

June 29, 2015

**By Electronic Delivery**

Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street N.E.  
Washington, D.C. 20426

**Re: *New York Independent System Operator, Inc.*, Proposed Tariff Revisions  
Regarding Public Policy Transmission Planning Process;  
Docket No. ER15-\_\_\_\_-000**

Dear Ms. Bose:

Pursuant to Section 205 of the Federal Power Act,<sup>1</sup> the New York Independent System Operator, Inc. (“NYISO”) hereby submits proposed revisions to the Public Policy Transmission Planning Process (“Public Policy Process”) portion of its Comprehensive System Planning Process (“CSPP”).<sup>2</sup> The NYISO’s proposed revisions to the tariff requirements of the Public Policy Process set forth in Attachment Y of the NYISO Open Access Transmission Tariff (“OATT”) will clarify and enhance the process.<sup>3</sup>

**I. List of Documents Submitted**

The NYISO submits the following documents:

1. This filing letter;
2. A clean version of the proposed revisions to the OATT (Attachment I); and
3. A blacklined version of the proposed revisions to the OATT (Attachment II).

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<sup>1</sup> 16 U.S.C. § 824d.

<sup>2</sup> Capitalized terms that are not otherwise defined in this filing letter shall have the meaning specified in Attachment Y of the NYISO OATT, and if not defined therein, in the NYISO OATT and the NYISO Market Administration and Control Area Services Tariff.

<sup>3</sup> Unless otherwise indicated, the tariff references in this filing letter are to Attachment Y of the NYISO OATT.

## **II. Copies of Correspondence**

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## **III. Background**

On January 1, 2014, the NYISO began the 2014-2015 planning cycle for its CSPP in accordance with the tariff requirements set forth in Attachment Y of the OATT, as amended to meet the requirements of Order No. 1000.<sup>5</sup> The NYISO commenced its reliability planning process in January 2014 by conducting reviews under its Local Transmission Planning Process, and conducting a Reliability Needs Assessment.<sup>6</sup>

The NYISO initiated the Public Policy Process portion of the CSPP on August 1, 2014, by soliciting from interested parties proposed transmission needs driven by Public Policy Requirements, as called for in its OATT. Following its receipt of such submissions, the NYISO provided the proposed transmission needs to the New York State Public Service Commission

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<sup>4</sup> The NYISO respectfully requests waiver of 18 C.F.R. § 385.203(b)(3) (2014) to permit service on counsel for the NYISO in both Washington, D.C. and Richmond, VA.

<sup>5</sup> The Commission accepted a January 1, 2014, effective date for the Order No. 1000-related revisions to Attachment Y of the NYISO OATT to provide for their implementation in the current 2014-2015 planning cycle. *See New York Independent System Operator, Inc.*, Order on Rehearing and Compliance, 148 FERC ¶ 61,044 (2014) at P 37 (“July 2014 Order”).

<sup>6</sup> At its May 2015 meeting, the NYISO’s Management Committee recommended that the NYISO’s Board of Directors approve the draft 2014 Comprehensive Reliability Plan. The Board is scheduled to take action on the Comprehensive Reliability Plan in July.

(“NYPSC”) on October 3, 2014. The NYPSC is responsible under the NYISO OATT for evaluating the proposed transmission needs and identifying whether there are any Public Policy Transmission Needs for which the NYISO will solicit and evaluate solutions under the Public Policy Process. The NYPSC has stated its intent to issue an order later this year that identifies any Public Policy Transmission Needs for the current planning cycle.<sup>7</sup> If the NYPSC identifies any Public Policy Transmission Needs, the NYISO will, for the first time, solicit and evaluate solutions to such needs. The NYISO will evaluate the viability and sufficiency of all types of solutions (generation, transmission and demand response) and subsequently may select the more efficient or cost-effective transmission solution to each identified need for purposes of cost allocation and recovery under the NYISO’s tariffs.

In light of its experience thus far in implementing the new Order No. 1000-related requirements, the NYISO reviewed the tariff requirements for the Public Policy Process and identified clarifications and enhancements, as described in Part IV of this letter, necessary to implement the next steps of the process later this year. The NYISO reviewed the proposed tariff revisions with its stakeholders, which, with requested modifications, approved the tariff amendments at NYISO governance committee meetings without objection. The NYISO Board of Directors approved the changes on June 16, 2015 and directed the changes to be filed with the Commission under Section 205 of the Federal Power Act. The NYISO requests that the Commission accept the proposed tariff revisions with an effective date of August 28, which is 60 days after the date of this filing.

