

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Connecticut Department of Energy and
Environmental Protection,
Connecticut Office of Consumer
Counsel, Connecticut Public Utilities
Regulatory Authority, and William
Tong, Attorney General for the State
of Connecticut,
Complainants,

v.

ISO New England Inc., The Connecticut
Light & Power Company d/b/a
Eversource Energy, and The United
Illuminating Company,
Respondents.

Docket No. EL26-____-000

**COMPLAINT OF CONNECTICUT STATE AGENCIES CHALLENGING RTO
ADDER COSTS AND REQUESTING TERMINATION**

Pursuant to sections 206 and 306 of the Federal Power Act (FPA)¹ and Rule 206 of the Federal Energy Regulatory Commission's (Commission or FERC) Rules of Practice and Procedure,² the Connecticut Department of Energy and Environmental Protection, Connecticut Office of Consumer Counsel, Connecticut Public Utilities Regulatory Authority, and William Tong, Attorney General for the State of Connecticut (CT State Agencies or Complainants) hereby file this Complaint against The Connecticut Light & Power Company d/b/a Eversource Energy (Eversource) and The United Illuminating Company (UI) (collectively, Respondents), and ISO New England Inc. (ISO-NE). For the reasons stated here, Complainants ask that the Commission (1) find unjust and

¹ 16 U.S.C. §§ 824e, 825e.

² 18 C.F.R. § 385.206.

unreasonable the continued collection by Eversource and UI of the previously-authorized fifty basis point return on equity (ROE) adder for participation in ISO-NE; (2) direct the submission of a compliance filing terminating the adder; and (3) direct the refunding of any adder-related charges imposed after the refund effective date of this Complaint.³

I. INTRODUCTION

Eversource and UI provide retail electric service to Connecticut consumers and qualify as electric distribution companies (EDCs) pursuant to Connecticut law.⁴ Both Respondents have been participants in ISO-NE, the region's Transmission Organization, since its inception.⁵ And for more than twenty years, both Respondents' regional electric

³ ISO-NE has been included as a Respondent because the Complaint challenges charges authorized under ISO-NE's Open Access Transmission Tariff (Tariff). CT State Agencies anticipate that ISO-NE will ask to be dismissed from this action, arguing that it is only the billing agent for Eversource and UI and not the beneficiary of any adder. *See, e.g.,* Motions of ISO New England Inc. for Dismissal and, to the Extent Necessary, to Postpone Answer Date, and Request for Expedited Action, *Coakley v. Bangor Hydro-Elec. Co.*, Docket No. EL11-66 (Oct. 4, 2011), eLibrary No. 20111004-5031, granted in *Coakley v. Bangor Hydro-Elec. Co.*, 139 FERC ¶ 61,090 (2012). CT State Agencies will not object if a similar motion is filed here, assuming it includes an express commitment by ISO-NE to abide by any Commission decision in this proceeding, including by filing any Tariff amendments that may be ordered and processing any related refunds.

⁴ Conn. Gen. Stat. § 16-1(23) (“‘Electric distribution company’ or ‘distribution company’ means any person providing electric transmission or distribution services within the state, but does not include: (A) A private power producer, as defined in section 16-243b; (B) a municipal electric utility established under chapter 101, other than a participating municipal electric utility; (C) a municipal electric energy cooperative established under chapter 101a; (D) an electric cooperative established under chapter 597; (E) any other electric utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or special act; (F) an electric supplier; (G) an entity approved to submeter pursuant to section 16-19ff; or (H) a municipality, state or federal governmental entity authorized to distribute electricity across a public highway or street pursuant to section 16-243aa.”). According to information provided on the website for the Connecticut Public Utilities Regulatory Authority, the State's regulated electric distribution companies include: “The Connecticut Light and Power Company dba Eversource Energy (Eversource),” and The United Illuminating Company. State of Connecticut, *Electric* (last visited June 9, 2026), <https://portal.ct.gov/pura/electric/electric>.

⁵ ISO-NE began operations in 1997, at which time Eversource (then Northeast Utilities Service Company) and UI were each participants in the new structure. It received Commission approval to operate as a “regional transmission organization” (RTO) in 2004. *ISO New Eng., Inc. v. New Eng. Power Pool*, 106 FERC ¶ 61,280, P 1 n.1, *corrected*, 107 FERC ¶ 61,051, *reh'g granted in part and denied in part*, 109 FERC ¶ 61,147 (2004), *pet. for review denied sub nom., Me. Pub. Utils. Comm'n v. FERC*, 454 F.3d 278 (D.C. Cir. 2008) (March 2004 Order) (identifying the filing New England transmission owners, including Northeast Utilities Service Company—Eversource Energy's predecessor—and The United Illuminating Company as participants). But while ISO-NE has achieved RTO status, its name has remained unchanged. As explained on its website, “[w]hile ‘ISO’ remains part of our name, FERC designated us an RTO in 2005. [Independent System

transmission rates have included a fifty basis point adder to their Commission-approved base ROE. The Commission granted this RTO Participation Adder (or Adder) in recognition of Respondents' then-voluntary proposal to "transfer the day-to-day operational control authority over their transmission facilities"⁶ to a Commission-approved Transmission Organization.⁷

In 2025, Connecticut enacted a law prohibiting the state's EDCs from "own[ing] or control[ling]" certain transmission facilities in Connecticut "unless [the EDC] participates in [ISO-NE]."⁸ Because Respondents both operate as EDCs in Connecticut and "own or control . . . transmission facilities" in the state, the law's ISO-NE participation requirement applies squarely to both entities. As such, their continued participation in ISO-NE is no longer "voluntary," and the Commission should no longer extend additional financial inducements to accomplish such participation. Yet Respondents continue to receive their RTO Participation Adders, which require Connecticut consumers to pay Respondents a premium for their compliance with state law. Continued payment of this Adder despite state-mandated participation in the RTO is neither just nor reasonable.

