

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
ENERGY FACILITY SITING BOARD

IN RE: Application of  
Invenergy Thermal Development LLC's  
Proposal for Clear River Energy Center

Docket No. SB 2015-06

**Motion of Conservation Law Foundation for the Full Admission  
of Invenergy's November 9, 2018 FERC Filing**

Conservation Law Foundation (CLF) respectfully requests that the Energy Facility Siting Board (EFSB) admit as a full exhibit Invenergy's November 9, 2018 filing with the Federal Energy Regulatory Commission (FERC) in FERC's Docket ER18-2457 (Invenergy's November 9 Filing). CLF attaches a copy of Invenergy's November 9 Filing. Docket ER18-2457 is the FERC Docket opened on September 20, 2018 to address the ISO's decision to involuntarily terminate Invenergy's 485-megawatt Capacity Supply Obligation (CSO) on Invenergy's proposed Turbine One.

CLF was unable to move admission of this exhibit before the commencement of the Final Hearing because the document did not exist until November 9, 2018.

Invenergy's November 9 Filing is further evidence – as if any were needed – of the degree to which Invenergy continues to misstate important facts to regulators. See, e.g. CLF's Opening Statement, April 26, 2018 Final Hearing Transcript, referring to “the record of lies told by Invenergy to the EFSB, to the ISO, and to the public.” April 26, 2018 Transcript at page 80, lines 4-7; see, generally, April 26, 2018 Transcript, at page 80, line 4 to page 86, line 7 (“And even if a power plant were needed, which it is not, this would not be the company to build the

plant because you can't give a permit to a company that can't be honest with the ISO, with the EFSB, and with the public.”)

The matter of Invenenergy's dishonesty with regulators was discussed at length at the EFSB hearing held on October 31, 2018. See, generally, October 31 Hearing Transcript at page 5, line 17 to page 11 line 24. See, specifically, October 31 Hearing Transcript at page 11, lines 18-24 (“The reason that CLF . . . said that the QDN [Qualification Determination Notification] provides evidence of the degree to which Invenenergy has misstated facts to the EFSB, the parties, and the public is that the QDN reflects the degree to which Invenenergy has misstated facts to the EFSB, the parties, and the public”); and page 6, lines 8-16 (“Not only does the QDN . . . show that Invenenergy has misled the public, the parties, the EFSB, and the ISO, but it shows that Invenenergy has misled the parties, the public, the EFSB, and the ISO on a matter of huge, key central importance to the entire docket and that is the crucial commercial operation date.”).

When Invenenergy's counsel was asked by the EFSB if Invenenergy had any response to the assertions that Invenenergy has been misstating facts, Invenenergy's counsel had no reply. October 31 Transcript at page 14, line 24 to page 15, line 4.

Stunningly, Invenenergy's November 9 FERC filing was filed and served more than a week after the EFSB hearing of October 31 at which Invenenergy's dishonesty had been addressed at length.

Invenenergy's November 9 Filing states unequivocally that the EFSB permit at issue in this Docket is “the only gating item for the Project.” Invenenergy's November 9 Filing at page 4, lines 3-4. In order to emphasize this crucial point to FERC, Invenenergy repeats the false statement on

page 10, line 5. Invenenergy was arguing to FERC against the September 20, 2018 action by the ISO to involuntarily terminate Invenenergy's Capacity Supply Obligation (CSO) based on Invenenergy's inability to be in commercial operation by the deadline required by the FERC-approved ISO Tariff.

Invenenergy's statement somehow omits the separate Interconnection Docket before the EFSB in its Docket 2017-01 (as of November 9, 2018, the Final Hearing in the interconnection docket had not yet commenced); the need for a Major Source Air Permit under the federal Clean Air Act (as of November 9, 2018 no draft Major Source Air Permit had yet been issued, let alone a final permit); and the need for a Wetlands Alteration Permit (as of November 9, 2018, DEM did not believe Invenenergy's application to be complete).

"He who permits himself to tell a lie once, finds it much easier to do it a second and third time, till at length it becomes habitual; he tells lies without attending to it . . . ." Thomas Jefferson, Letter to Peter Carr (August 19, 1785).

