UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

) ISO New England, Inc. ) Docket No. ER12-757-000
)

NOTICE OF INTERVENTION
AND COMMENTS OF
THE MAINE PUBLIC UTILITIES COMMISSION

Pursuant to Rules 212 and 214 of the Rules of Practice and Procedure of the
Federal Energy Regulatory Commission (“FERC” or “Commission”),¹ and the
Commission’s January 4, 2012 Combined Notice of Filings, the Maine Public Utilities
Commission (“MPUC”), by and through counsel, Lisa Fink and Benjamin Smith, State of
Maine Public Utilities Commission, respectfully files this Notice of Intervention and
Comments on the Information Filing for Qualification in the Forward Capacity Market
(“Informational Filing”) filed by ISO New England, Inc. (“ISO-NE”) in this docket on

I. PRELIMINARY STATEMENT

This Notice of Intervention is filed pursuant to Rule 214(a)(2) of the Rules of
Practice and Procedure of the Federal Energy Regulatory Commission (“FERC” or
“Commission”), 18 C.F.R. § 385.214(a)(2) (2011), and the Commission’s January 4,
2012 Combined Notice of Filing in which the Commission established January 18, 2012
as the deadline by which all comments and interventions must be filed.

The persons to whom correspondence, pleadings, and other papers in relation to
this proceeding should be addressed and the persons whose names are to be placed on the

Commission’s official service list are designated as follows pursuant to Rule 203, 18 C.F.R. § 385.203 (2011):

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II.  NOTICE OF INTERVENTION

Under Maine law, the MPUC is the state commission designated by statute with jurisdiction over rates and service of electric utilities in the state. See 35-A M.R.S.A. § 101 et seq. It is, therefore, a “state commission” under the Commission’s regulations. 18 C.F.R. § 1.101(k) (2011). Accordingly, the MPUC hereby gives notice of its intervention pursuant to Rule 214(a)(2) of the Commission’s rules of practice and procedure. 18 C.F.R. § 385.214(a)(2) (2011).

III.  BACKGROUND

In the Informational filing, ISO-NE disqualifies approximately 119 MW of renewable resources from participation in the 6th Forward Capacity Auction (“FCA”), because of the Orrington South transmission constraint. Specifically the following Maine renewable resources are disqualified due to the Orrington South transmission constraint:

- **Verso Maine Energy, LLC.** The Bucksport G5 project is a 25 MW turbine that will be installed in the Bucksport Biomass Plant as part of the Bucksport Renewable Energy Project (“BREP”). The G5 project is expected to be installed by the end of 2012. The MPUC certified that the renewable output from the G5 facility is eligible as a Maine Class 1 New Renewable Resource. The renewable output of the Bucksport G5 is derived from an advanced biomass combined heat and power modification to one of the Bucksport facility’s multi-fuel boilers. The requested summer qualified capacity of the G5 project is 25 MW.
• **Black Bear Hydro Partners, LLC.** The Black Bear Hydro Partners project comprise three hydro projects improving generation of existing dams on the Penobscot River: the Stillwater B Hydro project with a requested summer Qualified Capacity of 1.965 MW, the Orono A Hydro project with a requested summer Qualified Capacity of 1.670 MW and the Orono B Hydro project with a requested summer Qualified Capacity of 3.430 MW.

• **Champlain Wind, LLC.** This is a wind project of 27 turbines on Bowers Mountain, in Penobscot and Washington Counties. The permit application is pending at the Maine Land Use Regulation Commission. The project has a nameplate capacity of 69 MW and a requested summer Qualified Capacity of 12.520 MW. The Bowers Mountain Wind project has been waiting for ISO-NE to move forward on a System Impact Study (“SIS”) for over a year. The project sought and was denied qualification for FCAs 5 and 6.

• **Evergreen Wind Power II, LLC.** The Oakfield Wind project, located in Oakfield Maine, involves the construction of 50 wind turbines with a nameplate capacity of 153 MW and a requested summer Qualified Capacity of 30.670 MW. The permit for the project has been approved by the Department of Environmental Protection and the project is expected to be operational in 2013. The Oakfield Wind Project sought and was denied qualification for FCAs 3 through 6. The Oakfield Wind Project also has been waiting for ISO-NE to move forward on a system impact study for almost three years.

• **Evergreen Wind Power III, LLC.** This is the Rollins Wind Project, located near Lincoln, Maine is fully permitted and operational. The Rollins Wind Project has 40 turbines with a nameplate capacity of 60 MW and a requested summer Qualified Capacity of 10.390 MW. The Rollins Wind Project sought and has been denied qualification for FCAs 2 through 6.

• **Evergreen Wind Power V, LLC.** This is the Stetson Wind I project, located on Stetson Mountain. Stetson Wind I, which became operational in 2009, has 38 turbines and has a nameplate capacity of 57 MW and a requested summer Qualified capacity rating of 10.000 MW. This project has sought and has been denied qualification for FCAs 2 through 6.

• **Stetson Wind II, LLC.** The Stetson II wind project is also permitted and operational. The Stetson II wind project has 17 turbines that have a nameplate capacity of 25.5 MW and a requested summer Qualified Capacity rating of 4.070. The Stetson II wind project has sought and been denied qualification for FCAs 2 through 6.
• **Blue Sky East, LLC.** The Bull Hill Wind project in Hancock County was granted a permit by the state siting authority, the Maine LURC, on October 5, 2011. The project is for 19 turbines with a nameplate capacity of 34.5 turbines and a requested summer Qualified Capacity 9.720 MW. The Bull Hill Wind project is expected to be operational in the last quarter of 2012. The Bull Hill Wind project has been waiting for ISO-NE to move forward on a SIS for two years. The Bull Hill Wind project sought and was denied qualification for FCA 5 as well as FCA 6.

