

OCTOBER 22, 2024

FERC Order No. 1920 – Methods and Compliance for Regional Transmission Planning

Order 1920 and Planning for Multi-Value Transmission in
New England

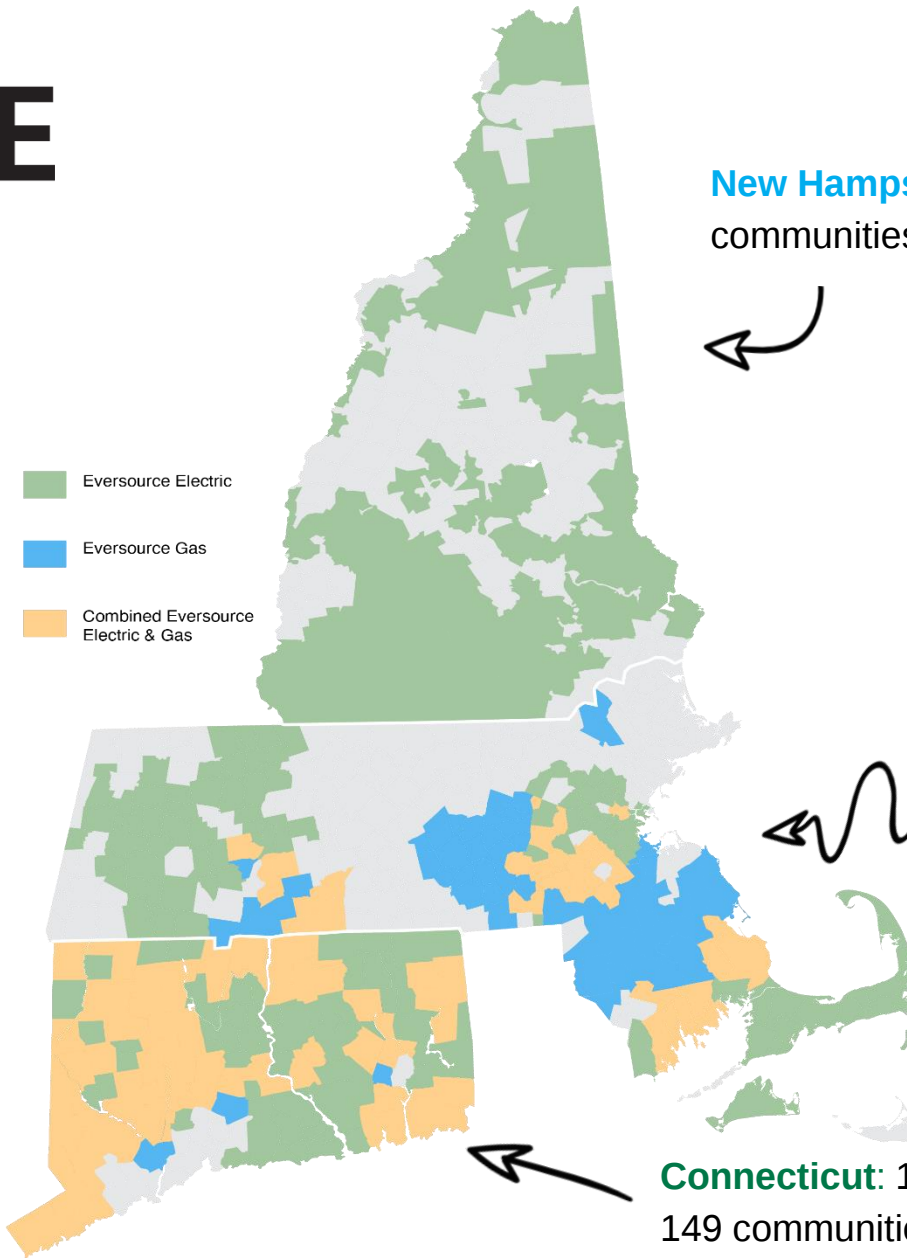
EVERSOURCE

We're New England's largest energy delivery company with **4 million customers** across 525 communities in Connecticut, Massachusetts and New Hampshire.

Eversource aims to be **carbon neutral by 2030**, and the benefits of our regional clean energy initiatives will more than offset Eversource's greenhouse gas emissions.

