

40.8 Affected Systems

40.8.1 Coordination with Affected Systems within the New York Control Area

40.8.1.1 The ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems within the New York Control Area with Affected System Operators, as soon as they are identified – either by their own accord, by the Connecting Transmission Owner, by the ISO, or by members of the ISO’s Operating Committee or Transmission Planning Advisory Subcommittee of the ISO’s Operating Committee.

40.8.1.2 The ISO will include those results on Affected System Operators’ and Affected Transmission Owners’ systems in the Cluster Study within the time frame specified in these Standard Interconnection Procedures. The ISO will also include results, if available, on other Affected Systems in the New York Control Area. The ISO will invite such Affected System Operators to all meetings held with the Interconnection Customer as required by these Standard Interconnection Procedures. The Interconnection Customer will cooperate with the ISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems. An Affected System Operator shall cooperate with the ISO and Connecting Transmission Owner with whom interconnection has been requested in all matters related to the type and/or conduct of studies and the determination of modifications to Affected Systems.

40.8.1.3 Upon completion of a Cluster Study in which an Interconnection Customer accepts its Project Cost Allocation for System Upgrade Facilities and/or System Deliverability Upgrades and pays cash or posts Security for such upgrades as required by this Attachment HH, the ISO will tender, as applicable, a Standard Upgrade Construction Agreement or Standard Multiparty Upgrade Construction Agreement to the Interconnection Customer(s) and Affected

Transmission Owner(s) or Affected System Operator(s) in accordance with the requirements in Section 40.21 to this Attachment HH for the engineering, procurement and construction of the System Upgrade Facilities and/or System Deliverability Upgrades on the Affected System.

40.8.1.4 For identified Affected Transmission Owner(s) of facilities that are electrically adjacent to the Point of Interconnection and that have design criteria, operational criteria, or other local planning criteria applicable to either (1) the substation to which the Interconnection Customer proposes to interconnect; or (2) the substation that will be required to be built to accommodate the interconnection, the ISO shall provide such Affected Transmission Owner(s) with the opportunity to review and provide comments on all study scopes, study reports and drafts thereof for the project, and will be included on communications regarding the project and meetings discussing the project or any of its studies, where such communications or meetings involve the ISO, Interconnection Customer and Connecting Transmission Owner.

40.8.2 Coordination with External Affected Systems

40.8.2.1 The ISO will identify potential impacts on External Affected Systems during the Customer Engagement Window once the Cluster Study Projects participating in the Cluster for that Cluster Study Process have been confirmed. If the ISO subsequently identifies additional potential impacts on an External Affected System during its performance of the Cluster Study, the ISO will notify the External Affected System Operator of the impacts.

40.8.2.2 At the time of initial notification, the ISO must provide an impacted Interconnection Customer with a list of potential Affected Systems, along with relevant contact information for such systems.

40.8.2.3 The ISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on External Affected Systems with External Affected

System Operators. Interconnection Customer will cooperate with the ISO and External Affected System Operator in all matters related to the conduct of studies and the determination of modifications to the External Affected Systems.

40.8.3 Study of Impacts to New York State Transmission System of an Affected System Interconnection Customer's Proposed Interconnection to Another Region's Transmission System

40.8.3.1 Applicability

This Section 40.8.3 outlines the duties of the ISO when it receives notification that an Affected System Interconnection Customer's proposed interconnection to another region's transmission system may impact the New York State Transmission System. If the New York State Transmission System may be impacted by a proposed interconnection on another region's transmission system, the ISO shall cooperate with the other region in all matters related to the conduct of studies and the determination of modifications to the New York State Transmission System.

