December 19, 2019

By Electronic Delivery
Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: New York Independent System Operator, Inc., Proposed Tariff Revisions Regarding Interconnection Process Improvements; Docket No. ER20-___-000

Dear Ms. Bose:

In accordance with Section 205 of the Federal Power Act[1] and Part 35 of the regulations of the Federal Energy Regulatory Commission ("Commission"),[2] the New York Independent System Operator, Inc. ("NYISO") respectfully submits proposed revisions to its Open Access Transmission Tariff ("OATT") and its Market Administration and Control Area Services Tariff ("Services Tariff") to further expedite and enhance the efficiency of its interconnection processes and related tariff requirements, particularly the performance of its Class Year Interconnection Facilities Study ("Class Year Study").[3]

The NYISO has a longstanding commitment to work with its stakeholders to identify opportunities to enhance and improve its interconnection processes.[4] Based on its experience in administering its interconnection processes and on stakeholders' and Developers' input, the NYISO developed, and proposes in this filing, further enhancements to its interconnection processes that build off of other recent, successful enhancements and that will further expedite and enhance these processes. These proposed enhancements create additional options and flexibility to accommodate Developers seeking for their projects to be studied for deliverability, while maintaining and creating additional efficiencies in the Class Year Study structure that is favored by the NYISO's stakeholders. Collectively, these revisions will enable the NYISO to expedite the performance of Class Year Studies and to conduct studies for deliverability more often, along with providing additional process enhancements.

[1] *See* 16 U.S.C. § 824d (2017).
[2] 18 C.F.R § 35 *et seq.* (2017).
[3] Capitalized terms not otherwise defined in this letter have the meaning set forth in the NYISO's OATT and Services Tariff.
[4] *See, e.g., New York Indep. Sys. Operator, Inc.*, Interconnection Process Improvements, Docket No. ER18-80-000 (October 16, 2017); *New York Indep. Sys. Operator, Inc.*, Proposed Tariff Revisions Regarding Interconnection Process Improvements, Docket No. ER16-1627-000 (May 5, 2016); *New York Indep. Sys. Operator, Inc.*, Proposed Tariff Revisions Regarding Interconnection Process Improvements, Docket No. ER13-588-000 (December 19, 2012).

In particular, the proposed revisions will enhance the NYISO's processes for evaluating a project's deliverability by advancing elements of the deliverability analysis earlier in the interconnection process, creating additional opportunities and flexibility for the evaluation of a project's deliverability outside of the Class Year Study, and addressing process elements that have resulted in delays due to issues applicable to only a single or a few projects. In addition, the NYISO proposes various conforming revisions to the buyer-side mitigation rules ("BSM Rules") for the NYISO-administered capacity market that are closely integrated with the revised interconnection procedures. The proposed revisions also clarify and revise the requirements for the maintenance and expiration of a facility's Capacity Resource Interconnection Service ("CRIS") to address facilities retaining but not using CRIS for extended periods of time to prevent facilities from retaining CRIS without using it for extended periods of time. Finally, the proposed revisions will enhance the efficiency of the NYISO's interconnection processes by eliminating duplicative or unnecessary analysis in interconnection studies, amending the timing and process for enrolling in a Class Year, revising and clarifying the requirements for satisfying a regulatory milestone as part of this enrollment, and making additional process enhancements and clean-ups. The revisions are described in detail in Part IV of this letter.

The proposed tariff revisions modify the interconnection procedures set forth in Attachment S to the OATT (Rules to Allocate Responsibility for the Cost of New Interconnection Facilities), Attachment X to the OATT (Standard Large Facility Interconnection Procedures or "LFIP"), and Attachment Z to the OATT (Small Generator Interconnection Procedures or "SGIP"), along with related tariff provisions. The NYISO is also making changes to the BSM Rules, which are set forth in Section 23, Attachment H of the Services Tariff, so that they will continue to accurately and clearly describe the NYISO's mitigation procedures in light of the proposed changes to the NYISO interconnection process. In addition to these conforming changes the NYISO is also proposing certain clarifying and organizational adjustments to the BSM Rules that are ministerial in nature. No substantive changes are being proposed to the BSM Rules at this time. The improvements proposed in this filing, however, should help to ameliorate concerns[5] that interconnection process schedule may result in delayed determinations under the BSM Rules and delays that could unnecessarily impact small projects.

As discussed herein, all of the proposed revisions presented in this filing are just and reasonable both on their individual merits and as a cohesive package. Further, the revisions would advance the policies set forth in Orders Nos. 2003 and 2006[6] and related orders.[7] The

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[5] *See, e.g., Complaint on Behalf of the New York State Public Service Commission and the New York State Energy Research and Development Authority and Request for Fast Track Processing,* Docket No. EL19-86-000 (July 29, 2019) (claiming that the combination of interconnection process delays and the BSM Rules discourages entry.)

[6] *Standardization of Generator Interconnection Agreements and Procedures,* Order No. 2003, FERC Stats. & Regs. 31,146 (2003), *order on reh'g*, Order No. 2003-A, FERC Stats. & Regs. 31,160 (2004), *order on reh'g*, Order No. 2003-B, FERC Stats.& Regs. 31,171 (2004), *order on reh'g*, Order No. 2003-C, FERC Stats. & Regs. 131,190 (2005), *affirmed sub nom. Nat'l Ass'n of Regulatory Util. Com'rs v. FERC*, 475 F.3d 1277 (D.C. Cir. 2007) ("Order No. 2003"); *Standardization of Small Generator Interconnection Agreements and Procedures*, Order No. 2006, 70 Fed. Reg. 34190 (June 13, 2005), 111 FERC ¶ 61,220 (2005), *order on reh'g*, Order No. 2006-A, 113 FERC ¶ 61,195, 70 Fed. Reg. 71760 (Nov. 30, 2005) ("Order No. 2006").

[7] *See, e.g.*, *Reactive Power Requirements for Non-Synchronous Generation*, Order No. 827, FERC Stats. & Regs. ¶ 31,385, 155 FERC ¶ 61,277 (2016); *Essential Reliability Services and the Evolving Bulk-Power System –*

tariff revisions were developed to address particular areas for improvement identified by stakeholders and developers and carefully balance the interests of different stakeholder sectors, along with Developers. The tariff revisions were approved by the NYISO's stakeholder Management Committee and its Board of Directors. Accordingly, all of the NYISO's proposed tariff revisions should be accepted without modification or condition. However, if the Commission were to decline to accept any part of this filing, it should nevertheless accept the remaining parts rather than rejecting the filing as a whole.

The NYISO respectfully requests that the proposed tariff revisions become effective the day immediately following the end of the statutory sixty-day notice period under Section 205 of the Federal Power Act (*i.e.*, February 18, 2020).

I. DOCUMENTS SUBMITTED

The NYISO submits the following documents with this filing letter:

- Figure regarding "Overview of Additional SDU Studies in Relation to the Class Year Study" (Attachment I);
- Figure regarding "Illustrative Interaction Between the Class Year Study and Expedited Deliverability Study" (Attachment II);
- Figure regarding "Comparison of Current Class Year Enrollment Process and Proposed Revisions" (Attachment III);
- A clean version of the proposed revisions to the OATT (Attachment IV);
- A blacklined version of the proposed revisions to the OATT (Attachment V);
- A clean version of the proposed revisions to the Services Tariff (Attachment VI);
- A blacklined version of the proposed revisions to the Services Tariff (Attachment VII);
- A clean version of the proposed revisions to Section 23.4.5 of the Services Tariff made to a comprehensive version of the Section that includes all proposed revisions currently pending before the Commission, which is being provided for informational purposes (Attachment VIII); and
- A blacklined version of the proposed revisions to Section 23.4.5 of the Service Tariff made to a comprehensive version of the Section that includes all proposed revisions

Primary Frequency Response, Order No. 842, 83 Fed. Reg. 9,636 (Mar. 6, 2018), 162 FERC ¶ 61,128, *order on clarification and reh'g*, 164 FERC ¶ 61,135 (2018); *Reform of Generator Interconnection Procedures and Agreements*, Order No. 845, 83 Fed. Reg. 21342 (May 9, 2018), 163 FERC ¶ 61,043 (2018) ("Order No. 845"), *order on clarification and reh'g*, Order No. 845-A, 166 FERC ¶ 61,137 (2019) ("Order No. 845-A").

currently pending before the Commission, which is being provided for informational purposes (Attachment IX).

II. COMMUNICATIONS AND CORRESPONDENCE[8]

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III. BACKGROUND

A. NYISO Interconnection Processes

i. General Outline of NYISO's Interconnection Processes

Attachments S, X, and Z to the OATT establish the rights and obligations of all parties concerning the NYISO's interconnection processes related to the interconnection or modification

[8] The NYISO respectfully requests waiver of 18 C.F.R. § 385.203(b)(3) (2014) to permit service on counsel in multiple locations.

of Large Facilities[9] and Small Generating Facilities, including the rights and obligations of the project's Developer,[10] the Transmission Owner, and the NYISO.

A Developer that seeks to interconnect its Large Facility or Small Generating Facility to the New York State Transmission System or Distribution System must obtain Energy Resource Interconnection Service ("ERIS").[11] The Interconnection Studies in the LFIP and SGIP identify and allocate the costs of any Attachment Facilities and System Upgrade Facilities ("SUFs") required to reliably interconnect the Developer's proposed project to the New York State Transmission System or Distribution System. In addition, if a Developer wants its Large Facility or Small Generating Facility to qualify as an Installed Capacity Supplier and to participate in the NYISO-administered Installed Capacity market, the Developer must also obtain CRIS.[12] In such case, the NYISO will, with limited exception, study the deliverability of the proposed project in a Class Year Study and identify and allocate the costs of any System Deliverability Upgrades ("SDUs") required for the proposed project to meet deliverability requirements.

Attachment X contains the procedures for processing the interconnection or modification of Large Facilities. Large Facilities include both Large Generating Facilities (*i.e.*, generating facilities greater than 20 MW) and Class Year Transmission Projects (*i.e.*, transmission projects that are eligible for and request CRIS).[13] Attachment X provides for potentially three successive Interconnection Studies of each proposed project. These studies analyze proposed projects in varying levels of detail. First is the Optional Interconnection Feasibility Study, which is a high-level evaluation of the project's configuration and local system impacts.[14] The second study is the Interconnection System Reliability Impact Study ("SRIS"), which is a detailed single-project study that evaluates the project's impact on transfer capability and system reliability.[15] The final study in the LFIP is the Class Year Study, which is further described below.[16]

Attachment Z contains the procedures for processing the interconnection or modification of Small Generating Facilities (*i.e.*, generating facilities 20 MW or smaller). Like the LFIP, the

[9] With the exception of Class Year Transmission Projects and transmission facilities proposed by a Transmission Owner as part of its local transmission plan, the interconnection of transmission facilities are addressed through the NYISO's separate Transmission Interconnection Procedures located in Attachment P to the OATT.

[10] The term "Developer" is a tariff-defined term referring to a project developer for a Large Facility versus a Small Generating Facility, which uses the term "Interconnection Customer." For ease of reference, the filing letter uses the term "Developer" to refer to both project developers of Large Facility projects and Small Generating Facility projects.

[11] ERIS is basic interconnection service that allows a Developer to interconnect its generating facility to the New York State Transmission System or Distribution System in accordance with the NYISO Minimum Interconnection Standard to enable the New York State Transmission System or Distribution System to receive electric energy from the facility.

[12] CRIS is interconnection service that allows a Developer to interconnect its generating facility to the New York State Transmission System or Distribution System in accordance with the NYISO Deliverability Interconnection Standard, which allows participation in the NYISO's Installed Capacity market to the extent of the facility's deliverable capacity.

[13] OATT Section 30.1 (definition of Large Facility).

[14] OATT Section 30.6.

[15] OATT Section 30.7.

[16] OATT Section 30.8.

SGIP in Attachment Z provides for potentially three successive Interconnection Studies of each proposed project of varying levels of detail: an optional feasibility study,[17] a system impact study,[18] and a facilities study or participation in a Class Year Study.[19] The facilities study determines the binding cost estimates and allocates the costs of Local SUFs.

ii. Class Year Study Requirements

The Class Year Study process is unique to the NYISO's interconnection processes. The Class Year Study evaluates the cumulative impact of a group of projects—a "Class Year" of projects.[20] All Large Facilities studied under the LFIP are required to participate in the Class Year Study. Certain Small Generating Facilities studied under the SGIP are also required to participate in the Class Year Study,[21] and Small Generating Facilities requesting CRIS of greater than 2 MW must participate in the deliverability elements of the Class Year Study to obtain CRIS.[22] The Class Year Study procedures are primarily contained in Attachment S,[23] which sets forth the eligibility requirements for Class Year entry, establishes the Class Year Start Date and schedule, describes the obligations of Class Year Projects once they enter a Class Year Study,[24] and details the scope and the cost allocation methodology for the interconnection of new generation facilities and Class Year Transmission Facilities.

A Class Year is comprised of projects that have met specified Class Year Study eligibility requirements by the time the study begins. The hallmark of the Class Year Study process is that it is performed for a group of projects that have achieved similar interconnection milestones to determine the cumulative impact of such projects in order to equitably allocate upgrade costs and generate detailed cost estimates that provide reasonable accuracy on upgrade costs. The Class

[17] OATT Section 32.3.3.

[18] OATT Section 32.3.4.

[19] OATT Section 32.3.5.

[20] The Class Year Study is divided into two parts. The first part of the study ("Part 1 Facilities Study") is a design and engineering study performed for an individual Class Year Project that identifies the Connecting Transmission Owner's Attachment Facilities, the Local System Upgrade Facilities ("Local SUF"), and related metering, protection, and telecommunications facilities required to reliably interconnect the project. The second part of the study—the Class Year Study—is a combined study of the projects participating in the Class Year to identify the remainder of the SUFs required to reliably interconnect the aggregate of projects in the Class Year Study.

[21] As described in Section 32.3.5.3 of Attachment Z, if any Interconnection Study determines that a Small Generating Facility requires a non-Local SUF to interconnect, then that Small Generating Facility is required to enter in the next Class Year Study, and cost responsibility is allocated to the Small Generating Facility in accordance with the procedures and methodologies in Attachment S. *See also* NYISO Transmission Interconnection and Expansion Manual (Issued: August 2, 2019) at Section 3.4.4.

[22] A Developer of a generating facility that is requesting 2 MW or less of CRIS may obtain this amount without being evaluated for deliverability under the NYISO Deliverability Interconnection Standard. *See* OATT, Sections 25.3.1, 32.1.1.7. If a Developer requests greater than 2 MW of CRIS, its proposed generating facility must be evaluated for deliverability as part of a Class Year Study for a Class Year of projects. *See* OATT Sections 25.3.1, 32.1.1.7.

[23] Attachment X details the obligations related to execution of a Class Year Study Agreement and provides a high-level scope of the Class Year Study and Class Year Study procedures, but it incorporates by reference the terms of Attachment S, which provide more detailed Class Year Study procedures.

[24] Attachment X also details Developers' obligations related to the execution of the Class Year Study Agreement and Class Year Study procedures, generally.

Year Study identifies and allocates the costs of the SUFs needed to reliably interconnect all of the projects in a Class Year.

As part of the Class Year Study, the NYISO also performs a Class Year Deliverability Study to determine whether any Class Year Projects that request CRIS are deliverable and to identify and allocate the costs of any SDUs required to make these projects deliverable. If a new SDU is identified (*i.e.*, a SDU not previously identified and cost allocated in a Class Year Study and not substantially similar to one previously identified and cost allocated in a Class Year Study), the NYISO will perform an additional SDU study for the study of and development of cost estimates of the SDU.

Attachment S also provides for a decision and settlement process toward the completion of the Class Year Study during which the Developers of Class Year Projects accept or reject their Project Cost Allocations (*i.e.*, the costs allocated to a Class Year Project for SUFs and/or SDUs, as applicable) and satisfy their Security and Headroom obligations. The process may go through several decision and settlement rounds until all remaining Developers accept their Project Cost Allocations.

If the NYISO identified new SDUs in its Class Year Deliverability Study for which an additional SDU study is required, the Class Year Study is bifurcated into two separate decision and settlement phases. This creates an exit ramp from the Class Year Study that allows projects to elect to complete the Class Year Study prior to the completion of the additional SDU studies. Developers of projects requiring additional SDU studies may elect to complete the Class Year early (without having additional SDUs identified that would make the project fully deliverable, limiting their ability to sell capacity) or to remain in the Class Year for additional SDU studies. The Developers of all other Class Year Projects may either complete the Class Year early (allowing them to proceed to commercial operation with both energy and, potentially, capacity rights) or remain in the Class Year until the completion of the additional SDU studies.

The Class Year will be completed when all remaining Developers have accepted their Project Cost Allocation and posted the related Security in the decision and settlement phase of the Class Year or, if there was a bifurcated study, in the decision and settlement phase of the bifurcated study. The NYISO will then commence the next Class Year process thirty days after the first Business Day following the completion of the prior Class Year.[25]

iii. Coordination of BSM Rules with Class Year Study

In addition to the Class Year Study process to determine project cost allocation for SUFs and SDUs, the NYISO is directed by Section 23.4.5 of Attachment H to the Services Tariff to coordinate its determinations under the BSM Rules with the Class Year Study. Section 23.4.5.7 of the Services Tariff requires the NYISO to conduct the appropriate analysis to determine the Offer Floors for the projects seeking to become Installed Capacity Suppliers in Mitigated Capacity Zones ("Examined Facilities") currently within the Class Year Study process. Upon the completion of the Class Year Studies the NYISO issues its Offer Floor determinations for

[25] *See* OATT Section 25.5.9.

each Examined Facility or otherwise finds that the Examined Facility qualifies for an exemption from mitigation. Currently, the NYISO must conduct its analysis and provide its determination to Examined Facilities during each of the decision and settlement rounds that are conducted at the end of both phases of a bifurcated Class Year Study. The NYISO conducts these determinations for Examined Facilities that are in the Class Year Deliverability Studies.

B. NYISO's Stakeholder Process to Review and Improve Interconnection Processes

The NYISO works with its stakeholders on an ongoing basis to review its interconnection processes and to identify and implement process enhancements. In recent years, the NYISO has adopted a number of comprehensive revisions to its interconnection processes driven by both stakeholder and Developer input and the NYISO's experience in administering these processes.[26] These revisions were the result of the NYISO's active engagement with its stakeholders and Developers in identifying process elements that could benefit from further improvement. The revisions have resulted in significant improvements in the performance of the NYISO's interconnection processes and the NYISO's coordination with Developers, Transmission Owners, and other process participants. Most recently, the NYISO conducted a comprehensive improvement effort in 2017 through which the NYISO enhanced numerous aspects of the interconnection process, involving revisions to over thirty tariff sections.[27]

Beginning in early 2019, the NYISO began an initiative with its stakeholders with a particular focus on the performance of previous Class Year Studies for purposes of identifying potential areas for improvement that build on prior comprehensive revisions.[28] Overall, stakeholders and the NYISO recognized the numerous benefits of the Class Year structure, but identified key areas that would benefit from additional enhancements, including the need to expedite the interconnection study processes and to facilitate the start of new Class Years more often by limiting the potential for delays in the process that can result from unique issues related to a single or a few projects. Such delays were largely the result of evaluating the deliverability of a small subset of projects. The NYISO and stakeholders also observed a growing need for an expedited process for evaluating deliverability (and administering the associated BSM Rules) for those project just seeking CRIS. This need has arisen in part due to an increase in the number of small, distributed resources seeking to participate in the NYISO-administered markets. In response to this stakeholder feedback, the NYISO proposed a number of process improvements for their consideration.