Clean Energy Strategy:

- Prepare the Grid for the Future
- Support Development of Clean Energy Options
- Decarbonize our Operations

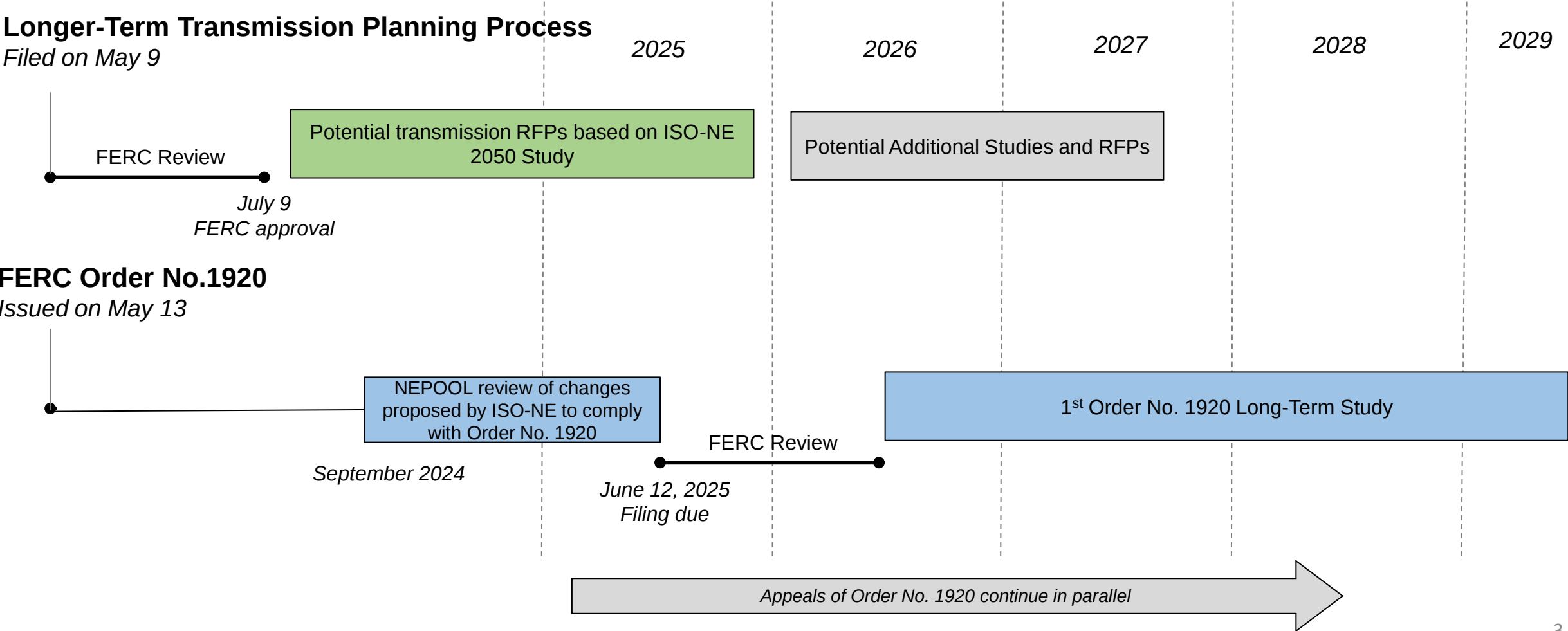


New Hampshire: 510,000 electric in 211 communities, 9,500 water in three communities.

Massachusetts: 1.4 million electric in 140 communities, 292,000 natural gas in 51 communities, 19,500 water in five communities.

