

# **NYISO PLANNING WORKING GROUP**

## **SCOPE OF RESPONSIBILITY**

**By**

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**Planning Working Group Meeting**

**June 13, 2003**

**Albany**

# Why Are We Here??

- **FERC requirement that ISOs/RTOs must have a comprehensive planning process in place**
  - *Order 2000*
  - *SMD NOPR*
  - *White Paper*
- **NYISO does not yet have a formalized planning process**
  - *NYISO RTO Filing was rejected in July 2001*
  - *NERTO filing was withdrawn*
- **One of NYISO's Strategic Planning objectives**

# Planning Working Group

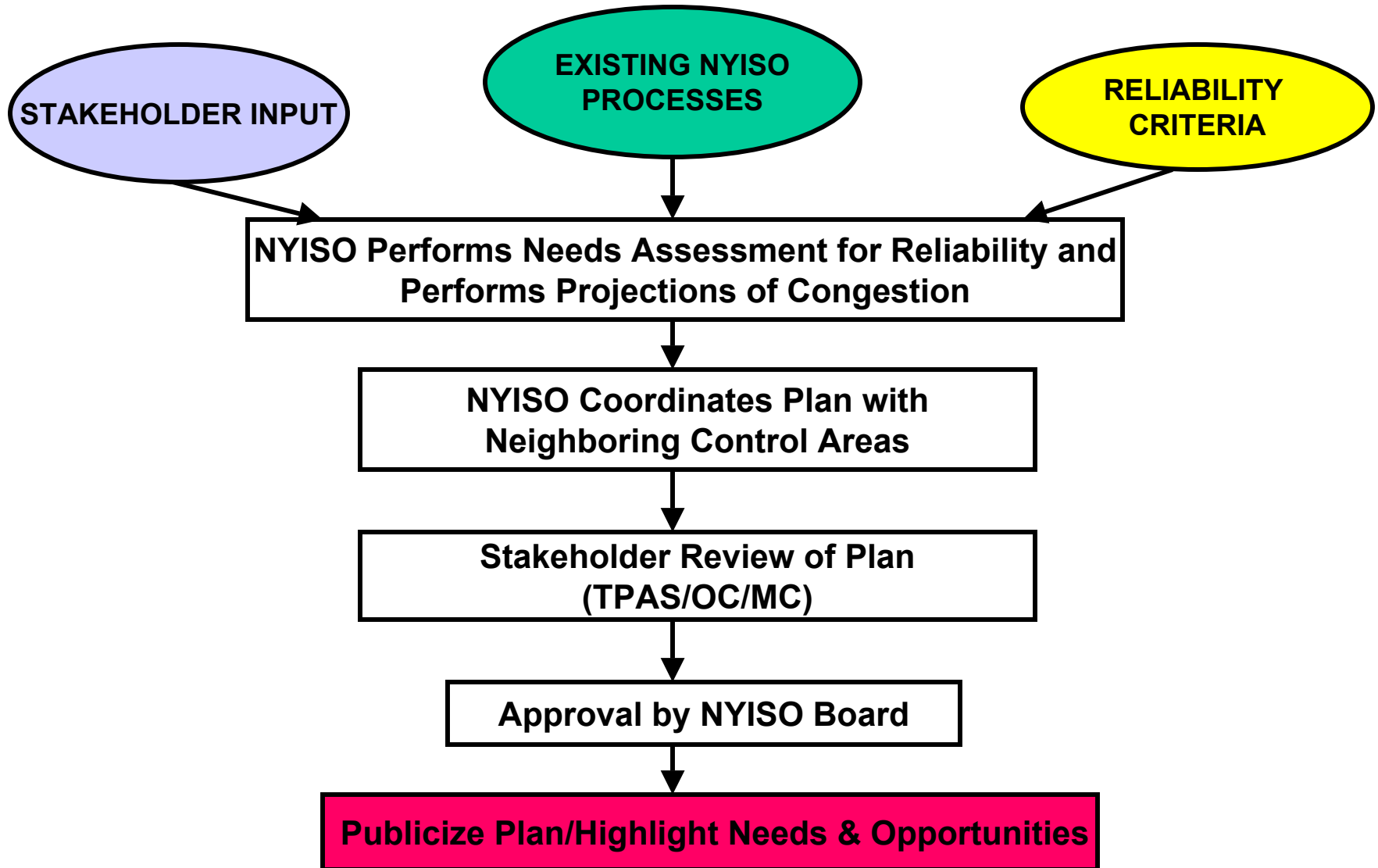
- **Joint Working Group formed by OC and BIC**
  - *Reports to both OC and BIC*
  
