

# The Transformation of the New England Power System: Infrastructure Needs and Market Implications

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*New England Council  
Regional Energy Discussion*

Gordon van Welie

PRESIDENT & CEO



# NEPOOL Has Launched a New Initiative Called Integrating Markets and Public Policy (IMAPP)

- In August, NEPOOL launched a stakeholder process with the goal of identifying **potential adjustment(s)** to the wholesale electricity market(s) to accommodate and achieve the New England states' **public policy objectives**
- The region's competitive wholesale electricity markets are designed to maintain **reliability** through the selection of the most economically-efficient set of resources
- The states have **environmental** and **renewable energy** goals that are beyond the objectives of the wholesale electricity markets



# Overview of the IMAPP Schedule



- NEPOOL’s goal is to develop a **“framework document”** by December 2 to provide guidance to the ISO regarding potential changes to the wholesale power markets
- This is an extremely important effort and we are encouraged by the attention of both NEPOOL and the New England states to this initiative
- In 2017, ISO New England will work with the states, NEPOOL and the FERC to determine the most effective path forward

**Note:** For information on the individual proposals, visit the NEPOOL [website](#) or the ISO’s Wholesale Markets and State Public Policy Initiative [webpage](#).



# ISO-NE Will Continue to Work with Stakeholders to Manage the Transformation of the Power System

- **New England's wholesale markets provide a framework to ensure resource adequacy and reliability**
  - Competitive wholesale electricity markets have resulted in high levels of reliability, produced significant efficiencies and have driven billions of dollars of investment in New England's power system
  - However, the competitive market framework is vulnerable, and the transformation of the power system is presenting new risks
- **New England needs additional energy infrastructure**
  - Growing levels of renewable generation will require a fleet of flexible resources, with an equally flexible fuel system, to reliably balance the variability of renewable resources
- **Thoughtful balance of public policy goals and wholesale market operations can achieve effective results**
  - New England has a history of achieving environmental goals within the framework of wholesale energy markets