



STATEMENT

**Dissent of
Chairman Neil Chatterjee on
ISO New England Inc.
New England Power Pool Participants Committee**

Date: November 9, 2018

Docket Nos.: ER18-1770-000,
ER18-1770-001

I respectfully dissent from the majority's decision to permit the implementation of ISO-NE's proposed Economic Life Revisions at this point in the thirteenth Forward Capacity Auction (FCA 13) process. While I am not opposed to making the proposed change effective for FCA 14, I conclude that, for both policy and legal reasons, it is not just and reasonable to implement the proposed revisions in FCA 13.

Implementing these tariff revisions for FCA 13 will disrupt settled market expectations mid-course and harm market participants who relied on the existing tariff in calculating prices and entering into contracts. In particular, allowing the proposed rule change to take effect for FCA 13 will alter the consequences of economic decisions that certain market participants have already made about the conditions under which their units will retire. These market participants reviewed their economic position in light of the existing rules and chose to submit De-List Bids in reliance on these existing rules. Today's action denies market participants the opportunity to make a fully informed decision about whether to submit a De-List Bid.

I also find it troubling that ISO-NE submitted this proposal to modify the economic consequences of those De-List Bid decisions after ISO-NE was able to calculate what the economic consequences would be under the existing rules. This change would achieve a specific price-oriented outcome based on information ISO-NE possesses due to its unique role as both system operator and auction administrator.

In addition to my concern that implementing this kind of rule change after the relevant deadlines have passed is not an equitable way of conducting business, the legal basis of the order is questionable at best. This case raises very serious questions about when and how the rule against retroactive ratemaking applies in the context of an auction driven by inputs that are established according to deadlines in a filed tariff.

For these reasons, I respectfully dissent.