

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Marc Spitzer,
Philip D. Moeller, and Jon Wellinghoff.

ISO New England Inc.

ER07-655-000

ORDER ON INSTALLED CAPACITY REQUIREMENTS

(Issued May 18, 2007)

1. On March 23, 2007, ISO New England, Inc. (ISO-NE) submitted for filing its Installed Capacity Requirements (ICRs) for the 2007/2008 Power Year¹ pursuant to the Commission's April 30, 2003 order in *NSTAR Electric and Gas Corporation v. New England Power Pool*² and section 205 of the Federal Power Act (FPA).³ In this order, we accept ISO-NE's ICRs, effective May 22, 2007.

I. Background

2. For over 20 years, ISO-NE has imposed ICRs on its members in order to maintain adequate system reliability.⁴ On April 20, 1998, ISO-NE began operating an installed capacity (ICAP) market through which it required load serving entities (LSEs) to procure a specified amount of ICAP each month based on the particular LSEs' projected peak demand and a required reserve margin. However, because of transmission constraints, not all energy produced from qualified ICAP resources could be delivered to all loads in the region. Due to the lack of needed infrastructure upgrades in designated congestion areas and the reliability must run agreements being filed by older generating facilities, the

¹ ISO-NE's 2007/2008 Power Year runs from June 1, 2007 through May 31, 2008.

² *NSTAR Elec. and Gas Corp. v. New England Power Pool*, 103 FERC ¶ 61,093 (2003) (April 30, 2003 Order).

³ 16 U.S.C. § 824d (2000).

⁴ Prior to the existence of the ISO-NE the requirements were imposed on the members of the New England Power Pool (NEPOOL), and the ICR was then called NEPOOL's Objective Capability (OC).

Commission set for hearing the ISO-NE's compliance filing for a locational installed capacity (LICAP) market in New England.⁵

3. On June 16, 2006, the Commission issued an order accepting a settlement in the LICAP proceeding.⁶ That settlement includes transition payments for installed capacity through May 31, 2010, and initiates a forward capacity market (FCM) mechanism with payments on new resources beginning June 2010 as an alternative to the LICAP market. The FCM settlement also contains provisions for including demand resources, i.e., energy efficiency, load management and distributed generation,⁷ and external ICAP such as purchases from the New York Power Authority.

II. The Filing

4. ISO-NE explains that the ICRs are the amount of installed generating capability that is necessary to satisfy the ISO-NE Control Area's total forecasted load requirements and to maintain sufficient reserve capacity in order to meet a reliability standard of disconnecting noninterruptible customers (a loss of load expectation or LOLE) no more than once in ten years (an LOLE of 0.1 day per year).⁸

5. ISO-NE also explains that the methodology undertaken to develop the Power Year 2007/2008 ICR values was developed with stakeholder input and is the same process that was used by NEPOOL for more than 20 years prior to when regional transmission organization (RTO) arrangements began in New England. ISO-NE notes that the 2007/2008 ICR values will not be used for establishing the amount of ICAP to be purchased, as was the case in prior years. ISO-NE will use the 2007/2008 Power Year ICR values to calculate the Annual and Monthly Installed Capacity Reserve Margins for use in determining the Unforced Capacity rating of demand resources, other demand resources and New York Power Authority contracts. ISO-NE explains that the

⁵ *Devon Power LLC*, 107 FERC ¶ 61,240 (2004); *see also Devon Power LLC*, 103 FERC ¶ 61,082 (2003).

⁶ *See Devon Power LLC*, 115 FERC ¶ 61,340 (2006).

⁷ *See ISO New England, Inc.*, 119 FERC ¶ 61,045 (2007).

⁸ *See* section III.1.3 of ISO-NE's Transmission, Markets and Services Tariff (Tariff). ISO-NE explains that the April 30, 2003 Order required the annual filing of "Objective Capability" (OC) values.