CONSERVATION LAW FOUNDATION,  
by its Attorney,



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CERTIFICATE OF SERVICE

I certify that the original and seven hard copies of this document were hand delivered to the Energy Facility Siting Board and served electronically on the service list of this docket on November 19, 2018.

  
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# Tab A

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

**ISO New England Inc.**

**Docket Nos. ER18-2457-000**

**Clear River Energy LLC**

**ER19-94-000  
(not consolidated)**

**MOTION FOR LEAVE TO ANSWER AND ANSWER OF CLEAR RIVER  
ENERGY LLC AND INVENERGY ENERGY MANAGEMENT LLC**

Pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") Rules of Practice and Procedure,<sup>1</sup> Clear River Energy LLC and Invenergy Energy Management LLC (collectively "Clear River") hereby move for leave to answer and submit this answer to pleadings submitted in the above-captioned proceedings.<sup>2</sup>

On September 20, 2018, ISO New England Inc. ("ISO-NE") filed a request to terminate the Capacity Supply Obligation ("CSO") assigned to Unit 1 of Clear River's planned 1080 MW generation facility (the "Project") for the 2021-2022 Capacity Commitment Period (the "Termination Filing"). The CSO subject to termination was assigned in the twelfth Forward Capacity Auction ("FCA-12"). On October 11, 2018, Clear River protested the Termination Filing<sup>3</sup> and, separately, requested -- in the event its Protest was not granted -- a waiver of those provisions in the ISO-NE Transmission, Markets, and Services Market Tariff ("Tariff") that permitted Clear River's CSO to be

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<sup>1</sup> 18 C.F.R. §§ 385.212 and 213 (2018).

<sup>2</sup> Clear River is submitting a single answer because the same issues were raised in the pleadings submitted in both captioned proceedings.

<sup>3</sup> "Motion to Intervene and Protest of Clear River Energy LLC and Invenergy Energy Management LLC," Docket No. ER18-2457-000 (Oct. 11, 2018) ("Protest").

terminated and that requires, as a consequence of such termination, its security to be forfeited and its being prohibited from participating in FCA-13 (the “Waiver Request”).<sup>4</sup> Cogentrix Energy Power Management, LLC (“Cogentrix”) filed comments in support of the Termination Filing,<sup>5</sup> and both the Town of Burrillville (“Burrillville”) and ISO-NE filed answers to Clear River’s Protest<sup>6</sup> and oppositions to Clear River’s Waiver Request.<sup>7</sup> All of these parties contend that ISO-NE was authorized under its Tariff to make the Termination Filing.<sup>8</sup>

Clear River does not dispute ISO-NE’s authority to make termination filings. Rather, the questions presented by the Termination Filing are, first, whether the circumstances presented *here* represent the *egregious* case for which termination is

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<sup>4</sup> “Request of Clear River Energy LLC and Invenegy Energy Management LLC For Limited Waiver, Shortened Comment Period and Expedited Action,” Docket No. ER19-94-000 (Oct. 11, 2018).

<sup>5</sup> “Motion to Intervene and Comments of Cogentrix Energy Power Management, LLC,” Docket No. ER18-2457-000 (Oct. 12, 2018) (“Cogentrix Termination Comments”).

<sup>6</sup> “Motion For Leave To Answer And Answer Of ISO New England Inc.,” Docket No. ER18-2457-000 (Oct. 25, 2018) (“ISO-NE Termination Answer”); “Motion For Leave To Respond And Response Of The Town Of Burrillville To The Protest Of Clear River Energy, LLC And Invenegy Energy Management LLC,” Docket No. ER18-2457-000 (Oct. 17, 2018).

<sup>7</sup> “Motion to Intervene and Answer in Opposition To Waiver Request,” Docket No. ER19-94-000 (Oct 25, 2018) (“ISO-NE Waiver Answer”); “Motion To Intervene And Protest Of The Town Of Burrillville,” Docket No. ER19-94-000 (Oct. 19, 2018).