- **Principal Functions**
  - *To assist NYISO Staff in the development of the NYISO Comprehensive Planning Process by....*
  - *Providing stakeholder input and recommendations on the various issues during each phase of the process*

# Phase I: Initial Planning Process

## ➤ Premises

- *No filing necessary*
- *Implement under existing ISO Agreement*
  - ▶ Article 18
- *Implement under existing ISO Governance process*
  - ▶ Operating Committee responsibility/assign to TPAS?
  - ▶ Management Committee approval
  - ▶ Board has final approval of plan
- *Avoid most contentious issues*
  - ▶ These issues will likely require tariff changes/FERC filing
- *Begin implementation by Fall 2003*

# NYISO Initial Planning Process



# Phase I Tasks

➤ **Provide input on various initial process needs, including:**

- *Input data*
- *Study Assumptions*
- *Guidelines for Scenario Development*
- *Methodologies for projection of congestion costs*
- *Break point for the initial planning phase*
- *Information desired from the planning process*

# Phase I Tasks (cont'd)

- **Provide recommendations on the stakeholder role in the initial planning process**
- **Provide recommendations on the appropriate vehicle for stakeholder input**
  - *Existing NYISO Committee/Working Group?*
  - *New Ad-hoc committee?*
  - *BIC/OC roles?*
- **Goal is to achieve stakeholder consensus**
  - *If not, to present majority and minority positions to the BIC and OC*

# Proposed Schedule: **Initial Planning Process**

- **Jan/Feb**      **Discussed Phased Concept at Sector Meetings**
- **Feb**            **NYISO Prepared Initial Concept & Schedule**
  - » Discussed with Board A&R Committee
- **Mar/Apr**      **Discussions with TOs**
- **April**          **Discussed revised process with Board**
- **May**            **Roll out to Stakeholders**
  - » BIC/OC Meetings
- **Jun/July**      **Discuss with stakeholders**
  - » Develop consensus proposal
- **August**        **Finalize Initial Planning Process**
- **Sept**            **Begin Implementation**
- **Fall '03**      **Begin Stakeholder Discussions on Comprehensive Planning Process**



# Phase II: Comprehensive Process

## ➤ Premises

- *Will need to address FERC RTO/White Paper requirements*
- *FERC Tariff filing will be required*
- *Will Build Upon the Initial Planning Process*
- *Will need to address and resolve contentious issues*
- *Collaborative efforts to begin immediately upon resolution of the Initial Planning Process*

# NYISO Planning Process Flow

**INITIAL  
PHASE**

NYISO Performs Needs Assessment for Reliability and  
Performs Projections of Congestion

Publicize Approved Plan

Request for Solutions in Consultation with Stakeholders

Market Responses

- Generation
- DSM
- Merchant Transmission

Regulated Transmission

- Proposals

NYISO Evaluates Market Responses and Transmission with Stakeholder Input

NYISO Formulates Plan to Maintain System Reliability and  
Economically Justify Congestion Reduction

Board Approval of Consolidated Plan

No viable/timely mkt or tx solution to an identified need

RFAP (primarily for gap)

Board Approval of Consolidated Plan

**COMPREHENSIVE  
PHASE**

# Planning Working Group

## ➤ Responsibilities Will Not Include

- *Proposing governance changes for the initial phase*
- *Serving as the stakeholder advisory committee for the implementation of the initial planning process*
- *Determining the site-ability of any particular transmission or generation options*
- *Addressing whether FERC or the State has jurisdiction/ authority over various issues*

Questions???