

170 FERC ¶ 61,218
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;
Richard Glick and Bernard L. McNamee.

ISO New England Inc.
New England Power Pool Participants Committee
Participating Transmission Owners Administrative
Committee

Docket No. ER19-1952-000

ORDER ACCEPTING TARIFF REVISIONS

(Issued March 19, 2020)

1. On May 22, 2019, pursuant to section 205 of the Federal Power Act (FPA),¹ ISO New England Inc. (ISO-NE), joined by the New England Power Pool Participants Committee and the Participating Transmission Owners Administrative Committee on behalf of the New England Participating Transmission Owners (collectively, Filing Parties), submitted proposed revisions to the ISO-NE Transmission, Markets and Services Tariff (Tariff) to modify certain study timelines and the scope of the feasibility study for interconnection service. In this order, we accept Filing Parties' filing, to become effective as of the date of this order, as requested.

I. Background

2. Filing Parties state that the current timelines for ISO-NE's feasibility study and system impact study were incorporated in Schedule 22 of the ISO-NE Open Access Transmission Tariff (OATT) as part of ISO-NE's Order No. 2003 compliance.² Filing Parties explain that the timelines reflect the Reasonable Efforts³ timelines contained in

¹ 16 U.S.C. § 824d (2018).

² *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, 104 FERC ¶ 61,103, at PP 826-827 (2003), *order on reh'g*, Order No. 2003-A, 106 FERC ¶ 61,220, *order on reh'g*, Order No. 2003-B, 109 FERC ¶ 61,287 (2004), *order on reh'g*, Order No. 2003-C, 111 FERC ¶ 61,401 (2005), *aff'd sub nom. Nat'l Ass'n of Regulatory Util. Comm'rs v. FERC*, 475 F.3d 1277 (D.C. Cir. 2007).

³ See the Commission's *pro forma* Large Generator Interconnection Procedures (LGIP) § 1 ("Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Standard [LGIP], efforts that are timely and

the *pro forma* provisions adopted in that order. Filing Parties contend that these timelines do not align with subsequent improvements made to the scope of the studies to address unique regional issues.⁴

A. Feasibility Study

3. Filing Parties explain that, under ISO-NE LGIP section 6.1, the interconnection customer has the option to request that ISO-NE complete the feasibility study as a separate study or as part of the system impact study.⁵ Filing Parties claim that many interconnection customers that choose the separate feasibility study subsequently modify their projects (pursuant to the provisions permitting non-material modifications) before the commencement of the system impact study, which reduces any potential time-saving benefit of conducting the feasibility study first.⁶

4. Filing Parties state that ISO-NE LGIP section 6.2 provides that the feasibility study will consist of a power flow, including thermal, voltage, and short circuit analyses. Filing Parties state that the feasibility study includes a comprehensive steady-state (thermal, voltage, and short circuit) analysis, which eliminates the need for additional steady-state analysis in the system impact study. Filing Parties explain that ISO-NE also offers to expand the scope for the feasibility study (i.e., when certain conditions are met, a stability analysis is also performed).⁷

5. Filing Parties explain that an interconnection customer with a Capacity Network Resource⁸ interconnection request may request that the feasibility study include an

consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.”).

⁴ Filing Parties May 22, 2019 Filing at 6 (Filing).

⁵ ISO-NE, Tariff, § II, Schedule 22 (17.0.0), § 6.1.

⁶ Filing at 9.

⁷ *Id.* at 7.

⁸ See ISO-NE, Tariff, § II, Schedule 22 (17.0.0), § 1 (defining “Capacity Network Resource” as “that portion of a Generating Facility that is interconnected to the Administered Transmission System under the Capacity Capability Interconnection Standard”).

analysis to identify upgrades that may be necessary for the generating facility to qualify for a forward capacity auction.⁹

6. Filing Parties state that ISO-NE LGIP section 6.3 requires that ISO-NE and the interconnection owner use Reasonable Efforts to complete the feasibility study no later than 45 calendar days after receiving the interconnection feasibility study agreement (and additional materials). Filing Parties state that, because of the present scope of the feasibility study, this timeline has never been met. Filing Parties state that the average time to complete the feasibility studies conducted in 2017 was 229 calendar days.¹⁰

