

**LONG ISLAND OFFSHORE WIND EXPORT PUBLIC POLICY TRANSMISSION NEED
PROJECT SOLICITATION**
Response due October 11, 2021

August 12, 2021

Dear NYISO Stakeholder or Interested Party:

With this letter, the NYISO solicits Public Policy Transmission Projects¹ and Other Public Policy Projects to address the Long Island Offshore Wind Export Public Policy Transmission Need for evaluation in the NYISO's Public Policy Transmission Planning Process.

I. Long Island Offshore Wind Export Public Policy Transmission Need

On August 3, 2020, the NYISO issued a letter inviting stakeholders and interested parties to submit proposed transmission needs driven by Public Policy Requirements to the NYISO on or before October 2, 2020.² On October 9, 2020, the NYISO filed at the New York State Public Service Commission ("PSC" or "Commission") proposals for transmission needs driven by Public Policy Requirements submitted by 15 entities.³ On that date, the NYISO also submitted to the Long Island Power Authority 10 proposals for transmission needs that, as proposed, would require a physical modification to transmission facilities in the Long Island Transmission District. Previously, on July 30, 2020, the Long Island Power Authority referred to the PSC a Public Policy Transmission Need for the delivery of offshore wind output on Long Island and from Long Island into New York City.⁴ On November 18, 2020, the PSC published the proposed needs in the State Register for comments in accordance with the State Administrative Procedure Act.⁵

Following the public comment period, the PSC issued an order on March 19, 2021 stating that:

Based on LIPA's referral letter, the studies outlined in the letter, the several proposals recommending the identification of a

¹ Capitalized terms in this letter refer to defined terms in the NYISO's Open Access Transmission Tariff ("OATT") or the NYISO Public Policy Transmission Planning Manual.

² The requirements for the Public Policy Transmission Planning Process are set forth in Attachment Y of the OATT and the NYISO Public Policy Transmission Planning Process Manual.

³ The NYISO posted these submittals on its Planning Studies website under "Proposed Needs" contained within the "Public Policy Documents" folder on the NYISO's Planning Studies website, which can be accessed at: <https://www.nyiso.com/cspp>.

⁴ Case No. 8-E-0623, *In the Matter of New York Independent System Operator, Inc.'s Proposed Public Policy Transmission Needs for Consideration for 2018*, Letter of Rick Shansky to Chair John Rhodes (July 30, 2020).

⁵ Case No. 20-E-0497, *In the Matter of New York Independent System Operator, Inc.'s Proposed Public Policy Transmission Needs for Consideration for 2020*, Notice of Proposed Rulemaking, New York State Register I.D. No. PSC-46-20-00009-P (November 18, 2020), at 17.

transmission need along the Long Island-New York City interface, and the NYISO's similar recommendation made in its comments, we find the CLCPA constitutes a Public Policy Requirement driving the need for:

- 1) Adding at least one bulk transmission intertie cable to increase the export capability of the LIPA-Con Edison interface, that connects NYISO's Zone K to Zones I and J to ensure the full output from at least 3,000 MW of offshore wind is deliverable from Long Island to the rest of the State; and
- 2) Upgrading associated local transmission facilities to accompany the expansion of the proposed offshore export capability.⁶

The Commission referred the Public Policy Transmission Need to the NYISO to consider solutions for increasing transmission capability from Long Island into Southeastern New York.⁷

The order further stated:

In accordance with the NYISO OATT, we also prescribe criteria to assist that NYISO in its solicitation and evaluation of proposed solutions to the identified Public Policy Transmission Needs. The NYISO's analysis should ensure no transmission security violations, thermal, voltage or stability, would result under normal and emergency operating conditions. The analysis should also ensure the system would be maintained in a reliable manner.⁸

II. Stakeholder Discussions and Technical Conference

The NYISO made presentations at combined meetings of the Transmission Planning Advisory Subcommittee (TPAS) and the Electric System Planning Working Group (ESPWG)⁹ to review the PSC's determination of the Public Policy Requirement and the nature of the resulting Long Island Offshore Wind Export Public Policy Transmission Need (LI PPTN).¹⁰ The NYISO held a technical conference on July 8, 2021 with Developers and interested parties to obtain their input on the NYISO's application of the selection metrics set forth in Section 31.4.8.1 of the OATT for purposes of soliciting solutions to the Public Policy Transmission Need.¹¹ Developers

⁶ Case No. 20-E-0497 and Case No. 18-E-0623, *Order Addressing Public Policy Requirements for Transmission Planning Purposes* (March 19, 2021), at 23, available at <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={8C8F3D7A-4FEB-4B18-88F5-82CF587895C9}>.