The RTO Participation Adder has been a costly addition to the rates paid by New England ratepayers for regional transmission service. During 2024 alone, the Eversource

Operators (ISOs)] and RTOs share many core principles and functions in operating regional grids, running wholesale markets, and power system planning." ISO-NE, *Industry Standards, Structure, and Relationships* (last visited June 9, 2026), <https://www.iso-ne.com/about/what-we-do/industry-standards-structure-and-relationships>.

⁶ March 2004 Order P 245.

⁷ By statute and Commission regulation, the "term 'Transmission Organization' means a Regional Transmission Organization, Independent System Operator, independent transmission provider, or other transmission organization finally approved by the Commission for the operation of transmission facilities." 16 U.S.C. § 769(29); *see also* 18 C.F.R. § 35.35(b)(2).

⁸ Conn. Pub. Act No. 25-173 § 28(b).

and UI-related RTO Participation Adder increased charges to the region by roughly \$17 million, with the share paid by Connecticut ratepayers totaling nearly \$4.5 million.⁹ Worse, the Adder imposes a substantial, incremental charge on electric transmission rates that already represent some of the highest in the nation. The External Market Monitor for ISO-NE reported in June 2025 that ISO-NE had the “highest transmission costs of any system operator in the country,”¹⁰ and rates “more than double the average . . . observed in the other RTOs.”¹¹ Similarly, a study by the United States Department of Energy shows that New England spends \$5.90 on transmission for every megawatt-hour of demand served, which is an incremental cost higher than in any other U.S. region.¹² And the picture for Connecticut consumers is no better when considered in light of overall charges for electric service. The most recent residential electricity pricing data available on the Commission’s website shows that, during January 2026, Connecticut consumers paid the seventh-highest cents per-kilowatt hour rates of any state in the country.¹³ Regarding

⁹ Eversource, Annual Update Regarding ISO Tariff Charges in Effect as of June 1, 2025 and January 1, 2026, *ISO New Eng. Inc.*, Docket No. ER20-2054 (July 31, 2025), eLibrary No. 20250731-5237 (Updated Rate Filing).

¹⁰ Jonathan Dowds, *High Transmission Costs Main Driver of NE’s Rate Increases*, Renewable Energy Vermont (Nov. 6, 2025), <https://www.vermont.org/high-transmission-costs-in-new-england-reflect-strict-reliability-standard/>.

¹¹ Potomac Economics, *2024 Assessment of the ISO New England Electricity Market*, Executive Summary at vi (June 2025) (2024 State of the Market Report), https://www.potomaceconomics.com/wp-content/uploads/2025/06/ISO-NE-2024-EMM-Annual-Report_Final.pdf.

¹² U.S. Dept. of Energy, *National Transmission Needs Study* at iii (Oct. 2023), https://www.energy.gov/sites/default/files/2023-10/National_Transmission_Needs_Study_2023.pdf.

¹³ FERC, *How Affordable and Reliable is Your Power?* (last visited June 9, 2026), <https://www.ferc.gov/how-affordable-and-reliable-your-power>. The impact of New England energy charges on Connecticut consumers can also be seen in data from the U.S. Census’ Household Pulse Survey, which shows that, between January and September 2024, the percentage of Connecticut adults in households that were unable to pay an energy bill in full in the last twelve months exceeded the national average in all nine data collection periods—peaking at 30.5% in the June-July period. U.S. Census Bureau, *Household Pulse Survey Interactive Tool: Unable to Pay Energy Bill* (last visited June 10, 2026) (selecting for “Connecticut” in “Filter Map and Table By:” and selecting Data Collection Ranges 1-9), <https://www.census.gov/data-tools/demo/hhp/#/?measures=ENERGYBILL>.

transmission specifically, annual transmission costs as a whole have grown by 77% since 2015, and now make up 15-16% of the typical Connecticut residential customer's monthly electricity bill.¹⁴

The Commission bears the responsibility under the Federal Power Act to ensure that incentive-based rate treatments, like all Commission-jurisdictional rates, are just and reasonable.¹⁵ As the Commission long ago observed, it is neither just nor reasonable to “reward” a utility “for doing what it is supposed to do.”¹⁶ Accordingly, the Commission, affirmed by the Sixth¹⁷ and the Ninth¹⁸ Circuit courts of appeals, has held that transmission