<sup>8</sup> Burrillville’s pleadings, however, are focused entirely on trying to show that Clear River is responsible for delays in the permitting proceeding. But the record at the Energy Facilities Siting Board (“EFSB”) which includes dozens of motions filed by Burrillville and its ally, the Conservation Law Foundation, and 57 separate data requests (each asking for volumes of data, belies Burrillville’s assertion and shows quite clearly who delayed what and by what means. See [http://www.ripuc.org/efsb/2015\\_SB\\_6.html](http://www.ripuc.org/efsb/2015_SB_6.html). No doubt the views of infrastructure opponents need to be heard, but the Commission is no stranger to the aggressive tactics that many infrastructure opponents will employ in order to delay and prevent the necessary permits from being issued. Accordingly, Clear River will not waste the Commission’s time with a blow by blow rebuttal of Burrillville’s fanciful recitations. Indeed, in a recent editorial, the Providence Journal described the EFSB proceeding as “Kafkaesque” insofar as the EFSB has decided that in the upcoming hearing, because the process has dragged on for so long, the Board will have to review whether the Project is needed. See “Editorial: A Kafkaesque hearing process,” Providence Journal (Nov. 5, 2018) (included as Attachment A).

reserved<sup>9</sup> and if so, second, whether Clear River's Waiver Request nevertheless satisfies all of the Commission's criteria for it to be granted.

In its answer to the Protest, ISO-NE suggests that a potential delay in commercial operations of more than two years beyond the Capacity Commitment Period ("CCP") of the initial FCA in which the Project participated (i.e., the period of time during which a developer is expressly permitted to cover its CSO) in and of itself *requires* CSO termination.<sup>10</sup> Clearly though, this standard would nullify the Tariff language that permits ISO-NE to allow a CSO to be maintained even after twice being covered.<sup>11</sup> ISO-NE also speculates that there will be even further delays beyond those anticipated by Clear River -- perhaps brought on by an upgrade schedule change by National Grid or from appeals of the EFSB permit decision upon its issuance -- that ISO-NE also should consider in deciding whether Clear River's CSO can be maintained.<sup>12</sup> The Commission should resist such speculation entirely, but at a minimum, at least balance the potential for future unknown risks against the fact that the hallmark of successful developers like Invenergy (Clear River's parent) is their ability to overcome those risks should they arise.

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<sup>9</sup> As ISO-NE has made clear over at least the last four years, termination of a CSO must be reserved for the most *egregious* cases. See, *ISO New England Inc.*, Docket No. ER14-2440-000, "Revisions to Allow a Non-Commercial Capacity Resource to Seek a One-Year Deferral" at 1 (July 17, 2014) (the "Deferral Filing").

<sup>10</sup> ISO-NE Termination Answer at 4-5.

<sup>11</sup> Section III.13.3.4(c) of the Tariff provides, *inter alia*: "[I]f the Project Sponsor covers the [CSO] for two [CCPs], or if, as a result of milestone date revisions, the date by which a resource will have achieved all its critical path schedule milestones is more than two years after the beginning of the [CCP] for which the resource first received a [CSO], then the ISO, after consultation with the Project Sponsor, shall have the right, through a filing with the Commission, to terminate the resource's [CSO] for any future [CCPs] and the resource's right to any payments associated with that [CSO] in the [CCP], and to adjust the resource's qualified capacity for participation in the Forward Capacity Market."

<sup>12</sup> ISO-NE Termination Answer at 7.



While the EFSB permitting proceedings were delayed, the final stage -- the formal hearing -- was imminent when the Termination Filing was submitted. Given that the EFSB permit -- the only gating item for the Project -- still can be obtained by early next year, this is clearly not the egregious case that prevents Clear River from maintaining its CSO. Nor should there be any doubt as to whether Clear River will move forward. Importantly, Clear River is not a paper project. To date it has committed more than \$44 million to develop the Project, and it will fund an additional \$44 million in network upgrades that will strengthen the New England grid. The Project will directly contribute to New England's fuel security given its dual fuel design and its ability and its planned connection to two adjacent main gas transportation lines as planned.

ISO-NE also argues that permitting Clear River to maintain its CSO could potentially affect auction outcomes (because its capacity offer will be zero).<sup>13</sup> However, this proceeding is not about whether lower or higher auction prices in FCA-13 are preferable or should be pursued as a matter of policy. Indeed, auction prices can be affected by many factors, some of which simply reflect the operation of the Tariff's Forward Capacity Market rules, or from serious events, such as the retention of about 1,400 MW of otherwise uneconomic generation capacity.<sup>14</sup> Moreover, given that there has been no suggestion that the Project will not be completed prior to the FCA-13 CCP, to the extent price suppression is even pertinent, such potential must be balanced against

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<sup>13</sup> ISO-NE Termination Answer at 6-7; ISO-NE Waiver Answer at 5.

