



To: New England States Committee on Electricity Board of Managers

From: ISO New England Board of Directors

Date: July 6, 2022

Subject: ISO New England Governance Enhancements – Update to May 20, 2022 Memo

The ISO New England Board of Directors, management and staff have a long history of working with the states and stakeholders on energy matters and we are committed to continuing that work to help the region achieve a reliable and efficient clean energy future. In response to the New England states' *Vision Statement* and its *Advancing the Vision Report*, and constructive dialogue with NESCOE, the ISO is pursuing targeted governance and communications enhancements. The changes reflect ISO New England's independent, but collaborative, role and its commitment to the clean energy transition. ISO New England has implemented the following adjustments to current governance and communication practices:

Enhanced Public Communications

- The ISO Board of Directors will conduct one open meeting each year to provide an opportunity for the public to listen to and observe ISO Board and management discussions. We are planning this year's meeting for the November timeframe in Boston. The meeting will focus on market issues and next year's meeting will be connected to the Regional System Plan public meeting and will focus on system planning issues. The meetings will provide an opportunity for public comment.
- The ISO produces a substantial amount of information and data on the regional energy system and strives to produce much of this information in an understandable, non-technical format. ISO management commits to reviewing existing documents to identify any additional reasonable needs for enhanced public communications with non-technical audiences. The ISO would welcome NESCOE's input on such communications.
- The ISO prepares a written summary each month of ISO Board and committee meetings. This summary is a public document. The ISO has regularly submitted the summary to the NEPOOL Participants Committee to be included in their monthly meeting materials, and the ISO CEO is available to discuss the summary during his CEO Report to NEPOOL Participants as well as representatives of the states that participate in NEPOOL meetings.

More recently, the ISO has featured the summary in the monthly issues memo prepared for NECPUC, NESCOE, the Consumer Liaison Group (CLG) and other interested stakeholders. The ISO posts the monthly memos on its website.¹

- In addition to making regular presentations at NEPOOL, Planning Advisory Committee (PAC) and CLG meetings, the ISO is identifying opportunities to host webinars to feature recently completed reports and studies. The first such event will highlight the Pathways Study recently completed for the ISO by Analysis Group.² This webinar is scheduled for June 1 and will be featured on the ISO website as well as other ISO communication channels (e.g., the ISO Newswire), with instruction on how to register and receive information to access the meeting. The ISO would welcome NESCOE's input on topics for future events.

Consideration of Costs and Consumer Impacts

- The Board receives information on wholesale electricity prices and retail electricity rates in each of the New England states to provide situational awareness on current and historical electricity costs to consumers. ISO New England commits to including additional information on Board consideration of wholesale costs in its publicly available Board reports. This type of information provided to the Board is currently presented to the CLG and in the annual report of the CLG.³
- The ISO Board Markets Committee and System Planning and Reliability Committee (SPARC) have updated their charters to ensure that the Committees' work is conducted consistent with the ISO's [Vision](#), which emphasizes the Company's role in utilizing competitive markets and planning processes, and advanced technologies, to facilitate a reliable transition to clean energy (see [Markets](#) and [SPARC](#) charters).
- The Board is continuing to discuss potential actions to memorialize its current practice and commitment to considering the costs of significant ISO proposals. (*Update: On June 22, 2022, the Board adopted a Resolution on Cost-Consciousness.*⁴)

¹ Presentations, Speeches, Papers, and Other Materials, ISO New England; <https://www.iso-ne.com/about/government-industry-affairs/materials/>

² Pathways Study: Evaluation of Pathways to a Future Grid, Prepared for ISO New England by Analysis Group, April 2022; <https://www.iso-ne.com/static-assets/documents/2022/04/schatzki-et-al-pathways-final.pdf>

³ Consumer Liaison Group Meeting Materials and Annual Reports; <https://www.iso-ne.com/committees/industry-collaborations/consumer-liaison/>

⁴ ISO Board Resolution on Cost-Consciousness; https://www.iso-ne.com/static-assets/documents/2022/06/2022-06-22_bod_board_resolution_on_cost_consciousness_june_2022.pdf

Enhanced communications with the States

- The ISO Board currently meets with the states twice a year in plenary sessions and periodically in individual state liaison meetings. The ISO will add plenary or liaison meetings with the states where necessary to discuss consumer implications of an ISO proposal.
- In situations where the states have a majority position on an ISO proposal, the Board will be available to meet with the states to discuss their position, and ISO management will include consideration of a state majority position in its filings to the Federal Energy Regulatory Commission.
- The ISO will add periodic small discussion group meetings between the states and the ISO Board on certain market and planning matters to supplement current plenary and liaison meetings. These targeted small groups will focus on regional issues that implicate state decisional authority or involve matters under state jurisdiction.
- In matters where regional proposals seek to implement state energy or environmental policies (e.g., Forward Clean Energy Market or transmission for public policy), ISO New England, in collaboration with the states, will develop and propose designs that provide states with decision-making authority.

Conclusion

We look forward to continuing our discussions with you on the important market, transmission, and operational matters underway in the region. We appreciate the engagement with you and we commit to working together to achieve a reliable and efficient clean energy future on behalf of the people of New England.