Westinghouse/APP Capacity Model Program (WCMB)⁹ load and resource assumptions were reviewed by the NEPOOL Power Supply Planning Committee, a technical committee that is a subcommittee of the Reliability Committee. ISO-NE further explains that all assumptions, inputs and projections for calculating the 2007/2008 Power Year ICR were agreed upon between ISO-NE and the NEPOOL Power Supply Planning Committee. ISO-NE explains that the ISO-NE Tariff and Participants Agreement are the controlling documents.¹⁰

6. ISO-NE explains that the ICR values are based on three essential components: (1) unit availability; (2) load forecast; and (3) tie benefits. ISO-NE explains that the methodologies for determining the tie benefits and projected load are the same as those used in last year's filing and the Equivalent Demand Forced Outage Rate (EFORd) methodology for measuring unit availability for the 2005/2006 and 2006/2007 Power Years has been used.¹¹

1. Unit Availability

7. ISO-NE explains that the proposed 2007/2008 ICRs reflect unit availability as measured by the EFORd, based upon historical performance over the prior five-year period. Unit availability modeling reflects projected scheduled maintenance and forced outages. Individual generating unit maintenance assumptions are based on each unit's historical five-year average scheduled maintenance. Individual generating unit forced outage assumptions are based on the unit's historical data and North American Electric Reliability Corporation (NERC) average data for the same class of unit.

⁹ ISO-NE includes a description of the WCMB at Attachment 1 to the filing.

¹⁰ *ISO New England*, 118 FERC ¶ 61,157 (2007) (conditionally accepting certain revisions to the ISO-NE tariff to memorialize the process for developing the ICRs) (ISO-NE Order); *see also* Tariff section III.8.1 – Annual Installed Capacity Requirement, and Participants Agreement section 11.4 – Installed Capacity Requirement.

¹¹ The EFORd measures the portion of time that a generating unit is in demand, but is unavailable due to forced outages. A generator's ICAP is reduced by its EFORd and by other adjustments in order to determine its UCAP rating, which limits the amount of capacity that it can sell in bilateral contracts or in ISO-NE's capacity market auctions.

2. Load Forecast

8. ISO-NE explains it used an historical methodology to develop the load forecast for the 2007/2008 Power Year. ISO-NE further explains that the forecasted increase in load followed the trend that has been experienced in recent years. ISO-NE notes that the reference summer peak load forecast for the 2007/2008 Power Year of 27,360 MW is 355 MW higher than the previous reference summer peak load forecast for Power Year 2006/2007 of 27,025 MW.¹² The higher load forecast is the result of normal load growth due to economic and demographic factors, but is moderated by a forecasted increase in the price of electricity.

3. Tie Benefits

9. As in prior years, ISO-NE explains that it was required to make assumptions concerning the tie benefits associated with ISO-NE's interconnections with other neighboring control areas. After discussions with the NEPOOL Power Supply Planning Committee, it was agreed to assume 2,000 MW of tie benefits for the summer months based on the results of the 2003 tie benefits study and the HQICC values previously filed with the Commission. According to ISO-NE, the 2,000 MW consists of 1,200 MW from the Hydro-Quebec Phase II tie, 600 MW from the New York tie and 200 MW from the New Brunswick tie.¹³

4. Stakeholder Process

10. ISO-NE notes that the NEPOOL Power Supply Planning Committee forwarded the proposed ICR values to the Reliability Committee for consideration at the February 13, 2007 meeting, where the motion to recommend that the Participants Committee support establishing the 2007/2008 Power Year ICRs was approved with a 96.73 percent vote in favor. At the March 2, 2007 Participants Committee meeting, 89.58 percent voted in support of the 2007/2008 Power Year ICRs.¹⁴

¹² Attachment 3 "ISO New England RSP07 Short-Run Forecast of Energy and Seasonal Peak Loads."

¹³ ISO-NE notes that the annual ICR filing does not set any or allocate any installed capacity credit rights for interties.

¹⁴ ISO-NE notes that under the currently effective RTO arrangements in New England, a 60 percent vote in favor is required for Participants Committee action to support a particular set of ICRs values.

11. ISO-NE requests an effective date of May 22, 2007, which will enable the use of the ICR values prior to June 1, 2007, the commencement of the 2007/2008 Power Year.

