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Independent System Operator

Status Report: NYISO Interconnection Process

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Interconnection Process Improvements

- A number of aspects of the interconnection process can be improved, and the NYISO's work with stakeholders is underway
- The NYISO is pursuing the following broad categories of improvements:
  - Communication methods with developers
  - Administration of the interconnection process
  - Scope and structure of the interconnection process

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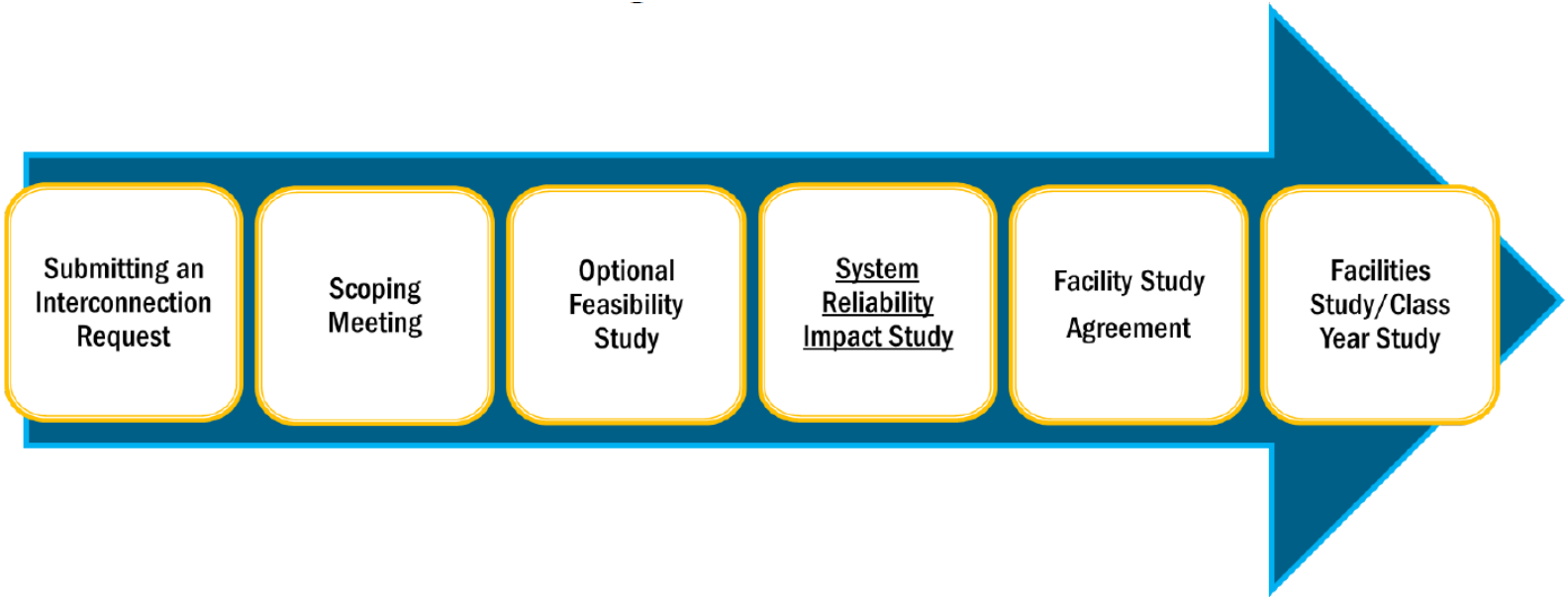
Background

Background

Projects Under Attachment X (Large Facility Interconnection Procedures)



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Large Facility Interconnection Process

- **The NYISO's interconnection process includes three successive studies**
  - Optional Feasibility Study – optional study to evaluate evaluation of the configuration and local system impacts to inform developers of potential issues with the point of interconnection
  - System Impact Study – single project study to evaluate transfer capability and system reliability; non-binding good faith cost estimate of system upgrades
  - Facilities Study – evaluation of the cumulative impact of a group of projects that have completed similar milestones known as the Class Year; least cost system upgrades and binding cost allocations that each developer must accept or reject