The NYISO and its stakeholders then developed in joint working group meetings improvements to its tariffs and procedures, including revisions to the interconnection

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[26] *See supra* note 4.

[27] *See generally, New York Indep. Sys. Operator, Inc.*, Interconnection Process Improvements, Docket No. ER18-80-000 (October 16, 2017).

[28] The NYISO brought an initial presentation to commence discussions on lessons learned and potential process improvements to the March 6, 2019, Transmission Planning Advisory Subcommittee. The NYISO subsequently provided presentations to stakeholders that summarized their input, and the NYISO's proposed process improvements based on that input.

requirements in Attachments S, X, and Z to the OATT and related tariff provisions.[29] The same stakeholder process reviewed and approved the proposed tariff revisions to maintain the close integration of the BSM Rules and the interconnection process (especially in light of the separate decision and settlement phases of each separate study that evaluates the deliverability of projects). The proposed tariff revisions are discussed in detail in Part IV below.

C. Modifications to *Pro Forma* Interconnection Procedures

A number of the NYISO's proposed revisions to Attachments S, X, and Z would modify tariff language that the Commission adopted in Order Nos. 2003 and 2006 or their successors as part of the *pro forma* interconnection procedures. The Commission has accepted other modifications and improvements to the NYISO interconnection procedures,[30] recognizing that where changes to *pro forma* interconnection procedures "are clarifying and/or ministerial in nature and/or NYISO has supplied sufficient justification," such modifications are acceptable under the "independent entity variation" standard.[31] The Commission has explained that under this standard, "the Commission will review the proposed variations to ensure they do not provide an unwarranted opportunity for undue discrimination or produce an interconnection process that is unjust and unreasonable."[32]

The revisions to Attachments S, X, and Z that are proposed herein are fully justified under the Commission's "independent entity variation" standard. The proposed revisions are just and reasonable and do not provide for unwarranted opportunities for undue discrimination. In addition, the proposed revisions have been approved by the NYISO's stakeholders after an extensive and open process. They were the product of discussions with stakeholders in the NYISO's governance process over a period of eight months beginning in March 2019. These proposed changes to the NYISO's tariffs were approved by the Business Issues Committee on November 6, 2019 with one abstention, by a unanimous vote of the Operating Committee on November 8, 2019, and by a unanimous vote of the Management Committee on November 20, 2019. The NYISO's Board of Directors also approved the filing of these proposed changes at its December meeting. As discussed in detail in Part IV below, the tariff revisions are intended to improve upon and clarify the NYISO's current interconnection process. In addition, the proposed tariff revisions enhance, revise, and clarify the meaning of tariff provisions that have proven to be ambiguous or unduly difficult to implement in the NYISO's experience. The NYISO and its stakeholders believe that the proposed tariff modifications can provide considerable improvements to the existing process.

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[29] Meetings to review and discuss these interconnection process improvements took place in the following working groups and advisory subcommittees of the stakeholder Business Issues Committee and Operating Committee: the Transmission Planning Advisory Subcommittee, the Installed Capacity Working Group, the Market Issues Working Group, and the Electric System Planning Working Group.

[30] *See, e.g.*, *New York Indep. Sys. Operator, Inc.*, 135 FERC ¶ 51,014 (2011); *New York Indep. Sys. Operator, Inc.*, 124 FERC ¶ 61,238 (2008).

[31] *New York Indep. Sys. Operator, Inc.*, 124 FERC ¶ 61,238 at PP 17–18 (2008).

[32] *See id.* at P 18.

IV. DESCRIPTION OF PROPOSED TARIFF REVISIONS

In response to comments provided by stakeholders concerning the interconnection process, particularly with respect to the duration of the Class Year Study and the ability to start new Class Years more often, the NYISO took the opportunity to engage its stakeholders in identifying and potentially implementing additional improvements its interconnection processes. This initiative was intended to complement and bolster previous comprehensive improvement efforts. Through this re-design initiative, the NYISO seeks to enhance and expedite the interconnection study process overall, particularly the Class Year Study and evaluation of deliverability. The revisions generally fall into two categories.

The first category of proposed revisions focus on re-designing the process for evaluating a project's deliverability by providing Developers with more frequent opportunities and flexibility for their projects to be evaluated for deliverability outside of the Class Year process; increasing administrative efficiencies largely related to the Class Year Study; and updating and enhancing the process for retaining CRIS. As described in Part IV.A below, the NYISO proposes to require the performance of a deliverability evaluation earlier in the process during a project's SRIS for Large Facilities that request CRIS. This evaluation will provide information concerning a project's deliverability and required SDUs, which information will then be used and refined in the Class Year Study.

In addition, as described in Part IV.B, the NYISO proposes to replace its existing bifurcated study process, which sought to limit the number of projects that needed to remain in the Class Year Study for the deliverability evaluation, with an approach that would perform additional studies for projects requiring new SDUs outside of the Class Year Process. The new Additional SDU Study process will enable a Developer or subset of Developers that require a new SDU in order for its project to be fully deliverable to have the SDU determined and cost allocated in a separate study without delaying the completion of the Class Year Study for all other Developers and the commencement of a subsequent Class Year. As described in Part IV.C, the NYISO also proposes to establish a new Expedited Deliverability Study process by which Developers that are only seeking CRIS for their projects may be studied without having to participate in a Class Year to obtain CRIS for deliverable MWs that do not require an SDU. This new process will provide Developers with more frequent opportunities and flexibility to obtain CRIS by not requiring their projects' participation in a Class Year.

The proposed revisions described above will both individually and collectively provide opportunities to expedite the Class Year Study process, provide for the commencement of more frequent Class Years, and provide Developers with additional flexibility within the NYISO's interconnection processes. Moreover, as detailed in Part IV.D, the NYISO proposes conforming revisions to its existing BSM Rule to reflect the revisions in the interconnection processes, including the introduction of Additional SDU Studies and Expedited Deliverability Studies. Additionally, as detailed in Part IV.E, the proposed revisions also clarify and revise the requirements for the maintenance and expiration of a facility's CRIS to address facilities retaining but not using CRIS for extended periods of time.

The second category of proposed revisions concern revisions to streamline and further increase the efficiency of the Class Year Study process by improving or reducing administrative requirements. As described in Part IV.F, the NYISO proposes to revise the scope of its analysis under the SRIS and Class Year Study to eliminate duplicative or unnecessary analysis. In addition, as described in Part IV.G, the NYISO proposes revisions to amend the timing and process for enrolling in a Class Year to minimize delays at the start of the Class Year Study. As described in Part IV.H, the NYISO also proposes to clarify the regulatory milestones that a Developer must satisfy in the interconnection process to account for certain project types (*e.g.*, offshore wind generation projects) and to introduce additional alternatives that a Developer can satisfy in lieu of the regulatory milestone for purposes of entering a Class Year Study. Finally, as described in Parts IV.I through IV.K, the NYISO proposes several additional revisions and clean-ups, including, among other things, revising the treatment of refunded deposits to interest actually earned on the deposit, revising the definition of the transmission projects that are subject to the LFIP, and other minor process enhancements and clean-ups.

The following table lists each of these proposals, with the corresponding Part and page number at which they are described in this filing letter.

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A. Require Deliverability Evaluation in the System Impact Reliability Study

i. Background

As described in Part III.A.i above, Attachment X provides for potentially three successive Interconnection Studies for a Large Facility—an Optional Interconnection Feasibility Study, an SRIS, and a Class Year Study. The SRIS is conducted early in the interconnection study process. Its purposes is to evaluate the Large Facility's impact on transfer capability and system reliability of the New York State Transmission System and, if applicable, an Affected System, to preliminarily determine what upgrades may be required under the NYISO Minimum Interconnection Standard.

A Developer may also currently request, at its option and expense, a preliminary deliverability evaluation of the Large Facility under the NYISO Deliverability Interconnection Standard as part of the SRIS.[33] The Developer must provide an additional $30,000 deposit for this evaluation.[34] The preliminary deliverability evaluation will state the assumptions upon which it is based, state the results of the preliminary deliverability analyses, identify potential SDUs at a high level, and provide preliminary SDU cost estimates, which may be based on generic information.[35] The results of this preliminary deliverability evaluation are neither binding nor final, but the information and analyses serve as a groundwork that will be updated and refined in the Class Year Study.

ii. Revisions to Require Deliverability Evaluation in SRIS

The NYISO proposes to revise the SRIS requirements to make it a requirement, rather than an option, to perform a deliverability evaluation in the SRIS in cases in which a Developer of a Large Facility requests CRIS.[36] A Large Facility for which the NYISO does not require a deliverability evaluation may, at its option, request that a deliverability evaluation of the Large Facility be performed in the SRIS for informational purposes.[37] If the need for any SDU is identified as part of the deliverability evaluation in the SRIS, the SRIS will identify potential SDUs at a high level and provide preliminary SDU cost estimates. In addition, the NYISO proposes to revise its SRIS and Class Year Study requirements to detail how any high-level SDU designs and cost estimates developed in the deliverability evaluation in the SRIS will be used in the Class Year process.

The NYISO's proposed tariff revisions will provide opportunities to shorten the overall duration of the interconnection process, by performing certain deliverability work as part of the SRIS, rather than waiting to start the analysis in the Class Year Study. The deliverability evaluations that are performed in the SRIS will provide Developers with deliverability information earlier in the interconnection process that will be used and refined in the Class Year Study. In addition, the information developed in the SRIS will enable Developers to consider changes to their projects that could make their projects more deliverable before proceeding into the Class Year Study.[38] The NYISO does not anticipate that the proposed revisions will significantly extend the duration of the SRIS, as the NYISO is also proposing to narrow the scope of other analysis currently performed in the SRIS, as described in Part IV.F below. Accordingly, as described below, the NYISO is only proposing to extend the time frame within which to perform the SRIS by thirty days when a deliverability evaluation is performed and anticipates an overall shortening of the duration of the interconnection process. A detailed description of the specific tariff amendments necessary to implement the deliverability evaluation in the SRIS is set forth below.

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[33] OATT Sections 30.7.3.

[34] OATT Sections 30.7.2.1, 30.7.3.

[35] OATT Section 30.7.3.

[36] Proposed revisions to OATT Section 30.7.3; proposed OATT Section 30.7.3.2.

[37] Proposed OATT Section 30.7.3.2.

[38] Proposed changes to a project after the completion of the SRIS will still be subject to the modification provisions contained in Section 30.4.4 of the OATT.

iii. Proposed Tariff Modifications

The NYISO proposes to revise the scope of the SRIS to require that the NYISO perform a deliverability evaluation as part of the SRIS under the NYISO Deliverability Interconnection Standard if either: (i) the Developer of a Large Facility has requested CRIS, or (ii) at the Developer's request.[39] This deliverability evaluation will be a preliminary, non-binding evaluation of deliverability.[40] It will state the assumptions upon which it is based and state the results of the preliminary analysis.[41] If the evaluation determines that a Large Facility is not deliverable for its full amount of requested CRIS, the NYISO will identify, at a high level, the potential conceptual SDUs to make the facility fully deliverable for the amount of its requested CRIS and provide preliminary non-binding cost estimates for the SDUs.[42] The NYISO will perform the deliverability evaluation in accordance with the deliverability requirements currently used for the Class Year Study as set forth in Attachment S to the OATT. However, the NYISO will evaluate the Large Facility on an individual basis rather than together with other proposed projects.[43]

In performing the subsequent Class Year Study, including the Class Year Deliverability Study component of that study, the NYISO will continue its current practice of using existing studies to the extent practicable, including any deliverability analysis performed in the SRIS.[44] Any potential SDUs identified in the deliverability evaluation in the SRIS will be refined in the Class Year Study prior to the NYISO's performance of the Class Year Deliverability Study.[45] The SDUs will be subsequently revised, as necessary, based on the results of the Class Year Deliverability Study, which may alleviate the need for or require alternative SDUs.[46]

The Developer will be responsible for the additional study costs related to the deliverability evaluation as part of the SRIS.[47] These study costs are reasonable as the performance of this deliverability evaluation in the SRIS will offset work and related costs in the Class Year Study and will also expedite the performance of the Class Year Study. The NYISO

[39] Proposed revisions to OATT Section 30.7.3; proposed OATT Section 30.7.3.2. As part of the proposed revisions, the NYISO proposes to separate out the SRIS requirements for evaluating the project for ERIS under the NYISO Minimum Interconnection Standard in new Section 30.7.3.1 of the OATT and for deliverability under the NYISO Deliverability Interconnection Standard in new Section 30.7.3.2 of the OATT. In addition, the NYISO proposes to make conforming changes concerning this study work to the terms and conditions applicable to the study agreement for the SRIS. Proposed OATT Section 30.14, Attachment A to Appendix 1 (Terms and Conditions of Interconnection Study(ies)), Section 6.0.

[40] Proposed OATT Section 30.7.3.2.

[41] Proposed OATT Section 30.7.3.2.

[42] Proposed OATT Section 30.7.3.2. Consistent with the current requirements, the identification and cost estimates of potential SDUs may be based on generic information.

[43] Proposed OATT Section 30.7.3.2. However, consistent with the NYISO's current practices, a Developer may request for informational purposes and at its cost certain non-binding sensitivities to study relevant assumptions of future system conditions.

[44] Proposed revisions to OATT Sections 25.7.7.1, 30.8.3.

[45] Proposed OATT Sections 30.7.3.2; proposed revisions to OATT Section 30.8.2. If the deliverability evaluation in the SRIS identified alternative potential SDUs, the Developer may elect which SDUs to be evaluated in the Class Year Study. *Id.*

[46] Proposed OATT Sections 30.7.3.2; proposed revisions to OATT Section 30.8.2.

[47] Proposed OATT Sections 30.7.3.2 and 30.14, Attachment A to Appendix 1.

also proposes to remove the existing requirement that the Developer provide an additional $30,000 deposit for the costs of the optional deliverability evaluation in the SRIS.[48] The additional deposit is no longer required as the scope of the other analyses performed in the SRIS is being narrowed as described in Part IV.F below.

If the NYISO is required to perform a deliverability evaluation in the SRIS, it will use Reasonable Efforts to complete the SRIS within 120 days, instead of 90 days for other projects.[49] While the NYISO proposes to extend the SRIS by thirty days, it anticipates that the performance of this preliminary deliverability evaluation in the SRIS will expedite the overall interconnection study process by advancing study work that would have been previously performed in the Class Year Study and building on such results in the Class Year Study.

A Developer that has not requested CRIS will be exempt from the requirement that a deliverability evaluation be performed in the SRIS. The Developer, however, will not be able to request CRIS in the Class Year Study greater than the CRIS amount evaluated in the SRIS. A revision to the Developer's project that requests CRIS or an increase of CRIS that was not evaluated in the SRIS shall constitute a material modification to its project.[50]

iv. Transition Rule

The NYISO's stakeholder Operating Committee is responsible for approving the specific study scope for each SRIS.[51] The SRIS scope will include any required deliverability evaluation.[52] The revised SRIS deliverability requirements will apply to all proposed Large Facilities that have not had an SRIS scope approved by the Operating Committee within thirty days after the effective date of the tariff revisions described in this Part IV.A. This limited thirty-day transition period ensures that those projects that have already finalized their SRIS scopes and are awaiting review by the Transmission Planning Advisory Subcommittee and approval by the Operating Committee are not required to re-open their study scopes, which would delay their progress in the interconnection process. In all other cases, the SRIS scope for the Large Facility will be revised to include any required deliverability evaluation under the new tariff requirements. The NYISO presented these transition requirements as a part of multiple stakeholder presentations, and has been advising Developers that are in the process of preparing the SRIS scope of the proposed tariff revisions and when they are intended to go into effect [53]

[48] Proposed revisions to OATT Sections 30.7.2.1, 30.7.3, 30.7.3.2.
[49] Proposed revisions to OATT Section 30.7.4.
[50] Proposed revisions to OATT Section 30.4.4.3.
[51] OATT Section 30.7.3.
[52] Proposed OATT Section 30.7.3.2.
[53] The NYISO has been encouraging Developers that are preparing their SRIS scopes and seeking CRIS to proactively elect to perform a deliverability evaluation in the SRIS.

B. Removal of Additional SDU Studies from the Rest of the Class Year Study

i. Background

As part of its Class Year Study process, the NYISO is currently required to perform additional studies of SDUs identified in the study that were not previously identified and cost allocated in a Class Year Study and are not substantially similar to an SDU that was previously identified and cost allocated in a Class Year Study.[54] The OATT provides for the NYISO to use Reasonable Efforts to perform the additional SDU study within an additional six-month period.[55]

As described in Part III.A.ii above, a Developer of a project participating in the Class Year Study is required to accept in the decision and settlement phase of the study the Project Cost Allocation and provide related Security for any SUFs identified in the study to obtain ERIS and to interconnect its project.[56] In addition, if the Developer wants to obtain CRIS, it must accept in the decision and settlement phase of the Class Year Study the Project Cost Allocation and provide Security for any required SDUs identified in the Class Year Deliverability Study.[57] A Developer that elects not to accept its responsibility for any SDUs may proceed with its project, but it will not obtain CRIS for the amount of MWs that are not deliverable without the SDU.

Starting with its Class Year 2017, the NYISO uses a bifurcated Class Year process to implement the performance of additional SDU studies. If the NYISO identifies new SDUs in its Class Year Deliverability Study that require additional study, the Class Year Study is bifurcated into two separate decision and settlement phases, which creates an exit ramp from the Class Year Study that allow Developers to elect for their projects to complete the Class Year Study without having to wait for the completion of the additional SDU studies.[58] In the event of a bifurcated study, the Class Year cannot be completed (and the subsequent Class Year started) until the end of the decision and settlement phase of the results of the additional SDU study (*i.e.*, completion of the final round of the decision and settlement phase, by which all remaining Developers have accepted their Project Cost Allocation and posted related Security).

