

Attachment IX

31.1 New York Comprehensive System Planning Process (“CSPP”)

31.1.1 Definitions

The following capitalized terms shall have the meanings set forth in this subsection for purposes of this Attachment Y of the ISO OATT, except as such terms are otherwise defined within this Attachment Y:

Additional Factor Category: Additional Factor Category shall have the meaning set forth in Section 31.6.4.3.1.8 of this Attachment Y.

Affected TO: The Transmission Owner who receives written notification of a dispute related to a Local Transmission Planning Process pursuant to Section 31.2.1.4.1.

Alternative Transmission Technologies: The following four technologies that may be included by Developer as a transmission project, or part of a transmission project, proposed in one of the transmission planning processes in the Comprehensive System Planning Process and Short-Term Reliability Process: (i) dynamic line ratings, (ii) advanced power flow control devices, (iii) advanced conductors, or (iv) transmission switching.

Bounded Region: A Load Zone or Zones within an area that is isolated from the rest of the NYCA as a result of constrained interface limits.

Catalog of Transmission Expansion Opportunities: The potential transmission needs that the ISO identifies as part of the Outlook pursuant to Section 31.6.6.3 for use in the consideration of Long-Term Transmission Needs.

Cost Cap: A Developer’s commitment to contain the capital costs of its proposed Public Policy Transmission Project or its proposed Long-Term Transmission Project in accordance with the requirements, as applicable, in Section 31.4.5.1.8 or Section 31.6.9.5.1.10. The Cost Cap must be in the form of a hard Cost Cap or a soft Cost Cap as described in, as applicable, Section 31.4.5.1.8.3 or Section 31.6.9.5.1.10.3.

CRP: The Comprehensive Reliability Plan as approved by the ISO Board of Directors pursuant to this Attachment Y.

CSPP: The Comprehensive System Planning Process set forth in this Attachment Y, and in the Interregional Planning Protocol, which covers reliability planning, economic planning, Public Policy Requirements planning, long-term transmission planning, cost allocation and cost recovery, and the interregional planning process.

Designated Alternative Transmission Project: The alternative regulated transmission solution proposed by a Transmission Owner or Other Developer and selected by the ISO to address a Reliability Need pursuant to Section 31.2.6.5.2, or a portion of such alternative regulated

transmission solution, that the ISO designates to a Designated Entity pursuant to Sections 31.2.7 and 31.2.7.5 of this Attachment Y.

Designated Backstop Transmission Project: The regulated backstop transmission solution proposed by the Responsible Transmission Owner pursuant to Section 31.2.4.3.1 of this Attachment Y and the ISO/TO Reliability Agreement or an Operating Agreement that is included in the CRP report to address a Reliability Need, or a portion of such regulated backstop transmission solution, that the ISO designates to a Designated Entity pursuant to Sections 31.2.7 and 31.2.7.5 of this Attachment Y.

Designated Economic Transmission Project: The Regulated Economic Transmission Project, or a portion of such Regulated Economic Transmission Project, that is approved by the identified beneficiaries in accordance with Section 31.5.4.6 of Attachment Y to the OATT and that the ISO designates to a Designated Entity pursuant to Section 31.3.2.4 of this Attachment Y.

Designated Entity: A Developer or Transmission Owner that the ISO designates pursuant to Section 31.2.7, 31.3.2.4, 31.4.11, or 31.6.11 of Attachment Y or Section 38.10.2.1.3 or 38.10.5 of Attachment FF as the person or entity to build, own, and recover the costs of a Designated Reliability Transmission Project, Designated Economic Transmission Project, Designated Public Policy Project, Designated Long-Term Transmission Project, or Designated Short-Term Transmission Project, or a Transmission Owner that is designated pursuant to Section 22.9.6 of Attachment P as the entity to build, own, and recover the costs of Designated Network Upgrade Facilities. For Public Policy Transmission Projects selected by the ISO as the more efficient or cost effective solution to a Public Policy Transmission Need prior to the 2020-2021 cycle of the Public Policy Transmission Planning Process, the Designated Entity shall mean the Developer of the selected Public Policy Transmission Project.

Designated Long-Term Transmission Project: The Long-Term Transmission Project selected by the ISO as the more efficient or cost-effective solution to a Long-Term Transmission Need, or a portion of such Long-Term Transmission Project, that the ISO designates to a Designated Entity pursuant to Section 31.6.11 of this Attachment Y.

Designated Network Upgrade Facilities: The Network Upgrade Facilities that are identified through the Transmission Interconnection Procedures for a Designated Reliability Transmission Project, Designated Economic Transmission Project, Designated Public Policy Project, Designated Long-Term Transmission Project, or Designated Short-Term Transmission Project; that meet the definition of upgrade under Section 31.1.10.4 of Attachment Y; and that are designated to the Connecting Transmission Owner or Affected Transmission Owner pursuant to Section 22.9.6 of Attachment P.

Designated Public Policy Project: The Public Policy Transmission Project selected by the ISO as the more efficient or cost effective solution to a Public Policy Transmission Need, or a portion of such Public Policy Transmission Project, that the ISO designates to a Designated Entity pursuant to Section 31.4.11 of this Attachment Y. For Public Policy Transmission Projects selected by the ISO as the more efficient or cost effective solution to a Public Policy Transmission Need prior to the 2020-2021 cycle of the Public Policy Transmission Planning

Process, the Designated Public Policy Project shall mean the selected Public Policy Transmission Project.

Designated Reliability Transmission Project: The Designated Backstop Transmission Project or Designated Alternative Transmission Project that the ISO designates to a Designated Entity pursuant to Sections 31.2.7 and 31.2.7.5 of this Attachment Y.

Designated Short-Term Transmission Project: The regulated transmission Short-Term Reliability Process Solution selected by the ISO to address a Short-Term Reliability Process Need, or a portion of such regulated transmission solution, that the ISO designates to a Designated Entity pursuant to Section 38.10.2.1.3 or 38.10.5 of Attachment FF.

Developer: A person or entity, including a Transmission Owner, sponsoring or proposing a project pursuant to this Attachment Y.

Development Agreement: The agreement: (i) between the ISO and a Designated Entity concerning the timely development and construction of a Designated Reliability Transmission Project to address a Reliability Need that the parties are required to enter into pursuant to Section 31.2.8.1.6 of this Attachment Y and is in the form set forth in Appendix C of Attachment Y, (ii) between the ISO and a Designated Entity concerning the timely development and construction of a Designated Economic Transmission Project that the parties are required to enter into pursuant to Section 31.3.2.6.2 of Attachment Y and is set forth in Appendix D-2 of Attachment Y, (iii) between the ISO and a Designated Entity concerning the timely development and construction of a Designated Public Policy Project that the parties are required to enter into pursuant to Section 31.4.12.2 of Attachment Y and is in the form set forth in Appendix D-1 of Attachment Y, (iv) between the ISO and a Designated Entity concerning the timely development and construction of a Designated Long-Term Transmission Project that the parties are required to enter into pursuant to Section 31.6.12.2 of Attachment Y and is in the form set forth in Appendix F of Attachment Y, or (v) between the ISO and a Designated Entity concerning the timely development and construction of a Designated Short-Term Transmission Project that the parties are required to enter into pursuant to Section 38.12.3 of Attachment FF and is in the form set forth in Appendix C of Attachment Y, as amended by the ISO to reflect the Short-Term Reliability Process.

Economic Planning Process: The ISO conducts the System & Resource Outlook in accordance with Section 31.6 of this Attachment Y as the transmission planning study for both its Long-Term Transmission Planning Process and its Economic Planning Process, except for the 2025-2044 System & Resource Outlook, which is conducted for its Economic Planning Process pursuant to the requirements in Section 31.3.1 of this Attachment Y. Pursuant to Sections 31.3 and 31.5.4 of this Attachment Y, the Economic Planning Process also establishes the requirements by which the ISO: (i) evaluates in an Economic Transmission Project Evaluation any Regulated Economic Transmission Project proposals to address any constraint(s) on the BPTFs identified in the System & Resource Outlook, which transmission projects are eligible for cost allocation and cost recovery under the ISO OATT if approved by a vote of the project's Load Serving Entity beneficiaries and for which the ISO shall designate a Designated Entity or Designated Entities to be responsible for developing the Designated Economic Transmission Project or Designated Economic Transmission Projects that make up the Regulated Economic Transmission Project; and (ii) conducts any Requested Economic Planning Studies.

Economic Transmission Project Evaluation: The evaluation by the ISO of a Regulated Economic Transmission Project pursuant to Sections 31.3.2 and 31.5.4 of this Attachment Y.

Economic Transmission Upgrade: Any portion(s) of a Regulated Economic Transmission Project that satisfies the definition of upgrade in Section 31.1.10.4 of this Attachment Y.

ESPWG: The Electric System Planning Work Group, or any successor work group or committee designated to fulfill the functions assigned to the ESPWG in this tariff.

Excluded Capital Costs: Excluded Capital Costs shall have the meaning set forth in, as applicable, Section 31.4.5.1.8.2 of this Attachment Y for the Public Policy Transmission Planning Process or Section 31.6.9.5.1.10.2 of this Attachment Y for the Long-Term Transmission Planning Process.

Extreme Weather Sensitivity: The sensitivity that the ISO develops in accordance with Section 31.6.5.2.3.1 of this Attachment Y and applies to each Long-Term Scenario in the Long-Term Transmission Planning Process.

Federally-Recognized Tribes: Those tribes listed in the most recent notice provided by the Bureau of Indian Affairs and published in the Federal Register.

Foundation Case: The Foundation Case shall have the meaning set forth in Section 31.6.4.1.1 of this Attachment Y.

Funding Entity: Funding Entity shall have the meaning set forth in Section 31.6.9.5.1.9 of this Attachment Y.

Gap Solution: A solution to a Reliability Need that is designed to be temporary and to strive to be compatible with permanent market-based proposals. A permanent regulated solution, if appropriate, may proceed in parallel with a Gap Solution.

In-Kind Replacement List: For purposes of the Long-Term Transmission Planning Process, the list that each Transmission Owner is required to provide of the In-Kind Replacement Transmission Facilities that the Transmission Owner has identified for its system in accordance with Section 31.6.6.4 of this Attachment Y.

In-Kind Replacement Transmission Facility: In-Kind Replacement Transmission Facility shall have the meaning set forth in Section 31.6.6.4 of this Attachment Y.

Included Capital Costs: Included Capital Costs shall have the meaning set forth in, as applicable, Section 31.4.5.1.8.1 of this Attachment Y for the Public Policy Transmission Planning Process or Section 31.6.9.5.1.10.1 of this Attachment Y for the Long-Term Transmission Planning Process.

Interconnection-Related Transmission Need: A potential transmission need that the ISO identifies in accordance with Section 31.4.2.2 of this Attachment Y for consideration as a Public Policy Transmission Need.

Interregional Planning Protocol: The Amended and Restated Northeastern ISO/RTO Planning Coordination Protocol, or any successor to that protocol.

Interregional Transmission Project: A transmission facility located in two or more transmission planning regions that is evaluated under the Interregional Planning Protocol and proposed to address an identified Reliability Need, congestion identified in the Economic Planning Process, or a transmission need driven by a Public Policy Requirement pursuant to Order No. 1000 and the provisions of this Attachment Y.

IPTF: The Interregional Planning Task Force, or any successor ISO stakeholder working group or committee, designated to fulfill the functions assigned to the IPTF in this tariff.

ISO/RTO Region: One or more of the three ISO or RTO regions known as PJM, ISO-New England, and NYISO, which are the “Parties” to the Interregional Planning Protocol.

ISO/TO Reliability Agreement: The *Agreement Between the New York Independent System Operator, Inc., and the New York Transmission Owners on the Comprehensive Planning Process for Reliability Needs*, as filed with and accepted by the Commission in *New York Independent System Operator, Inc.*, 109 FERC ¶ 61,372 (2004) and 111 FERC ¶ 61,182 (2005) in Docket No. ER04-1144, and as amended or supplemented from time to time, or any successor agreement thereto.

LCR: An abbreviation for the term Locational Minimum Installed Capacity Requirement, as defined in the ISO Open Access Transmission Tariff.

Long-Term Scenarios: Scenarios developed by the ISO pursuant to Section 31.6.5.2 for a Long-Term Transmission Planning Process cycle that incorporate various assumptions using best available data inputs to identify potential Long-Term Transmission Needs.

Long-Term State Scenario: The Long-Term Scenario for each Long-Term Transmission Planning Process cycle for which the NYDPS will provide certain assumptions as set forth in Section 31.6.5.2.2.2.

Long-Term Transmission Need: A transmission need identified by the NYPSC from the Catalog of Transmission Expansion Opportunities for the Long-Term Transmission Planning Process pursuant to Section 31.6.8.1.

Long-Term Transmission Planning Process: Pursuant to Sections 31.6 and 31.5.6, the Long-Term Transmission Planning Process is the process by which the ISO: (i) conducts the System & Resource Outlook to assess the New York State Transmission System over a 20-year Study Period using at least three Long-Term Scenarios and an Extreme Weather Sensitivity to identify transmission expansion opportunities on the BPTFs that are included in a Catalog of Transmission Expansion Opportunities, and (ii) if a Long-Term Transmission Need is identified by the NYPSC, conducts the Long-Term Transmission Selection Process to solicit and evaluate Long-Term Transmission Projects and Other Long-Term Projects for purposes of selecting, or electing not to select, the more efficient or cost-effective transmission project to address the Long-Term Transmission Need for purposes of cost allocation and cost recovery under the ISO OATT.

Long-Term Transmission Planning Report: The report approved by the ISO Board of Directors on the ISO's evaluation of all Long-Term Transmission Projects and Other Long-Term Projects proposed to satisfy an identified Long-Term Transmission Need pursuant to Section 31.6.10; the ISO's selection of, or election not to select, a proposed Long-Term Transmission Project, if any, that is the more efficient or cost-effective transmission solution to the identified Long-Term Transmission Need pursuant to Section 31.6.11; and the ISO's designation of a Designated Entity or Designated Entities to be responsible for developing the Designated Long-Term Transmission Project(s) that compose the selected Long-Term Transmission Project.

Long-Term Transmission Project: A transmission project or portfolio of transmission projects proposed by qualified Developer(s) to satisfy an identified Long-Term Transmission Need and for which Developer(s) seek to be selected by the ISO for purposes of allocating and recovering the project's costs under the ISO OATT.

Long-Term Transmission Selection Process: Pursuant to Sections 31.6.9 through 31.6.11 of this Attachment Y, the process by which the ISO will: (i) solicit and evaluate proposed Long-Term Transmission Projects and Other Long-Term Projects to address a Long-Term Transmission Need identified by the NYPSC, (ii) select, or elect not to select, the more efficient or cost-effective Long-Term Transmission Project, if any, for eligibility for cost allocation and cost recovery under the ISO OATT; and (iii) designate a Designated Entity or Designated Entities to be responsible for developing the Designated Long-Term Transmission Project(s) that compose the selected Long-Term Transmission Project.

Long-Term Transmission Upgrade: Any portion(s) of a Long-Term Transmission Project that satisfies the definition of upgrade in Section 31.1.10.4 of this Attachment Y.

Loss of Load Expectation ("LOLE"): A measure used to determine the amount of resources needed to minimize the possibility of an involuntary loss of firm electric load on the New York State Bulk Power Transmission Facilities.

LTP: The Local Transmission Owner Plan, developed by each Transmission Owner in accordance with the requirements in Section 31.2.1 of this Attachment Y, which describes its respective plans that may be under consideration or finalized for its own Transmission District.

LTP Dispute Resolution Process ("DRP"): The process for resolution of disputes relating to a Transmission Owner's LTP set out in Section 31.2.1.3.

LTPP: The Local Planning Process conducted by each Transmission Owner for its own Transmission District.

Management Committee: The standing committee of the ISO of that name created pursuant to the ISO Agreement.

Merchant Transmission Facility shall mean a Developer's proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which the costs of construction will be recovered through negotiated rates instead of cost-based rates and not subject to the competitive evaluation

and selection process for purposes of cost allocation under Attachment Y to the ISO OATT. Merchant Transmission Facilities shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

New York State Bulk Power Transmission Facilities (“BPTFs”): The facilities identified as the New York State Bulk Power Transmission Facilities in the annual Area Transmission Review submitted to NPCC by the ISO pursuant to NPCC requirements.

NPCC: The Northeast Power Coordinating Council, or any successor organization.

NUF Responsible Party: NUF Responsible Party shall have the meaning set forth in Section 31.6.12.4 of this Attachment Y.

NYCA Free Flow Test: A NYCA unconstrained internal transmission interface test, performed by the ISO to determine if a Reliability Need is the result of a statewide resource deficiency or a transmission limitation.

