UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

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New York Independent System Operator, Inc.	)	**ER26-2987-___**
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REQUEST FOR LEAVE TO ANSWER, AND ANSWER, OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.

Pursuant to Rule 213 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("Commission"),[1] the New York Independent System Operator, Inc. ("NYISO") respectfully submits this request for leave to answer and answer ("Answer").[2] The Answer responds to comments and protests regarding the NYISO's filing in compliance with the Commission's Order No. 1920 and its subsequent orders on rehearing and clarification[3] (collectively, "Order No. 1920") submitted on June 29, 2026, in the above-captioned proceeding ("Compliance Filing").[4] The comments and protests addressed in this Answer were submitted by: (i) Sierra Club,[5] (ii) the Electricity Transmission Competition Coalition ("ETCC"),[6] (iii) Clean Air Task Force ("CATF"),[7] (iv) the Institute for Policy Integrity at New York University

[1] *See* 18 C.F.R. § 385.213(a)(3).

[2] Capitalized terms that are not otherwise defined in this Answer shall have the meaning specified in Section 31.1.1 of the Attachment Y to the NYISO Open Access Transmission Tariff ("OATT") and, if not defined therein, in the NYISO OATT and NYISO Market Administration and Control Area Services Tariff ("Services Tariff"), except that defined terms that are used in the descriptions of the requirements in Order No. 1920 shall have the meaning specified in that series of orders.

[3] *Building for the Future Through Electric Regional Transmission Planning and Cost Allocation, Final* Rule, Order No. 1920, 187 FERC ¶ 61,068 (2024) ("Order No. 1920"); *order on reh'g & clarification,* Order No. 1920-A, 189 FERC ¶ 61,126 (2024) ("Order No. 1920-A"); *order on reh'g & clarification,* Order No. 1920-B, 191 FERC ¶ 61,026 (2025) ("Order No. 1920-B").

[4] *N.Y. Indep. Sys. Operator, Inc.,* Compliance Filing for Order Nos. 1920, 1920-A, and 1920-B; Conditional Request for Prospective Waivers; and Request for Extended Comment Period, Docket No. ER25-2987-000 (June 29, 2026) ("Compliance Filing").

[5] *N.Y. Indep. Sys. Operator, Inc.,* Limited Protest of Sierra Club, Docket No. ER26-2987-000 (Aug. 19, 2026) ("Sierra Club Protest").

[6] *N.Y. Indep. Sys. Operator, Inc.,* Protest of the Electricity Transmission Competition Coalition, Docket No. ER26-2987-000 (Aug. 19, 2026) ("ETCC Protest").

[7] *N.Y. Indep. Sys. Operator, Inc.,* Clean Air Task Force Comment, Docket No. ER26-2987-000 (Aug. 19, 2026) ("CATF Comment").

School of Law ("Policy Integrity Institute"),[8] and (v) the Long Island Power Authority ("LIPA").[9]

The Commission should reject these protests. As described in the Compliance Filing and as further detailed below, the NYISO's compliance proposal complies with the directives of Order No. 1920 and provides clear, detailed, and more than sufficient justifications for all of the NYISO's requested consistent with or superior to variations.[10] The NYISO's compliance proposal represents a carefully crafted approach for addressing the directives and goals of Order No. 1920 in line with the NYISO's role as a single-state independent system operator, its use of a competitive sponsorship model for soliciting and evaluating transmission solutions, its distinct planning framework and market structure, and other New York-specific system conditions and circumstances. The compliance proposal was the product of extensive discussions with the Relevant State Entities identified in New York – i.e., the New York State Department of Public Service ("NYDPS") and the Long Island Power Authority ("LIPA"), along with the Transmission Owners, stakeholders, and other interested parties participating in the NYISO's stakeholder meetings.[11] For these reasons, the Commission should accept the Compliance Filing as filed, with limited exceptions described in this Answer.

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[8] *N.Y. Indep. Sys. Operator, Inc.,* Comments of the Institute for Policy Integrity at New York University School of Law on New York Independent System Operator's FERC Order 1920 Compliance Filing, Docket No. ER26-2987-000 (Aug. 19, 2026) ("Policy Integrity Institute Comments").

[9] *N.Y. Indep. Sys. Operator, Inc.,* Limited Protest and Comments of the Long Island Power Authority, Docket No. ER26-2987-000 (Aug. 19, 2026) ("LIPA Protest").

[10] The NYISO has limited its response in this Answer to those issues for which it believes that providing additional information will best assist the Commission to reach its decision. The NYISO's silence with respect to any particular argument or assertion should not be construed as acceptance or agreement.

[11] The NYISO held over a dozen stakeholder meetings concerning its compliance proposal and made significant modifications to its proposal to address input from Relevant State Entities, Transmission Owners, and other stakeholders. The NYISO notes that certain submitters do not appear to have participated in this process or are now raising certain concerns that should have properly been raised in the stakeholder process to enable the NYISO to evaluate and address such concerns with all stakeholders as part of the development of the carefully-crafted compliance proposal, rather than as one-off issues.

I. REQUEST FOR LEAVE TO ANSWER

The NYISO may answer pleadings that are styled as comments as a matter of right.[12] The Commission has discretion to accept answers to protests when they help to clarify complex issues, provide additional information, or are otherwise helpful in the development of the record in a proceeding.[13] This Answer satisfies those standards as it addresses inaccuracies and provides clarification and additional information that should be considered along with the Compliance Filing. The Answer will help the Commission to fairly evaluate the arguments raised in the protests. The NYISO, therefore, respectfully requests that the Commission accept this Answer.[14]

II. ANSWER

A. The NYISO's Proposed Timeframe for Performing its Long-Term Transmission Planning Process and the Overlapping Process Requirements Are Fully Justified Consistent With or Superior To Variations and Are Just and Reasonable Requirements

Sierra Club and CATF protest the NYISO's proposed timeframe for its Long-Term Transmission Planning Process and the overlapping process elements.[15] The Commission should reject these protests. The NYISO's proposed process timeframe and its use of overlapping process elements is consistent with or superior to the Order No. 1920 requirements for the

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[12] *See* 18 C.F.R. 385.213(a)(3).

[13] *See, e.g., S. Cal. Edison Co.,* 135 FERC ¶ 61,093 at P 16 (2011) (accepting answers to protests "because those answers provided information that assisted [the Commission] in [its] decision-making process"); *N.Y. Indep. Sys. Operator, Inc.,* 134 FERC ¶ 61,058 at P 24 (2011) (accepting the answers to protests and answers because they provided information that aided the Commission in better understanding the matters at issue in the proceeding); *PJM Interconnection, L.L.C.,* 132 FERC ¶ 61,207 at P 44 (2010) (accepting answers to answers and protests because they assisted in the Commission's decision-making process).

[14] The NYISO's Answer is timely pursuant to 18 C.F.R. 213(d)(2). If the Commission were to conclude that the Answer is untimely, the NYISO requests that the Commission exercise its discretion to accept the Answer as no parties are harmed by the timing of the Answer and the Answer will clarify complex issues, provide additional information, or is otherwise helpful in the development of the record in a proceeding.

[15] Sierra Club Protest at 6-14; CATF Comment at 5-8.

reasons explained in the Compliance Filing, the affidavit included with the Compliance Filing of Yachi Lin, NYISO Director, System Planning ("Lin Affidavit"), and as further set forth below. [16]

1. The NYISO's Proposed Timeframe for its Long-Term Transmission Planning Process Is Consistent With or Superior To the Order No. 1920 Requirements and Just and Reasonable

First, Sierra Club asserts that the NYISO's proposed process timeframe is too long, moves too slowly, and could result in stale inputs.[17] However, as described below, the proposed timeframe is superior to the Order No. 1920 requirements as the NYISO will conduct its process and update scenarios on a more frequent basis than is required by the order.

Order No. 1920 establishes two interrelated timeframes for the performance of Long-Term Regional Transmission Planning. The planning cycle must conclude no later than five years after the date it began, with the transmission provider required to reassess and revise the Long-Term Scenarios at least once every five years.[18] The transmission provider is also required to complete the steps for a given planning cycle, including the selection decision, no later than three years from the date that the planning cycle began.[19] The order permits a period of up to two years between the date the transmission provider is required to make its selection decision in one planning cycle and the date that the transmission provider must commence its next planning cycle. Accordingly, a transmission provider is ultimately only required to commence a Long-Term Regional Transmission Planning cycle that updates Long-Term Scenarios, identifies Long-Term Transmission Needs (if any), and makes a selection decision once every five years.

[16] Compliance Filing at 37-38, 40-42; Lin Affidavit at PP 6-13.

[17] Sierra Club Protest at 9, 11.

[18] Order No. 1920 at PP 377-378; Order No. 1920-A at P 256. Sierra Club states that it has petitioned for review of this five-year requirement. Sierra Club Protest at n 1. The NYISO, however, is required to comply with the requirement in the order.

[19] Order No. 1920 at P 379.

The NYISO, on the other hand, proposes to commence its Outlook approximately every three years, updating the factors, assumptions, and Long-Term Scenarios on a more frequent basis than is required by Order No. 1920. The proposed timeframe will also result in the NYISO making a selection determination for transmission solutions (if Long-Term Transmission Needs are identified) approximately every three years from its prior selection determination. Accordingly, and as illustrated in Attachment I, over the course of ten years from an initial start date, the NYISO's proposed approach would enable it to commence and perform three cycles of its Long-Term Transmission Planning Process with updated Long-Term Scenarios and to make up to three selection determinations if Long-Term Transmission Needs are identified in these cycles. Over that same time period, Order No. 1920 only requires the commencement of two planning cycles with updated scenarios and two resulting selection determinations if transmission needs are identified.

The NYISO has informed its stakeholders and indicated in the Compliance Filing its intent to perform the Outlook approximately every three years.[20] However, the NYISO acknowledges that the proposed tariff language included with its Compliance Filing does not explicitly establish this timeframe. Instead, to ensure consistency with the Order No. 1920 requirements, the NYISO proposed to include in its OATT the outer bounds in which it would be required to start the process – i.e., that the "scheduled start date shall be no later than five (5) years following the start date for the prior planning cycle."[21] To more clearly align the tariff requirements with its stated intent, the NYISO does not object to the Commission directing it to revise the requirements in OATT Section 31.6.2.1.1.2 to clarify that the NYISO will commence the Outlook every three years to the extent reasonably practicable, provided that in setting the

[20] *See* Compliance Filing at 23, 25, 37.
[21] Proposed OATT Attach. Y § 31.6.2.1.1.2.

exact start date, the NYISO may consider the alignment of the Outlook timeframe with the timeframes of its other parallel transmission planning processes and state planning processes. The NYISO would notify stakeholders and interested parties of the exact start date for a given Outlook and its grounds for setting the particular start date.

