

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
ISO New England Inc.
Docket No. ER19-1166-000

Issued: 6/6/19

ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841

Attention: Margoth Caley
Senior Regulatory Counsel for ISO New England Inc.

Jeffrey McDonald
Vice President, Market Monitoring for ISO New England Inc.

Reference: Results of Thirteenth Forward Capacity Auction

Dear Ms. Caley:

On February 28, 2019, pursuant to its Transmission, Markets and Services Tariff (Tariff), ISO New England Inc. (ISO-NE) submitted the thirteenth Forward Capacity Auction (FCA 13) results for the June 1, 2022 - May 31, 2023 Capacity Commitment Period (FCA 13 Results Filing). ISO-NE requested that the FCA 13 Results Filing become effective on June 28, 2019.

ISO-NE states that it has documented the competitiveness of FCA 13 by demonstrating that all resources offering and bidding in FCA 13 were properly qualified in accordance with Tariff section III.13.1. Attachment A to the FCA 13 Results Filing specifies the resources that received Capacity Supply Obligations in each Capacity Zone for FCA 13, in accordance with Tariff section III.13.8.2(a). As provided in Attachment A, the Killingly Energy Center (Killingly) is a new resource that cleared FCA 13.

Please be advised that the FCA 13 Results Filing does not provide sufficient detail to enable the Commission to process the filing and that additional information is required.

Please provide the following:¹

1. All data and information upon which ISO-NE's Internal Market Monitor (Market Monitor) relied in reviewing Killingly's requested offer price; calculating the break-even contribution required from the Forward Capacity Market to yield a discounted cash flow with a net present value of zero for Killingly; and comparing Killingly's requested offer price to this break-even contribution value and Killingly's New Resource Offer Floor Price, as required by the Tariff.² This information should include, but not necessarily be limited to, the following:
 - a. Capital costs, discount rates, depreciation, tax treatment, and any other financial inputs submitted by Killingly and/or calculated by the Market Monitor as part of the Market Monitor's analysis of Killingly's requested offer price.
 - b. Data and/or assumptions submitted by Killingly and/or calculated by the Market Monitor for purposes of estimating Killingly's non-capacity revenue as part of the Market Monitor's analysis of Killingly's requested offer price.
 - c. Any out-of-market revenue sources that the Market Monitor excluded from the cash flows used to evaluate Killingly's requested offer price.
 - d. Any cash flows for Killingly that are supported by a regulated rate, charge, or other regulated cost recovery mechanism.
2. Explanations of, and reasoning for, any adjustments made by the Market Monitor to the input and assumption values submitted by Killingly based on the Market Monitor's determination that such values were inconsistent with prevailing market conditions, as required by the Tariff.³
3. Any other data, information, or documentation that the Market Monitor used to support its determination regarding Killingly's offer floor price.

¹ To the extent the required information may contain confidential material, ISO-NE may seek privileged treatment when filing it with the Commission, pursuant to the Commission's regulations. *See* 18 C.F.R. § 388.112 (2018).

² Tariff § III.A.21.2(b) (52.0.0).

³ Tariff § III.A.21.2(b)(i).

This letter is issued pursuant to 18 C.F.R. § 375.307 (2018) and is interlocutory. This letter is not subject to rehearing under 18 C.F.R. § 385.713 (2018). A response to this letter must be filed with the Secretary of the Commission within 30 days of the date of this letter by making a deficiency filing in accordance with the Commission's electronic tariff requirements. For your response, use Type of Filing Code 170 if your company is registered under program code "M" (Electric Market Based Rate Public Utilities) or Type of Filing Code 180 if your company is registered under program code "E" (Electric Traditional Cost of Service and Market Based Rates Public Utilities).⁴ In addition, submit an electronic version of your response to Katherine Scott at katherine.scott@ferc.gov. The information requested in this letter order will constitute an amendment to your filing and a new filing date will be established.⁵ A notice will be issued upon receipt of your filing.

Pending receipt of the above information, a filing date will not be assigned to your filing. Failure to respond to this letter order within the time period specified may result in a further order rejecting your filing.

Issued by: Kurt M. Longo, Director, Division of Electric Power Regulation – East

⁴ The filing must include at least one tariff record to restart the statutory timeframe for Commission action even though a tariff revision might not otherwise be needed. *See generally Electronic Tariff Filings*, 130 FERC ¶ 61,047, at PP 3-8 (2010) (explaining that the Commission uses the data elements resulting from the tariff filing process to establish statutory filing and other procedural dates).

⁵ *See Duke Power Co.*, 57 FERC ¶ 61,215, at 61,713 (1991) ("the Commission will consider any amendment or supplemental filing filed after a utility's initial filing . . . to establish a new filing date for the filing in question").