

**Initial Comments from PSEG on the Draft
NYISO Comprehensive Planning Process for Reliability Needs.**

1. We remain concerned about the draft's fixation with "historical LBMP congestion costs." In our view, congestion has absolutely nothing to do with reliability, and we fail to understand why an analysis of congestion needs to be included in a reliability assessment.
2. The three fundamental aspects of power system analysis as they relate to reliability are: (1) power flow; (2) short circuit interrupting duty/interrupting capability; (3) stability (transient, dynamic, voltage). Nowhere does the draft mention stability analysis. NYISO's planning process will be fatally flawed if stability analysis is omitted.
3. A critical aspect of the determination of the need for additional transfer capability for reliability purposes is CETO vs. CETL analysis. Why is there no mention of CETO/CETL analysis in the draft?
4. It is not clear why Paragraph 4.4.2, is necessary. As a stakeholder the PSC enjoys the same liberal rights to participate in the planning process as any other stakeholder and is already included within Paragraph 4.4.1. We also reiterate our belief that it should be the ISO that determines the choice of alternatives that may be required to solve identified reliability needs, rather than the PSC as contemplated in Paragraphs 6.2.1 and 6.2.2.
5. In section 6 "Request for Solutions" the relative timing of the market-based solutions vs. regulated solutions is unclear. Are they simultaneous or sequential. For example in PJM market-based solutions are allowed a period of one year at the end of which if no market-based solutions have materialized, regulated solutions are entertained.
6. Section 8 refers only for transmission upgrades; it should be modified to refer to other potential solutions as well, including generation and demand response.