Second, Sierra Club challenges the NYISO's reliance on its performance of its existing transmission planning processes as a factor for determining the timeframe for its new process.[22] Sierra Club does not, however, provide any basis for why it is unreasonable for the NYISO to evaluate comparable work in its existing processes to determine the proposed process timeframe, nor does Sierra Club challenge any particular element of the NYISO's proposed process that necessitates the timeframe.

As described in the Compliance Filing, the NYISO proposes to build on and make use of elements of its existing transmission planning processes for purposes of the Long-Term Transmission Planning Process. The NYISO's extensive experience in performing these process elements provides a reasonable basis for estimating the time that will be required to perform the same or similar requirements in the new process, which require more extensive analyses.[23]

In developing its proposed process, the NYISO carefully reviewed its related existing processes, and, as acknowledged by Sierra Club,[24] identified certain elements of the existing processes that could be eliminated or revised to improve the overall timeframe of the Long-Term Transmission Planning Process.[25] Contrary to Sierra Club's arguments, it does not follow that

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[22] Sierra Club Protest at 10.

[23] Compliance Filing at 40-41; Lin Affidavit at PP 6-11.

[24] Sierra Club Protest at 10.

[25] For example, the NYISO's Long-Term Transmission Selection Process is modeled on the NYISO's solicitation, evaluation, and selection process in its Public Policy Process. The NYISO, however, did not adopt from the Public Policy Process rules the Viability and Sufficiency Process for proposed transmission solutions or the resulting decision period. Not including these process steps in the Long-Term Transmission Planning Process eliminated several months from the NYISO's proposed process timeframe.

the NYISO's identification of these process improvements and the related time savings will result in a shorter overall process. Instead, the time savings offset some of the time required for the additional work needed to address the Order No. 1920 directives that are not included in the NYISO's existing processes (e.g., additional requirements regarding development of Long-Term Scenarios, the application of the Extreme Weather Sensitivity, additional selection metrics).

Third, Sierra Club asserts that PJM Interconnection, L.L.C. ("PJM") – another transmission planning entity that uses a sponsorship model – will perform its long-term process from the start date to the selection decision within a three-year period.[26] However, as acknowledged by Sierra Club,[27] PJM is proposing only to make a preliminary selection in three years with additional process steps that can run for up to an additional year. The additional process steps include items, such as voluntary funding, that are built into the NYISO's proposed timeframe.[28] Moreover, the NYISO's proposed process, including its requested consistent with or superior to variations, is specific to the circumstances in New York. It is reasonable for different transmission planning regions to have different timeframes based on their particular circumstances, and there can be more than one just and reasonable approach for addressing the Commission's requirements.[29]

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[26] Sierra Club Protest at 10.

[27] *Id.* at 10 and n 2.

[28] *See PJM Interconnection, L.L.C.,* Order Nos. 1920, 1920-A, and 1920-B Compliance Filing of PJM Interconnection, L.L.C and Request for Extension of Comment Period, FERC Docket No. ER26-751 at 116-117 (Dec. 12, 2025) ("PJM Compliance Filing").

[29] *See, e.g., ISO New England Inc.*, 143 FERC ¶ 61,150, at P 115 (2013) (emphasizing, in the context of evaluating ISO New England's Order No. 1000 compliance filing under FPA Section 206, that "there may be more than one just and reasonable [filing], and . . . the Commission must only determine that [that utility's] proposed solution is just and reasonable, not that it is superior to other possible solutions"); *N.Y. Indep. Sys. Operator, Inc.*, 126 FERC ¶ 61,320 at P 40 (2009) ("[T]here can be more than one just and reasonable planning process and RTOs and ISOs are not required to have identical planning processes to comply with Order No. 890 and 890-A."); *see also Cities of Bethany v. FERC*, 727 F.2d 1131 (D.C. Cir. 1981) ("FERC has interpreted its authority to review rates under the FPA as limited to an inquiry into whether the rates proposed by a utility are reasonable - and not to extend to determining whether a proposed rate schedule is more or less reasonable than alternative rate designs"), *cert denied,* 469 U.S. 917 (1984); *OXY USA, Inc. v. FERC*, 64 F.3d 679, 692 (D.C. Cir. 1995) ("[T]he Commission may

For all of the above reasons, the Commission should reject Sierra Club's arguments and accept the NYISO's proposed timeframe for its Long-Term Transmission Planning Process.

2. The NYISO's Proposed Overlapping of Elements of its Long-Term Transmission Planning Process is Consistent with or Superior to the Order No. 1920 Requirements and Just and Reasonable

As detailed and fully supported in the Compliance Filing, the NYISO proposes to perform the Long-Term Transmission Selection Process component of its Long-Term Transmission Planning Process in parallel with its performance of the Outlook process for the next planning cycle.[30] The use of an overlapping process will enable the NYISO to ensure a regular cadence of performing the Outlook. This will allow the NYISO to align the study with its other transmission planning processes and with state planning processes and will allow Market Participants, stakeholders, state entities, and other interested parties to rely on the predictable occurrence of the study.[31]

Sierra Club challenges the proposed overlapping process. Its primary argument is that the NYISO's overall process timeframe is insufficient and that overlapping would not be required if the NYISO's process was faster.[32] However, as demonstrated in the Compliance Filing and above, the NYISO's proposed timeframe is just and reasonable and will provide for conducting the Long-Term Transmission Planning Process on a more frequent basis than is required by Order No. 1920.[33]

Sierra Club also argues that the overlapping nature of the processes will create confusion and uncertainty concerning key inputs in the process. However, the NYISO and its stakeholders

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approve the methodology proposed in the settlement agreement if it is 'just and reasonable'; it need not be the only reasonable methodology or even the most accurate.").

[30] Compliance Filing at 37-38; Lin Affidavit at P 12.

[31] *Id.*

[32] Sierra Club Protest at 13.

[33] Similarly, the NYISO addresses above the arguments concerning the interaction of the NYISO's proposed Long-Term Transmission Planning Process and the state planning processes.

have extensive experience in performing and accounting for overlapping planning studies, which the NYISO has done for two decades since it implemented its Economic Planning Process in addition to its existing reliability planning process in response to Order No. 890. For purposes of its Comprehensive System Planning Process, the NYISO currently conducts several planning processes that are designed to be coordinated while operating in parallel.

Further, as Order No. 1920 would permit a transmission provider to take up to five years to update its scenarios, the order explicitly contemplates that the transmission provider may update assumptions within a planning cycle.[34] As described above, the NYISO proposes to update its scenarios more frequently than is required by the order and, as permitted by the order, to update assumptions during the planning cycle to account for any issues that could arise due to its parallel transmission planning processes or overlapping study components.[35] The updates to the assumptions are consistent with the NYISO's current actions for its existing planning processes.

3. The NYISO's Proposed Long-Term Transmission Planning Process Rules Include Appropriate Flexibility to Ensure Alignment with Other Transmission Planning Processes

Sierra Club argues that the NYISO does not commit to a timeline for the Long-Term Transmission Planning Process after the first start date.[36] However, as described in Part II.A.1 above, the NYISO does not object to the Commission directing it to clarify its proposed, recurring three-year timeframe for commencing the Outlook, while affording the NYISO with

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[34] Order No. 1920-A at P 257 ("Further, we underscore that Order No. 1920 provides transmission providers with flexibility to address evolving transmission needs. For instance, nothing in Order No. 1920 prohibits transmission providers from updating the assumptions, inputs, and factors, used to inform Long-Term Scenarios during a Long-Term Regional Transmission Planning cycle, and, to the extent that transmission providers believe that a shorter Long-Term Regional Transmission Planning cycle is necessary to account for the pace of change, they may propose on compliance to conduct Long-Term Regional Transmission Planning more frequently than every five years.") (internal citations removed).

[35] Compliance Filing at 74.

[36] Sierra Club Protest at 11.

reasonable flexibility to align the start date with its other transmission planning processes and with state planning processes. The ability to synchronize processes to the extent reasonably practicable will benefit all interested parties as it will facilitate coordination and efficiencies across the processes, reduce duplicative study work, and minimize the need to update assumptions.

Sierra Club also challenges the NYISO's ability to provide the New York Public Service Commission ("NYPSC") with additional time to identify a Long-Term Transmission Need.[37] The Commission should accept the NYISO's proposed requirements by which the NYPSC has a 180-day period to identify a Long-Term Transmission Need, with a limited additional 30 day extension period at NYDPS's request. Any further extensions would be only at the NYISO's discretion and would require informing stakeholders of the timeframe and reasons for the extension. The NYISO is not required to agree to an extension and, absent such agreement, the planning cycle would be concluded.

The NYISO's proposed rules constitute a reasonable balance of providing the NYPSC with sufficient time to comply with state administrative requirements and to review and address input in the state proceeding while not establishing an open-ended process.[38] Absent the requested flexibility, the NYPSC may not be able to satisfy the NYISO's tariff requirements concerning the identification of a Long-Term Transmission Need in certain circumstances when it requires a little more time to identify a transmission need or the NYISO will have to rely on the Commission to grant tariff waivers to implement its process. Sierra Club includes examples

[37] *Id.* at 12.

[38] The NYISO's proposed timeframe for action by the NYPSC is comparable to the time periods for state action in other regions. For example, in its compliance filing, PJM indicates its process may run six to twelve months after its preliminary selection to account for state-level decisions "because those decisions will require time to allow for state and regulatory bodies' approval processes and cost allocation decisions to take place . . . ." PJM Compliance Filing at 117.

of prior timeframes for NYPSC action in identifying Public Policy Transmission Needs in the NYISO's Public Policy Transmission Planning Process ("Public Policy Process").[39] However, this is an inapt point of comparison as the NYISO's tariff requirements for the Public Policy Process do not establish a timeframe for the NYPSC to make its determination or permit the NYISO to end the process if the NYPSC does not take timely action.[40] Moreover, Sierra Club discounts that this reasonable amount of flexibility has the potential to significantly reduce the risk of delays and unnecessary costs incurred by Developers by obtaining the up-front support of the NYPSC for addressing the transmission need, as the NYPSC is ultimately responsible for permitting the transmission project.

Finally, Sierra Club asserts the NYISO is proposing to allow itself virtually unchecked authority under its tariff to extend deadlines under OATT Sections 31.1.8.6 and 31.1.8.7.[41] These tariff requirements have been in the NYISO's tariff for approximately a decade, and Sierra Club does not assert or provide any basis for finding that the NYISO has abused these requirements in its other transmission planning processes, let alone applied them in a manner that "could go on indefinitely." To the contrary, the NYISO historically has exercised this authority to afford reasonable extensions at the request of interested parties or to address issues impacting the process or parties.[42]

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[39] Sierra Club Protest at 12.

