



Sherry A. Quirk
202/778-6475
squirk@schiffhardin.com

1666 K STREET N.W., SUITE 300
WASHINGTON, DC 20006

t 202.778.6400
f 202.778.6460

www.schiffhardin.com

June 9, 2008

VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose, Secretary
The Honorable Nathaniel J. Davis, Sr., Deputy Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: ISO New England Inc., Docket No. ER08-633-000

Dear Secretary Bose and Deputy Secretary Davis:

Attached for electronic filing in the above-referenced docket is the Answer of ISO New England Inc. to the Motion to Lodge filed by the Connecticut Department of Public Utility Control. A copy of the foregoing has been served upon all parties included in the Commission's service list.

If you have any questions or concerns regarding this filing, please feel free to contact me. Thank you for your assistance in this matter.

Respectfully submitted,

/s/ Sherry A. Quirk
Sherry A. Quirk, Esq.

Counsel for ISO New England Inc.

Attachment

cc: Official Service List

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

ISO New England Inc.

)

Docket No. ER08-633-000

**ANSWER OF ISO NEW ENGLAND INC.
TO MOTION TO LODGE**

Pursuant to Rule 213 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission” or “FERC”),¹ ISO New England Inc. (the “ISO”) hereby submits this Answer (“Answer”) to the Motion To Lodge filed by the Connecticut Department of Public Utility Control (“DPUC”) on May 23, 2008.

The DPUC requests that the Commission grant its Motion to Lodge the testimony of ISO witness Mr. Peter Brandien filed in Docket No. EL08-48-000. As the basis for its Motion, the DPUC erroneously claims that Mr. Brandien’s testimony filed in a different proceeding contains additional information relevant to the ISO’s transmission security analysis (“TSA”). As discussed below, the testimony cited by the DPUC is not relevant to the instant proceeding. Thus, the Commission should reject the DPUC’s Motion to Lodge.

¹ 18 C.F.R. § 385.213 (2007).

I. BACKGROUND

On March 3, 2008, pursuant to Section 205 of the Federal Power Act (“FPA”)² and Section III.13.8.2 of the Tariff, the ISO submitted the Forward Capacity Auction Results Filing (“FCA Results Filing”). Among other things, the FCA Results Filing enumerated de-list bids rejected for reliability reasons pursuant to Section III.13.2.5.2.5 and the reasons for those rejections. The ISO rejected two Dynamic De-List Bids submitted by NRG Power Marketing LLC for the Norwalk Harbor Units because the TSA demonstrated that acceptance of those bids would have resulted in the inability of the Connecticut sub-area to meet Section 3 of ISO New England Planning Procedure No. 3 (“PP 3”).

On April 17, 2008, the DPUC filed comments on the FCA Results Filing.³ Among other things, the DPUC challenged the exclusion of the Cross Sound Cable (“CSC”) in determining the Connecticut Import Limit. The ISO responded to the DPUC’s comments in a May 2, 2008 Answer (“ISO Answer”). The ISO Answer stated that the TSA is a basic security review set out in Section 5 of the Northeast Power Coordinating Council Document A-2.⁴ The ISO explained that the CSC was not included in the Connecticut Import Limit because no capacity qualified over the tie for the 2010/2011 Capacity Commitment Period.⁵ The ISO Answer also explained that its real-time experience demonstrates that no capacity reserves are available from the Long

² 16 U.S.C. §824d (2000).

³ Notice of Intervention and Comments of the Connecticut Department of Public Utility Control, Docket No. ER08-633-000 (filed on April 17, 2008).

⁴ ISO Answer at 3.

⁵ ISO Answer at 16.

Island Power Authority via the CSC. Finally, the ISO Answer explained that the ISO does not know the amount of additional tie reliability benefits that would be available, if any, from the interconnections using the CSC when emergency assistance is required because the ISO and the New York Independent System Operator have not yet found a way to calculate any additional benefits isolated to the CSC.