⁷ *Id.* at 23-24.

⁸ *Id.*

⁹ The meetings were held on March 23, 2021, March 26, 2021, April 7, 2021, April 23, 2021, May 3, 2021, May 20, 2021, June 1, 2021, June 22, 2021, July 1, 2021, July 23, 2021, and August 2, 2021.

¹⁰ The NYISO's presentations are posted on its website under meeting materials at the following link: <https://www.nyiso.com/espwg>.

¹¹ OATT § 31.4.4.3.1; Public Policy Transmission Planning Process Manual ("PPP Manual") § 3.2.

are reminded that, in addition to the metrics listed in Section 31.4.8.1.10, “[t]he ISO, in consultation with stakeholders, shall, as appropriate, consider other metrics in the context of the Public Policy Requirement, such as: change in production costs; LBMP; losses; emissions; ICAP; TCC; congestion; impact on transfer limits; and deliverability.”¹² On August 11, 2021, the NYISO posted a “Frequently Asked Questions” document to respond to stakeholders’ questions.¹³

The NYISO has established sufficiency criteria in accordance with the criteria set forth in the PSC Order, and has developed baseline models and associated power flow results to aid interested parties in developing project proposals. The attached “Study Cases and Sufficiency Criteria” document provides the details of the system models and criteria that the NYISO will apply to determine the sufficiency of each proposed Public Policy Transmission Project and Other Public Policy Project to satisfy the LI PPTN. Further discussion with stakeholders regarding the LI PPTN assessment will be held at ESPWG and TPAS.

III. Project Submission Requirements

Pursuant to Section 31.4.3 of Attachment Y to the OATT, the NYISO hereby solicits Public Policy Transmission Projects and Other Public Policy Projects (including, but not limited to, generation and demand-side resources) to address the LI PPTN. Developers, including Transmission Owners and Other Developers, must provide project information in accordance with Section 31.4.5 of the OATT and Section 3.3 of the Public Policy Transmission Planning Manual (“PPP Manual”).¹⁴ This project information will be used by the NYISO to analyze proposed Public Policy Transmission Projects and Other Public Policy Projects in accordance with the criteria set forth in the NYISO’s tariff and the sufficiency criteria set forth in the attached “Sufficiency Criteria and Additional Information” document. Specifically, a Developer proposing a Public Policy Transmission Project or an Other Public Policy Project must submit the project information required in Attachment B of the Manual for the NYISO to analyze the project’s viability and sufficiency.¹⁵ A Developer proposing a Public Policy Transmission Project must also submit the project information required in Attachment C of the PPP Manual for the NYISO’s project evaluation and selection,¹⁶ as well as the additional information required by the NYPSC Order as described in the attached “Sufficiency Criteria and Additional Information” document.

¹² OATT § 31.4.8.1.10.

¹³ The FAQ document is available at the following link:
<https://www.nyiso.com/documents/20142/22968753/LIPPTN-FAQ-08112021.pdf/9ea835b4-4343-be80-cdc2-c932a067e5cd>

¹⁴ The NYISO Public Policy Transmission Planning Process Manual is posted at:
https://www.nyiso.com/documents/20142/2924447/M-36_Public%20Policy%20Manual_v1_0_Final.pdf/e8851b0f-8ca4-779f-97a0-d75af6716d94.

¹⁵ Attachment B to the PPP Manual entitled “Information for a Proposed Solution to a Public Policy Transmission Need” is posted at: <https://www.nyiso.com/manuals-tech-bulletins-user-guide>.

¹⁶ Attachment C to the PPP Manual entitled “Data Submission for Public Policy Projects” is posted at: <https://www.nyiso.com/manuals-tech-bulletins-user-guides>. Please note that Attachment C was recently updated on August 6, 2021.