The NYISO created this bifurcated process to expedite the Class Year Study process for Developers that previously could not complete the process until the additional SDUs required for only a subset of projects was completed. While the new rules accelerated the Class Year Study by allowing the majority of the projects to complete earlier at the bifurcation point, the rules, in

[54] OATT Section 25.5.9.
[55] OATT Section 25.5.9.
[56] OATT Sections 25.8.2–25.8.4.
[57] OATT Sections 25.8.2–25.8.4.
[58] OATT Section 25.5.10. As described in Part III.A.ii above, the bifurcated Class Year provides Developers of Class Year Projects with several options. Developers of projects requiring additional SDU studies may elect to complete the Class Year early (without having additional SDUs identified that would make the project fully deliverable, limiting their ability to sell capacity) or to remain in the Class Year for additional SDU studies. The Developers of all other Class Year Projects may either complete the Class Year early (allowing them to proceed to commercial operation with both energy and, potentially, capacity rights) or remain in the Class Year until the completion of the additional SDU studies.

practice, did not expedite the commencement of the next Class Year due to the need to complete the additional SDU studies. For Class Year 2017, the delay associated with the completion of the additional SDU study component of the bifurcated study was over twelve months and was due to additional SDU studies associated with only a few projects. As a result, there were numerous projects that wished to enter a Class Year, but had to wait for the conclusion of the additional SDU studies. Accordingly, the NYISO identified an opportunity to further improve its process and worked with its stakeholders to develop an alternative approach for performing the additional SDU studies that does not create unnecessary delays for Developers with projects that do not require the additional studies to complete the Class Year Study and enables the NYISO to conduct more frequent Class Year Studies.

ii. Proposed Revisions to Additional SDU Study Requirements

The NYISO proposes to revise the Class Year Study requirements to perform additional SDU studies outside of the Class Year process. Under this approach, if a Developer's project requires a new SDU that necessitates an additional SDU study, the Developer may elect to proceed with the cost allocation of that SDU in studies performed outside of the Class Year process.[59] The path for the Developer to then complete a Class Year Study process and accept its SUFs and SDUs will depend on when the additional SDU study is completed. The Developers of all other Class Year Projects may proceed to the decision and settlement phase for the ongoing Class Year and, following the conclusion of that Class Year, the subsequent Class Year will commence, regardless of whether there are any ongoing additional SDU studies. A detailed description of the NYISO's proposed approach is set forth below.

The NYISO's revised approach for the performance of additional SDU studies will replace the current bifurcated study approach.[60] The NYISO expects that this approach will shorten the duration of Class Year Studies and will also expedite the commencement of subsequent Class Year Studies, which will enable the NYISO to conduct more frequent Class Years.

The NYISO intends to implement this new approach as part of its currently ongoing Class Year 2019 and has notified Market Participants of this intention in stakeholder working groups, including the Class Year-specific Interconnection Projects Facilities Study Working Group. The NYISO anticipates that the Commission's order on the proposed tariff revisions will predate the point in the Class Year Study process for Class Year 2019 at which projects must elect whether to proceed with additional SDU studies under the current rules. As a result, the additional SDU study, if applicable, will be able to be implemented without any adverse impact or restudy in Class Year 2019.

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[59] As revised, an Additional SDU Study will not impact the completion of the Class Year Study for purposes of determining the Class Year Start Date for the next Class Year Study. Proposed revisions to OATT Section 25.5.10.2. A Class Year Study will be complete on the date upon which the Final Decision Round in the study process is completed for the decision period. *Id.* The date for completing any Additional SDU Study will not impact this date, and the next Class Year Study may commence prior to the completion of an Additional SDU Study. *Id.*

[60] The NYISO proposes to delete the bifurcated study rules set forth throughout Attachment S of the OATT, including in Sections 25.5.9, 25.8.2, 25.8.3, 25.8.4, and 25.5.10 of the OATT.

iii. Proposed Tariff Modifications

a. Definition and Commencement of Additional SDU Study

The NYISO proposes to define an "Additional SDU Study" as follows:

> A study that a Developer may elect to pursue if the Class Year Deliverability Study identifies the need for a new System Deliverability Upgrade (*i.e.,* a System Deliverability Upgrade not previously identified and cost allocated in a Class Year Study and not substantially similar to a System Deliverability Upgrade previously identified and cost allocated in a Class Year Study) that requires additional study.[61]

In addition, the NYISO proposes to revise the requirements concerning the commencement and implementation of such studies.[62]

Under the current bifurcated Class Year Study process, the NYISO issues a formal "Notice of SDUs Requiring Additional Studies" to all members of its Interconnection Projects Facilities Study Working Group after the Operating Committee has approved the Class Year Study.[63] The NYISO proposes to revise this requirement to provide such notice earlier in the Class Year Study process. Specifically, the NYISO will provide such notice as soon as it has identified as part of the preliminary Class Year Deliverability Study the need for an SDU that would require an Additional SDU Study.[64]

At the same time, the NYISO will issue a separate notice to only those Developers of Class Year Projects for which the NYISO identified SDUs requiring additional studies.[65] Those Developers will then have ten calendar days to inform the NYISO whether they want to proceed or not proceed with an Additional SDU Study for the identified SDUs.[66] If a Developer does not elect to pursue an Additional SDU Study, it will only have the option in the Class Year Study to accept or reject the number of megawatts of Installed Capacity, if any, that were determined in the Class Year Deliverability Study to be deliverable without the need for the SDU ("Deliverable MWs"). If the NYISO has not received the Developer's election within the ten-day period, the Developer will be deemed to have elected to not proceed with an Additional SDU Study and will only be permitted to accept or reject its Deliverable MW, if any.[67] The NYISO will notify stakeholders if an Additional SDU Study will be conducted as soon as practicable after receiving notice from a Developer.[68] Finally, the NYISO has proposed revisions to the Class Year

[61] Proposed revisions to OATT Sections 25.1.2, 30.1.
[62] See proposed revisions to OATT Section 25.5.10.
[63] OATT Section 25.5.10.1.
[64] Proposed revisions to OATT Section 25.5.10.1.
[65] Proposed revisions to OATT Section 25.5.10.1.
[66] Proposed revisions to OATT Section 25.5.10.1. The Developer may pursue one of the SDU alternatives identified by the NYISO, which will be evaluated in the Additional SDU Study. *Id.*
[67] Proposed revisions to OATT Section 25.5.10.1.
[68] Proposed revisions to OATT Section 25.7.7.1.

Interconnection Facilities Study Agreement ("Class Year Study Agreement") to incorporate the schedule for conducting the study work associated with an Additional SDU Study.[69]

b. Alignment of Additional SDU Studies and Class Year Study

If the NYISO identifies the need for an Additional SDU Study for an SDU associated with a project, the Developer will have a number of options for how to proceed with its project in the Class Year process and have its project modeled in the base case for subsequent Class Years.[70] The different options are described below and are illustrated in the figure provided as Attachment I.

If no Developer that requires an Additional SDU Study for an SDU elects to proceed with such study, the Class Year Study will proceed to the normal decision and settlement phase for all projects participating in the Class Year.[71] A Developer that requires an Additional SDU Study for an SDU but elects not to proceed with the Additional SDU Study may only accept or reject the Deliverable MWs, if any, for its project, provided that it accepts its SUF Project Cost Allocation for ERIS.[72] Such project will not have the option to accept a cost related to the SDU that is identified as necessary to obtain its full requested CRIS in that Class Year Study.

If, on the other hand, one or more Developers elect to proceed with an Additional SDU Study for their projects, the Class Year Study will proceed to the decision and settlement phase for the remaining projects. The Additional SDU Study will be performed separate and apart from the remaining Class Year Study work, and the Developer's options for the decision and settlement concerning any SUFs and SDUs associated with its project will be addressed in one of the following ways.[73]

First, if the Additional SDU Study is completed prior to the completion of the Class Year (*i.e.*, the Operating Committee's approval of the Class Year Study), a project subject to the Additional SDU Study will participate in the same decision and settlement phase for both SUFs and SDUs with the remainder of the original Class Year's members. If the Developer accepts the Project Cost Allocation for any required SUFs and SDUs and satisfies the related Security requirements, the proposed project, its SUFs, and its SDUs will all be modeled in the base case for the subsequent Class Year.

Second, if the Additional SDU Study is not completed prior to the completion of the Class Year, the project may, but is not required, to accept the cost allocation for its SUFs and

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[69] Proposed revisions to OATT Section 30.14, Appendix 2 (Class Year Study Agreement), Attachment A.

[70] As the NYISO will be performing the Additional SDU Study outside of the normal Class Year Study process, the NYISO has deleted the requirement for a six-month period for the performance of an additional SDU study in the existing Class Year Study process. *See* proposed revisions to OATT Section 25.5.9 (revised as Section 25.5.9.1).

[71] Proposed revisions to OATT Section 25.5.10.2. The NYISO proposes to make conforming changes to the decision and settlement tariff requirements to remove the requirements for bifurcated studies, and to insert requirements for Additional SDU Studies and Expedited Deliverability Studies. *See* proposed revisions to OATT Sections 25.8.2–25.8.2.4.

[72] Proposed revisions to OATT Section 25.5.10.1.

[73] Proposed revisions to OATT Section 25.5.10.2.

Deliverable MWs, if any, as part of the decision and settlement phase for its original Class Year.[74] The Developer may settle its SUFs and continue with the Additional SDU Study for the SDUs.[75] A Developer may wish to take such action, so that its Point of Interconnection is modeled in the subsequent Class Year's base case. This will lock in its SUFs and Deliverable MWs so that the Developer would not be required to share in the potential costs of larger upgrades that may be triggered in subsequent Class Years. Alternatively, a Developer may defer making its determination concerning any SUFs and Deliverable MWs until the Additional SDU Study is completed in accordance with the process steps described below. If the Developer does not accept its SUFs and the Additional SDU Study does not complete until after the lockdown date for the Annual Transmission Baseline Assessment for the subsequent Class Year, its project will be treated the same as any other project that does not accept its SUF Project Cost Allocation in the Class Year with respect to the other Class Year Projects—*i.e.*, the project will not be modeled in the base case for the next Class Year.

Third, if the Additional SDU Study is completed after the completion of its Class Year, but before the lockdown date for the Annual Transmission Baseline Assessment for the subsequent Class Year,[76] the projects participating in an Additional SDU Study will have their own separate decision and settlement period, which may be an iterative process if multiple Developers are participating.[77] If a Developer participating in this separate decision and settlement period had already accepted the SUF Project Cost Allocation and/or Deliverable MWs, if any, for its project during the decision and settlement process for its Class Year, it will only be required to accept or reject its SDU cost allocation in this period. If, on the other hand, the Developer deferred making its determination concerning the SUF Project Cost Allocation and/or Deliverable MWs, it will have to decide in this separate decision and settlement period whether to accept its SUFs and SDUs cost allocations. In the latter case, the SUF Project Cost Allocation will be based on a post-Class Year base case that reflects the decisions from the Class Year projects that previously settled in the normal decision and settlement period.[78] If the Developer elects to reject its SDU in this period, it may still proceed with its accepted SUFs and/or any Deliverable MWs.

Finally, if the Additional SDU Study is not completed until after the lockdown date for the Annual Transmission Baseline Assessment for the subsequent Class Year, the Developer can elect to either continue the Additional SDU Study in the next Class Year or enter a later Class

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[74] Proposed revisions to OATT Sections 25.5.10.2, 25.8.2.

[75] Proposed revisions to OATT Section 25.8.2.

[76] If the Developer accepts its SUF Project Cost Allocation prior to the completion of the Annual Transmission Baseline Assessment study cases for the subsequent Class Year Study, the Developer's project and its SUF will be included in the Existing System Representation for the subsequent Class Year Study. The Annual Transmission Baseline Assessment serves as the baseline pre-project study cases for the Class Year Study. Once complete, the NYISO studies the Class Year Projects against the Annual Transmission Baseline Assessment study cases to determine the impact of the Class Year Projects. The NYISO proposes this point in time as the deadline because the NYISO finalizes the study cases for the subsequent Class Year Study.

[77] Proposed revisions to OATT Section 25.5.10.2. The NYISO proposes revisions to the decision and settlement requirements to clarify that they apply for decision and settlement periods applicable to a Class Year Study and an Additional SDU Study. Proposed revisions to OATT Sections 25.8.2, 25.8.2.1, 25.8.2.2, 25.8.2.4, 25.8.3, 25.8.4, 25.8.5, 25.8.6.4.

[78] Proposed revisions to OATT Section 25.8.2.

Year in which it may begin a new deliverability evaluation of its project.[79] The continuing Additional SDU Study or new deliverability evaluation performed in the subsequent Class Year will be updated based on the subsequent Class Year's deliverability base case.[80] If the subsequent deliverability evaluation finds that the project does not require new SDUs, the Additional SDU Studies would not be required (or would not continue if the changes to the system obviated the need for the new SDU being studied in the ongoing Additional SDU Study).

A Developer seeking to enter into a subsequent Class Year Study for purposes of continuing its deliverability evaluation must satisfy anew the entry requirements applicable to Developers to enter into a Class Year.[81] A Developer's election to enter into the next Class Year under these circumstances will not count as one of the project's two opportunities permitted by the OATT to enter a Class Year Study.[82]

c. Cost Allocation of SDU If Multiple Projects Contribute to Need

If multiple projects contribute to the need for an SDU for which an Additional SDU Study is required, the Additional SDU Study will study the projects collectively and will allocate the costs among the projects requiring the SDU in the Class Year Study.[83] However, if the projects require different, unrelated SDUs (*e.g.*, one project in Long Island requiring an SDU and another project in NYC requiring a different SDU), they will proceed in separate Additional SDU Studies.

C. Perform "Expedited Deliverability Study" Outside the Class Year Process for CRIS-Only Projects

The NYISO proposes to establish a new Expedited Deliverability Study process pursuant to which a Developer that is only seeking CRIS for its project in the NYISO's interconnection process may be studied outside the Class Year Study process to obtain CRIS for Deliverable MW that do not require an SDU.[84] This proposed option will afford more frequent opportunities and an abbreviated study process for qualifying projects to obtain CRIS.

In an Expedited Deliverability Study, the Developer may obtain full or partial CRIS based on the deliverability of its project. If the study determines that the Developer's project is

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[79] Proposed revisions to OATT Section 25.5.10.2.

[80] Proposed revisions to OATT Section 25.5.10.2.

[81] Proposed revisions to OATT Section 25.5.10.2. If the Developer elects to enter the first subsequent Class Year, it may provide notice of this election on or before the completion of the Annual Transmission Baseline Assessment study cases for that subsequent Class Year Study. *Id.*

[82] Proposed revisions to OATT Section 25.5.10.2. If the Developer, however, enters into a subsequent Class Year Study and rejects its SDU Project Cost Allocation, such action will constitute one of its two Class Years. *Id.*

[83] *See* proposed OATT Section 25.5.10.2.

[84] The NYISO proposes to insert a definition of an "Expedited Deliverability Study" in OATT Section 25.1.2. Pursuant to this definition, an Expedited Deliverability Study will mean: "A study conducted by the ISO or a third party consultant to determine the extent to which an existing or proposed facility satisfies the NYISO Deliverability Interconnection Standard at its requested CRIS level without the need for System Deliverability Upgrades. The schedule and scope of the study is defined in Sections 25.5.9.2.1 and 25.7.1.2 of this Attachment S."

not deliverable or fully deliverable, the Developer may enter into the next Open Class Year for the evaluation or identification of any SDUs required to make the project deliverable. The Developer may also enter into a subsequent Expedited Deliverability Study for a new determination of its requested CRIS based on changed circumstances, such as changes to the system since the last study.

The Expedited Deliverability Study will provide Developers that are only seeking CRIS with an expedited opportunity to obtain those CRIS rights without having to participate in a full Class Year Study. Generally, projects that seek CRIS only include, among others, Large Facilities and Small Generating Facilities that already have ERIS but subsequently seek to obtain CRIS or increase their CRIS and generating facilities that do not interconnect pursuant to NYISO's FERC jurisdictional requirements (*e.g.* distributed resources connecting to distribution). Currently, a significant number of Developers participate in the Class Year Study solely for purposes of obtaining CRIS. In the current Class Year 2019, 52 of the 91 projects are solely requesting CRIS. In addition, the NYISO anticipates that a significant number of Developers will continue to request only CRIS in the interconnection process, particularly as distributed energy resources that are not subject to the NYISO's interconnection procedures for ERIS begin to enter the NYISO-administered markets.

The Expedited Deliverability Study process will benefit a large number of Developers by lowering the barriers and time frame to their obtaining CRIS and providing them with additional flexibility in their participation in the NYISO's interconnection process. This includes a faster study process and lower study deposits than those required to participate in the Class Year CRIS-only evaluation. In addition, by addressing a large number of CRIS requests in a separate study, the NYISO may have opportunities to expedite the analysis for those Developers participating in the Class Year Study.

i. Overview of Expedited Deliverability Study

A Developer that is requesting only CRIS for a project larger than 2 MW and meets the eligibility requirements described below may elect to enter an Expedited Deliverability Study in place of a Class Year Study for its deliverability evaluation.[85] A Class Year Study deliverability evaluation first evaluates whether a facility satisfies the NYISO Deliverability Interconnection Standard at its full amount of requested CRIS.[86] If a facility is not deliverable for its full amount of requested CRIS, the Class Year Study proceeds to identify and cost allocate SDUs required to make the facility fully deliverable for the full amount of requested CRIS.[87] An Expedited Deliverability Study, on the other hand, will only evaluate whether an existing or new facility

[85] Proposed OATT Section 25.7.1; proposed revisions to OATT Section 25.7.4. A Small Generating Facility 2 MW or smaller may obtain CRIS without being evaluated for deliverability under the NYISO Deliverability Interconnection Standard. *See* OATT Section 25.3.1.

[86] Proposed OATT Sections 25.7.1, 25.7.4.

[87] Proposed OATT Sections 25.7.1, 25.7.4.

satisfies the NYISO Deliverability Interconnection Standard at its full amount of requested CRIS without the need for SDUs.[88] It will not identify or cost allocate SDUs.[89]

If the requested CRIS of a Developer's project evaluated in an Expedited Deliverability Study is determined to be fully or partially deliverable, the Developer can obtain CRIS rights in the amount of the full or partial CRIS that are Deliverable MW.[90] If the requested CRIS of a Developer's project evaluated in an Expedited Deliverability Study is deemed undeliverable at its full amount of requested CRIS, a Developer that wants the full amount of its requested CRIS may enter its project in the next Open Class Year for a determination of the required SDUs or enter into a subsequent Expedited Deliverability Study or Class Year Study with the same or different CRIS request.[91]

ii. Expedited Deliverability Study Eligibility Requirements

A Developer that is only requesting CRIS through the NYISO's interconnection process and satisfies the other eligibility requirements described below is eligible to use the Expedited Deliverability Study. This includes a Developer requesting CRIS for: (i) new or existing facilities with no CRIS, (ii) for small generators that are subject to the NYISO's SGIP, (iii) for facilities that were not subject to the NYISO's interconnection procedures, and (iv) for requests to increase CRIS for facilities with existing CRIS. The NYISO does not propose to cap the collective amount of CRIS that may be evaluated in the Expedited Deliverability Study or to limit the projects eligible to participate in the study to those under a specified MW level.