<sup>14</sup> See *ISO New England Inc.*, 164 FERC ¶ 61,003 (2018) and *Constellation Mystic Power, LLC*, 164 FERC ¶ 61,022 (2018) (authorizing ISO-NE to enter into an out-of-market agreement with Mystic to address fuel security concerns, and setting that agreement for hearing).

the potential for there to be higher prices in FCA-13 should Clear River be excluded from the auction.

In any event, speculation as to whether FCA-13 auction prices will be higher or lower depending on Clear River's participation is irrelevant as to whether Clear River can meet the Commission's waiver criterion that there be no adverse impact on third parties should a waiver be issued. Indeed, if potential price changes were deemed a determinative factor in assessing third-party impacts with respect to the Waiver Request here, the Commission would have to choose between the lower prices (presumed if Clear River is able to participate in FCA-13) that arguably adversely impact sellers, and the higher prices (if Clear River is prohibited from participating in FCA-13) that arguably adversely impacts buyers. Indeed, this is precisely why the Commission has found that when considering a requested waiver of a market rule, whether or not a project will be able to participate in a particular auction is not something the Commission considers when determining whether the "no impact on third parties" waiver criterion is met. Rather it is simply part of the "competitive landscape."<sup>15</sup>

**I. MOTION FOR LEAVE TO ANSWER**

Although the Commission's Rules of Practice and Procedure do not generally permit answers to answers,<sup>16</sup> the Commission will accept an answer when, as is the case here, it serves to provide a more complete record, aids the Commission in understanding

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<sup>15</sup> *Calpine Energy Services, L.P.*, 154 FERC ¶ 61,082 at P 13 (2016).

<sup>16</sup> 18 C.F.R. § 385.213(a)(2).

the issues, or otherwise assists the Commission in its decision-making process.<sup>17</sup> Clear River, therefore, requests that the Commission accept this answer.

## II. **ANSWER**

### A. **The Commission Should Require That Clear River's CSO Be Maintained.**

ISO-NE notes that the Termination Filing is authorized by the Tariff.<sup>18</sup> This is true. But it is also true that the Tariff does not *ipso facto* require termination of a CSO anytime a project has twice-before covered it. Instead, the Tariff contemplates that, before doing so, the reasons for and against termination should be evaluated under the circumstances presented. And where the CSO is not terminated, additional Tariff provisions kick-in to further discipline the CSO-holder by imposing significantly greater financial security requirements and, thereby, increasing the amount subject to forfeiture should the project not achieve commercial operation.

As detailed in the Protest and the Waiver Request, ISO-NE has recognized for many years that the Tariff contemplates a construction schedule that does not account for, and therefore is incompatible with, the serious permitting and other challenges facing developers in New England. Indeed, the ISO reiterates that point here:

The ISO appreciates and recognizes the challenges of building new resources, especially large fossil resources such as the Project, in New England.<sup>19</sup>

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<sup>17</sup> See e.g., *New England Power Generators Association, Inc. v. ISO New England Inc.*, 144 FERC ¶ 61,157 at P 46 (2013) (accepting answers to answer because they provided information that assisted in the decision-making process); *Algonquin Gas Transmission, LLC*, 153 FERC ¶ 61,111 at n.5 (2015) (accepting answer to answer “since it will not delay the proceeding, may assist the Commission in understanding the issues raised, and will ensure a complete record.”).

<sup>18</sup> ISO-NE Termination Answer at 4-5; see also Cogentrix Termination Comments at 4-5.

<sup>19</sup> ISO-NE Termination Answer at 6; see also ISO-NE Waiver Answer at 5.

