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OCC-15 Reference the CEAB Evaluation Report to CSC, 2/17/09, pp. 21 & 23, stating that the ISO-NE needs assessment for NEEWS, on which the GSRP/MMP Application is based, is now dated.

(a) Does ISO-NE agree with this CEAB statement? Please explain in specific detail.

Response: The fact that the Needs Assessment is based on the 2005 Regional System Plan ("RSP 2005") does not imply that its conclusions are therefore dated. The Needs Assessment, while based on ISO-NE's RSP 2005 forecast, showed that there were criteria violations in Springfield in 2009, understanding that some could occur earlier in time under certain system conditions. The western Massachusetts load forecast for 2009 (based on this 2005 forecast) was 2,245 MW.

In the RSP 2009 forecast for 2014 summer (the first summer that the GSRP is scheduled to be in service) the western Massachusetts load is forecast to be 2,390 MW.

The Forward Capacity Auctions resulted in approximately 95 MW of available New Demand Resources in western Massachusetts, the majority of which (86 MW), cleared in the first auction. With respect to New Generating Capacity Resources, one New Generating Capacity Resource cleared in western Massachusetts with a Capacity Supply Obligation of 2.5 MW. The RSP 2009 forecast for summer 2014 of 2,390 MW minus the new 97.5 MW of available new resources still exceeds the 2,245 MW load level that resulted in the 2009 criteria violations detailed in the Needs Assessment.

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- OCC-16 Reference the CEAB Evaluation Report to CSC, 2/17/09, p. 2, Item 3, stating that ISO-NE plans to revisit its needs assessment for NEEWS and similar projects.
 - (a) When will any revised needs assessment prepared by ISO-NE be available?
 - (b) Is it possible that ISO-NE's revised needs assessment would conclude that GSRP/MMP, and/or NEEWS, is not needed?

Response:

- (a) ISO-NE's Tariff requires ISO-NE to "reflect proposed market responses in the regional system planning process."¹ As such, ISO-NE is revaluating the need for the Regulated Transmission Solutions based on the 2009 RSP forecast and resources that cleared in the Forward Capacity Auctions. ISO-NE anticipates formally presenting the results of this analysis on the NEEWS projects at one of the summer 2009 Planning Advisory Committee meetings.
- (b) Pending final evaluation of the need for the GSRP, as explained in the response to OCC-15 (a) above, ISO-NE does not anticipate a change in the need for the GSRP and continues to believe that it is needed. ISO-NE is continuing to evaluate the timing of the need for both the Interstate Reliability Project and the Central Connecticut Reliability Project.

ISO-NE has determined that the need for the Rhode Island Reliability Project remains unchanged.

¹ Section 4.2 (a) of Attachment K to the ISO New England Transmission, Markets, and Services Tariff.

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- **OCC-17** Reference the CEAB Evaluation Report to CSC, 2/17/09, p. 33, stating the current economic recession could have an impact on the regional load forecast.
 - (a) Does ISO-NE agree with this observation?
 - (b) Has ISO-NE revised its regional load forecast, taking account of the current economic recession, or does it intend to do so?
 - (c) Please supply a copy of any load forecast, revised on the indicated basis, or state when any such revised forecast will be available.

Response:

- (a) Yes. The 2009 CELT report takes into account the economic recession.
- (b) Please see response to OCC-17(a) above.
- (c) The 2009 CELT report is available at: <u>http://www.iso-ne.com/trans/celt/report/index.html</u>

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- OCC-18 Reference the CEAB Evaluation Report to CSC, 2/17/09, p. 35, stating that none of the ISO-NE or NU power flow studies assessing GSRP or NEEWS have included the proposed NRG Meriden project.
 - (a) Does ISO-NE agree with this observation?
 - (b) Does ISO-NE believe that power flow studies which include the proposed NRG Meriden project would assist the evaluation of the need for GSRP/MMP and/or NEEWS?

Response:

- (a) ISO-NE's power flow studies assessing GSRP did not evaluate the NRG Meriden project. ISO-NE's Tariff requires ISO-NE to evaluate the impact on the need for a Regulated Transmission Solution based on proposed resources that (i) have cleared in the FCA, (ii) are contractually bound by a state sponsored Request for Proposals, or (iii) have a financially binding obligation pursuant to a contract.² Because the NRG Meriden project does not meet any of the above criteria, ISO-NE did not evaluate the impact of the project on the need for GSRP.
- (b) Please the response to OCC-18(a) above.

² Section 4.2 (a) of Attachment K to the ISO New England Transmission, Markets, and Services Tariff.