

CARIS Procedures for BIC Approval

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BIC

July 14, 2010

DRAFT – for discussion purposes only

Topics:

- ◆ *List of CARIS Procedures for BIC approval*
- ◆ *Discussion and BIC approval requested at today's meeting for:*
 - Methodology to Update and Extend CARIS Database
 - Additional Reliability Study procedure
 - Study Replication procedure
 - Revised CARIS procedures
 - *Additional CARIS Study procedure*
 - *Methodology to estimate TCC revenues*
 - Initial CARIS Manual Update

List of Procedures for BIC Approval

BIC – 2009

- ♦ CARIS Phase 1 and some Phase 2 procedures approved

BIC – May/June 2010

- ♦ Draft Procedure for Regulated Economic Projects – Specific Project Submittals – 15.3.
- ♦ Draft Voting Procedure – 15.5, 15.6

BIC – 7/14/2010

- ♦ Draft Methodology to Update and Extend Database beyond the study period to evaluate benefit/cost over the first 10 years from the proposed in service date – 15.3.a
- ♦ Draft Additional Reliability Study procedure – Section B
- ♦ Draft Study Replication procedure - 6.1, 9.1, 12.1, and 15.5a
- ♦ Revised Process for Additional CARIS Studies – 11.2.c
- ♦ Revised Methodology to Estimate TCC Revenues -15.4.b (iii)
- ♦ Initial CARIS Manual Update – Section 1.1.4

BIC (TBD)

- ♦ Draft procedure to deal with Acceleration of Regulated Backstop Solutions – 15.1.

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Draft Methodology to Update and Extend Database beyond the study period to evaluate benefit/cost over the first 10 years from the proposed in service date – Section 15.3.a, Attachment Y

- ◆ Applicable in Phase 2 (Project Phase) of the CARIS process
- ◆ The procedure describes the methodology to develop CARIS Phase 2 database to evaluate a regulated economic transmission project that seeks regulated cost recovery pursuant to Section 16 of Attachment Y.

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Methodology to Update and Extend Database cont'd

- ◆ The most recently approved CARIS Phase 1 database and assumption matrix will be updated and extended.
- ◆ Extended database will include ten additional years beyond the CSPP study period (Years 11-20)
- ◆ Updated database will include, among others:
 - *New load and fuel forecasts*
 - *New additions and retirements*
 - *Other updates to maintain a representative system*

Methodology to Update and Extend Database cont'd

- ◆ NYISO will post modeling changes and assumptions on its website.
- ◆ Updated and Extended CARIS Phase 2 database will be subject to ESPWG review and BIC discussion and conceptual approval.

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Motion

Draft Additional Reliability Study Procedure – Section B, Attachment Y

- ◆ Any NYISO MP or other interested party is eligible to request Additional Reliability Studies.
- ◆ In addition to RNA and CRP studies.
- ◆ Not applicable to requests for studies pursuant to Sections 19 and 32 of the NYISO OATT and Interconnection requests under Attachment S, X, or Z of the NYISO OATT.
- ◆ Will be paid for by requestors.
- ◆ NYISO will treat the requests for Additional Reliability Studies and the results of these additional studies as Confidential Information under Attachment F to the OATT.
- ◆ Requestor shall submit a “Request for Additional Reliability Study” using a study request form developed by the NYISO and available at:
http://www.nyiso.com/public/markets_operations/services/planning/planning_studies/index.jsp

Draft Study Replication Procedure

- ◆ Applicable to Section (s) 6.1, 9.1, 12.1, and 15.5a of the Attachment Y of the OATT.
- ◆ Any NYISO Market Participant or other interested party is eligible to request replication of the following studies: Reliability Needs Assessment, Comprehensive Reliability Plan, CARIS Phase 1, and CARIS Phase 2.
- ◆ Will be paid for by requestors.
- ◆ NYISO will treat a request for Study Replication and results of such studies as Confidential Information under Attachment F of the OATT.
- ◆ NYISO will post the requests for Study Replication on its website.
- ◆ Requestor shall submit a “Request for Study Replication” using a study request form developed by the NYISO and available at:

http://www.nyiso.com/public/markets_operations/services/planning/planning_studies/index.jsp

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Revised Process for Additional CARIS Studies – Section 11.2.c, Attachment Y

- ◆ Applicable to Section 1.1.2 of the Initial CARIS Manual approved by BIC in 2009.
- ◆ Any NYISO MP or other interested party can request additional CARIS Studies in addition to those conducted in CARIS Phase 1.

Revisions:

- ◆ Section referring to postings of the study results is revised to include:
 - *The requestor **may elect** to post the results of its study to NYISO website.*
 - *If the Requestor elects to post the results of Additional CARIS Studies, the posting will note whether the database and base case assumptions (collectively “Study Assumptions”) used in the study are different from the Study Assumptions that are required for seeking regulated cost recovery under the CARIS Phase 2.*

Revised Process for Additional CARIS Studies cont'd

- ◆ The Additional CARIS Study shall use the database and base case assumptions *in the scope agreed upon by the Requestor and the NYISO.*
- ◆ Other minor revisions made to comply with the related Study Agreement, such as:
 - *References to “Additional Studies” are replaced with “Additional CARIS Studies”.*
 - *Reference to “ Within 30 days of receipt of the final invoice...” is taken out and replaced with “Within 30 days of the final invoice, there shall be a final payment (refund) to true up any study deposits to the final study cost.”*

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Revised Methodology to Estimate TCC Revenues – Attachment Y, Section 15.4.b (iii)

- ◆ This procedure describes the process for forecasting the net impact of a project on TCC revenues allocated to load in each zone.
- ◆ Procedure is currently contained in Section 1.2.2 of the Initial CARIS Manual and will be replaced with the modified tariff language currently pending FERC Approval from April 13, 2010 compliance filing.
- ◆ Modified tariff language, Section 15.4.b(iii), is a result of the October 19, 2009 FERC Order to explain the net reductions calculation in more detail:
 - *The original tariff language is expanded to include the new Appendix B of the Attachment Y. The new Appendix B contains a detailed description of this procedure that is based on the language approved by BIC in June 2009.*

Revised Methodology to Estimate TCC Revenues cont'd

Revisions:

- ◆ The Manual language is clarified and modified to conform with the tariff format.
- ◆ Substantive change pertains to Incremental TCCs:
 - *A new Step 2b was added:*
 - *Any payments associated with the Incremental TCCs for earlier expansions (other transmission projects) will be subtracted from the forecasted congestion rents.*

Initial CARIS Manual Update

- ◆ Section 1.1.4 of the Manual referring to the “Additional Benefit Metrics for CARIS Studies” procedure will be amended to “See Attachment Y, Section 11.3.e”.
- ◆ As a result of FERC’s acceptance and approval of the NYISO’s May 19, 2009 compliance filing, this procedure is now incorporated in the tariff language (Attachment Y Section 11.3.e).

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Motion



The New York Independent System Operator (NYISO) is a not-for-profit corporation that began operations in 1999. The NYISO operates New York's bulk electricity grid, administers the state's wholesale electricity markets, and provides comprehensive reliability planning for the state's bulk electricity system.

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