B. System Impact Study

7. Filing Parties state that, in New England, the system impact study is the comprehensive reliability evaluation. Filing Parties explain that, after completion of the system impact study, interconnection customers can proceed to the interconnection agreement phase of the process, without conducting a facilities study. Filing Parties state that the system impact study includes a comprehensive steady-state (thermal, voltage, and short circuit) evaluation, along with a full stability analysis. Filing Parties note that the system impact study also includes electromagnetic transient analysis for all inverter-based resources such as solar, wind, and battery facilities.¹¹

8. Filing Parties state that ISO-NE LGIP section 7.4 requires the system operator and interconnecting transmission owner to use Reasonable Efforts to complete the system impact study within 90 calendar days after the receipt of the interconnection system impact study agreement (and additional materials). Filing Parties point out, however, that the system impact studies that ISO-NE conducted in 2017 were completed in 443 calendar days, on average.¹²

C. Order No. 845

9. Filing Parties note that, in Order No. 845, the Commission established reporting requirements for aggregate interconnection study performance. Filing Parties state that in its Order No. 845 compliance filing, ISO-NE proposes revising ISO-NE LGIP section 3.5 to provide that ISO-NE will maintain, on its website, summary statistics related to

⁹ Filing at 7.

¹⁰ *Id.* at 6.

¹¹ *Id.* at 9-10.

¹² *Id.* at 6.

processing interconnection studies pursuant to interconnection requests.¹³ Filing Parties explain that ISO-NE proposes to update those summary statistics quarterly and to require ISO-NE to calculate and post the information detailed in the proposed ISO-NE LGIP sections 3.5.2.1 through 3.5.2.4 for each calendar quarter.¹⁴

II. Description of Filing

10. Filing Parties propose to revise the scope of the feasibility study and the Reasonable Efforts timelines for the feasibility study and the system impact study. Filing Parties contend that these revisions are necessary to provide the Commission with data that more meaningfully reflects the expected duration of the interconnection study efforts in the quarterly postings of statistics that will be required under ISO-NE LGIP section 3.5, as proposed in ISO-NE's Order No. 845 compliance filing.¹⁵

11. Filing Parties propose their revisions under the "independent entity variation" standard of review established in Order No. 2003. Filing Parties explain that the Commission has granted independent entity variations from rulemakings when a Regional Transmission Organization (RTO) or Independent System Operator (ISO) demonstrates that the proposed variation (1) is just and reasonable, and not unduly discriminatory or preferential, and (2) accomplishes the purposes of the order.

A. Scope of the Feasibility Test

12. Filing Parties propose to eliminate the interconnection customer's option to request that the feasibility study be completed as part of the system impact study. Instead, Filing Parties propose that the interconnection customer choose whether there is a feasibility study. Filing Parties note that, under the proposal, an interconnection customer with a Capacity Network Resource interconnection request will have the option to request that the feasibility study identify potential upgrades only if the Reasonable Efforts time frame for the completion of the feasibility study does not overlap with the time frame for the overlapping interconnection impacts analysis conducted for qualification in the forward capacity auction pursuant to Tariff section III.13.1.1.2.3.¹⁶

¹³ ISO-NE, Compliance Filing, Docket No. ER19-1951-000, at 24-25 (filed May 22, 2019).

¹⁴ Filing at 6.

¹⁵ *Id.*

¹⁶ *Id.* at 8.

13. Filing Parties state that the proposed LGIP section 6.2 provides the interconnection customer with two options for the scope of the feasibility study. Filing Parties explain that, under the first option, the feasibility study consists of a limited power flow, including thermal, voltage, and short circuit analyses. Filing Parties further explain that, under the second option, the interconnection customer provides technical data, and the feasibility study consists of limited thermal analysis, voltage analysis, short circuit analysis, stability analysis, or electromagnetic transient analysis, as appropriate.¹⁷