To become a member of an Expedited Deliverability Study, a Developer that is only requesting CRIS must satisfy the following requirements. The Developer must provide notice to the NYISO by the start date of the Expedited Deliverability Study.[92] The Developer's project must be in service or have completed one of the following studies, as applicable: a Class Year Study for ERIS, a System Impact Study under the SGIP, or a utility interconnection study if the facility is not subject to the NYISO's interconnection procedures.[93] In addition, the Developer must, if applicable, have satisfied the data submission requirements for Class Year Projects requesting CRIS in a Mitigated Capacity Zone and have such data submission deemed completed by the NYISO by the study start date, as detailed in Part IV.C.iv below.[94] Finally, the Developer must also satisfy the requirements for the completion of a *pro forma* Expedited Deliverability Study Agreement, submit the required deposit, and submit the required technical data.[95]

As soon as practicable after a Developer has notified the NYISO of its request to enter the next Expedited Deliverability Study, the NYISO will tender to the Developer and the

[88] Proposed OATT Section 25.7.1; proposed revisions to OATT Section 25.1 (definition of "Expedited Deliverability Study") and OATT Section 25.7.4.
[89] Proposed OATT Section 25.7.1.
[90] Proposed OATT Section 25.7.6; proposed revisions to OATT Section 25.7.4.
[91] Proposed OATT Section 25.7.1; proposed revisions to OATT Section 25.7.4.
[92] Proposed OATT Section 25.5.9.2.1.
[93] Proposed OATT Section 25.5.9.2.1.
[94] Proposed OATT Section 25.5.9.2.1.
[95] Proposed OATT Sections 25.5.9.2.1, 25.5.9.2.2.

applicable Connecting Transmission Owner an Expedited Deliverability Study Agreement.[96] When the NYISO tenders the agreement, it will provide the Developer with a non-binding good faith estimate of the cost and time frame for completing the study.[97]

The *pro forma* Expedited Deliverability Study Agreement is set forth in Appendix 2 of Attachment S. The *pro forma* agreement is based on and consistent with the *pro forma* Class Year Study Agreement located in Appendix 2 of Attachment S. It includes limited modifications from the Class Year Study Agreement to clarify that the agreement addresses the performance of the Expedited Deliverability Study, concerns the determination of Deliverable MW, and concerns a request for CRIS—not ERIS and/or CRIS, and to make related conforming revisions based on the difference between the Class Year Study and the Expedited Deliverability Study.

Within ten Business Days of receiving the agreement, the Developer must complete the agreement and deliver it to the NYISO.[98] Along with the completed agreement, the Developer must provide the NYISO with the technical data required by the agreement and a study deposit of $30,000.[99] The Developer, the NYISO, and the Connecting Transmission Owner must then execute the agreement within ten calendar days of the NYISO's confirmation that it has received the completed agreement, required technical data, and deposit.[100]

The NYISO will invoice the Developer on a monthly basis for the work conducted for the Expedited Deliverability Study.[101] The Developer's responsibility to pay the actual costs of the study is set forth in the *pro forma* Expedited Deliverability Study Agreement.[102] Each Developer will be responsible for an equal share of the actual costs of a combined Expedited Deliverability Study.[103] The Developers must pay the invoiced amounts within thirty calendar days of receipt of the invoice.[104] The NYISO will hold the deposit in an interest bearing account associated with the Developer until settlement of the final invoice.[105]

iii. Expedited Deliverability Study Process

The start date for the first Expedited Deliverability Study will be the first Business Day after 30 calendar days following the effective date of these requirements.[106] Following the initial study, subsequent Expedited Deliverability Studies will commence on the first Business Day after 30 calendar days following the completion of the prior study.[107]

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[96] Proposed OATT Section 25.5.9.2.2.
[97] Proposed OATT Section 25.5.9.2.2.
[98] Proposed OATT Section 25.5.9.2.2.
[99] Proposed OATT Section 25.5.9.2.2.
[100] Proposed OATT Section 25.5.9.2.2. The NYISO will provide a copy of the fully executed agreement to the Developer and Connecting Transmission Owner.
[101] Proposed OATT Section 25.5.9.2.2.
[102] Proposed OATT Section 25.5.9.2.2; Appendix 2 to Attachment S (Expedited Deliverability Study Agreement) at Section 5.0.
[103] Proposed OATT Section 25.5.9.2.2.
[104] Proposed OATT Section 25.5.9.2.2.
[105] Proposed OATT Section 25.5.9.2.2.
[106] Proposed OATT Section 25.5.9.2.1.
[107] Proposed OATT Section 25.5.9.2.1.

The NYISO, however, will not commence an Expedited Deliverability Study during the decision and settlement window of an ongoing Class Year Study—that is, the period between the posting of the Class Year Study for approval by the stakeholder Operating Committee and the commencement of the following Class Year Study.[108] The NYISO will not commence an Expedited Deliverability Study in this window because the base case could be subject to changes during this period based on decisions in the Class Year and Buyer-Side Mitigation determinations could be impacted. If the start date for the next Expedited Deliverability Study falls in this decision window, the study will instead begin on the first Business Day after ten calendar days following the next Class Year Start Date.[109] The NYISO will notify interested parties of the start date of the Expedited Deliverability Study.[110] The interaction between the Expedited Deliverability Study and the Class Year Study is illustrated in the figure provided as Attachment II.

The NYISO will perform the Expedited Deliverability Study concurrently for all projects that meet the eligibility requirements described above.[111] There will be no prioritization of the projects grouped and studied together.[112] Each project participating in the study will, with the other projects in the same study, share in the then currently available functional or electrical capability of the transmission system currently available in the applicable base case.[113]

The NYISO's requirements for performing the Expedited Deliverability Studies mirror the requirements for performing Class Year Deliverability Studies. Among other things, these include the requirement that only the NYISO has decisional control over the study, that the NYISO may use outside expert services to conduct the study, and that the NYISO will use existing studies to the extent practicable, including deliverability analysis from an SRIS.[114] The NYISO may request additional information from the Developer and Connecting Transmission Owner as may reasonably become necessary during the course of the study, which information the Developer and Connecting Transmission Owner shall provide in a prompt manner.[115] The NYISO will provide status reports and materials to the stakeholder Operating Committee or one of its subcommittees to provide opportunities for Market Participant input.[116] Within ten Business Days of the NYISO providing a draft Expedited Deliverability Study report to a Developer, the NYISO, Connecting Transmission Owner, and any Affected System Operator will meet with the Developer to discuss the results.[117] The completed Expedited Deliverability

[108] Proposed OATT Section 25.5.9.2.1.

[109] Proposed OATT Section 25.5.9.2.1.

[110] Proposed OATT Section 25.5.9.2.1. The NYISO will post notice on its website and send notices to those registered on the distribution list for its Operating Committee and its subcommittees. *Id.*

[111] Proposed OATT Section 25.7.1.2.

[112] Proposed OATT Section 25.5.8.

[113] Proposed revisions to OATT Section 25.5.8.

[114] *See* proposed OATT Sections 25.5.9.2.3, 25.7.7.2; *cf.* OATT Section 25.7.7.1 (previously OATT Section 25.7.7) (establishing the Class Year Study procedures).

[115] Proposed OATT Section 25.5.9.2.3.

[116] Proposed OATT Section 25.7.7.2.

[117] Proposed OATT Section 25.5.9.2.3. Upon request, the NYISO will provide the Developer with supporting documentation, workpapers, and databases or data developed in preparing the study, subject to non-disclosure arrangements. *Id.*

Study will be reviewed and approved by the Operating Committee.[118] In addition, the study is reviewable by the NYISO Board.[119]

Entities participating in the study must use Reasonable Efforts to complete and provide the draft Expedited Deliverability Study report to the stakeholder Operating Committee for its approval within four months of the NYISO's receipt from all participating Developers of the required study agreement, technical data, and deposit detailed above.[120] However, the NYISO will not present an Expedited Deliverability Study report to the Operating Committee for approval during the decision and settlement window of a Class Year Study. Nor will the NYISO proceed with the report to the Operating Committee until ten days following the completion of the Class Year Study decision and settlement period.[121] The NYISO will not complete an Expedited Deliverability Study in this window of time in order to avoid potential changes in the base case based on decisions in the Class Year and in the Buyer-Side Mitigation determinations.

Within five Business Days of the Operating Committee's approval of an Expedited Deliverability Study (*i.e.,* the "Expedited Deliverability Study Initial Decision Period"), each Developer in the study must provide notice to the NYISO via email stating whether or not it accepts the Deliverable MW reported to it by the NYISO in the study report (*i.e.,* an "Expedited Deliverability Study Acceptance Notice" or an "Expedited Deliverability Study Non-Acceptance Notice," as applicable).[122] A Developer's failure to notify the NYISO within this period will be deemed as non-acceptance of the Deliverable MW.[123] As soon as practicable following the end of the decision period, the NYISO will report to all applicable Developers the decisions submitted by Developers.[124] If one or more of the Developers did not accept its Deliverability MW (*i.e.,* an "Expedited Deliverability Study Non-Acceptance Event"), the NYISO will within ten Business Days remove those Developers from the current Expedited Deliverability Study, update the study results to reflect the impact of the withdrawn projects, and issue the updated report.[125] The Developers that accepted their Deliverable MW in the initial decision period will be deemed to have accepted their respective Deliverability MW in the revised report, as there would be no change to deliverability costs.

[118] Proposed OATT Section 25.7.7.2.
[119] Proposed OATT Section 25.7.7.2.
[120] Proposed OATT Sections 25.5.9.2.1, 25.5.9.3. The NYISO will notify Developers if it will not be able to complete the study within the initial schedule and provide an estimated completion date and an explanation of the reasons for why additional time is required. Proposed OATT Section 25.5.9.2.3.
[121] Proposed OATT Section 25.5.9.2.3.
[122] Proposed OATT Section 25.5.9.2.4.
[123] Proposed OATT Section 25.5.9.2.4.
[124] Proposed OATT Section 25.5.9.2.4.
[125] Proposed OATT Section 25.5.9.2.4.

iv. Expedited Deliverability Study Base Case and Study Performance Requirements

The base case for the Expedited Deliverability Study will use the same base case inclusion rules as the Class Year Deliverability Study.[126] However, the base case for the Expedited Deliverability Study will include CRIS requests for projects in an ongoing Class Year. The deliverability base cases will be trued-up before the commencement of the next Expedited Deliverability Study or next Class Year Study, whichever occurs earlier. In addition, the base case for the Expedited Deliverability Study will be revised and the deliverability re-evaluated for potential impacts to projects if (i) the pending Class Year completes the decision and settlement process during the performance of the Expedited Deliverability Study, (ii) a Class Year project rejects its deliverable MWs or SDUs, and (iii) the NYISO determines that this may impact the deliverability of a project in the Expedited Deliverability Study.[127]

The NYISO will also use the same deliverability test methodology for the Class Year Study and Expedited Deliverability Study for Highways, Byways, and Other Interfaces, with limited exceptions described below.[128] As part of these revisions, the NYISO clarifies that the definition of NYCA deliverability applies equally in the Class Year Study and in the Expedited Deliverability Study.[129] In addition, the NYISO proposes to establish separate tariff sections detailing the performance of the deliverability test methodology for Highways and Byways in the Class Year Study (in Section 25.7.8.2.1) and the Expedited Deliverability Study (in Section 25.7.8.2.2). The methodology is nearly identical, except for how CRIS is modeled in each study due to the different time frames for the studies.[130] The NYISO also proposes to establish separate tariff sections detailing the performance of the deliverability test methodology for Other Interfaces in the Class Year Study (in Section 25.7.9.1) and the Expedited Deliverability Study (in Section 25.7.9.2). The methodology is nearly identical, except that the Class Year Study accounts for SDUs, which are not evaluated as part of the Expedited Deliverability Study.

v. Interaction Between Expedited Deliverability Study and Class Year Study

A Developer's project may not be simultaneously evaluated in both the Class Year Study and an Expedited Deliverability Study and may not exit one study to enter the other until the developer's participation in the initial study has been completed.[131] Following the completion of one of the studies, a Developer that participated in that study can enter its project into the other

[126] For purposes of developing the Annual Transmission Baseline Assessment and Annual Transmission Reliability Assessment for a given Expedited Deliverability Study, the NYISO will use the same Existing System Representation requirements for a Class Year Study. Proposed revisions to OATT Section 25.5.5.

[127] Proposed OATT Section 25.5.9.2.3.

[128] Proposed revisions to OATT Sections 25.7.8–25.7.9.

[129] Proposed revisions to OATT Section 25.7.8.1.

[130] Proposed revisions to OATT Section 25.7.8.2.1.3 (previously Section 25.7.8.2.3); proposed OATT Section 25.7.8.2.2.3.

[131] Proposed OATT Section 25.7.1. For purposes of applying the limitation on participation in simultaneous studies, a project will not be considered to be participating in a Class Year Study if it withdraws prior to the completion of Annual Transmission Baseline Assessment study cases pursuant to Section 30.8.1.2 of the OATT.

study. For example, a Developer whose project was found in an Expedited Deliverability Study to be not deliverable or to be only partially deliverable, but that wants to obtain its full requested CRIS level could then (i) enter into the next Open Class Year for the evaluation and identification of any required SDUs, or (ii) enter into a subsequent Expedited Deliverability Study requesting the same or a different CRIS amount (*e.g.*, if the Developer anticipates that subsequent system changes would now make it deliverable).[132] As described above, the next Expedited Deliverability Study will in most cases begin approximately thirty calendar days after the completion of the prior Expedited Deliverability Study.[133]

The NYISO also proposes to modify the requirements concerning the NYISO Deliverability Interconnection Standard to clarify existing rules and to incorporate the Expedited Deliverability Study within the existing Class Year Study framework. Such revisions clarify that facilities with CRIS that request an increase to its CRIS must meet the NYISO Deliverability Interconnection Standard to obtain additional CRIS, as well as clarify options for those projects to seek such additional CRIS.[134] In addition, the NYISO proposes to clarify the tariff language describing the CRIS modeled in the Class Year Study to address CRIS that has been obtained in a Class Year Study or an Expedited Deliverability Study.[135]

vi. Transition Rules

A Developer's project currently participating only for CRIS purposes in Class Year 2019 will not be permitted to withdraw from Class Year 2019 and enter the first Expedited Deliverability Study once these proposed revisions are effective. By the time the first Expedited Deliverability Study starts, the NYISO anticipates having completed the preliminary deliverability analysis for Class Year 2019 and having identified Additional SDU Studies. In addition, the Expedited Deliverability Study will model all pending Class Year 2019 CRIS requests in the base case, so evaluating the project in the Expedited Deliverability Study will likely only make the project less deliverable.

D. Conforming Revisions to BSM Rules to Reflect Revisions in the Interconnection Processes Including the Introduction of Additional SDU Studies and Expedited Deliverability Studies

The BSM Rules are closely aligned with the NYISO's interconnection processes for new and existing resources seeking to bring new supply into the NYISO's Installed Capacity market.[136] This filing therefore necessarily includes proposed revisions to Section 23.4.5.7 of the Services Tariff, which are discussed individually in this section. The NYISO is also adding (or in some cases relocating) defined terms that describe how the BSM Rules will be applied

[132] Proposed OATT Section 25.7.1.
[133] Proposed OATT Section 25.5.9.2.1.
[134] Proposed revisions to OATT Section 25.3.1.
[135] Proposed revisions to OATT Section 25.7.8.1.3.
[136] *See New York Indep. Sys. Operator, Inc.*, Letter Order, Docket No. ER18-80-000 (December 7, 2017) (accepting NYISO's proposed "comprehensive queue improvements" including the Class Year bifurcation provisions and related adjustments to the BSM Rules).

throughout the revised interconnection process as proposed revisions to Section 23.2.1 of the Services Tariff. Collectively, these proposed tariff amendments update existing provisions, and when necessary add new language, to accurately and completely describe how the BSM Rules will be applied to Examined Facilities.

The NYISO is not proposing to change how it will conduct determinations made under the BSM Rules ("BSM Determinations") for Examined Facilities that are evaluated along with a Class Year Study. The NYISO is removing and replacing various tariff references that would be rendered obsolete by other parts of this filing. The NYISO is also adding defined terms to reflect the proposed new features of the interconnection process that are being proposed as well as making some ministerial changes with the existing language to make them clearer and better organized. The proposed tariff revisions also address the ordering of BSM Determinations for projects that are being evaluated as part of a Class Year Study, Additional SDU Study or Expedited Deliverability Study in relation to each other. The revisions clearly specify which rules will apply to facilities that are being evaluated as part of each type of study. At the same time, the revisions are consistent with the current rules by providing for exemption and Offer Floor determinations to be made at the end of a project's interconnection process, regardless of the type of study that it participates in.

The proposed revisions will further ensure that the BSM Rules continue to be transparent and provide clarity to developers and market participants. Proposed clarifications will ensure that the Offer Floor Determinations for Examined Facilities in either a Class Year Study, Additional SDU Study, or Expedited Deliverability Study will be coordinated such that the projects participating in any such studies are appropriately considered in subsequent BSM Forecasts and Offer Floor determinations for Examined Facilities in subsequent studies. This coordination is also needed to apply the pending proposed renewable exemption megawatt threshold to projects that are evaluated in a Class Year Study, Additional SDU Study, or Expedited Deliverability Study.

In short, the proposed revisions to the BSM Rules are necessary to conform to the proposed changes to the interconnection processes, and should be accepted as just, reasonable, and not unduly discriminatory.

i. Conforming Revisions to BSM Tariff Provisions to Reflect the Revised Class Year Study Process and the Creation of the Additional SDU and Expedited Deliverability Studies

Numerous revisions to the BSM Rules are required to appropriately account for, and conform to, the changes being proposed in the interconnection processes. For instance, since the Class Year Study bifurcation rules are being eliminated and replaced with two new categories of deliverability studies—*i.e.*, the Additional SDU Study and the Expedited Deliverability Study, references in the BSM Rules to bifurcation processes must be addressed. These include the removal of language in Section 23.4.5.7 that addresses the bifurcation rules originally approved

by the Commission in December 2017.[137] Proposed deletions that remove references to the Bifurcation of a Class Year Study occur in Sections 23.4.5.7.2, 23.4.5.7.3.2, 23.4.5.7.3.3,[138] 23.4.5.7.3.5, 23.4.5.7.13.1.1, 23.4.5.7.13.1.1(b), 23.4.5.7.13.4.2, 23.4.5.7.14.3.2, and 23.4.5.7.14.4.1 of the Services Tariff. These changes update the BSM Rules to make it clear that BSM Determination will no longer be aligned with the completion of the two possible components of a bifurcated Class Year Study (*i.e.*, "CY X-1" and "CY X-2").

