

**Extension of Time to Provide Notice under Section 31.4.6.6 of
the OATT and Evidence of an Executed SIS/SRIS Agreement
for the AC Transmission Public Policy Transmission Need**

February 2, 2017

Dear NYISO Developers:

The New York Independent System Operator, Inc. (“NYISO”) notifies Developers of proposed viable and sufficient solutions to the AC Transmission Public Policy Transmission Need (“AC Transmission Need”) that the deadline to provide notice and consent in accordance with Section 31.4.6.6 of the NYISO’s Open Access Transmission Tariff (“OATT”) and to demonstrate that they have an executed System Impact Study (“SIS”) Agreement or System Reliability Impact Study (“SRIS”) Agreement, as applicable, is hereby extended until close of business on Monday, March 13, 2017.

Currently effective Section 31.4.6.6 of the OATT requires Developers of proposed viable and sufficient solutions to provide, within thirty (30) calendar days from the NYISO’s presentation of the Viability and Sufficiency Assessment, (a) notice of their intent to proceed with the evaluation of their proposed projects for purposes of the NYISO’s selection of the more efficient or cost effective Public Policy Transmission Project to satisfy a Public Policy Transmission Need, and (b) consent for the disclosure of certain confidential details of the proposed solutions to be included in the Public Policy Transmission Planning Report.

On March 22, 2016, the NYISO filed revisions to Section 31.4.6.6 of the OATT with an effective date of April 1, 2016, requiring Developers of proposed viable and sufficient solutions within fifteen (15) Calendar Days after the New York State Public Service Commission (“PSC”) issues an order confirming a Public Policy Transmission Need to provide the notice and consent requirement set forth above and demonstrate that they have an executed SIS or SRIS Agreement, as applicable. Given its April 1, 2016 effective date, the NYISO is administering this tariff requirement pending acceptance for filing by the Federal Energy Regulatory Commission (“FERC”). A copy of proposed Section 31.4.6.6 of the OATT is attached.

On September 30, 2016, the NYISO extended the time period for Developers to provide (a) notice of their intent to proceed with the NYISO’s evaluation of their project for purposes of selection and (b) consent for the disclosure of certain confidential details until fifteen (15) days following the PSC’s order confirming the AC Transmission Need.¹

On January 24, 2017, the PSC issued an order confirming that there remains a public policy need for transmission to relieve congestion across the Central East and UPNY/SENY interfaces and requesting the NYISO to proceed with its evaluation and selection, as appropriate, of the more efficient or cost effective transmission solution that would be eligible for cost allocation and recovery under the NYISO’s tariffs. Applying the pending tariff requirement and the extension, the

¹ The September 30, 2016 notice is available at http://www.nyiso.com/public/webdocs/markets_operations/services/planning/Planning_Studies/Public_Policy_Documents/AC_Transmission_PPTN/ACTransmissionExtensionofDeveloperNoticetoProceed.pdf.

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current deadline for Developers is Wednesday, February 8, 2017.

Pursuant to Section 31.1.8.7 of the OATT, the NYISO notifies Developers that the deadline to: (a) provide notice of their intent to proceed with the evaluation of their project for selection, (b) consent to the disclosure of certain confidential details, and (c) demonstrate that they have an executed SIS or SRIS Agreement, as applicable, will be extended for all Developers of proposed viable and sufficient solutions for the AC Transmission Need until close of business on Monday, March 13, 2017. This extension will not delay the NYISO's evaluation and selection of the more efficient or cost effective transmission project to fulfill the AC Transmission Need.

Attached to this notice is the Developer Election to Proceed form for the AC Transmission Need. In the event that a Developer fails to submit this form or fails to satisfy any of the above-referenced notice requirements, including a demonstration that it has an executed SIS or SRIS Agreement, as applicable, by Monday, March 13, 2017, then its proposed solution will be removed from further consideration during this planning cycle in accordance with Section 31.4.6.6 of the OATT. If a Developer already has executed an SIS or SRIS Agreement, the NYISO encourages it to submit the form before the deadline.

