

7/12/03 DRAFT
ESP WORKING GROUP

INITIAL PHASE: PROCESS ISSUES

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ESP Working Group Meeting
July 18, 2003
Albany

Draft for Discussion

Phase I: Initial Planning Process

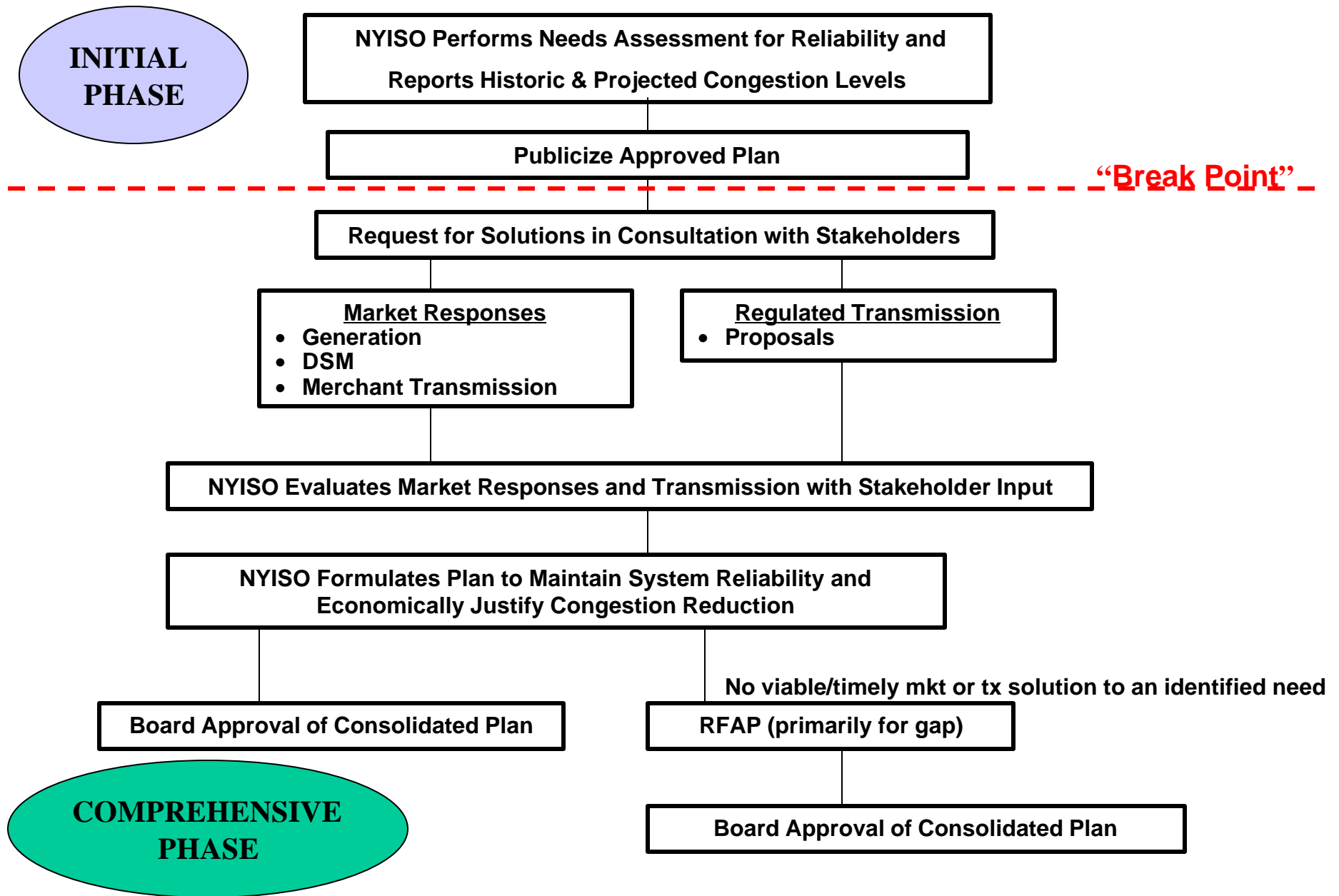
➤ Premises

- *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*

Phase I: Process Issues

- Define the appropriate “break point” for the initial Planning process
- Determine the stakeholder role in the initial planning process
- Identify the appropriate vehicle for stakeholder input in the initial planning process
- Define the review and approval process for the initial plan

