New York ISO
Independent System Operator

2020-2021 Reliability Planning Process Next Steps

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Agenda

- This presentation summarizes the 2020-2021 Reliability Planning Process (RPP) background and next steps leading to the Viability and Sufficiency Assessment completion

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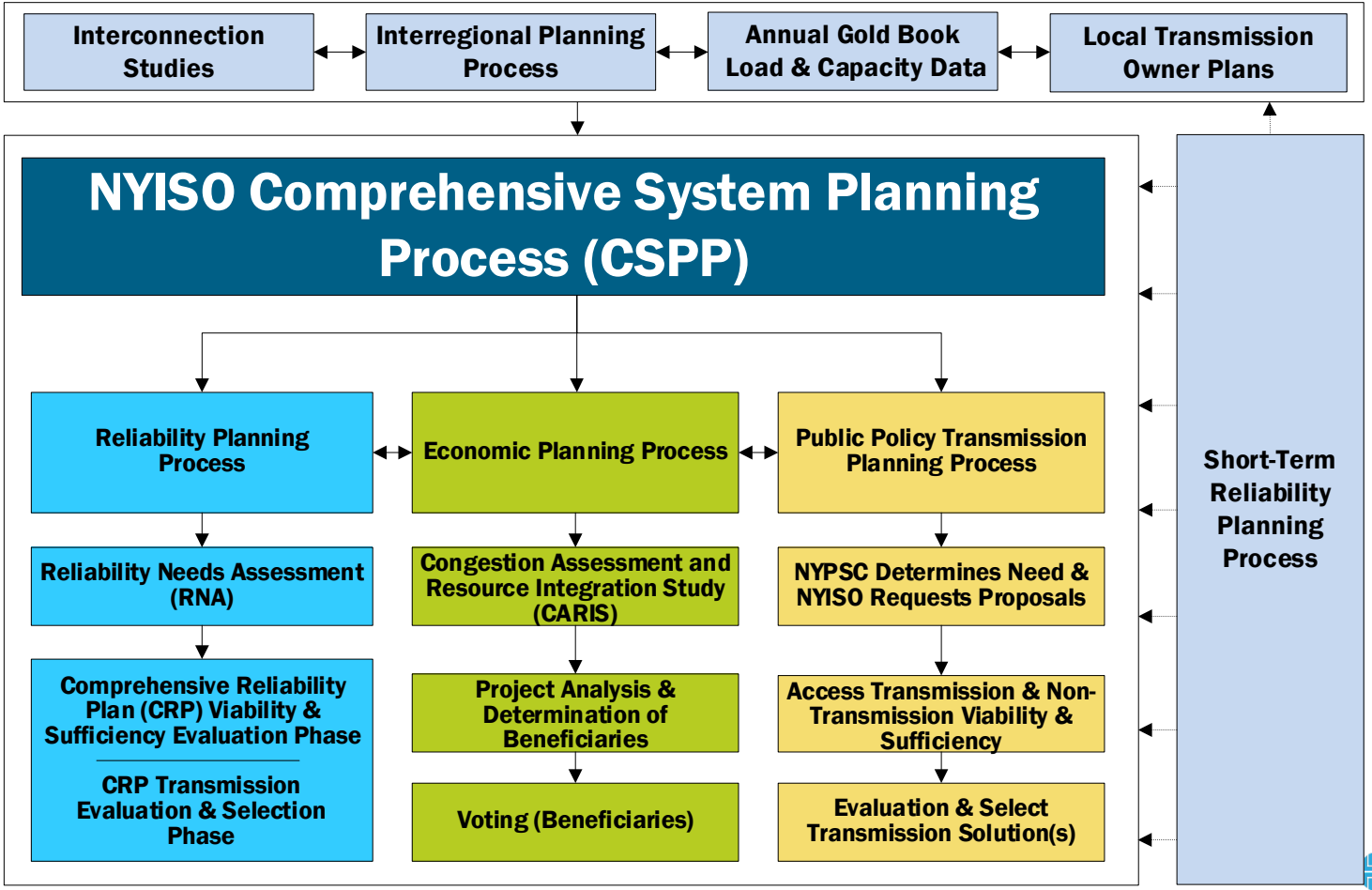
2020-2021 RPP Background