On May 23, 2008, the DPUC filed the Motion to Lodge the testimony of Mr. Peter Brandien filed in a different proceeding.⁶ Mr. Brandien's testimony provides several factors that distinguish the reliance on second-contingency load shedding in order to comply with reliability criteria across Northeast Massachusetts ("NEMA") and Southwest Connecticut ("SWCT") from second-contingency load shedding in Southeast Massachusetts ("SEMA"). In his testimony, Mr. Brandien explained that even where post second contingency load shedding is factored into a Day Ahead forecast, rather than simply moving to shed load as a next operational step following the occurrence of contingencies, the ISO will take all available steps to utilize available system resources before it actually sheds load. In explaining that the NEMA and SWCT areas have several options available in real time that were not available in SEMA, including the dispatch of quick start generation or the ramping up of generation that is otherwise on-line, Mr. Brandien noted that another possible option available in SWCT was to call for emergency imports across tie lines. Mr. Brandien's testimony stated that "in Southwest Connecticut, the ISO is also in the position to call for emergency energy imports from Long Island

⁶ Motion to Lodge of the Connecticut Department of Public Utility Control, attaching the testimony that accompanied the Answer of ISO New England Inc. filed in *Braintree Elec. Light Dep't. et al. v. ISO New England Inc.*, Docket No. EL08-48-000 on April 28, 2008.

over the Cross Sound Cable... prior to load shedding.”⁷ The DPUC claims that the previously quoted portion of Mr. Brandien’s testimony contains additional information relevant to the TSA, and therefore requests that the Commission grant its Motion to Lodge Mr. Brandien’s testimony.

II. DPUC’s Motion To Lodge Should Be Dismissed

As acknowledged by the DPUC, the standard for granting a motion to lodge is whether the information is relevant to the proceeding.⁸ The DPUC’s attempt to connect Mr. Brandien’s testimony to the instant proceeding is misguided. Although the DPUC claims that Mr. Brandien’s testimony on emergency energy imports over the CSC is relevant to the TSA, the DPUC has confused operational measures designed to provide reliable service to load with transmission planning standards. Mr. Brandien’s testimony addresses emergency energy imports over the CSC as an operational measure in the context of load shedding in Southwest Connecticut. The TSA, however, is a transmission planning analysis based on transmission planning standards. Emergency energy imports over the CSC are only implemented under Action 11 of the ISO New England Operating Procedure No. 4 (“OP-4”). OP-4 actions are operating procedures that are implemented during a real-time capacity deficiency. Hence, the TSA does not rely on OP-4 actions. This is consistent with the ISO’s long-standing practice to exclude reliance on emergency

⁷ Testimony of Peter Brandien filed in Docket No. EL08-48-000 (filed on April 28, 2008) at 23:20-23.

⁸ DPUC Motion to Lodge at page 3 *citing to The Salt River Project Agric. Improvement Power Dist. V. Tucson Elec. Power Co.*, 79 FERC ¶ 61,336 (1997). *See also California Power Exchange Corporation*, 87 FERC ¶ 61, 203 at 61,779 (1999).

actions in planning for a reliable bulk power transmission system.⁹ Therefore, Mr. Brandien’s testimony filed in Docket No. EL08-48-000 is not relevant to this proceeding and the Commission should deny DPUC’s Motion to Lodge.

III. CONCLUSION

For the foregoing reasons, the ISO respectfully requests that the Commission deny the DPUC’s Motion to Lodge.

Respectfully submitted,

ISO NEW ENGLAND INC.

By: _____

Raymond W. Hepper, Esq.
Kevin W. Flynn, Esq.
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040-2841
Tel: (413) 540-4585
Fax: (413) 535-4379
E-mail: rhepper@iso-ne.com

Sherry A. Quirk, Esq.
Montina M. Cole, Esq.
Schiff Hardin LLP
1666 K Street NW, Suite 300
Washington, D.C. 20006
Tel: (202) 778-6475
Fax: (202) 778-6460
E-mail: squirk@schiffhardin.com

Dated: June 9, 2008

⁹ In its Notice of Intervention and Comments of the Connecticut Department of Public Utility Control filed on April 17, 2008 in this proceeding, the DPUC raised a similar, erroneous point on Real-Time Emergency Generation (“RTEG”) Resources, claiming that RTEG Resources should be considered in the TSA even though these resources are only called upon during OP-4 actions. As the ISO explained in its Answer (at p. 18):

OP-4 actions are operating procedures that are implemented during a real time capacity deficiency, therefore reliability analyses in the planning horizon do not rely on OP-4 actions. This is consistent with the ISO’s long-standing practice not to plan the power system to rely on emergency actions. As Action 12 of OP-4 is utilized under a fairly severe capacity deficiency, relying on resources called under this action would be inconsistent with studies that are to be performed under conditions that “reasonably stress” the system.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the parties designated on the official service list for the above-captioned docket in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure. 18 C.F.R. § 385.2010 (2007).

Dated at Washington, D.C. on this 9th day of June, 2008.

/s/ E-filed
Sherry A. Quirk
Attorney for ISO New England Inc.