

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

ISO New England Inc.)	Docket No. ER15-117-000
)	
ISO New England Inc.)	Docket No. EL14-99
)	
)	(not consolidated)

**COMMENTS OF
THE NEW ENGLAND POWER POOL PARTICIPANTS COMMITTEE**

(October 31, 2014)

The New England Power Pool (“NEPOOL”) Participants Committee¹ hereby comments on the proposal by ISO New England Inc. (“ISO-NE”) to review and potentially to mitigate supply offers of Entities² importing capacity into New England during future Forward Capacity Auctions (“FCAs”) in New England’s Forward Capacity Market (“FCM”).³ The Market Rule changes filed by ISO-NE on October 16, 2014⁴ in its “Response to Order to Show Cause” (the “ISO-NE Changes”) were identified by ISO-NE’s Internal Market Monitor (“IMM”) in response

¹ NEPOOL is a voluntary association organized in 1971 pursuant to the New England Power Pool Agreement, and it has grown to include over 430 members. The Participants include all of the electric utilities rendering or receiving services under the ISO-NE Tariff, as well as independent power generators, marketers, load aggregators, brokers, consumer-owned utility systems, demand response providers, developers, end users and a merchant transmission provider. Pursuant to revised governance provisions accepted by the Commission in *ISO New England Inc. et al.*, 109 FERC ¶ 61,147 (2004), the Participants act through the NEPOOL Participants Committee. The NEPOOL Participants Committee is authorized by Section 6.1 of the Second Restated NEPOOL Agreement and Section 8.1.3(c) of the Participants Agreement to represent NEPOOL in proceedings before the Commission. NEPOOL is the principal stakeholder organization for the New England RTO.

² Capitalized terms not defined herein have the meanings ascribed thereto in the Second Restated NEPOOL Agreement, Participants Agreement, or the ISO-NE Transmission, Markets and Services Tariff (the “Tariff”).

³ NEPOOL has timely moved to intervene by doc-less intervention in Docket No. EL14-99 on September 30, 2014 and in Docket No. ER15-117 on October 30, 2014.

⁴ Response to Order to Show Cause, *ISO New England Inc.*, Docket No. ER15-117 (Oct. 16, 2014 (the “ISO-NE Filing”).

to the Commission’s September 16, 2014 order⁵ (the “September 16 Order”). The ISO-NE Changes are intended to ensure that the clearing prices in future FCAs are not inflated by the exercise of market power by importers.⁶

Following a highly accelerated stakeholder review process, NEPOOL voted in support of the ISO-NE Changes, and supported, by an even wider margin, additional changes (the “NEPOOL Changes”) that would provide greater flexibility to importers in justifying their capacity offers. Specifically, the NEPOOL Changes, which were proposed by Brookfield Energy Marketing (“Brookfield”), would allow New Import Capacity Resources (1) to subdivide their proposed capacity import offers into as many as five separately priced quantities rather than requiring the importer to submit a single offer and price, and (2) to permit the importer to partially withdraw one or more of those separately priced quantities from the ninth Forward Capacity Auction (“FCA9”), rather than requiring it to withdraw its entire Import Capacity Resource. The NEPOOL Changes are included as Attachment 1 to these Comments. NEPOOL urges the Commission to approve both the ISO-NE Changes and the NEPOOL Changes.

The vote percentages in support of both the ISO-NE Changes and the NEPOOL Changes were very high, but both votes reflected many abstentions by members who explained that they simply had insufficient time to adequately consider either set of changes. The ISO-NE Changes were not finally identified until the day before the Participants Committee vote. Similarly, the NEPOOL Changes were finally identified late in the evening before the vote, with the result that the IMM explained it could not support the NEPOOL Changes without the benefit of more time and analysis. Given the circumstances, the IMM importantly committed to further review of the

⁵ *ISO New England Inc.*, 148 FERC ¶ 61,201 (Sep. 16, 2014).

⁶ See ISO-NE Filing at 1 (the ISO-NE Changes were proposed because “the ISO is concerned about the potential exercise of market power by importers that might ultimately influence the clearing price of a Forward Capacity Auction”).

ISO-NE Changes in a Markets Committee meeting following the filing of those changes. Further, ISO-NE committed to re-evaluate the import mitigation rules following FCA9 and ahead of the tenth Forward Capacity Auction (“FCA10”). NEPOOL respectfully urges the Commission to acknowledge this ISO-NE commitment, which was identified as material to certain members voting in favor of the ISO-NE Changes, in any subsequent order approving the ISO-NE Filing.