¹⁴ These calculations are based on the following filings: *PURA Ann. Rev. of the Rate Adjustment Mechanisms of the Conn. Light & Power Co.*, No. 26-01-03, Compliance Filing, Ex. G (Conn. Pub. Utils. Reg. Auth. Mar. 2, 2026), <https://www.dpuc.state.ct.us/dockcurr.nsf/8e6fc37a54110e3e852576190052b64d/07eb0327bdadb7bd85258daf004a2add?OpenDocument>; *id.* Ex. CC; *PURA Ann. Rev. of the Rate Adjustment Mechanisms of the Conn. Light & Power Co. (2023)*, No. 24-01-03, Compliance Filing, Ex. CC (Conn. Pub. Utils. Reg. Auth. Mar. 1, 2024), <https://www.dpuc.state.ct.us/dockcurr.nsf/8e6fc37a54110e3e852576190052b64d/d7f2c936f25832a985258ad6004a01cf?OpenDocument>; *PURA Ann. Rev. of the Rate Adjustment Mechanisms of the United Illuminating Co.*, No. 26-01-04, Known and Measurable Filing, Ex. G (Conn. Pub. Utils. Reg. Auth. Jan. 15, 2026), <https://www.dpuc.state.ct.us/dockcurr.nsf/8e6fc37a54110e3e852576190052b64d/ec839fa745a48f2685258d8000755ed0?OpenDocument>; *id.* Ex. Y; *id.* Attach. D at tab “Exhibit P p 7 of 7 Avg Rev Hist”; *PURA Ann. Rev. of the Rate Adjustment Mechanisms of the United Illuminating Co.*, No. 16-03-02, Rate Adjustment Mechanisms Filing, Ex. 5 (Conn. Pub. Utils. Reg. Auth. Mar. 31, 2016), <https://www.dpuc.state.ct.us/dockhistpost2000.nsf/8e6fc37a54110e3e852576190052b64d/49ab5d39969904db8525829c0070670b?OpenDocument>; *PURA Ann. Rev. of the Rate Adjustment Mechanisms of the United Illuminating Co.*, No. 25-01-04, March RAM Filing, Ex. Y (Conn. Pub. Utils. Reg. Auth. Mar. 3, 2025), <https://www.dpuc.state.ct.us/dockcurr.nsf/8e6fc37a54110e3e852576190052b64d/9395c65a3c64863985258c420072e6af?OpenDocument>.

¹⁵ 16 U.S.C. § 824d. Similarly, FPA section 219(d), 16 U.S.C. § 824s(d), provides that all rates adopted under the incentives provision are subject to the Commission's authority under sections 205 and 206 “that all rates, charges, terms, and conditions be just and reasonable and not unduly discriminatory or preferential.”

¹⁶ *New Eng. Power Pool*, 97 FERC ¶ 61,093, at 61,477 (2001), *on reh'g*, 98 FERC ¶ 61,249 (2002).

¹⁷ *Dayton Power & Light Co.*, 176 FERC ¶ 61,025, P 54 (2021), *on reh'g*, 178 FERC ¶ 61,102, PP 14-18 (2022) (*Dayton*); *Pac. Gas & Elec. Co.*, 185 FERC ¶ 61,243 (2023) (*PG&E*), *on reh'g*, 187 FERC ¶ 61,167 (2024), *aff'd sub nom.*, *Pac. Gas & Elec. Co v. FERC*, 2025 WL 1912363 (9th Cir. July 11, 2025).

¹⁸ *Pac. Gas & Elec. Co.*, 2025 WL 1912363, at *4 (finding that the Commission “did not act arbitrarily, capriciously, or contrary to law” by denying a utility's request for an RTO Participation Adder because that utility's membership in a Transmission Organization was involuntary).

owners are qualified to charge rates including the costs of an RTO Participation Adder only if their participation in a Transmission Organization is voluntary. It has likewise held that where state law *mandates* such participation, that participation is not voluntary.¹⁹ That is the case here.

Given the settled legal principles and the straightforward facts at hand, CT State Agencies urge the Commission to act in accord with similar decisions affirmed by the multiple appellate courts,²⁰ and find that Respondents' transmission formula rates are unjust and unreasonable and must be revised to exclude the payment of an incentive to encourage behavior that is now part of the recipient utilities' legal obligation. As paying a bonus cannot induce behavior that is already required, the Commission should deem Eversource and UI ineligible to receive the RTO Participation Adder. In light of the 2025 Connecticut law mandating their participation in ISO-NE as Connecticut transmission owners, the Commission should direct the Respondents to eliminate the Adder from the charges they collect from ratepayers.

Accordingly, CT State Agencies request that the Commission:

- (1) establish a refund effective date pursuant to FPA section 206 as of the date of this Complaint;
- (2) find Respondents' continued receipt of RTO Participation Adder charges unjust and unreasonable;
- (3) require ISO-NE to adopt as a replacement rate a revised Tariff that removes payment of the RTO Participation Adder from the rates charged by Eversource and UI; and
- (4) direct that Respondents refund any RTO Adder-related charges imposed after the effective date of this

¹⁹ *Dayton*, 178 FERC ¶ 61,102, PP 20-26; *PG&E*, 185 FERC ¶ 61,243, P 42.

²⁰ *Id.*

Complaint, consistent with the Commission's FPA section 206 authority.

II. BASIS FOR RELIEF

Relief is justified because the *sine qua non* for Respondents' receipt of the RTO Participation Adder—a voluntary decision to participate in a regional transmission organization instead of retaining or resuming functional control of their transmission facilities—has disappeared. Connecticut law now prohibits Respondents from owning or controlling transmission facilities in the state unless they participate in an RTO. Under these circumstances, the Adder increases the rates paid by Connecticut consumers but provides no corresponding consumer benefit, which renders the Adder unjust and unreasonable.

A. *Voluntary participation is required for any RTO Participation Adder.*

As both the Sixth and Ninth Circuits have correctly recognized, “incentive[s] cannot ‘induce’ behavior that is already legally mandated.”²¹ On the contrary, and as found by the Commission, “[t]he very concept of inciting, inducing, or encouraging an action presumes the actor’s freedom to choose whether to perform it.”²² Because an incentive cannot induce behavior that is already legally mandated, “the voluntariness of a utility’s membership in a transmission organization is logically relevant to whether it is eligible for an [RTO Participation Adder.]”²³ Accordingly, Commission precedent is to deem

²¹ *Cal. Pub. Utils. Comm’n v. FERC*, 879 F.3d 966, 974 (9th Cir. 2018) (*CPUC I*); see also *Dayton Power & Light Co. v. FERC*, 126 F.4th 1107, 1123 (6th Cir. 2025) (*Dayton Power & Light Co.*) (“Indeed, an incentive can only induce joining an RTO if doing so is voluntary.”).