#### **IV. Description of Proposed Tariff Revisions**

##### **A. Cost Allocation and Cost Recovery Requirements**

###### **1. Rejection or Withdrawal of Necessary Authorizations**

Under the Public Policy Process, the Developer of a transmission project selected by the NYISO as the more efficient or cost-effective transmission solution to a Public Policy Transmission Need is eligible to recover certain costs if its project cannot proceed because it does not receive necessary authorizations from federal, state, or local agencies or has the authorizations withdrawn.<sup>8</sup> The NYISO OATT does not currently specify the manner in which the NYISO would allocate these costs. The NYISO proposes to revise Section 31.5.5.3 to clarify that the NYISO will allocate these costs to all Load Serving Entities using the default load ratio share methodology of the Public Policy Process as set forth in Section 31.5.5.4.3, except as otherwise determined by the Commission.<sup>9</sup> This revision ensures that there is a cost allocation

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<sup>7</sup> See NYPSC Case 12-T-0502, *et al.*, AC Transmission Proceedings, *Order Establishing Modified Procedures for Comparative Evaluation* (issued December 16, 2014); *see also* NYPSC Case 12-T-0502, *et al.*, AC Transmission Proceedings, Letter from Kathleen H. Burgess, Secretary (May 20, 2015) (extending certain timeframes in the NYPSC proceeding).

<sup>8</sup> OATT, Att. Y, Section 31.5.6.5.2 (previously 31.5.6.5).

<sup>9</sup> The NYISO proposes to insert the same requirements in new Section 31.4.12.1.

methodology in place in the event the NYISO must allocate these costs – the same load ratio share methodology accepted by the Commission as the default methodology for the Public Policy Process.<sup>10</sup> The revision also provides parties with the opportunity to use an alternative methodology if accepted by the Commission. In addition, the NYISO proposes to revise Section 31.5.6.5.2 to clarify that the Developer may begin to recover these costs as determined by the Commission.<sup>11</sup>

The NYISO proposes to make two further revisions regarding a Developer's need to obtain required federal, state, and local authorizations. First, the NYISO proposes to insert a new Section 31.4.12.1 that sets forth that the Developer of a selected project: (i) must seek to obtain necessary authorizations to site, construct, and operate the project to the extent such authorizations have not already been requested or obtained, and (ii) may recover certain costs if the requested authorization is rejected or such authorization is withdrawn. These provisions incorporate requirements on project permitting and cost recovery that are parallel to those in the reliability planning process and described in part in the Public Policy Process cost recovery provisions in Section 31.5.6.5.<sup>12</sup> Second, the NYISO proposes to clarify that the Developer will become eligible for certain cost recovery if the appropriate agency "rejects," rather than "does not approve," the authorization.<sup>13</sup> The use of "rejects" in place of "does not approve" establishes a clearer threshold for when the Developer may become eligible to recover certain costs.

## **2. Consolidation of Cost Recovery Requirements**

The cost recovery requirements for the Public Policy Process are spread throughout Sections 31.5.5.3, 31.5.6, and 31.5.6.5 of Attachment Y. For purposes of clarity and to avoid the potential for discrepancies inadvertently arising between the related tariff provisions, the NYISO proposes to consolidate the cost recovery requirements for the Public Policy Process in Section 31.5.6.5.<sup>14</sup>

### **B. Post-Selection Requirements**

The current tariff requirements for the Public Policy Process do not establish the Developer's responsibilities to proceed with its project following the selection of its transmission

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<sup>10</sup> See New York Independent System Operator, Inc., Order on Rehearing and Compliance, 151 FERC ¶ 61,040 (2015) at P 121 (accepting timeline for applying cost allocation methodology for Public Policy Process); July 2014 Order at PP 330-340 (accepting load ratio share as default cost allocation methodology for Public Policy Process and directing filing parties to provide timeline for applying cost allocation methodology).

<sup>11</sup> As described in Section 31.5.6.5, the Developer will make a filing at the Commission under Section 205 of the Federal Power Act for approval of its costs for its cost recovery.

<sup>12</sup> OATT, Att. Y, Sections 31.2.8.1.2, 31.2.8.1.3, 31.2.8.1.4, 31.5.6.5.2 (previously 31.5.6.5).