III. Notice, Interventions and Comments and Answer

12. Notice of ISO-NE's filing was published in the *Federal Register*, 72 Fed. Reg. 15874 (2007), with interventions, protests and comments due on April 13, 2007. The Attorney General of the Commonwealth of Massachusetts, NRG Companies,¹⁵ and Northeast Utilities (NU) Companies¹⁶ filed motions to intervene. The Massachusetts Department of Public Utilities (DPU) filed a notice of intervention. The NEPOOL Participants Committee (NEPOOL) filed a timely motion to intervene and comments in support of the filing, and the Connecticut Department of Public Utility Control (CT DPUC) filed a notice of intervention, request to reject and protest. The Mirant Parties¹⁷ and Milford Power Company, LLC filed motions to intervene out of time. ISO-NE filed a motion for leave to answer and answer.

13. NEPOOL states that it collaborated with ISO-NE to develop the 2007/2008 Power Year ICR values, which are in accordance with ISO-NE's RTO arrangements. NEPOOL states that the NEPOOL Participants Committee voted overwhelmingly in support of the 2007/2008 Power Year ICR values.¹⁸ NEPOOL urges the Commission to disregard any challenge to the Commission's jurisdiction to oversee establishing ISO-NE's ICRs, as has occurred in two other currently active proceedings, which do not concern the 2007/2008 Power Year ICR values.

¹⁵ The NRG Companies include NRG Power Marketing Inc., Connecticut Jet Power LLC, Devon Power LLC, Middletown Power LLC, Montville Power LLC, Norwalk Power LLC, and Somerset Power LLC.

¹⁶ The NU Companies include Connecticut Light and Power Company, Western Massachusetts Electric Company, and Public Service Company of New Hampshire.

¹⁷ The Mirant Parties include Mirant Energy Trading, LLC, Mirant Canal, LLC, and Mirant Kendall, LLC.

¹⁸ See NEPOOL Motion to Intervene at Attachment A (noting that the filing indicates that the Participants Committee supported the 2007/2008 Power Year ICR values by a vote of 89.58 percent in favor, but provides a table indicating an actual vote of 94.7 percent in favor).

14. In its protest, CT DPUC states that it protests ISO-NE's proposed ICR "on the same jurisdictional grounds that the CT DPUC has raised in many previous proceedings."¹⁹ It then states: "For the same reasons that the CT DPUC stated most recently in its request for rehearing in *ISO New England, Inc., et al.*, Docket No. ER07-365-000, [footnote omitted] the Commission should reject this ICR filing as beyond its authority to approve."²⁰

IV. Discussion

Procedural Matters

15. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2006), the timely notices of intervention and the unopposed motions to intervene serve to make those parties who filed them parties to this proceeding. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2006), the Commission will grant the Mirant Parties' and Milford Power's late-filed motions to intervene given their interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2006), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We are not persuaded to accept ISO-NE's answer and will, therefore, reject it.

16. The Commission need not address arguments CT DPUC has attempted to incorporate into its protest by reference. Incorporation by reference of arguments from prior pleadings in other proceedings is not sufficient to warrant a Commission response to those arguments. For example, in the context of rehearing requests, the Commission has rejected attempts to incorporate by reference arguments from a prior pleading in another proceeding as such incorporation fails to inform the Commission as to which arguments from the referenced pleading are relevant and how they are relevant.²¹ Such reasoning is equally applicable here in the context of a protest. We must decide each case on the record in that case, and here what is before us is simply an unexplained and

¹⁹ CT DPUC Protest at 2.

²⁰ *Id.*

²¹ See *ExxonMobil Chem. Co. v Entergy Services, Inc.*, 112 FERC ¶ 61,255, at P 10 (2005); see also *City of Santa Clara, Calif. v. Enron Power Mktg., Inc.*, 112 FERC ¶ 61,280 at P 8 n.4 (2005).

unsupported claim that the Commission lacks jurisdiction to review the proposed ICRs. A party has an obligation to clearly articulate and substantiate the basis for its requested action (in the instant case, rejection of the filing for alleged lack of jurisdiction), and not simply make an unsupported claim.²² In any event, as discussed below, contrary to CT DPUC's claim, we find that the Commission has jurisdiction to act on the instant filing.

Commission Determination

17. We have reviewed the ICRs established by ISO-NE for the 2007/2008 Power Year and find them to be reasonable and consistent with the FCM settlement. Accordingly, we will accept the ICRs, to become effective May 22, 2007, as requested.