The proposed changes to the interconnection process in this filing necessitate that the BSM Rules will apply to three possible interconnection studies that developers will be required to go through in order to obtain CRIS and become Installed Capacity Suppliers—a Class Year Deliverability Study, an Additional SDU Study, or an Expedited Deliverability Study.[139] The proposed revisions therefore add references to Additional SDU Studies and Expedited Deliverability Studies. New defined terms would be added to Section 23.2.1 of the Services Tariff, which cross-reference the relevant definitions in Section 25 of the OATT (OATT, Attachment S). Appropriate references to Additional SDU Studies and Expedited Deliverability Studies would also be added throughout Attachment H where it originally only referenced the "Class Year" or "Class Year Study." These additions occur in the definition of "Examined Facilities," which is being moved from Section 23.4.5.7.3 into the Section 23.2.1 Definitions, as well as Sections 23.4.5.7.2, 23.4.5.7.2.1, 23.4.5.7.3.2, 23.4.5.7.3.3, 23.4.5.7.3.4, 23.4.5.7.3.5, 23.4.5.7.3.8, 23.4.5.7.6, 23.4.5.7.9., 23.4.5.7.13, 23.4.5.7.14, and 23.4.5.7.15. Because the proposal for Additional SDU Studies will only involve projects that were originally part of a Class Year Study, the proposed revisions to the BSM Rules do not always list "Class Year Study, Additional SDU Study and Expedited Deliverability Study." In some limited instances the proposed amendments only require the additional reference to the Expedited Deliverability Study. For example, Examined Facilities participating in an Additional SDU Study actually enter that study via a Class Year Study, therefore, tariff revisions that reference the entry into a study need only refer to a Class Year Study or Expedited Deliverability Study, as is the case in Section 23.4.5.7.9.3.2. In other circumstances, however, adding the reference to Expedited Deliverability Studies is not applicable, but a reference to the Additional SDU Studies is required. For example, only Class Year Studies and Additional SDU Studies can have multiple decision rounds after the initial decision period. Examined Facilities in an Expedited Deliverability Study only have one decision round. Therefore, the revisions in Section 23.4.5.7.3.3 only require the NYISO to provide BSM determinations prior to or contemporaneous with "each Subsequent Decision Period for the Class Year Study and Additional SDU Study."

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[137] *See id*.

[138] The deletion of the bifurcation language allows existing Sections 23.4.5.7.3.3.1 through 23.4.5.7.3.3.5 of the Services Tariff to be consolidated into a single Section 23.4.5.7.3.3

[139] The BSM Rules may also potentially apply to certain resources smaller than 2 MW that are not required to go through the Class Year process in order to receive CRIS MW. *See Responses to April 1, 2019 Letter and Notification of Implementation Issues that Necessitate Additional Limited Tariff Revisions,* Docket No. ER19-467-001 at pp 27–28 (explaining that "Resources could be subject to the BSM Rules and not be subject to the Class Year deliverability analysis" and that resources smaller than 2 MW would not be subject to a deliverability evaluation).

ii. Conforming Revisions to the BSM Rules Regarding the Timing of BSM Determinations and How Examined Facilities will Impact the BSM Forecast Assumptions

The proposal to modify the interconnection processes to potentially allow for the separation of certain Examined Facilities from other projects in the Class Year Study to be evaluated with an Additional SDU Studies is similar to a bifurcation process, but requires several enhancements to the BSM Rules to reflect how BSM Determinations will be conducted and when they will be provided to developers. The BSM Rules will need to allow for flexibility with regard to the timing of BSM Determinations for Examined Facilities that are subject to Additional SDU Studies that remain separated from the Class Year Study with which they were originally grouped. They must allow for determinations to be provided with the subsequent Class Year Study following the Class Year Study that these Examined Facilities were originally a part of. They must also establish when determinations would be made for Examined Facilities that remain separated from a Class Year Study. Similarly, the creation of the Expedited Deliverability Study that can be conducted multiple times per year while a Class Year Study and/or an Additional SDU Study is ongoing requires the BSM Rules to account for how the NYISO will order the entry of these Projects into the BSM Forecast Assumptions.

In order to be clear about when the NYISO will develop its forecast assumptions for each of these three studies, the NYISO has modified and moved language that describes the "Mitigation Study Period" and the Starting Capability Period from Section 23.4.5.7.2 of the Services Tariff into the definitions found in Section 23.2.1. Because the year of the Class Year Study determines the Starting Capability Period, which is the Summer Capability Period that "commences three years from the start of the year of the Class Year Study," it also determines the Mitigation Study Period. These terms continue to have the same meaning and application for a Class Year Study. Additional clarification is required to describe the Starting Capability Period for Additional SDU Studies and Expedited Deliverability Studies because these studies could possibly start during one Class Year Study and be completed after the subsequent Class Year Study has begun. Therefore, the proposed definition of Starting Capability Period provides that it is the same period used for the ongoing Class Year Study at the time the Additional SDU Study or the Expedited Deliverability Study process arrives at the Decision Period.[140]

The proposed revisions to the definition of Starting Capability Period also require that if the Additional SDU Study or the Expedited Deliverability Study arrives at its respective decision period while there is no Class Year Study underway, the Starting Capability Period would be the same period used for the "most recently completed Class Year Study."

These enhancements to Section 23.4.5.7.3.2 of the Services Tariff also provide clarity with regard to the BSM Determinations for projects that are undergoing a Class Year Study, Additional SDU Study or Expedited Deliverability Study. The general rule that has applied to Class Year Projects continues to apply, regardless of whether the Examined Facilities are being evaluated as part of a Class Year Study, Additional SDU Study or Expedited Deliverability

[140] The revisions to the interconnection process will not allow for a new Class Year Study to start during the decision period for an Additional SDU Study or an Expedited Deliverability Study.

Study. As it does currently, the NYISO "will clear projects from lowest to highest, using for each Examined Facility the lower of (i) the first year value of its Unit Net CONE or (ii) 75 percent of the Mitigation Net CONE." This provision, while remaining substantively unchanged, would be extended to apply to when the NYISO is evaluating more than one Examined Facility concurrently within either an Additional SDU Study or Expedited Deliverability Study.

The provision is also enhanced to reflect how Examined Facilities that have been through a Class Year Study, Additional SDU Study, or Expedited Deliverability Study will be included in the evaluation of Examined Facilities that utilize the same Mitigation Study Period, but have a later decision period. The proposed revisions to this section make it clear that an Examined Facility that has accepted its determination from a previous study will be included in the BSM Forecast for any subsequent study that utilizes the same Mitigation Study Period. The revisions to this section also make it clear when projects in an Additional SDU Study will have a separate decisional process from a Class Year Study.

In addition to deleting obsolete bifurcation language, the proposed revisions to Section 23.4.5.7.3.3 of the Services Tariff include clarifications regarding when the NYISO will provide its BSM Determinations to each project. The revised language now allows the NYISO to provide this information to the project developer "prior to *or contemporaneous with* the commencement of the Initial Decision Period" for each study. This timing enhancement is also applicable to the iterative decision periods that may occur for the Class Year Study and Additional SDU Study, where the NYISO is required to provide Revised Project Cost Allocations and BSM Determinations until all projects left in the study accept their respective cost allocation. It is important to note that for an Expedited Deliverability Study there is no opportunity for the project to reject its allocation of interconnection costs, but a project has one opportunity to drop out of an Expedited Deliverability Study after it has received its initial BSM Determination. There will be no change to deliverability costs and therefore project costs and the revised BSM determinations will be the same or more favorable for the projects that remain in the Expedited Deliverability Study. Consequently, Developers that accept their initial BSM Determinations in an Expedited Deliverability Study will be deemed to accept their CRIS and the NYISO will provide revised and final BSM determinations to the remaining developers within 10 Business Days after the Initial Decision Period. These revised BSM determinations will be final for all Examined Facilities that did not drop out of the study during this single decision process that applies to Expedited Deliverability Studies.

iii. Accounting for the Renewable Exemption 1,000 Megawatt Limit According to Mitigation Study Period

The NYISO's pending compliance filing in Docket No. ER16-1404-000[141] proposed to establish an exemption from the BSM Rules for up to 1,000 MW of intermittent renewable resources per Class Year. However, if the revisions to the interconnection process proposed in

[141] *See New York Indep. Sys. Operator, Inc.*, Motion Requesting Commission Action on Compliance Filing, notice of Implementation Plans, and Conditional Request for Tariff Waivers of the New York Independent System Operator, Inc., Docket No. ER16-1404 (July 19, 2019) (describing the pending proposed Renewable Exemption and the NYISO's implementation plans).

this filing are accepted, the NYISO would no longer be making BSM Determinations solely on a single Class Year Study basis. Accordingly, the NYISO has proposed revisions to Sections 23.4.5.7.13.1.1(b) and 23.4.5.7.13.2 that would govern the application of the 1,000 MW Renewable Exemption to projects evaluated for BSM using the same Mitigation Study Period. As a result, the proposed revisions would apply the 1,000 MW Renewable Exemption limit to the Examined Facilities evaluated using the same Mitigation Study Period instead of the Examined Facilities in a given Class Year Study.

Substantively the mechanisms for applying the proposed 1,000 MW Renewable Exemption remains unchanged, except the exemption threshold now applies to the multiple studies that utilize the same Mitigation Study Period rather than to a singular or bifurcated Class Year Study.

Given the possibility that there will be multiple groups of Examined Facilities undergoing BSM evaluations utilizing the same Mitigation Study Period, this proposal includes a "first studied, first served" approach to allocating the available megawatts of the Renewable Exemption. The exemptions would be awarded on a one for one basis for each megawatt of CRIS awarded to the Examined Facility that is a Renewable Exemption Applicant. Each megawatt of CRIS that is awarded with a Renewable Exemption in a completed study reduces the Renewable Exemption megawatts that are available for the projects that are subsequently evaluated using the same Mitigation Study Period.

If the total amount of CRIS requested by Renewable Exemption Applicants in a Class Year Study, Additional SDU Study or Expedited Deliverability Study exceeds the balance of the Renewable Exemption MW available for that Mitigation Study Period, the projects are awarded a prorated Renewable Exemption. The prorated award would be calculated by multiplying the available Renewable Exemption MW remaining by each projects CRIS request divided by the sum total of the amount of CRIS requested by all the Renewable Exemption Applicants that have accepted their project cost allocation in the Class Year Study, Additional SDU Study or Expedited Deliverability Study.

iv. Necessary Data Requirements and Exemption Limitations for Expedited Deliverability Studies Determinations

Due to the significantly shorter duration of Expedited Deliverability Studies, the NYISO has proposed some procedural deadlines under the BSM Rules that will make it easier for the NYISO to make timely and orderly BSM Determinations for Examined Facilities participating in the Expedited Deliverability Studies. The NYISO has added a Section 23.4.5.7.3.6 to Attachment H of the Services Tariff, which adds a data submittal requirement for projects seeking to enter an Expedited Deliverability Study. Project cost data requirements that are necessary for the NYISO to make a BSM Determination for each project must be deemed complete by the NYISO prior to the start of the Expedited Deliverability Study for the project to become a participant of that study. If the project has not received a completeness determination from the NYISO at the time the Expedited Deliverability Study starts, the project will have the opportunity to enter a subsequent Expedited Deliverability Study or Class Year Study in accordance with the proposed revisions to Attachment S. This new requirement is necessary to

ensure the NYISO has complete and sufficient information to conduct the required BSM Determinations within the compressed timeline associated with the proposed Expedited Deliverability Studies.

Similarly, to allow Expedited Deliverability Studies move forward in the three to four month time frame, certain exemptions will not be available in an Expedited Deliverability Studies. The project can enter and Expedited Deliverability Study and may be deemed exempt from an Offer Floor, but it will not be able to receive a Self Supply exemption or a Renewable Exemption, unless it uses technology already identified in the Services Tariff as an Exempt Renewable Technology. The proposed revisions to Sections 23.4.5.7.6 and 23.4.5.7.14.1.1 of the Services Tariff explicitly prohibit a project requesting a Self Supply Exemption from participating in an Expedited Deliverability Study. These projects, however, can continue to request a Self Supply Exemption as part of a Class Year Study or Additional SDU Study. In addition, Section 23.4.5.7.13.1.1 (a)(ii) has been revised to allow projects in an Expedited Deliverability Study to request a Renewable Exemption only if it is "powered solely by a technology that is *identified in the Tariff at the time of the start . . . of Expedited Deliverability Study to be* an Exempt Renewable Technology as defined in 23.4.5.7.13.1.1(a)(i)(A) above." Again, these limitations are required to facilitate NYISO completion of its BSM Determinations within the three to four month time frames that are expected to be needed to complete the Expedited Deliverability Study. These exemptions, however, continue to remain fully available to projects that are part of a Class Year or Additional SDU Study.

The proposed revisions to BSM Rules also explicitly exclude UDR projects from entering an Expedited Deliverability Study. UDRs must be both new and incremental transmission facilities and present a complex analysis to evaluate the Unit Net CONE for the Installed Capacity that they may bring into the Locality where they sink. Because UDRs are required to be both new and incremental transmission this practically limits them from participating in an Expedited Deliverability Study. Similarly, large interconnection projects are not allowed to enter these studies unless they already have obtained ERIS and are requesting CRIS only. In addition, the NYISO does not believe that it will be practical to make a BSM Determination for a UDR project in the three or four month period that Expedited Deliverability Studies are expected to take given the unique features of the analysis that must be conducted for such projects.

v. Ministerial Changes to Enhance Readability of BSM Rules

The NYISO also proposes to make several non-substantive ministerial and clarifying changes to the BSM Rules. The NYISO has made several clean-up changes in Section 23.2.1 and has moved into this section the definition of Examined Facilities. The NYISO has also added several pertinent defined terms that are defined within the OATT into this definition section, so the reader can find the full definition of that term. For example, the revised section will now include the definition of the three studies Class Year Study, Additional SDU Study and the Expedited Deliverability Study as well as the definition of the Final Decision Round. In Sections 23.4.5.7.2.1 and 23.4.5.7.3.5, the NYISO is replacing less clear language that refers to an Expected CRIS Transferee with the term Expected CRIS Transferee. Similarly, the NYISO is proposing clarifying revisions in Sections 23.4.5.7.2.4 and 23.4.5.7.3.5 to clarify that an NCZ Examined Project will be treated similarly to an Examined Facility in a Class Year Study or

Additional SDU Study. There are also several ministerial revisions proposed to correct the references to sections in the tariff and capitalized defined terms, such as "Developer."

vi. The NYISO's Treatment of Proposed Language Currently Pending Before the Commission

The NYISO's longstanding practice when proposing revisions to its tariffs is to include all previously filed language that is accepted by the Commission or that is pending before the Commission with a specific effective date that precedes the NYISO requested effective date for the instant filing. Attachments VI and VII to this filing, containing revisions to Attachment H of the Services Tariff, comport with this practice.

The NYISO is also attaching, for informational purposes only, clean and blacklined versions of the instant tariff revisions, which include all pending language, in Attachment H, that the NYISO has filed with the Commission. Attachments VIII and IX to this filing reflect a comprehensive version of Attachment H that was used in the development of this proposal to broadly inform the stakeholders on how the instant filing requires modification to the previously proposed rules. These include the NYISO's ESR Compliance Filing[142] and its Section 205 filing for Distributed Energy Resources.[143] Attachments VIII and IX to this filing also include pending language for which the NYISO may have requested a more immediate effective date than the tariff language found in Attachments VI and VII, but the effective date cannot be attached to a specific calendar date. For example, there is language regarding bifurcation of the Class Year that is found throughout Attachments VIII and IX, but does not show up in Attachments VI and VII because when the language was filed, the NYISO requested an effective date for revised language that was contingent on the latter of the Commission's acceptance of the bifurcated Class Year proposal or the NYISO's Renewable Exemption compliance filing.[144] The tariff language in Attachments VIII and IX also informs the Commission and stakeholders on how this proposal will interact with the pending tariff language that the NYISO has filed with a more immediate effective date, such as its reinstatement of Category III within the Examined Facility definition, which was proposed in the NYISO's ESR Compliance Filing.[145]

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[142] *New York Indep. Sys. Operator, Inc.*, Compliance Filing and Request for Extension of Time of Effective Date, Docket No. ER19-467-000 (December 3, 2018) ("ESR Compliance Filing").

[143] *New York Indep. Sys. Operator, Inc.*, Proposed Tariff Revisions Regarding Establishment of Participation Model for Aggregations of Resources, Including Distributed Energy Resources and Proposed Effective Dates, Docket No. ER19-2276-000 (June 27, 2019) ("DER Filing").

[144] *New York Indep. Sys. Operator, Inc.*, Interconnection Process Improvements, Docket No. ER18-80-000, at p 47 (October 16, 2017) (requesting a flexible effective date for its proposed revisions referencing bifurcation of the Class Year within the pending Renewable and Self Supply exemptions revisions; namely, that the language "become effective two weeks after the occurrence of the later of the following: (1) December 16, 2017, the requested effective date for all other Class Year bifurcation tariff revisions proposed in this filing (which are included in Attachments XVII and XVIII); and (2) the date that the Commission accepts Sections 23.4.5.7.13 and 23.4.5.7.14, as proposed in Docket No. ER16-1404.").

[145] *See* ESR Compliance Filing at pp 64–67 (requesting an effective date for the reinstatement of Category III language that would be one day after the Commission issues an order accepting the language, unless the timing of the order were such that immediate effectiveness of this language would disrupt the NYISO's administration of the Class Year process or the BSM Rules).

vii. Stakeholder Reservation of Rights Regarding Contested Pending Tariff Language

As discussed above, the proposed tariff revisions in this filing were made to a "base" version of the tariff that includes previously proposed, but still pending, tariff language. Some of that tariff language was protested by certain stakeholders when it was initially filed with the Commission. The relevant language appears in the version of Sections 23.2.1 and 23.4.5.7.13 of the Services Tariff that are included in Attachments III and IV of this filing.[146] Various stakeholders may continue to object to the acceptance of that pending language in its current form.

There is no reason why disputes over a pending compliance revision should prevent the adoption of undisputed new enhancements that are unrelated except for the fact that the same underlying tariff provision is implicated. During the stakeholder process that culminated in this filing, the NYISO clearly stated that it would not construe stakeholder support for these necessary enhancements to the BSM Rules as a change to positions stakeholders may have taken on pending revisions or as a waiver of arguments previously made to the Commission. The NYISO also indicated that it would inform the Commission that stakeholders that voted to support this filing did so with the understanding that they were not changing or waiving past positions or arguments regarding pending tariff revisions.

E. CRIS Expiration Rules

Attachment S to the OATT establishes the manner by which a Developer can obtain CRIS and rules governing the expiration of such CRIS.[147] As part of the stakeholder process and the NYISO's continued effort to enhance its processes, the NYISO identified certain matters concerning the maintenance and expiration of CRIS in its existing tariffs that required clarification.

i. Retention of CRIS by Facilities Not Subject to the NYISO's FERC-Jurisdictional Interconnection Process.

