

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

Vineyard Wind LLC

)

Docket No. ER19-570-000

ANSWER OF THE NEW ENGLAND POWER GENERATORS ASSOCIATION, INC.

Pursuant to Rule 213¹ of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (the “FERC” or “Commission”), the New England Power Generators Association, Inc. (“NEPGA”)² submits this brief response to Vineyard Wind LLC’s (“Vineyard Wind”) Emergency Motion for an Immediate Stay of the ISO-NE Forward Capacity Auction, or, In the Alternative, A Requirement That the Auction Be Reconducted Subsequent to Commission Action (“Emergency Motion”).

The Commission should reject the Emergency Motion. The Federal Power Act does not require the Commission to act on a petition, and the thirteenth Forward Capacity Auction (“FCA”) was conducted on February 4, 2019, in a manner consistent with the waiver request having been denied. NEPGA submits this brief answer out of concern that the auction result would be disrupted, and because the Emergency Motion omits material information that is important should the Commission consider granting Vineyard Wind’s request to vacate the FCA and have it re-run.

First, now that FCA 13 has been conducted, resource pricing, post-auction round quantities, and other relevant market information has already been unveiled. To re-run the auction with this information now known to the market would run counter to a basic tenet of competitive markets that such information remain confidential until after the FCA concludes.

¹ 18 C.F.R. §§ 385.213 (2018).

² The comments expressed herein represent those of NEPGA as an organization, but not necessarily those of any particular member.

Second, Vineyard Wind has secured 20-year contracts with utilities located in Massachusetts for an 800 MW project. There is no discussion in the Emergency Motion or elsewhere as to how the failure by Vineyard Wind to secure a one-year Capacity Supply Obligation for 145 MW from the remaining Renewable Technologies Resources (“RTR”) exemption would jeopardize the viability of the project. This omission is at odds with the focus by Vineyard Wind in its Petition and Emergency Motion on the long-term contracts for its entire 800 MW project. Moreover, nothing in Vineyard Wind’s long-term contracts require it to secure a Capacity Supply Obligation. Instead, Section 3.7(e) in its long-term contracts expressly leave that decision to Vineyard Wind:

The Parties acknowledge and agree that participation by Seller in the FCM auction qualification process described in Section 3.7(a) is only intended to allow ISO-NE to determine those Network Upgrades that are required to deliver the Seasonal Claimed Capabilities described in Section 3.7(a) and, except as described in this Section 3.7, *Seller is not required under this Agreement to participate in the FCM or any other capacity market.*³ (Emphasis added.)

Third, granting Vineyard Wind’s Petition can harm capacity suppliers. Based on the FCA 13 Marginal Reliability Impact (“MRI”) curve, which pays lower prices as greater quantities of capacity are procured, to the extent that Vineyard Wind’s 145 MW of capacity clears as a result of ISO-NE procuring more capacity than it otherwise would have, the clearing price paid to all resources would be reduced by \$0.667 kW-month.⁴ When applied to the total

³ This provision appears in each of Vineyard Wind’s three long-term contracts: *see*, <https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/9676522> at p. 25; <https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/9676548> at p. 25; and <https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/9676764> at p. 27.

⁴ At the expected level of quantity procured, the slope of the transitional MRI curve is \$0.46 per 100 MW of capacity, thus $(145 \text{ MW} / 100 \text{ MW}) \times \$ 0.46 = \0.667 kw-month .

clearing of the auction of approximately 34,000 MW, the impact (harm) to all capacity suppliers would exceed \$270,000,000 in FCA 13.⁵

In the alternative, at best the participation of Vineyard Wind's 145 MW would push out another resource(s) like amount of capacity from clearing, thereby redirecting the "irreparable harm" that Vineyard Wind claims would be improper from Vineyard Wind to another potential capacity supplier. The same revenue impact harm would occur to a capacity supplier – just not to Vineyard Wind.

For the foregoing reasons, the Commission should not grant the Emergency Motion.

Respectfully Submitted,

*/s/ Bruce Anderson*_____

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⁵ \$0.667 X 34,000 MW X 1,000 kW X 12 months = \$272,136,000.

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the comments by via email upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Boston, Massachusetts, February 5, 2019.

/s/ Bruce Anderson

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