<sup>13</sup> OATT, Att. Y, Sections 31.4.12.1 (new), 31.5.5.3, 31.5.6.5.2 (previously 31.5.6.5).

<sup>14</sup> The NYISO has also clarified in Section 31.5.6.5.3 (previously 31.5.6.5) in what circumstances the NYISO would make a filing on behalf of the New York Power Authority.

project as the more efficient or cost-effective transmission solution, nor do they set forth the consequences if the Developer does not or is unable to proceed with its project. The NYISO proposes to insert a new Section 31.4.12 that sets forth these requirements.

## **1. Development Agreement**

The NYISO proposes to require in new Section 31.4.12.2 that the Developer of a transmission project selected by the NYISO in the Public Policy Process enter into a development agreement with the NYISO. The agreement would provide for the project to be timely developed and constructed in a manner consistent with the project proposal selected by the NYISO Board. The Commission has previously accepted the requirement that the Developer of a transmission project selected by the NYISO in its reliability planning process enter into a development agreement with the NYISO.<sup>15</sup> As recently directed by the Commission,<sup>16</sup> the NYISO has submitted a *pro forma* development agreement for the reliability planning process as part of its and the New York Transmission Owners' supplemental Order No. 1000 regional compliance filing on May 18, 2015.<sup>17</sup>

The NYISO has included a placeholder as Appendix D in Section 31.7 of Attachment Y of the OATT for a separate *pro forma* development agreement for the Public Policy Process. The NYISO will begin to develop this agreement with stakeholders later this summer.<sup>18</sup> The NYISO will use the development agreement developed for the reliability planning process as a model for this agreement, modified as appropriate to take into account the differences between the purpose and requirements of the reliability and public policy processes.

The NYISO proposes to set forth in Section 31.4.12.2 the process by which the NYISO and the Developer will negotiate and enter into the development agreement. The proposed process is consistent with the NYISO's process for negotiating and entering into a Large Generator Interconnection Agreement with a Developer and Connecting Transmission Owner in Section 30.11 of Attachment X of the NYISO OATT and the process proposed by the NYISO in the May 18, 2015, compliance filing for negotiating and entering into the reliability version of the development agreement. The process provides for the NYISO to tender to the Developer a draft development agreement following the selection of the transmission project, and requires the parties to execute the agreement within three months unless otherwise agreed by the parties. The process also establishes the method by which the NYISO will file a non-conforming or

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<sup>15</sup> OATT, Att. Y, Section 31.2.8.1.6.

<sup>16</sup> *New York Independent System Operator, Inc.*, Order on Rehearing and Compliance, 151 FERC ¶ 61,040 (2015) at P 23.

<sup>17</sup> *New York Independent System Operator, Inc. and New York Transmission Owners*, Compliance Filing, Docket No. ER13-102-007 (May 18, 2015) ("May 2015 Compliance Filing") (describing the proposed development agreement for the reliability planning process).

<sup>18</sup> The NYISO has no objection to a further compliance directive to file a *pro forma* development agreement for the Public Policy Process related to the Commission's acceptance of these tariff changes requiring execution of a development agreement.

unexecuted agreement with the Commission. Upon the execution or filing of an unexecuted version of the agreement, the NYISO and Developer will perform their respective obligations under the terms and conditions of the agreement that are not in dispute.

## **2. Inability to Complete Selected Project**

The NYISO proposes to establish in new Section 31.4.12.3 the consequences if: (i) the Developer of the selected project does not timely execute the development agreement or does not request that it be filed unexecuted, or (ii) an effective development agreement is terminated under the terms of the agreement. In such cases, the NYISO will submit a report to the NYPSC and/or the Commission as appropriate and may take such actions as are reasonably necessary, following consultation with the NYPSC, to provide that the Public Policy Transmission Need is satisfied.<sup>19</sup> Such action could include the NYISO revoking its selection of the transmission project and the eligibility of the Developer to recover its costs for the project under the NYISO tariffs. Notwithstanding this requirement, the Developer will remain eligible to recover certain project costs to the extent expressly provided in the OATT: (i) if the project was directed to participate in the Public Policy Process by the NYPSC or the Long Island Power Authority (“LIPA”), or (ii) if, as described above, a governmental agency rejects, or withdraws, required authorizations.<sup>20</sup> The OATT does not otherwise provide for cost recovery for a Developer whose project is not completed. In such circumstances, the Developer will only be eligible for cost recovery if, and to the extent, allowed by the Commission.