NYDPS: The New York State Department of Public Service, as defined in the New York Public Service Law.

NYISO Load and Capacity Data Report: As defined in Section 25 of the ISO OATT.

NYPSC: The New York Public Service Commission, as defined in the New York Public Service Law.

Operating Agreement: An agreement between the NYISO and a non-incumbent owner of transmission facilities in the New York Control Area concerning the operation of the transmission facilities in the form of the agreement set forth in Appendix H (Section 31.11) of this Attachment Y.

Operating Committee: The standing committee of the NYISO of that name created pursuant to the ISO Agreement.

Order No. 1000: The Final Rule entitled Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities, issued by the Commission on July 21, 2011, in Docket RM10-23-001, as modified on rehearing, or upon appeal. (See FERC Stats & Regs. ¶ 31,323 (2011) (“Order No. 1000”), on reh’g and clarification, 139 FERC ¶ 61,132 (“Order No. 1000-A”), on reh’g and clarification, 141 FERC ¶ 61,044 (2012) (“Order No. 1000-B”).

Order No. 1920: The Final Rule entitled Building for the Future Through Electric Regional Transmission Planning and Cost Allocation, issued by the Commission on May 13, 2024, in Docket No. RM21-17-000, as modified on rehearing, or upon appeal. (See 187 FERC ¶ 61,068 (2024) (“Order No. 1920”), on reh’g and clarification, 189 FERC ¶ 61,126 (2024) (“Order No. 1920-A”), on reh’g and clarification, 191 FERC ¶ 61,026 (2025) (“Order No. 1920-B”).

Other Developer: A Developer, other than a Transmission Owner, sponsoring or proposing to sponsor a Regulated Economic Transmission Project, a Public Policy Transmission Project, an Other Public Policy Project, a Long-Term Transmission Project, an Other Long-Term Project, or a regulated solution to a Reliability Need.

Other Long-Term Project: A non-transmission project or a portfolio of transmission and non-transmission projects proposed by a Developer to satisfy an identified Long-Term Transmission Need.

Other Public Policy Project: A non-transmission project or a portfolio of transmission and non-transmission projects proposed by a Developer to satisfy an identified Public Policy Transmission Need.

Outlook Kickoff Meeting: The meeting that commences the Long-Term Transmission Planning Process cycle as described in Section 31.6.5.1 of this Attachment Y.

Public Policy Requirement: A federal or New York State statute or regulation, including a NYPSC order adopting a rule or regulation subject to and in accordance with the State Administrative Procedure Act, any successor statute, or any duly enacted law or regulation passed by a local governmental entity in New York State, that may relate to transmission planning on the BPTFs.

Public Policy Transmission Planning Process: The process by which the ISO solicits needs for transmission driven by Public Policy Requirements that may arise within 10 years; identifies Interconnection-Related Transmission Needs; provides proposed transmission needs driven by Public Policy Requirements and Interconnection-Related Transmission Needs to the NYPSC for identification of any Public Policy Transmission Needs; evaluates all Public Policy Transmission Projects and Other Public Policy Projects proposed to address a Public Policy Transmission Need on a comparable basis; selects the more efficient or cost effective Public Policy Transmission Project, if any, for eligibility for cost allocation under the ISO Tariffs; and designates a Designated Entity or Designated Entities to be responsible for developing the Designated Public Policy Project(s) that compose the selected Public Policy Transmission Project.

Public Policy Transmission Need: A transmission need identified by the NYPSC pursuant to Sections 31.4.2.4 through 31.4.2.6 that is driven by a Public Policy Requirement or an Interconnection-Related Transmission Need.

Public Policy Transmission Planning Report: The report approved by the ISO Board of Directors pursuant to this Attachment Y on the ISO's evaluation of all Public Policy Transmission Projects and Other Public Policy Projects proposed to satisfy an identified Public Policy Transmission Need pursuant to Section 31.4.6; the ISO's selection of a proposed Public Policy Transmission Project, if any, that is the more efficient or cost effective solution to the identified Public Policy Transmission Need pursuant to Section 31.4.8; and the ISO's designation of a Designated Entity or Designated Entities to be responsible for developing the Designated Public Policy Project(s) that compose the selected Public Policy Transmission Project.

Public Policy Transmission Project: A transmission project or a portfolio of transmission projects proposed by Developer(s) to satisfy an identified Public Policy Transmission Need and for which the Developer(s) seek to be selected by the ISO for purposes of allocating and recovering the project's costs under the ISO OATT.

Public Policy Transmission Upgrade: Any portion(s) of a Public Policy Transmission Project that satisfies the definition of upgrade in Section 31.1.10.4 of this Attachment Y.

Reevaluation Process: The process established in Section 31.6.13 of this Attachment Y pursuant to which the ISO will perform a reevaluation required pursuant to Section 31.6.13.1 of a Long-Term Transmission Project selected by the ISO in a previous Long-Term Transmission Planning Process cycle.

Regulated Economic Transmission Project ("RETP"): A transmission project or a portfolio of transmission projects proposed by Developer(s) to address constraint(s) on the BPTFs identified in the System & Resource Outlook pursuant to, as applicable, Section 31.3.1 or Section 31.6, which transmission project(s) are (i) evaluated in the Economic Transmission Project Evaluation; (ii) eligible for cost allocation and cost recovery under the ISO OATT if approved by a vote of the project's Load Serving Entity beneficiaries pursuant to Section 31.5.4 of this Attachment Y; and (iii) designated to a Designated Entity(s) that will be responsible for developing the Designated Economic Transmission Project(s) pursuant to Section 31.3.2.4 of this Attachment Y.

Reliability Criteria: The electric power system planning and operating policies, standards, criteria, guidelines, procedures, and rules promulgated by the North American Electric Reliability Corporation ("NERC"), Northeast Power Coordinating Council ("NPCC"), and the New York State Reliability Council ("NYSRC"), as they may be amended from time to time.

Reliability Need: A condition identified by the ISO as a violation or potential violation of one or more Reliability Criteria.

Reliability Planning Process: The process set forth in this Attachment Y by which the ISO determines in the RNA whether any Reliability Need(s) on the BPTFs will arise in the Study Period and addresses any identified Reliability Need(s) in the CRP, as the process is further described in Section 31.1.2.2.

Reliability Transmission Upgrade: Any portion(s) of a regulated transmission solution submitted to address a Reliability Need or a Short-Term Reliability Process Need that satisfies the definition of upgrade in Section 31.1.10.4 of Attachment Y.

Requested Economic Planning Study: A study performed solely for information purposes by the ISO pursuant to Section 31.3.3 of this Attachment Y at the request of a Market Participant or other interested party at their expense, the scope and deliverables of which are agreed upon by the ISO and the requesting entity.

Responsible Transmission Owner: The Transmission Owner or Transmission Owners designated by the ISO, pursuant to Section 31.2.4.3, to prepare a proposal for a regulated backstop solution to a Reliability Need or to proceed with a regulated solution to a Reliability

Need. The Responsible Transmission Owner will normally be the Transmission Owner in whose Transmission District the ISO identifies a Reliability Need and/or that owns a transmission facility on which a Reliability Need arises.

Right-Sized Replacement Transmission Facility: A new transmission facility, including an entirely new transmission facility, that: (1) would meet the need to replace an existing transmission facility that a Transmission Owner has identified in its In-Kind Replacement List as set forth in Section 31.6.6.4 of this Attachment Y as one that it plans to replace with an In-Kind Replacement Transmission Facility while also addressing a Long-Term Transmission Need; (2) results in more than an incidental increase in the capacity of an existing transmission facility that a Transmission Owner has identified for replacement in its In-Kind Replacement List; and (3) is located in the same general route as, and/or uses or expands the existing rights-of-way of, the existing transmission facility that a Transmission Owner has identified for replacement in its In-Kind Replacement List. The term “incidental increase” shall have the meaning set forth in Section 31.6.6.4.1.

RNA: The Reliability Needs Assessment as approved by the ISO Board under this Attachment.

RNA Base Case: The model(s) representing the New York State Power System over the Study Period.

Short-Term Reliability Process: This term shall have the meaning set forth in Section 38.1 of Attachment FF of the ISO OATT.

Site Control: Documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site or right of way for the purpose of constructing a proposed project; (2) an option to purchase or acquire a leasehold site or right of way for such purpose; or (3) an exclusivity or other business relationship between the Transmission Owner, or Other Developer, and the entity having the right to sell, lease, or grant the Transmission Owner, or Other Developer, the right to possess or occupy a site or right of way for such purpose.

Study Period: For purposes of the Reliability Planning Process, the Study Period shall mean the seven-year time period encompassing years 4 through 10 following the year in which the RNA is conducted, which is used in the RNA and the CRP. For purposes of the System & Resource Outlook conducted in the Long-Term Transmission Planning Process, the Study Period shall be the 20-year period defined in Section 31.6.5.2.1.4 of this Attachment Y.

System & Resource Outlook (“Outlook”): The Outlook shall mean: (i) the first stage of both the Long-Term Transmission Planning Process and the Economic Planning Process and (ii) the resulting report that the ISO produces pursuant to Section 31.6 of this Attachment Y: (A) to summarize the current assessments, evaluations, and plans in the Comprehensive System Planning Process and the information and sources relied upon by the ISO; and (B) to assess the New York State Transmission System over a twenty-year Study Period using at least three Long-Term Scenarios and an Extreme Weather Sensitivity to identify: (i) the potential future resource mix(es), (ii) potential transmission needs that drive the need for expansion or upgrades to the BPTFs, which are included in a Catalog of Transmission Expansion Opportunities, and (iii) economic transmission expansion opportunities for purposes of the Economic Planning Process.

For purposes of the 2025-2044 System & Resource Outlook performed in the Economic Planning Process pursuant to the requirements in Section 31.3.1 of this Attachment Y, the Outlook shall mean the biennial report that the ISO produces by which it summarizes the current assessments, evaluations, and plans in the biennial Comprehensive System Planning Process; produces a twenty-year projection of congestion on the New York State Transmission System; identifies, ranks, and groups congested elements; and assesses the potential benefits of addressing the identified congestion.

Target Year: The calendar year in which a Reliability Need arises, as determined by the ISO pursuant to Section 31.2.

TPAS: The Transmission Planning Advisory Subcommittee, or any successor work group or committee designated to fulfill the functions assigned to TPAS pursuant to this Attachment.

Trigger Date: The date by which the ISO must request implementation of a regulated backstop solution or an alternative regulated solution pursuant to Section 31.2.8 in order to meet a Reliability Need.

Viability and Sufficiency Assessment: The results of the ISO's assessment, as applicable, of the viability and sufficiency of: (i) proposed solutions to a Reliability Need under Section 31.2.5, (ii) proposed solutions to a Public Policy Transmission Need under Section 31.4.6, or (iii) proposed Other Long-Term Projects to a Long-Term Transmission Need under Section 31.6.10.6.

Voluntary Funding Arrangement: Voluntary Funding Arrangement shall have the meaning set forth in Section 31.6.9.5.1.9 of this Attachment Y.

All other capitalized terms shall have the meanings provided for them in the ISO's Tariffs.

31.1.2 Short-Term Reliability Process and Reliability Planning Process

31.1.2.1 Short-Term Reliability Process

The Short-Term Reliability Process set forth in Attachment FF of the ISO OATT establishes the process that the ISO, Transmission Owners, Market Participants, Generator Owners, Developers and other interested parties shall follow to plan to meet Generator Deactivation Reliability Needs that would result from a Generator's deactivation and other Reliability Needs identified pursuant to Attachment FF affecting the BPTFs (collectively, Short-

Term Reliability Process Needs), which needs cannot be timely addressed in the Reliability Planning Process set forth in this Attachment Y.

Consistent with Section 38.2 of the OATT, Short-Term Reliability Process Needs that arise within three years of the later of (a) the conclusion of the 365 day prior notice period for that is described in Section 38.3.1.1 of the OATT for Generator Deactivation Reliability Needs, or (b) the posting of a completed Short-Term Assessment of Reliability (“STAR”) for other Reliability Needs on the BPTF, will be addressed using the Short-Term Reliability Process. The terms “Generator Deactivation Reliability Need” and “STAR” are defined in Section 38.1 of the OATT.

Short-Term Reliability Process Needs that arise more than three years after the later of (x) the conclusion of the 365 day prior notice period for Generator Deactivation Reliability Needs, or (y) the posting of a completed STAR for other Reliability Needs on the BPTF, will only be addressed using the Short-Term Reliability Process if the identified Reliability Need cannot timely be addressed through the Reliability Planning Process set forth in this Attachment Y.

31.1.2.2 Reliability Planning Process

The Reliability Planning Process set forth in Sections 31.2.1 through 31.2.13 of this Attachment Y establishes the process that the ISO, Transmission Owners, Market Participants, and other interested parties shall follow to plan to meet Reliability Needs of the BPTFs that are identified in the RNA. The objectives of the process are to: (1) evaluate the Reliability Needs of the BPTFs over the Study Period pursuant to Reliability Criteria (2) identify, through the development of appropriate scenarios, factors and issues that might adversely impact the reliability of the BPTFs; (3) provide a process whereby solutions to identified needs are

proposed, evaluated on a comparable basis, and implemented in a timely manner to ensure the reliability of the system; (4) provide a process by which the ISO will select the more efficient or cost effective regulated transmission solution to satisfy the Reliability Need for eligibility for cost allocation under the ISO Tariffs and will designate the eligible regulated transmission solution(s) to a Designated Entity or Designated Entities, which will be responsible for developing the Designated Reliability Transmission Project(s); (5) provide an opportunity first for the implementation of market-based solutions while ensuring the reliability of the BPTFs; and (6) coordinate the ISO's reliability assessments with neighboring Control Areas.

The ISO will provide, through the analysis of historical system congestion costs, information about historical congestion including the causes for that congestion so that Market Participants and other stakeholders can make appropriately informed decisions. See Appendix A.

31.1.3 Transmission Owner Planning Process

The Transmission Owners will continue to plan for their transmission systems, including the BPTFs and other NYS Transmission System facilities. The planning process of each Transmission Owner is referred to herein as the LTPP, and the plans resulting from the LTPP are referred to herein as LTPs, whether under consideration or finalized. Each Transmission Owner will be responsible for administering its LTPP and for complying with the requirements~~making provisions~~ for stakeholder input into its LTPP established in Section 31.2.1 of this Attachment Y. The ISO's role in the LTPP is limited to the procedural activities described in this Attachment Y.

The finalized portions of the LTPs ~~periodically~~ prepared by the Transmission Owners in accordance with the requirements in Section 31.2.1 of this Attachment Y will be used as inputs for the ISO's studies for its~~to the~~ CSPP, including the Short-Term Reliability Process, or for

interconnection studies or transmission expansion studies performed under the ISO OATT, provided that the transmission facilities must also satisfy the inclusion rules for the applicable study established in the ISO OATT or ISO Procedures~~described in this Attachment Y~~. Each Transmission Owner will prepare an LTP for its transmission system in accordance with the procedures described in Section 31.2.1.

31.1.4 System & Resource Outlook; Long-Term Transmission Planning Process and Economic Planning Process

31.1.4.1 Long-Term Transmission Planning Process

The Long-Term Transmission Planning Process set forth in Section 31.6 of this Attachment Y shall consist of the System & Resource Outlook and the Long-Term Transmission Selection Process. Prior to the commencement of each Long-Term Transmission Planning Process cycle, the ISO will solicit data inputs and factors from the NYDPS, stakeholders, and interested parties for purposes of developing Long-Term Scenarios, an Extreme Weather Sensitivity, and any additional scenarios and sensitivities for the Outlook. The ISO will conduct the Outlook to assess the New York State Transmission System over a 20-year Study Period using at least three Long-Term Scenarios, including a Long-Term State Scenario, and an Extreme Weather Sensitivity to identify transmission expansion opportunities on the BPTFs that are included in a Catalog of Transmission Expansion Opportunities. The ISO will provide the Outlook, including the Catalog of Transmission Expansion Opportunities, to the NYPSC to determine, with input from the ISO and stakeholders, whether to identify any Long-Term Transmission Needs. If the NYPSC identifies one or more Long-Term Transmission Needs, the ISO will conduct the Long-Term Transmission Selection Process through which the ISO will: (i) solicit and evaluate proposed Long-Term Transmission Projects and Other Long-Term Projects to address a Long-Term Transmission Need identified by the NYPSC; (ii) select, or elect not to

select, the more efficient or cost-effective Long-Term Transmission Project, if any, for eligibility for cost allocation and cost recovery under the ISO OATT; and (iii) designate a Designated Entity or Designated Entities to be responsible for developing the Designated Long-Term Transmission Project(s) that compose the selected Long-Term Transmission Project.