I. STAKEHOLDER PROCESS TO CONSIDER THE ISO-NE AND NEPOOL CHANGES

As required by the Participants Agreement between ISO-NE and NEPOOL, ISO-NE reviewed the ISO-NE Changes with NEPOOL members.⁷ As ISO-NE acknowledged in the ISO-NE Filing though, that review process was extremely abbreviated and accelerated.⁸ Given the complexity and highly interrelated aspects of New England’s capacity and energy markets, revisions to the markets like those reflected in the ISO-NE Changes would generally be reviewed over at least a 75-90 day period. Here, there were only 30 days to consider the changes.

The September 16 Order required ISO-NE either to revise its Tariff to provide for the review and potential mitigation of importers’ offers prior to each annual FCA, or to show cause why it should not be required to do so. ISO-NE chose to revise the Tariff in response to the September 16 Order, reflecting that decision in a circulation on October 3 of the IMM’s proposed changes to Market Rule 1, and Appendix A to Market Rule 1. This circulation occurred two Business Days prior to the Markets Committee meeting at which the changes were to be considered – shorter than the three Business Days’ notice required to permit a formal vote of the Markets Committee on the changes.

⁷ Participants Agreement at Section 11.

⁸ ISO-NE Filing at 13.

Typically, Market Rule changes are presented to and discussed with stakeholders at the Markets Committee a full month before that Committee is asked to vote on those changes. However, in this instance, the Markets Committee did not even have sufficient notice to satisfy the limited notice requirement for a vote, let alone having a month to consider the changes, to discuss them among their colleagues and with their senior management, and to decide whether to support or seek modifications to the changes. While this Technical Committee did not have sufficient time and notice to formally vote on the IMM-proposed changes, members of the Committee did have some opportunity to discuss the proposal with the IMM and to provide preliminary input, concerns and suggestions.

In light of the deadline imposed by the September 16 Order, NEPOOL and ISO-NE scheduled a special Participants Committee meeting for October 15, 2014.⁹ The October 3 draft of IMM-proposed market rule changes, without the additional modifications proposed by the IMM, were circulated to the Participants Committee on October 7, in order to ensure that the Participants Committee notice requirements were satisfied and it could vote on the changes if it wished. The IMM spent time at the October 15 Participants Committee special meeting reviewing the modifications it proposed from the version circulated on October 7, explaining that it had proposed those modifications after further analysis and in response to feedback from the Markets Committee. Generally, if material changes are made to an ISO-NE proposal, those changes are circulated and subject to full deliberations and a vote of the Markets Committee. Here, however, the Participants Committee was asked to vote on this matter without the benefit of any Technical Committee deliberation of, or recommendations concerning, those modifications.

⁹ *Id.*

While many NEPOOL members did not have enough time to consider the ISO-NE Changes, Brookfield, which is located outside of New England and has been a major importer of capacity, immediately invested substantial time and effort to review and understand the ISO-NE Changes and to consider what modifications might improve those Changes from its perspective. Shortly after ISO-NE distributed its modified proposal, Brookfield developed four proposed amendments to the IMM's proposed changes, all designed to provide greater flexibility to importers seeking to justify their capacity offers to the IMM. Brookfield's proposed amendments were circulated late in the evening prior to the Participants Committee special meeting. In the usual stakeholder process, a member proposing revisions to an ISO-NE proposal would have time ahead of Committee deliberations to review its revisions with ISO-NE and the other NEPOOL members before a vote is required. Again, because of the very abbreviated time to respond to the September 16 Order, Brookfield was required to present its proposed revisions for the first time to ISO-NE, the IMM, and NEPOOL all at the October 15 meeting. Brookfield's amendments were discussed during the meeting, and each was voted on by the Participants Committee. As explained in greater detail below, one of those amendments was approved, thereby placing before the Participants Committee the NEPOOL Changes as well, rather than just the ISO-NE Changes. Both the NEPOOL Changes and the ISO-NE Changes were voted on separately, and both achieved the necessary super-majority support to pass, with the NEPOOL Changes receiving a 3.84% higher Vote.