## **3. Other Requirements**

As described above, the NYISO has inserted a new Section 31.4.12.1 to address the Developer’s requirement to obtain necessary authorizations to site, construct, and operate its project. In addition, the NYISO proposes to insert a new Section 31.4.12.4 to clarify that the Developer of a selected project must execute the *Agreement Between the New York Independent System Operator and Transmission Owners* or a comparable operating agreement prior to energizing the project.<sup>21</sup>

## **C. Developer’s Election to Proceed**

The NYISO’s evaluation of solutions to a Public Policy Transmission Need is performed in two stages. In the initial stage, the NYISO evaluates proposed solutions to determine whether each is viable and sufficient to satisfy the identified need. The NYISO will then evaluate the

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<sup>19</sup> The NYISO will, upon terminating the agreement, file a notice of termination with the Commission if the development agreement had been filed with and accepted by the Commission. OATT, Att. Y, Section 31.4.12.3.1.1 (new).

<sup>20</sup> See OATT, Att. Y, Sections 31.4.3.2, 31.4.12.1 (new).

<sup>21</sup> As described in its recent compliance filing, the NYISO plans to bring a draft comparable operating agreement to stakeholders later this year and to file the agreement with the Commission. See May 2015 Compliance Filing at p. 12.

viable and sufficient transmission solutions for purposes of selecting the more efficient or cost-effective transmission solution to the need. The NYISO proposes to insert a process step in new Section 31.4.6.6 that requires the Developer of a viable and sufficient transmission project to indicate its intent to be evaluated for possible selection by the NYISO Board.<sup>22</sup> For its project to be considered in the selection process, the Developer must consent to the NYISO disclosing previously confidential details regarding the proposed project that may be made public as part of the NYISO's transparent selection process. As described in Part IV.H below, the tariff provides that certain other information, such as contract information and preliminary cost estimates, will remain confidential. The Developer must also demonstrate that it has executed, as applicable, an Interconnection Feasibility Study agreement or a System Impact Study agreement, as described below.

#### **D. Alignment of Planning and Interconnection/Transmission Expansion Processes**

The NYISO proposes to insert certain interconnection and transmission expansion milestones within the Public Policy Process requirements to better align these separate, but related, processes. Specifically, the NYISO proposes to require that the Developer demonstrate with the submission of its project information that it has submitted, as applicable, a valid Interconnection Request or Study Request.<sup>23</sup> In addition, as indicated above, if the Developer of a viable and sufficient transmission project intends for its project to proceed to be evaluated for purposes of possible selection, the Developer must demonstrate that it has executed, as applicable, an Interconnection Feasibility Study agreement or a System Impact Study agreement.<sup>24</sup> Finally, the NYISO proposes to revise its selection requirements to clarify that it will give due consideration to the status and results of any completed interconnection or transmission expansion studies in evaluating the proposed project for purposes of selection.<sup>25</sup> These revisions provide that a proposed transmission project will progress through and timely satisfy its interconnection or transmission expansion requirements in parallel with its progress through the transmission planning process. In addition, the revisions enable the NYISO to take into account in its selection process the detailed project information that is developed in the interconnection and transmission expansion processes, as applicable.

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<sup>22</sup> The NYISO proposes conforming revisions to Section 31.4.8 to specify that only Developers that have elected to proceed under Section 31.4.6.6 are eligible for possible selection by the NYISO.

<sup>23</sup> OATT, Att. Y, Section 31.4.4.3.1 (new). The applicable request form and studies that a Developer must complete will depend on whether the Developer is required under the NYISO tariffs to interconnect its project through the interconnection process contained in Attachment X of the NYISO OATT or the transmission expansion process contained in Sections 3.7 and 4.5 of the OATT.

<sup>24</sup> OATT, Att. Y., Section 31.4.6.6 (new).

<sup>25</sup> OATT, Att. Y, Section 31.4.8. For purposes of its evaluation, the NYISO proposes to require a Developer to notify the NYISO upon the completion of any interconnection/ transmission expansion studies and provide, upon the NYISO's request, any study report and related materials. OATT, Att. Y, Sections 31.4.5.1.5 (new), 31.4.5.2.5 (new).