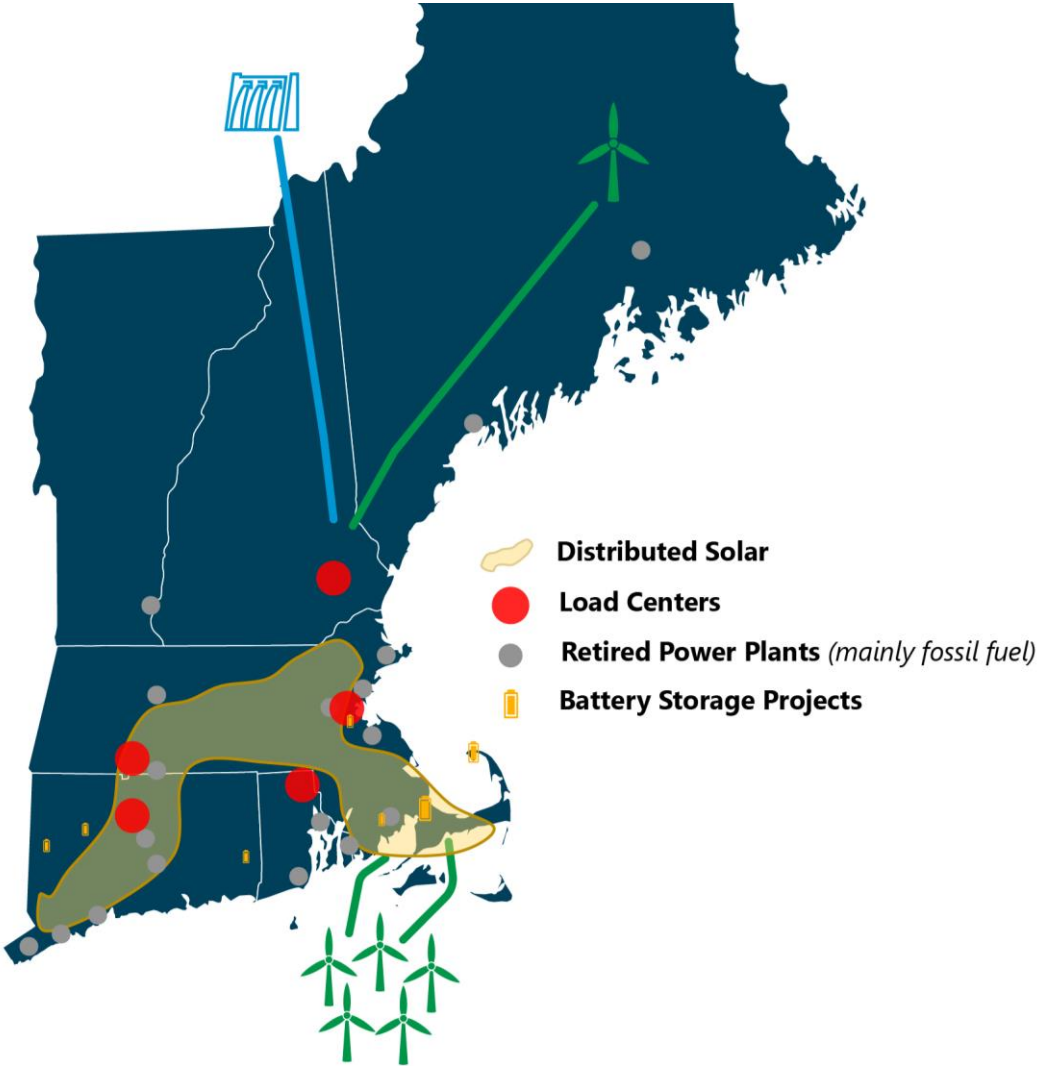
Connecticut: 1.2 million electric in 149 communities, 232,000 natural gas in 71 communities, 198,000 water in 51 communities.

New England in Transition: LTTP will be implemented well in advance of Order No. 1920



On the Pathway to Multi-value Planning

Order No. 1920 Requirement	Potential New England Implementation
Minimum of 3 scenarios with a 20-year planning horizon	Expand number of scenarios considered under LTTP
Consideration of 7 factors in developing scenarios, including impact of state policies on generation addition and retirements	Expand scope of LTTP scenarios to include all 7 factors – particularly generation additions and retirements
Calculation of 7 benefits when reviewing proposed transmission projects	Adapt LTTP benefit calculation
Process to evaluate transmission projects, including benefit-cost evaluation, but no requirement to select a solution	Leverage LTTP process
Process to “right-size” forecasted future asset condition projects	Will need to be developed



Emerging Alignment on Multi-value Benefits of Transmission

Comparison of Solution Selection Factors Across Existing and Future Processes

Bundled PPAs

Enhanced Reliability
Reducing Winter Prices
Avoid Line Loss
Employment and Economic Dev.
Environmental Justice
Diversity, Equity and Inclusion
Direct Costs and Benefits
Indirect Costs and Benefits
Firm Delivery and Storage
Siting and Permitting Impacts
Impacts on Low Income Customers

LTTP

Life cycle costs (incl. Real Estate)
System Performance
Cost Containment
Constructability
Operational and Interface Impacts
Siting / Permitting Issues
Environmental Impact
Production Cost and Congestion
Avoided capital cost of local resources
Avoided Transmission Investment
Reduction in Losses
Reduced Expected Unserved Energy

Order 1920

Reliability or Asset Condition
Resource Adequacy Impact
Production Cost
Reduced Losses
Reduced Congestion
Mitigation of Extreme Weather
Capacity Cost Benefits

Takeaways from New England's Largest Transmission Owner

- LTTP process gives ISO-NE ability to perform more holistic, longer-term transmission studies that consider state policy goals
- ISO-NE may comply with Order No. 1920 by adapting LTTP to meet FERC's new requirements
 - More details coming from ISO-NE this winter
- Both LTTP and Order No. 1920 include guardrails to prevent customers in one state for paying for transmission that only supports the policy goals of another state
- Momentum toward multi-value planning is building and long overdue
- Long-term perspective is in the best interests of the region
- More work to do:
 - Right-sizing with states and stakeholders
 - Cost allocation predictability and certainty
 - Ensuring that outcomes are commensurate with effort involved
- If we want good projects, adequate time and robust information are critical

