

Strawman

NYSDPS Process¹ for Reviewing Other Developers' Proposals for Regulated Reliability Projects

PURPOSE

To ensure that viable, fully described project proposals prepared by Other Developers for consideration of regulated cost recovery receive timely evaluation for impacts on the local electric system. The NYSDPS review is intended to place a full range of reliability solutions, representing various technologies, before the NYISO, while ensuring compatibility with the existing bulk and local systems.

PROCESS

Submittal:

* When the NYISO initiates the second step of the solicitation process by requesting alternative regulated responses to Reliability Needs, Other Developers desiring to put forward a regulated response proposal should submit the proposal to:

Secretary

and

Director, OEE.

* The proposal should be submitted within the NYISO specified timeframe which will allow sufficient time for the proposal to be processed through the NYSDPS evaluation and for the appropriate TO to perform a screening level study of the proposal.

Proposal Contents:

The proposal should contain the following elements (as appropriate for a generation, transmission or demand response project):

1) Project Description: Describe the project including type, size, location, fuel supply (including access point), previous studies performed for this specific project, proposed interconnection point(s), timelines for permits, construction start and in-service date, projected capacity and energy impacts, potential environmental impacts and possible mitigation methods, operating characteristics and any other information (including the

¹ The findings and/or conclusions of the NYSDPS will neither bind the New York Public Service Commission in any future certification proceeding nor prejudice the outcome of such proceeding.

use of any unique technology) that would assist in understanding and evaluating the proposal.

2) Modeling Information: The required inputs sufficient for technical studies including data for powerflow, stability and short-circuit studies. If devices are to be employed to implement a demand-side measure, device specifications should be supplied along with documentation supporting the reliability of the device.

3) Economic Information: Project costs broken down by major elements of the project, including interconnection costs by substation, and a specification of which costs are anticipated to be recovered through regulated tariffs.

NYSDPS Review & Internal Process:

* NYSDPS staff will evaluate the Other Developer proposal based on the following criteria:

- 1) Is the technology commercially viable and consistent with the area of the system in which the project is to be integrated?
- 2) Is the project likely to solve the reliability need, based on a review of studies and other materials provided by the developer in light of staff's knowledge of the system?
- 3) Is the project capable of being implemented within the time required to solve the reliability need?
- 4) Is the project consistent, in terms of project costs, with normal expectations for a solution to the particular need?
- 5) Does the specification of the project contain sufficient information for technical studies to be performed without further assumptions having to be made by those performing the studies?
- 6) What are the potential environmental impacts of the proposal?

* Within xx business days, the NYSDPS will communicate with the Other Developer to present NYSDPS staff evaluation conclusions.

* If the Other Developer's proposal is found deficient, NYSDPS staff will discuss with the Other Developer what is required to complete the proposal. A timeline for rectifying deficiencies will be developed at the consultation meeting with the goal of completing the re-evaluation of the proposal and leaving sufficient time for the impacted TO to perform necessary screening studies for local electric system impacts.

TO Review of Other Developer Proposals:

- * Once the Other Developer's proposal has successfully passed the NYSDPS review, the NYSDPS will forward the project proposal to the impacted TO(s) with a request to perform a screening level study to identify possible local electric system impacts that might be incurred with the integration of the Other Developer's proposed project into the system.
- * The TO will develop a schedule for completing the screening-level system impact studies² within the NYISO designated timeframes. As the TO performs the study(s), they will keep the NYSDPS informed on its progress against the schedule.
- * The TO will identify specific impacts to its system that will require remediation if the Other Developer's proposal goes forward. The TO will specify the particular facilities that will require upgrading and the size specifications of the required modifications.
- * The TO will provide a report of the study results to the Other Developer. The report will contain sufficient information so that the developer can modify its proposal as necessary. The TO does not have to provide any information that is considered confidential and would be excluded under section ** of the CRP. A copy of the report will be provided to NYSDPS.

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² Note that the TO screening level study is not expected to replace the need for an SRIS for a proposed project. The goal is a screening-level review of the Other Developer proposal only.