

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

ISO New England Inc.

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Docket No. EL00-62-026

**COMMENTS OF THE NEW ENGLAND CONFERENCE OF  
PUBLIC UTILITIES COMMISSIONERS**

On June 4, 2001, as corrected on June 5, 2001, ISO New England Inc. submitted as a compliance filing in the above-referenced docket a new proposal for an Installed Capability product (with related deficiency charges) effective August 1, 2001. Pursuant to the Commission's June 13, 2001 public notice, the New England Conference of Public Utilities Commissioners (NECPUC), an intervenor herein, submits the following comments in support of the ISO's filing.

Specifically, NECPUC endorses the ISO's proposed restructuring of ICAP to create an actual ICAP product to be submitted in conjunction with an energy bid (capped at \$1000/mWh). Further, NECPUC supports the mitigation features of the proposal as well as the range for the deficiency charge of between \$4.87 and \$3.00 per kW month. NECPUC understands that individual member states may address any specific concerns they may have with this proposal in future filings before the Commission.

NECPUC's support of the ISO filing as it relates to the interim ICAP charge recognizes that, for the most part, the filing attempts to recreate a compromise based on the best efforts of the parties to settle this issue at three recently held negotiation sessions facilitated by members of the New England Governors' Conference, Inc.'s Power Planning Committee and on-going discussions among the NEPOOL participants. Further, NECPUC is aware that the United States First Circuit Court of Appeals issued a decision on June 8, 2001 (the decision) remanding this matter to the Federal Energy Regulatory Commission (FERC) for further consideration.

However, NECPUC believes that the decision does not preclude the FERC from considering the ISO filing as the most efficient and least divisive way of determining a just and reasonable ICAP deficiency charge issue on a going-forward basis.

Finally, NECPUC urges the FERC to expeditiously consider the ISO's June 4, 2001 proposal in order to finally resolve the issue of the proper interim ICAP deficiency charge.

Respectfully submitted,

NEW ENGLAND CONFERENCE OF PUBLIC  
UTILITIES COMMISSIONERS

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Dated: June 25, 2001

Its Attorneys

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of the foregoing document by first class mail upon each party on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C., this 25th day of June, 2001.

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Harvey L. Reiter