II. COMMENTS

A. The Stakeholder Feedback and NEPOOL Votes

The NEPOOL Participants expressed appreciation to the IMM for its thoughtful consideration of the feedback provided at the October 8 Markets Committee meeting and the resulting Market Rule modifications to the version presented at that meeting. Because there was

no time for Markets Committee consideration of the modifications subsequently reflected in the ISO-NE Changes, Participants welcomed the IMM's commitment to explain the ISO-NE Changes in more detail at an upcoming Markets Committee meeting. Many Participants explained that the compressed schedule was insufficient to gain a full understanding of the ISO-NE Changes, and the impact they would have on the capacity market and the FCAs, as well as to provide a reasonable opportunity for members to consult with their management. As a result, many Participants abstained from the vote on the ISO-NE Changes. Of the Participants that supported the ISO-NE Changes, many cited as important, if not decisive, the IMM's commitment to evaluate the performance of the ISO-NE Changes with stakeholders, following FCA9, to consider together whether ISO-NE Changes were effective and whether any additional changes to the mitigation of the imports should be considered for subsequent FCAs.¹⁰

After a discussion of the IMM's proposed modifications to the Market Rule since the October 8 Markets Committee meeting, but before voting on the ISO-NE Changes, the Participants Committee considered the following four motions to amend the ISO-NE Changes, all sponsored by Brookfield:

1. Expanded Flexibility for Capacity Import Offers

The first amendment proposed by Brookfield would modify the ISO-NE Changes to allow New Import Capacity Resources (1) to submit up to five price-quantity pairs for IMM consideration, as opposed to a single quantity and price as its offer, and (2) to partially withdraw offered imports from FCA9, rather than be permitted only to withdraw the total imports altogether. Brookfield explained that, without this modification to the ISO-NE Changes, New Import Capacity Resources would only be permitted to offer one price-quantity pair to the IMM for its consideration. Brookfield explained that such a limitation failed to reflect that an importer

¹⁰ *See id.* at 6.

may be relying on different external resources to support its offers of import, and just like internal generators, the appropriate and justifiable offers for capacity would depend in part on external resources available to support that offer. According to Brookfield, permitting up to five price-quantity pairs to be submitted to the IMM for consideration would be more consistent with the mitigation rules for existing internal generation, and would enable New Import Capacity Resources to provide more information to the IMM in support of their offers. Brookfield more specifically explained that this amendment would provide New Import Capacity Resources with the ability to provide and justify different offers for capacity offered into the market.

The IMM opposed the proposed amendment. It explained that the current systems for the auction were not set up to accommodate multiple price-quantity pairs in FCA9 for Import Capacity Resources.¹¹ Further, the IMM explained that, even if it were physically able now to accept multiple price-quantity pairs in its system, it did not have sufficient time for an adequate review of so many offers from New Import Capacity Resources for FCA9.¹² The IMM added that it was not persuaded to permit partial withdrawal of offers after they were submitted in the absence of further evidence to support such flexibility.

Following further discussion, the Committee considered and approved Brookfield Amendment 1 with a 62.02% Vote in favor, with many abstentions registered.¹³

2. Expanded Flexibility for Capacity Import Offers in Reconfiguration Auctions

The second amendment Brookfield offered was a motion to revise the ISO-NE Changes so as to allow Qualified Capacity, withdrawn from FCA9, to be eligible to participate in Reconfiguration Auctions and Bilateral Transactions (“Brookfield Amendment 2”). A number

¹¹ *See id.* at 14.

¹² *See id.*

of members expressed opposition to this proposed amendment. They expressed concerns that the Amendment would allow New Import Capacity Resources that failed to provide adequate cost information to the IMM to support their offers to continue to participate in the capacity market. The IMM expressed similar concerns and added that it could not support this Amendment without additional time to examine how such participation could impact the capacity market. Brookfield Amendment 2 failed, with the Participants Committee vote registered by a show of hands rather than by roll call.

3. Extension of Time to Justify Import Offers

The third amendment Brookfield offered was a motion to amend the ISO-NE Changes so as to extend by one week, to November 14, 2014, the deadline for submission of the cost information, described in the Market Rules (“Brookfield Amendment 3”). Brookfield explained that the truncated time period in which New Import Capacity Resources were to provide the required information to the IMM, under the proposal contained in the ISO-NE Changes, was too short to assemble the necessary information. By contrast, Brookfield noted that the ISO-NE Changes themselves reserve for the IMM a full five weeks to review information that importers were able to assemble and provide. Reacting to the Brookfield Amendment 3, the IMM acknowledged the tight deadline under which the New Import Capacity Resources would be working for FCA9, but the time suggested by Brookfield Amendment 3 for the IMM to consider all submitted cost data was not enough to adequately review and understand the information received. The Brookfield Amendment 3 was voted on and failed, with the vote conducted by a show of hands rather than by roll call.