[40] OATT Attach. Y § 31.4.2.4.

[41] Sierra Club Protest at 11.

[42] *See e.g., N.Y. Indep. Sys. Operator, Inc.,* New York City Offshore Wind Public Policy Transmission Planning Report (September 10, 2025) at 9, *available at:* https://www.nyiso.com/documents/20142/40894368/New-York-City-Offshore-Wind-Public-Policy-Transmission-Planning-Report.pdf/ (affording all interested parties an additional 14 days to proposed solutions based on additional information from NYDPS that could impact the design of the solutions); *N.Y. Indep. Sys. Operator, Inc.,* Extension of Request for Proposed Transmission Needs Being Driven by Public Policy Requirements for the 2024-2025 Transmission Planning Cycle (October 16, 2024), *available at:* https://www.nyiso.com/documents/20142/1406936/2024-2025-Notice-Requesting-Proposed-PPTNs-Extension-Final.pdf/ (affording a 17-day extension to all interested parties to submit proposed transmission needs driven by Public Policy Requirements); *N.Y. Indep. Sys. Operator, Inc.,* Extension of Time to Provide Notice and Consent for Developers of Viable and Sufficient Solutions to the New York City Offshore Wind Public Policy

Section 31.1.8.6 establishes that the NYISO is required to make reasonable efforts to meet all deadlines provided in Attachment Y to the OATT, with the exception of the strict deadlines in development agreements. Section 31.1.8.7 provides that the NYISO may extend certain prescribed deadlines of other parties so long as such extensions are applied equally to all parties that have to meet that deadline and do not result in reliability violations.

The NYISO's proposal to apply these two tariff provisions in the same manner to the new Long-Term Transmission Planning Process is reasonable. These requirements have enabled the NYISO to address minor delays without having to impose an unnecessary burden on the Commission to have to address recurring tariff waiver requests and to provide participating entities with a reasonable amount of additional time in appropriate instances. For example, pursuant to Section 31.1.8.7, the NYISO has provided additional time in certain instances for all developers to submit their project proposals when the 60-day period was not sufficient.[43]

4. The NYISO's Proposed Tariff Requirements Sufficiently Account for Coordination with State Planning Processes

CATF argues that the NYISO should more extensively align its Long-Term Transmission Planning Process with New York State's Coordinated Grid Planning Process ("CGPP"), while Sierra Club argues that such alignment is "speculative."[44] As detailed in the Compliance Filing, the NYISO will coordinate its performance of the Long-Term Transmission Planning Process with the NYDPS concerning New York State planning processes to the extent reasonably practicable.[45]

Transmission Need (November 12, 2024), *available at*: *https://www.nyiso.com/documents/20142/40894368/New-York-City-Offshore-Wind-PPTN-Extension-and-Notice-to-Proceed-form.pdf/* (affording a month extension to all developer of viable and sufficient Public Policy Transmission Projects to notice the NYISO of its election to proceed).

[43] *Id.*

[44] CATF Comment at 5-8; Sierra Club Protest at 13.

[45] Proposed OATT Attach. Y § 31.6.1.

The NYISO agrees that there are benefits in coordinating the NYISO's and the state's transmission planning processes. The NYISO has coordinated with the NYPSC and the state utilities that conduct the CGPP concerning the performance of the first cycle of the CGPP, providing analytical work requested by the state utilities in support of the study process and providing a mechanism through its existing Public Policy Process through which the NYPSC may identify bulk transmission needs for evaluation and selection. In response to Order No. 1920, the NYISO held extensive discussions with the NYDPS and with the state utilities and identified avenues by which the NYISO's new Long-Term Transmission Planning Process and the CGPP could better complement and support each other.

The NYISO did not establish specific requirements concerning the state transmission planning process in its OATT, as the state process is not subject to compliance with the NYISO's tariff, does not have to satisfy the Order No. 1920 requirements, and is subject to future modification by the NYPSC. Instead, the NYISO built in appropriate flexibility in its tariff requirements to enable each process to support and complement the other.[46] The tariff also provides for input from the NYDPS, utilities, and stakeholders at certain stages of the Outlook process that will facilitate coordination across the processes,[47] without impeding the NYISO's obligation, as the transmission provider for its planning region, to perform a transmission planning process that complies with the Order No. 1920 requirements. Finally, the tariff provides for the NYPSC to identify the Long-Term Transmission Need, which will enable the

[46] *See, e.g.,* proposed OATT Attach. Y § 31.6.2.1.1.2 (enabling the NYISO to account for the timeframes of state planning processes in establishing the start date for the Long-Term Transmission Planning Process cycle), 31.6.4.2.2 (providing for NYDPS to provide NYISO with assumptions for Long-Term State Scenario).

[47] *See, e.g.,* proposed OATT Attach. Y § 31.6.6.3 (providing for consultation with NYDPS, Transmission Owners, and stakeholders in identifying potential transmission needs for inclusion in Catalog of Transmission Expansion Opportunities).

NYPSC to assess holistically local and bulk transmission needs identified through the CGPP and the NYISO's Outlook.[48]

The Commission should reject CATF's suggested process changes and should not direct the NYISO to adopt the consolidated process used in California. The NYISO's and the California Independent System Operator's ("CAISO") processes are the product of different circumstances in each state, including the need to comply with different laws and regulations, regulatory regimes, and state-driven objectives. Moreover, CAISO makes use of a bid-based model, and CATF proposes process changes tied to the use of a bid-based model that are not used in the NYISO's sponsorship model. Finally, the Commission would appear not to have authority to direct the NYPSC to adopt different requirements for its state-level planning processes. The Commission should also reject any request by CATF to direct the NYISO to consolidate its existing transmission planning processes. Order No. 1920 rejected requiring the transmission provider to combine its existing transmission planning processes.[49]

Sierra Club argues that the NYISO does not explain how its four-year process aligns with the CGPP, which uses a three-year cycle, and asserts that this alignment would function better if the NYISO's process was also three years.[50] This appears to be based on a misunderstanding of how the NYISO's and state's processes can align to complement and support each other.

The NYISO developed its process timeframes in consultation with the NYDPS and the state utilities that conduct the CGPP to permit the interaction and coordination between the

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[48] *See* proposed OATT Attach. Y § 31.6.8.1 (establishing requirements for NYPSC to identify Long-Term Transmission Needs from Catalog of Transmission Expansion Opportunities).

[49] Order No. 1920 at P 245.

[50] Sierra Club Protest at 11.

NYISO's and state's processes.[51] The NYISO proposes to establish an initial process step before the start date of the Outlook for soliciting and gathering factors and other inputs for the Outlook. This process step would align with the commencement of a given CGPP cycle. As illustrated in Attachment I, the resulting process timeframes and requirements will enable the NYISO's and the state's processes to proceed in parallel and to interact with each other in the development of scenarios and the performance of analyses, so that the Outlook and CGPP are completed in the same approximate timeframe.[52] The NYPSC would then consider and identify Long-Term Transmission Needs for the Long-Term Transmission Planning Process at the same time as it evaluates local transmission projects identified in the results of the CGPP. This would allow for a comprehensive assessment of the identification of local and bulk transmission needs across the NYISO's and state's processes and improve the transmission needs being identified to be addressed in New York.

5. The NYPSC's Role in the Identification of Long-Term Transmission Needs Is a Just and Reasonable Approach in the Single-State Planning Region that Is Consistent With or Superior To the Order No. 1920 Requirements

ETCC argues that the NYISO, rather than the NYPSC, should be the entity responsible for determining Long-Term Transmission Needs in the NYISO's Long-Term Transmission Planning Process.[53] The Commission should reject ETCC's protest and accept the NYISO's proposed approach. As detailed in the Compliance Filing, the NYISO's proposed approach

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[51] Expediting the NYISO's Outlook process would not facilitate greater alignment with the CGPP. The NYPSC recently concluded that the CGPP should remain a three-year process. *See* NYPSC Case No. 20-E-0197, Proceeding on Motion of the Commission to Implement Transmission Planning Pursuant to the Accelerated Renewable Energy Growth and Community Benefit Act, Order Modifying Coordinated Grid Planning Process at 28-29 (Nov. 13, 2025) ("NYPSC November 2025 Order"), *available at:* https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={10517E9A-0000-C96B-B373-B6256DBE4622}&DocTitle=Order%20Modifying%20Coordinated%20Grid%20Planning%20Process.

[52] The attached figure includes approximations of the CGPP timeframe based on a recurring three-year cycle.

[53] ETCC Protest at 19-22.

constitutes a just and reasonable mechanism for identifying and addressing Long-Term Transmission Needs in a single-state planning region.[54]

First, ETCC asserts that the Commission has previously rejected in the Order No. 1000 proceeding the NYPSC making ultimate determinations in the NYISO's transmission planning processes.[55] However, ETCC conflates two different matters addressed in the Order No. 1000 proceeding. The Commission did not accept an initial NYISO proposal for the NYSPC to be the entity responsible for selecting the more efficient or cost-effective transmission solution to address reliability and public policy transmission needs for purposes of cost allocation under the NYISO OATT.[56] However, separate and apart from this determination, the Commission did accept the NYPSC as the entity responsible for identifying transmission needs driven by Public Policy Requirements in the Public Policy Process for which the NYISO would then solicit and evaluate proposed solutions.[57] ETCC acknowledges the NYISO's successful implementation of its Public Policy Process, describing the success of this process "as precedent for the country."[58] The NYISO proposes to build on this approach accepted by the Commission for purposes of identifying Long-Term Transmission Needs.