A Developer may voluntarily submit with its project information a Cost Cap for its proposed Public Policy Transmission Project that covers its Included Capital Costs, as defined in Section 31.4.5.1.8.1 of the OATT, but not its Excluded Capital Costs, as defined in Section 31.4.5.1.8.2.¹⁷ Such Cost Cap for a proposed Public Policy Transmission Project may be in the form of a hard Cost Cap or a soft Cost Cap as described in Sections 31.4.5.1.8.3 and 31.4.5.1.8.4 of the OATT. The NYISO's consideration of any Cost Cap submitted by a Developer will be based on the quantitative and qualitative considerations in Sections 31.4.8.1 and 31.4.8.2 of the OATT. The NYISO's consideration of Excluded Capital Costs and/or costs of a proposal that does not contain a voluntary Cost Cap in its evaluation and selection will rely on the cost estimates determined by its independent consultant.

The Developer of a Public Policy Transmission Project must also demonstrate to the NYISO, simultaneous with its submission of its application, that it has submitted a new or revised Transmission Interconnection Application or Interconnection Request, as applicable.¹⁸ The project information submitted by the Developer for its Public Policy Transmission Project must be the same as the Developer's proposed projects in its Transmission Interconnection Application.¹⁹ If a Developer includes a facility with its proposed Public Policy Transmission Project that is a potential Network Upgrade Facility (NUF) required for the reliable interconnection of the project, the Developer should also clearly identify it as a potential NUF in the associated Transmission Interconnection Application. Additional information on the coordination of the Public Policy Transmission Planning Process and the NYISO's interconnection processes is contained in Section 3.4.4 and Attachment C of the PPP Manual.

A Developer must submit its application to the NYISO in the manner described below by 11:59 pm EST on October 11, 2021 in order to be considered in the NYISO's Public Policy Transmission Planning Process for the LI PPTN. A Developer of a Public Policy Transmission Project must also include with its application, also by 11:59 pm EST on October 11, 2021:²⁰ (i) an executed study agreement, which is contained in Appendix I of Section 31.12 of the OATT and provided as a fillable form as Attachment II to this letter,²¹ (ii) a non-refundable application fee of \$10,000, and (iii) a study deposit of \$100,000.²² Please contact NYISO Accounts Receivable (NYISOFinancePlanningStudies@nyiso.com) regarding submission of the application fee and study deposit.

A Developer must submit a separate application for each Public Policy Transmission Project. The only permitted alternatives within a proposed Public Policy Transmission Project are routing alternatives as provided in Section 31.4.5.1.3 of the OATT. Any other alternative

¹⁷ See OATT § 31.4.5.1.8.

¹⁸ *Id.* at § 31.4.4.3.4. In most cases, Developers will need to submit a Transmission Interconnection Application for their proposed Public Policy Transmission Projects. However, a Developer could alternatively submit a Large Facility Interconnection Request for its proposed project, if eligible, to be studied under the Large Facility Interconnection Procedures (LFIP). References to the interconnection process in this letter are primarily focused on the Transmission Interconnection Procedures, and Developers that seek to have their proposed transmission projects studied under the LFIP should familiarize themselves with the difference in process and terminology.

¹⁹ *Id.*

²⁰ These additional submission requirements do not apply to Other Public Policy Projects.

²¹ OATT § 31.4.4.4; PPP Manual § 3.4.2.

²² OATT § 31.4.4.4.

must be submitted as a separate Public Policy Transmission Project.²³ Once a Developer submits a Public Policy Transmission Project to the NYISO for consideration, the design of the proposed facilities (*i.e.*, new transmission facilities or upgrades to existing transmission facilities proposed to satisfy the Public Policy Transmission Need) may not be modified. Facilities that the Developer identifies as potential NUFs required to reliably interconnect the project are subject to change and will be finalized by the NYISO through the Transmission Interconnection Procedures. If a Developer submits Confidential Information as part of its project information, the Developer shall submit redacted and unredacted versions of this project information pursuant to Section 31.4.15.4.²⁴

Developers must send their applications for a Public Policy Transmission Project or Other Public Policy Project electronically to: publicpolicyplanningmailbox@nyiso.com, including in the subject line “LI PPTN Project Proposal.” Additional details on submission of proposed Public Policy Transmission Projects and Other Public Policy Projects are contained in Section 3.4.2 and Section 3.4.3 of the PPP Manual, respectively. Due to file size restrictions, e-mail attachments should not exceed 60 MB for any single e-mail. Any supplemental hard copy information that could not be sent via e-mail should be sent to Ross Altman, Manager of Public Policy Transmission & Interregional Planning, at 10 Krey Boulevard, Rensselaer, New York 12144.

