For a thriving New England

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April 3, 2017

By Electronic Mail (*PACMatters@ISO-NE.com*)

Michael I. Henderson
Director of Regional Planning & Coordination
ISO-New England, Inc.
1 Sullivan Rd
Holyoke, MA 01040

Re: Request for 2017 Economic Study to Explore Least-Cost, Emissions-Compliant System Topologies

Michael,

NEPOOL Member Conservation Law Foundation ("CLF") submits the following request for the ISO-New England's ("ISO-NE's") 2017 Economic Study in accordance with Attachment K, Section 4.1(b) of the Tariff and your February 9, 2017 presentation to the Planning Advisory Committee ("PAC"):

Request for Study to Explore Least-Cost,
Emissions-Compliant System Topologies

CLF requests that, as a continuation of its 2016 Economic Study analysis, ISO-NE develop and price at least two new system topologies (of generation and transmission) for 2025 and 2030 that have total system CO_2 emissions at or below the average system emissions levels of Scenario 3 (the "RPS-plus scenario") of the 2016 Economic Study. The goal of the requested Least-Cost, Emissions-Compliant System Topologies Study is to test the Total Annual Resource Cost (and all its cost components) identified for Scenario 3 in order to determine whether there are system topologies other than those analyzed in Scenario 3 that can meet all 2016 Economic Study system requirements for 2025 and 2030 (e.g., projected load, reliability, etc.) with total system emissions that do not exceed those in Scenario 3, and do so at a lower Total Annual Resource Cost than has been projected for Scenario 3.

The requested Least-Cost, Emissions-Compliant System Topologies Study meets the core goals articulated by ISO-NE and the Tariff for an Attachment K, Section 4.1(b) study. Such a study would be, fundamentally, an economic evaluation[1] designed to

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[1] To the extent the requested study requires ISO-NE to develop alternative reliable system topologies rather than implement topologies presented to it in order to develop the requested cost estimates, ISO-NE would

provide ISO-NE stakeholders valuable information regarding the cost of alternative future New England system scenarios which are technically capable of meeting projected system load while allowing approximately 75% of ISO-NE's customers to comply with the environmental laws and regulations of their respective states. By developing a range of least-cost options for such public policy-compliant futures, the result of a Least-Cost, Emissions-Compliant System Topologies Study could be used to test the ability of market reforms to deliver the desired results of the market-policy integration that is the goal of both the on-going NEPOOL Integrating Markets and Public Policy (IMAPP) effort as well as FERC's recently opened Docket No. AD17-11-000 ("Technical Conference on State Policies and Wholesale Markets Operated by ISO New England Inc., New York Independent System Operator, Inc., and PJM Interconnection, L.L.C.").

Thank you for considering this request. CLF looks forward to discussing it, also to and further developing the specific details and parameters of a Least-Cost, Emissions-Compliant System Topologies Study with ISO-NE and the PAC. Please contact me (617-850-1777; dismay@clf.org) if you have any questions, or would like additional information regarding this request.

Sincerely,

David Ismay
Senior Attorney
Conservation Law Foundation

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be performing a similar function to, and complementary of, that required of it regarding the study of Public Policy Transmission Upgrades in response to demonstrated Public Policy Requirements in accordance with *See, e.g.*, ISO-NE, Transmission Planning Process Guide (Oct. 6, 2016), Section 3.1.5 ("During the initial phase of the PPTS, ISO shall develop a rough estimate of the costs and benefits of the high-level concepts that could meet transmission needs that are defined in the project scope"); *accord* ISO-NE OATT, Attach. K, § 4A.3 (same).