²² *Dayton Power & Light Co.*, 126 F.4th at 1123.

²³ *Dayton*, 176 FERC ¶ 61,025, P 27 (citing *CPUC I*, 879 F.3d at 975).

ineligible for RTO Participation Adders those utilities whose participation in a Transmission Organization is mandated by state law.²⁴

The typical avenue by which a utility receives an RTO Participation Adder is pursuant to FPA section 219²⁵ and the related implementing Order No. 679.²⁶ As such, the Sixth and Ninth Circuit precedent affirming the Commission’s decision to strip RTO Participation Adders from ineligible entities focused primarily on incentives awarded under that statutory provision. That said, two of the utilities whose Adders were at issue in the Sixth Circuit proceeding had *not* received them pursuant to section 219.²⁷ And notwithstanding the different statutory basis for the incentives, the Sixth Circuit still found those utilities ineligible for their Adders because their actions were not voluntary.²⁸ Moreover, as the Ninth Circuit observed, the Commission’s “longstanding policy,” which precedes the passage of FPA section 219, “prohibits FERC from rewarding utilities for past conduct or for conduct which they are otherwise obligated to undertake.”²⁹

²⁴ See, e.g., *Dayton*, 178 FERC ¶ 61,102, PP 20-26; *PG&E*, 185 FERC ¶ 61,243, P 42.

²⁵ 16 U.S.C. § 824s.

²⁶ *Promoting Transmission Inv. through Pricing Reform*, Order No. 679, 116 FERC ¶ 61,057, *on reh’g*, Order No. 679-A, 117 FERC ¶ 61,345 (2006), *clarified*, 119 FERC ¶ 61,062 (2007).

²⁷ See, e.g., *Off. of Ohio Consumers Couns. v. Am. Elec. Power Serv. Corp.*, 181 FERC ¶ 61,214, P 64 (2022) (*OCC v. AEPSC*), *reh’g denied*, 183 FERC ¶ 61,034 (2023), *aff’d in part and rev’d in part sub nom.*, *Dayton Power & Light Co. v. FERC*, 126 F.4th 1107 (6th Cir. 2025) (“We find that Duke and ATSI are not similarly situated to Ohio Power and AEP Ohio Transmission. Unlike the RTO Adders for Ohio Power and AEP Ohio Transmission, which the Commission evaluated and granted under section 219 as an incentive to encourage participation in an RTO, Duke’s and ATSI’s ROEs, including any adders, were each embedded in a comprehensive settlement package submitted to the Commission to resolve a complex, multi-issue dispute among those entities, their customers, and other affected parties.” (internal citation omitted)); see also *OCC v. AEPSC*, 183 FERC ¶ 61,034, P 13 (“By contrast, the Commission found that OCC did not meet its burden of showing the rates for Duke and ATSI were unjust and unreasonable as the Commission had not specifically granted them an RTO Adder under section 219 and their rates were instead the products of comprehensive settlements.”).

²⁸ *Dayton Power & Light Co.*, 126 F.4th at 1134.

²⁹ *CPUC I*, 879 F.3d at 977 (explaining that this policy is “evinced in a series of FERC decisions and statements”).

The Commission recognized the importance of incentives as a means of inducing voluntary behavior when it decided in 2004 to approve the proposal by Respondents and others to set rates inclusive of a fifty basis point RTO Participation Adder. Commission policy encouraging the formation of Transmission Organizations was at that time set forth primarily in Order No. 2000³⁰ and in the Commission's *Proposed Pricing Policy*.³¹ Order No. 2000 was adopted to "encourage *voluntary* and timely formation of RTOs,"³² with the *Proposed Pricing Policy* operating in tandem with Order No. 2000 to achieve that goal by "creating incentives for RTO participation."³³

Consistent with this framework, in awarding Respondents the RTO Participation Adder, the Commission determined that their "*voluntary* proposal to establish [ISO-NE] and their commitment to transfer the day-to-day operational control authority over their transmission facilities to [ISO-NE], warrant[ed] a 50 basis point incentive adder to the ROE component recovered in [ISO-NE's] transmission rates for Regional Network service."³⁴

³⁰ *Regional Transmission Organizations*, Order No. 2000, 89 FERC ¶ 61,285 (1999), *order on reh'g*, Order No. 2000-A, 90 FERC ¶ 61,201 (2000), *appeal dismissed sub nom. Pub. Util. Dist. No. 1 v. FERC*, 272 F.3d 607 (D.C. Cir. 2001).

³¹ *Proposed Pricing Pol'y for Efficient Operation & Expansion of Transmission Grid*, 102 FERC ¶ 61,032 (2003) (*Proposed Pricing Policy*). While the RTO Adder awarded to Respondents predates Order No. 679, the *Proposed Pricing Policy*, which was issued prior to the March 2004 Order, was plainly the blueprint for that Adder. The *Proposed Pricing Policy* provided that "[a]ny entity that transfers operational control of transmission facilities to a Commission-approved RTO would qualify for an incentive adder of 50 basis points on its ROE for all such facilities transferred." *Id.* P 24.

³² *Id.* P 3 (emphasis added).

³³ *Id.* P 18. Note that the *Proposed Pricing Policy* did not contemplate that such incentives would be received indefinitely or in all circumstances. On the contrary, a utility could only qualify for an RTO Participation Adder under the *Proposed Pricing Policy* until December 31, 2004, and "would be authorized to receive the incentive for RTO participation until December 31, 2012." *Id.* P 28. The comments concerning the *Proposed Pricing Policy* filed by Northeast Utilities, the corporate predecessor of Eversource, supported the 50 basis point adder but did not take issue with the proposed sunset date for its receipt. Comments of Northeast Utilities, *Proposed Pricing Pol'y for Efficient Operation and Expansion of Transmission Grid*, Docket No. PL03-1-000 (Mar. 13, 2003), eLibrary No. 20030313-5094.