¹³ Generation Sector – 17.17%; Transmission Sector – 17.17%; Supplier Sector – 17.17%; Alternative Resources Sector – 7.08%; Publicly Owned Entity Sector – 0%; and End User Sector – 3.43%. See “Brookfield Amend. 1” vote tabulated in Attachment 2 to these Comments.

4. Modified Calculation of System Need for Pivotal Supplier Test

The fourth amendment Brookfield offered to the ISO-NE Changes was a motion to modify the calculation of system need in the IMM's proposed pivotal supplier test for New Import Capacity Resources. As part of the pivotal supplier test, the ISO-NE Changes would calculate system need as the difference between the established Installed Capacity Requirement and Existing Capacity Resources, which are primarily generation and demand response resources in New England. Brookfield's fourth amendment would revise the pivotal supplier test included in the ISO-NE Changes so as to add New Generating Capacity Resources and New Demand Resources to the deduction from Installed Capacity Requirement Resources in the calculation of system need ("Brookfield Amendment 4"). Some Participants suggested that the modified calculation proposed by Brookfield Amendment 4 should similarly be applied to the pivotal supplier test for existing internal resources, not just New Import Capacity Resources, and that a broader assessment of this issue should be considered at a later date and in a subsequent process. The IMM explained that including New Capacity Resources in the pivotal supplier calculation for new imports would be inconsistent with the current treatment of existing internal generation and should not be counted as competitive supply in such calculations. Further, the IMM indicated that Brookfield Amendment 4 would require a review that would fall outside the scope of the Commission's September 16 Order, and concluded that it could not support the amendment at this time. Brookfield Amendment 4 was voted on by a show of hands, and was determined to have failed.

The Participants Committee then considered and voted on the ISO-NE Changes, as amended by the NEPOOL Changes, and the proposal was approved by the Committee with a

83.24% Vote in favor (a 60% Vote is required for approval), with a high percentage of abstentions registered.¹⁴

ISO-NE requested consideration of, and a vote on, the unamended ISO-NE Changes. In response to that request, the Participants Committee voted and also approved the ISO-NE Changes with a 79.40% Vote in favor (a 60% Vote is required for approval), this vote with even more abstentions registered than for the vote containing the NEPOOL Changes.¹⁵

B. NEPOOL Urges Commission Approval of the ISO-NE Changes Together with the NEPOOL Changes

With these Comments, the Commission is presented in the captioned “ER” proceeding with two filings, the ISO-NE Changes supported by both ISO-NE and NEPOOL, and the NEPOOL Changes, which ISO-NE decided not to include in its filing. While both sets of changes are responsive to the September 16 Order in Docket No. EL14-99, ISO-NE does not reference either Section 205 or 206 of the Federal Power Act (“FPA”) in its submission. This omission is potentially significant.

The September 16 Order directed ISO-NE, “*pursuant to section 206 of the FPA. . . to . . . either submit Tariff revisions that provide for the review and potential mitigation of importers’ offers in a manner similar to the manner in which other, existing resources are reviewed and mitigated, or show cause why it should not be required to do so.*”¹⁶ The Commission further explained that it was instituting a Section 206 proceeding on its own motion, and was

¹⁴ Generation Sector – 17.17%; Transmission Sector – 17.17% ; Supplier Sector – 17.17%; Alternative Resources Sector – 14.16%; Publicly Owned Entity Sector – 0.40%; and End User Sector – 17.17%. See “Amended Tariff revisions” vote tabulated in [Attachment 2](#) to these Comments.

¹⁵ Generation Sector – 17.17%; Transmission Sector – 17.17%; Supplier Sector – 0%; Alternative Resources Sector – 14.16%; Publicly Owned Entity Sector – 17.17%; and End User Sector – 13.73%. See “IMM Tariff revisions” vote tabulated in [Attachment 2](#) to these Comments.

¹⁶ September 16 Order at P 12 (emphasis added).

establishing a new docket (Docket No. EL14-99) in which parties could intervene and comment on the ISO-NE Filing.¹⁷

It is unclear from the ISO-NE Filing whether ISO-NE intended to submit the ISO-NE Changes as a filing under Section 205, or as a compliance filing. ISO-NE did not state the jurisdictional basis on which it made the filing, although it requested waiver of the 60-day notice provision otherwise applicable to Section 205 submissions.¹⁸ Further, the ISO-NE Filing referenced Section 35.11 of the Commission's regulations in its filing, also suggesting that the ISO-NE might consider the ISO-NE Changes to be a Section 205 filing.¹⁹ The ISO-NE Filing lists Docket No. EL14-99 in the subject line, but the filing was assigned a new tariff filing docket (Docket No. ER15-117).