## **E. Flexibility for Deadlines**

The NYISO proposes the addition of Sections 31.1.8.6 and 31.1.8.7 to establish flexibility in the NYISO's ability to address minor delays in the satisfaction of deadlines for the CSPP, so that the NYISO is not automatically required to disqualify projects based on a minor, acceptable delay or to impose an unnecessary burden on the Commission to address such delays through multiple tariff waiver requests. The provisions establish that the NYISO will use reasonable efforts to meet all deadlines in Attachment Y.<sup>26</sup> In the event the NYISO is unable to meet a deadline, it may extend the deadline if the extension will not result in a reliability violation, provided that the NYISO must inform interested parties, explain the reasons for missing the deadline, and provide an estimated time to complete the action. The NYISO may also extend other parties' deadlines set forth in Attachment Y for a reasonable period of time, so long as the extension is applied equally to all parties that must meet the deadline and will not result in a reliability violation. These provisions do not apply to any deadlines set forth in a development agreement entered into under Attachment Y. The proposed provisions also do not alter the NYISO's existing requirement to conduct the Public Policy Process on a two-year cycle and to notify stakeholders and provide an explanation and estimated completion date if additional time beyond the two-year period is required.<sup>27</sup>

## **F. Continuation of Public Policy Process in the Event of a Dispute**

The NYISO proposes to revise Section 31.4.3.1 to clarify that it will proceed with its Public Policy Process in the event of a dispute regarding a Public Policy Transmission Need identified by the NYPSC, except where the NYPSC's order identifying the need has been stayed pending the resolution of an appeal. This revision will avoid unnecessary delays in implementing the Public Policy Process with the aim of completing the process within a two-year period.

## **G. Base Case for Public Policy Process**

The NYISO proposes to revise Section 31.4.6.1 to clarify the scope of the base case that the NYISO will use to study proposed solutions to a Public Policy Transmission Need. Specifically, the NYISO proposes to use "(i) the most recent base case from the reliability planning process, (ii) updates in accordance with ISO Procedures, and (iii) compensatory MWs as needed to resolve the Reliability Needs over the ten-year Study Period." The revision will enable the NYISO to perform the Public Policy Process using the most recent information available.

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<sup>26</sup> The Commission has previously accepted the NYISO's use of "reasonable efforts" to satisfy certain deadlines in its tariffs. *See, e.g.*, OATT, Att. Z, Section 32.4.1 (requiring NYISO to use reasonable efforts in satisfying deadlines in its Small Generator Interconnection Procedures); OATT, Att. X, Section 30.6.3 (requiring NYISO to use reasonable efforts in completing Interconnection Feasibility Study within 45 days).

<sup>27</sup> OATT, Att. Y, Section 31.4.1.



## **H. Confidentiality Requirements**

The NYISO proposes to revise Section 31.4.15 to further clarify what project information the NYISO may disclose or must maintain as confidential throughout the Public Policy Process. The revisions to the confidentiality requirements: (i) specify the basic project information that will not be considered confidential information and may be disclosed by the NYISO at any time, (ii) provide that the NYISO may disclose certain confidential information if, as described above, the Developer of a viable and sufficient transmission project elects for its project to be evaluated in the selection stage of the Public Policy Process, and (iii) specify what information the NYISO will maintain as confidential, notwithstanding a Developer's election for its project to proceed to the selection stage – namely contract information, preliminary cost estimates, and non-public financial qualification information.

## **I. Project Information and Developer Qualification Information Submission Requirements**

The NYISO proposes to revise Section 31.4.4.3 to clarify the requirements for Developer's submission of project information and developer qualification information. Specifically, the NYISO proposes to divide the requirements into separate subsections that more clearly delineate the requirements applicable to the Developer's separate provision of project information and developer qualification information. In addition, the NYISO proposes to clarify in the new Section 31.4.4.3.1 that it may request additional information if a Developer's submission of its project information is incomplete or if the NYISO determines at any time that additional information is required. The NYISO also proposes to relocate to this Section 31.4.4.3.1 the existing requirement that the NYISO will not consider a project further if the Developer fails to provide the requested data.<sup>28</sup> Further, the NYISO proposes to make clear that a Developer will have fifteen days to provide any project information or Developer qualification information requested under this Section 31.4.4.3. Finally, the NYISO proposes to expressly provide in Section 31.4.4.3.3 that, if Developer's submission is incomplete, the NYISO may request additional Developer qualification information and that, subsequent to receipt of such information, the NYISO will notify the Developer of its qualification status.