³⁴ March 2004 Order P 245 (emphasis added).

This history makes clear that Respondents were awarded their RTO Participation Adders because they engaged in behavior—namely, establishing and joining ISO-NE—that was not then legally mandated. As a result, the fifty basis point ROE addition awarded at that time arguably *could* incent Respondents to engage in a course of action that they might not have otherwise chosen. But things have changed. The recent enactment of the referenced change in Connecticut law means that Respondents’ participation in ISO-NE is no longer voluntary. This significant change in circumstances requires the Commission to reevaluate whether Respondents’ continued receipt of the Adder is warranted—in particular, whether doing so can still be said to incent in any way Respondents’ membership in ISO-NE. Given the unambiguous language of the Connecticut statute, the answer is plainly “no.”

B. Respondents’ Participation in ISO-NE is no longer voluntary.

Connecticut law provides:³⁵

On and after [July 1, 2025], no electric distribution company shall own or control transmission facilities, as defined in subdivision (1) or (4) of subsection (a) of section 16-50i of the general statutes and located in the state unless such company participates in the regional independent system operator.

The requirements of this law are plain on its face. Respondents cannot own or control transmission facilities in Connecticut—a factor essential and necessary to their continued operation in the State—unless they participate in ISO-NE. While resort to legislative

³⁵ Conn. Pub. Act No. 25-173 § 28(b). Transmission facilities are defined in Conn. Gen. Stat. § 16-50i(a) (“‘Facility’ means (1) An electric transmission line of a design capacity of sixty-nine kilovolts or more, including associated equipment but not including a transmission line tap, as defined in subsection (e) of this section; . . . (4) any electric substation or switchyard designed to change or regulate the voltage of electricity at sixty-nine kilovolts or more or to connect two or more electric circuits at such voltage, which substation or switchyard may have a substantial adverse environmental effect, as determined by the [Connecticut Siting Council], and other facilities which may have a substantial adverse environmental effect as the council may, by regulation, prescribe; . . .”).

history is not needed to see what is intended, that history makes plain the explicit intent of the Connecticut legislature in adopting this law. As was explained during the debate over the legislation in the Connecticut House:³⁶

In this bill, we *require* our utility companies to participate in ISO New England.

And for those of you who are paying attention, you might think, [w]ell, what is their other option? They don't really have one. But that it is optional right now, allows them an adder on their transmission costs. And this requirement, it is our hope, will give us the appropriate authority for FERC to deny that adder in the transmission planning cost.

The Commission has held in similar circumstances that a state law participation requirement renders a utility's participation in the relevant Transmission Organization non-voluntary. In *Dayton*, the Commission determined that Ohio law mandated participation in Transmission Organizations, rendering the utilities subject to that law non-voluntary members of PJM Interconnection, L.L.C. The Ohio law in question, Ohio Revised Code section 4928.12(A) provides that:

Except as otherwise provided in sections 4928.31 to 4928.40 of the Revised Code, no entity shall own or control transmission facilities as defined under federal law and located in this state on or after the starting date of competitive retail electric service unless that entity is a member of, and transfers control of those facilities to, one or more qualifying transmission entities, as described in division (B) of this section, that are operational.

Like the Connecticut law, the Ohio law targets entities owning or controlling transmission facilities and prohibits their operation in the state unless that entity participates in a Transmission Organization. The Commission determined that because the

³⁶ *An Act Concerning Energy Affordability, Access, and Accountability: Discussion on S.B. 4 Before the House of Representatives*, 2025 Leg. Sess. at 550 (Conn. Gen. Assemb. 2025) (statement of Rep. Jaime Foster, Assistant Majority Leader) (emphasis added), <https://ctdigitalarchive.org/node/3976369>.

Ohio law set forth only one path by which entities could comply—participation in a Transmission Organization—that fact necessarily rendered such participation non-voluntary.³⁷ And the Commission determined that, “[c]onsistent with that longstanding policy, we do not believe it would be appropriate to award an incentive for an action that the requesting entity is required by law to take,”³⁸ even where that action comes with substantial benefits or risks. That conclusion applies with equal force to Connecticut’s materially identical law.

The Commission’s determination in *Pacific Gas & Electric Company* is similarly illuminating.³⁹ There, the Commission reviewed California Public Utilities Code section 362(c), which, like the Connecticut law, requires that “an electrical corporation subject to [California Public Utility Commission or CPUC] Decision 98-01-053 (January 21, 1998) . . . shall participate in the Independent System Operator.” The Commission properly understood California’s participation requirement as a mandate rendering the subject utilities’ compliance non-voluntary.⁴⁰ Significantly, though the utilities in *Pacific Gas & Electric Company* had joined the California Independent System Operator voluntarily,⁴¹ that initial, voluntary action did not preclude the Commission from reevaluating later whether their continued receipt of an RTO Participation Adder remained just and reasonable when the underlying legal basis for participation changed. The same is true here.

³⁷ *Dayton*, 176 FERC ¶ 61,025, P 60.

³⁸ *Id.* P 30.

³⁹ *Pac. Gas & Elec. Co.*, 187 FERC ¶ 61,167 (2024), *aff’d sub nom., Pac. Gas & Elec. Co. v. FERC*, 2025 WL 1912363 (9th Cir. July 11, 2025).