14. Filing Parties propose to further expedite the overall study effort by streamlining the data collection process for the feasibility study and including an updated Attachment B to Appendix 1 of Schedule 22 of the OATT. Filing Parties explain that they intend the proposed revisions to Attachment B to reduce the likelihood of data corrections or data iterations with the interconnection customer. Filing Parties add that the proposed revisions reflect recent experience in the conduct of feasibility studies and update the collection effort to include newer technologies such as inverter-based resources and batteries.¹⁸

B. Study Timelines

15. Filing Parties propose to revise ISO-NE LGIP section 6.3 to provide that the system operator and interconnecting transmission owner must use Reasonable Efforts to complete the feasibility study no later than 90 calendar days after receiving the interconnection feasibility study agreement (and other materials). Similarly, Filing Parties propose to modify ISO-NE LGIP section 7.4 to require the system operator and interconnecting transmission owner to use Reasonable Efforts to complete the system impact study within 270 calendar days after the receipt of the interconnection system impact study agreement (and other materials).¹⁹ Filing Parties note that the proposed timeline for the system impact study is comparable to the timelines of the definitive study stages of other RTOs/ISOs, such as Midcontinent Independent System Operator, Inc.'s (MISO) study timeline of 265 days.²⁰

C. Effective Date

16. Filing Parties request that the proposed revisions have the same effective date as the revisions to ISO-NE LGIP section 3.5 submitted in compliance with Order No. 845 in

¹⁷ *Id.* at 8.

¹⁸ *Id.* at 9.

¹⁹ *Id.* at 9-10.

²⁰ *Id.* at 10 n.31 (citing MISO Tariff, attach. X, §§ 7.1.3, 7.2.3, and 7.3.3).

Docket No. ER19-1951-000.²¹ Filing Parties request waiver of the notice provisions because the effective date of the revisions submitted in ISO-NE's compliance filing for Order No. 845 may be more than 120 days from the date of this filing and the notice provisions of 18 C.F.R. § 35.3 generally provide that tariff revisions may not be posted more than 120 days before they are to become effective. Filing Parties also ask the Commission to issue an order here concurrently with its order²² addressing ISO-NE's Order No. 845 compliance filing in Docket No. ER19-1951-000.²³

III. Notice of Filing and Responsive Pleadings

17. Notice of Filing Parties' compliance filing was published in the *Federal Register*, 84 Fed. Reg. 24,770 (May 29, 2019), with interventions and protests due on or before June 26, 2019.²⁴

18. The following entities submitted timely motions to intervene: Avangrid Networks, Inc.; Calpine Corporation; Clean Energy Entities;²⁵ Dominion Energy Services, Inc.; EDF Renewables, Inc.; EDP Renewables North America LLC; Electric Power Supply Association; Enel Green Power North America, Inc.; E.ON Climate & Renewables North America, LLC; National Grid, NRG Power Marketing LLC; and Renewable Energy Systems America, Inc.. ISO-NE Generation Developers²⁶ filed a protest. On July 11, 2019, ISO-NE filed an answer.

²¹ *Id.* at 2. In Docket No. ER19-1951-000, ISO-NE requests that its proposed revisions become effective on the date of the order. *See* ISO-NE and Participating Transmission Owners Administrative Committee, Filing, Docket No. ER19-1951-000, at 2 (filed May 22, 2019).

²² *ISO New England Inc.*, 170 FERC ¶ 61,209 (2020).

²³ Filing at 2.

²⁴ On June 7, 2019, the Commission extended the deadline for filing comments from June 12, 2019, to June 26, 2019. Notice Granting Extension of Time, Docket No. ER19-1949-000, et al. (June 7, 2019).

²⁵ Clean Energy Entities is composed of the American Wind Energy Association, the Solar Council, and the Solar Energy Industries Association.

²⁶ ISO-NE Generation Developers is composed of EDF Renewables, Inc.; E.ON Climate & Renewables North America, LLC; and Enel Green Power North America, Inc.

