

**To:** NEPOOL Participants Committee

**From:** Internal Market Monitor

**Date:** March 3, 2021

**Subject:** Follow Up on Retirement De-List and Permanent De-List Bids and Test Prices Conditional Upon the Regulatory Outcome of the Offer Review Trigger Price Jump Ball Proceeding

In a memo dated February 22, 2021, the Internal Market Monitor (IMM) provided guidance to Market Participants on submitting Retirement De-List Bids, Permanent De-List Bids and substitution auction test prices for the sixteenth Forward Capacity Auction (FCA 16) in light of the expected timing of a ruling by the Federal Energy Regulatory Commission (FERC) on Offer Review Trigger Price (ORTP) values in May 2021. Under Section 205 of the Federal Power Act, FERC's expected ruling on the ISO's proposal for recalculating ORTP values will include a "jump ball" alternate proposal of ORTP values from NEPOOL. Depending on which ORTP values are accepted by FERC, this ruling (i) could directly and materially impact the formulation of delist bids or offers by Market Participants, and yet (ii) will not be available prior to submission of the delist bids or offers that are due on March 12, 2021.

In response to inquiries from Market Participants, the IMM now clarifies how a Market Participant may submit Retirement De-List Bids, Permanent De-List Bids and test prices for FCA 16 by the submission deadline that are conditional upon the outcome of the ORTP jump ball regulatory proceeding. While Market Participants must commit to a delist bid submission by the deadline, Market Participants may submit a Retirement De-List Bid, Permanent De-List Bid and/or test price that is effective under one or more scenarios described below and may chose specific scenarios where no delist bid is to be applied.

The IMM assumes the following three potential regulatory outcomes to the jump ball ORTP filing:

1. Baseline case assumption: FERC approves the ISO proposed ORTP values;
2. Alternative case assumption: FERC approves the NEPOOL proposed ORTP values;
3. Rejection/Other assumption: FERC rejects both the Baseline and Alternative cases above and/or approves a combination of other ORTP values.

In their submissions, Market Participant will be asked to specify for which outcome(s) the submitted Retirement De-List Bid, Permanent De-List Bid or substitution auction test price is applicable.

Example 1: If a resource would like to submit a Retirement De-List Bid under all three potential outcomes, the resource would check all boxes on the “Retirement De-List Bid” row.

Bid Type	Baseline case assumption (check box if applicable)	Alternative case assumption (check box if applicable)	Rejection/Other assumption (check box if applicable)
Retirement De-List Bid	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Permanent De-List Bid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Substitution Auction Test Price	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Example 2: If a resource would like to submit a Permanent De-List Bid, but only in the Alternative case, then the resource would check the box applicable to the Alternative case on the Permanent De-List Bid row.

Bid Type	Baseline case assumption (check box if applicable)	Alternative case assumption (check box if applicable)	Rejection/Other assumption (check box if applicable)
Retirement De-List Bid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Permanent De-List Bid	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Substitution Auction Test Price	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Conceivably, some Market Participants may wish to submit a Retirement De-List Bid, Permanent De-List Bid or test price under the Rejection/Other assumption (i.e., if FERC does not accept the Baseline case or Alternate case assumptions) but only if certain ORTP values (including changes to indexing) are accepted by FERC under this Rejection/Other assumption. In such case, the Market Participant should specify in its submission that it wishes to submit the Retirement De-List, Permanent De-List Bid or test price under the Rejection/Other assumption, but if and only if the specified assumed values are approved by FERC. Therefore, each Market Participant must state clearly and specifically in its submission the regulatory outcomes (i.e., assumed values) upon which its Retirement De-List Bid, Permanent De-List Bid or test price is contingent.

In short, when submitting a complete and timely Retirement De-List Bid, Permanent De-List Bid or test price, Market Participants must specify whether and to what extent such de-list bid or test price is conditional upon the outcome of the FERC ORTP jump ball ruling and related approval of ORTP values.

A form is provided for your convenience on the next page. For pre-submission consultation with the IMM, please contact [intmmufcm@iso-ne.com](mailto:intmmufcm@iso-ne.com).

**Regulatory Outcome Form – Indicate scenario(s) for which the submission is applicable**

One per resource.

Lead Market Participant Name:

Resource Name:

Resource ID:

Bid Type	Baseline case assumption (check box if applicable)	Alternative case assumption (check box if applicable)	Rejection/Other assumption (check box if applicable)
Retirement De-List Bid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Permanent De-List Bid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Substitution Auction Test Price	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Participant Comments / Explanation:

For pre-submission consultation with the IMM, please contact [intmmufcm@iso-ne.com](mailto:intmmufcm@iso-ne.com).