

FERC Accepted the NEPOOL Proposal Over the ISO NE Proposal on Winter Reliability

The Federal Energy Regulatory Commission (FERC) has chosen the NEPOOL Winter Reliability Program over the plan which was proposed by ISO New England. The Winter Program is a plan designed to ensure reliability of the New England electric grid. The plan will be in place for the next three winters, which will be the winters of 2015 through 2018. After the winter of 2017/2018, FERC and all stakeholders believe that the implementation of the Performance Incentive (PI), and additional gas pipeline, will incent the market to bring a higher level of reliability to the electric grid in New England.

The NEPOOL proposal is very similar to the 2014/2015 Winter Plan, which concentrated on increasing the inventory level of fuel oil in New England between December and March. In addition, that plan seeks to convert single fuel generation to duel fuel.

The ISO New England proposal for the next three winters changed based on comments made by FERC, which wanted fuel neutrality, during the last Winter Program filing (for Winter 2014/2015). The ISO New England proposal now includes trying to make the Winter Program more fuel neutral, despite the fact that doing so would be significantly more expensive, given that it would include paying more for fuel which would add no value to the market because it would have been in inventory, *i.e.*, nuclear.

The decision by FERC may be viewed at the link below:

http://elibrary.FERC.gov/idmws/file list.asp?accession num=20150911-3038