Second, while acknowledging the NYPSC's role in the determination of Public Policy Transmission Needs, ETCC argues that "the Long-Term Planning mandate goes well beyond merely looking at Public Policy determinations" and asserts that the NYISO should identify Long-Term Transmission Needs based on the Commission-mandated criteria.[59] The NYISO,

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[54] Compliance Filing at 56-59.
[55] ETCC Protest at 19, 21.
[56] *See, e.g., N.Y. Indep. Sys. Operator, Inc.*,143 FERC ¶ 61,059 at P 77 (2013). Consistent with this Commission determination, the NYISO Board, not the NYPSC, is the entity responsible for selecting the more efficient or cost-effective transmission solution to address a Long-Term Transmission Need for purposes of cost allocation under the NYISO OATT. *See* Compliance Filing at 88, 91.
[57] *N.Y. Indep. Sys. Operator, Inc.,* 143 FERC ¶ 61,059 at P 141 (2013).
[58] ETCC Protest at 4.
[59] *Id.* at 21-22.

however, is proposing a process for identifying Long-Term Transmission Needs that is superior to the Order No. 1920 requirements for the single-state planning region and constitutes a more extensive and collaborative process than the NYISO's relatively limited role in the identification of Public Policy Transmission Needs in its Public Policy Process.[60]

Order No. 1920 does not establish an explicit process for the transmission provider to identify Long-Term Transmission Needs. The order generally requires that such needs be identified by "running scenarios and considering the enumerated categories of factors" and by the use of Long-Term Scenarios.[61]

The NYISO's proposed approach will identify Long-Term Transmission Needs in a manner that is more extensive, collaborative, and superior to these requirements. As detailed in the Compliance Filing, the NYISO proposes to identify potential transmission needs in a Catalog of Transmission Expansion Opportunities as part of its Outlook process.[62] The NYISO will identify these potential transmission needs using models and applying metrics to the Long-Term Scenarios that were developed using factors identified and applied in accordance with the Order No. 1920 requirements.[63] In addition, the NYISO will consult with the NYDPS, Transmission Owners, and stakeholders in the determination of these potential transmission needs. The resulting Catalog of Transmission Expansion Opportunities, which will be included with the

[60] For the Public Policy Process, the NYISO's role is limited to soliciting from stakeholders and interested entities potential transmission needs driven by Public Policy Requirements, and then submitting the potential transmission needs to the NYPSC for its review and consideration. *See* OATT Attach. Y §§ 31.4.2.1, 31.4.2.3. The NYISO proposes as part of the Compliance Filing an additional role in the Public Policy Process to identify Interconnection-Related Transmission Needs that will also be submitted to the NYPSC for purposes of identifying transmission needs.

[61] *See* Order No. 1920 at PP 39, 299, 300.

[62] Compliance Filing at 55.

[63] The NYISO will assess the study results in the Outlook and using its engineering judgment and as further detailed in its procedures, will identify as potential transmission needs the areas of significant and persistent limitations on the New York State Transmission System that drive the need for expansion or upgrades to the New York State Bulk Power Transmission Facilities. Proposed OATT Attach. Y § 31.6.6.3.

Outlook, will be subject to stakeholder review and comment, to stakeholder action (i.e., an advisory vote) by the NYISO's Business Issues Committee and Management Committee, and to approval by the NYISO Board. The NYISO will then submit these materials to the NYPSC, and the NYPSC may identify a Long-Term Transmission Need from the Catalog of Transmission Expansion Opportunities. Accordingly, Long-Term Transmission Needs will be identified in line with the Commission-mandated criteria in Order No. 1920.

Third, ETCC argues that the NYISO's proposed approach is state-directed planning, rather than Commission-jurisdictional planning. However, while the NYPSC plays a role in the NYISO's proposed Long-Term Transmission Planning Process, the NYISO is responsible for implementing this process in accordance with the requirements set forth in its Commission-jurisdictional OATT. This includes the NYISO's development of multiple Long-Term Scenarios and an Extreme Weather Sensitivity in line with the Order No.1920 requirements, its analyses and identification of potential transmission needs resulting from these scenarios, and, if a Long-Term Transmission Need is identified, its solicitation and evaluation of proposed solutions, resulting in a determination by the NYISO Board on selecting the more efficient or cost-effective transmission project. ETCC does not specify how the role for the NYPSC in the existing Commission-jurisdictional Public Policy Process, which ETCC views as precedent for the country, differs from the NYPSC's proposed role in the Long-Term Transmission Planning Process or converts the process into state-directed planning.

Moreover, as described in the Compliance Filing,[64] the NYPSC's role in the NYISO's proposed Long-Term Transmission Planning Process benefits transmission planning in New York by evidencing up front the support of the entity ultimately responsible for permitting the

[64] Compliance Filing at 57.

transmission project, which incentivizes Developer participation in the process. This collaboration between the NYISO and the NYPSC in the identification of transmission needs has led in the Public Policy Process to numerous competitive transmission evaluation processes and the first substantial build out of transmission in New York in decades. Further, regardless of whether the NYPSC identifies a Long-Term Transmission Need in a given planning cycle, the NYISO will be performing long-term transmission planning, identifying on a recurring basis in its Outlook transmission expansion opportunities that inform state entities, Market Participants, stakeholders, and other interested entities.

Fourth, ETCC references proposed OATT Section 31.6.8.3 in support of its argument that the NYPSC's role in the NYISO process does not constitute Commission-jurisdictional planning. Section 31.6.8.3 states:

> In the event that a dispute is raised solely within the NYPSC's jurisdiction relating to any NYPSC decision to either accept or deny a proposed transmission need as one for which transmission solutions should be requested, the dispute shall be addressed through judicial review in the courts of the State of New York pursuant to Article 78 of the New York Civil Practice Law and Rules.[65]

This provision, however, is the same as the dispute provision concerning the identification of Public Policy Transmission Needs by the NYPSC for the Commission-jurisdictional Public Policy Process.[66] In accepting this provision for the Public Policy Process, the Commission drew a careful jurisdictional line concerning the treatment of disputes arising out of the NYISO's process and directed the NYISO to clearly indicate that only disputes within the New York

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[65] ETCC Protest at 21.
[66] *Cf.* OATT Attach. Y § 31.4.2.5 (Disputes of NYPSC Determinations).

Commission's sole jurisdiction may be subject to judicial review in the courts of the State of New York.[67] The NYISO's proposed OATT Section 31.6.8.3 is consistent with this directive.

Finally, the NYISO proposes in OATT Section 31.6.9.1.3 to make clear that an appeal of an NYPSC order identifying a Long-Term Transmission Need will not be a basis for delaying the NYISO's solicitation and evaluation of proposed solutions, except where the NYPSC's order has been stayed by a court of competent jurisdiction. Sierra Club requests that the Commission clarify that the term "court of competent jurisdiction" does not include a New York state court or alternatively reject the entire provision.[68]

The Commission should reject the requested clarification and accept the NYISO's proposed requirement. It is reasonable for the NYISO to refrain from implementing its solicitation and evaluation process if a court of competent jurisdiction has stayed the NYPSC order identifying the transmission need. Otherwise, the NYISO would perform a solicitation and evaluation process and Developers would commit time and resources for projects to address a transmission need that may ultimately be modified or withdrawn. This uncertainty is likely to disincentive participation in the process.

The NYISO interprets this provision in conjunction with the requirements in Section 31.6.8.3 described above that specifies which disputes of a NYPSC order identifying a transmission need would be subject to review in courts of the State of New York. To ensure these provisions are applied together, the NYISO does not object to the Commission directing it to make the following change indicated in italics to Section 31.6.9.1.3:

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[67] *N.Y. Indep. Sys. Operator, Inc.,* 151 FERC ¶ 61,040 at PP 58-59 (2015) ("Therefore, we direct the Filing Parties to propose, on compliance, revisions to state that only disputes within the New York Commission's sole jurisdiction may be subject to judicial review in the courts of the State of New York."); *N.Y. Indep. Sys. Operator, Inc.,* 153 FERC ¶ 61,341 at P 14 (2015) (accepting revised tariff language in compliance with the Commission's directive).

[68] Sierra Club Protest at 32.

> An appeal of the NYPSC's determination of a Long-Term Transmission Need shall not delay the ISO's request for and evaluation of proposed solutions to address the Long-Term Transmission Need, unless the NYPSC's order has been stayed by a court of competent jurisdiction *pursuant to Section 31.6.8.3*.

This would be consistent with the approach in the NYISO's Public Policy Process.[69]

B. The NYISO's Proposed Approach for Alternative Transmission Technologies and Right-Sized Replacement Transmission Facilities Are Fully Justified Consistent With or Superior To Variations and Are Just and Reasonable Requirements

In its Compliance Filing, the NYISO requests and provides justification for consistent with or superior to variations to address the Order No. 1920 requirements concerning alternative transmission technologies ("ATTs") and right-sizing within the framework of the NYISO's use of a sponsorship model.[70] In particular, the NYISO proposes that the Developer proposing a Long-Term Transmission Project be responsible for including with its project proposal any ATTs or Right-Sized Replacement Transmission Facilities.

Sierra Club requests that the Commission require that the NYISO, rather than the Developer, be responsible for considering ATTs and right-sizing opportunities for transmission solutions and for explaining the grounds not to include ATTs.[71] The Commission should reject

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[69] In particular, Sections 31.4.2.5, 31.4.8.1, and 31.4.2.6(vi) of the OATT establish that any Public Policy Transmission Need identified by the NYPSC or LIPA that is under appeal for disputes solely within the jurisdiction of the NYPSC or LIPA may be addressed in the NYISO's process with proposed solutions, except where the order has been stayed pending the resolution of that appeal. *See* OATT Att. Y §§ 31.4.3.1 ("Any proposed transmission needs that are under appeal pursuant to Section 31.4.2.5 or Section 31.4.2.6(vi) may be addressed with proposed solutions, if required, except where the NYPSC order has been stayed pending the resolution of that appeal."), 31.4.2.5 ("In the event that a dispute is raised solely within the NYPSC's jurisdiction relating to any NYPSC decision to either accept or deny a proposed transmission need as one for which transmission solutions should be requested, the dispute shall be addressed through judicial review in the courts of the State of New York pursuant to Article 78 of the New York Civil Practice Law and Rules."), 31.4.2.6(vi) ("In the event that a dispute is raised solely within the Long Island Power Authority's jurisdiction relating to a decision by the Long Island Power Authority to either accept or deny a proposed transmission need solely within the Long Island Transmission District, the dispute shall be addressed through judicial review in the courts of the State of New York pursuant to Article 78 of the New York Civil Practice Law and Rules.")

[70] Compliance Filing at 115-116, 119, 149-150.

[71] Sierra Club Protest at 24-29.

Sierra Club's arguments as the NYISO's proposed variations are fully justified in the Compliance Filing, the Lin Affidavit, and as further set forth below.[72]

First, Sierra Club asserts that the NYISO does not argue that its sponsorship model is unable to accommodate the ATT and right-sizing requirements.[73] The NYISO, however, made clear in the Compliance Filing that, based on its sponsorship model, it does not design transmission projects or project components, nor does it replace, modify, or consolidate proposed project elements as part of its evaluation and selection process. Based on its long-standing use of a sponsorship model, the NYISO has found that allowing Developers to design proposed solutions within the parameters established by the transmission need results in creative and unique designs that enhance competition and the NYISO's identification of the more efficient or cost-effective solution. Converting the NYISO from a transmission planner into a transmission designer would constitute a fundamental change to the NYISO's transmission planning role in New York and would require NYISO intervention into the competitive process, favoring the design of certain projects over others. In addition, if the NYISO were required to identify and design ATTs and right-sizing requirements, the NYISO would necessarily have to extend the duration of its Long-Term Transmission Planning Process, which timeframe Sierra Club separately challenges as too long, to account for these additional responsibilities and to enable Developers to determine whether to remain in the process with a modified project.