⁴⁰ *Id.* PP 36-37.

⁴¹ *Id.* P 28.

There is no substantive difference between the Ohio and California statutes addressed previously by the Commission and the federal courts, and the Connecticut statute at issue here. The outcome is the same under any of them: the subject utilities are required by state law to participate in an RTO. And once that is clear, the basis for awarding a bonus to incentivize participation disappears. The Commission should find that the Connecticut law, like its counterparts in California and Ohio, mandates Respondents' participation in an RTO. And, because participation in ISO-NE is the only way for Respondents to comply with the law, the Commission should conclude that their participation in ISO-NE is non-voluntary.

C. The inclusion of the RTO Participation Adder in Respondents' formula rates is unjust and unreasonable.

The Commission has determined—and the Sixth Circuit has upheld—that where a formula rate includes an RTO Participation Adder for which the recipient is ineligible, that aspect of the formula rate is unjust and unreasonable, regardless of whether inclusion pushes the utility's overall ROE outside the zone of reasonableness.⁴² Section 206 empowers the Commission to remedy unjust and unreasonable practices affecting rates. And because “the practice of granting RTO adders” to utilities that must participate anyway

⁴² *OCC v. AEPSC*, 181 FERC ¶ 61,214, P 60 (“[W]e find that OCC has shown that the rates for Ohio Power and AEP Ohio Transmission are unjust and unreasonable because the Commission specifically granted them an RTO Adder under section 219 and that their continued participation in a Transmission Organization is mandatory.”). *See also Dayton Power & Light Co.*, 126 F.4th at 1132 (“The text [of FPA section 206] belies AEP’s assertion that FERC must deem AEP’s entire rate unjust and unreasonable before revoking the RTO adder. The statute refers to ‘any’ rate, charge, rule, regulation, or practice. The utilities’ interpretation would allow a utility to abandon its RTO membership and retain its adder (in direct conflict with the goals of Section 219 and Order 679) as long as its overall rate remained within the zone of reasonableness. We refuse to adopt the utilities’ atextual reading of Section 206. Instead, FERC must ‘fix’ any unjust or unreasonable practices, even though the OCC has not proven that the utilities’ overall rates are unreasonable.”).

is “wrong,” the Commission ““shall fix’ it . . . by removing the RTO adder.”⁴³ That is the case with respect to Respondents’ formula rates, just as it was for the Ohio utilities.

D. The Commission should set a replacement rate by requiring tariff changes prohibiting the receipt by either Respondent of rates set using the RTO Participation Adder.

Once the Commission finds a rate to be unjust and unreasonable, it is obligated to set a just and reasonable replacement.⁴⁴ As explained in FPA section 206(a):

Whenever the Commission, after a hearing held upon its own motion or upon complaint, shall find that any rate [or] charge . . . is unjust, unreasonable, unduly discriminatory or preferential, the Commission shall determine the just and reasonable rate, charge, classification, rule, regulation, practice, or contract to be thereafter observed and in force, and shall fix the same by order.

The statute is clear that the obligation to select and implement a replacement rate falls on the Commission—not on a complaining party.⁴⁵

Consistent with its FPA obligations, the Commission should set a replacement rate by directing Respondents (either directly or through ISO-NE) to eliminate the RTO Participation Adder from their wholesale transmission rates, lower the rates of return included in their wholesale transmission rate formulas, and provide refunds as requested, with a refund effective date as of the date of this Complaint.⁴⁶ This can be accomplished

⁴³ *Dayton Power & Light Co.*, 126 F.4th at 1132.

⁴⁴ As explained in *Emera Maine v. FERC*, 854 F.3d 9, 24 (D.C. Cir. 2017), the Commission has “undoubted power under section 206” to change an existing rate “*whenever it determines such rate[] to be unlawful.*” (emphasis added) (citing *FPC v. Sierra Pac. Power Co.*, 350 U.S. 348, 353 (1956)).

⁴⁵ *Pub. Serv. Elec. & Gas Co. v. FERC*, 989 F.3d 10, 13 (D.C. Cir. 2021) (“[I]f the Commission determines that the rate is unlawful, it must establish a just and reasonable replacement rate.” (citing 16 U.S.C. § 824e(a), (b))).

⁴⁶ Commission policy is that “in order to give maximum protection to customers, and consistent with our precedent, [the Commission has] historically tended to establish the section 206 refund effective date at the earliest date allowed by section 206 That date is the date of the complaint.” *NECEC Transmission LLC v. NextEra Energy Resources, LLC*, 176 FERC ¶ 61,148, P 19 (2021); *see also* 16 U.S.C. § 824e(b) (“In the

by directing ISO-NE to adopt as a replacement rate a revised Tariff that removes payment of the RTO Participation Adder from the rates charged by Eversource and UI.

III. RULE 206 REQUIREMENTS

To the extent not already provided above, CT State Agencies provide the following additional information required by Rule 206 of the Commission's Rules of Practice and Procedure.⁴⁷

A. Good faith estimate of financial impact or harm (Rule 206(b)(4))

Based on data contained in the most recent Attachment F informational filing,⁴⁸ CT State Agencies estimate that the inclusion of the Adder in Eversource and UI's rates increased charges to New England ratepayers during 2024 (the most recent year for which data are available) by roughly \$17 million. Connecticut's share of that total is roughly 25%, or nearly \$4.5 million per year.

B. Practical, operational, or nonfinancial impacts (Rule 206(b)(5))

There are no practical, operational, or other nonfinancial impacts of the matter that is the subject of this Complaint.

C. Whether the matters are pending in any other FERC proceeding or other forum (Rule 206(b)(6))

To CT State Agencies' knowledge, no related matters are pending in any Commission proceeding or in any other forum.

