

EXPANSION TCC AWARD PROCESS

OUTSTANDING ISSUE	Raised	When to Address	Suggested Responsibility
Extensions/Enhancements			
How does the award process apply to transmission upgrades associated with generator interconnections?	11/16/01 meeting	Separate follow-up project	NYISO or consultant
How does the award process apply to generator impacts such as reactive power injections?	11/16/01 meeting	Separate follow-up project	NYISO or consultant
Provide information about how PJM handles transmission expansion.	11/16/01 meeting	At end of project, if budget remains; or follow-up project	consultant
What is the process for awarding “interim TCCs” that “bridge the period of time between the completion of an expansion and the next bi-annual award process?”	Felder memo**	At end of project, if budget remains; or follow-up project	NYISO and consultant
Identify feasible TCC awards not requested by expander.	11/16/01 meeting	This will not be done, except to the extent that it is addressed by ARRs.	
Once TCC options are available: -could expansion TCC obligations convert to options? -could grandfathered TCC obligations convert?	12/6/01 meeting	At end of project, if budget remains; or follow-up project	consultant
The ability for the holder to “retire” TCCs if the remaining set is still feasible.	Englander e-mail*	At end of project, if budget remains; or follow-up project	consultant
Allowing the applicant to determine the duration of long-term TCCs (i.e., less than 20 year) with periodic requests for short term TCCs for the remainder of the term.	Englander e-mail	At end of project, if budget remains; or follow-up project	consultant
Allowing the applicant to switch from periodic requests for short-term TCCs to a long-term request at any point in the term (with caveat that capacity may no longer be there).	Englander e-mail	At end of project, if budget remains; or follow-up project	consultant
How to deal with controllable devices.	Englander e-mail	At end of project, if budget remains; or follow-up project	NYISO and consultant
How to deal with outages.	Englander e-mail	Separate follow-up project	consultant
How to deal with voluntary and unexpected termination of grandfathered TCCs, which may cause infeasibilities.	12/6/01	At end of project, if budget remains; or follow-up project	consultant

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Can expansions coming on line be accommodated in monthly auctions?	Englander e-mail	At end of project, if budget remains; or follow-up project	consultant
TCOs (options).	Englander e-mail	Feasibility addressed in this project	LECG
What is the MW mile allocator for a device with no “miles?”	Englander e-mail	Separate project; at same time as controllable devices	NYISO and consultant
Evaluate interaction between existing TCC obligations and TCC options. Will obligations be compensated if they make an option possible? <i>{require further clarification of this issue}</i>	LIPA, 12/6/01		
What happens after 20 years? Why was twenty years chosen as the end date for LT TCCs? Does the grid expander get TCCs after year 20?	11/16/01; Englander e-mail; Felder memo	Ongoing	Policy question for NYISO and committees

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Questions about Proposed Award Process			
Explanatory memo needs an example working through each step of proposed award process.	Felder memo	In final report	LECG
Explanatory memo needs to state the purpose of each step in the process.	Felder memo	In final report – done in verbal report to MSWG	LECG
What type of expansions does process apply to? Controllable devices? Interconnections between the NY control area and a neighboring control area?	Felder memo	In final report	LECG
What will be the exact schedule of the award process (when do participants submit their bids, when each type of award process occurs, when participants know the results, when to contest the results, etc.)	Felder memo	Following project completion	NYISO/MSWG/consultant
Define or reference “Type A auction”	Felder memo	In final report – done in verbal report	LECG
Reference or describe in detail the end-state auction software	Felder memo	In final report – done in verbal report	LECG
State the reason why various types of TCCs will not be included in the grid model in the Type A auction (e.g., ST TCCs)	Felder memo	In final report – done in verbal report	LECG
Define exactly the “grid model.” Provide or reference the data sources and assumptions that will be used and the exact type of model (e.g., DC load flow, no losses) and the vendor’s name. Provide all supporting documentation and vendor descriptions.	Felder memo	At any time – information should already exist	NYISO
Are the result of Step I communicated to market participants and if so, who is told what?	Felder memo	In final report – done in verbal report	LECG
When and who is going to make the decision regarding how infeasibility should be resolved either by scaling back nominated TCCs or awarding mitigating TCCs?	Felder memo	In final report – done in verbal report	LECG
If expanders rely on a default set of mitigating TCCs created by the ISO, does this ensure that the value of their submitted TCCs will be maximized?	Felder memo	In final report	LECG
Is the allocation of new LT expansion TCCs conducted for each expansion once for all expanders requesting the same duration of TCCs?	Felder memo	In final report – done in verbal report	LECG

