

May 21, 2026

The Honorable Commissioners
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Dear Chairman Swett and Commissioners Rosner, See, Chang, and LaCerte:

We, the Governors of the six New England states, write to express our profound concern over the New England Transmission Owners' (NETOs) proposal to increase their profit margins at the expense of families and businesses already struggling to pay their electricity bills. The NETOs' request to increase their return on equity (ROE) to 11.39 percent is especially egregious after the Federal Energy Regulatory Commission (FERC) lowered the NETOs' authorized ROE to 9.57 percent in March, finding that the NETOs had been overcharging New England ratepayers since 2012. Transmission rates in New England are more than double the average in other organized markets.¹ We fear this unreasonable increase in transmission rates will needlessly burden the region's households and businesses, impair our economic competitiveness, and undermine our efforts to deploy transmission investment that is needed to maintain reliability, improve affordability, and access additional electricity supplies.

Governors play an important role in promoting policies that reduce electricity bills and ensure energy affordability. FERC shares that responsibility. We therefore respectfully ask the Commission to consider the harmful effects of the requested increase on ratepayers and reject the NETOs' proposal. Households and businesses across our region face persistent economic pressures, including elevated energy costs and broader affordability challenges. This proposed increase will only exacerbate their financial strain.

Our states have recognized the need for transmission investment that increases system reliability and lowers costs.² However, the proposed ROE is misaligned with current economic conditions

¹ See 2024 Assessment of the ISO New England Electricity Markets, Potomac Economic, External Market Monitor for ISO-NE (June 2025) at p. 5.

² With our authorization, the six New England states are pursuing proactive transmission upgrades to interconnect up to 4,800 MW of new generation in Massachusetts and Connecticut, as well as investments in transmission to interconnect new generation resources in Maine through the FERC-approved ISO New England Longer-term Transmission Planning (LTTP) procurement process. Subsequent rounds of LTTP procurements will allow the region to continue to invest in needed regional transmission that supplements transmission identified by ISO-NE reliability reviews.

and does not reflect the NETOs' relative risks and ability to attract capital. Authorizing this rate increase would place further undue strain on ratepayers already struggling to pay their electricity bills and undermine investments that could deliver relief to the region. Every dollar that goes to transmission companies should support the development of cost-effective infrastructure, not excess returns to investors.³

Our states are committed to advancing grid reliability and energy affordability. Achieving these objectives will require sustained public support and careful stewardship of consumer costs. Needless increases in transmission rates threaten to erode that support and run counter to the progress we have collectively made to deploy much-needed transmission in this region.

We therefore urge the Commission to scrutinize—and ultimately reject—this proposal, paying particular attention to its ratepayer impacts. We further urge the Commission to ensure that any future proposed changes to the NETOs' ROE only be approved if they carefully balance and reflect current financial market conditions, regional economic realities, and the overarching need to protect ratepayers from unjustified cost increases.

Thank you for your consideration of this matter and for your continued commitment to ensuring fair and equitable energy policies.

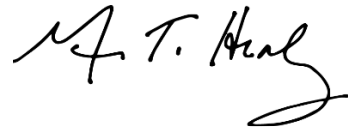
Sincerely,



Ned Lamont
Governor of Connecticut



Janet Mills
Governor of Maine



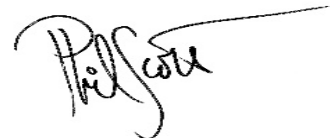
Maura Healey
Governor of Massachusetts



Kelly Ayotte
Governor of New Hampshire



Dan McKee
Governor of Rhode Island



Phil Scott
Governor of Vermont

³ Because of Vermont's unique ownership and regulatory structure, revenues earned from transmission investment in its transmission company, including ROE earnings, ultimately flow back to Vermont ratepayers rather than to outside shareholders.