A. Protest

19. ISO-NE Generation Developers ask the Commission to reject the filing because ISO-NE is incapable of meeting the proposed deadlines, which extend the amount of time for the feasibility study from 45 days to 90 days and the amount of time for the system impact study from 90 days to 270 days. ISO-NE Generation Developers point to the average 229 days and 443 days it has taken ISO-NE to process a feasibility study and a system impact study, respectively, and ISO-NE's severe backlog. ISO-NE Generation Developers argue that ISO-NE's inability to meet the proposed deadlines makes the proposed revisions unjust and unreasonable.²⁷

20. ISO-NE Generation Developers also assert that the proposed study deadlines do not improve ISO-NE's ability to exercise Reasonable Efforts to meet queue study deadlines. ISO-NE Generation Developers contend that increasing the study deadlines beyond the *pro forma* requirements amounts to "mov[ing] the goal posts" and thus limits the extent of the informational reports that ISO-NE must submit to the Commission. ISO-NE Generation Developers argue that, in spite of the additional times provided in the proposed deadlines, ISO-NE will continue to delay this work, except it will now mask the details of that delay, contrary to the policy determinations of Order No. 845.²⁸ ISO-NE Generation Developers conclude that, therefore, Filing Parties' proposed revisions are not in the public interest.

B. Answer

21. ISO-NE responds that the proposed revision to the scope of the feasibility study and continuous improvements of the system impact study will allow ISO-NE to meet the proposed study timelines. ISO-NE asserts that, because of the feasibility study's reduction in scope and other, ongoing study process improvements, ISO-NE will be able to meet its proposed study timelines going forward. ISO-NE explains, for example, that it has expanded the use of consultants and streamlined the management of system impact study models and data. ISO-NE claims that the ISO-NE Generation Developers' argument that ISO-NE should use the *pro forma* deadlines is flawed because those milestones do not reflect the time to complete the complex studies in the ISO-NE region.²⁹

22. ISO-NE adds that ISO-NE's interconnection queue is not severely backlogged. ISO-NE contends that, contrary to ISO-NE Generation Developers' assertion, the interconnection queue in New England is moving forward in all areas of the region. ISO-

²⁷ ISO-NE Generation Developers Protest at 1-2.

²⁸ *Id.* at 3.

²⁹ ISO-NE Answer at 3-4.

NE argues that the introduction of clustering has achieved its purpose by significantly reducing the backlog that had been identified in Maine. ISO-NE explains that this reduction in backlog will further enable ISO-NE to meet the proposed timelines because projects will not have to wait for it to clear a backlog.³⁰ ISO-NE states that ISO-NE Generation Developers did not participate in the NEPOOL stakeholder process, which resulted in unanimous support for the new timelines.

23. ISO-NE asserts that ISO-NE Generation Developers' contention that ISO-NE's proposed revisions are not "in the public interest" applies the wrong legal standard. ISO-NE argues that, contrary to ISO-NE Generation Developers' assertion, the proposed revisions are subject to review under the statutory "just and reasonable" standard of FPA section 205, which was met in this case.³¹

IV. Discussion

A. Procedural Matters

24. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2019), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

25. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We accept ISO-NE's answer because it has provided information that assisted us in our decision-making process.

B. Substantive Matters

26. We accept Filing Parties' proposed revisions as independent entity variations, to become effective as of the date of this order.³² In Order No. 2003, the Commission determined that it would be appropriate to permit RTOs/ISOs to seek independent entity variations for pricing and non-pricing provisions, and that RTOs/ISOs "shall have greater flexibility to customize [their] interconnection procedures and agreement to fit regional needs."³³ The Commission in Order No. 2003 stated that this balanced approach

³⁰ *Id.* at 5.

³¹ *Id.* at 6.

³² We grant ISO-NE's request for waiver of the Commission's prior notice filing requirement. *See* 18 C.F.R. § 35.3(a)(1) (2019).

³³ Order No. 845, 163 FERC ¶ 61,043 at P 825 (citing Order No. 2003, 104 FERC ¶ 61,103 at P 826).

recognizes that an RTO/ISO is less likely to act in an unduly discriminatory manner than a transmission provider that is a market participant; an RTO/ISO therefore has greater flexibility to customize its interconnection procedures and agreements to fit regional needs.³⁴ The Commission has granted independent entity variations from rulemakings where an RTO/ISO demonstrates that the proposed variation: (1) is just and reasonable, and not unduly discriminatory or preferential; and (2) accomplishes the purposes of the order.³⁵ It is not a sufficient justification to state that a variation conforms to current RTO/ISO practices or to the RTO's/ISO's tariff definitions and terminology.³⁶ Even if the transmission provider is an RTO/ISO, it must still justify its variations in light of the Commission's *pro forma* LGIP and/or *pro forma* LGIA.³⁷ We will evaluate Filing Parties' proposed independent entity variations from the requirements of Order No. 2003 accordingly.