• **Quantum Utility Generation, LLC.** The Noble Passadumkeag Wind park project is to be located along a ridgeline on Passadumkeag Mount in Penobscot County Maine. The facility will consist of up to 25 wind turbines with a name plate capacity of 37.5 MW and a requested summer Qualified Capacity of 10.100 MW. On October 7, 2011, the Massachusetts Department of Public Utilities approved a long-term contract for the Western Massachusetts Electric Company to purchase wind power and renewable energy certificates from the facility. The expected commercial operation of the facility is December 31, 2012. Two reasons for disqualification were given for this project (1) the determination that the Orrington South interface would be overloaded after the addition of this project and (2) The intermittent resource capacity information submitted by the Project Sponsor was insufficient for the ISO-NE to confirm the summer and winter Qualified Capacity that the Project Sponsor claimed for the resource.

For the last five FCA qualifications, new renewable generation north of Orrington Maine has been disqualified from participation in the FCA because “the Orrington South interface would be overloaded” after the addition of the project. A major transmission project, the Maine Power Reliability Project (“MPRP”), was expected to relieve the Orrington constraint and allow for the delivery of significant amounts of renewable generation to Southern New England.²

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² In materials presented before the Planning Advisory Committee (“PAC”), ISO-NE estimated that the MPRP would increase transfer capability over the Orrington interface from the current limit of 1200 MW to 1975 MW. See MPRP Transmission Alternatives PAC27-January 17, 2008 at 27 at the following link: https://smd.iso-ne.com/trans/sys_studies/rsp_docs/pres/2008/amprprevised.pdf (not publicly available because it contains Critical Energy Infrastructure Information).
The MPRP has now been certified to be in place before the beginning of the 2015-2016 performance year. However, the ISO-NE staff uses the current transfer limits in its overlapping impact analysis, apparently because for over a year ISO-NE has been in the process of undertaking a stability analysis to determine whether the actual transfer limits provided by the MPRP are expanded to the degree indicated by the modeled thermal limits. When questioned about transfer limits used in tie benefits determinations, ISO-NE planning staff indicated that the transfer limits could not be increased over the Orrington South and the Maine-NH interfaces until ISO-NE staff had completed a stability analysis. This analysis was due to be completed in the second quarter of 2011. The date for completion has been pushed back several times, and the ISO-NE staff now projects that the results of the stability analysis will be presented to the planning advisory committee in February or March of 2012. Until the stability analysis is complete, it is not clear whether any of the disqualified Maine resources will qualify under the overlapping interconnection test.

IV. COMMENTS

A. Significant Delays in Determining Transfer Limits Impair the Ability of Renewable Resources to Qualify for the FCM.

Nine new Maine renewable resource projects with approximately 119 MW of Maine requested summer Qualified Capacity were disqualified to participate in the 6th FCA. Now that the MPRP has been certified for completion before the 2015-2016 performance year, resources that have not been qualified because of the Orrington South transmission constraint, should be able to know in advance of the qualification deadline whether the MPRP completion will allow any of them to qualify for participation in the 6th FCA. Instead, the only firm information provided to them is that
they do not qualify because of the Orrington South transmission constraint and the
transmission needed to qualify them would likely not be completed by the 2015-2016
performance year.

B. The Commission Should Direct ISO-NE to Complete the Stability
Analysis Without Further Delay and Reconsider Whether Any of the
Megawatts of the Rejected Resources Can Qualify For the 6th FCA.

ISO-NE has suggested in committee meetings that transfer capacity may
not be increased to the level of the projected thermal transfer limits. Over a year ago,
ISO-NE indicated that it was undertaking a stability analysis to determine the actual
transfer limits. The date for the completion of this work has been pushed back several
times, leaving resources without the information they need to determine whether or not
they will qualify to participate in the FCA. If the MPRP does not produce close to the
level of projected transfer limits, or if there are other limitations on qualification, these
resources should have this information at the earliest possible date so that they can
determine available options. If, however, the MPRP does increase the transfer limit to
allow even some resources or portions of resources to participate, then the delay in
making this determination should not prevent these resources from participating in the
FCA. Accordingly, ISO-NE should be directed to complete its stability analysis no later
than March 1, 2011 and determine whether any of the resources or portions of the
disqualified resources may participate in the 6th FCA. Further, ISO-NE should be
required to supplement its informational filing with the results of its stability analysis. If
the stability analysis shows that the Orrington South transmission limit is not sufficiently
increased to allow any of the disqualified resources from participating, ISO-NE should
indicate whether there are any additional low-cost fixes that would increase the transfer limits.

V. CONCLUSION

For the foregoing reasons, the MPUC respectfully requests that the Commission accept these comments and direct ISO-NE to take the actions outlined in the above comments.

Dated: January 18, 2012

Respectfully submitted,

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Counsel for the Maine Public Utilities Commission
CERTIFICATE OF SERVICE

I, Benjamin J. Smith, hereby certify that I have this day served the foregoing document upon each person designated on the service list compiled by the Secretary in this proceeding either by U.S. Mail or electronic service, as appropriate.

Dated: January 18, 2012

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