

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

ISO New England Inc.

)

Docket No. ER15-115-000

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

(November 6, 2014)

Pursuant to Rule 212 of the Commission's¹ Rules of Practice and Procedure, 18 C.F.R. § 385.212 (2014), the New England Power Pool ("NEPOOL") Participants Committee² files these comments in the captioned docket.³ The captioned docket was initiated by the October 16, 2014 filing by ISO New England Inc. ("ISO-NE") of its quarterly Capital Projects Report and schedule of unamortized costs of its funded capital expenditures for the quarter ending September 30, 2014 (collectively, the "Capital Projects Filing").

¹ Capitalized terms used but not defined in this filing are intended to have the meanings given to such terms in the Second Restated New England Power Pool Agreement (the "Second Restated NEPOOL Agreement"), the Participants Agreement, or the ISO New England Inc. Transmission, Markets and Services Tariff ("ISO-NE Tariff").

² NEPOOL is a voluntary association organized in 1971 pursuant to the New England Power Pool Agreement, and it has grown to include more than 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.

³ NEPOOL timely moved to intervene in the above-captioned docket by document-less intervention on Oct. 27, 2014.

I. BACKGROUND & COMMENTS

As required by the Commission in its letter order in Docket No. ER05-135-000,⁴ the Capital Funding Arrangements in Section IV.B of the ISO-NE Tariff (the “CFA”)⁵ provide that ISO-NE will file quarterly reports with the Commission, pursuant to Section 205 of the Federal Power Act,⁶ specifying, by project, ISO-NE’s prior year spending on multi-year projects, year-to-date spending and a forecast of the next calendar year spending.⁷ Pursuant to these requirements, ISO-NE submitted its Capital Projects Filing.

The quarterly Capital Projects Report for the quarter ending September 30, 2014 was discussed by the NEPOOL Budget and Finance Subcommittee (the “Subcommittee”) at its October 9, 2014 meeting. The Subcommittee discussed a concern that was raised regarding ISO-NE’s report that it will need to expense as a loss of approximately \$73,000 spent to install and configure electronic asset registration software which ultimately proved unusable. ISO-NE clarified that it is simultaneously pursuing a refund from the vendor that provided the unusable software, and that any funds recovered from the vendor will be returned to the operating budget (which will bear the related expenses), and ISO-NE updated Section II.C.6. of the Capital Projects Filing to reflect this explanation. Following that discussion, while no formal

⁴ *ISO New England Inc.*, 109 FERC ¶ 61,382 (2004) (“December 30 Letter Order”). The currently effective Tariff section was accepted by the Commission in its letter order in Docket No. ER05-374-002 (Mar. 24, 2005).

⁵ The CFA provides for ISO-NE to collect its capital expenditures from the NEPOOL Participants to the extent that it is unable to obtain third-party financing for those expenditures. The CFA also permits ISO-NE to collect from the Participants (i) the remaining unamortized costs of assets financed through third-party arrangements if that financing is terminated, accelerated and/or not refinanced when it becomes due, (ii) ISO-NE’s working capital amounts if ISO-NE’s working capital financing is terminated and/or accelerated and (iii) ISO-NE’s obligations with respect to the private financing obtained by ISO-NE to support weekly billing if that financing is terminated and/or accelerated.

⁶ 16 U.S.C. § 824d (2014).

⁷ ISO-NE Tariff, Section IV.B.6.2.

recommendation was made or action taken, none of the Subcommittee members in attendance objected to the material included in the Capital Projects Filing.

II. RELIEF REQUESTED

WHEREFORE, for the reasons stated herein, the NEPOOL Participants Committee requests that the Commission consider these comments in making its decision on the Capital Projects Filing.

Respectfully submitted,

NEPOOL Participants Committee

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Dated: November 6, 2014

CERTIFICATE OF SERVICE

I hereby certify that, in accordance with the Combined Notice of Filings #1 issued October 16, 2014, I have this day served the foregoing document electronically upon ISO New England Inc.

Dated at Hartford, Connecticut this 6th day of November, 2014.

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Document Content(s)

NEPOOL Comments_ER15-115_000.PDF.....1-4