

187 FERC ¶ 61,017
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Willie L. Phillips, Chairman;
Allison Clements and Mark C. Christie.

ISO New England Inc.

Docket No. ER22-983-007

ORDER ON COMPLIANCE FILING

(Issued April 11, 2024)

- On November 2, 2023, the Commission issued an order¹ accepting, subject to further compliance, a filing submitted by ISO New England Inc. (ISO-NE) to comply
1. with the requirements of Order No. 2222, which removes barriers to the participation of distributed energy resource aggregations in the capacity, energy, and ancillary service markets operated by Regional Transmission Organizations and Independent System Operators (RTOs/ISOs).² On January 31, 2024, ISO-NE submitted a further compliance filing (January 31 Compliance Filing) with proposed revisions to its Transmission, Markets and Services Tariff (Tariff).³ In this order, we accept ISO-NE's January 31 Compliance Filing, subject to a further compliance filing, as discussed below.

2. **I. Background**

In Order No. 2222, the Commission adopted reforms to remove barriers to the participation of distributed energy resource aggregations in the RTO/ISO markets.⁴ The

¹ *ISO New England Inc.*, 185 FERC ¶ 61,095 (2023) (November 2 Order).

² *Participation of Distributed Energy Res. Aggregations in Mkts. Operated by Reg'l Transmission Orgs. & Indep. Sys. Operators*, Order No. 2222, 172 FERC ¶ 61,247 (2020), *order on reh'g*, Order No. 2222-A, 174 FERC ¶ 61,197, *order on reh'g*, Order No. 2222-B, 175 FERC ¶ 61,227 (2021).

³ ISO New England Inc., ISO New England Inc. Transmission, Markets and Services Tariff, I.2, I.2 Rules of Construction; Definitions (151.0.0); III.6, III.6 Local Second Contingency Protection Resources (7.0.0). Capitalized terms that are not defined in this order have the meaning specified in Tariff, § I.2 Rules of Construction; Definitions.

⁴ Order No. 2222, 172 FERC ¶ 61,247 at P 1.

Commission modified section 35.28 of its regulations⁵ pursuant to its authority under Federal Power Act (FPA) section 206⁶ to require each RTO/ISO to revise its tariff to ensure that its market rules facilitate the participation of distributed energy resource aggregations. The Commission found that, by removing barriers to the participation of distributed energy resource aggregations in the RTO/ISO markets, Order No. 2222 will enhance competition and, in turn, help ensure that the RTO/ISO markets produce just and reasonable rates.

3. In Order No. 2222, the Commission amended its regulations to require each RTO/ISO to include tariff provisions addressing, among other things, information and data requirements for distributed energy resource aggregations, and metering and telemetry requirements for distributed energy resource aggregations.⁷

4. On February 2, 2022, in Docket No. ER22-983-000, ISO-NE, joined by the New England Power Pool Participants Committee (NEPOOL) and the Participating Transmission Owners (PTOs Administrative Committee) on behalf of the PTOs, submitted its initial proposal to comply with the requirements of Order No. 2222. On March 1, 2023, the Commission accepted in part and rejected in part that compliance filing, subject to further compliance filings to address issues related to the information and data requirements and metering and telemetry requirements of Order No. 2222.⁸ On May 9, 2023, ISO-NE submitted a compliance filing. On November 2, 2023, the Commission accepted that compliance filing, subject to a further compliance filing.⁹
5. Specifically, in the November 2 Order, the Commission directed ISO-NE to revise its Tariff to designate the Distributed Energy Resource Aggregator (DER Aggregator) as the entity responsible for providing any required metering information to ISO-NE, and require that each DER Aggregator maintain and submit aggregate settlement data for the Distributed Energy Resource Aggregation (DERA), so that ISO-NE can regularly settle with the DER Aggregator for its market participation.¹⁰ To the extent that ISO-NE proposed on further compliance that metering data come from or flow through distribution utilities, the Commission also directed ISO-NE to coordinate with distribution utilities and

⁵ 18 C.F.R. § 35.28 (2023).