But ISO-NE appears to have concluded that its discretion not to terminate a CSO after its having been twice covered is conditioned on the Project maintaining the same commercial operation date required of every developer, *i.e.*, a date no more than 63 months after the date the project cleared its first FCA. Thus, termination has been proposed here based on ISO-NE's further conclusion that, because one required network upgrade (the West Farnum substation) is not expected to be completed until December 2021, the Project might not achieve commercial operation until 71 months after clearing the initial FCA. Of course, if there were a "two years and you're out" rule buried in the Tariff, this would render meaningless the explicit Tariff language that provides ISO-NE with the discretion to maintain a CSO beyond the period already permitted (*i.e.*, the right to cover a CSO obligation on two occasions should a plant be delayed). Hence, even ISO-NE's good faith speculation that the Project's commercial operations date might be further delayed should not itself have sufficed to preclude ISO-NE from exercising its discretion to maintain the CSO here.

In its latest pleading, ISO-NE now raises, for the first time, other uncertainties that might also jeopardize the Project's timely completion. ISO-NE claims that National Grid might further extend the completion date for the West Farnum upgrade; that the EFSB might not grant a permit for the Project, or if it does, it might be later than expected (because the EFSB proceedings have been suspended pending Commission action here); or the EFSB's decision might be appealed.<sup>20</sup> But conjecture and "what ifs"

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<sup>20</sup> ISO-NE Termination Answer 7. ISO-NE also notes it is uncertain what schedule will be adopted for completing additional upgrades on Eversource's system. *Id.* at 6. However Clear River recently entered into Facilities Agreements with two of the Eversource utilities (that Eversource will shortly be filing) which includes a schedule for completing these upgrades in time for a June 1, 2021 commercial operation date.

-- even where “reasonable,” as many other possibilities might be -- should not be permitted to form the basis for yanking a CSO and potentially condemning an otherwise considerably valuable resource – particularly a resource which, once constructed, indisputably will assist ISO-NE in addressing various of the unattractive scenarios ISO-NE also projects “might” soon occur.

Unknown risks are part and parcel of project development, and the hallmark of a successful developer, like Invenergy, is its ability to overcome those risks when they arise. By way of example, when Clear River’s affiliate faced similar permitting delays for a project in PJM, it worked with suppliers and vendors to expedite the construction schedule to mitigate and minimize delays in project completion.

Accordingly, if “what ifs” are to be considered in deciding whether to allow a CSO to be maintained, then the likelihood of Clear River being able to mitigate -- if not entirely overcome those very possibilities -- also must be evaluated. Clear River respectfully suggests that neither ISO-NE nor the Commission should be engaged in such speculations. Indeed, ISO-NE never once said that there is anything Clear River could have done to avoid the EFSB delays. The mere fact that the outcomes are so difficult to predict -- not to mention the tacitly acknowledged fact that Clear River has done, and is continuing to do, everything it prudently can to construct the Project<sup>21</sup> – itself shows that

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<sup>21</sup> Clear River’s extensive development efforts are recounted in the Protest at 7-9 and the Waiver Request at 5-7.

the case here does not constitute the “egregious case” ISO-NE represented to the Commission as might justify a CSO’s termination.<sup>22</sup>

It is commonly understood, by ISO-NE and anyone else who knows anything about development, that many projects have either voluntarily terminated their CSOs, or not objected to ISO-NE’s filing to do so because they never evolved into serious projects willing to shell out increasingly significant sums of money and take on the risk of losing all or part of that money; they are projects on paper only. But absolutely no one contends that Clear River is a paper project. Clear River is not sitting on its hands and leaving its blueprints in a drawer. Thus, any concerns here about inconsistent Tariff applications are misplaced.<sup>23</sup>

Indeed, Clear River has committed \$44 million to developing the Project, much of which is in the form of security that is not refundable if the Project is not completed. Clear River will be funding an additional \$44 million to replace existing equipment and otherwise strengthen the transmission grid;<sup>24</sup> and when operational, the Project will directly contribute to addressing New England’s fuel security issues by virtue of its dual fuel capability, its having onsite fuel storage, and its being connected to both main gas transmission lines owned by Algonquin Gas Transmission.<sup>25</sup> No one has challenged that the Project’s benefits are considerable.

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<sup>22</sup> As ISO-NE has made clear over at least the last four years, termination of a CSO must be reserved for the most *egregious* cases. See Deferral Filing at 1 (“Such terminations occur only in the most egregious cases.”).

