



March 11, 2025

The Honorable Mark C. Christie, Chairman

The Honorable Willie L. Phillips, Commissioner

The Honorable David Rosner, Commissioner

The Honorable Lindsey S. See, Commissioner

The Honorable Judy W. Chang, Commissioner

Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

*Re: Docket Nos. ER24-2007 and ER24-2009
ISO-NE Order No. 2023 Compliance Tariff Revisions Effective Date*

Chairman Christie and Commissioners,

Advanced Energy United (“United”),¹ the Natural Resources Defense Council, the Union of Concerned Scientists, Acadia Center, Conservation Law Foundation, Earthjustice, and Environmental Defense Fund respectfully submit these joint comments to urge the Federal Energy Regulatory Commission (“Commission”) to issue a final Order on the ISO New England (“ISO-NE”) May 14, 2024, compliance filing (“Compliance Filing”) instituting reforms to its generator interconnection process as prescribed under Order No. 2023 and Order No. 2023-A (collectively “Order No. 2023”). ISO-NE’s entire interconnection process remains cumbersome and inefficient under a serial process, while interconnection

¹ Advanced Energy United is a national association of businesses that are making the energy we use secure, clean and affordable. Advanced Energy United is the only industry association in the United States that represents the full range of advanced energy technologies and services, both grid-scale and distributed. Advanced energy includes energy efficiency, demand response, energy storage, wind, solar, hydro, nuclear, electric vehicles, and more. The comments expressed in this filing represent the position of Advanced Energy United but may not represent the views of any particular member.

customers are in limbo over when changes will be effective. Unlike other regions, whose conforming changes to comply with Order 2023 were more modest, ISO-NE has completely overhauled its interconnection process and is unable to accept new interconnection requests until the first standard cluster process takes place roughly two years from now. Further delay in approving the Compliance Filing, which had unanimous stakeholder support,² could jeopardize new entry and reduce the amount of capacity that is eligible for the next auction, tightening reserve margins and potentially increasing prices. During an era of increased load growth, facilitating new entry is paramount. The undersigned organizations urge the Commission to recognize that a failure to render a final order by the end of this month may exacerbate previously identified risks regarding capacity market entry and prices. Given the unique inter-linkage of capacity market qualification with the new Order No. 2023 reforms and the time sensitivity for implementing those processes' timelines, we urge the Commission to prioritize ruling on the Compliance Filing, even if it means doing so ahead of other regions.

Upon conferring with ISO-NE, state officials, and other stakeholders, we share the sentiments expressed in prior comments from NESCOE, FlatIron, the New Hampshire Office of the Consumer Advocate, and RENEW Northeast—namely, that further delays in a Commission order increases uncertainty and infringes upon the ability for new resources to participate in the next capacity commitment period. We understand the lack of a timely order will likely prevent a significant number of projects participating in the Transitional Capacity Network Resource (“CNR”) Group Study from participating in the upcoming Capacity Commitment Period (“CCP”) commencing in June 2028. The interim reconfiguration auction qualification process timeline is set by Forward Capacity Market activities and is interdependently linked with the interconnection process schedules outlined in the Compliance

² The Compliance Filing was the result of an extremely robust stakeholder process with the unanimous support of stakeholders at the New England Power Pool (“NEPOOL”). See *Revisions to the ISO New England Inc. Transmission, Markets and Services Tariff in Compliance with Order Nos. 2023 and 2023-A* (Transmittal Letter), Docket No. ER24-2007 (May 14, 2024), at 4. Available at: https://www.iso-ne.com/static-assets/documents/100011/rev_in_compliance_with_order_2023_and_2023-a.pdf; After a highly engaged period of discourse, ISO-NE incorporated key stakeholder amendments into the Compliance Filing, significantly tilting NEPOOL support in favor of the proposal.



Filing, particularly the Transitional CNR Group Study.³ Without timely results from the Transitional CNR Group Study, many projects will be at risk of failing to complete construction and achieve commercial operation prior to the CCP 19. With the first major deadline under the interim qualification process (the Show of Interest window) just weeks away in mid-April, we are rapidly approaching a critical threshold and potential point of no return after which reconciling timelines to align a Transitional CNR Group Study with the 2025 interim reconfiguration auction qualification process will be extremely challenging at best, and may not be possible.

The undersigned organizations are concerned that the absence of a timely and clearly defined path for new capacity market entrants will have a substantial impact on capacity prices. FlatIron estimated that up to 3 GW of new resources could be ineligible for CCP 19 if the Compliance Filing is not approved promptly.⁴ In a region whose all-time peak demand reached just 28 GW,⁵ stymieing the entry of 3 GW of capacity will have a significant impact on capacity prices and reliability. While the exact impacts are unknown, this uncertainty can have massive consumer consequences. In PJM, for example, uncertainty about the impact of natural gas reliability de-rates and clogged new entry led to an unprecedented capacity auction price spike, costing consumers \$14.7 billion.⁶ Confidence of future capacity prices and reliability is already wavering in the face of load growth, increased winter risks, and uncertainty over the future of international imports of electricity from Canada due to changes in commodity tariffs.⁷

³ Order Nos. 2023/2023-A Update: Current status of Compliance Proposal and Potential Next Steps, ISO New England (December 2024) at slide 14. Available at: https://www.iso-ne.com/static-assets/documents/100018/a05_2024_12_19_to_order_2023_compliance_update.pdf

⁴ Comments of Flatiron Energy Development LLC on the delay in action re ISO New England Inc.'s et al. 05/14/2024 tariff filing under ER24-2007, et al., Docket Nos. ER24-2007 (February 2025) at 9.

⁵ ISO New England Power Grid Outlook, ISO New England (June 2024) at slide 12. Available at https://www.iso-ne.com/static-assets/documents/100012/iso_new_england_overview_and_regional_update_2024_cbia_wide.pdf

⁶ 2025/2026 Base Residual Auction Report, PJM Interconnection (July 2024). Available at: <https://www.pjm.com/-/media/DotCom/markets-ops/rpm/rpm-auction-info/2025-2026/2025-2026-base-residual-auction-report.ashx>

⁷ Imports constitute roughly 10% of New England's energy and capacity supply, meaning the region is especially vulnerable to significant swings in import prices due to commodity tariffs. See *Resource Mix: Sources of Electricity Used in 2024*. Available at: <https://www.iso-ne.com/about/key-stats/resource-mix>; *Fact Sheet: President Donald J. Trump Imposes Tariffs on Imports from Canada, Mexico and China*, The White House (February 2025). Available at: <https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-imposes-tariffs-on-imports-from-canada-mexico-and-china/>



Facilitating timely new entry of capacity resources to provide the region with stable, affordable capacity resources is arguably the best way to mitigate these mounting risks.

For the reasons stated, we the undersigned organizations implore the Commission to promptly issue a final Order on the Order No. 2023 Compliance Filing to deliver certainty and chart a path forward.

Sincerely,

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