27. We find that Filing Parties' proposed scope for the ISO-NE feasibility study meets the independent entity variation standard. As Filing Parties explain, under the current Tariff, many interconnection customers that choose the separate feasibility study subsequently modify their projects before the system impact study, reducing any potential time-saving benefit of conducting the feasibility study first. To address this issue, Filing Parties propose revisions that eliminate the option to integrate the feasibility study within the system impact study and give interconnection customers the ability to forgo the feasibility study. Under the proposal, when interconnection customers opt for a feasibility study, they can choose only a limited power flow analysis, instead of the full power flow analysis allowed in the existing Tariff. We find that these proposed revisions to the scope of the feasibility study, along with others described by Filing Parties, are just and reasonable, are not unduly discriminatory or preferential, and accomplish the purposes of Order No. 2003 because they streamline ISO-NE's interconnection process and provide better choices for interconnection customers.

28. We also find that Filing Parties' proposed deadlines for the feasibility study and the system impact study meet the independent entity variation standard. Filing Parties state that, in 2017, it took an average 229 days and 443 days, respectively, to complete a feasibility study and a system impact study. As a result, Filing Parties propose to revise

³⁴ Order No. 2003, 104 FERC ¶ 61,103 at P 827.

³⁵ See, e.g., *ISO New England, Inc.*, 164 FERC ¶ 61,222, at P 9 (2018) (citing Order No. 2003, 104 FERC ¶ 61,103 at PP 26, 827; *Midcontinent Indep. Sys. Operator, Inc.*, 154 FERC ¶ 61,247, at P 20 (2016); *California Indep. Sys. Operator Corp.*, 140 FERC ¶ 61,070, at P 44 (2012)).

³⁶ *Midwest Indep. Sys. Operator, Inc.*, 139 FERC ¶ 61,219, at P 9 (2012).

³⁷ See *PJM Interconnection, L.L.C.*, 108 FERC ¶ 61,025, at P 16 (2004), *reh'g denied*, 110 FERC ¶ 61,099 (2005).

the Tariff to extend the time to complete a feasibility study from 45 days to 90 days and the time to complete a system impact study from 90 days to 270 days. We agree with Filing Parties that the current deadlines do not reflect the reality of ISO-NE's interconnection study process, which has become more elaborate as ISO-NE has addressed unique regional issues. For example, we recognize that the electromagnetic transient studies that ISO-NE performs for inverter-based resources can lengthen the study times. This practice justifies a longer timeline for ISO-NE's system impact study than the one provided for in the Commission's *pro forma* LGIP. Accordingly, we find that Filing Parties' proposal to remedy the clear misalignment between ISO-NE's study time frames and the tasks performed during those studies is just and reasonable. We also agree with Filing Parties that, under the proposed deadlines, ISO-NE is more likely to report meaningful statistics in response to the reporting requirements of Order No. 845.

29. We disagree with ISO-NE Generation Developers' arguments that the proposed deadlines are unreasonably ambitious. We disagree because we expect that the average study lengths will drop due to the reduced scope of the feasibility study and due to the other interconnection process improvements described by Filing Parties. These process improvements include expanded use of consultants and a streamlined approach for managing system impact study models and data. We also disagree with ISO-NE Generation Developers' contention that the new deadlines will not help ISO-NE to conduct studies more quickly. To the contrary, the proposed deadlines are more attainable, due in part to the process improvements described by Filing Parties, and therefore will expedite the study process. We also note that Order No. 845 encourages more timely studies by requiring ISO-NE to post actual study times when it fails too often to meet its deadlines, as explained in the order.

The Commission orders:

Filing Parties' proposed revisions are hereby accepted, to become effective as of the date of this order, as requested, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.