Under the NYISO's existing rules, a Large Facility or Small Generating Facility obtains CRIS through Attachment S but withdraws or is withdrawn from the Interconnection Queue before becoming operational will not retain its CRIS. A Large Facility or Small Generating Facility that is subject to the NYISO's FERC-jurisdictional interconnection process generally has a period of four years to enter into commercial operation, after which, if it has not done so, it will be withdrawn from the NYISO's Interconnection Queue and will lose any CRIS associated with

[146] The relevant language can be found in Sections 23.2.1, 23.4.5.7.13.1 and 23.4.5.7.13.4.2 of the Services Tariff. Section 23.2.1 includes a pending revision to the definition of "Examined Facility" that would restore "Category III" Examined Facilities to the BSM Rules. That pending revision was first proposed in the NYISO's December 3, 2018 compliance filing in Docket No. ER19-467 and has been discussed extensively in that proceeding. Sections 23.4.5.7.13.1 and 23.4.5.7.13.4.2 of the Services Tariff include revisions that involve the 1,000 MW limit original proposed for the Renewable Exemptions in the NYISO's April 13, 2016 compliance filing in Docket No. ER16-1404.

[147] OATT Section 25.9.3.1.

the project.[148] However, the existing tariff is silent on the length of time that a proposed project that only participates in the NYISO's FERC-jurisdiction interconnection process to obtain CRIS can hold CRIS without going into service.[149]

Accordingly, the NYISO proposes to revise the requirements for the retention of CRIS for facilities not subject to the NYISO's FERC-jurisdictional interconnection processes. Specifically, for such facilities that obtain CRIS through Attachment S, the NYISO proposes to terminate the CRIS unless the facility goes into operation (*i.e.*, synchronizes to the system) within four years of obtaining CRIS.[150] This four-year period is consistent with the time period that facilities being studied under the LFIP and SGIP have to enter into commercial operation or be subject to being withdrawn from the NYISO's Interconnection Queue and losing their CRIS. The proposed revisions are intended to provide clear rules that strike a balance between providing a project a reasonable period of time to go into operation while not allowing a project to hold on to CRIS indefinitely without going into service. In addition, to ensure that facilities that have obtained their CRIS before these new rules obtain the full benefit of this four year period, the NYISO proposes a transition rule. Specifically, if a facility has already obtained its CRIS on or before the effective date of this tariff change, the NYISO will only terminate its CRIS if the facility does not synchronize within four years of the effective date of the tariff revisions.

ii. Expiration of CRIS for Facilities That Have Not Participated in an Installed Capacity Auction or Registered as an Installed Capacity Resource

A Large Facility or Small Generating Facility that has gone into service and has CRIS will retain such CRIS as long as the facility is not CRIS-inactive for more than three continuous years.[151] A facility generally becomes "CRIS-inactive" on the last day of the month for which it ceases to offer capacity into the NYISO's capacity auction or ceases to be a registered Capacity Resource for a Load Serving Entity ("LSE") through a bilateral transaction or self-supply arrangement.[152] The consequence of the current formulation of the rule is that until a facility either offers capacity or registers as a Capacity Resource, it cannot become CRIS-inactive, and the three-year CRIS expiration clock will not start. As a result, the facility would be able to retain CRIS indefinitely, as the facility could never be deemed to be CRIS-inactive, regardless of the fact that the facility was not making use of the CRIS.

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[148] Subject to Section 30.4.4.5.2 of the OATT, Large Facilities have four years to go into commercial operation following the acceptance of their cost allocation and posting Security in accordance with Attachment S. *See* OATT Section 30.4.4.5.1.1. Similarly, a Small Generator has four years to go into commercial operation from the tendering of a Small Generator Interconnection Agreement ("SGIA"). *See* OATT Section 30.4.4.5.3.1.

[149] A facility that has CRIS but is not subject to the NYISO's FERC-jurisdictional interconnection process would be those projects that interconnect to New York State Transmission System or Distribution System pursuant to a non-FERC-jurisdictional interconnection process, such as the New York State Standardized Interconnection Requirements or a Transmission Owner interconnection process, and seek to obtain CRIS through Attachment S.

[150] OATT Section 25.9.3.4.

[151] OATT Section 25.9.3.1. Once a facility is CRIS-inactive for three continuous years, the facility's CRIS will terminate unless otherwise provided for in Section 25.9.3.1 of the OATT.

[152] OATT Section 25.9.3.1.1.

The NYISO proposes to revise and clarify the existing CRIS expiration rules to tighten the rules governing the retention of CRIS to prevent facilities from holding CRIS without (i) participating in the Installed Capacity market or (ii) otherwise certifying as an Installed Capacity Supplier or exporting capacity to an External Control Area for an extended period of time. Under this revised approach, the date on which the project goes into operation triggers the potential for a facility to be considered CRIS-inactive, which will then start the three-year period that a facility may be CRIS-inactive before its CRIS is terminated.[153] For purposes of this proposal, the date of operation will be the date on which the project completes its initial synchronization with the system. The initial synchronization date is the date that a facility with CRIS can start to participate in the NYISO-administered Installed Capacity markets and serves as an appropriate start date to commence the three-year period. Accordingly, all resources with CRIS will be obligated to inform the NYISO of their initial synchronization.[154] Thereafter, facilities with CRIS that have synchronized shall be CRIS-inactive beginning on the last day of the month for which it (i) failed to offer capacity in the NYISO's capacity auction and/or (ii) failed to certify capacity as an Installed Capacity Supplier through a Bilateral Transaction or to export capacity to an External Control Area. This will then commence the three-year period.[155]

This proposed revision will apply equally to load modifiers that have CRIS but never participate in the Installed Capacity market, including resources with CRIS that are acting as a load modifier outside of the NYISO-administered markets through a contract with an LSE.[156] Load modifiers will be treated as CRIS-inactive following their initial synchronization until they participate in the Installed Capacity market or certify capacity as an Installed Capacity Suppliers through a Bilateral Transaction. However, facilities with CRIS that export capacity to an External Control Area will not be considered to be CRIS-inactive by the mere fact that they are not participating in the NYISO Installed Capacity market.

These proposed tariff revisions may affect existing facilities with CRIS that are not presently classified as CRIS-inactive under the existing rules. The NYISO, therefore, proposes that if an existing facility synchronized before the last day of the month containing the effective date of these revisions and such facility was not previously CRIS-inactive under the current rules, such facility will be not be considered to be CRIS-inactive under the proposed rules until the last day of the month containing the effective date.[157] The facility will only be considered as CRIS-inactive under the proposed rules based on activity on or after that date.

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[153] Proposed OATT Sections 25.9.3.1.1, 25.9.3.1.2.

[154] For facilities being studied under the LFIP and SGIP, the NYISO proposes to include this requirement in their Standard Large Generator Interconnection Agreement ("LGIA") and SGIA by providing a *pro forma* letter requiring the Developer to advise the NYISO when the facility completes its initial synchronization. This revision to the LGIA and SGIA is further discussed in Part IV.K.ii.

[155] Proposed OATT Section 25.9.3.1.1.

[156] Proposed OATT Section 25.9.3.1.1.

[157] Proposed OATT Section 25.9.3.1.1.1. For example, if the Commission accepts the proposed revisions in Section IV.E with an effective date in February 2020, existing load modifiers that fail to offer into the NYISO capacity market for March 2020 would first be CRIS-inactive in April 2020 and, if remained CRIS-inactive for three continuous years, would lose its CRIS.

iii. Additional Revisions

The NYISO also proposes to clarify the existing requirements for handling CRIS for proposed facilities that withdraw from the NYISO Interconnection Queue prior to going operational in Section 25.9.3.1 of the NYISO OATT. The proposed revisions detail the NYISO's current rule that precludes a facility from retaining its CRIS status under Attachment S if the facility withdraws or is withdrawn from the NYISO Interconnection Queue prior to going into operation.[158]

F. Eliminate Duplication in SRIS and Class Year Studies

The NYISO proposes to revise the scope of the analysis performed in the SRIS and Class Year Study stages of the interconnection process to eliminate duplicative or unnecessary analysis. The proposed revisions have the potential to shorten the time required to perform the SRIS and the Class Year Study.

The SRIS currently consists of a short circuit analysis, a stability analysis, and a power flow analysis, which analysis is specifically detailed in the study scope for each SRIS.[159] Based on the NYISO's experience in administering the SRIS and applying the applicable reliability criteria, the NYISO determined that certain types of analysis currently performed in the SRIS can be more narrowly applied or eliminated in most cases or are more efficiently addressed in the Class Year Study. This revision will shorten the length of many SRISs without the risk of overlooking potential reliability violations. The NYISO, therefore, proposes to revise the SRIS requirements to provide that the study will instead consist of short circuit analysis, local steady state analysis, and local stability analysis.[160] Among other things, the revised scope of the SRIS will eliminate the need to perform thermal transfer, voltage transfer, and stability transfer analysis for internal interfaces unless there is a reasonable potential that SUFs are required. In addition, when N-1-1 analysis is necessary, the NYISO will perform a limited, local N-1-1 analysis, in place of a wide-area N-1-1 analysis, which is currently the default. If, however, the NYISO determines that additional analysis could reasonably be expected to identify reliability violations requiring SUFs, the NYISO may perform additional analysis at the SRIS stage.[161] The NYISO will advise the Developer if such additional analyses are required as a part of the scoping meeting for its project and detail the additional analyses in the SRIS study scope, which must be approved by the Operating Committee.

For purposes of the Class Year Study, the NYISO will then focus on incremental system-wide and/or projects' interaction analysis. The NYISO will continue to perform thermal, voltage, and stability analysis.[162] However, to the extent local thermal, voltage, and stability analysis was performed as part of the SRIS, the NYISO will rely on such analysis in the Class

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[158] Proposed OATT Sections 25.9.3.1, 25.9.3.1.1.

[159] OATT Section 30.7.3.

[160] Proposed OATT Section 30.7.3.1. Note that the tariff language was relocated from Section 30.7.3 and revised.

[161] Proposed OATT Section 30.7.3.1.

[162] OATT Section 25.6.1.1.1.1.4.

Year Study, including the identification of SUFs required to mitigate adverse impacts under the NYISO Minimum Interconnection Standard.[163] The NYISO will then refine the cost and timing to construct any SUFs identified in the SRIS.[164] In addition, the NYISO will no longer reproduce resource adequacy analysis, but will instead use the most recent reliability analysis of the existing system already performed in the NYISO's reliability planning process.[165] The NYISO will begin to implement the changes to the Class Year Study analysis for Class Year 2019.

G. Require Class Year Study Agreements, Deposits, and Project Data Earlier in Class Year Process

The NYISO proposes to revise the timing in the Class Year process for a Developer to elect to enter a Class Year Study and to submit a completed Class Year Study Agreement, along with the required project data and deposit. The proposed process changes will expedite the commencement of the Class Year Study and shorten the duration of the Class Year Study process by advancing certain eligibility and enrollment requirements prior to the Class Year Start Date.

i. Background

The Class Year Study commences on the Class Year Start Date, which is the first Business Day after thirty calendar days following the completion of the prior Class Year Study.[166] As soon as practicable after the Class Year Start Date is established, the NYISO tenders a Class Year Study Agreement to each Developer that satisfies the requirements to be an Eligible Class Year Developer.[167]

To become a Class Year Project, the Developer of an Eligible Class Year Project must currently elect to enter into the applicable Class Year by providing notice to the NYISO five Business Days after the Class Year Start Date.[168] In addition, the Developer of an Eligible Class Year Project must have a completed SRIS or System Impact Study approved by the Operating Committee for its project and have satisfied a regulatory milestone or provided the required deposit in lieu of satisfying the milestone.[169] The Developer of an Eligible Class Year Project

[163] Proposed revisions to OATT Section 25.6.1.1.1.1.4.

[164] Proposed revisions to OATT Section 25.6.1.1.1.1.4.

[165] Proposed revisions to OATT Section 25.6.1.1.1.1.5.

[166] OATT Section 25.5.9.

[167] OATT Section 30.8.1. The NYISO may also tender a Class Year Study Agreement at an earlier point to a Developer that is an Eligible Class Year Project, upon request. *Id.* An Eligible Class Year Project is a Developer "that (i) satisfies the criteria for inclusion in the next Class Year Interconnection Facilities Study, as those criteria are specified in Sections 25.5.9 and 25.6.2.3.1 of this Attachment S, Section 32.1.1.7 of Attachment Z to the OATT and/or Section 32.3.5.3.2 of Attachment Z to the OATT; or (ii) that seeks evaluation in a Class Year Study to obtain or increase CRIS as permitted by this Attachment S and satisfies the criteria for inclusion in the next Class Year Interconnection Facilities Study specified in Section 25.5.9 of this Attachment S."

[168] OATT Section 25.5.9.1.

[169] OATT Sections 25.5.9, 26.2.3.1. Small Generating Facilities must satisfy separate criteria for entering into a Class Year, which requirements are set forth in OATT Sections 25.5.9, 32.1.1.7, and 32.3.5.3.2. The NYISO proposes to also revise OATT Section 32.1.1.7 to make it explicit that a Small Generating Facility seeking more

must also execute the Class Year Study Agreement and deliver it to the NYISO within thirty calendar days of receiving the agreement.[170] Along with the executed Class Year Study Agreement, the Developer must submit, among other things, the required technical data, the required study deposit, and an additional deposit if the project has not satisfied an applicable regulatory milestone.[171] Within ten Business Days of the NYISO's confirming receipt of executed Class Year Study Agreement, required technical data, and required deposits, the NYISO and Connecting Transmission Owner will execute the agreement.[172] The changes between the current Class Year enrollment process and the proposed revisions are reflected in the figure provided as Attachment III.

The NYISO's proposed revisions to the eligibility and enrollment requirements will refine and clarify the procedures for Developers seeking to enter a Class Year Study and eliminate potentially significant delays at the start of the Class Year process. Efficiency at the start of the Class Year will become more and more important with the increasing size of the Class Year.

ii. Revisions to Expedite Enrollment Process

The NYISO proposes to make a number of revisions to streamline and expedite this enrollment process. The Class Year Study will continue to commence on the Class Year Start Date, which remains the first Business Day after thirty calendar days following the completion of the prior Class Year Study.[173] However, as detailed below, the NYISO will now provide prior notice of the upcoming Class Year Start Date and require that the Developer of Eligible Class Year Projects satisfy certain eligibility requirements prior to, rather than after, the Class Year Start Date. After it confirms that the Developer has satisfied the eligibility requirements, the NYISO will tender the Class Year Study Agreement to the Developer. The Developer will then have ten Business Days, rather than thirty calendar days, to complete the Class Year Study Agreement and to provide the required deposits and project data.

The NYISO reduced the amount of time for a Developer to enroll in the Class Year Study in response to feedback from Developers and stakeholders that the thirty-day response period for Developers was needlessly long. Developers seeking to enter a Class Year have sufficient knowledge through the NYISO's committees and working groups concerning when the next Class Year is going to begin. The enrollment requirements that must be completed after the tender of the Class Year Study Agreement are known and can be prepared in advance, as the *pro forma* Class Year Study Agreement is available in the NYISO OATT and contains all of the data fields that the NYISO requires. There are few, if any, unknowns that would require action by the Developer following the tendering of the Class Year Study Agreement. Moreover, now that the NYISO will be providing formal, advanced notice of the next Class Year Study Date, the

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than 2 MW of CRIS must satisfy the requirements of Section 30.8.1, as applicable. Proposed revision to OATT Section 32.1.1.7.

[170] OATT Section 30.8.1.
[171] OATT Section 30.8.1.
[172] OATT Section 30.8.1.
[173] OATT Section 25.5.9.

Developer will, in practice, have roughly the same amount of time as before to satisfy the enrollment requirements.

Finally, the proposed revisions will specify the consequences to Developers that subsequently retract their election to enter the Class Year Study. The changes to the Class Year enrollment requirements will not apply to Class Year 2019, which has already proceeded beyond the enrollment stage. They will, however, apply to the Class Year subsequent to Class Year 2019. A detailed description of the specific tariff amendments necessary to streamline and expedite the Class Year Study enrollment process is set forth below.

iii. Proposed Tariff Modifications

First, the NYISO proposes to require prior to the Class Year Start Date that the Developer provide its notice of intent to enter the study, to detail the manner in which it will address the regulatory milestone requirement, and to demonstrate that it has satisfied certain other existing Class Year requirements.[174]

The NYISO will provide notice of the Class Year Start Date.[175] Within five Business Days of the posting of this notice, the Developer of an Eligible Class Year Project must provide notice to the NYISO electing to enter the Class Year and addressing the regulatory milestone requirement at this time by either: (i) demonstrating that the project satisfies an applicable reliability milestone or (ii) notifying the NYISO that, within 10 Business Days of the NYISO's tendering the Class Year Study Agreement, the Developer will submit the required deposit in lieu of the applicable reliability milestone or a qualifying contract (which is described in Part IV.H below).[176] In addition, on or before the Class Year Start Date, the Developer must: (i) demonstrate that it satisfies the other existing tariff criteria for inclusion in the next Class Year (*e.g.*, having its SRIS approved by the Operating Committee), and (ii) if the Developer is only request CRIS, already have completed either a Class Year Study for ERIS, a System Impact Study in the SGIP, or a comparable utility interconnection study if the project is not subject to the NYISO's interconnection procedures.[177]

Second, the NYISO will then tender a Class Year Study Agreement to a Developer that has satisfied the above eligibility requirements.[178]

Third, the Developer must complete, but is not required to have executed, the Class Year Study Agreement and deliver it to the NYISO within ten Business Days after Developer's receipt

[174] Proposed revisions to OATT Sections 25.5.9.1, 30.8.1.

[175] Proposed revisions to OATT Section 25.5.9.1. The NYISO will both post notice and send notice to entities registered for the distribution list for the Operating Committee. *Id.*

[176] Proposed revisions to OATT Sections 25.5.9.1, 30.8.1.

[177] Proposed revisions to OATT Section 25.5.9.1.