During the stakeholder process described above, the ISO-NE made clear to NEPOOL that it did not consider the NEPOOL Changes to trigger a "jump ball"²⁰ and, accordingly, would not include those changes in its filing. While the ISO-NE Filing briefly describes the NEPOOL Changes, ISO-NE chose not to include them in its filing, as would otherwise clearly be required under its contract with all of the NEPOOL members if this were a Section 205 filing.²¹

Whether the ISO-NE Filing is a Section 205 or 206 filing, the Commission should consider the NEPOOL Changes on equal footing with the ISO-NE Changes. If the filing is properly a Section 205 filing, ISO-NE is in breach of its contractual obligation to its members, since it would be required to file both sets of changes as a "jump ball." As a jump ball filing,

¹⁷ *Id.* at PP 13-14, Ordering Paragraph (D).

¹⁸ *See* ISO-NE Filing at 13.

¹⁹ *See id.* at 13 (referencing Section 35.11 of the Commission's regulations).

²⁰ *See* "jump ball" provisions at Section 11.1.5 of the Participants Agreement. The intent of the jump ball provisions is to allow NEPOOL Market Rule proposals that are supported by a Vote of at least 60% of the Participants Committee to be presented to the Commission on an equal footing with alternate proposals by ISO-NE, and to allow the Commission to adopt all or any part of either proposal.

both sets of changes would be before the Commission to be considered on an equal footing, with the Commission able to consider “whether the then-existing filed rate is unlawful, and may adopt any or all of ISO’s Market Rule proposal or the alternate Market Rule proposal as it finds, in its discretion, to be just and reasonable and preferable.”²² If instead, the ISO-NE Changes are a compliance filing as a result of the Commission’s exercise of its authority under Section 206 of the FPA, the Commission has already determined in prior proceedings that the jump ball provisions would not apply.²³ In such an instance, the Commission need only consider whether the importer mitigation provisions contained within the NEPOOL Changes better comply with the Commission’s directives in the September 16 Order than the ISO-NE Changes alone. To be clear, NEPOOL supports both sets of changes as compliant with the Commission’s directive, and submits that both sets of changes should be approved.

The NEPOOL Changes when added to the ISO-NE Changes, would allow importers to submit numerous price-quantity bids similar to internal resources. The IMM presumably is considering separately for each internal resource and Market Participant whether the supply offers reflect the exercise of market power. The NEPOOL Changes ensure that the IMM has the information to make similar determinations for capacity imports by allowing offers with separately submitted and justified price-quantity pairs, thereby reflecting the very real possibility that the import to meet a Capacity Supply Obligation might originate from one or more external resources. The NEPOOL Changes also allow importers to have increased flexibility in deciding

²¹ *See id.*

²² *Id.*

²³ The Commission recently held that jump ball procedures are inapplicable to Section 206 filings and proceedings. *See, e.g., ISO New England Inc. and Dominion Energy Marketing, Inc.*, 145 FERC ¶ 61,110 at P 39 (2013) (“*Dominion Order*”) (finding that the jump ball provision of the Participants Agreement “wholly inapplicable to [a] case involving a compliance filing submitted by ISO-NE, pursuant to the Commission’s specific directive that ISO-NE submit such a filing as a result of a proceeding the Commission instituted under section 206 of the FPA”).

whether to partially withdraw from an auction, as opposed to being required to be “all in” or “all out” as set forth in the ISO-NE Changes.

The NEPOOL Changes are understood to be aimed at allowing more flexibility for the market to reflect actual circumstances of the imports, rather than to prescribe rules that limit the flexibility of offers to satisfy the administrative convenience of ISO-NE. NEPOOL acknowledges that the NEPOOL Changes, just like the IMM’s proposed modifications submitted immediately prior to the Participants Committee special meeting, did not benefit from extensive consideration or discussion among the affected parties. The ISO-NE has, with or without the NEPOOL Changes, the right to mitigate import capacity offers. In addition, both sets of changes ensure that the ISO-NE is fully informed with respect to the import capacity offers and in a position separately to analyze and, if needed, mitigate the offers of importers based on that more complete information.