Please acknowledge receipt of this notice no later than Tuesday, February 7, 2017 by replying to the Public Policy Planning Mailbox (PublicPolicyPlanningMailbox@nyiso.com). Questions about this notice or the Public Policy Transmission Planning Process can also be addressed to the Public Policy Planning Mailbox.

31.4.6.6 Developer's Determination to Proceed

Within 15 Calendar Days following the NYPSC's issuance of an order in accordance with Section 31.4.6.7 indicating that the ISO should proceed with its evaluation of transmission solutions to a Public Policy Transmission Need, which time period may be extended by the ISO pursuant to Section 31.1.8.7, all Developers of proposed Public Policy Transmission Projects that the ISO has determined satisfy the viability and sufficiency requirements in this Section 31.4.6 shall notify the ISO whether they intend for their projects to proceed to be evaluated by the ISO for purposes of the ISO's selection of the more efficient or cost effective Public Policy Transmission Project to satisfy an identified Public Policy Transmission Need. To proceed, a Developer must include with its notification to the ISO under this Section 31.4.6.6: (i) its consent to the ISO's disclosure of the details of its proposed Public Policy Transmission Project in the Public Policy Transmission Planning Report, except for the information that shall remain confidential in accordance with Section 31.4.15, and (ii) a demonstration that it has an executed System Impact Study Agreement or System Reliability Impact Study Agreement, as applicable. If a Developer: (i) notifies the ISO that it does not intend for its proposed Public Policy Transmission Project to proceed to be evaluated for purposes of the ISO's selection, or (ii) does not provide the required notification to the ISO under this Section 31.4.6.6, the ISO will remove the project from further consideration during that planning cycle.

Developer Election to Proceed
AC Transmission Public Policy Transmission Need
Form due March 13, 2017

_____ (“Developer”) has submitted a Public Policy Transmission Project known as _____ (“Transmission Project”) in response to the NYISO’s February 29, 2016 solicitation for solutions to address the AC Transmission Public Policy Transmission Need (“Transmission Need”) in the its Public Policy Transmission Planning Process. On October 27, 2016, the NYISO submitted to the New York State Public Service Commission its AC Transmission Public Policy Transmission Need Viability and Sufficiency Assessment, which identified the Transmission Project as a viable and sufficient solution.

Pursuant to Section 31.4.6.6 of the NYISO’s Open Access Transmission Tariff (“OATT”)¹ and the NYISO’s September 30, 2016 extension notice, Developer is required to submit to the NYISO this Election to Proceed no later than March 13, 2017 for its Transmission Project to be evaluated for purposes of the NYISO’s selection of the more efficient or cost-effective Public Policy Transmission Project to address the Transmission Need.

Developer submits this form to notify the NYISO that it: [check each]

- _____ Elects for its Transmission Project to proceed to be evaluated by the NYISO for purposes of the NYISO’s selection of the more efficient or cost-effective Public Policy Transmission Project to address the Transmission Need; and
- _____ Consents to the NYISO’s disclosure of the details of its Transmission Project in accordance with Sections 31.4.6.6 and 31.4.15 of the OATT.
- _____ Certifies that it has an executed System Impact Study (“SIS”) or System Impact Reliability (“SRIS”) Agreement for its Transmission Project, as applicable.

The completed form, executed by a duly authorized officer or agent of the Developer, must be sent electronically to: publicpolicyplanningmailbox@nyiso.com with a subject line, “AC Transmission Election to Proceed.” Developer understands and acknowledges that if it fails to submit this form by March 13, 2017 or fails to check one of the above items, the NYISO will remove the Transmission Project from further consideration in the current planning cycle.

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

¹ On March 22, 2016, the NYISO filed an amendment to Section 31.4.6.6 of the OATT requiring Developers of viable and sufficient solutions to demonstrate they have an executed SIS or SRIS Agreement, as applicable, in addition to the notice and consent requirements. Given the April 1, 2016 effective date, the NYISO is administrating this tariff requirement pending acceptance for filing by the Federal Energy Regulatory Commission.