[178] Proposed revisions to OATT Sections 25.5.9.1, 30.8.1. The NYISO may also tender a Class Year Study Agreement at an earlier point to a Developer that is an Eligible Class Year Project, upon request. OATT Section 30.8.1. When a Developer requests tender of a Class Year Study Agreement before the NYISO issues notice of a Class Year Start Date, the Developer must either demonstrate that the project satisfies the applicable regulatory milestone or provide notice that it will submit the regulatory milestone deposit or submit a qualifying contract before the NYISO will tender the Class Year Study Agreement. *Id.*

of the Class Year Study Agreement.[179] Along with the completed Class Year Study Agreement, the Developer must submit, among other things, the required technical data,[180] the required study deposit, and either a deposit or demonstration of a qualifying contract if it has not satisfied an applicable regulatory milestone (as described in Part IV.H below).[181] This proposal will shift the point in time when the parties will execute the Class Year Study Agreement, and reduce administrative redundancy by eliminating the execution of multiple versions of the Class Year Study Agreement if the information or technical data is insufficient. The NYISO is not proposing to modify any of the other information that must be submitted with the completed Class Year Study Agreement.[182]

Fourth, the NYISO proposes to establish time frames and requirements for the NYISO to review, and the Developer to correct, deficiencies in the technical data provided by the Developer. If the NYISO determines that the technical data provided by the Developer is deficient, it will notify the Developer of the reasons for the deficiency.[183] The Developer must then provide the additional information required to cure the deficiency within ten Business Days of receipt of this notice.[184] The Developer's failure to cure the deficiency will result in the withdrawal of the project from the Interconnection Queue.[185]

Fifth, the NYISO, Connecting Transmission Owner, and Developer will execute the Class Year Study Agreement within ten calendar days of the NYISO confirming receipt of the Class Year Study Agreement, the required technical data, and required deposits from the Developer.[186]

A Developer that satisfies the above requirements will become a Class Year Project.[187] If a Developer elects to enter a Class Year Study, but retracts its election prior to the NYISO's tender of the Class Year Study Agreement for the Developer to complete, the project will not

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[179] Proposed revisions to OATT Section 30.8.1. The OATT currently requires a Developer to execute an Class Year Study Agreement prior to submitting it to the NYISO. The NYISO has revised this requirement, so that the Developer is only required at this point to complete the required fields in the *pro forma* agreement and deliver it to the NYISO. After the NYISO confirms the receipt of the agreement (including confirmation of the information contained in the agreement), the technical data, the study deposit, and demonstration of a regulatory milestone or qualifying contract or two-part deposit in lieu of satisfying the regulatory milestone requirement, the Developer, NYISO, and Connecting Transmission Owner will subsequently have ten calendar days to execute the agreement. *See* proposed revisions to OATT Sections 25.8.1, 30.4.4.6, 30.8.1, 30.8.2.1. The NYISO is proposing a similar change to the requirements for the facility study agreement in the SGIP. *See* proposed revisions to OATT Sections 32.3.5.2, 32.3.5.8.

[180] This data includes date required by the Connecting Transmission Owner, to the extent that such data is requested by the NYISO when it provides notice of the Class Year Start Date or tenders the Class Year Study Agreement. Proposed revisions to OATT Section 30.8.1.

[181] Proposed revisions to OATT Section 30.8.1.

[182] This includes the Developer's election of which interconnection service will be evaluated in the Class Year Study and, for Large Facilities that are not yet in service, an updated, proposed In-Service Date, Initial Synchronization Date, and Commercial Operation Date. OATT Section 30.8.1.

[183] Proposed revisions to OATT Section 30.8.1.

[184] Proposed revisions to OATT Section 30.8.1.

[185] Proposed revisions to OATT Section 30.8.1.

[186] Proposed revisions to OATT Section 30.8.1.

[187] Proposed revisions to OATT Section 25.5.9.1.

become a member of the Class Year Study.[188] If, however, the Developer retracts its election after the NYISO's tender of the Class Year Study Agreement (whether prior to or after the deadline for executing the Class Year Study Agreement), the Developer's project will not become a member of a Class Year Study, but such retraction will count as one of the two Class Year Studies that a project is permitted to enter.[189] The proposed revisions would also no longer require withdrawal from the NYISO's Interconnection Queue for failing to execute a Class Year Study Agreement after requesting tender, unless the project exceeded the number of Class Year Studies that it is permitted to enter under Section 25.6.2.3.4 of Attachment S.

H. Revise and Clarify Regulatory Milestones Requirements

To participate in a Class Year Study, a Developer must currently, at the time it submits its executed Class Year Study Agreement, either demonstrate that its project has satisfied one of the regulatory milestones prescribed in Attachment S of the OATT or provide a two-part deposit consisting of $100,000, plus $3,000/MW for the nameplate capability of the facility.[190] As described in Part IV.G above, the NYISO proposes to revise the enrollment requirements for the Class Year to require that, at the same time that it provides notice to the NYISO of its election to enter a Class Year, the Developer also demonstrate that its project satisfies a regulatory milestone or notify the NYISO that it will satisfy a permitted alternative in lieu of a regulatory milestone.[191]

As detailed below, the NYISO proposes certain revisions to the regulatory milestone requirements: (i) to clarify the application of the regulatory milestones for certain project types (*e.g.*, offshore wind projects), (ii) to permit a project that has not yet satisfied a regulatory milestone to rely on certain financial agreements instead of a deposit to satisfy the regulatory milestone requirement for purposes of entering the Class Year, and (iii) to provide for the return of a deposit in lieu of a regulatory milestone at the completion of Class Year Study, regardless of whether the Developer accepts or rejects its cost allocation.

The proposed revisions will provide additional clarity concerning the regulatory milestone requirements. In addition, the proposed revisions establish additional flexibility to enable projects to enter a Class Year prior to the satisfaction of a regulatory milestone. Finally, the proposed revisions clarify the treatment of deposits provided in lieu of satisfying a regulatory milestone and ensure consistent treatment within the OATT regarding the refund of deposits.

i. Clarifications of Application of Regulatory Milestones for Certain Project Types

A Developer must obtain or achieve at least one of the regulatory determinations or actions for a Large Facility listed in Section 25.6.2.3.1.1 of Attachment S. The NYISO reviewed with its stakeholders the application of the existing regulatory milestones to different project

[188] Proposed revisions to OATT Section 25.5.9.1.
[189] Proposed revisions to OATT Sections 25.5.9.1, 30.8.1.
[190] OATT Section 30.8.1.
[191] Proposed revisions to OATT Section 25.5.9.1.

types. Based on this review, the NYISO developed with stakeholder input certain new regulatory milestones and clarifications to other existing milestones. The NYISO proposes to include these revised milestones in Section 25.6.2.3.1.1 of the OATT. The revisions ensure that appropriate milestones exist for the different project types that participate in the NYISO's interconnection processes.

First, the NYISO proposes to insert a new regulatory milestone applicable to offshore wind facilities to be located on the outer continental shelf.[192] Specifically, the Developer of a Large Generating Facility that is an offshore wind facility on the outer continental shelf must demonstrate that it has a construction and operations plan deemed sufficient by the Bureau of Ocean Energy Management ("BOEM") for which the BOEM has issued a Notice of Intent to prepare a Draft Environmental Impact Statement for the Large Facility in accordance with the U.S. Environmental Protection Agency pursuant to the National Environmental Policy Act of 1969 ("NEPA") and its implementing regulations.[193]

Second, the NYISO proposes to clarify the application of the regulatory milestone for obtaining a negative declaration issued pursuant to the New York State Environmental Quality Review Act ("SEQRA") in the case of an uncoordinated SEQRA review—that is, in cases in which no lead agency is designated.[194] As amended, the provision will clarify that a negative declaration issued by any entity in accordance with SEQRA will satisfy the regulatory milestone requirement.[195]

Third, the NYISO also proposes to clarify the milestone for a determination pursuant to Article VII of the New York Public Service Law regarding the siting of major utility transmission facilities. As amended, the milestone provides that a determination that a project's Article VII application complies with Section 122 of the Public Service Law may apply to either a Class Year Transmission Project or a transmission portion of a Large Facility.[196]

Finally, the NYISO proposes to insert a new regulatory milestone that is applicable to Large Facilities with Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades that require an Article VII application.[197] The new milestone provides for a determination pursuant to Article VII that the Article VII application complies with Section 122 of the Public Service Law.

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[192] The milestone is limited to offshore wind facilities on the outer continental shelf because wind facilities greater than 25 MW within New York State's jurisdictional waters would be subject to a determination pursuant to Article 10 of the New York Public Service Law for which there is a separate regulatory milestone. *See* OATT Section 25.6.2.3.1.1.7.

[193] Proposed OATT Section 25.6.2.3.1.1.8.

[194] OATT Section 25.6.2.3.1.1.2.

[195] Proposed revisions to OATT Section 25.6.2.3.1.1.2.

[196] Proposed revisions to OATT Section 25.6.2.3.1.1.4.

[197] Proposed OATT Section 25.6.2.3.1.1.9.

ii. Alternate Approach for Addressing Regulatory Milestone

A Developer that cannot timely satisfy its applicable regulatory milestone may currently make use of an alternative approach to enter a Class Year Study. Currently, the Developer may provide a deposit in lieu of the milestone in the amount of $100,000, plus $3,000 per MW, for purposes of entering a Class Year Study.[198] If a Developer uses an alternative approach, the Developer will still be required to satisfy a regulatory milestone within six months of the NYISO's tendering to the Developer a Standard Large Generator Interconnection Agreement ("LGIA") for the project.[199]

The NYISO proposes to establish another alternative that a Developer can provide in lieu of satisfying the regulatory milestone or providing the deposit for purposes of entering a Class Year Study. Specifically, the NYISO propose to permit a Developer to demonstrate that it satisfies one of the following milestones: (i) a New York State Energy Research and Development Authority ("NYSERDA") Renewable Energy Certificate (REC) contract; (ii) a NYSERDA "Market Bridge Incentive" contract; or (iii) a power purchase agreement.[200] As with the deposit, these alternatives provide evidence that a Developer's project is progressing and is more likely to move forward with its project. The proposed revisions will provide Developers with additional flexibility to proceed with their projects in the Class Year and minimize costs to Developers, while ensuring the NYISO that Developers are making reasonable progress in advancing their projects.

Notwithstanding a Developer's use of a qualifying financial agreement for purposes of entering a Class Year, the Developer will still be ultimately responsible for satisfying a regulatory milestone.[201] The financial agreements do not constitute a milestone in project development akin to the permitting milestones currently used as regulatory milestones.

If a Developer in the current Class Year 2019 has used a deposit as an alternative to satisfy the regulatory milestone requirements, it may obtain a refund from the NYISO for this deposit if it satisfies one of the alternative financial agreement milestones by March 1, 2020.[202]

iii. Study Deposit

Currently, the $3,000 per MW portion of the deposit that a Developer may submit in lieu of a regulatory milestone is fully refundable and will be returned by the NYISO upon the earlier of the Developer's satisfaction of the regulatory milestone or its withdrawal from the

[198] OATT Sections 25.5.9.1, 25.6.2.3.1. The NYISO proposes to clarify that the MW amount will be determined based on the project's "requested ERIS" amount, rather than its "nameplate capacity." This change addresses the circumstances in which a generator's nameplate capacity differs from the amount of ERIS it is seeking in the interconnection process, as in the case of uprates or generators with output limiting equipment.

[199] OATT Sections 25.6.2.3.2, 25.6.2.3.3, 30.11.1. The NYISO proposes to clarify this timing requirement in Section 25.6.2.3.3 of the OATT.

[200] Proposed revisions to OATT Section 25.6.2.3.1.

[201] OATT Sections 25.6.2.3.2, 25.6.2.3.3, 30.11.1.

[202] Proposed revisions to OATT Section 25.6.2.3.1.

Interconnection Queue.[203] The NYISO proposes to revise this requirement to address other circumstances in which the Developer will exit the Class Year, after which the NYISO will not need to retain the deposit. Specifically, the NYISO proposes that it will return the deposit at the earlier of the Developer's: (i) satisfaction of the regulatory milestone; (ii) withdrawal from the Interconnection Queue; (iii) withdrawal from the Class Year Study to the extent permitted by Attachments S and X; (iv) rejection of its Project Cost Allocation for System Upgrade Facilities in a Class Year Study; or (v) acceptance of its Project Cost Allocation and posting of Security for SUFs in a Class Year Study.[204] Finally, the NYISO clarifies that upon a Large Facility's withdrawal from the NYISO's Interconnection Queue, the $3,000/MW deposit will be refundable with interest actually earned.[205]

I. Revise Treatment of Deposits

The NYISO's interconnection procedures provide for the NYISO to pay interest when refunding a deposit due to a project's withdrawal from the Interconnection Queue.[206] Currently, the NYISO is required to pay interest on the refunded deposit at an interest rate consistent with Section 35.19a of the Commission's Regulations (hereinafter the "FERC interest rate").[207]

The NYISO proposes to revise this requirement to change the interest rate owed on amounts refunded to a Developer from the FERC interest rate to "any interest actually earned on such deposits."[208] The NYISO proposes these revisions because it is unable to earn interest at the FERC interest rate. As a not-for-profit organization that derives its operating revenues from its Market Participants, the NYISO lacks the resources to cover the difference between the FERC interest rate and the rate that is actually earned on the deposits. The Commission has approved similar interest rate requirements for refunded security deposits elsewhere in the NYISO tariffs.[209] The Commission has also approved similar interest rate requirements for refunded security deposits in other ISOs/RTOs.[210]

[203] OATT Section 25.6.2.3.1.

[204] Proposed revisions to OATT Section 25.6.2.3.1.

[205] Proposed revisions to OATT Section 25.6.2.3.1.

[206] OATT Section 30.3.6.

[207] OATT Section 30.3.6.

[208] Proposed revisions to OATT Section 30.3.6. Consistent with its approach for other deposits provided under the OATT, the NYISO will hold the deposit in an interest-bearing account with the deposited amount being associated with the Developer.

[209] OATT Sections 31.2.6.2, 31.4.4.4; *see also New York Indep. Sys. Operator, Inc.*, 166 FERC ¶ 61,099 (2019) (accepting the revisions to the interest rate to interest actually earned in transmission planning process requirements).

[210] *See, e.g., Southwest Power Pool, Inc.*, 149 FERC ¶ 61,048, at PP 203, 205 (2014); *California Indep. Sys. Operator*, 149 FERC ¶ 61,178 at P 11 (2014); *Midcontinent Indep. Sys. Operator, Inc.*, 153 FERC ¶ 61,168, at P 83 (2015) (accepting the revision to the interest rate to be the "interest actually earned on such deposits" as proposed in MISO's September 16, 2015 filing in Docket No. ER15-2657-000).

J. Expand Definition of Class Year Transmission Project

A "Class Year Transmission Project" is a transmission facility that is studied under the LFIP in Attachment X of the OATT and subject to the Class Year Study process in Attachment S of the OATT.[211] Attachments X and S establish the requirements by which the Developer of a generation or transmission facility may request that the NYISO evaluate the facility for ERIS under the NYISO Minimum Interconnection Standard to enable the facility to provide Energy and Ancillary Services and for CRIS under the NYISO Deliverability Interconnection Standard to enable the facility to participate in the NYISO-administered capacity markets. A Class Year Transmission Project is excluded from the definition of a "Transmission Project" for purposes of the separate Transmission Interconnection Procedures ("TIP") in Attachment P of the OATT.[212] The TIP requirements concern the reliable interconnection of a transmission facility to the New York State Transmission System under the NYISO Transmission Interconnection Standard, but do not evaluate the facility for ERIS or CRIS.[213]

The NYISO has historically reviewed controllable transmission lines requesting ERIS or CRIS under its LFIP and Class Year Study process. Under the current definition of a Class Year Transmission Project, however, the Developer must be eligible to request and must request CRIS for its proposed transmission facility to be considered a Class Year Transmission Project and be studied under the LFIP in Attachment X, rather than the TIP under Attachment P.[214] The current definition of Class Year Transmission Project does not account for the scenario in which the Developer of a merchant controllable transmission line wants to be evaluated for only ERIS, and not for CRIS. Under the current definition of Class Year Transmission Project, such a transmission facility would be labelled as a Transmission Project and subject to the TIP requirements, rather than being evaluated for ERIS under the LFIP.

The NYISO, therefore, proposes to revise this definition of Class Year Transmission Project to provide that a Developer of a proposed controllable transmission line that requests only ERIS will also be a Class Year Transmission Project that will be studied under the LFIP. The NYISO defines a controllable transmission facility as "a transmission facility over which power flow can be directly controlled by power flow devices directly connected to the Class Year Transmission Project without having to re-dispatch generation."[215] Controllable transmission projects that are able to request ERIS are more suitable for evaluation in the LFIP than the TIP. Because these lines are controllable, they can be dispatched up and down to address system conditions and are, therefore, more akin to generation from an electrical standpoint than to uncontrollable AC transmission. Accordingly, such transmission facilities are better evaluated alongside generation in the LFIP, including in the Class Year Study.

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[211] *See* OATT Section 30.2.1.

[212] OATT Section 22.3.1.3.

[213] *See* OATT Sections 22.3.1.3.

[214] OATT Sections 25.1, 30.1 (definitions of Class Year Transmission Project).

[215] Proposed revisions to OATT Sections 25.1, 30.1 (definitions of Class Year Transmission Project). The NYISO proposes to make conforming changes to OATT Section 25.3.1 to incorporate the revised definition of Class Year Transmission Project.

K. Minor Clarifications and Ministerial Errors

i. EPC Agreement Requirements for SUFs and SDUs on Affected Systems

The NYISO's interconnection studies may identify the need for SUFs or SDUs on Affected Systems that are required for the Developer's interconnection of its project, but are not addressed in the *pro forma* interconnection agreement among the NYISO, Connecting Transmission Owner, and Developer. The NYISO's practice has been to enter into and file with the Commission engineering, procurement, and construction agreements ("EPC Agreements") among the NYISO, the Affected System Operator, and the Developer or Developers that have accepted their Project Cost Allocation for, and have funded or committed to fund, SUFs and/or SDUs on Affected Systems. This approach is consistent with the existing requirements in Section 30.12.1 of Attachment X that if an SUF or SDU involves an Affected Transmission Owner, the Developer is required to execute and fulfill agreement(s) with the NYISO and the Connecting Transmission Owner and any Affected Transmission Owner to cover the engineering, procurement, and construction of such upgrades.[216] As the NYISO does not have a *pro forma* EPC Agreement, it works with the Developer and Affected System Operator to develop an EPC Agreement based on the LGIA, as modified to address only the engineering, procurement, and construction elements. Each agreement has then been filed with and accepted by the Commission.[217]

The NYISO proposes to clarify this process in Attachments X and S of its OATT.[218] Specifically, if a Developer (or multiple Developers) accepts its Project Cost Allocation for, and funds or commits to funds, SUFs and/or SDUs on an Affected System, the Developer(s) and Affected System Operator (or Affected Transmission Owner) will cooperate with the NYISO in developing an agreement to provide for the engineering, procuring, and construction of the SUFs and/or SDUs.[219] The NYISO also proposes to clarify that the EPC Agreement will be based on the LGIA, as modified to address only the engineering, procurement, and construction of the SUFs and SDUs. Finally, the NYISO proposes to require that the parties to the agreement use Reasonable Efforts to complete and execute the agreement, or to submit it unexecuted with the Commission, within six months of the NYISO's tender of the agreement.[220]

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[216] Similarly, Section 25.7.11.1.4.2.6 of Attachment S to the OATT requires that an entity that has sought External CRIS rights that accepts its SDU Project Cost Allocation and funds or commits to fund an SDU Upgrade must also execute and fulfill agreement(s) with the NYISO and the Connecting Transmission Owner and any Affected Transmission Owner to cover the engineering, procurement, and construction of the SDUs.