IV. Developer Qualification for Proposed Transmission Projects

A Developer proposing a Public Policy Transmission Project must be qualified to under the provisions of Attachment Y. A Developer that is not yet qualified to submit transmission projects, but intends to respond to this solicitation, must submit a Developer Qualification Form on or before September 11, 2021.²⁵ Please note that this date is before applications for proposed Public Policy Transmission Projects are due to the NYISO. A link to the form can be found in Attachment A to the PPP Manual and the form is contained in Attachment A of Reliability Planning Process Manual.²⁶ A Developer that has been qualified shall inform the NYISO within thirty days of any material change not previously reported to the information it provided regarding its qualifications and shall submit to the NYISO each year its most recent audited annual financial statement when available.²⁷ Additional details on the application of the qualification requirements to Developers of proposed transmission projects are contained in Attachment G of the Reliability Planning Process Manual.²⁸ All submissions of Developer Qualification Forms and updates must be submitted to DeveloperQualification@nyiso.com.

²³ *Id.* at § 31.4.4.3.2.

²⁴ *See id.* at § 31.4.4.3.3.

²⁵ *Id.* at § 31.4.4.3.7; *see also id.* at §§ 31.4.4.1, 31.4.4.3.

²⁶ The Developer qualification form may be obtained at the following link:

https://www.nyiso.com/documents/20142/2924881/M-26_RPP%20Manual_Att%20A_Final.pdf/bb765caa-e1b9-a986-6728-3f169015b6bd.

²⁷ *See* OATT § 31.4.4.1.2.

²⁸ Attachment G of the Reliability Planning Process Manual is available at the following link:

https://www.nyiso.com/documents/20142/2924881/M-26_RPP%20Manual_Att%20G_v2016-04-01_Final.pdf/a61f5b50-7ed7-c57d-7df6-f864e7cdc8f9.

V. Additional Considerations for Upgrades to Existing Facilities and Anticipated Tariff Revisions

On August 18, 2020, the NYISO filed a petition for a declaratory ruling at FERC to confirm and clarify the scope of Transmission Owners' right to build, own, and recover the costs of upgrades to their existing transmission facilities.²⁹ On April 15, 2021, FERC issued a declaratory order finding that Transmission Owners have a right of first refusal for upgrades to their existing facilities, including upgrades to existing facilities that other Developers propose as part of proposed transmission projects that the NYISO selects in its regional transmission plan for purposes of cost allocation. However, the Commission denied the NYISO's request for clarification that if the Commission confirms that there is a right to build, own and recover the costs of upgrades, that the right could be implemented under existing provisions of the OATT. Accordingly, the NYISO, in consultation with stakeholders, has proposed and developed a tariff mechanism to effectuate the Transmission Owners' right to build, own, and recover the cost of upgrades in the Public Policy Process. The NYISO posted draft tariff provisions for consideration by the Business Issues Committee (BIC) at its August 11, 2021 meeting.³⁰ On August 11, 2021, the BIC voted in favor of the proposed tariff revisions, recommending that the Management Committee approve, and the NYISO Board of Directors authorize, the filing of the proposed tariff revisions pursuant to Section 205 of the Federal Power Act. Upon approval of the proposed tariff revisions by the Management Committee and the NYISO Board of Directors, the NYISO will file the proposed revisions with the FERC.

Developers should carefully review the declaratory order issued by the Commission and the related stakeholder materials concerning upgrades to existing Transmission Owner transmission facilities when proposing their Public Policy Transmission Projects in response to this solicitation. Developers should be aware of the right confirmed by the FERC in proposing their solutions by considering which facilities may be upgrades to existing transmission facilities. Additionally, Developers should also be mindful that the anticipated changes would (i) require the NYISO to use independent cost estimates in evaluating the cost of components that are determined to be upgrades and (ii) consider the capital costs of upgrades to be an Excluded Capital Cost and, therefore, not eligible to be covered by a Cost Cap. While Developers should submit their proposal based on the current Cost Cap provisions of the OATT, Developers will have an opportunity to amend any Cost Cap to align it with the revised provisions if the NYISO submits, and FERC accepts, the anticipated tariff changes.³¹

VI. Project Evaluation and Selection

The NYISO staff will evaluate the proposed Public Policy Transmission Projects using metrics as described in the NYISO's tariff, Sections 31.4.6 and 31.4.8.1 of the OATT, as well as the criteria prescribed by the PSC, in identifying the more efficient or cost effective solution to

²⁹ See *New York Indep. Sys. Operator, Inc.*, Petition for Declaratory Order, Docket No. EL20-65-000 (August 18, 2020), available at: <https://nyisoviewer.etariff.biz/ViewerDocLibrary//Filing/Filing1650/Attachments/20200818-NYISOPtmDcltryOrdr.pdf>.

