**To:** NEPOOL Markets Committee

**From:** Ryan McCarthy

**Date:** September 12-13, 2018

**Subject:** Delayed Commercial Resource Treatment

The ISO is requesting a vote on revisions to Market Rule 1 for the Delayed Commercial Resource project. The proposal contains two core design changes: 1) the removal of ISO mandatory demand bids for resources that are unable to satisfy all Critical Path Schedule (CPS) milestones by the start of the Capacity Commitment Period and 2) a new incentive structure that determines a monthly charge rate for resources that have not fully demonstrated their Capacity Supply Obligation (CSO).

The proposal recognizes that participants have the best information about the project development schedule and any associated risks or delays. This proposal appropriately shifts the responsibility of the decision to cover CSO to the participant and strengthens the incentives for participants to cover CSO as appropriate.

The specific proposal for the committee’s consideration today has been presented during the meeting dates outlined below.

* June 6, 2018, agenda item #8
	+ [Presentation 1](https://www.iso-ne.com/static-assets/documents/2018/05/a8_presentation_delayed_commercial_resource_treatment.pptx)
* July 18, 2018, agenda item #8
	+ [Presentation 2](https://www.iso-ne.com/static-assets/documents/2018/07/a8_presentation_delayed_commercial_resource_treatment.pptx)
* August 15, 2018, agenda item #5
	+ [Presentation 3](https://www.iso-ne.com/static-assets/documents/2018/08/a5_iso_presentation_delayed_commercial_resource_treatment.pptx)
	+ [Redline Presentation](https://www.iso-ne.com/static-assets/documents/2018/08/a5_tariff_redlines_delayed_commercial_resource_treatment.docx)