NEPPA Resolution 2026-02

Need for Wholesale Electric Market Reform

Whereas, the wholesale electric markets implemented by ISO-NE are not designed to consider other significant objectives, besides price, that States and public power communities take into consideration when choosing what resources are desirable in the energy mix – such as carbon emissions, fuel diversity, fuel security, and local jobs, and;

Whereas, public power accepted the settlement creating ISO-New England's Forward Capacity Market in large part because it included a "self-supply" provision allowing publicly-owned systems to rely on their own resources to meet their customers' demands and other objectives, and;

Whereas, the ever-changing market rules eliminated the ability to self-supply by instituting a Minimum Offer Price Rule (MOPR) in 2012, and;

Whereas, the continuation of certain MOPR-related provisions creates the risk of consumer-owned or supported resources not being fully recognized in all of the ISO markets and forcing consumers to then pay twice for capacity, and;

Whereas, the problems with the ISO-NE markets go to their fundamental objectives and design principles, which do not consider important values as outlined above;

Be it now

RESOLVED, that NEPPA:

1. Supports reinstatement of self-supply in ISO-NE's capacity market and allows public power systems and other load serving entities to determine the resources they will use to meet their wholesale market obligations.
2. Supports a return to a long-term, planning-based process for determining resource needs.
3. Supports efforts to evaluate and reform these structures holistically, rather than continuing to layer regulatory uncertainty by devising too frequent modifications without addressing the fundamental problem.

Originally adopted by the NEPPA Board of Directors 7/20/2020.
Readopted by the NEPPA Board of Directors 8/23/23.