For these reasons, the NEPOOL Changes were supported by a higher percentage vote in favor than were the ISO-NE Changes, and with fewer abstentions registered. NEPOOL members were not persuaded by ISO-NE concerns that the NEPOOL Changes would impose too many new obligations on ISO-NE. Under the NEPOOL Changes, the ISO-NE will have the opportunity with actual facts to determine whether and to what extent it can accept one or more price-quantity pairs reflected in import offers. Further, ISO-NE will have the ability to determine how best to address the potential situation in which an importer withdraws a portion of its capacity imports and subsequently seeks to participate in a reconfiguration auction. Similarly, the Commission will have the ability, with the benefit of an actual factual record, to consider whether the mitigation imposed by ISO-NE in either of these circumstances has been proper. Without the NEPOOL Changes, such flexibility and opportunities would be nonexistent.

Whether the Commission accepts both the ISO-NE Changes and the NEPOOL Changes, NEPOOL requests that the Commission's order in this proceeding reflect the following expectations based on ISO-NE's commitments in the stakeholder process as reported above:

- (1) the IMM shall engage in further discussions with the NEPOOL Markets Committee to explain the impact of the changes approved by the Commission on subsequent FCAs; and
- (2) ISO-NE (a) shall evaluate how the import mitigation rules approved by the Commission in this proceeding actually worked in FCA9, (b) shall share that evaluation with the NEPOOL Markets Committee,²⁴ (c) shall consider with NEPOOL whether any additional changes are necessary with respect to the mitigation of imports for subsequent FCAs, and if so, shall review those changes with NEPOOL pursuant to the Participants Processes before filing them as required with the Commission.

By reflecting these expectations for ISO-NE in its order on the ISO-NE Filing, the Commission can appropriately acknowledge that the changes ultimately approved were devised in an unusually compressed timeframe in which both ISO-NE and many Market Participants simply had inadequate time to ensure those changes were all acceptable. Moreover, the Commission can also highlight the fact that the ISO-NE Changes may be far more acceptable, and less controversial, if they are adopted with the specific understanding that ISO-NE conduct future reviews subject to the possibility that subsequent FCAs may be improved as a result of such review.

III. CONCLUSION

As reflected in these Comments, NEPOOL supports the fundamental goal of improving the mitigation mechanism for imports in the FCM by permitting the IMM to determine which import suppliers may have market power, and to apply mitigation to those suppliers in a manner consistent with the mitigation that is applied to existing internal resources. NEPOOL submits that the NEPOOL Changes added to the ISO-NE Changes help to ensure that importers are

²⁴ NEPOOL appreciates that such evaluation may contain confidential, competitively sensitive information that, pursuant to the Information Policy, must be properly masked so as not to inappropriately breach confidences.

afforded flexibility in their offers that better mimic how the IMM currently treats internal resources. Given the very abbreviated time permitted to discuss and analyze how the various sets of changes may impact future FCAs, NEPOOL submits that, before FCA10, additional discussion and evaluation between ISO-NE and the stakeholders of the changes approved for FCA9 and how they worked should be required.

For the foregoing reasons, NEPOOL requests that the Commission approve both the ISO-NE Changes and the NEPOOL Changes for implementation for FCA9, and signal its expectation that, following FCA9, ISO-NE will review with NEPOOL the impacts of those Changes on the auction and will explore with stakeholders whether such impacts suggest further changes to the import mitigation rules before FCA10.

Respectfully submitted,

NEPOOL Participants Committee

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III.13.1.3.5.6. Review by Internal Market Monitor of Offers from New Import Capacity Resources ~~and Existing Import Capacity Resources.~~

For the ninth Forward Capacity Auction (for the Capacity Commitment Period beginning June 1, 2018), the request and cost information (up to five price-quantity pairs) described in Section III.13.1.1.2.2.3 and Section III.A.21.2 must be submitted to the ISO no later than November 7, 2014. In addition to the review described in Section III.13.1.1.2.2.3 and Section III.A.21, the Internal Market Monitor shall review each offer from ~~Existing Import Capacity Resources and~~ New Import Capacity Resources. An offer from ~~an Existing Import Capacity Resource or~~ a New Import Capacity Resource shall be rejected if the Internal Market Monitor determines that the bid may be an attempt to manipulate the Forward Capacity Auction, and the matter will be referred to the Commission in accordance with the protocols set forth in Appendix A to the Commission's Market Monitoring Policy Statement (111 FERC ¶ 61,267 (2005)).