The NYISO also proposes to insert a new Section 31.4.5.2 that sets forth the project information that the Developer of a non-transmission or a partial transmission (or "hybrid") project must submit for the NYISO's evaluation of the viability and sufficiency of the proposed solution. Currently, Section 31.4.5 only specifies the project information that the Developer of a transmission project must submit. The NYISO's proposed project information requirements for non-transmission or hybrid projects are generally consistent with the requirements for transmission projects in Section 31.4.5.1, as modified to account for the different attributes of the projects and the fact that the projects will not be evaluated for purposes of selection. For example, the NYISO has inserted "as applicable" for project information concerning Site Control, as certain non-transmission projects, such as demand response, would not have to

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<sup>28</sup> This requirement has been relocated from Section 31.4.5.1 of Attachment Y.

demonstrate Site Control. Similarly, the project information requirements for a non-transmission or hybrid project do not require that the Developer submit capital cost estimates for the project, as the NYISO will not be evaluating such projects for purposes of selection, but only for their viability and sufficiency to satisfy the identified need.

Finally, the NYISO proposes to revise Section 31.4.6.3 to clarify that the NYISO will consider all of the project information and Developer qualification information submitted by the Developer when determining whether its project is viable and sufficient.

#### **J. Required Timeframe for Satisfying Public Policy Transmission Need**

The NYISO proposes to remove references in Section 31.4 to satisfying a Public Policy Transmission Need “by the need date.”<sup>29</sup> The “need date” tariff language was included in Section 31.4 as part of tariff language that was initially developed for the NYISO’s reliability planning process, where an identified Reliability Need must be satisfied by a certain date to maintain system reliability in New York State. The same timing concerns may not apply to a Public Policy Transmission Need. As revised, Section 31.4 establishes that the NYPSC may include with a Public Policy Transmission Need the required timeframe, if any, for the completion of a project to satisfy the need.<sup>30</sup> The NYISO will then take this timeframe into account, along with any other additional evaluation criteria identified by the NYPSC, when evaluating the proposed solutions.<sup>31</sup>

#### **K. Study Agreement for Selection Process**

Section 31.4.4.4 currently provides that the NYISO will charge, and the Developer will pay, the actual costs of the NYISO’s study work for evaluating the Developer’s transmission project for purposes of possible selection. The tariff also currently states that the Developer will provide a \$10,000 application fee and a \$100,000 study deposit in connection with this evaluation. The NYISO proposes to add in Section 31.4.4.4 that the Developer will enter into a study agreement with the NYISO for purposes of the study work the NYISO will perform for its evaluation of the project for possible selection.<sup>32</sup>

#### **L. Defined Terms**

The NYISO proposes to create two new defined terms in Section 31.1.1 of Attachment Y to standardize the terminology currently used throughout Attachment Y to describe transmission

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<sup>29</sup> OATT, Att. Y, Sections 31.4.6.2, 31.4.6.5.

<sup>30</sup> OATT, Att. Y, Section 31.4.2.1.

<sup>31</sup> OATT, Att. Y Section 31.4.6.3.

<sup>32</sup> The NYISO has developed a form study agreement with stakeholder input. The agreement will be included as an attachment to the NYISO’s Public Policy Transmission Planning Process Manual, a draft of which is under review in the NYISO’s stakeholder review process.

projects and non-transmission or hybrid projects participating in the Public Policy Process. Specifically, the NYISO proposes to insert the following two new defined terms:

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

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

The NYISO proposes to make conforming changes throughout Attachment Y to incorporate these new terms.

#### **M. Additional Proposed Revisions**

The NYISO proposes to make the following additional clean-ups and clarifications:

<b>Tariff Section(s)</b>	<b>Reason for Modification</b>
Section 31.1.1	Revised definition of “Other Developer”: (i) to replace “parties or entities” with the term “Developer,” which is already defined to include “a person or entity” and (ii) to clarify that an “Other Developer” is not a “Transmission Owner.”
Sections 31.1.5, 31.4.1, 31.4.2, 31.4.3.1, 31.4.8.1, 31.4.8.2, 31.4.11, 31.4.11.2	Clarified, using words such as “each” and “any”, that there may be more than one Public Policy Transmission Need in a planning cycle for which the NYISO will solicit and evaluate solutions.
Sections 31.1.5, 31.4.1, 31.4.2	Clarified that the NYISO evaluates proposed solutions, but does not formally evaluate or identify Public Policy Transmission Needs, which is the role of the NYPSC.
Section 31.1.7	Inserted “d/b/a National Grid” after Niagara Mohawk Power Corporation in list of New York Transmission Owners.
Section 31.1.8.1	Removed reference to the Comprehensive System Planning Process Manual, which no longer exists.
Section 31.4.2.1	Replaced “develop” with “maintain” as the NYPSC has now developed its procedures for identifying Public Policy Transmission Needs.
Section 31.4.2.3(ii)	Revised to clarify that the Long Island Power Authority will explain whether a Public Policy Requirement “does or does not” drive the need for transmission within the Long Island Transmission District.
Sections 31.4.2.3(iii) and (v)	Revised to clarify that the NYISO evaluates solutions to identified needs and other non-substantive clean-ups to improve readability.

