

Proposed Public Policy Transmission Planning Process Improvement List

ESPPWG – Nov. 17, 2017

| No. | PROCESS SEGMENT | PROPOSALS RECEIVED TO DATE | POTENTIAL BENEFITS [DISADVANTAGES] | FOLLOW-UP TIMEFRAME | ADDITIONAL COMMENT ON PROPOSAL |
|--------------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Administrative Process Improvements | | | | | |
| A-1 | Solicitation of Transmission Needs | Provide more information regarding the system constraints, both bulk and non-bulk, as related to the PPTN, such as the limiting conductor/terminal equipment ratings, and future transmission plans | Increased transparency Facilitation of a better project design to satisfy the PPTN | Next PPTPN | NYISO will implement in the next PPTPN. |
| A-2 | | Define scenarios before solicitation of proposed solutions | Increased transparency Facilitation of a better project design to satisfy the PPTN [Potentially base selection on an outdated/non-existent system model] | Next PPTPN | Scenarios are necessary to distinguish projects in the evaluation and selection phase. It is not likely that all scenarios could be pre-defined. However, NYISO will consider discussing scenarios in earlier stage of the study. |
| A-3 | | Define the weighting factors for the evaluation metrics before solicitation of proposed solutions | Facilitation of a better project design to satisfy the PPTN | N/A | FERC approved NYISO's tariff without requiring an explicit requirement to weight the evaluation metrics. Proposal would require tariff revisions. |
| A-4a | Evaluation and Selection | Publish the information of all projects, or just the selected project | Increased transparency | N/A | NYISO will release the project information in accordance with Attachment Y. |

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| A-4b | Evaluation and Selection | Do not publish the information of all projects, or just the selected project | Protect the intellectual rights of the proposed designs | N/A | NYISO will release the project information in accordance with Attachment Y. |
| A-5 | | Provide the MAPS database to Developers | Increased transparency | N/A | The MAPS database is proprietary and cannot be provided. |
| A-6 | | MMU's review should focus on the adverse impact of the selected project on NYISO's competitive market | Tariff compliance | 2018 CSPP Review | If changes are needed to further clarify the role of the MMU, the NYISO could consider tariff amendments to Att. Y and Att. O for future PPTPP cycles. |
| Substantive Study Methodology and Modeling Improvements | | | | | |
| S-1 | Evaluation and Selection | Model key plants in New York based on latest available information | Improved modeling accuracy | Immediate | NYISO will apply the latest RNA inclusion rules for the baseline analysis. |
| S-2 | | Model entry and exit decisions for generators in a manner that is consistent with the expected competitive market outcomes | Facilitation of long-term comprehensive planning | Future consideration | NYISO could consider in the development of scenarios. |
| S-3 | | Consider modeling the social cost of carbon | Expanded evaluation metrics | Future consideration | NYISO could consider for future PPTPP cycles, and/or PSC could specify in order identifying the PPTN. |

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| S-4 | Evaluation and Selection | Consider modeling variability resulting from loop flows around Lake Erie in production cost simulations | Improved modeling flexibility and accuracy | Future consideration | NYISO will take into consideration in the development of scenarios for future PPTPP cycles. |
| S-7 | | Consider transmission outages and other unforeseen factors in estimating production cost savings | Improved modeling flexibility and accuracy | Future consideration | NYISO is currently limited by the MAPS software capability and cannot accommodate in the AC Transmission Need evaluation. If software allows, NYISO could take these factors into consideration in the development of scenarios for future PPTPP cycles. |
| S-8 | | Clarify treatment of non-BPTF facilities in 1) Phase I Viability & Sufficiency; 2) Phase II evaluation and selection | Improved project evaluation and selection Increased transparency | 2018 CSPP Review | NYISO will clarify in the PPTPP Manual. |
| S-10 | | Consider whether a Developer's proposed use of NYPA's ROW may require including additional cost and time in the comparative evaluation and selection process | Improved project evaluation and selection | Immediate | Currently under investigation for AC Transmission Need evaluation and selection process. NYISO will consider revising the PPTPP Manual to provide clarity for future PPTPP cycles. |

