

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

ISO New England Inc.,)	Docket Nos. ER24-2007-000
New England Power Pool)	ER24-2009-000
Participants Committee, and)	
Participating Transmission Owners)	
Administrative Committee)	

**MOTION FOR LEAVE TO ANSWER AND ADDITIONAL
ANSWER OF ISO NEW ENGLAND INC.**

Pursuant to Rules 101(e), 212, and 213 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission” or “FERC”),¹ ISO New England Inc.² (the “ISO”) submits this Motion for Leave to Answer and Additional Answer (“Additional Answer”) to the pleading filed by Longroad Energy Holdings Inc.³ in response to the ISO’s Motion for Leave to Answer and Further Answer in the above-captioned proceedings on June 20, 2024. The pleadings all relate to the proposed revisions to Sections I, II, and III of the Tariff filed by the ISO together with the NEPOOL Participants Committee (“NEPOOL”) and the Participating Transmission Owners Administrative Committee (“PTO-AC”) (together, “Filing Parties”) in compliance with the Commission’s *Improvements to Generator Interconnection Procedures and Agreements*, Order Nos. 2023 and 2023-A (“Order No. 2023 Revisions”); and the revisions to

¹ See 18 C.F.R. §§ 385.101(e), 385.212, 385.213.

² Capitalized terms used but not otherwise defined in this filing have the meanings ascribed thereto in Section I.2.2 of the ISO’s Transmission, Markets and Services Tariff (“Tariff”). Section II of the Tariff contains the Open Access Transmission Tariff (“OATT”). Schedule 22 of the OATT contains the Large Generator Interconnection Procedures (“LGIP”) and Agreement (“LGIA”), Schedule 23 of the OATT contains the Small Generator Interconnection Procedures (“SGIP”) and Agreement (“SGIA”), and Schedule 25 of the OATT contains the Elective Transmission Upgrade Interconnection Procedures (“ETU IP”) and Agreement (“ETU IA”) (collectively, the “Interconnection Procedures”).

³ Motion for Leave to Answer and Further Answer of Longroad Energy Holdings, LLC (“Longroad Further Answer”).

Section II of the Tariff pursuant to Section 205 of the Federal Power Act (“FPA”) (the “Order No. 2023 Related Changes”) that the Filing Parties submitted on May 14, 2024.⁴ These revisions are necessary to move from the existing first-come, first-served serial interconnection process to the first-ready, first-served Cluster Study process required in Order Nos. 2023 and 2023-A.

I. MOTION FOR LEAVE TO FILE ANSWER

This Additional Answer responds to the new arguments raised by Longroad in its Further Answer. While the Commission’s Rules of Practice and Procedure allow parties to file answers to comments, the Commission’s rules prohibit answers to protests.⁵ The Commission, however, has the authority to waive this prohibition.⁶ The Commission has found good cause to permit answers in various circumstances, including where the answer would assure a complete record in the proceeding,⁷ lead to a better understanding of the issues in the proceeding,⁸ permit the issues to be narrowed or clarified,⁹ aid in the disposition of the issues raised by the protests,¹⁰ or otherwise

⁴ ISO New England Inc., *Revisions to the ISO New England Inc. Transmission, Markets and Services Tariff in Compliance with Order Nos. 2023 and 2023-A*, Docket No. ER24-2009-000 (May 14, 2024); and *Errata to Revisions to the ISO New England Inc. Transmission, Markets and Services Tariff in Compliance with Order Nos. 2023 and 2023-A*, Docket No. ER24-2009-000 (May 31, 2024) (“Order No. 2023 Compliance Revisions”); ISO New England Inc., *Revisions to Section II of the ISO New England Inc. Transmission, Markets and Services Tariff Related to Compliance with Order Nos. 2023 and 2023-A*, Docket No. ER24-2007-000 (May 14, 2024) (“Order No. 2023 Related Revisions”) (collectively the “Order No. 2023 Compliance Package”).

⁵ See 18 C.F.R. § 385.213(a)(2). Note that the ISO also responds to the comments filed by RENEW as explicitly allowed under this section.

⁶ See 18 C.F.R. § 385.101(e).

⁷ See, e.g., *High Island Offshore Sys., L.L.C.*, 113 FERC ¶ 61,202, at P 8 (2005).

⁸ See, e.g., *CenterPoint Energy–Miss. River Transmission, LLC*, 141 FERC ¶ 61,080, at P 4 (2012).