Section 31.4.3.1	Revised to include cross-reference to project information submission requirements.
Sections 31.4.3.1, 31.4.8, 31.5.5.4, 31.5.6, and 31.5.6.5	Replaced “Transmission Owner or Other Developer” with Developer, which term covers both a Transmission Owner and an Other Developer.
Section 31.4.3.2	Revised Section 31.4.3.2 to remove reference to the New York Department of Public Service (“NYDPS”), as the NYPSC will be the entity identifying Public Policy Transmission Needs.
Sections 31.4.3.3 (previous), 31.4.4.4, 31.4.6.7, and 31.4.9 (new)	Relocated previous Section 31.4.3.3 to Section 31.4.9, which location is consistent with the NYISO’s performance of the provision’s requirements in the selection stage of the Public Policy Process. Revised cross-references in Sections 31.4.4.4 and 31.4.6.7 to account for this component of the NYISO’s evaluation and selection process.
Sections 31.4.4.2 (previous), 31.4.5	Deleted Section 31.4.4.2 and introductory language in Section 31.4.5, as they duplicate existing requirements.
Section 31.4.8.2	Revised to clarify that a Developer of a project that was not selected by the NYISO may be eligible to recover certain project costs if provided for in Section 31.4.3.2 when the NYPSC or Long Island Power Authority directs the Developer to participate in the Public Policy Process, or as otherwise determined by the Commission.
Section 31.4.8.2	Replaced “project proponent” with the defined term “Developer.”
Section 31.4.11	Revised to indicate that the information provided in the Public Policy Transmission Planning Report is subject to the confidentiality requirements in Section 31.4.15.
Section 31.5.1.2	Inserted “Other Public Policy Projects” in the list of projects for which the cost allocation methodologies in Attachment Y do not apply.
Section 31.5.1.6	Revised to clarify that this provision describes state law based cost recovery options for all non-transmission projects, not simply non-transmission reliability projects.
Section 31.5.5.3	Revised to clarify language indicating that the Developer of a selected project will be eligible for cost allocation under the methodology set forth in Section 31.5.5.4, with the exception, described above, for projects for which authorizations are rejected or withdrawn.
General	The NYISO also proposes non-substantive clarifications and ministerial modifications to Attachment Y of the NYISO OATT. For example, the NYISO propose to revise Section 31.1.5 to replace “Public Policy Requirements Planning Process” with the correct defined term “Public Policy Transmission Planning Process.”

**V. Proposed Effective Date**

The NYISO respectfully requests that the Commission accept the proposed tariff revisions for filing with an effective date of August 28, which is 60 days after the date of this filing.

**VI. Requisite Stakeholder Approval**

The tariff revisions proposed in this filing were discussed with stakeholders in numerous working group meetings, at the April 15, 2015, Business Issues Committee meeting, at the April 16, 2015, Operating Committee meeting, and at the April 29, 2015, Management Committee meeting. The tariff revisions were approved by the Management Committee unanimously, with abstentions. On June 16, 2015, the NYISO Board of Directors approved the proposed tariff revisions for filing with the Commission, pursuant to Section 205 of the Federal Power Act.

**VII. Service List**

This filing will be posted on the NYISO's website at [www.nyiso.com](http://www.nyiso.com). In addition, the NYISO will e-mail an electronic link to this filing to each of its customers, to each participant on its stakeholder committees, to the New York Public Service Commission, and to the New Jersey Board of Public Utilities.

**VIII. Conclusion**

WHEREFORE, for the foregoing reasons, the New York Independent System Operator, Inc. respectfully requests that the Commission accept the proposed tariff changes identified in this filing.

Respectfully submitted,

/s/ Carl F. Patka

Carl F. Patka

Assistant General Counsel

New York Independent System Operator, Inc.

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