31.1.4.2 Economic Planning Process

As part of the System & Resource Outlook performed by the ISO pursuant to, as applicable, Section 31.3.1 or Section 31.6 of this Attachment Y, the ISO will identify economic transmission expansion opportunities. The Economic Planning Process provides opportunities for the development of market-based solutions and regulated transmission solutions to address congestion identified in the Outlook pursuant to, as applicable, Section 31.3.1 or Section 31.6. Sections 31.3.2 and 31.5.4 of this Attachment Y establish the process by which Developers may propose, and the ISO will evaluate in its Economic Transmission Project Evaluation, proposed Regulated Economic Transmission Projects to address constraint(s) on the BPTFs identified in the Outlook pursuant to, as applicable, Section 31.3.1 or Section 31.6. Such transmission projects are eligible for cost allocation and cost recovery under the ISO OATT if approved by a vote of the project's Load Serving Entity beneficiaries pursuant to Section 31.5.4 of this Attachment Y and for which the ISO shall designate a Designated Entity or Designated Entities to be responsible for developing the Designated Economic Transmission Project(s) that is, or is a part of, a Regulated Economic Transmission Project pursuant to Section 31.3.2.4 of this Attachment Y. The ISO will coordinate its assessments in the Economic Planning Process with neighboring Control Areas. Market Participants and other interested parties, at their own expense, may also request that the ISO perform Requested Economic Planning Studies pursuant

to Section 31.3.3 of this Attachment Y solely for information purposes, which scope and deliverables will be agreed upon by the ISO and the requesting entity.

31.1.5 Public Policy Transmission Planning Process

Section 31.4 of this Attachment Y describes the planning process that the ISO, and all interested parties, shall follow to consider Public Policy Transmission Needs that are based on:

(i) Public Policy Requirements that drive the need for expansions or upgrades to BPTFs, or (ii) Interconnection-Related Transmission Need(s). The objectives of the Public Policy Transmission Planning Process are to: (1) allow Market Participants and other interested parties to propose transmission needs that they believe are being driven by Public Policy Requirements that may arise within 10 years and for which transmission solutions should be evaluated, (2) allow the ISO to identify Interconnection-Related Transmission Needs, (3) provide a process by which the NYPSC will review the submitted Public Policy Requirements and Interconnection-Related Transmission Needs and, with input from the ISO, Market Participants, and other interested parties, identify the transmission needs, if any, for which transmission solutions should be evaluated, (4) provide a process whereby Public Policy Transmission Projects and Other Public Policy Projects are proposed to satisfy each identified Public Policy Transmission Need and are evaluated by the ISO on a comparable basis, (5) provide a process by which the ISO will select the more efficient or cost effective regulated Public Policy Transmission Project, if any, to satisfy each identified Public Policy Transmission Need for eligibility for cost allocation under the ISO Tariffs and will designate the selected Public Policy Transmission Project or parts of the selected Public Policy Transmission Project to a Designated Entity or Designated Entities, which will be responsible for developing the Designated Public Policy Project(s); (6) provide a cost allocation methodology for the regulated Designated Public Policy Project(s) that have been

selected by the ISO and Designated Network Upgrade Facilities associated with a selected Public Policy Transmission Project (if applicable), and (7) coordinate the ISO's Public Policy Transmission Planning Process with neighboring Control Areas.

31.1.6 Interregional Planning Process

The ISO, the Transmission Owners, and Market Participants and other interested parties shall coordinate system planning activities with neighboring planning regions (*i.e.*, the ISO/RTO Regions and adjacent portions of Canada). The Interregional Planning Protocol includes a description of the committee structure, processes, and procedures through which system planning activities are openly and transparently coordinated by the ISO/RTO Regions. The objective of the interregional planning process is to contribute to the on-going reliability and the enhanced operational and economic performance of the ISO/RTO Regions through: (1) exchange of relevant data and information; (2) coordination of procedures to evaluate certain interconnection and transmission service requests; (3) periodic comprehensive interregional assessments; (4) identification and evaluation of potential Interregional Transmission Projects that can address regional needs in a manner that may be more efficient or cost-effective than separate regional solutions, in accordance with the requirements of Order No. 1000; (5) allocation of costs among the ISO/RTO Regions of Interregional Transmission Projects, identified in accordance with the Interregional Planning Protocol and approved by each region, pursuant to the cost allocation methodology set forth in Section 31.5.8 herein. The planning activities of the ISO/RTO Regions shall be conducted consistent with the planning criteria of each ISO/RTO Region's regional reliability organization(s) as well as the relevant local reliability entities. The ISO/RTO Regions shall periodically produce a Northeastern Coordinated System Plan that integrates the system plans of all of the ISO/RTO Regions.

31.1.7 Enrollment in the ISO's Transmission Planning Region

31.1.7.1 For purposes of any matter addressed by this Attachment Y, participation in the ESPWG, IPTF and TPAS shall be open to any interested entity, irrespective of whether that entity has become a Party to the ISO Agreement. Any entity may enroll in the ISO's transmission planning region in order to fully participate in the ISO's governance process by becoming a Party to the ISO Agreement, as set forth in Section 2.02 of the ISO Agreement.

31.1.7.2. An owner of transmission in New York State may become a Transmission Owner by executing the ISO/TO Agreement or an Operating Agreement as provided for in Section 31.1.7.3.

31.1.7.3 A transmission owner that is not a party to the ISO/TO Agreement or an Operating Agreement and will own transmission facilities in the New York Control Area over which Transmission Service will be provided under the ISO Tariffs must enter into an Operating Agreement prior to energizing its transmission facilities. The ISO will tender a draft Operating Agreement as soon as practicable following its selection of the transmission owner's transmission facilities under the CSPP in this Attachment Y or under the Short-Term Reliability Process in Attachment FF of this ISO OATT. If the transmission owner's transmission facilities were not selected under the CSPP, the transmission owner shall request that the ISO tender the draft Operating Agreement as soon as practicable after receiving its Article VII certification or other applicable siting permits or authorizations under New York State law. The draft Operating Agreement will be completed by the ISO to the extent practicable for review and completion by the transmission owner. The draft shall be in the

form of the ISO's Commission-approved Operating Agreement, which is located in Appendix H in Section 31.11 of this Attachment Y. The ISO and the transmission owner shall finalize and negotiate concerning any disputed provisions. Unless otherwise agreed by the ISO and the transmission owner, the transmission owner must execute the Operating Agreement within three (3) months of the ISO's tendering of the draft Operating Agreement; *provided, however*, if, during the negotiation period, the ISO or the transmission owner determines that negotiations are at an impasse, the ISO may file the Operating Agreement in unexecuted form with the Commission on its own or following the transmission owner's request in writing that the agreement be filed unexecuted.

31.1.7.4 If the Operating Agreement resulting from the negotiation between the ISO and the transmission owner does not conform with the Commission-approved standard form in Appendix H in Section 31.11 of this Attachment Y, the ISO shall file the agreement with the Commission for its acceptance within thirty (30) Business Days after the execution of the Operating Agreement by both parties. If the transmission owner requests that the Operating Agreement be filed unexecuted, the ISO shall file the agreement at the Commission within thirty (30) Business Days of receipt of the request from the transmission owner. The ISO will draft to the extent practicable the portions of the Operating Agreement and appendices that are in dispute and will provide an explanation to the Commission of any matters as to which the parties disagree. The transmission owner will provide in a separate filing any comments that it has on the unexecuted

agreement, including any alternative positions it may have with respect to the disputed provisions.

31.1.7.5 Upon the ISO's and the transmission owner's execution of the Operating Agreement or the ISO's filing of an unexecuted Operating Agreement with the Commission, the ISO and the transmission owner shall perform their respective obligations in accordance with the terms of the Operating Agreement that are not in dispute, subject to modification by the Commission.

31.1.7.6 As of May 25, 2021, the Transmission Owners are: (1) Central Hudson Gas & Electric Corporation, (2) Consolidated Edison Company of New York, Inc., (3) New York State Electric & Gas Corporation, (4) Niagara Mohawk Power Corporation d/b/a National Grid, (5) Orange and Rockland Utilities, Inc., (6) Rochester Gas and Electric Corporation, (7) the Power Authority of the State of New York, (8) Long Island Lighting Company d/b/a LIPA, (9) New York Transco, LLC, (10) NextEra Energy Transmission New York, Inc., and (11) LS Power Grid New York Corporation I.

31.1.8 NYISO Implementation and Administration

31.1.8.1 The ISO shall adopt procedures for the implementation and administration of the CSPP set forth in this Attachment Y, the Short-Term Reliability Process in Attachment FF of this ISO OATT, and the Interregional Planning Protocol, and shall revise those procedures as and when necessary. Such procedures will be incorporated in the ISO's manuals. The ISO Procedures shall provide for the open and transparent coordination of the CSPP to allow Market Participants and all other interested parties to have a meaningful opportunity to participate in each

stage of the CSPP through the meetings conducted in accordance with the ISO system of collaborative governance. Confidential Information and Critical Energy Infrastructure Information exchanged through the CSPP shall be subject to the protections for such information contained in the ISO's tariffs and procedures, including this Attachment Y and Attachment F of the NYISO OATT.

31.1.8.2 The ISO Procedures shall include a schedule for the collection and submission of data and the preparation of models to be used in the studies contemplated under this tariff. That schedule shall be consistent with the timeframes established in this Attachment Y for the studies conducted in each of the ISO planning processes (reliability, economic, public policy, and long-term) as part of the Comprehensive System Planning Process. The two-year cycle for the Reliability Planning Process commences with the LTPP providing input required for that process. The Public Policy Transmission Planning Process will to the extent practicable run in parallel with the Reliability Planning Process, provided that the NYPSC's issuance of a written statement pursuant to Section 31.4.2.4 will occur after the draft RNA study results are posted. If the CRP cannot be completed within a two-year cycle, the ISO will notify stakeholders and provide an estimated completion date and an explanation of the reasons the additional time is required. As detailed in Attachment FF of the ISO OATT, the Short-Term Reliability Process will be conducted on a quarterly basis and will run in parallel with the other planning processes. The Long-Term Transmission Planning Process will be conducted in accordance with the schedule developed pursuant to Sections 31.6.2 and 31.6.9.1 of this Attachment Y and will run in

parallel with the other planning processes. For purposes of the Economic Planning Process, a Developer may propose a Regulated Economic Transmission Project for evaluation in the Economic Transmission Project Evaluation in accordance with the requirements in Sections 31.3.2 and 31.5.4 of this Attachment Y. As further detailed in Sections 31.2, 31.3, 31.4, and 31.5, the interregional planning process shall be conducted in parallel with the Reliability Planning Process, the Economic Planning Process, and the Public Policy Transmission Planning Process to identify and evaluate Interregional Transmission Projects that may more efficiently or cost-effectively meet the needs of the region than a regional transmission project.

31.1.8.3 The ISO Procedures shall be designed to allow the coordination of the ISO's planning activities with those of the ISO/RTO Regions, NERC, NPCC, the NYSRC, and other regional reliability organizations so as to develop consistency of the models, databases, and assumptions utilized in making reliability and economic determinations.

31.1.8.4 The ISO Procedures shall facilitate the timely identification and resolution of all substantive and procedural disputes that arise out of the CSPP. Any party participating in the CSPP and having a dispute arising out of the CSPP may seek to have its dispute resolved in accordance with ISO governance procedures during the course of the CSPP. If the party's dispute is not resolved in this manner as a part of the plan development process, the party may invoke formal dispute resolution procedures administered by the ISO that are the same as those available to Transmission Customers under Section 11 of the ISO Market Administration

and Control Area Services Tariff. Disputes arising out of the LTPP shall be addressed by the LTPP DRP set forth in Section 31.2.1.3 of this Attachment Y.

31.1.8.5 Except for those cases where the ISO OATT provides that an individual customer shall be responsible for the cost, or a specified share of the cost, of an individually requested study related to interconnection or to system expansion or to congestion and resource integration, the study costs incurred by the ISO as a result of its administration of the CSPP will be recovered from all customers through and in accordance with Rate Schedule 1 of the ISO OATT.

31.1.8.6 The ISO shall make reasonable efforts to meet all deadlines provided in this Attachment Y; *provided, however*, that the ISO must meet all deadlines set forth in a development agreement entered into pursuant to this Attachment Y in accordance with the terms of that agreement. If the ISO cannot meet a deadline set forth in this Attachment Y and an extension of that deadline will not result in a reliability violation, the NYISO may extend the deadline, provided that it shall notify Market Participants and other interested parties, explain the reason for the failure to meet the deadline, and provide an estimated time by which it will complete the applicable action.

31.1.8.7 The ISO may extend, at its discretion, the deadlines indicated below that are applicable to all parties participating in a given process for a reasonable period of time if the extension: (i) is applied equally to all parties that are required to meet the deadline, and (ii) will not result in a reliability violation. The deadlines eligible for extension are:

- Sixty (60) day deadline in Section 31.2.5.1 for interested Developers to propose solutions in response to the ISO's solicitation for solutions to a Reliability Need;
- Thirty (30) day deadline in Section 31.2.6.1 for Developers of viable and sufficient transmission solutions to submit project information in response to ISO request;
- Sixty (60) day deadline in Section 31.4.2.1 for stakeholders and interested parties to submit proposed transmission needs in response to ISO solicitation for proposed needs;
- Sixty (60) day deadline in Section 31.4.4.3.2: (i) for Developers to propose solutions to a Public Policy Transmission Need in response to ISO solicitation for solutions, and (ii) pursuant to Section 31.4.4.4, for Developers of Public Policy Transmission Projects to execute a study agreement, provide a study deposit, and provide an application fee in response to ISO solicitation for solutions;
- Deadline in Section 31.4.6.6 for Developers to inform the ISO following the ISO's filing of the Viability and Sufficiency Assessment at the NYPSC that their viable and sufficient Public Policy Transmission Projects will proceed to be evaluated by the ISO for purposes of selection;
- Sixty (60) day deadline in Section 31.6.9.3.2 for Developers to propose solutions to a Long-Term Transmission Need in response to ISO solicitation for solutions; and
- Deadline in Section 31.6.8.1 for NYPSC to issue an order that identifies the Long-Term Transmission Need(s) or elects not to identify any Long-Term Transmission Need.

31.1.9 Reserved

31.1.10 Other Provisions

31.1.10.1 The Commission's Role in Dispute Resolution

Disputes directly relating to the ISO's compliance with its tariffs that are not resolved in the internal ISO collaborative governance appeals process or ISO dispute resolution process, and all disputes relating to matters that fall within the exclusive jurisdiction of the Commission, shall be reviewed at the Commission pursuant to the Federal Power Act if such review is sought by any party to the dispute. The NYPSC or any party to a dispute regarding matters over which

both the NYPSC and the Commission have jurisdiction and responsibility for action may submit a request to the Commission for a joint or concurrent hearing to resolve the dispute.

31.1.10.2 Non-Jurisdictional Entities

LIPA's and NYPA's participation in the CSPP shall in no way be considered to be a waiver of their non-jurisdictional status pursuant to Section 201(f) of the Federal Power Act, including with respect to the Commission's exercise of the Federal Power Act's general ratemaking authority.

31.1.10.3 Tax Exempt Financing Provisions

Con Edison, NYPA and LIPA shall not be required to construct, or cause to construct, a transmission facility identified through the Reliability Planning Process if such construction would result in the loss of tax-exempt status of any tax-exempt bond issued by Con Edison, NYPA or LIPA, or impair their ability to secure future tax-exempt financing.

31.1.10.4 Rights of Transmission Owners

Nothing in this Attachment Y affects the right of a Transmission Owner to: (1) build, own, and recover the costs for upgrades to the facilities it owns, provided that nothing in Attachment Y affects a Transmission Owner's right to recover the costs of upgrades to its facilities except if the upgrade has been selected in the regional transmission plan for purposes of cost allocation, in which case the regional cost allocation method set forth in Attachment Y of the ISO OATT applies, unless the Transmission Owner has declined to pursue regional cost allocation; (2) retain, modify, or transfer rights-of-way subject to relevant law or regulation granting such rights-of-way; or (3) develop a local transmission solution that is not eligible for regional cost allocation to meet its reliability needs or service obligations in its Transmission

District or footprint, as applicable. For purposes of Section 31.1.10.4, the term “upgrade” shall refer to an improvement to, addition to, or replacement of a part of, an existing transmission facility and shall not refer to an entirely new transmission facility.

31.1.10.5 Notice of Reliability Requirements

The Developer of a project selected pursuant to the provisions in this Attachment Y is hereby notified that it must comply with all applicable reliability criteria, policies, standards, rules, regulations, and other requirements of NERC, NPCC, NYSRC, Transmission Owners, and any other applicable reliability entities or their successors, to the extent required by, and in accordance with, their procedures.