18. We now consider the only objection to the Commission's acceptance of the ICR for the 2007/2008 Power Year, the Commission's jurisdiction over the ICRs.²³ We begin our analysis of the Commission's resource adequacy jurisdiction with the FPA. FPA section 201(b)(1) confers jurisdiction on the Commission over the transmission of electric energy in interstate commerce, and sales of electric energy at wholesale in interstate commerce.²⁴ Further, FPA section 205(a) states that:

All rates and charges made, demanded, or received by any public utility for or in connection with the transmission or sale of electric energy subject to the jurisdiction of the Commission, and all rules and regulations affecting or pertaining to such rates or charges shall be just and reasonable, and any

²² See, e.g., *Pub. Serv. Elec. and Gas v. FERC*, No. 05-1325, slip op. at 13-14 (D.C. Cir. Apr. 13, 2007) ("it is not 'the court's duty to identify, articulate, and substantiate a claim for the petitioner'" in regard to "petitioners' one-sentence cry of protest.").

²³ CT DPUC presented a similar threshold objection to our jurisdiction over ICR in *ISO New England, Inc.*, 111 FERC ¶ 61,185 (2005), *reh'g denied*, 112 FERC ¶ 61,254 (2005). On appeal, the District of Columbia Circuit Court did not address the issue of jurisdiction on the merits, instead remanding the issue to the Commission for an explanation of the basis for its jurisdiction. See *Connecticut Department of Public Utility Control v. FERC*, No. 05-1411 (D.C. Cir. Apr. 20, 2007). The Commission will act on the remand at a later time. Here, though, we address the issue of our jurisdiction and, as explained elsewhere in this order, affirm our jurisdiction for the same reasons given in other, recent orders for asserting jurisdiction.

²⁴ 16 U.S.C. § 824(b)(1) (2000).

such rate or charge that is not just and reasonable is hereby declared to be unlawful.^[25]

19. Thus, the FPA confers upon the Commission the responsibility for ensuring that transmission and wholesale power sales rates and charges, including any rule, regulation, practice or contract affecting them, are just and reasonable and not unduly discriminatory.

20. In *Mississippi Industries v. FERC*,²⁶ the court recognized the connection between the allocation of capacity and wholesale rates. In that proceeding, the Commission had altered the allocation of capacity and costs of a nuclear generation plant among operating companies of an integrated utility system. Petitioners asserted that, in allocating the cost and capacity of the nuclear plant, the Commission had asserted jurisdiction over generating facilities in direct violation of the FPA section 201(b) prohibition against Commission regulation of generating facilities. Petitioners asserted that “reallocating generation costs falls outside of FERC’s rate making jurisdiction and instead falls solely within state authority over generation.”²⁷ The court rejected the claim that this action was beyond the Commission’s FPA jurisdiction. Instead, it found that the Commission has authority over the allocation of capacity among market participants because this allocation affects wholesale rates. The court stated, “[c]apacity costs are a large component of wholesale rates” and therefore the share of the capacity costs of the system carried by each affiliate will significantly affect the wholesale price it pays for energy.²⁸ While the allocation of capacity did not set sales prices, it directly affects costs and

²⁵ 16 U.S.C. § 824d(a) (2000). FPA section 206 gives the Commission the ability to review “any rate, charges, or classification” charged by a public utility for any transmission or sale subject to the jurisdiction of the Commission, as well as “any rule, regulation, practice, or contract affecting such rate, charge, or classification” 16 U.S.C. § 824e(a) (2000).

²⁶ 808 F.2d 1525 (D.C. Cir.), *vacated in part on other grounds*, 822 F.2d 1103 (D.C. Cir. 1987) (*Mississippi Industries*).

²⁷ *Id.*, at 1543.

²⁸ *Id.*, at 1541.