Second, Sierra Club suggests that the NYISO could address any unfairness in intervening in competitive transmission project proposals by considering "ATTs to address each identified need, with NYISO's consideration applied to all proposed projects as part of selecting the more

[72] Compliance Filing at 115-116, 119, 149-150; Lin Affidavit at 19-20.
[73] Sierra Club Protest at 25.

efficient or cost-effective project" and suggests the same approach could be used for right-sizing.[74]

This proposal is premised on a bid-based model concept that all of the proposed Long-Term Transmission Projects are the same or materially similar such that the NYISO could identify ATTs or Right-Sized Replacement Transmission Facilities that apply equally for each project proposal. However, the benefit of the sponsorship model is that Developers may propose significantly different alternative and creative transmission solutions. This has been the case in the NYISO's Public Policy Process, where Developers have proposed a variety of potential solutions to address identified transmission needs. For this reason, the NYISO could not identify a uniform ATT or right-sized solution to apply equally across project proposals. Any proposed addition to a project proposal would necessarily favor certain projects over others, would be a piecemeal and inefficient way to design the transmission solution, and would change a Developer's calculation in proposing its project, including impacting any proposed cost containment measures.

Third, Sierra Club argues that the NYISO's existing requirements already permit interventions to modify the proposed projects.[75] In support of this argument, Sierra Club references tariff requirements that permit modifications in the NYISO's Reliability Planning Process.[76] These are limited rules that are necessary to ensure that there is a viable and sufficient solution that can address a reliability need. These requirements are not applicable to the

[74] Sierra Club Protest at 25.
[75] *Id*. at 26.
[76] OATT Attach. Y §§ 31.2.5.6, 31.2.6.3. Sierra Club's references to OATT Sections 31.2.8.3.6 and 31.2.13.2.4 do not concern modifications to projects that are being evaluated in the competitive transmission process.

remainder of the NYISO's transmission planning processes where reliability is not at issue.[77] Moreover, the NYISO is not responsible under these rules for modifying the design of the transmission project or replacing project elements. In addition, Sierra Club's references to the NYISO's ability to update study cases in its Public Policy Process or its determination of contingency percentages and escalation factors for use in assessing a project's cost estimates are not comparable to designing project elements or changing a Developer's project proposal mid process.[78]

Fourth, Sierra Club asserts that the NYISO's proposed approach for ATTs and right-sizing is premised on competition and alleges that this does not apply when there are barriers to entry and transmission developers have market power.[79] Sierra Club, however, does not provide any evidence of either barriers to entry or market power in the NYISO's competitive transmission planning processes, offering instead speculative possibilities that do not align with the application of the NYISO's processes.

The NYISO's transmission planning processes have had extensive participation in response to each solicitation, with the largest contingent of projects being submitted by non-incumbent Developers. As indicated in the Compliance Filing, in response to identified Public Policy Transmission Needs, the NYISO has evaluated 47 transmission project proposals in its completed, competitive transmission processes.[80] In addition, there are currently 24 transmission

[77] The NYISO modeled its Public Policy Process requirements on those in its Reliability Planning Process, but did not incorporate the requirements from OATT Sections 31.2.5.6 or 31.2.6.3 that permit modifications in certain instances for reliability projects. *Cf.* OATT Sections 31.4.6.3 and 31.4.6.4 (establishing that the NYISO shall reject a proposed regulated solution in its Public Policy Process from further consideration during that planning cycle if it is determined to be not viable or not sufficient and not adopting from Reliability Planning Process requirements that provide an opportunity to revise the project to address the deficiency).

[78] Sierra Club Protest at 26. Note that the NYISO will to the extent practicable provide the contingency percentages and escalation factors to Developers prior to the solicitation of project proposals. *See* OATT Attach. Y § 31.4.4.3.1.

[79] Sierra Club Protest at 26-28.

[80] Compliance Filing at n 36.

developers qualified to participate in the NYISO's transmission planning processes, with only eight of such developers being the original incumbent Member Systems.[81]

The competitive nature of the NYISO's transmission planning processes is clear from the participation in the NYISO's Public Policy Process where Developers, including incumbent Transmission Owners, have to submit competitive solutions—both in design and in cost—to be selected as the more efficient or cost-effective solution. This is particularly evident in the last two Public Policy Process cycles, as all proposals contained Cost Cap measures.[82] Additionally, all proposals contained components that were subject to the incumbent Transmission Owner's existing Right of First Refusal ("ROFR"), which the non-incumbent Developers proposed knowing that another entity would be designated and, therefore, foregoing the "economic incentive to propose more costly projects" that Sierra Club speculates would be a Developer's driver in designing projects.[83]

Finally, Sierra Club asserts that the NYISO cannot rely on non-incumbent Developers to propose right-sized opportunities as transmission owners can exercise a ROFR over any right-sized aspects of a selected project.[84] The NYISO's experience in its Public Policy Process indicates otherwise. The Developer is incentivized to develop and propose a transmission project that can be selected as the more efficient or cost-effective transmission project, which

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[81] *N.Y. Indep. Sys. Operator, Inc.,* NYISO Qualified Developers (updated February 19, 2026), *available at*: https://www.nyiso.com/documents/20142/1395552/List-of-Qualified-Developers.pdf/.

[82] Compliance Filing at n 318.

[83] Sierra Club Protest at 27.

[84] *Id*. at 29. Sierra Club cites to a Commission's determination in the Order No. 1000 proceeding that the NYISO's proposed compliance with Order No. 1000 would discourage non-incumbent transmission developers from proposing transmission solutions. *N.Y. Indep. Sys. Operator, Inc.*, 143 FERC ¶ 61,059 at P 240 (2013). This matter, however, concerned an initial NYISO proposal for its Reliability Planning Process that would have evaluated alternative regulated solutions in more detail only if the NYISO determines that submitted market-based solutions did not resolve an identified reliability need. On compliance, the NYISO provided for the same assessment in its Reliability Planning Process of project proposals by incumbent transmission owners and non-incumbent developers. *N.Y. Indep. Sys. Operator, Inc.*, 148 FERC ¶ 61,044 at P 253 (2014). The NYISO's proposed Long-Term Transmission Planning Process similarly provides for its performance of the same evaluation of proposed transmission projects submitted by either incumbent transmission owners or non-incumbent developers.

could include Long-Term Transmission Upgrades or Right-Sized Replacement Transmission Facilities elements that are subject to a ROFR. Similar unsupported arguments were made by other parties in relation to the incorporation of a mechanism in the NYISO's tariff to effectuate the Transmission Owners' reserved rights concerning upgrades in the NYISO's Public Policy Process.[85] Experience has shown that non-incumbent Developers (including joint arrangements of non-incumbent Developers and incumbent Transmission Owners) have proposed transmission projects with upgrades that are subject to a ROFR, and the NYISO has selected transmission projects proposed by non-incumbent Developers with ROFR elements.[86] Sierra Club has not provided any support that non-incumbent Developers will not take advantage of the opportunity in proposing right-sized aspects of a project if there is a benefit to proposing a more efficient or cost-effective solution.

The NYISO's proposed approach allows the Developer to determine ahead of time how it wants to structure its project, including its use of any cost containment measures, and whether to include any upgrade or right-sized opportunities that may improve the opportunity for its project's selection. If, on the other hand, the NYISO was responsible for determining and applying the right-sized opportunities, the Developer would have to submit a project proposal

[85] *See, e.g.*, *N.Y. Indep. Sys. Operator, Inc*., Protest of the New York State Public Service Commission, New York State Energy Research and Development Authority, Multiple Intervenors, City of New York, Consumer Power Advocates, Natural Resources Defense Council, and Sustainable FERC Project, Docket No. EL22-2-000 (November 2, 2021), at p 17 (arguing under the proposed framework to effectuate a ROFR for upgrades, "non-incumbent developers are less likely to spend substantial money or time developing project proposals involving Public Policy Transmission Upgrades, particularly if there is a significant risk that the designated NYTO will simply take over those parts of the transmission project at the very end of the process").

[86] *See e.g., N.Y. Indep. Sys. Operator, Inc.,* Long Island Offshore Wind Export Public Policy Transmission Plan (June 13, 2023), *available at:* https://www.nyiso.com/documents/20142/38391083/Long-Island-Offshore-Wind-Export-Public-Policy-Transmission-Planning-Plan-2023-6-13.pdf/ (evidencing proposals submitted by non-incumbent Developers contained upgrades to existing facilities); *N.Y. Indep. Sys. Operator, Inc.,* Initial Characterization of Project Facilities for the New York City Offshore Wind Public Policy Transmission Need (September 10, 2024), *available at:* https://www.nyiso.com/documents/20142/40894368/New-York-City-Offshore-Wind-PPTN-Initial-Facility-Characterization-List.pdf/ (evidencing that proposals from non-incumbent Developers contained upgrades to existing facilities).

with uncertainty as to whether the NYISO might modify or replace part of its project proposal with a Right-Sized Replacement Transmission Facility subject to a ROFR. At a minimum, such a hybrid sponsorship/bid-based model would add significant time to the NYISO's process to enable the NYISO to make such determinations and for the Developer to elect whether to proceed with a modified project.

C. The NYISO's Proposed Definition of Right-Sized Replacement Transmission Facilities and Proposed Application of the Right-Sizing Requirements Comply with Order No. 1920 or Are Fully Justified Consistent With or Superior To Variations and Are Just and Reasonable Requirements

ETCC also challenges elements of the NYISO's proposed requirements concerning the right-sizing requirements. The Commission should reject ETCC's arguments for the reasons described below and accept the NYISO's proposed compliance tariff revision as filed.

First, ETCC asserts that the Commission did not provide for discretion as to the definition and limitation of the right-sizing requirements in Order No. 1920.[87] The Commission did, however, provide that the transmission provider may request consistent with or superior to variations and did not exclude the right-sizing requirements from these potential variations.[88] The NYISO detailed in the Compliance Filing its justifications demonstrating that its requested variations from the right-sizing requirements are consistent with or superior to the Order No. 1920 requirements and are just and reasonable.[89]

Second, ETCC argues that the NYISO acted inconsistent with Order No. 1920 in proposing to include in the definition of a Right-Sized Replacement Transmission Facility that such facility could include "an entirely new transmission facility."[90] As described in the

[87] ETCC Protest at 11.
[88] Order No. 1920 at PP 1772-1773; Order No. 1920-A at PP 917, 921.
[89] Compliance Filing at 115-122.
[90] ETCC Protest at 12; *see* proposed OATT Attach. Y § 31.1.1 ("Right-Sized Replacement Transmission Facility: A new transmission facility, including an entirely new transmission facility, that: . . . .").

