

Proposed Agenda for January 25, 2021 (12:30pm to 6pm):

Registration Link: [Wholesale Markets Day 2 \(1/25\) Zoom Registration Link](#).

- **12:30 – 12:40 Introduction and Opening Remarks – Co-chairs**
 - Welcome and reminder of ground rules

- **12:40 – 1:20 Overview of resource adequacy and how various regions handle resource adequacy** – Tony Clark, former FERC Commissioner:
 - Discussion of forward capacity markets (Northeast approach), MISO/SPP approach (with more vertically integrated utilities and more state control), ERCOT (energy only, the California model, and bilateral markets approach)
 - Discuss the importance of having resource adequacy planning responsibilities clearly articulated – Two most prevalent options here:
 - RA responsibility stays with ISO
 - States take on RA responsibility in a state-by-state approach with the ISO “stitching” it all together
 - Overview of federal/state jurisdictional issues that arise in the context of RTOs/ISOs and how those tensions have developed over time

- **1:20 – 2:45 Identification and discussion of current problems with the wholesale market design as it relates to consumer costs and state clean energy laws and mandates** – Abby Krich; Pete Fuller; Doug Hurley; James Daly; Phil Martin:
 - The intent of this topic is to lay the foundation for why the current market design is misaligned with state clean energy policy and to help inform the next discussion on alternative designs
 - Each panelist will be provided approximately 5 minutes to provide an overview before proceeding to a co-chair led discussion-based format
 - High level overview the existing market construct fails to fully value renewable and zero carbon resources
 - Discussion of market barriers such as the MOPR at high level
 - Is there a need to develop better scarcity pricing in the energy and reserve markets – using Operating Reserve Demand Curves or other mechanisms – to more accurately value output from storage and renewable resources during periods of system stress?
 - Discussion on renewables and storage, including how renewables and/or storage can provide certain reliability services (e.g. reactive power, inertia), but need new methods of compensation
 - Discussion on the importance of flexibility going forward both as a generating resource attribute and load characteristic
 - Discussion on nuclear, hydro, and other emission-free generation including a discussion on the importance of these resources in achieving the clean energy goals

- High-level overview of how existing market construct may not encourage least useful and/or dirtiest generators from retiring/exiting the market (as part of clean energy transition)
 - Implications for ratepayers in New England
 - Questions from audience
- **2:45 – 3:00** – 15 minute break
- **3:00 – 5:55 Identification and discussion of proposed alternative market designs**
 - 3:00 – 3:20 Introduction – Steve Corneli:
 - Three key criteria for evaluating the ability of an alternative market design to support decarbonization in states seeking to do so:
 - Will this market design keep the lights (and electrified end-uses) on during periods of system stress (i.e., resource adequacy)?
 - Will this design assure enough investment in the right mix of resources for decarbonization (net or otherwise) (i.e., revenue sufficiency and risk)?
 - Will this design result in electricity costs that are low enough to be affordable and support large scale electrification (i.e., affordability, incentives, resource mix)?
 - 3:20 – 4:20 Potential Alternative Designs Discussion:
 - What are some alternative market designs or concepts?
 - Energy-only Market (Kathleen Spees) (~15 minutes)
 - FCEM/ICCM (Kathleen Spees) (~15 minutes)
 - Residual capacity market (Casey Roberts) (~15 minutes)
 - Modified Fixed Resource Requirement adapted to ISO-NE (Jennie Chen) (~15 minutes)
 - How are these alternatives consistent with the five principles in the Vision Statement?
 - How will each of these alternatives ensure that state policies are accounted for and supported?
 - How do these alternatives interact with the current forward capacity market?
 - 4:20 – 4:30 Break – 10 minutes
 - 4:30 – 4:50 Further thoughts on market design – Rob Gramlich
 - Pros and cons of central procurement approaches, including risks of turning jurisdiction over RECs to FERC, whether or not they affect application of MOPR

- How can states in a region co-exist with different resource choices and retail market structures, and how can an RTO accommodate different approaches?
- 4:50 – 5:35 Moderated discussion on pros and cons of these alternatives and jurisdictional questions with this session’s participants
 - Further opportunity for presenters to speak on the alternative market designs
 - Discussion of potential jurisdictional issues with the designs:
 - What risk do these designs have of being overridden by FERC?
 - Which of these alternatives are capable of implementation as only state-jurisdictional?
- 5:35 – 5:55 – Questions/comments from audience
- **5:55-6:00 Closing remarks** – Co-Chairs