NYISO Planning Process Flow



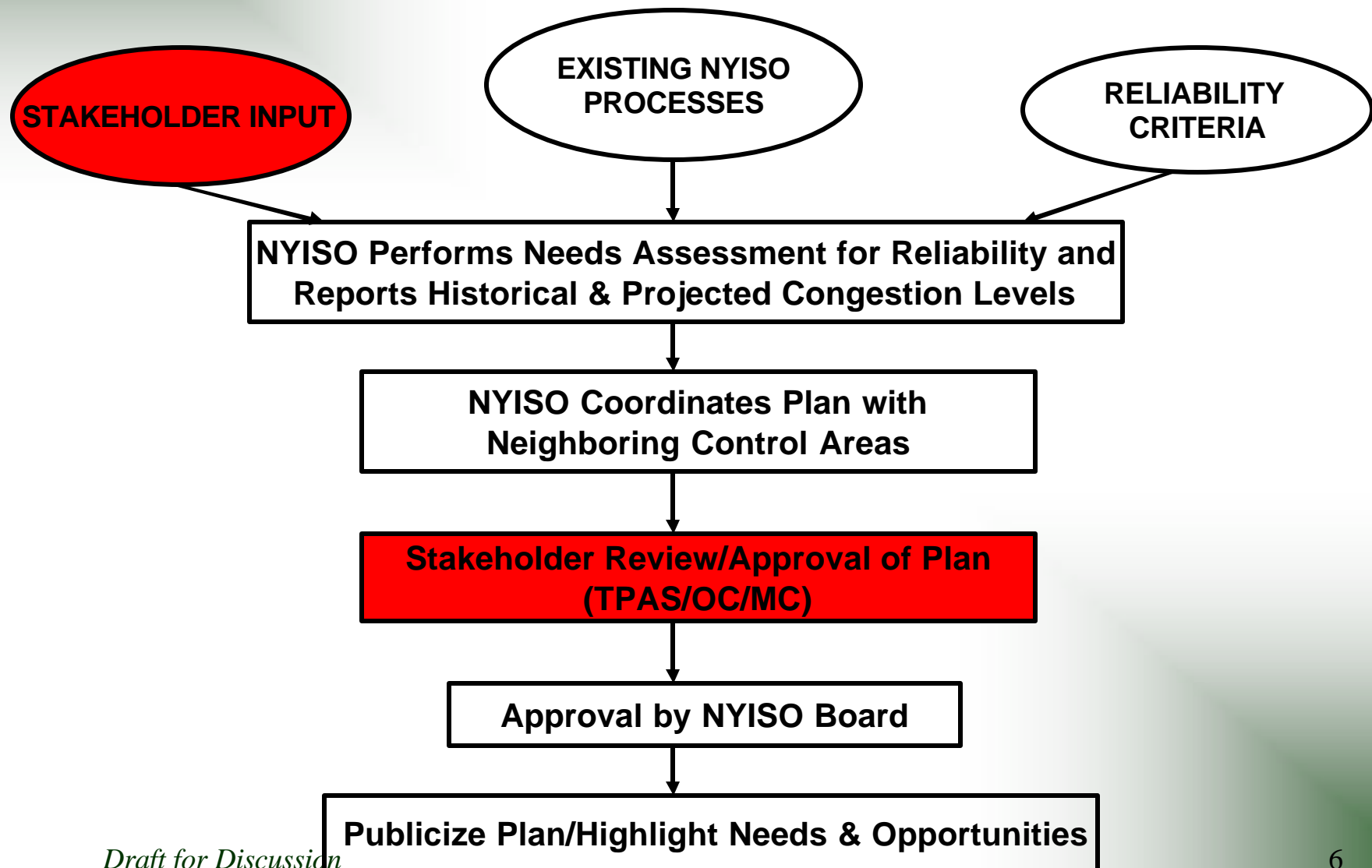
Stakeholder Role

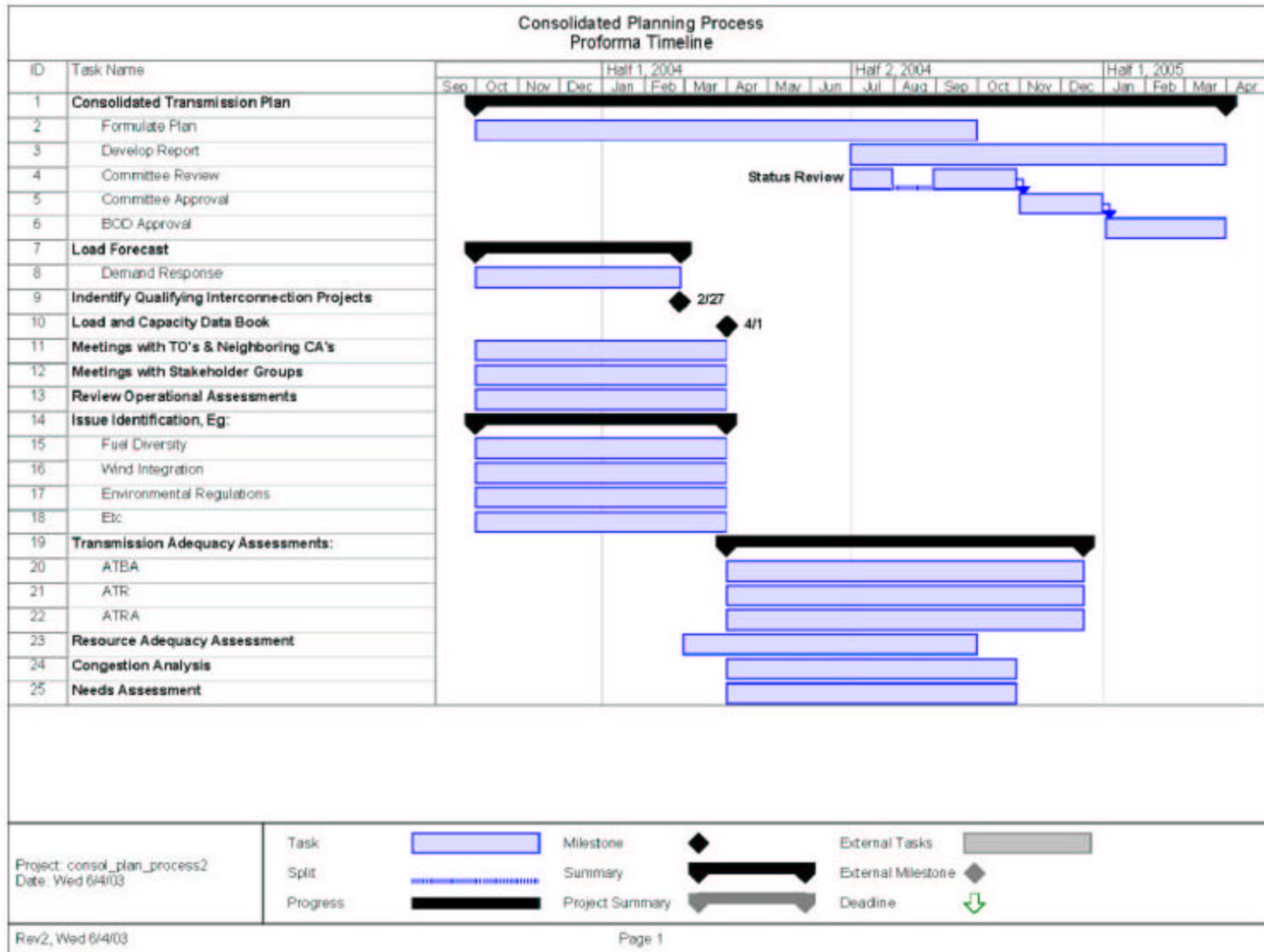
- Provide key input data for the planning process
 - *TO's transmission plans; load forecasts*
 - *Generators expansion plans*
 - *Demand response initiatives*

- Review/comment on draft plan

- Review/approve final plan

NYISO Initial Planning Process





Stakeholder Committee(-s)

- Existing NYISO Committee/Working Group?
 - *Operating Committee*
 - *TPAS*

- New Ad-hoc committee?
 - *Reporting to?*

- OC/BIC roles?
 - *Review and approval of Plan*

ISO Agreement: Current Provisions

➤ Article 6.07:

- *Contemplates an annual "NYS Transmission Plan" as part of the NYISO planning and Transmission System expansion process*

➤ Article 8.02: Provides that the Operating Committee:

- *"Shall implement the transmission system expansion process as described in Article 18"; and*
- *"Shall review and approve the NYS Transmission Plan prepared by NYISO staff"*

ISO Agreement: Article 18

➤ Article 18.1: Provides that:

- *"The ISO Operating Committee will have the primary role in the implementation of the NYISO's transmission system expansion responsibilities."*

➤ Article 18.03: Provides that:

- *The New York State Transmission Plan will be complied by the NYISO staff, with TO support and participation, "for Operating Committee review and approval."*

Discussion of Stakeholder Comments