³⁰ The meeting materials and draft tariff provisions are available at the following link: <https://www.nyiso.com/business-issues-committee-bic-?meetingDate=2021-08-11>

³¹ See OATT § 31.4.4.3.5 (providing for Developers to update their transmission project information).

satisfy the LI PPTN. The process for the evaluation of proposed Public Policy Transmission Projects is detailed in Section 31.4.8 of the OATT and described in the NYISO Public Policy Transmission Planning Process Manual. The evaluation may also include scenarios that modify the assumptions to evaluate the proposed Public Policy Transmission Projects according to the selection metrics, the impact on the NYISO's wholesale electricity markets, and how each proposal could facilitate achievement of the Climate Leadership and Community Protection Act (CLCPA) Public Policy Requirement.

Questions about the process and filing of project information or about the Public Policy Transmission Planning Process should be addressed to:
publicpolicyplanningmailbox@nyiso.com.

Very truly yours,

/s/ Zachary G. Smith

Zachary G. Smith
Vice President
System & Resource Planning

cc: Mr. Robert Rosenthal, General Counsel – State of New York Department of Public Service Attachments

Attachment I

Sufficiency Criteria and Additional Information

Long Island Offshore Wind Export Public Policy Transmission Need

Sufficiency Criteria and Additional Information

Sufficiency Criteria (Minimum Criteria)

In order to address the Long Island Offshore Wind Export Public Policy Transmission Need (LI PPTN) as identified by the NYPSC, a sufficient Public Policy Transmission Project or Other Public Policy Project shall meet, at a minimum, the following criteria:

- Ensure full output of at least 3,000 MW of offshore wind connected to Long Island (Zone K) while maintaining reliability under all lines-in-service (N-0 and N-1) and prior-outage (N-1-1) conditions per North American Electric Reliability Corporation (NERC), Northeast Power Coordinating Council (NPCC) and New York State Reliability Council (NYSRC) transmission security criteria, and local Transmission Owner planning criteria. A sufficient project must resolve constraints on Bulk Electric System facilities that are significantly impacted by Long Island offshore wind under summer peak and light load conditions.
- Add at least one bulk transmission intertie cable connecting between Zone K and the rest of the New York Control Area.
- Additional transmission expansion or upgrades, as necessary, to facilitate the full output of at least 3,000 MW of Long Island offshore wind under summer peak and light load conditions.

Evaluation and Selection Criteria for the Public Policy Transmission Project

For the purposes of evaluation and selection of the more efficient or cost effective Public Policy Transmission Project to address the LI PPTN, the following criteria will be applied:

- Per Section 31.4.8.1 of Attachment Y to the NYISO OATT, NYISO will consider the following criteria and metrics: capital cost estimate, voluntary cost cap, cost per MW ratio, expandability, operability, performance, production cost, property rights and routing, potential construction delays, and other metrics applicable to of the Public Policy Requirement to achieve the Climate Leadership and Community Protection Act (CLCPA) targets.
- The ability of a Public Policy Transmission Project to enable greater levels of offshore wind energy delivery from Long Island to the rest of New York will be valued in the evaluation process. Scenarios representing Long Island offshore wind in excess of 3,000 MW will be used to evaluate project performance with respect to the expandability and other metrics. The evaluation will include, among other potential scenarios, an “Alternate Scenario” which models 6,000 MW of offshore wind connected to New York City and 6,000 MW connected to Long Island.
- The following additional criteria was identified in the NYPSC Order:
 - The NYISO’s analysis should ensure no transmission security violations, thermal, voltage or stability, would result under normal and emergency operating conditions.

