

FERC Order 1000:  
Public Policy Planning Process  
Straw Proposal

by  
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**Joint IPTF/ESPWG Meeting**

*June 26, 2012*

*Albany, NY*

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# Overview

- ◆ **Public Policy Planning Straw Proposal**
  - *Summary of stakeholder comments*
  - *Discussion of proposed responses*
  
- ◆ **IPSAC Webinar**
  - *Date: Friday, June 22<sup>nd</sup>*
  - *Time: 9AM-Noon EDT*
  
- ◆ **Schedule/Topics for Future Meetings**
  - *Regional Topics*
  - *Inter-Regional Topics*

# Public Policy Straw Proposal

## Stakeholder Comments

- *Written comments were received and posted from:*
  - ACE NY
  - Multiple Intervenors
  - Pace University et al.
- *Verbal comments were provided at:*
  - June 6<sup>th</sup> IPTF/ESPWG Meeting
  - June 11<sup>th</sup> Joint BOD/MC Meeting
  - June 18<sup>th</sup> IPTF/ESPWG Webinar
- *Comments summarized by topic*
- *NYISO is working with the DPS and NYTOs to develop responses to several topics*
- *Proposed responses to several issues are presented for discussion*

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# Summary of Comments

- ◆ **Definition of Public Policy Requirements**
  - *General support for inclusion of PSC Orders*
  - *Objection to inclusion of Governor's Executive Orders from several stakeholders*
  - *One stakeholder maintains that the definition should be limited to the minimum requirement established by FERC*
    - i.e. – “Federal or state statutes or regulations”
  
- ◆ **PSC/DPS Role**
  - *General support for PSC/DPS involvement*
  - *Request for more specificity regarding the PSC/DPS role and processes*
  - *Request for an affirmative commitment for a PSC generic proceeding to develop such procedures*

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# Summary of Comments (Con'td)

- ◆ **Cost Allocation Process**
  - *General support for reliance on the PPR, if it specifies a specific methodology*
  - *General support for a “beneficiaries pay” approach*
  - *Concern expressed regarding the “developer’s proposal”--although it would be subject to regulatory approval*
  - *Some objection to a default methodology based on load ratio share*
  - *Request for a “specific methodology” rather than the sequential methodology proposed*
  
- ◆ **NYISO is working with the DPS & NYTOs on the above issues**

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# Summary of Comments (Cont'd)

- ◆ **Non-transmission Alternatives**
  - *Support for the proposed revisions to Section 3.8.1 to broaden the scope of the studies that the PSC can request to include the evaluation of non-transmission options*
  - *Request to clarify this in the Straw Proposal*
  
- ◆ **Proposed Response (Step 1, Bullet 6)**
  - *“ The DPS may request that the NYISO conduct an evaluation pursuant to Section 3.8.1 of the NYISO OATT, **which may include the evaluation of transmission and non-transmission options.**”*

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# Summary of Comments (Cont'd)

- ◆ **DPS Review of Proposed Transmission Needs**
  - *Request to clarify that the DPS written statement will provide an explanation as to why a particular transmission need was selected for further evaluation and why others were not*
  
- ◆ **Proposed Response (Step 1, Bullet 7)**
  - *“The DPS would issue a written statement **which explains how it has [the] identified [ying]** the transmission needs for which transmission should be evaluated by the NYISO, and explain why transmission solutions to other suggested transmission needs should not be evaluated.”*

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# Summary of Comments (Cont'd)

- ◆ **Qualification Criteria**

- *Provide clarification that the Order 1000 requirement for qualification criteria to determine the eligibility of a developer to submit a transmission proposal should also apply to transmission solutions submitted in response to transmission needs driven by Public Policy Requirements*

- ◆ **Proposed Response (Step 2 – New Bullet)**

- *“Qualification criteria to determine an entity’s eligibility to propose a transmission project generally shall also apply to transmission projects submitted in response to transmission needs driven by Public Policy Requirements.”*



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# Summary of Comments (Cont'd)

- ◆ **Metrics**

- *Request to identify the type of metrics that would be used in the NYISO's evaluation of specific transmission solutions proposed in response to transmission needs identified by the DPS*

- ◆ **Proposed Response (Step 2, Bullet 6)**

- *Add a new sentence*
- *“The type of metrics reported may include the following, as applicable to the PPR: change in production cost; LBMP; losses; emissions; ICAP; TCCs; congestion; impact on transfer limits; deliverability of resources.”*

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# IPSAC Webinar

- ◆ **Held on Friday, June 22<sup>nd</sup>**
  
- ◆ **Agenda**
  - ***FERC Order 1000-A***
    - **Interregional Topics**
  - ***Northeast Protocol***
    - **Response to Stakeholder Comments**
  - ***Interregional Cost Allocation***
    - **Strawman for Discussion**

# Future Joint Meetings: Regional Topics

<b>6/6</b>	<b>Public Policy Requirements: Strawman Non-Incumbents</b>
<b>6/18</b>	<b>Public Policy Requirements (Special Meeting)</b>
<b>6/26</b>	<b>Draft Tariff Revisions: Regional Issues Public Policy Requirements</b>
<b>7/10</b>	<b>Draft Tariff Revisions Public Policy Requirements</b>
<b>7/24</b>	<b>Draft Tariff Revisions</b>
<b>8/6</b>	<b>Draft Tariff Revisions: Finalize</b>
<b>8/15-16</b>	<b>Review with BIC/OC</b>
<b>8/28</b>	<b>Draft Tariff Revisions: Finalize</b>
<b>9/18</b>	<b>NYISO Board Review</b>
<b>9/24</b>	<b>Status Update</b>
<b>10/11</b>	<b>Regional Issues Filing Due at FERC</b>

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# Future Joint Meetings: Inter-regional Topics

<b>6/22</b>	<b>Inter-regional Cost Allocation</b>
<b>7/10</b>	<b>--</b>
<b>7/24</b>	<b>Draft Northeast Protocol</b>
<b>8/6</b>	<b>Inter-regional Cost Allocation</b>
<b>8/15-16</b>	<b>Not Applicable</b>
<b>8/28</b>	<b>Draft Northeast Protocol</b>
<b>9/18</b>	<b>Not Applicable</b>
<b>9/24</b>	<b>Inter-regional Cost Allocation</b>
<b>10/12-2/13</b>	<b>TBD</b>
<b>4/11/13</b>	<b>Inter-Regional Issues Filing Due at FERC</b>



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