⁹ See, e.g., *TransColorado Gas Transmission Co.*, 111 FERC ¶ 61,208, at P 4 (2005); *PJM Interconnection, L.L.C.*, 84 FERC ¶ 61,224, at 62,078 (1998).

¹⁰ See, e.g., *Transcontinental Gas Pipe Line Co.*, 140 FERC ¶ 61,251, at 62,258 n.6 (2012).

assist the Commission in its decision-making process.¹¹ This Additional Answer achieves these purposes. It assures a complete and accurate record, and provides a better understanding of the issues relating to the Order No. 2023 Compliance Package. For these reasons, the ISO respectfully requests that the Commission grant this motion for leave to answer and consider the following answer in ruling on the Order No. 2023 Compliance Package.

II. ANSWER

In the Further Answer, Longroad now asks that the Commission dictate specific surety bond terms, which are not part of the Order No. 2023-A requirements, and are appropriately left to the ISO's judgement as part of implementation of the Order No. 2023 Compliance Package. For example, the Further Answer states that the ISO should be required to adopt a "pay now / fight later" provision."¹² It further suggests that the ISO should be required to accept surety bonds that are payable within 10 days of demand, because "[i]n the ordinary course of business, surety bonds commonly require payment within 5 to 30 days, and Longroad has found no precedent indicating that 'pay now / fight later' specifically means or requires that a surety bond be paid in less time."¹³

What Longroad is now asking is for the Commission to require that the ISO use specific terms in its Commercial Readiness Deposit surety bonds that go beyond the requirements in Order

¹¹ See, e.g., *S. Cal. Edison Co.*, 141 FERC ¶ 61,100, at P 5 (2012); *ISO New Eng. Inc. & New Eng. Power Pool*, 140 FERC ¶ 61,177, at P 6 (2012); *E. Shore Nat. Gas Co.*, 181 FERC ¶ 61,233, at P 9 n.17 (2022) (accepting an answer "to the extent [it] . . . is an answer to the protest . . . because it provides information that has assisted us in our decision-making process"); *Tri-State Generation & Transmission Ass'n*, 179 FERC ¶ 61,118, at P 34 (2022) (accepting an answer to a protest because it "provided information that assisted us in our decision-making process").

¹² Longroad Further Answer at 4.

¹³ *Id.* at 5.

No. 2023-A and the scope of the Filing Parties' request for a limited independent entity variation to delay implementation of surety bonds until after the transition process.¹⁴

The ISO is currently evaluating the types of terms for surety bonds used as Commercial Readiness Deposits to determine what terms are reasonable given the particular use of surety bonds, *i.e.* as Commercial Readiness Deposits to meet obligations under the Interconnection Procedures where cash and letters of credit may also be used. The specific terms of a surety bond, including the potential for the inclusion of a "pay now / fight later" provision, as suggested by Longroad, and the timing of such clause, are in fact some of the issues that necessitate the additional time for consideration by the ISO before it can receive such form of security as Commercial Readiness Deposits from Interconnection Customers. All that is required by Order No. 2023-A is that the ISO accept surety bonds for purposes of the Commercial Readiness Deposits required explicitly by Order Nos. 2023 and 2023-A, and the Filing Parties have proposed a limited deviation regarding the timing of such acceptance in order to appropriately implement surety bonds in the interconnection context. The Further Answer asks the Commission to go beyond what is required under Order No. 2023-A and dictate implementation terms that must be left to individual transmission providers.

The ISO submits that the Filing Parties have met the standard for an independent entity variation related to the timing of the acceptance of surety bonds, as well as the types of deposits for which surety bonds will be accepted and therefore Longroad's Further Answer should be rejected.

¹⁴ Order No. 2023 Compliance Revisions Transmittal Letter at 47-48.

III. CONCLUSION

For the reasons stated in the Order No. 2023 Compliance Package and in this Additional Answer, the ISO respectfully requests that the Commission reject Longroad's Further Answer, and accept the Tariff revisions proposed in Order No. 2023 Compliance Package, without modifications or conditions, as compliant with Order Nos. 2023 and 2023-A to become effective on August 12, 2024, and to issue an order on or before that date.

Respectfully submitted,

By: /s/ Graham Jesmer

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Holyoke, Massachusetts this 7th day of August, 2024.

/s/ Julie Horgan

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