

**Comments on NYISO's Proposed Criteria and Timeline
For the Comprehensive Reliability Planning¹**

**Submitted on Behalf of
the New York Transmission Owners, LIPA and NYPA**

Section 6.2.1- Valid Market-Based Solutions/Section 9.1- Continued Viability of Market-Based Solutions

In general, the NYISO's proposed criteria should be more specific and more detailed. For example, the requirement in Section 6.2.1 that data should be provided "within a reasonable period of time", should be defined in terms of a specific number of months.

The successful completion of an SRIS should be one of the criteria considered for a market-based proposal.

It also would be helpful to define the term "viable" to clarify the standard that will be used by the NYISO at various points in the process in determining whether or not a market-based project is viable and continues to be viable. The following definition is suggested:

"Viable" means that there is a reasonable likelihood that the proposed project will effectively address the identified reliability need in a timely fashion.

Section 9.2 - Status of Regulated Solutions

- Alternative regulated solutions proposed by Other Developers will not be solicited unless no market-based solution has qualified (See Tariff § 6.4(a)).

- Alternative regulated solutions will not be included in the CRP unless they satisfy the criteria established by the DPS.

¹ We note that the section numbers in the draft criteria do not conform to the section numbers in the Tariff.

- The criteria should provide, at least, a general description of the DPS requirements that an alternative regulated solution would have to satisfy.
- It should be made clear that the fact that an alternative regulated solution satisfies the DPS requirements means only that it may be submitted to the NYISO for review and possible inclusion in the CRP. It does not mean that the DPS or the PSC has given any approval or preference to that project.
- A timeframe should be established for a determination by the DPS.

Section 9.3 - Halting a Regulated Solution That is Already Underway

- The term "halting" should be further explained. It may mean suspending or cancelling a regulated project.
- It should be expressly stated that the continuing costs related to a suspended project and the costs of a cancelled project are fully recoverable under the cost recovery provisions of the tariff and the NYISO/TO Agreement.
- The standard for halting a regulated project that is already underway should be very high for several reasons:
 - The NYISO will not request a TO to proceed with a regulated project until the time allowed for market-based proposals has expired.
 - Even if construction has not commenced, significant permitting, design and engineering costs may have been incurred.

- An appropriate standard for halting a regulated project would be:

The NYISO has a high degree of confidence that the regulated project can be halted without a significant risk to reliability.

- Given the reliability and financial implications of halting a regulated project that is already underway, it would be appropriate for the PSC to have some input into the decision.

Section 9.4 - The Cutoff Date For a Market-Based Solution

The criteria should more clearly explain when a market-based solution is proceeding "within the timeframe for the implementation of the regulated backstop solution". Also, how the timeframe for the implementation of the regulated backstop solution would relate to a determination as to whether a market-based solution would be available to meet a reliability need on a timely basis.

Proposed Timeline

The description under Months 12 – 13 is confusing, in that it does not clearly describe the sequence of events. When a reliability need is identified in the RNA, the TOs will be requested to immediately prepare a backstop solution. Market Participants will be put on notice of the need and may begin to consider market-based responses. Those responses, however, do not have to be submitted in Months 12 – 13 of the Planning Process in which the need is first identified, but may appear in subsequent iterations of the Planning Process. It also should be stated that Other Developers will prepare alternative regulated solutions for submission to the DPS only if

no qualified market-based solution has been proposed in the time allowed by the NYISO (See Tariff § 6.4(a)).

Rather than incorporating a time period for PSC dispute resolution, it may be preferable to generally provide that the Timeline may be affected by the dispute resolution and appeals processes.

The Timeline does not adequately describe the relationship between the annual RNA and the 18 month Planning Process. The criteria should describe how the annual RNA process will affect the Planning Process and decisions that have previously been made in a Planning Process that has not yet been completed.

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