31.2 Reliability Planning Process

31.2.1 Local Transmission Owner Planning Process

31.2.1.1 Scope

31.2.1.1.1 Criteria, Assumptions and Data

Each Transmission Owner will post on its website the planning criteria and assumptions currently used in its LTPP as well as a list of any applicable software and/or analytical tools currently used in the LTPP. Customers, Market Participants and other interested parties may review and comment on the planning criteria and assumptions used by each Transmission Owner, as well as other data and models used by each Transmission Owner in its LTPP. The Transmission Owners will take into consideration any comments received. Any planning criteria or assumptions for a Transmission Owner's BPTFs will meet or exceed any applicable NERC, NPCC or NYSRC criteria. The LTPP shall include a description of the needs addressed by the LTPP as well as the assumptions, applicable planning criteria and methodology utilized and the Public Policy Requirements considered. A link to each Transmission Owner's website will be posted on the ISO website.

31.2.1.1.2 Consideration of Transmission Needs Driven by Public Policy Requirements

31.2.1.1.2.1 Procedures for the Identification of Transmission Needs Driven by Public Policy Requirements in Local Transmission Plans and for the Consideration of Transmission Solutions

In developing its LTP, each Transmission Owner shall consider whether there is a transmission need on its system that is being driven by a Public Policy Requirement. The LTP will identify any transmission project included in the LTP as a solution to a transmission need being driven by a Public Policy Requirement. In evaluating potential transmission solutions, the

Transmission Owner will give consideration to the objectives of the Public Policy Requirement(s) driving the need for transmission.

31.2.1.1.2.2 Determination of Local Transmission Needs Driven by Public Policy Requirements

As part of its LTP process pursuant to Section 31.2.1.2 below, each Transmission Owner will consider whether there is a transmission need on its local system that is being driven by a Public Policy Requirement for which a local transmission solution should be evaluated, including needs proposed by market participants and other interested parties. A market participant or other interested party proposing a transmission need on a Transmission Owner's local system driven by a Public Policy Requirement shall submit its proposal to the ISO and the relevant Transmission Owner, and will identify the specific Public Policy Requirement that is driving the proposed transmission need and an explanation of why a local transmission upgrade is necessary to implement the Public Policy Requirement. Any proposed local system transmission need will be posted on the ISO website. The ISO will transmit proposed transmission needs on a Transmission Owner's local system driven by Public Policy Requirements to the NYDPS, with a request that the NYDPS review the proposals and provide the relevant Transmission Owner with input to assist the Transmission Owner in its determination. The Transmission Owner, after considering the input provided by the NYDPS and any information provided by a market participant or other party, will determine whether there are transmission needs driven by Public Policy Requirements for which local transmission solutions should be evaluated. The Transmission Owner will post on its website a list of the transmission needs driven by Public Policy Requirements for which local transmission solutions should be evaluated, with an explanation of why the Transmission Owner identified those transmission needs and declined to identify other proposed transmission needs.

31.2.1.1.2.3 Evaluation of Proposed Local Transmission Solutions

In evaluating potential transmission solutions, if any, the Transmission Owner will give consideration to the objectives of the Public Policy Requirement driving the need for a local transmission solution. The Transmission Owner will evaluate solutions to identified transmission needs, including transmission solutions proposed by market participants and other parties for inclusion in its LTP. The Transmission Owner, in consultation with the NYDPS, will evaluate proposed transmission solutions on its local system to determine the more efficient or cost-effective transmission solutions. The Transmission Owner will consider the relative costs and benefits of proposed transmission solutions and their impact on the Transmission Owner's transmission system and its customers. Any local transmission solution identified by the Transmission Owner through the LTP process will be reviewed with stakeholders as part of each Transmission Owner's regular LTP process and will be included in the Transmission Owner's subsequent LTP. In conducting its evaluation, the Transmission Owner will use criteria that are relevant to the Public Policy Requirement driving the transmission need, which may include its published local planning criteria and assumptions.

31.2.1.2 Process Timeline

31.2.1.2.1 Each Transmission Owner will, in accordance with the requirements in this Section 31.2.1.2 and a schedule set forth in the ISO Procedures, (i) update its LTP in accordance with the requirements in this Section 31.2.1.2 and (ii) will post its current LTP on its website for review and comment by interested parties sufficiently in advance of the time for submission to the ISO for input to its RNA so as to allow adequate time for stakeholder review and comment. Each

Transmission Owner LTP will include the following information with its LTP in accordance with the requirements set forth in this Section 31.2.1.2:

- identification of the planning horizon covered by the LTP,
- data and models used,
- reliability needs, needs driven by Public Policy Requirements, and other needs addressed,
- potential solutions under consideration, and,
- a description of the transmission facilities covered by the plan.

The ISO may use the ESPWG and TPAS or a separate stakeholder group specifically created by the ISO to address LTP updates to facilitate the update of Transmission Owners' LTPs in accordance with the requirements in Sections 31.2.1.2 and 31.2.1.4.

The references to ESPWG and TPAS in Sections 31.2.1.2 and 31.2.1.4 shall include any alternative LTP-specific stakeholder group created by the ISO.

~~31.2.1.2.2 — To the extent the current LTP utilizes data or inputs, related to the ISO's planning process, not already reported by the ISO in Form 715 and referenced on its website, any such data will be provided to the ISO at the time each Transmission Owner posts criteria and planning assumptions in accordance with Section 31.2.1.1 and will be posted by the ISO on its website subject to any confidentiality or Critical Energy Infrastructure Information restrictions or requirements.~~

31.2.1.2.23 Annual Meeting and Review Requirements for LTP Updates

31.2.1.2.2.1 On an annual basis, in accordance with a schedule set forth in ISO

Procedures~~Each planning cycle~~, the ISO shall hold the following three~~one or more~~

stakeholder meetings of the ESPWG and TPAS ~~for at which each~~ Transmission Owner ~~to update its current LTP in the following sequence will be discussed:~~

- ~~(i) an “Assumptions Meeting” for each Transmission Owner to review with stakeholders the criteria, assumptions, and models for its current LTP;~~
- ~~(ii) a “Needs Meeting” for each Transmission Owner to review with stakeholders reliability needs, needs driven by Public Policy Requirements, and other needs identified for its current LTP; and~~
- ~~(iii) a “Solutions Meeting” for each Transmission Owner to review with stakeholders solutions for its current LTP to address needs identified in the Needs Meeting.~~

~~The ISO may hold, at its discretion, more than one Assumptions Meeting, Needs Meeting, or Solutions Meeting as part of the annual LTP update process to ensure sufficient time for all Transmission Owners to present their updates.~~

~~31.2.1.2.2.2 The Needs Meeting for a Transmission Owner’s LTP update shall be held at least twenty-five (25) calendar days after the Assumptions Meeting for that update. The Solutions Meeting for a Transmission Owner’s LTP update shall be held at least twenty-five (25) calendar days after the Needs Meeting for the update. Such meetings will be held either at the Transmission Owner’s Transmission District, or at an ISO location. No fewer than five (5) calendar days prior to each meeting, The ISO shall post notice of the meeting and the shall disclose the agenda and any other meeting materials provided by the Transmission Owner for its LTP update, distributed prior to the meeting. Each Transmission Owner shall provide to the ISO the materials required for each~~

meeting sufficiently in advance of the meeting for the ISO to meet the posting requirements in this Section 31.2.1.2.2.

31.2.1.2.2.3 To the extent the Transmission Owner's current LTP utilizes data or inputs, related to the ISO's planning process, not already reported by the ISO in Form 715 and referenced on its website, the Transmission Owner shall provide such data as part of the criteria, assumptions, and models provided for its Assumptions Meeting, which data shall be subject to the requirements in Section 31.2.1.2.2.5.

31.2.1.2.2.4 Interested parties may submit written comments to the ISO and the applicable a Transmission Owner with respect to a Transmission Owner's its assumptions, needs, or solutions in its current LTP before and after each required meeting in accordance with a schedule set forth by the ISO; provided that stakeholders shall have: (i) at least ~~within twenty-five~~ thirty (25) calendar days to provide comments after the Solutions mMeeting or (ii) a time period to the extent reasonably practicable as determined by the ISO to provide comments after a consolidated assumptions, needs, and solutions meeting permitted under Section 31.2.1.2.3. _Each Transmission Owner shall list with its LTP materials posted for the ESPWG and TPAS meeting and on its website, ~~as part of its LTP,~~ the person and/or location to which comments should be sent by interested parties. The ISO shall post All written comments that it receives will be posted on the ISO website. Each Transmission Owner will consider the comments provided concerning its LTP update received in developing any modifications to its LTP and will be responsible for responding to the comments as is reasonable given

the scope and volume of the comments. Any such modification will be explained in its current LTP posted on its website pursuant to Section 31.2.1.2.2 above and discussed at the next meeting held pursuant to Section 31.2.1.2.3 above. If the Transmission Owner makes any modification to the assumptions, needs, or solutions based on stakeholder comments during the LTP update process, the Transmission Owner will include this change in the meeting materials for a subsequent meeting for the LTP update; provided that if the Transmission Owner makes such modification after the Solutions Meeting or after a consolidated assumptions, needs, and solutions meeting permitted under Section 31.2.1.2.3, the Transmission Owner will post the updated LTP on its website and provide the updated LTP to the ISO, which updated LTP the ISO will post on its website.

31.2.1.2.2.5 The materials provided by the Transmission Owner for its LTP update will be posted by the ISO on its website subject to any confidentiality or Critical Energy Infrastructure Information restrictions or requirements.

31.2.1.2.2.65 Except as otherwise set forth in Section 31.2.1.2.3, a Transmission Owner must satisfy the requirements in Section 31.2.1.2.2 before the ISO will account for the transmission facilities included in the Transmission Owner's LTP in the ISO's studies for its Comprehensive System Planning Process, including the Short-Term Reliability Process, or for an interconnection study or transmission expansion study performed under the ISO OATT, provided that the transmission facilities must also satisfy the inclusion rules for the applicable study established in the ISO OATT or ISO Procedures. For purposes of the Reliability Planning Process
Each planning cycle, each Transmission Owner will submit the

finalized portions of its current LTP that satisfy the requirements in this Section 31.2.1.2 to the ISO as contemplated in Section 31.2.2.4.2 below for timely inclusion in the RNA.

31.2.1.2.3 Interim LTP Updates

Subsequent to Transmission Owners' first annual LTP update performed pursuant to Section 31.2.1.2.2, a Transmission Owner may update the assumptions, needs, and solutions included in its LTP outside of the annual process at any time by satisfying the same meeting, posting, and commenting requirements established in Section 31.2.1.2.2 for the update, unless otherwise permitted by the following exceptions.

(A) A Transmission Owner is not required to use all three meetings to update its LTP if the update does not modify, as applicable, the assumptions, needs, or solutions already addressed in a prior meeting.

(B) A Transmission Owner may use a single consolidated meeting to address the specific assumptions, needs, and solutions required to address a transmission need in its LTP in the limited circumstances in which the Transmission Owner determines: (i) that an immediate update is required to its LTP to comply with Good Utility Practice and (ii) that there is not sufficient time to address this update through the normal LTP process in Sections 31.2.1.2.3 and 31.2.1.2.4. In such case, the Transmission Owner shall include with the required information on the assumptions, needs, and solutions for the immediate LTP update a description of the circumstances that generated the need for the immediate LTP update and an explanation of why the need was not identified in time to use the regular LTP update process set forth in Section 31.2.1.2.2.

(C) If an update to a Transmission Owner's LTP can address a potential Short-Term Reliability Process Need pursuant to Section 38.3.5.2 of Attachment FF to the ISO OATT,

the Transmission Owner may make this update to its LTP through a single, consolidated assumptions, need, and solutions meeting.

31.2.1.3 ISO Evaluation of Transmission Owner Local Transmission Plans in Relation to Regional and Local Transmission Needs

The ISO will review the Transmission Owner LTPs as they relate to the BPTFs as set forth in Section 31.2.2.4.2. The ISO will also evaluate whether a regional transmission solution – including, but not limited to, regional transmission solutions proposed by Developers pursuant to this Attachment Y – could satisfy an identified regional transmission need on the BPTFs that impacts more than one Transmission District more efficiently or more cost effectively than a local transmission solution identified in a Transmission Owner’s LTP in accordance with Section 31.2.6.4.2 for the satisfaction of a regional Reliability Need, Section 31.3.1.3.6 for the reduction of congestion identified in the Economic Planning Process, Section 31.4.7.2 for the satisfaction of a Public Policy Transmission Need, or Section 31.6.10.7.2 for the satisfaction of a Long-Term Transmission Need. The ISO will report the results of its evaluation solely for informational purposes in the relevant ISO planning report prepared under this Attachment Y, and the Transmission Owners shall not be required to revise their LTPs based on the results of the ISO’s evaluation.

31.2.1.4 LTP Dispute Resolution Process

31.2.1.4.1 Disputes Related to the LTPP; Objective; Notice

Disputes related to the LTPP are subject to the DRP. The objective of the DRP is to assist parties having disputes in communicating effectively and resolving disputes as expeditiously as possible. Within fifteen (15) calendar days of the presentation by a Transmission Owner of its needs, assumptions, or solutions in its LTP update to the ESPWG and

TPAS, a party with a dispute concerning the presented material shall notify in writing the Affected TO, the ISO, the ESPWG and TPAS of its intention to utilize the DRP. The notice shall identify the specific issue in dispute and describe in sufficient detail the nature of the dispute.

31.2.1.4.2 Review by the ESPWG and TPAS

The issue raised by a party with a dispute shall be reviewed and discussed at a joint meeting of the ESPWG and the TPAS in an effort to resolve the dispute. The party with a dispute and the Affected TO shall have an opportunity to present information concerning the issue in dispute to the ESPWG and the TPAS.

31.2.1.4.3 Information Discussions

To the extent the ESPWG and the TPAS are unable to resolve the dispute, the dispute will be subject to good faith informal discussions between the party with a dispute and the Affected TO. Each of those parties will designate a senior representative authorized to enter into informal discussions and to resolve the dispute. The parties to the dispute shall make a good faith effort to resolve the dispute through informal discussions as promptly as practicable.

31.2.1.4.4 Alternative Dispute Resolution

In the event that the parties to the dispute are unable to resolve the dispute through informal discussions within sixty (60) days, or such other period as the parties may agree upon, the parties may, by mutual agreement, submit the dispute to mediation or any other form of alternative dispute resolution. The parties shall attempt in good faith to resolve the dispute in accordance with a mutually agreed upon schedule but in no event may the schedule extend

beyond ninety (90) days from the date on which the parties agreed to submit the dispute to alternative dispute resolution.

31.2.1.4.5 Notice of Results of Dispute Resolution

The ISO shall use in its planning and interconnection processes the Affected TO's information included in its LTP update that is the subject of the dispute, subject to any modification to the LTP as a result of the DRP. The Affected TO shall notify the ISO and ESPWG and TPAS of the results of the DRP and update its LTP to the extent necessary. The ISO shall use in its planning and interconnection processes es the LTP provided by the Affected TO.

31.2.1.4.6 Rights Under the Federal Power Act

Nothing in the DRP shall affect the rights of any party to file a complaint with the Commission under relevant provisions of the FPA.

31.2.1.4.7 Confidentiality

All information disclosed in the course of the DRP shall be subject to the same protections accorded to confidential information and CEII by the ISO under its confidentiality and CEII policies.

31.2.2 Reliability Needs Assessment

31.2.2.1 General

The ISO shall prepare and publish the RNA as described below. The RNA will identify Reliability Needs. The ISO shall also designate in the RNA the Responsible Transmission Owner with respect to each Reliability Need.

31.2.2.2 Interested Party Participation in the Development of the RNA

The ISO shall develop the RNA in consultation with Market Participants and all other interested parties. TPAS will have responsibility consistent with ISO Procedures for review of the ISO's reliability analyses. ESPWG will have responsibility consistent with ISO Procedures for providing commercial input and assumptions to be used in the development of reliability assessment scenarios provided under Section 31.2.2.5, and in the reporting and analysis of historic congestion costs. Coordination and communication will be established and maintained between these two groups and ISO staff to allow Market Participants and other interested parties to participate in a meaningful way during each stage of the CSPP. The ISO staff shall report any majority and minority views of these collaborative governance work groups when it submits the RNA to the Operating Committee for a vote, as provided below.

