

**Extension of Time to Provide Evidence of Executed
SIS/SRIS Agreement for Viable and Sufficient Solutions
for the Western NY Public Policy Transmission Need**

October 27, 2016

Dear NYISO Developers and Market Participants:

The New York Independent System Operator, Inc. (“NYISO”) hereby notifies Developers of proposed solutions to the Western NY Public Policy Transmission Need (“Western NY Need”) that the NYISO has identified as viable and sufficient that the deadline to demonstrate that they have an executed System Impact Study (“SIS”) Agreement or System Reliability Impact Study (“SRIS”) Agreement, as applicable, is hereby extended until close of business on Tuesday, January 31, 2017.

Section 31.4.6.6 of the its Open Access Transmission Tariff (“OATT”) required Developers of proposed solutions that the NYISO identified as viable and sufficient to provide, within thirty (30) calendar days from the NYISO’s presentation of the Viability and Sufficiency Assessment, (a) notice of their intent to proceed with the evaluation of their proposed projects for purposes of the NYISO’s selection of the more efficient or cost effective Public Policy Transmission Project to satisfy a Public Policy Transmission Need, and (b) consent for the disclosure of certain confidential details of the proposed solutions to be included in the Public Policy Transmission Planning Report.

After its presentation of the Viability and Sufficiency Assessment for the Western NY Need, the NYISO requested in accordance with Section 31.4.6.6 of the OATT and Developers of proposed viable and sufficient solutions provided, within thirty (30) calendar days, (a) notice of their intent to proceed with their project being evaluated for purposes of selection and (b) consent for the disclosure of certain confidential details.

On March 22, 2016, the NYISO filed an amendment to Section 31.4.6.6 of the OATT, with an effective date of April 1, 2016, requiring Developers of proposed solutions that the NYISO identified as viable and sufficient to, in addition to the notice and consent requirement set forth above, demonstrate, within fifteen (15) Calendar Days after the New York State Public Service Commission (“PSC”) issues an order confirming a Public Policy Transmission Need, an executed SIS or SRIS Agreement, as applicable. Given its April 1, 2016 effective date, the NYISO is administering this tariff requirement pending acceptance for filing by the Federal Energy Regulatory Commission (“FERC”).

On October 13, 2016, the PSC issued an order confirming that there remains a public policy need for transmission to relieve congestion in Western New York and requesting the NYISO to proceed with its evaluation and selection, as appropriate, of the more efficient or cost effective transmission solution that would be eligible for cost allocation and recovery under the NYISO’s tariffs. Accordingly, the current deadline for an executed SIS or SRIS Agreement is Friday, October 28, 2016.

Pursuant to Section 31.1.8.7 of the OATT, the NYISO notifies Developers and interested parties that the deadline to demonstrate that a Developer of a proposed viable and sufficient solution has an executed SIS or SRIS Agreement, as applicable, will be extended for all Developers of

October 27, 2016

Page 2

proposed solutions for the Western NY Need that the NYISO identified as viable and sufficient until close of business on Tuesday, January 31, 2017. This extension will not delay the NYISO's evaluation and selection of the more efficient or cost effective transmission project to fulfill the Western NY Need.

All Developers should be diligently pursuing their interconnection requirements in the Transmission Interconnection Procedures, and are strongly encouraged to commence the applicable interconnection study (SIS or SRIS) as early as possible.

Questions about this notice or the Public Policy Process can be addressed to the Public Policy Planning Mailbox (PublicPolicyPlanningMailbox@nyiso.com).