⁶ 16 U.S.C. § 824e.

⁷ Order No. 2222, 172 FERC ¶ 61,247 at P 8.

⁸ *ISO New England Inc.*, 182 FERC ¶ 61,137, at P 1 (2023).

⁹ November 2 Order, 185 FERC ¶ 61,095 at ordering para. (A).

¹⁰ *Id.* P 34. See Order No. 2222, 172 FERC ¶ 61,247 at PP 240, 266.

relevant electric retail regulatory authorities to establish protocols for sharing such metering data, and explain how such protocols minimize costs and other burdens and address concerns raised with respect to privacy and cybersecurity.¹¹

- In addition, the November 2 Order directed ISO-NE to revise its Tariff to include the meter data submission deadline for settlement or explain why such Tariff revisions are not necessary.¹² The November 2 Order noted that the Commission explained in Order No. 2222 that “the RTO/ISO tariffs should include a basic description of the metering and telemetry practices for distributed energy resource aggregations as well as references to specific documents that will contain further technical details.”¹³ The November 2 Order found that specification of the meter data submission deadline is a key component of metering practices for DER Aggregators and therefore should be included in the basic description of metering practices in the Tariff, and thus required ISO-NE to submit a further compliance filing to revise ISO-NE’s Tariff to include the meter data submission deadline for settlement or explain why such Tariff revisions are not necessary.¹⁴

II. January 31 Compliance Filing

- On compliance, ISO-NE proposes Tariff revisions that designate the DER Aggregator as the entity responsible for ensuring that metering information for its DERAs is provided to ISO-NE.¹⁵ Specifically, ISO-NE proposes that the DER Aggregator may designate itself, a party acting on its behalf, or the Host Utility to be the Assigned Meter Reader for its DERA. ISO-NE states that, in order to ensure that the Tariff rules are consistent with respect to allowing Host Participants to make required adjustments to account for losses and other energy-balance-related calculations, ISO-NE also proposes to revise the Tariff definition of Directly Metered Asset.¹⁶

ISO-NE also proposes Tariff revisions to address the directives of the November 2 Order concerning protocols for sharing metering data. ISO-NE states that it complies with these directives via revisions to its Tariff requiring that, where a DER Aggregator

¹¹ November 2 Order, 185 FERC ¶ 61,095 at P 34.

¹² *Id.* P 79.

¹³ *Id.* (citing Order No. 2222, 172 FERC ¶ 61,247 at P 271).

¹⁴ *Id.*

¹⁵ Transmittal at 6; Tariff, § III.6.4(f).

¹⁶ Transmittal at 6-7; Tariff, § I.2.2

designates itself or an agent acting on its behalf as the meter reader for its DERA, the DER Aggregator and/or its agent (as applicable) must enter into coordination agreements with the Host Utility which may include (i) specific requirements related to adjustments for losses and/or residual unmetered load for any Load Asset metering data; (ii) coordination of data transmittal; and (iii) the protection of retail customer information.¹⁷ ISO-NE explains that, under this rule, the DER Aggregator or its agent would enter into such agreements subject to any relevant electric retail regulatory authority requirements, including those concerning privacy and cybersecurity.

- ISO-NE explains that it is not necessary to revise the Tariff to specify the meter data submission deadline as the relevant meter data submission responsibilities and deadlines are currently specified in section 5 of Manual M-28.¹⁸ ISO-NE argues that it is appropriate to include these details in Manual M-28 instead of the Tariff because such details are not “practices that significantly affect rates, terms, and conditions” and are therefore not required to be part of the ISO’s Tariff consistent with the Commission’s “rule of reason precedent.”¹⁹ Rather, according to ISO-NE, such details are technical and timing details necessary to implement the Tariff’s settlement requirements.

III. Notice of Filing and Responsive Pleadings

- Notice of ISO-NE’s filing was published in the *Federal Register*, 89 Fed. Reg. 8193 (Feb. 6, 2024), with interventions and protests due on or before February 21, 2024. Supporting comments were timely filed by NEPOOL.