III.13.1.3.5.7. Qualification Determination Notification for New Import Capacity Resources.

For New Import Capacity Resources, the qualification determination notification described in Section III.13.1.1.2.8 shall be modified to reflect the differences in the qualification process described in this Section III.13.1.3.5. For the ninth Forward Capacity Auction (for the Capacity Commitment Period beginning June 1, 2018), the ISO shall, no later than December 12, 2014, send to Project Sponsors or Market Participants, as applicable, a determination regarding whether the New Import Capacity Resource is associated with a pivotal supplier as described in Section III.A.21.1.1 and the resource's New Resource Offer Floor Price as determined pursuant to Section III.A.21.2~~any request and cost information submittal described in Section III.13.1.3.5.6.~~ For the ninth Forward Capacity Auction (for the Capacity Commitment Period beginning June 1, 2018), a New Import Capacity Resource may be wholly or partially withdrawn (and hence not included in the Forward Capacity Auction) no later than January 16, 2015 by providing written notification of such withdrawal to the ISO. Any such withdrawal shall be irrevocable.

**OCTOBER 15, 2014 PARTICIPANTS COMMITTEE MEETING
ROLL CALL VOTES TAKEN ON
MITIGATION RULES FOR NEW IMPORT CAPACITY RESOURCES**

TOTAL

Sector	Brookf'ld Amend. 1	Amended Tariff revisions	IMM Tariff revisions
GENERATION	17.17	17.17	17.17
TRANSMISSION	17.17	17.17	17.17
SUPPLIER	17.17	17.17	0.00
ALTERNATIVE RESOURCES	7.08	14.16	14.16
PUBLICLY OWNED ENTITY	0.00	0.40	17.17
END USER	<u>3.43</u>	<u>17.17</u>	<u>13.73</u>
% IN FAVOR	62.02	83.24	79.40

GENERATION SECTOR

Participant Name	Brookf'ld Amend. 1	Amended Tariff revisions	IMM Tariff revisions
Dominion Energy Marketing	A	F	F
Energy Nuclear Power Mrk'ting	F	A	A
EquiPower Res. Management	F	A	A
Essential Power, LLC	A	A	A
GDF SUEZ Energy Marketing	A	A	A
Generation Group Member	F	A	A
NRG Power Marketing	A	--	--
TransCanada Power Marketing	F	F	F
IN FAVOR (F)	4	2	2
OPPOSED (O)	0	0	0
TOTAL VOTES	4	2	2
ABSTENTIONS (A)	4	5	5

TRANSMISSION SECTOR

Participant Name	Brookf'ld Amend. 1	Amended Tariff revisions	IMM Tariff revisions
Central Maine Power	F	F	F
Emera Maine	A	F	A
New England Power Company	A	A	A
The United Illuminating Co.	A	A	A
NU / NSTAR	A	A	A
Vermont Electric Power Co.	A	A	A
IN FAVOR (F)	1	2	1
OPPOSED	0	0	0
TOTAL VOTES	1	2	1
ABSTENTIONS (A)	5	4	5

ALTERNATIVE RESOURCES SECTOR

Participant Name	Brookf'ld Amend. 1	Amended Tariff revisions	IMM Tariff revisions
First Wind Energy Marketing	A	A	A
Conservation Services Group	A	F	F
EnerNOC, Inc.	F	F	A
VT Energy Investment Corp.	O	A	A
LR Small Group Member	A	F	F
LR Provisional Group Member	A	F	F
IN FAVOR (F)	1	4	3
OPPOSED	1	0	0
TOTAL VOTES	2	4	3
ABSTENTIONS (A)	4	2	3

SUPPLIER SECTOR

Participant Name	Brookf'ld Amend. 1	Amended Tariff revisions	IMM Tariff revisions
BP Energy Company	A	A	A
Brookfield Energy Markt'g/CSC	S	S	S
Brookfield Energy Marketing	F	F	O
Cross-Sound Cable	F	F	A
Calpine Energy Services	A	A	A
Consolidated Edison Energy	F	F	A
DTE Energy Trading, Inc.	A	A	A
Dynegy Marketing and Trade	A	A	A
Energy America, LLC	A	A	A
Exelon Generation Company	F	A	A
Galt Power, Inc.	A	A	A
Granite Ridge/Merrill Lynch Commod.	A	A	A
H.Q. Energy Services (U.S.)	F	A	A
Integrus Energy Services, Inc.	A	A	A
LIPA (Long Island Lighting Co.)	A	A	A
PSEG Energy Resources & Trade	F	A	A
IN FAVOR (F)	5.0	2.0	0.0
OPPOSED	0.0	0.0	0.7
TOTAL VOTES	5.0	2.0	0.7
ABSTENTIONS (A)	9.0	12.0	13.3