“consequently, wholesale rates”²⁹ and therefore “FERC’s jurisdiction under such circumstances is unquestionable.”³⁰ The court further noted that:

Petitioners ignore the critical point here that, while these provisions [allocating capacity] do not fix wholesale rates, their terms do directly and significantly *affect* the wholesale rates at which the operating companies exchange energy, due to the highly integrated nature of the . . . system.^[31]

21. Similarly, in *Municipalities of Groton v. FERC*,³² the court upheld the Commission’s authority to review section 9.4(d) of the New England Power Pool Agreement which included a deficiency charge for each participant in the agreement whose prescribed level of generating capacity, known as “capability responsibility,” fell by more than one percent below the set level. The court found that these charges are within Commission jurisdiction because they are under “the Commission’s inclusive jurisdictional mandate – which reaches discriminatory practices ‘with respect to’ jurisdictional transmissions, or ‘affecting’ such transmissions or services. . . .”³³ The court further stated:

[i]t is sufficient for jurisdictional purposes that the deficiency charge affects the fee that a participant pays for power and reserve service, irrespective of the objective underlying that charge. This is well within the Commission’s authority as delineated in other court opinions.^[34]

22. The Commission likewise has since addressed this question as it involves resource adequacy in New England.³⁵ Specifically, in *ISO New England, Inc.*,³⁶ the CT DPUC

²⁹ *Id.*

³⁰ *Id.* (citing *Nantahala Power & Light Co.*, 426 U.S. 953 (1986)).

³¹ *Id.*, at 1542.

³² 587 F.2d 1296, 1300 (D.C. Cir. 1978) (*Groton*).

³³ *Id.*, at 1302.

³⁴ *Id.* (citing, e.g., *FPC v. Conway Corp.*, 426 U.S. 271 (1976)).

³⁵ See *ISO New England, Inc.*, 111 FERC ¶ 61,185 (2005), *reh’g denied*, 112 FERC ¶ 61,254 (2005).

argued that, while the Commission has the authority to establish the price of capacity or how capacity requirements will be allocated among LSEs, it does not have the jurisdiction to dictate the amount of ICRs that must be purchased. The Commission found that it has jurisdiction to consider the proposed mechanism for the determination of ICR. The Commission explained that the FCM settlement “establish[es] a mechanism and market structure for the purchase and sale of installed capacity at wholesale in interstate commerce and to determine the prices for those sales, bringing it squarely within the Commission’s jurisdiction under the FPA.”³⁷

23. We find here, as we did in the ISO-NE Order,³⁸ that the ICR is one of the principal determinants of the price of capacity and, therefore, falls within the Commission’s jurisdiction to review “any rate, charge or classification” charged by a public utility for electric transmission or sales subject to Commission jurisdiction, and “any rule, regulation, practice, or contract affecting such rate, charge or classification.”³⁹ ISO-NE’s mechanism to determine ICRs is a “practice . . . affecting” the price of capacity, and as such falls within the Commission’s jurisdiction.

24. We find that maintaining adequate resources has a significant and direct effect on jurisdictional rates and services and therefore falls within the Commission’s jurisdiction. This finding is fully consistent with *Mississippi Industries* and *Groton*. In *Mississippi Industries*, the Commission exercised jurisdiction over the allocation of the capacity of a nuclear generating plant, despite the fact that the FPA does not give the Commission jurisdiction over generating facilities (and indeed reserves that jurisdiction to the states).⁴⁰ The court affirmed Commission jurisdiction because of the nexus between the allocation of capacity and the justness and reasonableness of jurisdictional rates under the Entergy System Agreement. The court in *Groton* undertook a similar analysis in upholding Commission jurisdiction in that case. In *Groton*, the Commission had asserted jurisdiction over a charge related to resource adequacy requirements in New England. The court upheld the Commission’s order, finding that that charge affected jurisdictional

³⁶ 118 FERC ¶ 61,157 (2007).

³⁷ *Id.*, at P 15, 16-21.

³⁸ *Id.*, at P 15, 19-20.

³⁹ 16 U.S.C. § 824e(a) (2000).

⁴⁰ *Mississippi Industries*, 808 F.2d, at 1543-44.

rates and that jurisdiction remained “irrespective of the objective underlying that charge.”⁴¹

25. We also note that in *California Independent System Operator Corporation*,⁴² the Commission addressed how the minimum resource adequacy requirements set forth in the Market Redesign and Technology Upgrade (MRTU) Tariff have an effect on jurisdictional rates and services. The Commission explained that:

where an interconnected transmission system is operated on [a] regional basis as part of an organized market for electricity, as in California, all users of the system are interdependent, particularly with respect to reliability, *i.e.*, one participant’s reliability decisions can impact the reliability of service available to other participants and the related costs the other participants must bear. . . . We find that, in situations where one party’s resource adequacy decisions can cause adverse reliability and costs impacts on other participants in a regionally operated system, it is appropriate for us to consider resource adequacy in determining whether rates remain just and reasonable and not unduly discriminatory.^[43]