Compliance Filing, consistent with the requirements in Order Nos. 1000 and 1920, the NYISO's proposed Long-Term Transmission Planning Process includes two separate determinations concerning whether a transmission facility is subject to a ROFR. The transmission facility is subject to a ROFR if it is an "upgrade" as that term is defined in Order No. 1000 and reflected in the NYISO OATT as opposed to an "entirely new transmission facility."[91] Notwithstanding this determination, the transmission facility is separately subject to a ROFR if it satisfies the definition of a Right-Sized Replacement Transmission Facility.

Accordingly, the NYISO proposes to insert "an entirely new transmission facility" to the definition of Right-Sized Replacement Transmission Facility to make clear that any transmission facility – new or upgrade – that meets the terms of this definition is subject to a ROFR.[92] That is, if the NYISO were to identify that the transmission facility is an "entirely new transmission facility" and not an "upgrade", the transmission facility is still eligible for a ROFR if it satisfies the definition of a Right-Sized Replacement Transmission Facility. This clarification will assist in reducing potential disputes concerning the classification of the facilities and the implementation of the two separate ROFR eligibility determinations.

Third, ETCC argues that the NYISO is proposing to expand the right-sizing ROFR into other NYISO processes.[93] The Commission should reject ETCC's argument, which appears to

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[91] *See* proposed OATT Attach. Y § 31.1.10.4 (renumbered in the Compliance Filing from 31.6.4).

[92] Contrary to ETCC's position, the NYISO's insertion of "entirely new transmission facility" in the definition of Right-Sized Replacement Transmission Facility as a facility that is eligible to satisfy the requirements to be a Right-Sized Replacement Transmission Facility is not inconsistent with paragraph 1703 of Order No. 1920. In that paragraph, the Commission stated: "Moreover, we note that the definitions of "in-kind replacement transmission facility" and "right-sized replacement transmission facility" that we adopt, as discussed above, are necessary to ensure that use of the right-sizing reform addresses replacement transmission facilities and not entirely new transmission facilities." Under the NYISO's proposed definition, any transmission facility (including an entirely new transmission facility) must satisfy the three prongs in the definition demonstrating that they are a replacement transmission facility to be considered a Right-Sized Replacement Transmission Facility and subject to a ROFR.

[93] ETCC Protest at 16-17.

misunderstand the purpose of OATT Section 31.6.9.3.4.[94] This provision concerns the requirements for a Developer's submission of the project information for its proposed Long-Term Transmission Project. In particular, the provision requires that Developer's submission of its proposed Long-Term Transmission Project, including any project elements that meet the definition of Long-Term Transmission Upgrades or Right-Sized Replacement Transmission Facilities, must include the same transmission facilities, electrical characteristics, related modeling information, and contingency information as what the Developer included with its separate submission of the project for evaluation in the NYISO's interconnection processes.[95] This requirement ensures that there is not a disconnect between the transmission project being evaluated in the NYISO's Long-Term Transmission Planning Process and the same transmission project being evaluated in the NYISO's interconnection processes. Section 31.6.9.3.4 neither establishes ROFR requirements nor does it play a role in how the ROFR rules are applied.

Fourth, ETCC argues that the NYISO did not comply with the requirements in paragraph 1677 of Order No. 1920 to incorporate a list of in-kind replacements with a ten-year planning horizon and only to apply a ROFR if the facility being replaced is in the ten-year plan.[96] Contrary to ETCC's assertion, OATT Section 31.6.6.4 explicitly requires transmission owners to submit In-Kind Replacement Lists of their In-Kind Replacement Transmission Facilities.[97] The

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[94] The applicable language from proposed Section 31.6.9.3.4 of the OATT is: "The project information submitted by the Developer for its Long-Term Transmission Project in accordance with Section 31.6.9.3 shall be the same as the Developer's proposed project in its Transmission Interconnection Application or Interconnection Request, as applicable, including the same transmission facilities that are part of the Long-Term Transmission Project (including Long-Term Transmission Upgrades and Right-Sized Replacement Transmission Facilities), electrical characteristics, related modeling information, and contingency information necessary to perform all analyses, including thermal, voltage, stability, short circuit, and transfer limit analyses."

[95] The NYISO separately assesses the interconnection of proposed transmission projects to the New York State Transmission System in, as applicable, its Transmission Interconnection Procedures in Attachment P to the OATT or the Standard Interconnection Procedures in Attachment HH to the OATT.

[96] ETCC Protest at 17-18.

[97] ETCC appears to be using the term "Long-Term Transmission Need" in place of in-kind replacement estimates as described in Order No. 1920 in paragraph 1677. ETCC Protest at 18-19.

transmission facilities included in the list must meet the definition of In-Kind Replacement Transmission Facilities, which aligns with the requirements in paragraph 1677 of Order No. 1920, with certain variations that are consistent with or superior to the Order No. 1920 requirements as detailed in the Compliance Filing. Further, a transmission facility may only be a Right-Sized Replacement Transmission Facility and subject to a ROFR if the transmission facility replaces a transmission facility that a Transmission Owner has identified in its In-Kind Replacement List.[98]

ETCC also challenges the NYISO's proposed language in Section 31.6.6.4 of the OATT that permits limited updates to the In-Kind Replacement List prior to the NYISO's solicitation for proposed transmission solutions. ETCC argues that the updated information should not be the basis for a ROFR.[99] The Commission should accept the proposed provision, which allows the Transmission Owner to update the In-Kind Replacement List "solely for purposes of updating the information concerning the In-Kind Replacement Transmission Facilities that were included in the list provided by the Transmission Owner for that planning cycle."[100] This provision does not permit the Transmission Owner to add additional transmission facilities to the In-Kind Replacement List, but only to provide updated information. This will improve the information available to Developers concerning the transmission facilities in their review of right-sizing opportunities for purposes of designing their proposed solutions to a Long-Term Transmission Need.

In addition, ETCC argues that individual Transmission Owners should not have the discretion to use lower voltage amounts than 200 kV for purposes of the definition of In-Kind

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[98] *See* OATT Attach. Y § 31.1.1 (definition of Right-Sized Replacement Transmission Facility).
[99] ETCC Protest at 18.
[100] Proposed OATT Attach. Y § 31.6.6.4.

Replacement Transmission Facilities.[101] ETCC asserts that any lower voltage amount for purposes of this definition should be applied on a NYISO-wide basis. The Commission should accept a Transmission Owner's ability to use different voltage levels to account for differences in the composition of their individual systems. For example, certain Transmission Owners have systems that are predominantly composed of transmission facilities operating below 200 kV.

Fifth, ETCC argues that the NYISO, rather than the Developer, must have the final determination under its tariff as to whether projects satisfy the definition of a Right-Sized Replacement Transmission Facility and are subject to any ROFR.[102] The NYISO clarifies that it is responsible for the determination under its OATT as to whether a transmission facility satisfies the definition of a Right-Sized Replacement Transmission Facility.

The NYISO's proposed Section 31.6.9.6 of the OATT establishes an explicit process by which the NYISO identifies which transmission facilities in the proposed Long-Term Transmission Projects are new transmission facilities and which facilities satisfy the definition of a Long-Term Transmission Upgrade or a Right-Sized Replacement Transmission Facility. This process includes requirements by which any interested party may dispute the NYISO's determination concerning the classification of the transmission facilities. This is the same process the NYISO has used in its Public Policy Process to determine whether transmission facilities in proposed Public Policy Transmission Projects are new facilities or are upgrades subject to a ROFR.[103]

[101] ETCC Protest at 19.

[102] *Id.* at 23.

[103] *Cf.* OATT Attach. Y § 31.4.6.5.1. ETCC also speculates that NYPSC can make modifications to project proposals that may impact whether a right-sizing component may be included. ETCC Protest at 23. This is incorrect. While the NYISO could determine to resolicit transmission solutions in the event the NYPSC substantially modifies a Long-Term Transmission Need, neither the NYISO nor the NYSPC would determine the transmission facilities that Developers may propose to address the modified transmission need or whether such transmission facilities may include right-sizing opportunities.

Sixth, ETCC states that the NYISO's tariff does not provide sufficient detail to explain how the NYISO will ensure a competitive process in the scenario described in paragraph 1680 of Order No. 1920.[104] In this scenario, one segment of a transmission solution is a right-sized transmission facility subject to a ROFR (Segment 1) and the other component is a separate new transmission facility not subject to a ROFR (Segment 2).[105]

Contrary to ETCC's assertions, the NYISO's tariff establishes clear rules with sufficient detail that ensure a competitive process for transmission projects, including addressing how the NYISO will account for transmission projects that include upgrades or right-sized facilities that are subject to a ROFR. In particular, a Developer may propose a Long-Term Transmission Project, which project may consist of new transmission facilities, Long-Term Transmission Upgrades, and/or Right-Sized Replacement Transmission Facilities.[106] So, per the Order No. 1920 example, the Developer's Long-Term Transmission Project would include both Segment 1 and Segment 2.

The NYISO will then evaluate the entire Long-Term Transmission Project, using the selection metrics set forth in its tariff and will compare the performance of the entire project with the performance of other Long-Term Transmission Projects to identify the more efficient or cost-

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[104] ETCC Protest at 24.

[105] Paragraph 1680 states: "As an example, assume that transmission providers determine that an existing transmission facility included in a transmission provider's in-kind replacement estimate can be right-sized (Segment 1) and, together with a separate new transmission facility (Segment 2), is the more efficient or cost-effective solution to a Long-Term Transmission Need. In this example, Segment 1 is a new 50-mile, 345 kV transmission facility between interconnection points A and B that requires the expansion of an existing right-of-way, and replaces an existing 50-mile, 230 kV transmission facility between interconnection points A and B. Segment 2 in this example is a new 25-mile, 345 kV transmission facility requiring entirely new rights-of-way from interconnection points B to C. If both Segment 1 and Segment 2 are selected to address a Long-Term Transmission Need, then, for purposes of the requirements of this final rule, only Segment 1 would be considered a right-sized replacement transmission facility."