31.2.2.3 Preparation of the Reliability Needs Assessment

31.2.2.3.1 The ISO shall evaluate bulk power system needs in the RNA over the Study Period.

31.2.2.3.2 The starting point for the development of the RNA Base Case will be the system as defined for the FERC Form No. 715 Base Case. The ISO shall develop this system representation to be used for its evaluations of the Study Period by primarily using: (1) the most recent NYISO Load and Capacity Data Report published by the ISO on its web site; (2) the most recent versions of ISO reliability analyses and assessments provided for or published by NERC, NPCC, NYSRC, and neighboring Control Areas; (3) information reported by neighboring Control Areas such as power flow data, forecasted load, significant new or modified generation and transmission facilities, and anticipated system conditions

that the ISO determines may impact the BPTFs; and (4) data submitted pursuant to paragraph 31.2.2.4 below; *provided, however*, the ISO shall not include in the RNA Base Case an Interim Service Provider, an RMR Generator, or any other interim Short-Term Reliability Process Solution selected by the ISO pursuant to Attachment FF of the ISO OATT; *provided, further*, the ISO will include in the RNA Base Case a permanent transmission Short-Term Reliability Process Solution selected by the ISO pursuant to Attachment FF of the ISO OATT if it meets the base case inclusion requirements in the ISO Procedures. The details of the development of the RNA Base Case are contained in the ISO Procedures. The RNA Base Case shall also include Interregional Transmission Projects that have been approved by the NYPSC transmission siting process and meet the base case inclusion requirements in the ISO Procedures.

31.2.2.3.3 The ISO shall assess the RNA Base Case to determine whether the BPTFs meet all Reliability Criteria for both resource and transmission adequacy in each year, and report the results of its evaluation in the RNA. Transmission analyses will include thermal, voltage, short circuit, and stability studies. Then, if any Reliability Criteria are not met in any year, the ISO shall perform additional analyses to determine whether additional resources and/or transmission capacity expansion are needed to meet those requirements, and to determine the Target Year of need for those additional resources and/or transmission. A short circuit assessment will be performed for the tenth year of the Study Period. The study will not seek to identify specific additional facilities. Reliability Needs will be

defined in terms of total deficiencies relative to Reliability Criteria and not necessarily in terms of specific facilities.

31.2.2.4 Planning Participant Data Input

31.2.2.4.1 At the ISO's request, Market Participants, Developers, and other parties shall provide, in accordance with the schedule set forth in the ISO Procedures, the data necessary for the development of the RNA. This data will include but not be limited to (1) existing and planned additions to the New York State Transmission System (to be provided by Transmission Owners and municipal electric utilities); (2) proposals for Merchant Transmission Facilities (to be provided by merchant transmission Developers); (3) generation additions and retirements (to be provided by generator owners, Aggregators and Developers); (4) demand response programs (to be provided by demand response providers); and (5) any long-term firm transmission requests made to the ISO.

31.2.2.4.2 The Transmission Owners shall submit their current LTPs that have satisfied the requirements in Section 31.2.1 ~~referenced in Section 31.1.3 and Section 31.2.1~~ to the ISO. The Transmission Owners and the ISO will coordinate with each other in reviewing the LTPs. The ISO will review the Transmission Owners' LTPs, as they relate to BPTFs, to determine whether they will meet reliability needs identified in the LTPs, recommend an alternate means to resolve the local needs from a regional perspective pursuant to Section 31.2.6.4, and indicate if it is not in agreement with a Transmission Owner's proposed additions. The ISO shall report its determinations under this section in the RNA and in the CRP.

31.2.2.4.3 All data received from Market Participants, Developers, and other parties shall be considered in the development of the system representation for the Study Period in accordance with the ISO Procedures.

31.2.2.5 Reliability Scenario Development

The ISO, in consultation with the ESPWG and TPAS, shall develop reliability scenarios addressing the Study Period. Variables for consideration in the development of these reliability scenarios include but are not limited to: load forecast uncertainty, fuel prices and availability, new resources, retirements, transmission network topology, and limitations imposed by proposed environmental or other legislation.

31.2.2.6 Evaluation of Reliability Scenarios

The ISO will conduct additional reliability analyses for the reliability scenarios developed pursuant to paragraph 31.2.2.5. These evaluations will test the robustness of the needs assessment studies conducted under paragraphs 31.2.2.3. This evaluation will only identify conditions under which Reliability Criteria may not be met. It will not identify or propose additional Reliability Needs. In addition, the ISO will perform appropriate sensitivity studies to determine whether Reliability Needs previously identified can be mitigated through alternate system configurations or operational modes. The Reliability Needs may increase in some reliability scenarios and may decrease, or even be eliminated, in others. The ISO shall report the results of these evaluations in the RNA.

31.2.2.7 Consequences for Other Regions

The ISO will coordinate with the ISO/RTO Regions to identify the consequences of the reliability transmission projects on such ISO/RTO Regions using the respective planning criteria

of such ISO/RTO Regions. The ISO shall report the results in the CRP. The ISO shall not bear the costs of required upgrades in another region.

31.2.2.8 Reliability Needs Assessment Report Preparation

Once all the analyses described above have been completed, ISO staff will prepare a draft of the RNA including discussion of its assumptions, Reliability Criteria, and results of the analyses and, if necessary, designate the Responsible Transmission Owner. One or more compensatory MW/ Load adjustment scenarios will be developed by the ISO as a guide to the development of proposed solutions to meet the identified Reliability Need.

31.2.3 RNA Review Process

31.2.3.1 Collaborative Governance Process

The draft RNA shall be submitted to both TPAS and the ESPWG for review and comment. The ISO shall make available to any interested party sufficient information to replicate the results of the draft RNA. The information made available will be electronically masked and made available pursuant to a process that the ISO reasonably determines is necessary to prevent the disclosure of any Confidential Information or Critical Energy Infrastructure Information contained in the information made available. Market Participants and other interested parties may submit at any time optional suggestions for changes to ISO rules or procedures which could result in the identification of additional resources or market alternatives suitable for meeting Reliability Needs. Following completion of the TPAS and ESPWG review, the draft RNA reflecting the revisions resulting from the TPAS and ESPWG review, shall be forwarded to the Operating Committee for discussion and action. The ISO shall notify the Business Issues Committee of the date of the Operating Committee meeting at which the draft

RNA is to be presented. Following the Operating Committee vote, the draft RNA will be transmitted to the Management Committee for discussion and action.

31.2.3.2 Board Action

Following the Management Committee vote, the draft RNA, with working group, Operating Committee, and Management Committee input, will be forwarded to the ISO Board for review and action. Concurrently, the draft RNA will be provided to the Market Monitoring Unit for its review and consideration of whether market rules changes are necessary to address an identified failure, if any, in one of the ISO's competitive markets. The Board may approve the RNA as submitted, or propose modifications on its own motion. If any changes are proposed by the Board, the revised RNA shall be returned to the Management Committee for comment. The Board shall not make a final determination on a revised RNA until it has reviewed the Management Committee comments. Upon approval by the Board, the ISO shall issue the final RNA to the marketplace by posting it on its web site.

The responsibilities of the Market Monitoring Unit that are addressed in the above section of this Attachment are also addressed in Section 30.4.6.8.2 of the Market Monitoring Plan, Attachment O to the ISO Services Tariff.

31.2.3.3 Needs Assessment Disputes

Notwithstanding any provision to the contrary in this Attachment, the ISO OATT, or the NYISO Services Tariff, in the event that a Market Participant raises a dispute solely within the NYPSC's jurisdiction relating to the final conclusions or recommendations of the RNA, a Market Participant may refer such dispute to the NYPSC for resolution. The NYPSC's final determination shall be binding, subject only to judicial review in the courts of the State of New York pursuant to Article 78 of the NYCPLR.

31.2.3.4 Public Information Sessions

In order to provide ample exposure for the marketplace to understand the identified Reliability Needs, the ISO will provide various opportunities for Market Participants and other potentially interested parties to discuss the final RNA. Such opportunities may include presentations at various ISO Market Participant committees, focused discussions with various industry sectors, and/or presentations in public venues.

31.2.4 Development of Solutions to Reliability Needs

31.2.4.1 Eligibility and Qualification Criteria for Developers and Projects

For purposes of fulfilling the requirements of the Developer qualification criteria in this Section 31.2.4.1 and its subsections, the term “Developer” includes Affiliates, as that term is defined in Section 2 of the ISO Services Tariff and Section 1 of the ISO OATT. To the extent that a Developer relies on Affiliate(s) to satisfy any or all of the qualification criteria set forth in Section 31.2.4.1.1.1, the Affiliate(s) shall provide to the ISO: (i) the information required in Section 31.2.4.1.1.1 to demonstrate its capability to satisfy the applicable qualification criteria, and (ii) a notarized officer’s certificate, signed by an authorized officer of the Affiliate with signatory authority, in a form acceptable to the ISO, certifying that the Affiliate will participate in the Developer’s project in the manner described by the Developer and will abide by the requirements set forth in this Attachment Y, the ISO Tariffs, and ISO Procedures related and applicable to the Affiliate’s participation.

31.2.4.1.1 Developer Qualification and Timing

The ISO shall provide each Developer with an opportunity to demonstrate that it has or can draw upon the financial resources, technical expertise, and experience needed to finance, develop, construct, operate and maintain a transmission project to meet identified Reliability

Needs. The ISO shall consider the qualifications of each Developer in an evenhanded and non-discriminatory manner, treating Transmission Owners and Other Developers alike.

31.2.4.1.1.1 Developer Qualification Criteria

The ISO shall make a determination on the qualification of a Developer to propose to develop a transmission project as a solution to an identified Reliability Need based on the following criteria:

31.2.4.1.1.1.1 The technical and engineering qualifications and experience of the Developer relevant to the development, construction, operation and maintenance of a transmission facility, including evidence of the Developer's demonstrated capability to adhere to standardized construction, maintenance, and operating practices and to contract with third parties to develop, construct, maintain, and/or operate transmission facilities;

31.2.4.1.1.1.2 The current and expected capabilities of the Developer to develop and construct a transmission facility and to operate and maintain it for the life of the facility. If the Developer has previously developed, constructed, maintained or operated transmission facilities, the Developer shall provide the ISO a description of the transmission facilities (not to exceed ten) that the Developer has previously developed, constructed, maintained or operated and the status of those facilities, including whether the construction was completed, whether the facility entered into commercial operations, whether the facility has been suspended or terminated for any reason, and evidence demonstrating the ability of the Developer to address and timely remedy any operational failure of the facilities; and

31.2.4.1.1.1.3 The Developer's current and expected capability to finance, or its experience in arranging financing for, transmission facilities. For purposes of the ISO's determination, the Developer shall provide the ISO:

- (1) evidence of its demonstrated experience financing or arranging financing for transmission facilities, if any, including a description of such projects (not to exceed ten) over the previous ten years, the capital costs and financial structure of such projects, a description of any financing obtained for these projects through rates approved by the Commission or a state regulatory agency, the financing closing date of such projects, and whether any of the projects are in default;
- (2) its audited annual financial statements from the most recent three years and its most recent quarterly financial statement, or equivalent information;
- (3) its credit rating from Moody's Investor Services, Standard & Poor's, or Fitch, or equivalent information, if available;
- (4) a description of any prior bankruptcy declarations, material defaults, dissolution, merger or acquisition by the Developer or its predecessors or subsidiaries occurring within the previous five years; and
- (5) such other evidence that demonstrates its current and expected capability to finance a project to solve a Reliability Need.

31.2.4.1.1.1.4 A detailed plan describing how the Developer – in the absence of previous experience financing, developing, constructing, operating, or maintaining transmission facilities – will finance, develop, construct, operate, and maintain a transmission facility, including the financial, technical, and engineering

qualifications and experience and capabilities of any third parties with which it will contract for these purposes.

31.2.4.1.1.2 Developer Qualification Determination

Any Developer seeking to become qualified may submit the required information, or update any previously submitted information, at any time. The ISO shall treat on a confidential basis in accordance with the requirements of its Code of Conduct in Attachment F of the ISO OATT any non-public financial qualification information that is submitted to the ISO by the Developer under Section 31.2.4.1.1.1.3 and is designated by the Developer as “Confidential Information.” The ISO shall within 15 days of a Developer’s submittal, notify the Developer if the information is incomplete. If the submittal is deemed incomplete, the Developer shall submit the additional information within 30 days of the ISO’s request. The ISO shall notify the Developer of its qualification status within 30 days of receiving all necessary information. A Developer shall retain its qualification status for a three-year period following the notification date; *provided, however*, that the ISO may revoke this status if it determines that there has been a material change in the Developer’s qualifications and the Developer no longer meets the qualification requirements. A Developer that has been qualified shall inform the ISO within thirty days of any material change to the information it provided regarding its qualifications and shall submit to the ISO each year its most recent audited annual financial statement when available. At the conclusion of the three-year period or following the ISO’s revocation of a Developer’s qualification status, the Developer may re-apply for a qualification status under this section.

Any Developer determined by the ISO to be qualified under this section shall be eligible to propose a regulated transmission project as a solution to an identified Reliability Need and

shall be eligible to use the cost allocation and cost recovery mechanism for regulated transmission projects set forth in Section 31.5 of this Attachment Y and Rate Schedule 10, Section 6.10, of the ISO OATT for any approved project.

31.2.4.2 Interregional Transmission Projects

Interregional Transmission Projects may be proposed under Section 31.2.5.1 of this Attachment Y as regulated backstop solutions, alternative regulated solutions, or market-based solutions, in response to a request by the ISO for solutions to a Reliability Need under the relevant provisions of Section 31.2.4. Interregional Transmission Projects proposed as regulated backstop solutions, alternative regulated solutions or market-based solutions shall be: (i) evaluated by the ISO in accordance with the applicable requirements of the Reliability Planning Process of this Attachment Y, and (ii) jointly evaluated by the ISO and the relevant adjacent transmission planning region(s) in accordance with Section 7.3 of the Interregional Planning Protocol.

31.2.4.3 Regulated Backstop Solutions

31.2.4.3.1 When a Reliability Need is identified in any RNA issued under this tariff, the ISO shall request and the Responsible Transmission Owner shall provide to the ISO, as set forth in Section 31.2.5 below, a proposal for a regulated solution or combination of solutions that shall serve as a backstop to meet the Reliability Need if requested by the ISO due to the lack of sufficient viable market-based solutions to meet such Reliability Needs identified for the Study Period. The Responsible Transmission Owner shall be eligible to recover its costs for developing its proposal and seeking necessary approvals under Rate Schedule 10 of the ISO OATT. Regulated backstop solutions may include generation,

transmission, or demand side resources. Such proposals may include reasonable alternatives that would effectively address the Reliability Need; provided however, the Responsible Transmission Owner's obligation to propose and implement regulated backstop solutions under this tariff is limited to regulated transmission solutions. Prior to providing its response to the RNA, each Responsible Transmission Owner will present for discussion at the ESPWG and TPAS any updates in its LTP that impact a Reliability Need identified in the RNA. The ISO will present at the ESPWG and TPAS any updates to its determination under Section 31.2.2.4.2 with respect to the Transmission Owners' LTPs. Should more than one regulated backstop solution be proposed by a Responsible Transmission Owner to address a Reliability Need, it will be the responsibility of that Responsible Transmission Owner to determine which of the regulated backstop solutions will proceed following a finding by the ISO under Section 31.2.8 of this Attachment Y. The determination by the Responsible Transmission Owner will be made prior to the approval of the CRP which precedes the Trigger Date for the regulated backstop solution with the longest lead time. Contemporaneous with the request to the Responsible Transmission Owner, the ISO shall solicit market-based and alternative regulated responses as set forth in Sections 31.2.4.5 and 31.2.4.7, which shall not be a formal RFP process.

31.2.4.4 Qualifications for Regulated Backstop Solutions

31.2.4.4.1 Submission Requirements for Viability and Sufficiency Assessment

The submission of a regulated backstop solution to a Reliability Need for purposes of the ISO's evaluation under Section 31.2.5 of the viability and sufficiency of the proposed solution and the determination of the Trigger Date for the proposed solution shall include, at a minimum, the following details: (1) contact information; (2) the lead time necessary to complete the project, including, if available, the construction windows in which the Responsible Transmission Owner can perform construction and what, if any, outages may be required during these periods; (3) a description of the project, including type, size, and geographic and electrical location, as well as planning and engineering specifications and drawings, as appropriate, and the Responsible Transmission Owner's identification of any Reliability Transmission Upgrade(s) included as a part of a transmission solution; (4) evidence of a commercially viable technology; (5) Network Upgrade Facilities, System Upgrade Facilities, System Deliverability Upgrades, and/or Attachment Facilities, as applicable, that: (a) the ISO has identified as required to interconnect the proposed project to the New York State Transmission System in compliance with the applicable interconnections standard in an interconnection study or transmission expansion study that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT, to the extent available, or (b) the Responsible Transmission Owner voluntarily identifies as potentially necessary to reliably interconnect the proposed project (subject to modification based on an ISO-conducted interconnection study or transmission expansion study that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or

HH of the ISO OATT, as applicable); (6) a major milestone schedule, as well as identification of any in-service dates for specific components (such as a Reliability Transmission Upgrade) to properly sequence the project to meet the identified need; (7) the schedule for obtaining any permits and other certifications, if available; (8) status of ISO interconnection studies and interconnection agreement, if available; (9) status of equipment availability and procurement, if available; and (10) a description of any Alternative Transmission Technologies or an explanation of Responsible Transmission Owner's determination not to propose these technologies as described in Section 31.2.4.4.1.1.

