

10 Krey Boulevard . Rensselaer, NY 12144

Request for Proposed Transmission Needs Being Driven by Public Policy Requirements for the 2016-2017 Transmission Planning Cycle

August 1, 2016

Dear NYISO Stakeholder or Interested Party:

With this letter, the NYISO initiates its Public Policy Transmission Planning Process for the 2016-2017 transmission planning cycle. The first step in the Public Policy Transmission Planning Process involves the identification of transmission needs driven by Public Policy Requirements for which the NYISO should solicit and evaluate solutions.

Pursuant to Section 31.4.2 of the NYISO Open Access Transmission Tariff ("OATT"), the NYISO hereby requests any stakeholder or interested party to submit proposed transmission needs that it believes are being driven by Public Policy Requirements and for which the NYISO should solicit and evaluate solutions. As defined in OATT Section 31.1.1, a Public Policy Requirement is "a federal or New York State statute or regulation, including a New York State Public Service Commission ("NYPSC") order adopting a rule or regulation subject to and in accordance with the State Administrative Procedure Act, any successor statute, or any duly enacted law or regulation passed by a local governmental entity in New York State, that may relate to transmission planning on the Bulk Power Transmission Facilities." Any proposed transmission needs must be submitted to the NYISO on or before September 30, 2016. Each submittal must (i) identify the Public Policy Requirements that the party believes is driving the need for transmission, (ii) propose criteria for the evaluation of solutions to that need, and (iii) describe how the construction of transmission will fulfill the identified Public Policy Requirements.

After the solicitation period ends, the NYISO will post all submittals on its website and submit them to the NYPSC, along with transmission needs and criteria proposed by the NYISO, if any. The NYPSC will review all proposed transmission needs in accordance with OATT Section 31.4.2.1 and the NYPSC's policies and procedures governing the review of proposed transmission needs. Additional information on the NYPSC's policies and procedures can be found in the NYSPC's Policy Statement on Transmission Planning for Public Policy Purposes issued on August 15, 2014 in Case No. 14-E-0068. If the NYPSC identifies any transmission needs driven by Public Policy Requirements for which specific solutions should be solicited and evaluated, the NYISO will request proposed projects in accordance with OATT Section 31.4.3.

For any proposed transmission needs that would require a physical modification of transmission facilities in the Long Island Transmission District, the NYISO will post those submittals on its website and submit them to the NYPSC and the Long Island Power Authority ("LIPA"), together with transmission needs and criteria proposed by the NYISO, if any. In accordance with OATT Section 31.4.2.3, LIPA will review and identify the transmission needs

within the Long Island Transmission District driven by a Public Policy Requirement, in consultation with the New York State Department of Public Service, and transmit those identified needs to the NYPSC for review. If the NYPSC identifies a Public Policy Transmission Need within the Long Island Transmission District for which solutions would be evaluated by the NYISO, the NYISO will, in conjunction with any other identified transmission needs driven by Public Policy Requirements, request proposed projects in accordance with OATT Section 31.4.3. In the event that the NYPSC does not determine that a transmission need identified by LIPA should be evaluated by the NYISO, LIPA addresses the need in its Local Transmission Plan.

Proposed transmission needs should be sent electronically to the Public Policy Planning Mailbox (<u>PublicPolicyPlanningMailbox@nyiso.com</u>). Questions about filing proposed transmission needs or the Public Policy Transmission Planning Process can be addressed to the Public Policy Planning Mailbox (<u>PublicPolicyPlanningMailbox@nyiso.com</u>).

Very truly yours

Henry Cha

Vice President, System & Resource Planning