[106] *See* proposed OATT Attach. Y § 31.6.9.5.1.1. As part of its project information, a Developer must include "a description of the project, including type, size, and geographic and electrical location, as well as planning and engineering specifications as appropriate and Developer's identification of any Long-Term Transmission Upgrade(s) or any Right-Sized Replacement Transmission Facility(ies) included as part of its project." *Id.*

effective Long-Term Transmission Project.[107] If a Long-Term Transmission Project includes a Long-Term Transmission Upgrade or a Right-Sized Replacement Transmission Facility, the NYISO will preliminarily designate that facility to the impacted Transmission Owner, which can proceed with its ROFR or inform the NYISO that it does not intend to exercise the ROFR.[108] So, per the Order No. 1920 example, the NYISO would primarily designate the impacted Transmission Owner to be responsible for Segment 1 of the transmission project, and the Transmission Owner would inform the NYISO within the tariff-prescribed period if it does not intend to exercise its ROFR for Segment 1. If the Transmission Owner does not exercise its ROFR, then Segment 1 would remain with the Developer that proposed the Long-Term Transmission Project.

The requirements concerning the implementation of the ROFR are detailed in the Compliance Filing.[109] The NYISO's proposed approach mirrors the process that has been an orderly mechanism across numerous planning cycles of its Public Policy Process and provides for the competitive evaluation of transmission projects that may consist of entirely new transmission facilities and/or upgrades that are subject to a ROFR.

Finally, ETCC requests that the Commission reject the NYISO's prospective waiver requested in the Compliance Filing as it relates to the application of the right-sizing ROFR provisions.[110] For the grounds set forth in the Compliance Filing,[111] if the Commission were to not accept or to modify elements of the NYISO's compliance proposal when it issues its order, the Commission should grant reasonable waivers or exercise its discretion not to require the

[107] *See, e.g.,* proposed OATT Attach. Y §§ 31.6.10.3, 31.6.10.4, 31.6.11 (describing the NYISO's evaluation and selection of the Long-Term Transmission Project).
[108] *See* proposed OATT Attach. Y §§ 31.6.11.1.2, 31.6.11.2.3, 31.6.11.5.
[109] Compliance Filing at 84-87, 120-122.
[110] ETCC Protest at 22.
[111] Compliance Filing at 159-161.

NYISO to reperform or modify the elements of the compliance proposal that the NYISO implemented immediately to effectuate the goals and directives of Order No. 1920 and upon which its stakeholders, developers, and other entities have relied. In any case, the ROFR requirements do not arise until the solicitation, evaluation, and selection process of the Long-Term Transmission Planning Process and the ROFR designation is not finalized until 30 days after selection. As these process steps will not begin to occur until mid to late 2029 at the earliest, it is unlikely that the Commission will not have issued its compliance order well before the ROFR provisions would be applied.

D. The NYISO Appropriately Accounts for Reliability-Driven Transmission Needs in its Comprehensive System Planning Process

Sierra Club and Policy Integrity Institute allege that the NYISO's proposed Long-Term Transmission Planning Process is not sufficient because it does not adequately provide for the identification of reliability-driven transmission needs, which they argue will result in short-term, piecemeal solutions to reliability needs.[112] The Commission should reject protestors' arguments.

Order No. 1920 explicitly did not require a transmission provider to modify its existing reliability planning process,[113] nor to create a consolidated transmission planning process to simultaneously plan for all transmission needs.[114] As permitted by the order, the NYISO proposes to retain its existing Short-Term Reliability Process and Reliability Planning Process as

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[112] Sierra Club Protest at 14-22, Policy Integrity Institute Comments at 3-8.

[113] Order No. 1920 P 241 ("Transmission providers may continue to rely on their existing regional transmission planning and cost allocation processes to comply with Order No. 1000's requirements related to transmission needs driven by reliability concerns or economic considerations."); Order No. 1920-A at P 214.

[114] Order No. 1920 P 245 ("We reject requests to require transmission providers to simultaneously plan for all such transmission needs through a single regional transmission planning process, however. We recognize that such a combined process has potential benefits and do not prohibit such an approach, but at this time we believe that the benefits of requiring such a combined process on a generic basis may be outweighed by the difficulty of transitioning to such a process from existing regional transmission planning processes. Therefore, we do not require in this final rule that transmission providers plan for all reliability and economic transmission needs and Long-Term Transmission Needs through a single regional transmission planning process.") (internal citations omitted).

the mechanisms by which it continues to identify and address reliability-specific transmission needs in New York.

The NYISO's existing reliability planning processes establish unique requirements to account both for the importance of addressing identified reliability issues and the NYISO's market-based solution preferred approach that is not applicable to long-term transmission planning. For example, given the importance of reliability, the NYISO's reliability planning processes require it to identify an incumbent Transmission Owner as the Responsible Transmission Owner that must propose a solution to a reliability need to ensure that a backstop solution is available to address a reliability need and such backstop solution may be subsequently triggered based on the progress of market-based or other selected solutions.[115] In addition, from its inception, the NYISO's reliability planning processes rely first on market-based solutions to address current and future demand and system reliability needs and are designed to provide maximum opportunity for market forces to work and to produce viable solutions.[116] Only if such market-based solutions are not available will the NYISO trigger the use of a regulated solution selected in its process that is eligible to recover its costs under the NYISO tariff.[117] Requiring the NYISO to convert the Long-Term Transmission Planning Process into a reliability planning process would change the NYISO's longstanding framework for addressing reliability, supersede

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[115] *See, e.g.,* OATT Attach. Y § 31.2.4.3.1 (requiring Responsible Transmission Owner to submit regulated backstop solution), OATT Attach. FF § 38.4.2.1 (same).

[116] *See, e.g., N.Y. Indep. Sys. Operator, Inc.*, 109 FERC ¶ 61,372 at P 33 (2004) (finding that the NYISO's process does not over promote regulated solutions and properly balances regulated and market-based solutions); *N.Y. Indep. Sys. Operator, Inc.*, Response to Deficiency Letter, Docket No. ER04-1144-001 at 2 (Oct. 29, 2004) ("In contrast to other, more centralized planning models, the NYISO Planning Process relies first on market solutions to meet Reliability Needs. . . . Accordingly, the NYISO's Planning Process is designed to provide maximum opportunity for market forces to work and to produce viable solutions.")

[117] *See, e.g.,* OATT Attach. Y § 31.2.8.1.1 (establishing that NYISO will not trigger regulated solution if sufficient market-based solutions are timely progressing to address reliability need); OATT Attach. FF § 38.6.2 (establishing that NYISO will conclude the Short-Term Reliability Process if adequate market-based or demand solutions are available to satisfy the reliability need).

the preference in New York for market-based solutions to address such needs, and may result in the selection and construction of long-term transmission projects to address reliability needs beyond ten years out that may not ultimately materialize or may be addressed in the interim.

The NYISO reasonably relies on its existing reliability planning processes to feed into its other transmission planning processes and to establish a reliable system for the first ten years of the Study Period of its Long-Term Transmission Planning Process. The NYISO would otherwise be performing parallel, potentially conflicting assessments using different rules for this ten-year period and could identify competing or duplicative solutions to address the same transmission need.

For the second ten years of the twenty-year Study Period, the NYISO must account for the evolution of load and resources over this remaining period in its Foundation Case, which is an informational business as usual case. It is reasonable that the NYISO account for a reliable system in making determinations, in consultation with stakeholders, concerning the evolution and location of the load and resources on the system beyond ten years. This enables the NYISO to reasonably estimate the evolution of generation in the system, in response to demand growth, without exaggerating what a transmission need may be beyond ten years given the uncertainty associated with this timeframe. In addition, for purposes of the Long-Term Scenarios, which will be the basis for the identification of Long-Term Transmission Needs, the NYISO must also take into account the factors identified in accordance with the factor categories, including factors concerning resource additions and retirements and load growth.

While the NYISO's Long-Term Transmission Planning Process is not directed specifically towards identifying reliability-driven transmission needs, the models that the NYISO proposes to use in analyzing the Long-Term Scenarios and the Extreme Weather Sensitivity in its

Outlook include reliability associated analyses. The analyses include assessing transmission thermal limits (normal and contingency), transmission interface voltage stability limits, interface transfer limits, Installed Reserve Margin, and Locational Capacity Requirements. Based on these analyses, the NYISO may identify, in consultation with stakeholders and the NYDPS, potential transmission needs that have reliability implications for inclusion in the Catalog of Transmission Expansion Opportunities. Consistent with the examples provided in Order No. 1920, the NYISO's process could identify transmission needs resulting from "increasing frequency of high-impact extreme weather events, the increasing reliance by transmission system operators on regional integration and coordination to reliably serve load, the operational challenges created by the increasing share of variable resources entering the resource mix, and changes in electric demand patterns such as shifts in load profiles caused by, for example, the emergence of large loads associated with evolving industrial and commercial needs such as the growth in data centers, and increased electrification of energy end users."[118]

Finally, if a Long-Term Transmission Need is identified, the NYISO will consider the reliability benefits of proposed transmission solutions in evaluating the more efficient or cost-effective transmission solution. Among other things, the NYISO evaluates proposed transmission projects' benefits resulting from reduction in cost due to avoided or delayed transmission investments, the operability of the project, and additional metrics determined by the NYISO to assess reliability benefits (e.g., impact on transfer limits).[119]

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[118] Order No. 1920 at P 299.

[119] *See* proposed OATT Attach. Y §§ 31.6.10.4.2.1, 31.6.10.4.3.5, 31.6.10.4.3.10.

