

187 FERC ¶ 61,083  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

May 20, 2024

In Reply Refer To:  
ISO New England Inc.  
Docket No. ER24-1710-000

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

Attention: Brian D. Buckley, Esq.

New England Power Pool Participants Committee  
Day Pitney LLP  
Goodwin Square  
225 Asylum Street  
Hartford, CT 06103

Attention: Rosendo Garza, Jr., Esq.

Dear Mr. Buckley and Mr. Garza:

1. On April 5, 2024, pursuant to section 205 of the Federal Power Act,<sup>1</sup>  
ISO New England Inc. (ISO-NE), joined by the New England Power Pool Participants

additional years, so that the qualification process would begin in February 2027 and the auction would be held in February 2028.<sup>4</sup> Filing Parties state that the objective is to avoid the need to run FCA 19 at all, and instead implement a new prompt and seasonal capacity market during early 2028 for the nineteenth capacity auction cycle. However, Filing Parties explain that, as a backstop, FCA 19 would be held in February 2028 for the capacity delivery period starting June 2028 through May 2029.<sup>5</sup> As discussed below, we

continuing with the current forward annual market while ISO-NE completes the redesign work.<sup>10</sup> Filing Parties state that the vast majority of the resources in the ISO-NE interconnection queue have development timelines that are ill-suited to the current 12-month forward auction, and many perform differently across seasons, which cannot be accurately accounted for under the current annual market construct.

4. ISO-NE explains that there are several potential benefits of the prompt market design, including: (1) better accommodating new resource development horizons; (2) improving demand forecast accuracy; (3) reducing impact on supply uncertainty; (4) improving retirement decision-making; (5) potentially lowering capacity costs;<sup>11</sup> and (6) simplifying market administration and participation, thereby resulting in improved market efficiency and lower costs.<sup>12</sup> ISO-NE also explains that there are several potential benefits of a seasonal

from the date of filing. Filing Parties argue that good cause exists to grant waiver, as the requested effective date will ensure that ISO-NE and market participants can begin discussing specific prompt and

better address the evolving grid and challenges presented by expected changes in both supply and demand.<sup>18</sup> Potomac Economics, which is the External Market Monitor for ISO-NE, states that it has recommended that ISO-NE transition to a seasonal and prompt capacity market because such a design would address pressing reliability challenges in New England better than the existing Forward Capacity Market and would likely result in better price formation.<sup>19</sup> NESCOE states that [l]ike ISO-NE and [NEPOOL], NESCOE is not yet ready to support a transition to a prompt seasonal capacity market. However, NESCOE fully supports the delay requested by this [f]iling.<sup>20</sup>

9. Pursuant to 18 C.F.R. § 385.214 (2023), the notice of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

10. W