40.8.3.2 Response to Initial Notification

40.8.3.2.1 Response to Initial Notification

When the ISO receives initial notification based on the applicable interconnection study or restudy in another region that an Affected System Interconnection Customer's proposed interconnection to another region's transmission system may impact the New York State Transmission System, the ISO must respond in writing within twenty (20) Business Days whether it intends to conduct an Affected System Study. By fifteen (15) Business Days after the ISO responds with its affirmative intent to conduct an Affected System Study, the ISO shall share with Affected System Interconnection Customer(s) and its host region a

non-binding good faith estimate of the cost and the schedule to complete the Affected System Study.

40.8.3.2.2 Response to Notification of Restudy

Within five (5) Business Days of receipt of notification of a restudy of the applicable interconnection study in another region, the ISO will send written notification to Affected System Interconnection Customer(s) involved in the restudy and the host transmission provider that the ISO intends to delay a planned or in-progress Affected System Study until after completion of the restudy. If the ISO decides to delay the Affected System Study, it is not required to meet its obligations under this Section 40.8.3 until the time that it receives notification from the host transmission provider that the restudy is complete. If the ISO decides to move forward with its Affected System Study despite the restudy, then it must meet all of the requirements in this Section 40.8.3.

40.8.3.3 Affected System Queue Position

The ISO must assign an Affected System Queue Position to Affected System Interconnection Customer(s) that require(s) an Affected System Study. Such Affected System Queue Position shall be assigned based upon the date of execution of the Affected System Study Agreement. Consistent with Section 40.8.3.7, the ISO shall study the Affected System Interconnection Customer(s) that are all interconnecting in a particular region via Clustering, and all Affected System Interconnection Customers studied in the same Cluster under Section 40.8.3.7 shall be equally queued. For Affected System Interconnection Customers that are equally queued, the Affected System Queue Position shall have no bearing on the assignment of Affected System Network Upgrades identified in the applicable Affected System Study. The

costs of the Affected System Network Upgrades shall be allocated among the Affected System Interconnection Customers in accordance with Section 40.8.3.9.

40.8.3.4 Affected System Study Agreement/Multiparty Affected System Study Agreement.

Unless otherwise agreed, the ISO shall provide to Affected System Interconnection Customer(s) an Affected System Study Agreement or Multiparty Affected System Study Agreement, in the form of Appendix 6 or Appendix 7 to this Attachment HH, as applicable, within ten (10) Business Days of the ISO sharing the schedule for the Affected System Study per Section 40.8.3.2.

The ISO shall invoice the Affected System Interconnection Customer(s) for the actual cost of the Affected System Study in accordance with the invoicing requirements in Section 40.24.3. The ISO shall notify Affected System Interconnection Customer's host region of any failure to pay.

40.8.3.5 Execution of Affected System Study Agreement/Multiparty Affected System Study Agreement.

Affected System Interconnection Customer(s) shall execute the Affected System Study Agreement/Multiparty Affected System Study Agreement, deliver the executed agreement to the ISO, and provide the Affected System Study deposit in the amount of \$100,000 in accordance with the requirements in Section 40.2.4 within ten (10) Business Days of receipt. If the ISO notifies Affected System Interconnection Customer(s) that it will delay the Affected System Study pursuant to Section 40.8.3.2.2, Affected System Interconnection Customer(s) are neither required to execute and return the previously tendered Affected System Study/Multiparty Affected System Study Agreement nor provide the Affected System Study deposit for the previously tendered Affected System Study/Multiparty Affected System Study Agreement.

If Affected System Interconnection Customer does not provide all required technical data when it delivers the Affected System Study Agreement/Multiparty Affected System Study Agreement, the ISO shall notify the deficient Affected System Interconnection Customer, as well as its host region, of the technical data deficiency within ten (10) Business Days of the receipt of the executed Affected System Study Agreement/Multiparty Affected System Study Agreement, and the deficient Affected System Interconnection Customer shall cure the technical data deficiency within ten (10) Business Days of receipt of the notice: *provided, however*, that such deficiency does not include failure to deliver the executed Affected System Study Agreement/Multiparty Affected System Study Agreement or deposit for the Affected System Study Agreement/Multiparty Affected System Study Agreement. If Affected System Interconnection Customer does not cure the technical data deficiency within the cure period or fails to execute the Affected System Study Agreement/Multiparty Affected System Study Agreement or provide the deposit, the Affected System Interconnection Customer shall lose its Affected System Queue Position.