31.2.4.4.1.1 A Responsible Transmission Owner shall indicate with its project information whether any element of its proposed regulated backstop solution includes Alternative Transmission Technologies. If a Responsible Transmission Owner does not propose to include any of the Alternative Transmission Technologies as part of its regulated backstop solution, the Responsible Transmission Owner shall provide with its project information an explanation detailing why it did not include any of the Alternative Transmission Technologies, including whether it did not include them due to concerns over the costs of upgrading energy management systems.

31.2.4.4.2 Submission Requirements for Evaluation and Selection

31.2.4.4.2.1 The submission of a regulated backstop solution to a Reliability Need for purposes of the ISO's evaluation of the proposed solution for possible selection as the more efficient or cost effective solution to the Reliability Need shall include, at a minimum, the following details: (1) updates to the information required under Section 31.2.4.4.1; (2) the schedule for obtaining required permits

and other certifications; (3) a demonstration of Site Control or a schedule for obtaining such control; (4) the status of any contracts (other than an interconnection agreement) that are under negotiation or in place, including any contracts with third-party contractors; (5) status of ISO interconnection studies and interconnection agreement; (6) status of equipment availability and procurement; (7) evidence of financing or ability to finance the project; (8) capital cost estimates for the project; (9) a description of permitting or other risks facing the project at the stage of project development, including evidence of the reasonableness of project cost estimates, all based on the information available at the time of the submission; and (10) any other information requested by the ISO.

31.2.4.4.2.2 A Responsible Transmission Owner shall submit the following information to indicate its capital cost estimates for a regulated backstop transmission solution. The Responsible Transmission Owner shall provide the ISO with credible capital cost estimates for its proposed regulated backstop transmission solution, with itemized supporting work sheets that identify all material and labor cost assumptions, and related drawings to the extent applicable and available. The work sheets should include an estimated quantification of cost variance, providing an assumed plus/minus range around the capital cost estimate. The estimate shall include all components that are needed to meet the Reliability Need. To the extent information is available, the Responsible Transmission Owner should itemize: material and labor cost by equipment, engineering and design work, permitting, site acquisition, procurement and construction work, and commissioning needed for the proposed project, all in accordance with Good

Utility Practice. For each of these cost categories, the Responsible Transmission Owner should specify the nature and estimated cost of all major project components and estimate the cost of the work to be done at each substation and/or on each feeder to physically and electrically connect each facility to the existing system. The work sheets should itemize to the extent applicable and available all equipment for: (i) the proposed project (separately identifying new transmission facilities and Reliability Transmission Upgrades) and (ii) Network Upgrade Facilities, System Upgrade Facilities, System Deliverability Upgrades, and/or Attachment Facilities, as applicable, that: (a) the ISO has identified as required to interconnect the proposed project to the New York State Transmission System in compliance with the applicable interconnections standard in an interconnection study or transmission expansion study that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT or (b) the Responsible Transmission Owner voluntarily identifies as potentially necessary to reliably interconnect the proposed project (subject to modification based on an ISO-conducted interconnection study or transmission expansion study that are performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT, as applicable).

31.2.4.4.2.3 A Responsible Transmission Owner shall submit the following information to indicate the status of any contracts: (i) copies of all final contracts the ISO determines are relevant to its consideration, or (ii) where one or more contracts are pending, a timeline on the status of discussions and negotiations with the relevant documents and when the negotiations are expected to be

completed. The final contracts shall be submitted to the ISO when available. The ISO shall treat on a confidential basis in accordance with the requirements of its Code of Conduct in Attachment F of the ISO OATT any contract that is submitted to the ISO and is designated by the Responsible Transmission Owner as “Confidential Information.”

31.2.4.4.2.4 A Responsible Transmission Owner shall submit the following information to indicate the status of any required permits: (i) copies of all final permits received that the ISO determines are relevant to its consideration, or (ii) where one or more permits are pending, the completed permit application(s) with information on what additional actions must be taken to meet the permit requirements and a timeline providing the expected timing for finalization and receipt of the final permit(s). The final permits shall be submitted to the ISO when available.

31.2.4.4.2.5 A Responsible Transmission Owner shall submit the following information, as appropriate, to indicate evidence of financing by it or any Affiliate upon which it is relying for financing: (i) evidence of self-financing or project financing through approved rates or the ability to do so, (ii) copies of all loan commitment letter(s) and signed financing contract(s), or (iii) where such financing is pending, the status of the application for any relevant financing, including a timeline providing the status of discussions and negotiations of relevant documents and when the negotiations are expected to be completed. The final contracts or approved rates shall be submitted to the ISO when available.

31.2.4.4.2.6 Upon the completion of any interconnection study or transmission expansion study of a proposed regulated backstop solution that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT, the Responsible Transmission Owner of the proposed project shall notify the ISO that the study has been completed and, at the ISO's request, shall submit to the ISO any study report and related materials prepared in connection with the study.

31.2.4.4.3 If the regulated backstop solution does not meet the Reliability Needs, the ISO will provide sufficient information to the Responsible Transmission Owner to determine how the regulated backstop should be modified to meet the identified Reliability Needs. The Responsible Transmission Owner will make necessary changes to its proposed regulated backstop solution to address reliability deficiencies identified by the ISO, and submit a revised proposal to the ISO for review and approval.

31.2.4.5 Market-Based Responses

At the same time that a proposal for a regulated backstop solution is requested from the Responsible Transmission Owner under Section 31.2.4.3, the ISO shall also request market-based responses from the market place. Subject to the execution of appropriately drawn confidentiality agreements and the Commission's standards of conduct, the ISO and the appropriate Transmission Owner or Transmission Owners shall provide any party who wishes to develop such a response access to the data that is necessary to develop its response. Such data shall only be used for the purposes of preparing a market-based response to a Reliability Need

under this section. Such responses will be open on a comparable basis to all resources, including generation, demand response providers, and merchant transmission Developers.

31.2.4.6 Qualifications for a Valid Market-Based Response

The submission of a proposed market-based solution must include, at a minimum:

(1) contact information; (2) the lead time necessary to complete the project, including, if available, the construction windows in which the Developer can perform construction and what, if any, outages may be required during these periods; (3) a description of the project, including type, size, and geographic and electrical location, as well as planning and engineering specifications and drawings as appropriate; (4) evidence of a commercially viable technology; (5) a major milestone schedule; (6) a schedule for obtaining any required permits and other certifications; (7) a demonstration of Site Control or a schedule for obtaining Site Control; (8) the status of any contracts (other than an interconnection agreement) that are under negotiation or in place; (9) the status of ISO interconnection studies and interconnection agreement; (10) the status of equipment availability and procurement; (11) evidence of financing or ability to finance the project; and (12) any other information requested by the ISO.

A Developer shall submit the following information to indicate the status of any contracts: (i) copies of all final contracts the ISO determines are relevant to its consideration, or (ii) where one or more contracts are pending, a timeline on the status of discussions and negotiations with the relevant documents and when the negotiations are expected to be completed. The final contracts shall be submitted to the ISO when available. The ISO shall treat on a confidential basis in accordance with the requirements of its Code of Conduct in Attachment F of the ISO OATT any contract that is submitted to the ISO and is designated by the Developer as “Confidential Information.”

A Developer shall submit the following information to indicate the status of any required permits: (i) copies of all final permits received that the ISO determines are relevant to its consideration, or (ii) where one or more permits are pending, the completed permit application(s) with information on what additional actions must be taken to meet the permit requirements and a timeline providing the expected timing for finalization and receipt of the final permit(s). The final permits shall be submitted to the ISO when available.

A Developer shall submit the following information, as appropriate, to indicate evidence of financing by it or any Affiliate upon which it is relying for financing: (i) copies of all loan commitment letter(s) and signed financing contract(s), or (ii) where such financing is pending, the status of the application for any relevant financing, including a timeline providing the status of discussions and negotiations of relevant documents and when the negotiations are expected to be completed. The final contracts shall be submitted to the ISO when available.

Upon the completion of any interconnection study or transmission expansion study of a proposed market-based solution that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT, the Developer of the proposed project shall notify the ISO that the study has been completed and, at the ISO's request, shall submit to the ISO any study report and related materials prepared in connection with the study.

Failure to provide any data requested by the ISO within the timeframe set forth in Section 31.2.5.1 of this Attachment Y will result in the rejection of the proposed market-based solution from further consideration during that planning cycle.

31.2.4.7 Alternative Regulated Responses

31.2.4.7.1 The ISO will request alternative regulated responses to Reliability Needs at the same time that it requests market-based responses and regulated backstop

solutions. Such proposals may include reasonable alternatives that would effectively address the identified Reliability Need.

31.2.4.7.2 In response to the ISO's request, Other Developers may develop alternative regulated proposals for generation, demand side alternatives, and/or other solutions to address a Reliability Need and submit such proposals to the ISO. Transmission Owners, at their option, may submit additional proposals for regulated solutions to the ISO. Transmission Owners and Other Developers may submit such proposals to the NYDPS for review at any time. Subject to the execution of appropriately drawn confidentiality agreements and the Commission's standards of conduct, the ISO and the appropriate Transmission Owner(s) shall provide Other Developers access to the data that is needed to develop their proposals. Such data shall be used only for purposes of preparing an alternative regulated proposal in response to a Reliability Need.

31.2.4.8 Qualifications for Alternative Regulated Solutions

31.2.4.8.1 Submission Requirements for Viability and Sufficiency Assessment

The submission of an alternative regulated solution to a Reliability Need for purposes of the ISO's evaluation under Section 31.2.5 of the viability and sufficiency of the proposed solution and the determination of the Trigger Date for the proposed solution shall include, at a minimum, the following details: (1) contact information; (2) the lead time necessary to complete the project, including, if available, the construction windows in which the Other Developer or Transmission Owner can perform construction and what, if any, outages may be required during these periods; (3) a description of the project, including type, size,

and geographic and electrical location, as well as planning and engineering specifications and drawings, as appropriate, and the Other Developer's or Transmission Owner's identification of any Reliability Transmission Upgrade(s) included as a part of a transmission solution; (4) evidence of a commercially viable technology; (5) any Network Upgrade Facilities, System Upgrade Facilities, System Deliverability Upgrades, and/or Attachment Facilities, as applicable, that: (a) the ISO has identified as required to interconnect the proposed project to the New York State Transmission System in compliance with the applicable interconnections standard in an interconnection study or transmission expansion study that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT or (b) the Other Developer or Transmission Owner voluntarily identifies as potentially necessary to reliably interconnect the proposed project (subject to modification based on an ISO-conducted interconnection study or transmission expansion study that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT, as applicable); (6) a major milestone schedule, as well as identification of any in-service dates for specific components (such as a Reliability Transmission Upgrade) to properly sequence the project to meet the identified need; (7) the schedule for obtaining any permits and other certifications, if available; (8) status of ISO interconnection studies and interconnection agreement, if available; (9) status of equipment availability and procurement, if available; and (10) for an alternative regulated transmission solution, a description of any Alternative Transmission Technologies or an explanation of Other

Developer's determination not to propose these technologies as described in Section 31.2.4.8.1.1.

31.2.4.8.1.1 An Other Developer shall indicate with its project information whether any element of its proposed alternative regulated transmission solution includes Alternative Transmission Technologies. If an Other Developer does not propose to include any of the Alternative Transmission Technologies as part of its alternative regulated transmission solution, the Other Developer shall provide with its project information an explanation detailing why it did not include any of the Alternative Transmission Technologies, including whether it did not include them due to concerns over the costs of upgrading energy management systems.

31.2.4.8.2 Submission Requirements for Evaluation and Selection

31.2.4.8.2.1 The submission of a proposed alternative regulated solution to a Reliability Need for purposes of the ISO's evaluation of the proposed solution for possible selection as the more efficient or cost effective solution for the Reliability Need must include, at a minimum: (1) updates to the information required under Section 31.2.4.8.1; (2) a demonstration of Site Control or a schedule for obtaining Site Control; (3) the status of any contracts (other than an interconnection agreement) that are under negotiation or in place, including any contracts with third-party contractors; (4) the status of any interconnection studies and interconnection agreement; (5) the schedule for obtaining any required permits and other certifications; (6) the status of equipment availability and procurement; (7) evidence of financing or ability to finance the project; (8) capital cost estimates for the project; (9) a description of permitting or other risks facing the project at the stage of project development, including evidence of the

reasonableness of project cost estimates, all based on the information available at the time of the submission; and (10) any other information requested by the ISO.

31.2.4.8.2.2 An Other Developer or Transmission Owner shall submit the following information to indicate its capital cost estimates for a proposed alternative regulated transmission solution. The Other Developer or Transmission Owner shall provide the ISO with credible capital cost estimates for its proposed alternative regulated transmission solution, with itemized supporting work sheets that identify all material and labor cost assumptions, and related drawings to the extent applicable and available. The work sheets should include an estimated quantification of cost variance, providing an assumed plus/minus range around the capital cost estimate. The estimate shall include all components that are needed to meet the Reliability Need. To the extent information is available, the Other Developer or Transmission Owner should itemize: material and labor cost by equipment, engineering and design work, permitting, site acquisition, procurement and construction work, and commissioning needed for the proposed transmission solution, all in accordance with Good Utility Practice. For each of these cost categories, the Other Developer or Transmission Owner should specify the nature and estimated cost of all major project components and estimate the cost of the work to be done at each substation and/or on each feeder to physically and electrically connect each facility to the existing system. The work sheets should itemize to the extent applicable and available all equipment for: (i) the proposed project (separately identifying new transmission facilities and Reliability Transmission Upgrades) and (ii) Network Upgrade Facilities, System

Upgrade Facilities, System Deliverability Upgrades, and/or Attachment Facilities, as applicable, that: (a) the ISO has identified as required to interconnect the proposed project to the New York State Transmission System in compliance with the applicable interconnections standard in an interconnection study or transmission expansion study that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT or (b) the Other Developer or Transmission Owner voluntarily identifies as potentially necessary to reliably interconnect the proposed project (subject to modification based on an ISO-conducted interconnection study or transmission expansion study that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT, as applicable).

31.2.4.8.2.3 An Other Developer or Transmission Owner shall submit the following information to indicate the status of any contracts: (i) copies of all final contracts the ISO determines are relevant to its consideration, or (ii) where one or more contracts are pending, a timeline on the status of discussions and negotiations with the relevant documents and when the negotiations are expected to be completed. The final contracts shall be submitted to the ISO when available. The ISO shall treat on a confidential basis in accordance with the requirements of its Code of Conduct in Attachment F of the ISO OATT any contract that is submitted to the ISO and is designated by the Other Developer or Transmission Owner as “Confidential Information.”

31.2.4.8.2.4 An Other Developer or Transmission Owner shall submit the following information to indicate the status of any required permits: (i) copies of

all final permits received that the ISO determines are relevant to its consideration, or (ii) where one or more permits are pending, the completed permit application(s) with information on what additional actions must be taken to meet the permit requirements and a timeline providing the expected timing for finalization and receipt of the final permit(s). The final permits shall be submitted to the ISO when available.

31.2.4.8.2.5 An Other Developer or Transmission Owner shall submit the following information, as appropriate, to indicate evidence of financing by it or any Affiliate upon which it is relying for financing: (i) evidence of self-financing or project financing through approved rates or the ability to do so, (ii) copies of all loan commitment letter(s) and signed financing contract(s), or (iii) where such financing is pending, the status of the application for any relevant financing, including a timeline providing the status of discussions and negotiations of relevant documents and when the negotiations are expected to be completed. The final contracts or approved rates shall be submitted to the ISO when available.

31.2.4.8.2.6 Upon the completion of any interconnection study or transmission expansion study of a proposed alternative regulated solution that is performed under Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT, the Other Developer or Transmission Owner of the proposed project shall notify the ISO that the study has been completed and, at the ISO's request, shall submit to the ISO any study report and related materials prepared in connection with the study.

31.2.4.8.3 Failure to provide any data requested by the ISO within the timeframe provided in Sections 31.2.5.1 and 31.2.6.1 of this Attachment Y will result in the rejection of the proposed alternative regulated solution from further consideration during that planning cycle. An Other Developer or Transmission Owner sponsoring a proposed alternative regulated solution must notify the ISO immediately of any material change in status of a proposed alternative regulated solution. For purposes of this provision, a material change includes, but is not limited to, a change in the financial viability of the Other Developer or Transmission Owner, a change in the siting status of the project, or a change in a major element of the project's development. If the ISO, at any time, learns of a material change in the status of a proposed alternative regulated solution, it may, at that time, make a determination as to the continued viability of the proposed alternative regulated solution.