**OCTOBER 15, 2014 PARTICIPANTS COMMITTEE MEETING
ROLL CALL VOTES TAKEN ON
MITIGATION RULES FOR NEW IMPORT CAPACITY RESOURCES**

END USER SECTOR

Participant Name	Brookf'ld Amend. 1	Amended Tariff revisions	IMM Tariff revisions
Conn. Office of Consumer Counsel	O	A	F
Harvard Dedicated Energy Limited	O	A	A
High Liner Foods (USA) Inc.	A	F	F
Industrial Energy Consumer Group	A	F	A
Maine Skiing, Inc.	A	F	A
Mass. Attorney General's Office	F	F	O
NH Office of Consumer Advocate	O	F	F
PowerOptions, Inc.	O	F	F
IN FAVOR (F)	1	6	4
OPPOSED	4	0	1
TOTAL VOTES	5	6	5
ABSTENTIONS (A)	3	2	3

PUBLICLY OWNED ENTITY SECTOR

Participant Name	Brookf'ld Amend. 1	Amended Tariff revisions	IMM Tariff revisions
Ashburnham Municipal Light Plant	O	O	F
Boylston Municipal Light Dep't	O	O	F
Braintree Electric Light Dep't	O	O	F
Chicopee Municipal Lighting Plant	O	O	F
Concord Municipal Light Plant	O	O	F
Conn. Mun. Electric Energy Coop.	O	O	F
Danvers Electric Division	O	O	F
Georgetown Municipal Light Dep't	O	O	F
Groton Electric Light Department	O	O	F
Groveland Electric Light Dep't	O	O	F
Hingham Municipal Lighting Plant	O	O	F
Holden Municipal Light Dep't	O	O	F
Holyoke Gas & Electric Dep't	O	O	F
Hudson Light and Power Dep't	O	O	F
Hull Municipal Lighting Plant	O	O	F
Ipswich Municipal Light Dep't	O	O	F
Littleton (MA) Electric Light Dep't	O	O	F
Mansfield Municipal Electric Dep't	O	O	F
Marblehead Municipal Light Dep't	O	O	F
Mass. Development Finance Agc'y	O	O	F
Mass. Mun. Wholesale. Elec. Co.	O	O	F
Merrimac Municipal Light Dep't	O	O	F
Middleborough Gas & Elec. Dep't	O	O	F

PUBLICLY OWNED ENTITY SECTOR (cont.)

Participant Name	Brookf'ld Amend. 1	Amended Tariff revisions	IMM Tariff revisions
Middleton Municipal Electric Dep't	O	O	F
Pascoag Utility District	O	O	F
Paxton Municipal Light Dep't	O	O	F
Peabody Municipal Light Plant	O	O	F
Princeton Municipal Light Dep't	O	O	F
Rowley Municipal Lighting Plant	O	O	F
Russell Municipal Light Dep't	O	O	F
Shrewsbury's Elec. & Cable Ops.	O	O	F
South Hadley Electric Light Dep't	O	O	F
Sterling Mun. Elec. Light Dep't	O	O	F
Stowe (VT) Electric Department	O	O	F
Taunton Municipal Lighting Plant	O	O	F
Templeton Mun. Lighting Plant	O	O	F
VT Electric Cooperative	O	F	F
VT Public Power Supply Authority	O	A	A
Wakefield Mun. Gas & Light Dep't	O	O	F
Wallingford (CT) Div. Pub. Utils.	O	O	F
Wellesley Municipal Light Plant	O	O	F
West Boylston Mun. Lighting Plant	O	O	F
Westfield Gas & Elec. Light Dep't	O	O	F
IN FAVOR (F)	0	1	42
OPPOSED	43	41	0
TOTAL VOTES	43	42	42
ABSTENTIONS (A)	0	1	1

CERTIFICATE OF SERVICE

I hereby certify that on this 31st day of October, 2014, I have served the foregoing document electronically and/or mailed a copy to each person designated on the official service lists in these proceedings.

/s/

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