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How is the setting of a controllable device modeled in the award of LT TCCs? Is it based on contracts that cover the duration of the requested TCC?	Felder memo	In final report – done in verbal report	LECG
What results are made available to whom during Step III?	Felder memo	In final report – done in verbal report	LECG
Define or provide the reference to “Type B Auction.”	Felder memo	In final report – done in verbal report	LECG
Exactly what is being referred to in the statement: “However, certain mechanisms have been proposed to incent transmission owners to keep their lines in service at appropriate times, and have the potential to change this treatment”?	Felder memo	Will be clarified in final report	LECG
Concern that expansion award process adds too many additional responsibilities to the NYISO.	12/6/01 Kazarian	In BIC, since expansion award process is implementing the tariff	Morgan Stanley
Concern with overall approach to market-driven transmission expansion.	12/6/01 Kazarian	In BIC, since expansion award process is implementing the tariff	Morgan Stanley
Evaluate potential inconsistencies between queuing processes for determining cost allocation for generator interconnection and for determining expansion TCC awards.	11/16/01, 12/6/01 & Mirant 12/18 e-mail	At end of project, if budget remains; or follow-up project <i>Or</i> presently if allocated budget and time	consultant consultant, NYISO and committees
Is a special process really required to evaluate expansion TCC awards for capability periods after the final auction year?	12/6/01, Englander e-mail	During project	LECG
Will exclusion of TCC nominations with a negative price in the Type A auction eliminate problems with the evaluation of pre-expansion feasibility?	12/6/01, LECG	During project	LECG

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Evaluate need for an additional feasibility test, at the end of Step III, that leaves out the TCCs reserved because they were feasible on the pre-expansion grid.	12/6/01, LECG	During project -- done	LECG
Evaluate the need to increase the MW size of the bids evaluated in the pre-expansion feasibility test.	12/6/01, LECG	During project	LECG
Should term of rolling awards change to accommodate changes in the final auction year?	12/6/01 Englander e-mail	During project	LECG and MSWG
Award in unauctioned time period would not be flat – would differ for winter and summer periods.	12/6/01 Englander e-mail	During project – agree	
Will proposed expansion process be used prior to use of end-state auction software?	12/6/01 Englander e-mail	In final report – done in verbal report	LECG
Can the “restricted” process be modified to: 1) avoid award of unnecessary mitigating TCCs; 2) accommodate different bids for mitigating TCCs used to: a) relieve infeasibility of grandfathered TCCs; b) facilitate award of nominated TCCs.	12/6/01, Younger	During project	LECG

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Project Schedule and Process			
TCC Obligations: What is the schedule for NY Committee approval, drafting of tariff language, and filing with FERC?	Felder memo	At project completion	committees/NYISO
TCC Obligations: What is the expected date that the first TCC expansion award process will be conducted?	Felder memo	At project completion	committees/NYISO
TCC Obligations: When will training be conducted on the expansion award process?	Felder memo	Following project completion	NYISO
TCC Options: What is the process for determining whether NYISO will pursue TCC options and what is the timeframe for this decision?	Felder memo	Presently	MSWG
Controllable Devices: What is the schedule for developing, approving, drafting, and filing and expansion award process for TCCs for controllable devices?	Felder memo	At project completion	MSWG/NYISO
Deliverables: What other major elements besides the expansion TCC award process are to be included in the MSWG deliverables? E.g. will it include dispute resolution, the ability of participants to have the NYISO conduct preliminary calculations of the amount of TCCs to be awarded and associated payment provisions, etc.?	Felder memo	Dispute resolution: soon Preliminary calculations: will not be offered	MSWG/NYISO
When will the end-state auction software be available?	Felder memo	On-going	NYISO
When will decisions be made about the term and frequency of the Type A auction?	11/16/01; Felder memo	On-going: Need to involve TOs and TO lawyers in this discussion	MSWG/NYISO
Provide a manual	11/16/01	Following project completion	NYISO

* Englander e-mail summarized his recollection of outstanding issues and potential enhancements identified during previous MSWG discussions of the expansion TCC award process.

** Felder e-mail from 12/6/01.