

September 29, 2017

Board of Directors  
New York Independent System Operator  
10 Krey Boulevard  
Rensselaer, NY 12144

Re: National Grid Comments on Public Policy Planning Process

Dear Board Members:

National Grid welcomes the opportunity to submit comments for consideration. In addition, we appreciate the hard work of NYISO Staff during this inaugural Public Policy Planning Process, and also the NYISO's openness to working with stakeholders to improve the process going forward. To that end, National Grid would like to provide constructive feedback focusing on the evaluation and comparison process and the results of the production cost analysis.

Regarding the evaluation and selection process, National Grid believes that the NYISO should clearly identify the key metrics related to each specific project, either with or ahead of the project solicitation. Today there are numerous metrics that might be employed by the NYISO in evaluating any specific project, and developers have no idea of the trade-offs or priorities to be placed on any one metric or subset of metrics in the evaluation process. Announcing the key metrics ahead of time on a project by project basis would ensure that the NYISO retains its current flexibility in tailoring its evaluation process to the specific requirements of the Public Policy Need, but it would also allow developers to focus their project proposals more precisely on those key elements of the Public Policy Need identified by the NYISO and the NY PSC. National Grid believes that this would ultimately improve the quality of the proposals submitted by developers and enhance the competitive process.

In addition, NYISO procedures should clearly define the responsibilities of developers and local TOs with regards to the non-BPTF system. Specifically we request that the Board direct the NYISO to conduct a stakeholder-driven process to improve the planning process around the treatment of non-BPTF. National Grid believes that it is important that the following questions be considered and defined during this stakeholder process:

1. What specific NERC, NPCC, or NYSRC reliability violations occurring on the non-BPTF system or local TO planning criteria would the NYISO consider in making the determination on whether a project proposal is viable or sufficient?

2. Under what conditions would non-BPTF reliability violations be used as a “distinguishing factor” by the NYISO in determining if a project is viable or sufficient?
3. At what point of the planning process would the NYISO inform stakeholders of a common non-BPTF reliability violation to be addressed in their project proposal?
4. In addition to identifying non-BPTF reliability violations, under what conditions will the NYISO identify a required solution to common non-BPTF violations?
5. If the project proposal exacerbates an existing non-BPTF reliability violation or creates new non-BPTF reliability violations, how will the NYISO take account of the non-BPTF solutions in their selection process when the non-BPTF solutions are: (a) not part of the developer’s plans but identified during the NYISO interconnection process (i.e. SUFs or SDUs); or b) non-BPTF projects proposed by a developer as part of the project proposal?

Regarding production cost results, there should be more detailed information provided by the NYISO on factors such as flows over internal and external interfaces, changes in generation dispatch and explanations of LBMP/production cost changes to give market participants a clearer view on how these projects impact the dynamics of the NY markets. National Grid believes that such information is critical to stakeholders’ later ability to fairly evaluate the selected developer’s cost allocation proposal.

Lastly, National Grid agrees with the NYISO that conducting a ‘Lessons Learned’ review of the process is essential, in order to improve it for future public policy projects.

Thank you for your attention to these comments.

Sincerely,

*Margaret Janzen*

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National Grid