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| Process Acceleration Improvements | | | | | |
| P-1 | Determination of Transmission Needs | Establish deadlines for the identification of PPTN by the PSC | Improved efficiency by reducing the overall timeline | 2018 CSPP Review | Proposal would require tariff revisions. NYISO will bring for discussion with stakeholders at the ESPWG as part of the 2018 CSPP Review. |
| P-2 | Evaluation and Selection | Invite Developers to present their proposed solutions to the NYISO's PPTPP team during evaluation | Facilitation of project evaluation and selection | Complete | NYISO has already implemented this proposal in the AC Transmission Need. |
| P-3 | Solicitation of Transmission Needs / Viability and Sufficiency Assessment | Extend the initial solicitation window or limit the information required to only what is necessary for the viability and sufficiency assessment | Facilitation of a better project design to satisfy the PPTN | 2018 CSPP Review | Proposal would require tariff revisions. |
| P-4 | | Have a second information submission window for viable and sufficient projects to provide detailed cost estimates, provided that the project electrical characteristics are not changed | Facilitation of project evaluation and selection [Could inadvertently expose the process to gaming by changing the initial design] | 2018 CSPP Review | NYISO will bring for discussion with stakeholders at the ESPWG as part of the 2018 CSPP Review. |
| P-5 | | Require consistent project description and information in both the Interconnection Process and the PPTPP | Improved efficiency of both Interconnection Process and PPTPP | 2018 CSPP Review | NYISO plans to revise the PPTPP Manual to provide more clarity, and to implement such revisions for the next PPTN cycle. Tariff changes may also be required. |

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| P-6 | Confirmation of Transmission Needs | Eliminate the requirement that the PSC confirm the need for the NYISO to continue to evaluate transmission solutions | Improved efficiency by reducing the overall timeline | 2018 CSPP Review | Proposal will require tariff revisions. NYISO will bring for discussion with stakeholders at the ESPWG as part of the 2018 CSPP Review. |
| P-7 | Evaluation and Selection | Allow NYISO to halt analysis of viable and sufficient solutions that are determined to be less efficient or less cost effective | Improved efficiency by reducing the overall timeline | 2018 CSPP Review | Proposal will require tariff revisions. NYISO will bring for discussion with stakeholders at the ESPWG as part of the 2018 CSPP Review.. |
| P-8 | | Publish and review independent cost and schedule estimates prior to the initial draft report and present them in a more consistent format | Increased transparency and efficiency of the review process | Complete | NYISO is implementing this proposal for the AC Transmission Need. |
| P-9 | | Review the results with Developers individually before publishing the draft report to the working groups | Increased transparency Facilitation of project evaluation and selection | Complete | NYISO is implementing this proposal for the AC Transmission Need. |
| P-10 | | Provide more detailed results such as flows over internal and external interfaces, generation change, and zonal production cost changes | Increased transparency and efficiency of the review process | Complete | NYISO is implementing this proposal for the AC Transmission Need. |

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| Cost containment Improvement | | | | | |
| C-1 | Solicitation of Solutions / Evaluation and Selection | Amend the tariff to provide for selection based upon cost containment measures proposed by Developers for PPTNs in future PPTPP cycles | Expanded evaluation metrics | 2018 CSPP Review | Proposal would require tariff revisions. NYISO will bring for discussion with stakeholders at the ESPWG as part of the 2018 CSPP Review. |
| C-2 | | Consider Developers' revenue requirements instead of overnight capital cost in the evaluation and selection process | Expanded evaluation metrics | | |
| C-3 | | Consider Developers' proposed financing costs in calculating the independent cost estimates | Expanded evaluation metrics | | |
| Interconnection Study Coordination Improvements | | | | | |
| I-1 | | Provide clarification to Developers as when they are required to submit public policy projects in the Interconnection Process | Increased transparency | 2018 CSPP Review | NYISO proposed revisions to the tariff that clarify the submission of Interconnection Requests for public policy projects, which are still pending before FERC (<i>see</i> ER13-102-010). NYISO plans to revise the PPTPP Manual to provide more clarity. |

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| I-2 | | Define the stage of the Interconnection Process required for a project to be eligible for selection | Increased transparency [Reduced flexibility] | 2018 CSPP Review | NYISO could consider for future PPTPP cycles, but this proposal would require tariff revisions. |