D. Specific relief or remedy requested (Rule 206(b)(7))

The Complaint sets forth in detail the specific relief requested.

case of a proceeding instituted on complaint, the refund effective date shall not be earlier than the date of the filing of such complaint nor later than 5 months after the filing of such complaint.”).

⁴⁷ 18 C.F.R. § 385.206.

⁴⁸ See Updated Rate Filing.

E. Documents supporting the Complaint (Rule 206(b)(8))

There are no such documents.

F. Use of alternative dispute resolution (Rule 206(b)(9))

CT State Agencies do not believe that the issues raised here are amenable to alternative dispute resolution.

G. Request for Fast Track Processing (Rule 206(b)(11))

CT State Agencies do not request fast track processing of their Complaint.

H. Notice (Rule 206(b)(10))

CT State Agencies have appended a form of notice of this filing for publication in the Federal Register in accordance with the specifications in section 385.203(d) of the Commission's rules.

IV. PARTIES AND COMMUNICATIONS

A. Complainants

The Complainants are the Connecticut Department of Energy and Environmental Protection, the Connecticut Office of Consumer Counsel, the Connecticut Public Utilities Regulatory Authority, and William Tong, Attorney General for the State of Connecticut.

B. Respondents

The primary Respondents are The Connecticut Light & Power Company d/b/a Eversource Energy and The United Illuminating Company. For the reasons discussed in the body of the Complaint, ISO New England Inc. (ISO-NE) has been included as a Respondent because the Complaint challenges charges authorized under ISO-NE's Open Access Transmission Tariff (Tariff). CT State Agencies would not object to ISO-NE's dismissal as a Respondent if it makes express its commitment to abide by any Commission

decision in this proceeding, including by filing any Tariff amendments that may be ordered and processing any related refunds.

C. Communications

All correspondence and communications to the Complainants in this docket should be addressed to the following individuals, whose names should be entered on the official service list maintained by the Secretary in connection with these proceedings:⁴⁹

Scott H. Strauss
Jeffrey A. Schwarz
Lauren L. Springett
SPIEGEL & MCDIARMID LLP
1818 N Street, NW
8th Floor
Washington, DC 20036
(202) 879-4000
scott.strauss@spiegelmc.com
jeffrey.schwarz@spiegelmc.com
lauren.springett@spiegelmc.com

Joshua W. Walters
Director, Office of Federal & Regional
Energy Policy
Bureau of Energy & Technology Policy
CONNECTICUT DEPARTMENT OF ENERGY
AND ENVIRONMENTAL PROTECTION
10 Franklin Square
New Britain, CT 06051
(959) 206-7583
joshua.w.walters@ct.gov

Counsel for Connecticut Department of Energy and Environmental Protection

Seth A. Hollander
Assistant Attorney General
CONNECTICUT ATTORNEY GENERAL'S
OFFICE
10 Franklin Square
New Britain, CT 06051
Telephone: (860) 827-2681
Fax: (860) 827-2893
E-Mail: seth.hollander@ct.gov

Scott A. Muska
General Counsel
CONNECTICUT PUBLIC UTILITIES
REGULATORY AUTHORITY
10 Franklin Square
New Britain, CT 06051
Telephone: (860) 827-2853
E-Mail: scott.muska@ct.gov

Counsel for Connecticut Public Utilities Regulatory Authority

⁴⁹ CT State Agencies request a waiver of Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3), to allow the inclusion of more than two persons on the official service list.

Clare E. Coleman
Consumer Counsel
James M. Talbert-Slagle
Staff Attorney
State of Connecticut
OFFICE OF CONSUMER COUNSEL
10 Franklin Square
New Britain, CT 06051-2655
(860) 827-2918
James.Talbert-Slagle@ct.gov

*Counsel for Office of Consumer
Counsel*

William Tong
Attorney General
Caroline R. McCormack
John S. Wright
Assistant Attorneys General
ATTORNEY GENERAL'S OFFICE
10 Franklin Square
New Britain, CT 06051
Caroline.McCormack@ct.gov
John.Wright@ct.gov

Counsel for Attorney General's Office

V. SERVICE AND NOTICE

In accordance with Rule 206(c), CT State Agencies have served a copy of this Complaint upon The Connecticut Light & Power Company d/b/a Eversource Energy and The United Illuminating Company, as Respondents, simultaneously with the filing of the Complaint. CT State Agencies have also served a copy of this Complaint upon ISO New England Inc.

VI. CONCLUSION

WHEREFORE, for the foregoing reasons, the Commission should grant the Complaint and provide expeditiously the relief requested herein.

Respectfully submitted,

/s/ Scott H. Strauss

Scott H. Strauss
Jeffrey A. Schwarz
Lauren L. Springett
SPIEGEL & MCDIARMID LLP
1818 N Street, NW, 8th Floor
Washington, DC 20036
(202) 879-4000
scott.strauss@spiegelmc.com
jeffrey.schwarz@spiegelmc.com
lauren.springett@spiegelmc.com

/s/ Joshua W. Walters

Joshua W. Walters
Director, Office of Federal & Regional
Energy Policy
Bureau of Energy & Technology Policy
CONNECTICUT DEPARTMENT OF ENERGY AND
ENVIRONMENTAL PROTECTION
10 Franklin Square
New Britain, CT 06051
(959) 206-7583
joshua.w.walters@ct.gov

Counsel for Connecticut Department of Energy and Environmental Protection

/s/ Seth A. Hollander

Seth A. Hollander
Assistant Attorney General
CONNECTICUT ATTORNEY GENERAL'S
OFFICE
10 Franklin Square
New Britain, CT 06051
Telephone: (860) 827-2681
Fax: (860) 827-2893
E-Mail: seth.hollander@ct.gov