31.2.4.9 Additional Solutions

Should the ISO determine that it has not received adequate regulated backstop or market-based solutions to satisfy the Reliability Need, the ISO may, in its discretion, solicit additional regulated backstop or market-based solutions. Other Developers or Transmission Owners may submit additional alternative regulated solutions for the ISO's consideration at that time.

31.2.5 ISO Evaluation of Viability, Sufficiency, and Trigger Date of Proposed Solutions to Reliability Needs

31.2.5.1 Timing for Submittal of Project Information and Developer Qualification Information and Opportunity to Provide Additional Information

31.2.5.1.1 Within 60 days after a request for solutions to a Reliability Need is made by the ISO after completion of the RNA, which time period may be extended by the ISO

pursuant to Section 31.1.8.7, all Developers proposing solutions to an identified Reliability Need shall submit to the ISO for purposes of its evaluation the project information, as applicable, for: (i) a proposed regulated backstop solution under Section 31.2.4.4.1, (ii) a proposed market-based solution under Section 31.2.4.6, or (iii) a proposed alternative regulated solution under Section 31.2.4.8.1 of this Attachment Y. The Developer of a proposed regulated transmission solution must also demonstrate to the ISO, simultaneous with its submission of project information, that it: (i) has submitted a Transmission Interconnection Application under Attachment P to the ISO OATT, (ii) has submitted an Interconnection Request for a Class Year Transmission Project under Attachment X to the ISO OATT, or (iii) has completed a Cluster Study Process for a Cluster Study Transmission Project under Attachment HH to the ISO OATT.

31.2.5.1.2 Any Developer that the ISO has determined under Section 31.2.4.1.1.2 or as set forth in this Section 31.2.5.1 below to be qualified to propose to develop a project as a transmission solution to an identified Reliability Need may submit the required project information; *provided, however*, that: (i) the Developer shall provide a non-refundable application fee of \$10,000 and (ii) based on the actual identified need, the ISO may request that the qualified Developer provide additional Developer qualification information. Any Developer that has not been determined by the ISO to be qualified, but that wants to propose to develop a project, must submit to the ISO the information required for Developer qualification under Section 31.2.4.1.1 within 30 days after a request for solutions is made by the ISO. The ISO shall within 30 days of a Developer's submittal of its Developer qualification information, notify the Developer if this information is incomplete. The Developer shall submit additional Developer qualification information or project information required by the ISO within 15 days of the ISO's request. A Developer that fails to submit the additional Developer qualification information or

the required project information will not be eligible for its project to be considered in that planning cycle.

31.2.5.1.3 If the Responsible Transmission Owner, Transmission Owner, or Other Developer submits Confidential Information, as defined in Section 31.2.12, as part of its project information submitted pursuant to Sections 31.2.4.4 or 31.2.4.8, the Responsible Transmission Owner, Transmission Owner, or Other Developer shall submit redacted and un-redacted versions of the project information.

31.2.5.2 Comparable Evaluation of All Proposed Solutions

The ISO shall evaluate: (i) any proposed market-based solution submitted by a Developer pursuant to Section 31.2.4.5, (ii) any proposed regulated backstop solution submitted by a Responsible Transmission Owner pursuant to Section 31.2.4.3, and (iii) any proposed alternative regulated solution submitted by a Transmission Owner or Other Developer pursuant to Section 31.2.4.7. The ISO will evaluate whether each proposed solution is viable and is sufficient to satisfy the identified Reliability Need by the need date pursuant to Sections 31.2.5.3 and 31.2.5.4. The proposed solutions may include multiple components and resource types. When evaluating proposed solutions to Reliability Needs from any Developer, all resource types – generation, transmission, demand response, or a combination of these resource types – shall be considered on a comparable basis as potential solutions to the Reliability Needs identified. All solutions will be evaluated in the same general time frame.

31.2.5.3 Evaluation of Viability of Proposed Solution

The ISO will determine the viability of a solution – transmission, generation, demand response, or a combination of these resource types – proposed to satisfy a Reliability Need. For purposes of its analysis, the ISO will evaluate whether: (i) the Developer has provided the

required Developer qualification data pursuant to Section 31.2.4.1 and the required project information data under Sections 31.2.4.4.1, 31.2.4.6, or 31.2.4.8.1; (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, the ISO shall reject the proposed solution from further consideration during that planning cycle.

31.2.5.4 Evaluation of Sufficiency of Proposed Solution

The ISO will perform a comparable analysis of each proposed solution – transmission, generation, demand response, 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, the ISO shall reject the proposed regulated solution from further consideration during that planning cycle.

31.2.5.5 Establishment of Trigger Date of Proposed Regulated Solutions

Upon receipt of all Developers' proposed regulated solutions pursuant to Section 31.2.5.1, 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 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.

31.2.5.6 Resolution of Deficiencies

Following initial review of the proposals, as described above, ISO staff will identify any reliability deficiencies in each of the proposed solutions. The Responsible Transmission Owner, Transmission Owner or Other Developer will discuss any identified deficiencies with the ISO staff. Other Developers and Transmission Owners that propose alternative regulated solutions shall have the option to remedy their proposals to address any deficiency within 30 days of notification by the ISO. With respect to regulated backstop solutions proposed by a Responsible Transmission Owner pursuant to Section 31.2.4.3, the Responsible Transmission Owner shall make necessary changes to its proposed backstop solution to address any reliability deficiencies identified by the ISO, and submit a revised proposal to the ISO for review within 30 days. The ISO shall review all such revised proposals to determine whether the identified deficiencies have been resolved.

31.2.5.7 ISO Report of Evaluation Results

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 thirty-six months of the date of the ISO's presentation of the Viability and Sufficiency Assessment to the ESPWG.

The ISO shall report in the CRP the results of its evaluation under this Section 31.2.5: (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.

31.2.6 ISO Evaluation and Selection of Proposed Regulated Transmission Solutions

31.2.6.1 Submission of Project Information for Selection of Proposed Regulated Transmission Solution

If the ISO determines that the Trigger Date of any Developer's proposed regulated solution that was found to be viable and sufficient under Section 31.2.5 will occur within thirty-six months of the date of the ISO's presentation of the Viability and Sufficiency Assessment to the ESPWG, the ISO will request that all Developers of regulated transmission solutions that the ISO determined were viable and sufficient submit to the ISO their project information, as applicable, for: (i) a proposed regulated backstop transmission solution under Section 31.2.4.4.2, or (ii) a proposed alternative regulated transmission solution under Section 31.2.4.8.2. If the ISO determines that none of the Developers' proposed regulated solutions that were found to be viable and sufficient under Section 31.2.5 have a Trigger Date that will occur within the thirty-six month period, the ISO will not request further project information, perform the evaluation, or make a selection of a more efficient or cost effective regulated solution under this Section 31.2.6 for that planning cycle.

The ISO will make its request, if necessary, for project information under this Section 31.2.6.1 sufficiently in advance of the earliest Trigger Date of the viable and sufficient regulated solutions to enable the ISO to evaluate and select the more efficient or cost effective transmission solution. Upon the ISO's request for project information, the Developers shall

submit such information for their regulated transmission solution within thirty (30) days, which time period may be extended by the ISO pursuant to Section 31.1.8.7. The Developer must include with its project information: (i) for a regulated transmission solution that is subject to the Transmission Interconnection Procedures a demonstration that it has an executed System Impact Study Agreement under Attachment P to the ISO OATT or (ii) for a regulated transmission solution that is subject to the Class Year Study process in Attachment X to the ISO OATT a demonstration that its System Reliability Impact Study has commenced. A Developer shall submit additional project information required by the ISO within 15 days of the ISO's request. A Developer that fails to submit the required project information will not be eligible for its project to be considered in that planning cycle.

31.2.6.2 Study Deposit for Proposed Regulated Transmission Solutions

A Developer that proposes a regulated backstop transmission solution or an alternative regulated transmission solution to satisfy the identified Reliability Need shall submit to the ISO, at the same time that it provides the project information required pursuant to Section 31.2.6.1, a study deposit of \$100,000, which shall be held in an interest-bearing account for which the interest earned will be associated with the Developer and shall be applied to study costs and subject to refund as described in this Section 31.2.6.2.

The ISO shall charge, and a Developer proposing a regulated backstop transmission solution or an alternative regulated transmission solution shall pay, the actual costs of the ISO's evaluation of the Developer's proposed transmission solution for purposes of the ISO's selection of the more efficient or cost effective transmission solution to satisfy a Reliability Need for cost allocation purposes, including costs associated with the ISO's use of subcontractors. The ISO will track its staff and administrative costs, including any costs associated with using

subcontractors, that it incurs in performing the evaluation of a Developer's proposed transmission solution under this Section 31.2.6 and any supplemental evaluation or re-evaluation of the proposed transmission solution. If the ISO or its subcontractors perform study work for multiple proposed transmission solutions on a combined basis, the ISO will allocate the costs of the combined study work equally among the applicable Developers. The ISO shall invoice the Developer monthly for study costs incurred by the ISO in evaluating the Developer's proposed transmission solution as described above. Such invoice shall include a description and an accounting of the study costs incurred by the ISO and estimated subcontractor costs. The Developer shall pay the invoiced amount within thirty (30) calendar days of the ISO's issuance of the monthly invoice. The ISO shall continue to hold the full amount of the study deposit until settlement of the final monthly invoice; *provided, however*, if a Developer: (i) does not pay its monthly invoice within the timeframe described above, or (ii) does not pay a disputed amount into an independent escrow account as described below, the ISO may draw upon the study deposit to recover the owed amount. If the ISO must draw on the study deposit, the ISO shall provide notice to the Developer, and the Developer shall within thirty (30) calendar days of such notice make payments to the ISO to restore the full study deposit amount. If the Developer fails to make such payments, the ISO may halt its evaluation of the Developer's proposed transmission solution and may disqualify the Developer's proposed transmission solution from further consideration. After the conclusion of the ISO's evaluation of the Developer's proposed transmission solution or if the Developer: (i) withdraws its proposed transmission solution or (ii) fails to pay an invoiced amount and the ISO halts its evaluation of the proposed transmission solution, the ISO shall issue a final invoice and refund to the Developer any portion of the Developer's study deposit submitted to the ISO under this Section 31.2.6.2 and any interest

actually earned on the deposited amount that together exceeds the outstanding amounts that the ISO has incurred in evaluating that Developer's proposed transmission solution. The ISO shall refund the remaining portion within sixty (60) days of the ISO's receipt of all final invoices from its subcontractors and involved Transmission Owners.

In the event of a Developer's dispute over invoiced amounts, the Developer shall: (i) timely pay any undisputed amounts to the ISO, and (ii) pay into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Developer fails to meet these two requirements, then the ISO shall not be obligated to perform or continue to perform its evaluation of the Developer's proposed transmission solution. Disputes arising under this section shall be addressed through the Dispute Resolution Procedures set forth in Section 2.16 of the ISO OATT and Section 11 of the ISO Services Tariff. Within thirty (30) Calendar Days after resolution of the dispute, the Developer will pay the ISO any amounts due with interest actually earned on such amounts.

31.2.6.3 Evaluation of System Impact of Proposed Regulated Transmission Solution

A proposed regulated transmission solution that will have a significant adverse impact on the reliability of the New York State Transmission System shall not be eligible for selection by the ISO under Section 31.2.6.5. The ISO shall evaluate the system impacts for the entire Study Period of a proposed regulated transmission solution that the ISO has determined under Section 31.2.5 is viable and sufficient. As part of this evaluation, the ISO shall give due consideration to the results of: (i) any completed System Impact Study performed in accordance with Attachment P to the ISO OATT, (ii) any completed System Reliability Impact Study for a Class Year Transmission Project performed in accordance with Attachment X to the ISO OATT, or (iii) any completed Cluster Study for a Cluster Study Transmission Project performed in accordance with

Attachment HH to the ISO OATT, as applicable. The ISO shall perform power flow and short circuit studies for the proposed regulated transmission solutions and additional studies, as appropriate. If the ISO identifies a significant adverse impact based on these studies, the ISO shall request that the Developer make an adjustment to its proposed regulated transmission solution to address this impact and remain eligible for selection. The Developer shall submit the adjustment within 30 days of the ISO's notification.

If the Developer modifies its proposed regulated transmission solution, the ISO shall confirm that the adjusted solution still satisfies the viability and sufficiency requirements set forth in Section 31.2.5. If the ISO determines that the proposed regulated transmission solution does not satisfy the viability and sufficiency requirements or continues to have a significantly adverse impact on the reliability of the New York State Transmission System, the ISO shall remove the proposed solution from further consideration during that planning cycle.

31.2.6.4 Evaluation of Regional Transmission Solutions to Address Local and Regional Reliability Needs More Efficiently or More Cost Effectively Than Local Transmission Solutions

The ISO will review the LTPs as they relate to BPTFs. The results of the ISO's analysis will be reported in the CRP.

31.2.6.4.1 Evaluation of Regional Transmission Solutions to Address Local Reliability Needs Identified in Local Transmission Plans More Efficiently or More Cost Effectively than Local Transmission Solutions

The ISO, using engineering judgment, will determine whether proposed regional transmission solutions on the BPTFs may more efficiently or cost effectively satisfy reliability needs identified in the LTPs. If the ISO identifies that a regional transmission solution on the BPTFs has the potential to more efficiently or cost effectively satisfy the reliability need identified in the LTPs, it will perform a sensitivity analysis to determine whether the proposed

regional transmission solution on the BPTFs would satisfy the reliability needs identified in the LTPs. If the ISO determines that the proposed regional transmission solutions on the BPTFs would satisfy the reliability need, the ISO will evaluate the proposed regional transmission solution using the metrics set forth in Section 31.2.6.5.1 to determine whether it may be a more efficient or cost effective solution on the BPTFs to satisfy the reliability needs identified in the LTPs than the local solutions proposed in the LTPs.

31.2.6.4.2 Evaluation of Regional Transmission Solutions to Address Regional Reliability Needs More Efficiently or More Cost Effectively than Local Transmission Solutions

As referenced in Section 31.2.1.3, the ISO, using engineering judgment, will determine whether a regional transmission solution might more efficiently or more cost effectively satisfy an identified regional Reliability Need on the BPTFs that impacts more than one Transmission District than any local transmission solutions identified by the Transmission Owners in their LTPs in the event the LTPs specify such transmission solutions are included to address local reliability needs.

31.2.6.5 ISO Selection of More Efficient or Cost Effective Transmission Solution for Cost Allocation Purposes

A proposed regulated transmission solution – including a regulated backstop transmission solution submitted by a Responsible Transmission Owner pursuant to Section 31.2.4.3 and an alternative regulated transmission solution submitted by a Transmission Owner or Other Developer pursuant to Section 31.2.4.7 – that the ISO has determined satisfies the viability and sufficiency requirements in Section 31.2.5 and the system impact requirements in Section 31.2.6.3 shall be eligible under this Section 31.2.6.5 for selection in the CRP for the purpose of cost allocation and recovery under the ISO Tariffs. The ISO shall evaluate any eligible proposed

regulated transmission solutions for the planning cycle using the metrics set forth in Section 31.2.6.5.1 below. For purposes of this evaluation, the ISO will review the information submitted by the Developer and determine whether it is reasonable and how such information should be used for purposes of the ISO evaluating each metric. In its review, the ISO will give due consideration to the status of, and any available results of, any applicable interconnection or transmission expansion studies concerning the proposed regulated transmission solution performed in accordance with Sections 3.7 or 4.5 of the ISO OATT or Attachments P, X, or HH of the ISO OATT. The ISO may engage an independent consultant to review the reasonableness and comprehensiveness of the information submitted by the Developer and may rely on the independent consultant's analysis in evaluating each metric. The ISO shall select in the CRP for cost allocation purposes the more efficient or cost effective transmission solution to satisfy a Reliability Need in the manner set forth in Section 31.2.6.5.3 below.

31.2.6.5.1 Metrics for Evaluating More Efficient or Cost Effective Regulated Transmission Solution to Satisfy Reliability Need

In determining which of the eligible proposed regulated transmission solutions is the more efficient or cost effective solution to satisfy the Reliability Need, the ISO will consider, and will consult with the NYDPS regarding, the following metrics set forth in this Section 31.2.6.5.1 and rank each proposed solution based on the quality of its satisfaction of these metrics:

31.2.6.5.1.1 The capital cost estimates for the proposed regulated transmission solutions, including the accuracy of the proposed estimates.