26. We further note that ISO-NE has bid caps, and, in the CAISO Order, the Commission found in connection with California’s energy market that minimum resource adequacy requirements have a direct nexus to bid caps:

These bid caps are premised on the notion that bids above these levels may not reflect true scarcity pricing, but rather the exercise of market power or abuse that results in rates that are not just and reasonable. This premise is only valid, however, if there is some mechanism – other than energy price increases – to encourage the construction of new generation where and when needed. Consequently, in the absence of a workable resource adequacy program, it would be difficult for us to approve such bid caps. Without a workable program, the bid caps would simply inhibit new

⁴¹ *Groton*, 587 F.2d 1296, at 1302.

⁴² 116 FERC ¶ 61,274, at P 1113 (2006) (CAISO Order), *reh’g*, 119 FERC ¶ 61,076 (2007) (CAISO Rehearing Order).

⁴³ *Id.*, at P 1113.

supply, and thereby harm customers, rather than protecting customers from the exercise of market power or abuse.^[44]

27. We further note that in the CAISO Order the Commission has addressed the jurisdictional issue that CT DPUC raises here,⁴⁵ where the Commission recognized the importance of resource adequacy requirements in meeting our statutory mandate under the FPA to ensure that the rates, terms and conditions of jurisdictional and transmission sales of electric energy in CAISO markets are just, reasonable and not unduly discriminatory or preferential.⁴⁶ We also found that, in situations where one party's resource adequacy decisions can cause adverse reliability and costs impacts on other participants in a regionally operated system, it is appropriate for us to consider resource adequacy in determining whether rates remain just and reasonable and not unduly discriminatory or preferential.⁴⁷

28. Most recently, in the CAISO Rehearing Order, we reaffirmed our finding on jurisdiction.⁴⁸ We found that the adequacy of resources can have a significant effect on jurisdictional rates and services and, therefore, is subject to Commission jurisdiction. We again found that the FPA confers upon the Commission the responsibility for ensuring that jurisdictional rates and charges -- including any rule, regulation, practice or contract affecting them -- are just and reasonable and not unduly discriminatory or preferential.⁴⁹

29. We did agree however that, as a general matter, a state or region may determine in the first instance the appropriate level of planning reserves by balancing reliability and cost considerations. Citing the CAISO Order, we noted that "it is our responsibility to

⁴⁴ *Id.*, at P 1114.

⁴⁵ CAISO Order, 116 FERC ¶ 61,274, at P 1112.

⁴⁶ *Id.*, 16 U.S.C. §§ 824d and 824e (2000).

⁴⁷ *Cal. Indep. Sys. Operator Corp.*, 115 FERC ¶ 61,172, at P 36-37 (2006), *rehearing*, 118 FERC ¶ 61,045 (2007); *see also Gainesville Utils. Dep't v. Fla. Power Corp.*, 402 U.S. 515, 529 (1979) (the Commission has the "responsibility to the public to assure reliable efficient electric service").

⁴⁸ *See* CAISO Rehearing Order, 119 FERC ¶ 61,076, at P 521-64; *accord*, *New York State Reliability Council*, 118 FERC ¶ 61,179, at P 31 (2007), *reh'g pending*.

⁴⁹ *Id.*, 16 U.S.C. §§ 824d-824e (2000).

ensure that a workable resource adequacy requirement exists in a market such as that operated by the CAISO. This does not mean that we must determine all the elements of such a program in the first instance. Rather, we can, in appropriate circumstances, defer to state and Local Regulatory Authorities to set those requirements. . . .”⁵⁰

30. Therefore, we find that the Commission has jurisdiction to consider and accept ISO-NE’s ICRs.

The Commission orders:

The Commission hereby accepts ISO-NE’s ICRs, effective May 22, 2007, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

⁵⁰ CAISO Rehearing Order, 119 FERC ¶ 61,076, at P 558 (*citing* CAISO Order, 116 FERC ¶ 61,274, at P 1117).