/s/ Scott A. Muska

Scott A. Muska
General Counsel
CONNECTICUT PUBLIC UTILITIES REGULATORY
AUTHORITY
10 Franklin Square
New Britain, CT 06051
Telephone: (860) 827-2853
E-Mail: scott.muska@ct.gov

Counsel for Connecticut Public Utilities Regulatory Authority

/s/ James M. Talbert-Slagle

Clare E. Coleman
Consumer Counsel
James M. Talbert-Slagle
Staff Attorney
State of Connecticut
OFFICE OF CONSUMER COUNSEL
10 Franklin Square
New Britain, CT 06051-2655
(860) 827-2918
James.Talbert-Slagle@ct.gov

*Counsel for Office of Consumer
Counsel*

/s/ Caroline R. McCormack

William Tong
Attorney General
Caroline R. McCormack
John S. Wright
Assistant Attorneys General
ATTORNEY GENERAL'S OFFICE
10 Franklin Square
New Britain, CT 06051
Caroline.McCormack@ct.gov
John.Wright@ct.gov

Counsel for Attorney General's Office

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Connecticut Department of Energy and
Environmental Protection,
Connecticut Office of Consumer
Counsel, Connecticut Public Utilities
Regulatory Authority, and William
Tong, Attorney General for the State
of Connecticut,
Complainants,

Docket No. EL26-____-000

v.

ISO New England Inc., The Connecticut
Light & Power Company d/b/a
Eversource Energy, and The United
Illuminating Company,
Respondents.

NOTICE OF COMPLAINT

(June 11, 2026)

Take notice that on June 11, 2026, pursuant to sections 206 and 306 of the Federal Power Act (FPA), [16 U.S.C. 824e](#) and [825e](#), and Rule 206 of the Federal Energy Regulatory Commission's (Commission) Rules of Practice and Procedure, [18 CFR 385.206](#), the Connecticut Department of Energy and Environmental Protection, Connecticut Office of Consumer Counsel, Connecticut Public Utilities Regulatory Authority, and William Tong, Attorney General for the State of Connecticut (CT State Agencies or Complainants) filed a formal Complaint against The Connecticut Light & Power Company d/b/a Eversource Energy and The United Illuminating Company (Respondents) alleging that these utilities are not eligible for a fifty basis point adder to reward their willingness to transfer operational control over their transmission facilities to a Transmission Organization. Because this adder is authorized under ISO New England Inc.'s (ISO-NE) Open Access Transmission Tariff, ISO-NE has been included as a Respondent.

The Complainants certify that copies of the Complaint were served on the contacts listed for each Respondent in the Commission's list of Corporate Officials.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure ([18 CFR 385.211](#), [385.214](#)). Protests will be considered by the Commission in determining the

appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. The Respondents' answer and all interventions, or protests must be filed on or before the comment date. The Respondents' answer, motions to intervene, and protests must be served on the Complainants.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the “eFiling” link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 5 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the “eLibrary” link and is available for electronic review in the Commission's Public Reference Room in Washington, DC. There is an “eSubscription” link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: 5:00 p.m. Eastern Time on Wednesday, July 1, 2026.

Dated: June 11, 2026

CERTIFICATE OF SERVICE

Pursuant to Commission Rules of Practice and Procedure Nos. 206(c) and 2010, I hereby certify that I have this 11th day of June, 2026, caused the foregoing document to be served upon the Corporate Officials of Respondents The Connecticut Light & Power Company d/b/a Eversource Energy, The United Illuminating Company, and ISO New England Inc., that are identified on the Commission's list maintained pursuant to 18 C.F.R. § 385.2010(k).

The Connecticut Light & Power Company d/b/a Eversource Energy

Mary Grover
Assistant General Counsel
Eversource Energy
247 Station Drive SE100
Westwood, MA 02090
Tel. (781) 441-8696
Fax. (781) 441-3400
Email: mary.grover@eversource.com

Duncan R. MacKay
Deputy General Counsel & CCO
Eversource Energy 107
Selden Street Berlin, CT 06037
Tel. (860) 665-3495
Fax. (860) 665-5504
Email: duncan.mackay@eversource.com

The United Illuminating Company

Catherine P. McCarthy
Bracewell LLP
2001 M St., NW, Suite 900
Washington, DC 20036
Telephone: 202-828-5839
Email: cathy.mccarthy@bracewell.com

Alan Trotta
Senior Director, Regulatory
Avangrid Networks, Inc.
100 Marsh Hill Road
Orange, CT 06477
Telephone: 203-499-3271
Email: alan.trotta@uinet.com

Noelle Kinsch
Vice President, General Counsel &
Corporate Secretary
Avangrid Networks, Inc.
80 State Street
Albany, NY 12207
Noelle.Kinsch@avangrid.com

Andrew Jacobs
Chief Compliance Officer, Avangrid
Networks, Inc.
100 Marsh Hill Road
Orange, CT 06477

ISO New England Inc.

Maria Gulluni
Vice President and General Counsel
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841
Telephone: 413-540-4473
Fax: 413-535-4379
Email: mgulluni@iso-ne.com

Christopher J. Hamlen
Senior Regulatory Counsel
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841
Telephone: 413-540-4425
Fax: 413-535-4379
Email: chamlen@iso-ne.com

/s/ Lauren L. Springett

Lauren L. Springett

Law Offices of:
SPIEGEL & MCDIARMID LLP
1818 N Street, NW
8th Floor
Washington, DC 20036
(202) 879-4000