[217] *See, e.g., New York Indep. Sys. Operator, Inc., et al.*, Letter Order, Docket No. ER19-2543-000 (October 3, 2019) (accepting agreement for engineering, procurement, and construction of SDUs on Affected Systems); *New York Indep. Sys. Operator, Inc., et al.*, Letter Order, Docket No. ER15-2083-000 (August 19, 2015) (accepting agreement for engineering, procurement, and construction of SUFs on Affected System).

[218] Proposed OATT Section 25.7.12.13; proposed revisions to OATT Section 30.3.5.

[219] Section 25.7.12.13 also clarifies that if an SDU is identified on the Connecting Transmission Owner's system, the engineering, procurement, and construction of the SDU will be addressed in the interconnection agreement among the NYISO, Developer, and Connecting Transmission Owner.

[220] Proposed OATT Section 25.7.12.13; proposed revisions to OATT Section 30.3.5.

ii. Modifications to Pro Forma LGIA and Pro Forma SGIA

The NYISO proposes to make limited substantive modifications and minor corrections to its LGIA located in Appendix 3 in Section 30.14 of Attachment X of the OATT and its Standard Small Generator Interconnection Agreement ("SGIA") located in Appendix 7 in Section 32.5 of Attachment Z of the OATT.

First, the NYISO proposes to revise both the LGIA and SGIA to require the Developer to provide the NYISO and Connecting Transmission Owner with a notice form indicating its project's satisfaction of the key milestones of its Initial Synchronization Date and its Commercial Operation Date. The LGIA currently includes as Appendix E a form letter that the Developer must provide to the NYISO and Connecting Transmission Owner confirming that the Developer has commenced Commercial Operation of its Large Facility. The NYISO proposes to insert a similar form letter in the SGIA for a Small Generating Facility's commencement of its Commercial Operation Date, along with inserting similar form letters in the LGIA and SGIA for Developer's initial synchronization of its facility.[221] Such form letters are not administratively burdensome and enable the NYISO to more easily track the status of projects under development, including providing specific information for testing and scheduling purposes. Moreover, consistent with the proposed revisions to the CRIS expiration rules in Part IV.E, the form letter for the initial synchronization of new facilities will be used to identify the beginning of the three-year period that a facility may be CRIS-inactive until such facility loses its CRIS. The NYISO made conforming changes to the definition of "Commercial Operation Date" and "Initial Synchronization Date" in the LGIA to address the use of these forms.[222] In addition, the NYISO inserted definitions of the following terms in the SGIP and SGIA concerning key project milestones to conform with the defined terms used in the LGIA and the use of the notice forms: Commercial Operation, Commercial Operation Date, Initial Synchronization Date, In-Service Date, and Trial Operation.[223]

Second, Sections 4.2 and 5.2 of the SGIA currently only permit a Connecting Transmission Owner and Developer to agree for the Developer to construct the required Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrade Facilities associated with its project if the upgrades are located on land owned by the Developer. The NYISO proposes to modify these provisions to permit the Developer to construct these upgrades, with the Connecting Transmission Owner's agreement, even if such upgrades are not located on land owned by the Developer. The proposed revision will provide the Connecting Transmission Owner and Developer with additional flexibility concerning the construction of required upgrades. The revisions will also not harm the Connecting Transmission Owner, which must agree for the Developer to construct such upgrades.

Third, the NYISO proposes to clarify the meaning of the term "Loss" as that term is used in the Indemnity provisions in Article 18 of the LGIA. Currently, Article 18.2 details the

[221] Proposed Appendix E-1 of the LGIA (and heading revision from Appendix E to Appendix E-2 to existing form); proposed Attachments 8 and 9 of the SGIA.

[222] Proposed revisions to Article 1 of the LGIA.

[223] Proposed revisions to OATT Section 32.5 Appendix 1 and Attachment 1 of the SGIA.

categories of loss that are subject to the indemnity requirements (*i.e.*, "damages, losses, claims, including claims and actions related to injury to or death of any person or damage to property, the alleged violation of any Environmental Law, or the release or threatened release of any Hazardous Substance, demand suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties"). However, these categories are not currently collectively defined as "Loss." Rather, there is separate definition of Loss in the definitions section of the LGIP and LGIA that does not fully capture the loss categories detailed in Article 18.1. The NYISO, therefore, proposes to define "Loss" in Article 18.1 as any and all of the categories of Loss detailed in that provision, and to delete the definition of Loss from the definition sections of the LGIP and LGIA. This revision will eliminate uncertainty and internal inconsistencies concerning the definition of Loss.

Fourth, the NYISO proposes to modify the LGIA to correct certain inadvertent changes to the LGIA that were included as part of the modifications that the NYISO submitted in Docket No. ER18-80-000 on October 16, 2017, which modifications were accepted by the Commission on December 7, 2017. The Commission has accepted these corrections as non-conforming revisions to recently filed interconnection agreements.[224] The corrections are as follows:

- Correction in the definition of "Standard Large Generator Interconnection Agreement" to the tariff reference from Appendix 6 to Appendix 3 of Attachment X of the NYISO OATT;
- Correction of the cross-reference in Article 2.1 from Article 3.1, which no longer exists, to Article 3;
- Correction to the first reference to "Indemnified Party" in Article 18.1.2 of the LGIA, which had been inadvertently changed to "Indemnifying Party;"
- Correction of two cross-references in Section 18.3.12; and
- Correction of a cross-reference in Article 22.4.

Finally, the NYISO proposes to make the following additional minor conforming revisions and clean-up changes to the LGIA and SGIA.

- Including "Class Year Study Agreement" as an alternative term for the "Interconnection Facilities Study Agreement" in the definition section of the LGIA;
- Correcting the reference to "Developer" rather than "Interconnection Customer" in the definition of "NYISO Deliverability Interconnection Standard" in the definition section of the LGIA;
- Correcting the word "his" to "its" referring to a Developer's share of upgrade costs in Article 5.5.2 of the LGIA;
- Inserting the reference to "Class Year Study" in place of "Class Year Interconnection Facilities Study" in Article 5.15 of the LGIA;
- Correcting pluralization in Articles 18.3.4 and 22.8 of the LGIA;

[224] *See, e.g., New York Indep. Sys. Operator, Inc. and Consolidated Edison Co. of New York, Inc.*, Letter Order, Docket No. ER18-1161-000 (May 17, 2018).

- Adding placeholders for the name of the signors of the LGIA in the signature blocks of the LGIA;
- Correcting the word "by" to "be" in Article 1.8.1 of the SGIA;
- Correcting capitalization of defined term, "Force Majeure Event" in Article 7.5.2 of the SGIA;
- Correcting cross-reference to Articles in Article 12.11.1 of the SGIA;
- Correcting spelling of "courier" in Article 13.1 of the SGIA;
- Updating email contact information for the NYISO in Articles 13.3 and 13.4 of the SGIA;
- Adding placeholders for the name of the signors of the SGIA in the signature blocks of the SGIA;
- Correcting capitalization of defined term, "Good Utility Practice" in the definition of "System Upgrade Facilities" in Attachment 1 of the SGIA; and
- Corrected spacing throughout LGIA and SGIA.

iii. Miscellaneous

The NYISO's proposed revisions to the OATT also include a number of minor revisions intended to clarify and clean up existing language. The NYISO proposes to make the following revisions in a number of places in the tariff language.

- The NYISO corrected spacing and inserted (or deleted inadvertent) periods and commas;
- The NYISO updated the headings and section numbering to address new, revised, and deleted tariff provisions;
- The NYISO used the new shortened form of "Class Year Study" in place of "Class Year Interconnection Facilities Study" and "Class Year Study Agreement" in place of "Class Year Interconnection Facilities Study Agreement" in certain places of the tariff;
- The NYISO clarified that certain actions performed by the stakeholder Operating Committee could be performed by an Operating Committee subcommittee (*e.g.,* Section 25.7.7.1);
- The NYISO replaced "NYISO" with "ISO" for internal consistency;
- The NYISO used the defined acronyms CRIS and ERIS to replace the full terms; and
- The NYISO made the following additional clarifications and clean-ups that are referenced and explained in the following table:

Tariff Section	**Description and Rationale of Proposed Modification**
OATT Section 25.1.2 (definition of "Affected Transmission Owner")	Removed inadvertent period in definition of "Affected Transmission Owner."
OATT Section 25.1.2 (definition of "Class Year")	Removed "or" as definition refers to all projects in a Class Year Interconnection Facilities Study.

Tariff Section	Description and Rationale of Proposed Modification
OATT Section 25.1.2 (definition of "Class Year Interconnection Facilities Study")	Inserted "Class Year Study" as a shortened defined term for "Class Year Interconnection Facilities Study".
OATT Section 25.1.2 (definition of "Class Year Interconnection Facilities Study Agreement")	Inserted "Class Year Study Agreement" as a shortened defined term for "Class Year Interconnection Facilities Study Agreement."
OATT Section 25.1.2 (definition of "Energy Resource Interconnection Service")	Corrected parenthesis in defined term.
OATT Section 25.1.2 (definition of "Security")	Inserted the word "this" before Attachment S to clarify applicable provision.
OATT Section 25.2.1	Revised to clarify the Large Facilities and Small Generating Facilities that are subject to being evaluated under the NYISO Minimum Interconnection Standard in a Class Year Study.
OATT Section 25.3.1	Revised to clarify that facilities that are subject to being evaluated under the NYISO Deliverability Interconnection Standard.
OATT Section 25.3.1.2	Revised to clarify that Developers electing CRIS are also eligible to receive "External-to-ROS Deliverability Rights."
OATT Section 25.3.1.2	Replaced "capacity" with defined term "Installed Capacity."
OATT Section 25.3.1.3	Deleted no longer required provision concerning the transition for Class Year 2007 to begin evaluating projects under the NYISO Deliverability Interconnection Standard.
OATT Section 25.5.5.1	Deleted no longer required provision concerning the requirements for the Existing System Representation used solely for Class Year 2017.
OATT Section 25.5.5.1 (previously Section 25.5.5.2)	Inserted the word "this" in several locations to clarify applicable provision and corrected cross reference.
OATT Sections 25.5.6 and 25.5.7	Clarified Developer's responsibility for all of the costs of Attachment Facilities and Distribution Upgrades required for the interconnection of its facility.
OATT Section 25.5.9 (revised to Section 25.5.9.1)	Removed language indicating that the application of certain provisions would only apply to Class Years subsequent to Class Year 2012 and 2017, as the provisions are now the applicable provisions. In addition,

Tariff Section	Description and Rationale of Proposed Modification
	the NYISO added that it would also provide the Class Year Schedule information to its distribution list for the Transmission Planning Advisory subcommittee.
OATT Section 25.6.2.3.2	Corrected internal cross reference.
OATT Section 25.6.2.3.4.2	Clarified the reference to the Class Year entry requirements that a Developer must satisfy if required to enter a Class Year to avoid having its project withdrawn.
OATT Section 25.6.2.3.4.3	Clarified the reference to the Class Year entry requirements that a Developer must satisfy if required to enter a Class Year to avoid having its project withdrawn.
OATT Section 25.7.3	Removed no longer required language concerning deliverability test for Class Year prior to Class Year 2012 and corrected misspelling of "Deliverability."
OATT Section 25.7.10	Corrected misspellings of "Deliverability" and "Unforced."
OATT Section 25.7.11.1.4.2.6	Inserted the word "this" to clarify applicable provision.
OATT Section 25.7.12.5.1	Revised "of the OATT" to "to the OATT."
OATT Section 25.8.2	Revised "and requesting" to "that request."
OATT Section 25.8.2	Removed language indicating that the application of certain provisions would only apply to Class Years subsequent to Class Year 2012, as the provisions are now the applicable provisions.
OATT Section 25.8.2	Replaced "the Class Year Project's Deliverable MW" with "the Developer's Deliverable MW."
OATT Section 25.8.2.1	Clarified that the Developer must signify its willingness to pay for its share of SUFs and SDUs "that it accepted."
OATT Section 25.8.2.3	Replaced "issue" with "provide."
OATT Section 25.8.3	Replaced "Class year Projects" with "Developers."
OATT Section 25.8.3	Capitalized defined term "Non-Acceptance Notices."
OATT Section 25.8.3	Replaced "Class Year projects" with "Developers in the Class Year Study".
OATT Section 25.8.3	Deleted "report" as the NYISO does not issue a "Deliverability MW report," rather the

Tariff Section	Description and Rationale of Proposed Modification
	revised Deliverability MW are issued in the revised Class Year Deliverability Study described in the start of the relevant sentence.
OATT Section 25.8.4	Clarified by removing "all Developer have dropped out of the Class Year" as it is already addressed by the preceding language.
OATT Section 25.8.5	Deleted "still" as a ministerial cleanup to remove excess wording.
OATT Section 25.8.6.4	Replaced "Class Year Project" with "project," as the project may include projects in the Class Year Study or Additional SDU Study.
OATT Section 25.8.7.3.2	Includes reference to "Additional SDU Study" with Class Year Deliverability Study for studies that determine Headroom for SDUs.
OATT Section 25.8.7.3.2	Replaces "Class Year project" with "Developer" to clarify that the Developer's project may have participated in either the Class Year Study or an Additional SDU Study.
OATT Section 25.8.7.4.3	Replaces "each Class Year of Developers" with "each Developer" to account for both Developers in the Class Year Study or an Additional SDU Study.
OATT Section 25.10.1.2	Corrected internal cross-reference.
OATT Section 25.10.1.3	Corrected internal cross-reference.
OATT Section 25.10.2.5	Revised "of the OATT" to "to the OATT."
OATT Section 25.11, Appendix 1	Revised "Appendix One" to "Appendix 1"
OATT Section 25.11, Appendix 1	Revised Class Year placeholder from "200X" to "20XX" as future Class Years will be in the teens or subsequent years.
OATT Section 30.1 (definition of "Class Year Interconnection Facilities Study")	Inserted "Class Year Study" as a shortened defined term for "Class Year Interconnection Facilities Study".
OATT Section 30.1 (definition of "Class Year Interconnection Facilities Study Agreement")	Inserted "Class Year Study Agreement" as a shortened defined term for "Class Year Interconnection Facilities Study Agreement."
OATT Section 30.1 (definition of "NYISO Minimum Interconnection Standard")	Clarified that the LFIP are in "this" Attachment X, rather than Attachment Z.
OATT Section 30.1 (definition of "Standard Large Facility Interconnection Procedures")	Inserted "this" to clarify the application of requirements in Attachment X.
OATT Section 30.1 (definition of "Standard Large Generator Interconnection Agreement")	Inserted "this" to clarify the application of the requirements in Attachment X.

Tariff Section	Description and Rationale of Proposed Modification
OATT Section 30.2.3	Clarified that the relevant power flow base information will be provided to Developers considering "or requesting" CRIS.
OATT Section 30.3.3.1	Clarified that a deposit provided in lieu of Site Control for Large Facilities shall be refunded if the Developer can demonstrate Site Control within the ten Business Day cure period; otherwise, the deposit is non-refundable.
OATT Section 30.3.2.2	Revised to provide that an existing Large Generating Facility requesting only CRIS must request CRIS in either a Class Year Study "or an Expedited Deliverability Study."
OATT Section 30.3.2.2	Revised that the NYISO will assist any Developer "requesting," rather than "considering," CRIS to assess potential system deliverability issues.
OATT Section 30.3.2.7	Replaced "of the ISO OATT" with "to the ISO OATT."
OATT Section 30.4.4.1	Deleted "Agreement" when reference to "Interconnection System Reliability Impact Study" was referring to study, not study agreement.
OATT Section 30.8.1	Corrected use of defined term for "Class Year Start Date."
OATT Section 30.8.1.1	Removed "to be" as the NYISO will invoice Developers for the work already conducted in the prior month.
OATT Section 30.8.1.2	Removed language indicating that the application of certain provisions would only apply to Class Years subsequent to Class Year 2017, as the provisions are now the applicable provisions.
OATT Section 30.8.2	Inserted "Class Year Study" to specify the schedule being referred to.
OATT Section 30.14, Appendix 1	Added a placeholder in #6 of the Interconnection Request for Developer to indicate its MW of requested CRIS; in addition, removed "this" from before Attachment X as the document is the Interconnection Request, not Attachment X.
OATT Section 30.14, Appendix 1	Under "Additional Information Requested for BTM:NG Resources," replaced

Tariff Section	Description and Rationale of Proposed Modification
	"Interconnection Customer" with "Developer," as "Developer" is the term used in the LFIP.
OATT Section 30.14 Appendix 2	Revised the Class Year Study Agreement to amend: (i) the placeholders for the recitals to include the full defined term of "Capacity Resource Interconnection Service," and (ii) the Term and Termination provision to provide for the possibility of an Additional SDU Study and to correct a cross-reference.
OATT Section 30.14, Attachment B to Appendix 2	Revised Data Form for Class Year Study Agreement to request Auxiliary Load MVAR as needed data for studies; to replace "Interconnection Customer" with "Developer;" to amend the data requested for Behind-the-Meter Net Generation Resources; to include whether the new or existing load is in the Transmission Owner's service territory; and to make other ministerial revisions.
OATT Section 32.1.2.2.3	Deleted inadvertent language "(e.g…"
OATT Section 32.3.4.4	Deleted "with the executed system impact study" as the NYISO in its 2017 interconnection process reform filing removed system impact study agreements under the SGIP.
OATT Section 32.4.11.1	Deleted "capacity" as duplicative from term "Capacity Resource Interconnection Service capacity value."
OATT Section 32.5, Appendix 1	Replaced "Article" with "Section."
OATT Section 32.5, Appendix 1 (definition of "Capacity Resource Interconnection Service")	Inserted acronym CRIS as an alternative defined term.
OATT Section 32.5, Appendix 2	Inserted additional space in Small Generator Interconnection Request for Developer to provide Project Description.
OATT Section 32.5, Attachment A to Appendix 2	Corrected "ir" to "or" in recitals.
OATT Section 32.5, Attachment A to Appendix 6	Inserted additional spacing in data form for Facilities Studies Agreement for Developer to provide required information.

V. PROPOSED EFFECTIVE DATE

The NYISO respectfully requests that the Commission accept the proposed tariff revisions to become effective the day immediately following the end of the statutory sixty-day notice period under Section 205 of the Federal Power Act (*i.e.*, on February 18, 2020).

VI. REQUISITE STAKEHOLDER APPROVAL

The tariff revisions proposed in this filing were discussed with stakeholders at multiple meetings of the Transmission Planning Advisory Subcommittee, the Installed Capacity Working Group, the Market Issues Working Group, and the Electric System Planning Working Group. The revisions were approved at the Business Issues Committee meeting on November 6, 2019, the Operating Committee meeting on November 8, 2019, and at the Management Committee meeting on November 20, 2019. On December 5, 2019, 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

The NYISO will send an electronic link to this filing to the official representative of 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. In addition, a complete copy of the Public documents included with this filing will be posted on the NYISO's website at www.nyiso.com.

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/ Brian R. Hodgdon
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