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2020-2021 RPP Background

- **The RPP is part of the Comprehensive System Planning Process (CSPP) and is performed pursuant to the Attachment Y of the NYISO OATT; Section 31.1 and 31.2.**
  - Additional implementation details, including recently updated RNA Base Case inclusion rules, are captured in the Reliability Planning Process Manual
- **The 2020-2021 Reliability Planning Process (RPP) started with the 2020 Reliability Needs Assessment (2020 RNA) and is followed by the 2021-2030 Comprehensive Reliability Plan (CRP)**
  - 2020 RNA and CRP Study Period: year 4 (2024) through year 10 (2030)
- **Effective May 1, 2020, the Short Term Reliability Process (STRP) addresses short term reliability needs through a quarterly Short Term Assessment of Reliability (STAR). The first quarterly STAR, i.e. 2020 Q3 STAR, commenced on July 15, 2020.**
  - STAR Study Period: year 1 (2021) through year 5 (2025), with a focus on needs arising in the first three years

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2020 RNA and 2020 STARs

2020 RNA Conclusion

- Reliability evaluations consisted of resource adequacy and transmission security evaluations of the New York Bulk Power Transmission Facilities (BPTFs) over the RNA Study Period (i.e., 2024 through 2030)
- The 2020 RNA is based on the information from the 2020 Gold Book, the 2020 FERC 715 filing (i.e., power flow cases and auxiliary files), historical data, and market participant data
- The 2020 RNA identified both resource adequacy Reliability Needs (starting 2027) and transmission security Reliability Needs starting as early as 2024
  - Final RNA was approved by the NYISO Board of Directors on November 17, 2020 and posted on the web site here: https://www.nyiso.com/documents/20142/2248793/2020-RNAReport-Nov2020.pdf

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Short-Term Reliability Process (STRP)
Short-Term Assessment of Reliability (STAR)

- **The 2020 Q3 STAR, commenced on July 15, 2020 and the first STAR Report was issued on October 13, 2020**
  - Assessment looked at years 1 – 5 (2021-2025), but focuses on years 1 – 3 (2021-2023) and found needs as early as 2023
  - Solicitation for solutions (*i.e.*, market-based solutions, and also backstop regulated solutions form Consolidated Edison) was issued December 3, 2020 and the solutions are due February 1, 2021
- **2020 Q4 STAR commenced on October 15, 2020, and the report was posted on January 13, 2021**
  - The findings are consistent with the 2020 Q3 STAR
- **2021 Q1 STAR will commence January 15, 2021**

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2020-2021 RPP Major Steps

RNA Major Milestones (Completed)

- June 19, 2020 ESPWG/TPAS: presented preliminary RNA results
  - No major update to the final RNA Base Case
- October 2020 OC & MC: Market Monitoring Unit review and OC and MC votes
- November 2020: NYISO's Board of Directors approval and publishing of final RNA Report
  - https://www.nyiso.com/documents/20142/2248793/2020-RNAReport-Nov2020.pdf

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CRP Tentative Schedule Leading to Solicitation

- **Future ESPWG/TPAS:**
  - NYISO to present updated Reliability Needs reflecting the accepted Base Case updates
    - The NYISO will consider updated Local Transmission Owner Plans (LTPs), and other status updates relevant to reducing, or eliminating, the Reliability Needs, as timely received from Market Participants, Developers, TOs, and other parties. Any such update must meet, in NYISO's determination, the RNA Base Case inclusion rules, as defined in Section 3 of the Manual
    - The NYISO will also consider the solutions received via the 2020 Q3 STAR solicitation, due February 1, 2021

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CRP Tentative Schedule Leading to VSA Completion