<sup>23</sup> Cogentrix Termination Comments at 5.

<sup>24</sup> Protest at 8.

<sup>25</sup> *Id.* at 7-8.

While the EFSB proceeding has faced an extraordinary number of delays, final hearings are scheduled to resume at the end of November, with a permit decision expected promptly thereafter. While the EFSB proceeding was delayed pending Commission action, Clear River is prepared to resume the hearing and work towards obtaining a permit early next year – the only gating item for the Project’s construction. Nothing presented by ISO-NE warrants the Commission concluding that this is the type of egregious circumstance that calls for termination of Clear River’s CSO. Put bluntly, if these facts were deemed egregious, the Tariff option that allows a project to maintain a CSO already twice-covered will never, and could never, be invoked in regards to any gas-fired project, and certainly not a combined-cycle plant.

**B. Retaining Clear River’s CSO Will Not Harm ISO-NE’s Markets Or Third Parties.**

ISO-NE argues that permitting Unit 1 to retain its CSO and to participate in FCA-13 potentially could affect auction outcomes (because Unit 1’s capacity will be offered in at zero dollars), as well as ISO-NE’s system planning studies.<sup>26</sup> Neither contention, even if true, is germane to the issue here.

First, no serious question has ever been raised as to whether the Project will be completed before the FCA-13 CCP commences.<sup>27</sup> ISO-NE addresses this possibility only in the very last sentence in each of its pleadings wherein it claims -- entirely unsupported by any evidence -- that the Project is not likely to be completed for the FCA-13 CCP. Thus, the effect of the Project’s being allowed to participate in FCA-13 in fact is

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<sup>26</sup> ISO-NE Waiver Answer at 5-6; *see also* Cogentrix Termination Comments at 5.

<sup>27</sup> Waiver Request at 5-7; Protest at 7-10.

irrelevant. Second, and in any event, this proceeding is not about whether lower or higher auction prices should be preferred or pursued as a matter of policy. Third, auction prices are the product of many factors, ranging from those built into how the Tariff is implemented (*e.g.*, the requirement that ISO-NE prohibit resources that fail the overlapping interconnection impact analysis from participating in the Forward Capacity Market)<sup>28</sup> to others, such as ISO-NE's deciding to contract for approximately 1,400 MW of otherwise uneconomic generation capacity.<sup>29</sup>

Lastly, if the potential for price suppression is considered relevant to assessing whether Unit 1 should be allowed to participate in FCA-13 and to the overall merits of the Termination Filing (which it should not be), then the potential for auction prices to end up being higher than they would be if Unit 1 were not prohibited from participating in FCA-13 should be equally relevant.<sup>30</sup>

Nor is there any reason to reject Clear River's Waiver Request based on concerns over third party impacts. Indeed, if potential price changes were deemed a determinative factor in assessing the potential for any third party impacts to occur were the waiver to be granted, the Commission would have but a binary choice between lower prices (presumed if Clear River participates in FCA-13) which arguably impact sellers adversely, as opposed to higher prices (presumed if Clear River does not participate in FCA-13) which arguably impact buyers adversely. But, it is precisely for this reason

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<sup>28</sup> See, *e.g.*, ISO New England, "Informational Filing for Qualification in the Forward Capacity Market," Docket No. ER19-295-000 (Nov. 6, 2018).

<sup>29</sup> See *n. 14, supra*.

<sup>30</sup> Indeed, Cogentrix' concerns about suppressed auction prices, based on its unsupported claim that the Project will not be in service "for the foreseeable future," is incorrect. See Cogentrix Termination Comments at 5.



that, with respect to its criteria for granting a waiver and its analysis of third-party harm, the Commission has determined that it should *not* consider whether granting a waiver of a market rule would impact whether or not a project will be able to participate in a particular auction.<sup>31</sup>