¹⁷ Transmittal at 7 (citing Tariff, § III.6.4(f)).

¹⁸ *Id.* at 8-9 (citing ISO-NE Manual M-28, § 5.3(1)(b)(ii) (“If the Assigned Meter Reader is not the Host Participant, for Real-Time Energy Market settlement purposes... [t]he Assigned Meter Reader provides a copy of the Directly Metered Asset data, that will be supplied to the ISO, to the Host Participant by 0800 of the next Business Day following the Operating Day or at a later time as mutually agreed.”)).

¹⁹ *Id.* at 9 & n. 28 (citing *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, 118 FERC ¶ 61,119, at PP 1649-50, *order on reh’g*, Order No. 890-A, 121 FERC ¶ 61,297 (2007), *order on reh’g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh’g*, Order No. 890-C, 126 FERC ¶ 61,228, *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009); *Southwest Power Pool*, 161 FERC ¶ 61,261, at P 50 (2017); *Cal. Indep. Sys. Operator Corp.*, 122 FERC ¶ 61,271, at P 16 (2008)).

IV. Discussion

A. Substantive Matters

As discussed below, we accept ISO-NE's filing, subject to a further compliance filing.

- As a preliminary matter, we find that ISO-NE complies with the directives in
11. the November 2 Order relating to the following requirements of Order No. 2222: (1) the distributed energy resource aggregator is the entity responsible for providing any required metering information to the RTO/ISO;²⁰ (2) each distributed energy resource aggregator
 12. must maintain and submit aggregate settlement data for the distributed energy resource aggregation, so that the RTO/ISO can regularly settle with the distributed energy resource aggregator for its market;²¹ and (3) to the extent that the RTO/ISO proposes that metering information come from or flow through distribution utilities, the RTO/ISO must coordinate with distribution utilities and relevant electric retail regulatory authorities to establish protocols for sharing such metering data, and explain how such protocols minimize costs and other burdens and address concerns raised with respect to privacy and cybersecurity.²² ISO-NE's compliance with these requirements is not contested in this proceeding.
 13. ISO-NE also argues that the meter data submission responsibilities and deadlines at issue are not practices that significantly affect rates, terms, and conditions, but rather are technical and timing details to implement the Tariff's settlement requirements, and, therefore, are properly included in ISO-NE's manuals rather than its Tariff. We disagree. ISO-NE fails to address adequately the Commission's finding in the November 2 Order that the meter data submission deadline is a key component of metering practices for DER Aggregators that should be included in the basic description of metering practices in the Tariff.²³ As a result, we direct ISO-NE to submit, within 60 days of the date of

²⁰ November 2 Order, 185 FERC ¶ 61,095 at P 34. *See* Transmittal at 6. *See also* Tariff, §§ I.2.2, III.6.4(f).

²¹ November 2 Order, 185 FERC ¶ 61,095 at P 34. *See* Transmittal at 7. *See also* Tariff, § III.6.4(f).

²² November 2 Order, 185 FERC ¶ 61,095 at P 34. *See* Transmittal at 6-8. *See also* Tariff, § III.6.4(f).

²³ November 2 Order, 185 FERC ¶ 61,095 at P 79. *See also*, *PJM Interconnection, L.L.C.*, 182 FERC ¶ 61,143, at P 249 (2023) (addressing the significance of having the meter data submission deadline in the tariff); *N.Y. Indep. Sys. Operator, Inc.*, 179 FERC ¶ 61,198, at P 208 (2022) (same).

issuance of this order, Tariff revisions that include the meter data submission deadline in its Tariff.

The Commission orders:

(A) ISO-NE's January 31 Compliance Filing is hereby accepted, subject to a further compliance filing, as discussed in the body of this order.

(B) ISO-NE is hereby directed to submit a further compliance filing, within 60 days of the date of issuance of this order, as discussed in the body of this order.

By the Commission.

(S E A L)

Debbie-Anne A. Reese,
Acting Secretary.