31.2.6.5.1.2 The cost per MW ratio of the proposed regulated transmission solutions.

For this evaluation, the ISO will first determine the present worth, in dollars, of the total capital cost of the proposed solution in current year dollars. The ISO will then determine the MW value of the solution by summing the Reliability Need, in

MW, with the additional improvement, in MW, that the proposed solution offers beyond serving the Reliability Need. The ISO will then determine the cost per MW ratio by dividing the present worth of the total capital cost by the MW value.

31.2.6.5.1.3 The expandability of the proposed regulated transmission solution. The ISO will consider the impact of the proposed solution on future construction. The ISO will also consider the extent to which any subsequent expansion will continue to use this proposed solution within the context of system expansion.

31.2.6.5.1.4 The operability of the proposed regulated transmission solution. The ISO will consider how the proposed solution may affect additional flexibility in operating the system, such as dispatch of generation, access to operating reserves, access to ancillary services, or ability to remove transmission for maintenance. The ISO will also consider how the proposed solution may affect the cost of operating the system, such as how it may affect the need for operating generation out of merit for reliability needs, reducing the need to cycle generation, or providing more balance in the system to respond to system conditions that are more severe than design conditions.

31.2.6.5.1.5 The performance of the proposed regulated transmission solution. The ISO will consider how the proposed project may affect the utilization of the system (*e.g.* interface flows, percent loading of facilities).

31.2.6.5.1.6 The extent to which the Developer of a proposed regulated transmission solution has the property rights, or ability to obtain the property rights, required to implement the solution. The ISO will consider whether the Developer: (i) already possesses the rights of way necessary to implement the solution; (ii) has

completed a transmission routing study, which (a) identifies a specific routing plan with alternatives, (b) includes a schedule indicating the timing for obtaining siting and permitting, and (c) provides specific attention to sensitive areas (e.g., wetlands, river crossings, protected areas, and schools); or (iii) has specified a plan or approach for determining routing and acquiring property rights.

31.2.6.5.1.7 The potential issues associated with delay in constructing the proposed regulated transmission solution consistent with the major milestone schedule and the schedule for obtaining any permits and other certifications as required to timely meet the need.

31.2.6.5.2 Identification of Reliability Transmission Upgrades in Regulated Transmission Solutions

At least 30 Calendar Days prior to the ISO's presentation of the initial draft of the CRP to stakeholders, the ISO shall post on its website a list of facilities that make up the regulated backstop transmission solutions and alternative regulated transmission solutions (but not including any potential interconnection facilities) that were determined to be viable and sufficient pursuant to Section 31.2.5.2 of the ISO OATT provided that one or more regulated solution has a Trigger Date within 36 months of the ISO's presentation of the viability and sufficiency assessment. The list will identify which transmission facilities are new facilities and which transmission facilities satisfy the definition of a Reliability Transmission Upgrade. For those facilities that satisfy the definition of a Reliability Transmission Upgrade, the list will also specify the Transmission Owner that owns the existing transmission facility that is proposed to be upgraded by an identified Reliability Transmission Upgrade, to the extent such information is available. The ISO shall also post on its website a list of interconnection facilities identified in proposals submitted by Developers in accordance with Sections 31.2.4.4 and 31.2.4.8 of the ISO

OATT; however, this list of interconnection facilities shall be for informational purposes only and separate from the list of new transmission facilities and Reliability Transmission Upgrades. With the exception of the list of interconnection facilities, any interested party may dispute the ISO's determination to identify, or not identify, a facility as a Reliability Transmission Upgrade by providing the ISO with written notice within 20 Calendar Days of the ISO's posting of the list pursuant to this Section 31.2.6.5.2, which notice shall be posted on the ISO's website. The ISO and the disputing party(ies) should attempt to resolve such dispute(s) as provided in Section 31.1.8.4 of this Attachment Y. The ISO shall post on its website the final list pursuant to this Section 31.2.6.5.2 on or before the presentation of the draft CRP to the ISO's Operating Committee.

31.2.6.5.3 ISO Selection of More Efficient or Cost Effective Regulated Transmission Solution to Satisfy Reliability Need

The ISO shall select under this Section 31.2.6.5.3 the proposed regulated transmission solution, if any, that is the more efficient or cost effective transmission solution proposed in the planning cycle to satisfy the identified Reliability Need. The ISO shall report the selected regulated transmission solution in the CRP.

The selected regulated transmission solution reported in the CRP shall be eligible to be triggered by the ISO to satisfy the identified Reliability Need pursuant to Section 31.2.8 at any point within thirty-six months of the date of the ISO's presentation of the Viability and Sufficiency Assessment to the ESPWG. An Other Developer or Transmission Owner of an alternative regulated transmission project shall not be eligible for cost allocation and cost recovery under the ISO OATT for its project unless its project is selected pursuant to this Section 31.2.6.5.3. Once such project is selected, the Other Developer or Transmission Owner shall be eligible for cost allocation and cost recovery under the ISO OATT for its project. Within thirty

(30) days of the ISO's selection of an alternative regulated transmission solution, the Other Developer or Transmission Owner shall submit to the ISO for the ISO's approval a proposed schedule and scope of work that describe the preparation work, if any, that the Developer must perform prior to the Trigger Date of the project, including a good faith estimate of the costs of such work. Costs will be recovered when the project enters into service, is halted, or as otherwise determined by the Commission in accordance with the cost recovery requirements set forth in Section 31.5.7 of this Attachment Y and Rate Schedule 10 of the ISO OATT. Actual project cost recovery, including any issues related to cost recovery and project cost overruns, will be submitted to and decided by the Commission.

31.2.7 Comprehensive Reliability Plan

Following the ISO's evaluation of the proposed market-based and regulated solutions to Reliability Need(s), the ISO will prepare a draft CRP that sets forth the ISO's findings regarding the viability and sufficiency of solutions, the trigger dates of regulated solutions, and any recommendations that implementation of regulated solutions (which may be a Gap Solution) is necessary to ensure system reliability. The draft CRP will reflect any input from the NYDPS. If the CRP cannot be completed in the two-year planning cycle, the ISO will notify stakeholders and provide an estimated completion date and an explanation of the reasons the additional time is required. The ISO will include in the draft CRP a description of any Alternative Transmission Technologies that Developers propose to include as part of their regulated backstop solutions or alternative regulated transmission solutions, along with a summary of any Developers' explanations of their determinations not to propose Alternative Transmission Technologies as part of their proposed regulated backstop solutions or alternative regulated transmission solutions.

The ISO will include in the draft CRP the list of Developers that qualify pursuant to Section 31.2.4.1 and will identify the proposed solutions that it has determined under Section 31.2.5 are viable and sufficient to satisfy the identified Reliability Need(s) by the need date. The ISO will identify in the CRP the regulated backstop solution that the ISO has determined will meet the Reliability Need by the need date and the Responsible Transmission Owner.

If the ISO determines at the time of the issuance of the CRP that sufficient market-based solutions will not be available in time to meet a Reliability Need, and finds that it is necessary to take action to ensure reliability, it will state in the CRP that the development of regulated solutions (regulated backstop or alternative regulated solution) is necessary. The draft CRP will also include the results of the ISO's analysis of the LTPs consistent with Section 31.2.6.4.

The draft CRP shall indicate whether the ISO has determined that the Trigger Date to any proposed regulated solution will occur within thirty-six months of the date of ISO's presentation of the Viability and Sufficiency Assessment to the ESPWG. If the Trigger Date of any proposed regulated solution will occur within the thirty-six month period and the ISO makes a selection of the more efficient or cost effective transmission solution under Section 31.2.6.5.3, the draft CRP shall include the regulated transmission solution selected for cost allocation purposes pursuant to Section 31.2.6.5.3 as the more efficient or cost effective transmission solution to satisfy the Reliability Need(s) and shall indicate whether that transmission solution should be triggered.

The draft CRP shall preliminarily identify (i) the Designated Reliability Transmission Project(s) that make up the regulated transmission solution selected by the ISO as the more efficient or cost effective solution and the regulated backstop transmission solution (if different) and (ii) the Designated Entity responsible for each Designated Reliability Transmission Project. These designations will be finalized in accordance with Section 31.2.7.5 of the ISO OATT. A

Designated Reliability Transmission Project will contain all of the facilities that the ISO preliminarily identifies as being designated to a particular Designated Entity. For purposes of this preliminary designation, the Developer that proposed a regulated transmission solution will be identified by the ISO as the Designated Entity for those facilities of its regulated transmission solution that do not meet the definition of Reliability Transmission Upgrade, which facilities shall constitute a Designated Reliability Transmission Project. If more than one Developer jointly proposes the regulated transmission solution, then they will collectively be the Designated Entity and jointly and severally responsible for the completion of the Designated Reliability Transmission Project. If any facilities of the selected regulated transmission solution or regulated backstop transmission solution (if different) meet the definition of a Reliability Transmission Upgrade, the Transmission Owner owning the existing transmission facility(ies) to be upgraded will be identified by the ISO as the Designated Entity for the Reliability Transmission Upgrade(s), which Reliability Transmission Upgrade(s) shall constitute a separate Designated Reliability Transmission Project.

The draft CRP shall also indicate the date by which a solution must be in-service to satisfy the Reliability Need. The in-service date for a selected regulated transmission solution or regulated backstop transmission solution (if different) shall apply to all Designated Reliability Transmission Projects that comprise that solution regardless of the Designated Entity; *provided, however,* that the draft CRP may also include specific dates by which one or more of the Designated Reliability Transmission Projects must be in service in order for the selected alternative regulated transmission or regulated backstop transmission solution to meet the overall in-service date to satisfy the Reliability Need.

If: (i) none of the proposed regulated solutions has a Trigger Date within the thirty-six month period, or (ii) the Trigger Date of any proposed regulated solution will occur within the thirty-six month period but the ISO determines in its discretion that it is not necessary at that time to select a more efficient or cost effective transmission solution under Section 31.2.6.5.3 prior to the completion of the CRP, the draft CRP will not select a regulated transmission solution. If: (i) the Trigger Date of any proposed regulated solution will occur within the thirty-six month period, and (ii) the ISO selects a more efficient or cost effective solution subsequent to the completion of the CRP but prior to the completion of that thirty-six month period, the ISO shall issue an updated CRP pursuant to Section 31.2.7.3 that indicates the regulated transmission solution selected for cost allocation purposes pursuant to Section 31.2.6.5.3 as the more efficient or cost effective transmission solution to satisfy the Reliability Need(s) whether that transmission solution should be triggered, and the date by which a solution must be in-service to satisfy the Reliability Need.

The draft CRP shall include a comparison of a proposed regional solution to an identified Reliability Need to an Interregional Transmission Project identified and evaluated under the “Analysis and Consideration of Interregional Transmission Projects” section of the Interregional Planning Protocol, if any. An Interregional Transmission Project proposed in the Reliability Planning Process may be selected as a market based response, regulated backstop solution, or an alternative regulated solution under the provisions of the Reliability Planning Process.

31.2.7.1 Collaborative Governance Process

The ISO staff shall submit the draft CRP to the TPAS and ESPWG for review and comment. The ISO shall make available to any interested party sufficient information to replicate the results of the draft CRP. The information made available will be electronically

masked and made available pursuant to a process that the ISO reasonably determines is necessary to prevent the disclosure of any Confidential Information or Critical Energy Infrastructure Information contained in the information made available. Following completion of the TPAS and ESPWG review, the draft CRP reflecting the revisions resulting from the TPAS and ESPWG review shall be forwarded to the Operating Committee for a discussion and action. The ISO shall notify the Business Issues Committee of the date of the Operating Committee meeting at which the draft CRP is to be presented. Following the Operating Committee vote, the draft CRP will be transmitted to the Management Committee for a discussion and action.

31.2.7.2 Board Review, Consideration, and Approval of CRP

Following the Management Committee vote, the draft CRP, with working group, Operating Committee, and Management Committee input, will be forwarded to the ISO Board for review and action. Concurrently, the draft CRP will also be provided to the Market Monitoring Unit for its review and consideration of whether market rule changes are necessary to address an identified failure, if any, in one of the ISO's competitive markets. The Board may approve the draft CRP as submitted or propose modifications on its own motion, including the recommendations regarding the selection of transmission projects for cost allocation and cost recovery under the ISO Tariffs if such selection will occur during that planning cycle. If any changes are proposed by the Board, the revised CRP shall be returned to the Management Committee for comment. The Board shall not make a final determination on the draft CRP until it has reviewed the Management Committee comments. Upon final approval by the Board, the ISO shall issue the CRP to the marketplace by posting the CRP on its website. The ISO will provide the CRP to the appropriate regulatory agency(ies) for consideration and appropriate action.

The responsibilities of the Market Monitoring Unit that are addressed in the above section of Attachment Y to the ISO OATT are also addressed in Section 30.4.6.8.3 of the Market Monitoring Plan, Attachment O to the ISO Services Tariff.

31.2.7.3 Updated CRP

If, pursuant to Section 31.2.7, the ISO identifies a proposed regulated transmission solution as the more efficient or cost effective transmission solution following the completion of the CRP, the ISO will prepare a draft updated CRP that indicates (i) the regulated transmission solution recommended for selection for cost allocation purposes pursuant to Section 31.2.6.5.3 as the more efficient or cost effective transmission solution to satisfy the Reliability Need(s) and any regulated backstop transmission solution that the ISO determined to be viable and sufficient, (ii) whether a regulated transmission solution should be triggered at that time, (iii) the date by which a solution must be in-service to satisfy the Reliability Need, and (iv) the preliminary identification of the Designated Reliability Transmission Project(s) that comprise the recommended regulated transmission solution or regulated backstop transmission solution (if different) and the Designated Entity responsible for each Designated Reliability Transmission Project, which designations will be finalized in accordance with Section 31.2.7.5 of the ISO OATT. The draft updated CRP shall be reviewed in accordance with the stakeholder process set forth in Section 31.2.7.1 and will be then forwarded to the ISO Board for its review and action pursuant to Section 31.2.7.2.

31.2.7.4 Reliability Disputes

Notwithstanding any provision to the contrary in this Attachment, the ISO OATT, or the ISO Services Tariff, in the event that a Market Participant or other interested party raises a dispute solely within the NYPSC's jurisdiction concerning ISO's final determination in the CRP

that a proposed solution will or will not meet a Reliability Need, a Market Participant or other interested party seeking further review shall refer such dispute to the NYPSC for resolution, as provided for in the ISO Procedures. The NYPSC's final determination of such disputes shall be binding, subject only to judicial review in the courts of the State of New York pursuant to Article 78 of the New York Civil Practice Law and Rules.

31.2.7.5 Transmission Owner's Responsibility to Notify the ISO

Within 60 Calendar Days following the posting of a CRP, or an updated CRP, that is approved by the Board of Directors and that identifies a proposed regulated transmission solution as the more efficient or cost effective transmission solution or a proposed regulated backstop transmission solution (if different), a Transmission Owner that has been identified as a Designated Entity for a Designated Reliability Transmission Project shall provide notice to the ISO if the Transmission Owner does not intend to exercise its right under Section 31.1.10.4 of this Attachment Y to build, own, and recover the cost of the Reliability Transmission Upgrade(s) and serve as the Designated Entity for the Designated Reliability Transmission Project identified for the Transmission Owner in the CRP, or updated CRP. If the Transmission Owner notifies the ISO of its rejection to be the Designated Entity for one or more Reliability Transmission Upgrades identified for its Designated Reliability Transmission Project, the Developer that proposed the alternative regulated transmission solution and/or regulated backstop transmission solution shall be the Designated Entity for such Reliability Transmission Upgrades, which shall be incorporated into that Developer's Designated Reliability Transmission Project. If the Transmission Owner does not take action within the 60 Calendar Days with regard to one or more Reliability Transmission Upgrades identified for its Designated Reliability Transmission Project, the Transmission Owner shall be the Designated Entity concerning such Reliability

Transmission Upgrade(s) and shall have the obligations of a Designated Entity set forth in the ISO OATT, ISO Procedures, and a Development Agreement entered into by the Designated Entity and the ISO in accordance with Section 31.2.8.1.6 of this Attachment Y for constructing and placing the Reliability Transmission Upgrade(s) in service to address the Reliability Need.

31.2.7.6 Posting of Approved Solutions

Following the later of the approval of the CRP or an updated CRP by the Board of Directors or the conclusion of the period identified in Section 31.2.7.5 of the ISO OATT, if applicable, the ISO shall post on its website a list of (i) all Developers that have undertaken a commitment to the ISO to build a market-based response or gap solution and/or (ii) all Designated Entities that are responsible for a Designated Reliability Transmission Project that is necessary to ensure system reliability, as identified in the CRP and approved by the appropriate governmental agency(ies) and/or authority(ies).