- The analysis should also ensure the system would be maintained in a reliable manner.
- The NYISO shall also consider other metrics in its evaluation of this Public Policy Requirement, including: changes in production costs; Load-Based Marginal Prices; transmission losses; emissions; Installed Capacity costs; Transmission Congestion Contract revenues; transmission congestion; impacts on transfer limits; and, resource deliverability.¹

PPTN-specific Project Information

- For the purpose of determining Sufficiency, constraints do not need to be resolved for facilities that are:
 - operated at a voltage below 100 kV;
 - not significantly impacted by the injection of power from Long Island offshore wind projects; or
 - anticipated to be upgraded by offshore wind developers per NYSERDA's Offshore Wind Renewable Energy Credit Purchase and Sale Agreement's - specifically, the 138 kV circuits between Barrett and New Bridge Rd, and between Barrett and Valley Stream.
- Developers shall identify which Project components are new facilities, upgrades², or Network Upgrade Facilities³, as described in the Public Policy Transmission Planning Process Manual Attachments B and C. NYISO will review the classification of Project components and, if necessary, ask the Developer for clarification or correction.

Baseline Study Cases

The study cases used in the baseline analysis (Baseline Scenario) for the LI PPTN are based on the NYISO 2021 FERC 715 filing with the following major modifications:

- Offshore wind generation modeled at full output:
 - ~3,000 MW connected to Zone K (Long Island): 139 MW @ East Hampton 69 kV, 880 MW @ Holbrook 138 kV, 1,260 MW @ Barrett 138 kV, 800 MW @ Ruland Rd 138 kV
 - ~6,000 MW connected to Zone J (New York City): 816 MW @ Gowanus 345 kV, 1,230 MW @ Astoria 138 kV, 1,310 MW @ Farragut East 345 kV, 1,310 MW Farragut West 345 kV, and 1,310 MW West 49th St. 345 kV
- Load levels:
 - Zone K: 4,423 MW (including 499 MW behind-the-meter solar) in the Summer Peak case and 1,107 MW (including 1,108 MW behind-the-meter solar) in the Light Load case
 - Zone J: 11,195 MW (including 290 MW behind-the-meter solar) in the Summer Peak case and 4,524 MW in the Light Load case (including 644 MW behind-the-meter solar)
- Imports:
 - Summer Peak: Norwalk – Northport = 0 MW, Cross Sound Cable = 0 MW, Neptune = 660 MW, Zone J Generic HVDC @ Rainey 345 kV = 1,310 MW

¹ PSC Order, at 24.

² OATT Attachment Y 31.6.4

³ OATT Attachment P 22.1

- Light Load: Norwalk – Northport = 0 MW, Cross Sound Cable = 0 MW, Neptune = 0 MW, Zone J Generic HVDC @ Rainey 345 kV = 0 MW
- Dispatch of existing generators:
 - Following recommendations of the Transmission Owners ConEdison and LIPA, certain existing generators are kept dispatched on to maintain local reliability. The details can be found in the power flow cases.

In addition to the Baseline Scenario, an Alternate Scenario is available with the following distinction:

- Offshore wind generation modeled at full output:
 - ~6,000 MW connected to Zone J: 816 MW @ Gowanus 345 kV, 1,230 MW @ Astoria 138 kV, 1,310 MW @ Farragut East 345 kV, 1,310 MW Farragut West 345 kV, and 1,310 MW West 49th St. 345 kV
 - ~6,000 MW connected to Zone K: 139 MW @ East Hampton 69 kV, 1,050 MW @ Holbrook 138 kV, 1,350 MW @ Barrett 138 kV, 1,150 MW @ Ruland Rd. 138 kV, 1,150 MW @ East Garden City 345 kV, and 1,150 MW @ Northport 138 kV

The Baseline Scenario cases will be used in the Viability & Sufficiency Assessment to determine sufficiency, while the Alternate Scenario will be used to assess the transmission solutions' performance in the expandability metric and other metrics in the evaluation and selection of the more effective or cost efficient solution. Other scenarios, including scenarios representing achievement of the CLCPA Public Policy Requirement, may also be utilized in the evaluation and selection phase.

