

# COMPREHENSIVE RELIABILITY PLANNING PROCESS

## IMPLEMENTATION REQUIREMENTS

### SUMMARY

#### 3. NYISO Implementation and Administration

3.1 The NYISO shall adopt procedures for the implementation and administration of the Comprehensive Reliability Planning Process set forth in this tariff. Such procedures will be incorporated in the NYISO's manuals.

3.2 The NYISO shall establish in its procedures a schedule for the collection and submission of data and the preparation of models to be used in the studies contemplated under this tariff. That schedule shall provide for an annual cycle of studies and reports.

3.2.1 The NYISO's procedures shall be designed to allow the coordination of the NYISO's planning activities with those of NERC, NPCC, and other regional reliability organizations so as to develop consistency of the models, databases, and assumptions utilized in making reliability determinations.

#### 4. Reliability Needs Assessment

4.1.1 Market Participant Participation in the Development of the RNA.

The NYISO shall develop the RNA in consultation with Market Participants. TPAS will have responsibility consistent with ISO Procedures for review of the NYISO's reliability analyses. ESPWG will have responsibility consistent with ISO Procedures for providing commercial input and assumptions to be used in the development of reliability assessment scenarios provided under section 4.2.5, and in the reporting and analysis of historic congestion costs.

4.2.1.1 The baseline for the first five year period will be the system as defined for the ATRA. The NYISO shall set out the details of the development of the Five Year Base Case in the procedures adopted under section 3, above.

4.2.2.1 The NYISO shall develop the system representation to be used for its evaluations of the second five years of the Study Period using the (1) the most recent Load and Capacity Data Report published by the NYISO on its web site; (2) the most recent versions of NYISO reliability analyses and assessments provided for or published by NERC, NPCC, NYSRC, and Neighboring Control Areas; (3)

information reported by Neighboring Control Areas such as power flow data, forecasted load, significant new or modified generation and transmission facilities, and anticipated system conditions that the NYISO determines may impact the BPTFs; and (4) Market Participant data submitted pursuant to paragraph 4.2.3 below.

4.2.4 At the NYISO's request, Market Participants shall provide in accordance with the schedule set forth in the procedures adopted under section 3.1 the data necessary for the development of the RNA. ....

4.2.5 The Transmission Owners shall submit their plans referenced in section 1.1.2 to the NYISO. ....

#### 4.2.6 Reliability Scenario Development

The NYISO, in consultation with the ESPWG and TPAS, shall develop reliability scenarios addressing the first five years and the second five years of the Study Period. Variables for consideration in the development of these reliability scenarios include but are not limited to: load forecast uncertainty, fuel prices and availability, new resources, retirements, transmission network topology, and limitations imposed by proposed environmental legislation.

### 5. Review Process

5.2.1 Notwithstanding any provision to the contrary in this Attachment, the NYISO OATT, or the NYISO Services Tariff, in the event that a Market Participant raises a dispute relating to the final conclusions or recommendations of the RNA, a Market Participant may refer such dispute to the NYPSC for resolution. The NYPSC determination shall be binding, subject only to judicial review in the courts of the State of New York pursuant to Article 78 of the NYCPLR

### 6. Development of Solutions to Reliability Needs

#### 6.1 Regulated Backstop Solutions

The first time a Reliability Need is identified in any RNA issued under this tariff, the NYISO shall request and the Responsible TO shall provide to the NYISO, as soon as reasonably possible, a proposal for a regulated solution that shall serve as a potential backstop. Such proposals may include reasonable alternatives that would effectively address the Reliability Need. The Responsible TO shall also estimate the lead time necessary for the implementation of its proposal. The NYISO will establish a lead time for responses submitted pursuant to sections 6.2, 6.3 and 7.3 on the basis of the time period required for implementation of the proposed potential backstop solution.

Contemporaneous with the request to the TO, the NYISO shall solicit responses using the two-step process defined below, which shall not be a formal RFP process.

#### 6.2.1 Qualifications for a Valid Market-Based Response

The NYISO will develop procedures establishing qualifications and criteria for a valid market-based solution in conjunction with ESPWG. Such qualifications shall recognize the differences between various resources' characteristics and development time lines.

6.3.1 In response to the NYISO's request, Other Developers may develop alternative regulated proposals for generation, demand side alternatives, and/or other solutions to address a Reliability Need. Transmission Owners, at their option, may submit additional proposals for regulated solutions to the NYISO. Other Developers shall submit such proposals to the NYDPS. Subject to the execution of appropriately drawn confidentiality agreements and FERC's standards of conduct, the NYISO and the appropriate Transmission Owner or Owners shall provide Other Developers access to the data that is needed to develop their proposals. Such data shall be used only for purposes of preparing an alternative regulated proposal in response to a Reliability Need. Proposals sponsored by Other Developers that satisfy the NYDPS may be submitted by the respective Other Developer to the NYISO for review under this tariff.

### 7.7 Evaluation of Proposed Solutions

7.7.3 Upon the NYISO's determination of the need for a Gap Solution, pursuant to either Section 7.7.1 or 7.7.2 above, the Responsible TO will propose such a solution, as soon as reasonable possible, for consideration by the NYISO and NYDPS.

## 8. Comprehensive Reliability Plan

8.3 Notwithstanding any provision to the contrary in this Attachment, the NYISO OATT, or the NYISO Services Tariff, in the event that a Market Participant disputes the NYISO's final determination in the CRP that a proposed solution will or will not meet a Reliability Need, a Market Participant seeking further review shall refer such dispute to the NYPSC for resolution. The NYPSC's final determination shall be binding, subject only to judicial review in the courts of the State of New York pursuant to Article 78 of the NYCPLR.

## 9. Monitoring Of Project Status

- 9.1 The NYISO will monitor and report on the status of market-based solutions to ensure their continued viability to meet Reliability Needs on a timely basis in the CRP. The NYISO will develop criteria, in conjunction with the ESPWG, to assess the continued viability of such projects.
- 9.2 The NYISO will monitor and report on the status of regulated solutions to ensure their continued viability to meet Reliability Needs on a timely basis in the CRP. The NYISO will develop criteria, in conjunction with the ESPWG, to assess the continued viability of such projects.
- 9.3 The NYISO, in conjunction with ESPWG, will develop the criteria for halting a regulated solution that is already underway because of the entry of a viable market-based solution that the NYISO has determined will meet the same Reliability Need. Such criteria shall also establish a cut-off point following which a regulated solution may not be cancelled regardless of the appearance of a market-based solution.
- 9.4 The NYISO, in conjunction with the ESPWG, will develop criteria for determining the cutoff date for a determination that a market-based solution will not be available to meet a Reliability Need on a timely basis.

## 10. Cost Allocation Principles

### 10.2 Regulated Responses

Cost allocation for regulated solutions to Reliability Needs shall be determined by the NYISO based upon the principle that beneficiaries should bear the cost responsibility. The NYISO will develop criteria in consultation with Market Participants for determining the beneficiaries of regulated solutions to Reliability Needs. The specific cost allocation methodology, to be developed by the NYISO in consultation with the ESPWG, will incorporate the following elements: .....

**Jpb**

**7/28/04**

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