- **2021:**
  - March 2021: NYISO issues the CRP solicitation letter
  - 60 days from the solicitation letter: CRP solutions are due
  - NYISO reviews proposed solutions for completeness and addresses deficiencies
  - NYISO performs Viability & Sufficiency Assessment (VSA) and determines Trigger Dates for proposed transmission solutions
  - NYISO addresses reliability deficiencies with submitting parties
  - NYISO presents VSA at the TPAS/ESPWG

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Solutions

- Attachment Y of the OATT, Section 31.2.4 provides information on solutions
- Regulated Backstop Solution(s): ConEdison is the assigned Responsible Transmission Owner
- Market-Based Solution(s) – from Developers
- Alternative Regulated Solution(s) – from Other Developers, and also from TOs.
  - Note: if the solution is transmission, the developer must be qualified – see OATT Section 31.2.4.1.1.1 and 31.2.5.1
- Solutions can be generation, transmission, demand-side management, or combinations
  - Interregional Transmission Projects may be proposed as regulated backstop solutions, alternative regulated solutions, or market-based solutions

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Viability Assessment

- **The NYISO will evaluate whether:**
  - (i) the Developer has provided the required data and, if applicable, is qualified;
  - (ii) the proposed solution is technically practicable;
  - (iii) the Developer has indicated possession of, or an approach for acquiring, any necessary rights-of-way, property, and facilities that will make the proposal reasonably feasible in the required timeframe; and
  - (iv) the proposed solution can be completed in the required timeframe.
- **If the ISO determines that the proposed solution is not viable and, for regulated solutions, the Developer does not address any identified deficiency pursuant to Section 31.2.5.6 Resolution of Deficiencies, the ISO shall reject the proposed solution from further consideration during that planning cycle**

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Sufficiency Assessment

- The ISO will perform a comparable analysis of each proposed solution – transmission, generation, demand-side, or a combination of these resource types – through the Study Period to identify whether it satisfies the Reliability Need(s)
- The ISO will evaluate each solution to determine whether the solution proposed by the Developer fully eliminates the Reliability Need(s)
- If the ISO determines that a proposed regulated solution is not sufficient and the Developer does not address any identified deficiency pursuant to Section 31.2.5.6 **Resolution of Deficiencies**, the ISO shall reject the proposed regulated solution from further consideration during that planning cycle

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Trigger Date

- The ISO will notify all Developers if any Developer has proposed a lead time for the implementation of its regulated solution that could result in a Trigger Date for the regulated solution within thirty-six (36) months of the date of the ISO's presentation of the Viability and Sufficiency Assessment to the ESPWG
  - Provided that the ISO will not disclose the identity of such Developer or the details of its project at that time
- The ISO will independently analyze the lead time proposed by each Developer for the implementation of its regulated solution
- The ISO will use the Developer's estimate and the ISO's analysis to establish the ISO's Trigger Date for each regulated solution
- The ISO will also establish benchmark lead times for proposed market-based solutions

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VSA Report

- The ISO shall present its Viability and Sufficiency Assessment to stakeholders, interested parties, and the NYDPS for comment and will indicate at that time whether any of the proposed regulated solutions found to be viable and sufficient under this Section 31.2.5 will have a Trigger Date within 36 months of the date of the ISO's presentation of the Viability and Sufficiency Assessment to the ESPWG
- The ISO shall report in the VSA the results of its evaluations
  - (i) whether each proposed regulated backstop solution, alternative regulated solution, and market-based solution is viable and is sufficient to satisfy the identified Reliability Need by the need date, and
  - (ii) the Trigger Dates for the proposed regulated solutions

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Questions?

Our mission, in collaboration with our stakeholders, is to serve the public interest and provide benefit to consumers by:

- Maintaining and enhancing regional reliability
- Operating open, fair and competitive wholesale electricity markets
- Planning the power system for the future
- Providing factual information to policymakers, stakeholders and investors in the power system

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