).

<sup>2</sup> *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, Order No. 2222, 172 FERC ¶ 61,247 (2020), *order on reh'g*, Order No. 2222-A, 174 FERC ¶ 61,197 (2021) (Christie, Comm'r, dissenting, available at <https://www.ferc.gov/news-events/news/item-e-1-commissioner-mark-c-christie-dissent-regarding-participation-distributed> ).

3. Like the motions filed by each of MISO<sup>3</sup>, SPP<sup>4</sup> and PJM<sup>5</sup> in their requests for extension of time, the motion filed by ISO-NE<sup>6</sup> illustrates the daunting complexities and certain increased costs to consumers, which I referenced in my dissent to Order No. 2222-A and which apply equally to its forebear, Order No. 2222. The problems and complexities of compliance described in ISO-NE's Motion are further evidence that implementing Order Nos. 2222 and 2222-A will be far more complicated, far more costly to consumers and far more burdensome to states, public and municipal power authorities, and electric co-operatives, than these orders and many of their supporters acknowledge.

4. For example, in support of its request for extension, ISO-NE states that “[t]he scale of coordination required to comply with [Order No. 2222] 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.”<sup>7</sup> ISO-NE notes that it has already had seven formal NEPOOL compliance committee meetings on Order No. 2222 as well as numerous meetings with “key partners and affected parties,” including with the New England Conference of Public Utilities Commissioners, New England's electric distribution companies, New England's transmission operators, Host Participant Assigned Meter Readers (HP AMR), and prospective DER Aggregators.<sup>8</sup>

5. One of the issues ISO-NE addresses is the complexity of meter reading related to Order No. 2222. In addressing these complications, ISO-NE notes the potential for increased costs:

[T]he 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

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<sup>3</sup> February 17, 2021 Motion of the Midcontinent Independent System Operator, Inc. for Extension of Order No. 2222 Initial Compliance Requirement.

<sup>4</sup> February 18, 2021 Motion for Extension of Time of Southwest Power Pool, Inc.

<sup>5</sup> February 26, 2021 Motion of PJM Interconnection, L.L.C. for Extension of Time to Submit Compliance Filing.

<sup>6</sup> April 16, 2021 Motion of ISO-New England Inc. to Extend the Time Period to Comply with Order No. 2222 (ISO-NE Motion).

<sup>7</sup> *Id.* at 4-5.

<sup>8</sup> *Id.* at 4.

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.*<sup>9</sup>

ISO-NE states that “a number of specific metering-related challenges have arisen, particularly associated with metering and reporting for DER aggregations that include behind-the-meter components.”<sup>10</sup>

6. A Meter Reading Working Group (MRWG) presentation to NEPOOL on this issue, cited by ISO-NE in its motion, makes reference to potential upgrades and modifications to systems and infrastructure.<sup>11</sup> The last substantive slide in this presentation provides a list of “Additional Factors to Consider and Systems Impacted by DER Requirements,” which includes, “costs of additional metering and telecommunications systems” (including “SCADA requirements needed for Operations to ensure safety and reliability of the grid”), “costs of HP AMR System Upgrades to support FERC Order 2222 reporting requirements”, and examples of certain “administrative burdens.”<sup>12</sup> The last statement on the slide notes that “[t]ime and [c]ost estimates cannot be provided by the MRWG at this time. Each HP AMR would need to work within their respective operating company to fully understand the FERC Order 2222 Requirements and how those requirements will impact their various meter, billing and settlement systems.”<sup>13</sup>

7. These concerns embody precisely my point. As I said in my April 9, 2021 concurrence, in my remarks at the March 18, 2021 Commission Open Meeting at which Order No. 2222-A was approved and in my written dissent to that order, the costs of compliance with both Order Nos. 2222 and 2222-A will be far more substantial than have

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<sup>9</sup> *Id.* at 5 (emphasis added).

<sup>10</sup> *Id.*

<sup>11</sup> *Id.* at 6 (citing 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](https://www.iso-ne.com/static-assets/documents/2021/03/2021_03_24_MRWG_A02_Presentation_FERC_Order_2222_Draft.pdf) (MRWG Presentation)).

<sup>12</sup> MRWG Presentation at 14.

<sup>13</sup> *Id.*

been recognized and, ultimately, *consumers will pay them*. ISO-NE's Motion, like those of MISO, SPP and PJM before it, offers a preview of what's coming in terms of the complications and impacts on reliability caused by these orders and the substantial costs that will have to be expended not only to address those threats but to address the complexity of the requirements these orders impose, costs that will be piled on consumers.

8. Since – at least at this point – the RTOs have no choice but to comply with these orders, I respectfully concur with the letter order granting ISO-NE's request for extension of time to make its compliance filing. I also hope that by granting the extension ISO-NE will have more time to try to mitigate some of the potential for reliability problems. I recognize that these are validly entered orders of the Commission and the RTOs must comply, but I cannot recognize them as in the public interest.

For these reasons, I respectfully concur.

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Mark C. Christie  
Commissioner