The Baseline and Alternate Scenario study cases are available, subject to a Critical Energy Infrastructure Information (CEII) request:

<https://nyiso.tfaforms.net/187>

Baseline Study Results

Baseline and Alternate Scenario study results are publicly available on the NYISO website under Public Policy Documents at

<https://www.nyiso.com/documents/20142/22968753/LI-PPTN-BaselineResults.xlsx/c91543ab-c542-3139-64a8-46357f886362>

Attachment II

Study Agreement for Evaluation of Public Policy Transmission Projects

**STUDY AGREEMENT FOR
EVALUATION OF PUBLIC POLICY TRANSMISSION PROJECTS**

THIS AGREEMENT is made and entered into this ____ day of _____, 2021 by and between _____, a _____ organized and existing under the laws of the State of _____ (“Developer”), and the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York (“NYISO”). Developer and NYISO each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, Developer is proposing to develop a Public Policy Transmission Project to satisfy one or more identified Public Policy Transmission Needs (“Transmission Project”);

WHEREAS, pursuant to Sections 31.4.3.1, 31.4.4.3, and 31.4.4.4 of Attachment Y to the ISO OATT, the NYISO has requested that all entities interested in proposing a Transmission Project submit specific solutions to the Public Policy Transmission Need, including: (i) submitting their project information and an application fee for purposes of being evaluated in the NYISO’s Public Policy Transmission Planning Process, and (ii) executing this Agreement and submitting a study deposit for purposes of the NYISO’s evaluation and selection of the more efficient or cost-effective transmission solution to the identified Public Policy Transmission Need(s);

WHEREAS, Developer has requested the NYISO to evaluate its Transmission Project for the purpose of selecting the more efficient or cost-effective transmission solution to the identified Public Policy Transmission Need(s);

WHEREAS, pursuant to Sections 31.4.3.1, 31.4.4.3, and 31.4.4.4 of Attachment Y to the ISO OATT, Developer will submit, together with the execution of this Agreement, its project information, application fee, and study deposit for the purpose of the NYISO evaluating its Transmission Project.

NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agree as follows:

- 1.0 When used in this Agreement, with initial capitalization, the terms specified but not otherwise defined herein shall have the meanings indicated in Section 31.1.1 of Attachment Y to the ISO OATT, or if not defined therein, in the ISO OATT.
- 2.0 Developer elects, and the NYISO shall cause to be performed, an evaluation of the Transmission Project in accordance with Sections 31.4.7, 31.4.8, 31.4.9, 31.4.10, and 31.4.11 of Attachment Y to the ISO OATT, along with any required additional evaluation

or re-evaluation of the Transmission Project, for the purpose of the NYISO's selection of the more efficient or cost-effective transmission solution to satisfy the identified Public Policy Transmission Need(s) ("Evaluation"). The terms of Sections 31.4.7, 31.4.8, 31.4.9, 31.4.10, and 31.4.11 of Attachment Y to the ISO OATT, as applicable, are hereby incorporated by reference herein. The NYISO will not commence its Evaluation of the Transmission Project prior to determining that: (i) Developer's Transmission Project is viable and sufficient in accordance with Section 31.4.6 of Attachment Y to the ISO OATT, and (ii) Developer has provided to the NYISO the required notification to proceed with the Evaluation of the Transmission Project in accordance with Section 31.4.6.6 of Attachment Y to the ISO OATT.

- 3.0 Upon the execution of this Agreement, Developer shall provide the NYISO with the project information for its Transmission Project in accordance with Section 31.4.4.3 of Attachment Y to the ISO OATT. Developer shall provide the project information required under Section 31.4.5.1 of Attachment Y to the ISO OATT.
- 4.0 Upon the execution of this Agreement, Developer shall also provide the NYISO with a deposit of \$100,000 in accordance with Section 31.4.4.4 of Attachment Y to the ISO OATT to secure Developer's payment of the NYISO's expenses incurred in performing the Evaluation. The NYISO will not commence its Evaluation of the Transmission Project prior to its receipt of Developer's study deposit. The NYISO shall invoice, and Developer shall pay to the NYISO, the actual costs of the Evaluation in accordance with Section 31.4.4.4 of Attachment Y to the ISO OATT. Upon settlement of the final invoice, the NYISO will return to Developer any remaining portion of the study deposit, including any accrued interest, in accordance with Section 31.4.4.4 of Attachment Y to the ISO OATT.
- 5.0 The NYISO will use the project information provided by Developer as described in Section 3.0 above as an input for its Evaluation; *provided, however*, that pursuant to Section 31.4.8 of Attachment Y to the ISO OATT, the ISO may engage an independent subcontractor consultant to review the reasonableness and comprehensiveness of the project information provided by Developer and may rely on the independent subcontractor consultant's analysis of the project information in performing its Evaluation. The NYISO reserves the right to request additional project information from Developer as may become necessary in accordance with Section 31.4.4.3.5 of Attachment Y to the ISO OATT, and Developer shall submit such additional information within 15 days of the NYISO's request as required under Section 31.4.4.3.8 of Attachment Y to the ISO OATT. Developer shall meet with the NYISO, as the NYISO deems necessary, to discuss Developer's project information.
- 6.0 The scope of the Evaluation shall be subject to the study purposes and criteria set forth in Attachment Y to the ISO OATT and to the assumptions set forth in Attachment A to this Agreement.