* **In each stage the TOs play a critical role in completing studies, with responsibility for various study tasks such as physical feasibility, review of protection systems, and design of substation interconnections**

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Other Interconnection Processes

- Attachment P – Transmission Interconnection Procedures
- Attachment Z – Small Generator Interconnection Procedures
- Load Interconnection Procedures
- Transmission Service Requests

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Interconnection Process Administration Improvements

Interconnection Process Improvements

Communication & Efficient Process Administration

- Stakeholder Services liaisons – addition of dedicated interconnection support, leading a range of activities providing customer-service and technical support to developers
- Project Managers – addition of dedicated support to manage timelines and collaboration with all parties throughout each interconnection process phase
- Interconnection Portal – enhancements to manage increasing demands.
  - Initiation of customer focus groups with developers to further understand pain points with the interconnection portal and identification of areas for improvement to improve communications, notifications and transparency for projects. Target implementation of the first track of enhancements by the end of 2022. Future tracks targeted throughout 2023 and beyond.

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Interconnection Process Improvements

- **Near Term Implementation**
  - Eliminate certain evaluations from the system impact study that could be conducted in the Class Year Facilities Study or in the detailed engineering for the project **[COMPLETE]**
  - Develop study report templates to significantly shorten system impact study reports **[UNDERWAY]**
  - Improve management of material modification requests for projects that are in between study stages (*i.e.,* feasibility, system impact study, facility study) to manage the increasing number of requests experienced in 2022 **[UNDERWAY]**

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Interconnection Tariff Improvements

Interconnection Process Improvements

- It is paramount that the NYISO improve the overall process, in coordination with the Transmission Owners, to reduce time, uncertainty, and risk for entrants
- An unprecedented number of projects are entering the queue in response to public policy mandates, increasing workloads and time to complete study work required by the tariff
- NYISO will work with stakeholders to consider improvements, such as a queue window-based approach with a more efficient, binding multi-phase study structure

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Tariff Improvements

- FERC has issued a NOPR seeking comment on its proposed reforms "to address interconnection queue backlogs, improve certainty, and prevent undue discrimination for new technologies."
- The NYISO will not wait for a final order on the NOPR to pursue improvements contemplated in the 2023 project effort, but will seek independent entity variations, as appropriate, in compliance with the ultimate order.

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Interconnection NOPR Overview

- **FERC's proposals fall within the following primary categories:**
  - Making Developers more accountable with increased financial commitments throughout the study process (disincentivizing speculative projects)
  - Requiring Transmission Providers to complete studies more efficiently and under strict deadlines
  - Requiring Transmission Providers to provide additional information regarding interconnection capacity and system constraints and to conduct informational studies at Developer's request prior to entering the interconnection queue;
  - Requiring Transmission Providers to create rules for evaluating co-located facilities
  - Requiring Transmission Providers to incorporate technological advancements in interconnection studies

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NYISO's Comments, Generally

- NYISO recognizes the need for additional reforms to the interconnection process.
- In crafting reforms, it is important to consider the effect of proposals on project flexibility, cost certainty, and speed.
- Any reforms must remain focused on the primary goal of the interconnection process – to mitigate adverse reliability impacts of proposed projects.
- It is important that FERC allow ISOs/RTOs the flexibility to tailor solutions as appropriate based on regional variations and previously approved "independent entity variations" from the pro forma interconnection procedures

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Next Steps

- Continued collaboration and coordination with stakeholders to timely pursue and implement improvements
- Consideration of FERC Orders, as applicable

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Our Mission & Vision

Mission

Ensure power system reliability and competitive markets for New York in a clean energy future

Vision

Working together with stakeholders to build the cleanest, most reliable electric system in the nation

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Questions?