E. NYISO's Requirements Concerning Non and Partial Transmission Solutions Comply with the Order Nos. 890 and 1000 Comparability Principle

Sierra Club argues that the NYISO's proposed Long-Term Transmission Planning Process requirements do not comply with the comparability principle, asserting that the NYISO's proposed process does not provide for comparable consideration of transmission and non-transmission solutions.[120] Sierra Club argues that the NYISO's proposed requirements are not comparable because: (i) the NYISO will assess transmission and non-transmission solutions using different tests, and (ii) the NYISO will obtain different amounts and types of information for transmission and non-transmission solutions.[121]

The Commission should reject this protest. The NYISO's proposed approach for evaluating non or partial transmission solutions to a Long-Term Transmission Need on a comparable basis with transmission solutions is consistent with its process used across its transmission planning processes previously accepted by the Commission as consistent with the comparability principle.[122]

As detailed in the Compliance Filing, an entity may propose as a solution to a Long-Term Transmission Need an Other Long-Term Project that is a non-transmission solution (e.g., generation, demand response) or a combination of resource types, including with transmission.[123] The NYISO will assess the viability and sufficiency of any proposed Other Long-Term Project to address the Long-Term Transmission Need in the same general timeframe as it evaluates

[120] Sierra Club Protest at 29-32.
[121] *Id.* at 30.
[122] Sierra Club asserts "prior failures" of the NYISO to comply with the comparability principle and references Commission directives to the NYISO in its prior Order Nos. 890 and 1000 proceedings. Sierra Club at P 32. The NYISO revised its tariff provisions in response to these directives concerning comparability and the resulting tariff requirements, accepted by the Commission, are the basis of the NYISO's proposed comparability requirements for its Long-Term Transmission Planning Process, which remain consistent with the comparability principle.
[123] Proposed OATT Attach. Y §§ 31.6.9.3.2, 31.6.9.5.2, 31.6.10.2.

proposed transmission solutions.[124] The NYISO will include the results of this analysis in the Long-Term Transmission Planning Report to inform the stakeholders and the NYISO Board's review and action for that planning cycle, including whether the Board will select or elect not to select a transmission solution.[125]

The NYISO's different levels of analyses for transmission and non-transmission solutions are reasonable and consistent with Commission precedent given the purposes of the analyses. The NYISO must obtain additional information and perform more extensive analysis of proposed transmission solutions, including the seven benefit metrics required by Order No. 1920, to determine the more efficient or cost-effective transmission solution for purposes of selection for cost allocation and recovery under the OATT. In accepting the related requirements in the NYISO's Order No. 1000 proceeding, the Commission rejected previous protestors' arguments "that to provide comparable treatment of proposed transmission solutions and non-transmission alternatives the Filing Parties' must apply the same methods of analysis to all proposed solutions regardless of resource type, including evaluating the efficiency and cost-effectiveness of non-transmission alternatives."[126] Rather, the Commission confirmed that "[i]n Order No. 890-A, the Commission stated that '[t]reating similarly-situated resources on a comparable basis does not necessarily mean that the resources are treated the same.'"[127] The Commission further found that evaluating different resources' ability to meet the transmission need in a timely manner afforded comparable treatment.[128] Accordingly, the Commission should reject Sierra Club's

[124] *Id.* §§ 31.6.10.2, 31.6.10.6.

[125] *Id.* § 31.6.11.2.2.

[126] *N.Y. Indep. Sys. Operator, Inc.,* 148 FERC ¶ 61,044 (2014) at P 246.

[127] *Id.* (quoting Order No. 890-A at P 216).

[128] *Id.* ("Thus, in an order on NYISO's compliance with Order No. 890, the Commission found that 'NYISO's role in both soliciting market-based and regulated solutions and in evaluating competing proposals for their ability to meet the designated [reliability transmission need] in a timely manner affords comparable treatment to all types of competing solutions and resources, and is therefore compliant with Order No. 890-A's requirements.'") (quoting *N.Y. Indep. Sys. Operator, Inc.,* 132 FERC ¶ 61,028, at P 10 (2010)).

request that the NYISO be required to perform additional assessments of non-transmission solutions that are not eligible for selection for cost allocation and recovery under the OATT.

The Commission should also reject Sierra Club's request that the NYISO require Developers to submit additional project information for purposes of Other Long-Term Projects. The information requirements for Other Long-Term Projects are reasonably related to the analyses performed by the NYISO for the project type. For example, Sierra Club notes that the NYISO does not currently require cost estimates from a non-transmission project. However, the NYISO is not evaluating the costs of a non-transmission solution as it is not comparing the costs of a non-transmission solution against the costs of transmission solutions in assessing the more efficient or cost-effective transmission solution. The NYISO has proposed that Developers submit the same information for Other Long-Term Projects in the Long-Term Transmission Planning Process as it requires for the similar Other Public Policy Projects in its Public Policy Process.[129] These categories of project information, previously accepted by the Commission, are sufficient for the NYISO to assess the viability and sufficiency of any proposed Other Long-Term Projects.

F. The Term "Regulated" Is Appropriately Used in the NYISO Tariff Provisions

Sierra Club requests that the NYISO be required to define the term "regulated transmission project" when used in the proposed tariff language. The Commission should reject this request. The term "regulated" is used extensively across the NYISO's Comprehensive System Planning Process tariff requirements in Attachment Y to the OATT, is sufficiently clear

[129] *See* proposed OATT Attach. Y § 31.6.9.5.2; *cf.* OATT Attach. Y § 31.4.5.2.

from both its context and from the long-standing, extensive record before the Commission, and does not require further definition in the OATT.[130]

The term "regulated" has been used in the NYISO's transmission planning tariff requirements since the NYISO's initial transmission planning process was filed with, and accepted by the Commission, in 2004.[131] As applied consistently across Attachment Y, the term "regulated" refers to a proposed solution to a transmission need for which a Developer seeks regional cost allocation – either through the NYISO OATT for a transmission solution or through the appropriate state agency for a non-transmission solution. The term "regulated" differentiates such solutions from market-based solutions. In the NYISO's cost allocation provisions in Section 31.5, the tariff requirements clearly distinguish (i) regulated transmission projects, which projects are eligible for cost allocation pursuant to the principles and methodologies established in the OATT;[132] (ii) regulated non-transmission projects, which projects can recover their costs in accordance with the provisions of New York Public Service Law, New York Public Authorities Law, or other applicable state law,[133] and (iii) market-based solutions, which cost recovery is the responsibility of the Developer.[134]

[130] *See, e.g., N.Y. Indep. Sys. Operator, Inc.,* 148 FERC ¶ 61,044 (2014) at n 26 ("The term 'regulated' refers to a transmission solution for which the proponent seeks to obtain regional cost allocation. [Citing the Commission first order in the NYISO's Order No. 1000 compliance proceeding, 143 FERC ¶ 61,059 at P 32 & n.45 and the NYISO's October 15, 2013, compliance filing in that proceeding at ii n.8 (explaining that a regulated solution refers to a transmission solution for which the developer is seeking to obtain regional cost allocation through the NYISO OATT or a non-transmission solution for which the developer is seeking to obtain regional cost allocation through the appropriate state agency)]").

[131] *See N.Y. Indep. Sys. Operator, Inc.,* 109 FERC ¶ 61,372 (2004) (approving in part and rejecting in part tariff revisions to adopt transmission planning process). The Commission accounted for the distinction between the regulated and market-based solutions in its order. *See, e.g. id* at P 2 ("The essential steps in the Planning Process include the identification of system needs, the *development of proposals for both market-based and regulated solutions*, NYISO evaluation of these proposed solutions, and the implementation of regulated solutions by the NYTOs as a backstop when market-based projects do not resolve anticipated reliability deficiencies.") (emphasis added).

[132] OATT Attach. Y § 31.5.1.1.

[133] *Id.* § 31.5.1.6.

[134] *Id.* § 31.5.1.2.

G. The Commission Should Provide the NYISO with Reasonable Flexibility to Account for LIPA's Integrated Resource Plan in Long-Term Scenarios

LIPA requests that the Commission require the NYISO to include LIPA's integrated resource plan ("IRP") in Factor Category Three.[135] The NYISO does not object to accounting for LIPA's IRP in the development of Long-Term Scenarios for the Long-Term Transmission Planning Process and plans to do so. However, the NYISO does have concerns with including LIPA's IRP as a factor in Factor Category Three without clarifying the scope of which elements of the IRP must be included in the Long-Term Scenarios and are not subject to discounting.

Order No. 1920 requires that the transmission provider must account for and be consistent with, and not discount, factors in the first three categories of factors, including that the transmission provider must assume that state-approved integrated resource plans are followed.[136] That is, the transmission provider must assume legally binding obligations are met, unless and until there is a change in law.[137] The order, however, does not detail the scope of the IRP that must be treated as the legally binding obligation and not subject to being discounted. For example, the order does not specify whether the transmission provider is not permitted to discount only the results of the IRP (e.g., identified resource procurements) or also the underlying assumptions used in the development of that IRP (e.g., fuel price forecast, emission price). The order also does not explicitly permit the transmission provider to discount elements of the IRP that may have changed or become stale since the IRP was approved and have not yet been updated in a new IRP. If the NYISO is required to account for the entirety of the LIPA IRP without reasonable flexibility, the NYISO may be required to include assumptions that it is

[135] LIPA Protest at 5-10.
[136] Order No. 1920 at P 507.
[137] *Id.* at P 512.

aware are out of date and information that may conflict or be inconsistent with information applicable to the rest of the state.

The NYISO, therefore, proposed in the Compliance Filing to instead explicitly account for state-approved generation procurements, which would include generation procurements that are the product of LIPA's IRP. The NYISO's intent, consistent with Order No. 1920, was to account for legally binding obligations resulting from the LIPA IRP. As indicated in LIPA's comments, the NYISO has continued to have discussions with LIPA to more clearly refine the elements of the LIPA IRP that should be incorporated into the Long-Term Scenarios without discounting and which elements will benefit from flexibility and additional coordination with LIPA and stakeholders. The NYISO and LIPA were not able to agree upon revised tariff language prior to the submission of this answer, but the NYISO remains amenable to continuing discussions with LIPA to determine if the parties are able to resolve this item. The NYISO requests that, if the Commission determines that the LIPA IRP must be included in Factor Category Three, the Commission direct the NYISO to coordinate with LIPA to more clearly define for purposes of the tariff the scope of the IRP that must be included in the Long-Term Scenarios without discounting and which elements are subject to flexibility. In addition, the NYISO requests that the Commission clarify that the NYISO has flexibility to discount certain information included in the first three factor categories if the NYISO determines that such information is not likely to affect a Long-Term Transmission Need, such as information in the LIPA IRP that has become outdated by the time the NYISO is developing Long-Term Scenarios.[138]

[138] *See* Order No. 1920 at P 510 ("In addition, as clarified above, transmission providers retain the discretion to determine whether particular factors, including those in the first three categories of factors, that stakeholders identify are likely to affect Long-Term Transmission Needs. Thus, transmission providers may

III. DOCUMENTS SUBMITTED

The NYISO submits the following document with this Answer:

- Timeframe of NYISO's Proposed Long-Term Transmission Planning Process and Related CGPP and Order No. 1920 Timeframes (Attachment I).

IV. CONCLUSION

WHEREFORE, the New York Independent System Operator, Inc. respectfully requests that the Commission accept this Answer and accept the Compliance Filing in this docket without requiring any modifications with the limited exceptions described in the Answer.

Respectfully submitted,

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September 18, 2026

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	Jignasa Gadani	Travis LaHue	Douglas Roe

determine, for example, that some stakeholder-identified local laws and regulations that fall within Factor Categories One and Two are unlikely to affect Long-Term Transmission Needs and therefore need not be accounted for in the development of Long-Term Scenarios.")

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. §385.2010.

Dated at Rensselaer, NY this 18th day of September 2026.

/s/ Alexander Morse

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