7.0 As part of the NYISO's Evaluation of the Transmission Project and prior to identifying the more efficient or cost-effective transmission solution to meet the Public Policy Transmission Need(s), the NYISO will provide Developer with a summary of its findings regarding the project information submitted by Developer and will meet with Developer to discuss its findings and to address any questions regarding the project information. After completing the required analysis of all of the proposed regulated transmission solutions and identifying the more efficient or cost-effective transmission solution, the NYISO will provide all stakeholders with the results of its analysis, including which regulated transmission solution has been identified as the more efficient or cost-effective transmission solution to the Public Policy Transmission Need(s), in the Public Policy Transmission Planning Report pursuant to Section 31.4.11 of Attachment Y to the ISO OATT.

8.0 Miscellaneous.

8.1 Accuracy of Information. Except as Developer may otherwise specify in writing when it provides information to the NYISO under this Agreement, Developer represents and warrants that to the best of its knowledge and belief the information it has provided or subsequently provides to the NYISO is and shall be accurate and complete as of the date the information is provided. Developer shall promptly provide the NYISO with any additional information needed to update information previously provided.

8.2 Disclaimer of Warranty. In performing the Evaluation, the NYISO and any subcontractor consultants engaged by the NYISO will have to rely on information provided by Developer, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the NYISO nor any subcontractor consultant engaged by the NYISO makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of the Evaluation performed pursuant to this Agreement and the ISO OATT. Developer acknowledges that it has not relied on any representations or warranties by the NYISO or its subcontractor consultants not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.

8.3 Limitation of Liability. The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the

NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall either Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement and the ISO OATT or any reliance on the Evaluation by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall either Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.

- 8.4 Third-Party Beneficiaries. Without limitation of Sections 8.2 and 8.3 of this Agreement, Developer further agrees that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, the Evaluation of the Transmission Project shall be deemed third party beneficiaries of these Sections 8.2 and 8.3.
- 8.5 Term and Termination. This Agreement shall be effective from the date hereof and, unless earlier terminated in accordance with this Section 8.5, shall continue in effect until completion of the Evaluation, which shall be the later of: (i) the date on which the NYISO Board of Directors' approval of the Public Policy Transmission Planning Process report for the planning cycle is final and not the subject of dispute resolution or a challenge before a court or regulatory body, and (ii) the date on which the New York State Public Service Commission issues the Article VII certification for a regulated transmission solution that satisfies the identified Public Policy Transmission Need(s). Developer or NYISO may end the Evaluation and terminate this Agreement upon: (i) the withdrawal by Developer of its Transmission Project, including its failure to provide the required notification to proceed under Section 31.4.6.6 of Attachment Y to the ISO OATT; (ii) the rejection by the NYISO of the Transmission Project from further consideration during the planning cycle in accordance with the ISO OATT; or (iii) any changes by the New York State Public Service Commission to the identified Public Policy Transmission Need(s), including withdrawal of the Public Policy Transmission Need(s), that eliminate the need for the Transmission Project.

- 8.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.
- 8.7 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.
- 8.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
- 8.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 8.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein and the payment obligations provided under Section 4.0 shall survive the expiration or termination of this Agreement.
- 8.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor for purposes of this Agreement and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer as a result of this Agreement.
- 8.12 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.
- 8.13 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.
- 8.14 Confidentiality. NYISO shall maintain the project information submitted by Developer under this Agreement in accordance with the requirements

set forth in Sections 31.4.4.3.10, 31.4.4.3.11, and 31.4.15 of Attachment Y to the ISO OATT.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents and to be effective from the day and year first above written.

NYISO

By: _____

Name: _____

Title: _____

Date: _____

(Developer's Name)

By: _____

Name: _____

Title: _____

Date: _____