Finally, ISO-NE also claims that the requested waiver would cause ISO-NE to continue including Unit 1 in its system planning studies, which in turn could become a barrier to other new entry because these other resources would “have to be built around Clear River Unit 1.”<sup>32</sup> Clear River is uncertain what ISO-NE means here: is ISO-NE suggesting that other potential resources would somehow be supplanted in the study processes while Clear River remains or, by saying that these other resources have to be “built around” Clear River, is ISO-NE suggesting that these other parties will perhaps be assessed upgrade responsibility unnecessarily on the assumption that the Project will remain in the queue. Either way, though, the statement seems to reflect an assumption that the Project will not be built and will not be in service before the FCA-13 CCP, which, as noted above, is incorrect. In short, because the Project is on schedule to be in service before the FCA-13 CCP, it is entirely appropriate for ISO-NE to include Unit 1’s capacity in any related planning studies and for other, later, projects to factor this into their market decisions.<sup>33</sup>

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<sup>31</sup> Waiver Request at 18, *citing Calpine Energy Services, L.P.*, 154 FERC ¶ 61,082 at P 13 (2016).

<sup>32</sup> ISO-NE Waiver Answer at 5-7.

<sup>33</sup> *First Solar Development, LLC*, 161 FERC ¶ 61,256 at P 22 (2017) (granting waiver to reinstate a project into the PJM interconnection queue, and rejecting arguments that doing so would “reimpose” on other projects the costs associated with reinforcing transmission lines.).

**III. CONCLUSION**

For the foregoing reasons, Clear River respectfully requests that the Commission accept this answer and issue an order allowing Clear River's CSO to be maintained, whether by rejecting the Termination Filing or by granting the Waiver Request.

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November 9, 2018

# **ATTACHMENT A**

# PROVIDENCE Journal

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Opinion

## **Editorial: A Kafkaesque hearing process**

Posted Nov 5, 2018 at 11:00 PM

The process of trying to build a \$1 billion power plant in Rhode Island seems to be getting more Kafkaesque by the day.

Last week, the Rhode Island Energy Facility Siting Board threw out an opinion issued two years ago by the state's Public Utilities Commission that the plant is necessary for the reliability of the region's electric grid.

The regulatory process, the board ruled, has dragged on for so long that the commission's opinion is now out of date.

This would be laughable if the stakes were not so high.

Independent System Operator-New England, which makes sure the region gets a supply of affordable electricity, has warned of rolling winter blackouts in years ahead — bad news for people who want to keep their lights on and their families safe and warm — unless changes are made.

Specifically, the region must improve its pipeline capacity to bring in cheap natural gas, and it must build more efficient, state-of-the-art plants to burn natural gas, since older plants, including nuclear ones, have either gone off line, or are scheduled to do so. Renewable sources such as wind and solar, while helpful, are only intermittent, available when the wind is blowing or the sun is shining.

Unfortunately, opponents of using natural gas have been successful in blocking pipeline development and new plants.

Local activists and the Conservation Law Foundation, for example, have thrown up a series of impediments in front of the proposed Clear River Energy Center in Burrillville, pushing back the possible in-service date of the plant by years.

As a result, ISO-NE has dropped the plant from its auctions for energy, since it won't be producing energy any time soon. Opponents have seized on that as evidence the plant is no longer needed, which does not seem to be the case.

Certainly, Invenergy, the company that hopes to build the plant, believes there is a market.

“The facts are clear: with Rhode Islanders continuing to face some of the nation's highest electric rates and thousands of megawatts of capacity coming off the grid in the coming years, the need for the Clear River Energy Center is only growing,” said Michael Blazer, Invenergy's chief legal counsel.

By thwarting modern natural gas infrastructure, the BANANAS (Build Absolutely Nothing Anywhere Near Anyone) seem to have gained the upper hand.

But people everywhere are paying the price — in frighteningly high electric bills. Some politicians are so craven that they have blamed energy delivery services, such as National Grid, for the prices, when sky-high bills are in truth the result of political decisions.

New England still needs additional natural gas in the coldest months, but it must get it in the form of liquefied natural gas shipped in on foreign tankers — at shockingly high prices — rather than piped in cheaply. And New England's older and less efficient plants must remain online, burning more polluting fuels, such as oil, in the winter.

Sufficient pipeline capacity and modern plants operating at peak efficiency would be far better for our economy *and* environment, until we reach the day — perhaps decades away — when we can get by only on renewables.

## CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of November, 2018, a copy of the foregoing document has been electronically served upon each person designated on the official service list in this proceeding.

/s/ Diana Jeschke

Diana Jeschke

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