40.8.3.6 Scope of Affected System Study

40.8.3.6.1 The Affected System Study will use the most recent Annual Transmission Reliability Assessment or Cluster Project Assessment available at the time of the commencement of the Affected System Study. The ISO shall coordinate with the Affected System Interconnection Customer(s)' host region as necessary to align to the extent possible the network system modeling between the regions for purposes of the Affected System Study.

40.8.3.6.2 For the Affected System Study, the ISO shall first evaluate the impact that any Affected System Interconnection Customer's proposed interconnection to another region's transmission system will have on the reliability of the New York State Transmission System and

identify any required Affected System Network Upgrades, to the extent not Physically Infeasible.

The Affected System Study shall consist, as applicable, of a power flow, stability, and short circuit analysis. The Affected System Study will state the assumptions upon which it is based; state the results of the analyses; and provide the potential impediments to Affected System Interconnection Customer's receipt of interconnection service on its host region's transmission system, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The ISO will notify the Affected System Interconnection Customer(s) and its host region of this preliminary information. The Affected System Study will not assess deliverability. The ISO has no obligation to study impacts of Affected System Interconnection Customers of which it is not notified.

40.8.3.6.3 If the Affected System Study identifies needs that require Affected System Network Upgrades, the ISO will next perform, as applicable, short circuit/fault duty, steady state (thermal and voltage), and stability analysis to identify the Affected System Network Upgrades that are required for the reliability of the New York State Transmission System in accordance with the NYISO Transmission Interconnection Standard (as defined in Attachment P to the ISO OATT). For purposes of determining necessary Affected System Network Upgrades, the Affected System Study shall consider the level of interconnection service requested in megawatts by Affected System Interconnection Customer, unless otherwise required to study the full generating facility capacity due to safety or reliability concerns. The Affected System Study, as applicable, shall determine a +30%/-15% estimate of the costs of the equipment, engineering and design work, procurement and construction work and commissioning of the Affected System Network Upgrades identified in the Affected System Study in accordance with Good Utility

Practice and, for each of these cost categories, shall specify and estimate the cost of the required work. The Affected System Study will calculate cost estimates based on the assumption that the activities for which the cost estimates are calculated are performed by the Affected Transmission Owner or Affected System Operator and shall be subject to reasonable exclusions (*e.g.*, environmental, subsurface conditions, permitting, site acquisition costs).

The ISO will allocate the costs of any Affected System Network Upgrades to the Affected System Interconnection Customer(s) in accordance with the Cluster Project Assessment rules in Section 40.12.2. The Affected System Study shall provide a list of the required Affected System Network Upgrades with a dollar figure for each Affected System Interconnection Customer's allocated share of the costs of the Affected System Network Upgrades as determined in accordance with Section 40.8.3.9. The Affected System Study shall also include a preliminary schedule showing the estimated time required to complete the engineering and design, procurement, construction, installation and commissioning phases for the required Affected System Network Upgrades identified in the study.

During the Affected System Study, the ISO shall update and refine the description of Affected System Network Upgrades identified pursuant to Section 40.8.3.6.2, including the equipment, work and related cost and time estimates necessary to construct the required Affected System Network Upgrades, and identify any additional Affected System Network Upgrades that are necessary in accordance with the NYISO Transmission Interconnection Standard (as defined in described in Attachment P) based on, among other things, changes in the Base Case since the ISO's determination pursuant to Section 40.8.3.6.2.

40.8.3.7 Affected System Study Procedures

The ISO shall use Clustering in conducting the Affected System Study and shall use existing studies to the extent practicable, when multiple Affected System Interconnection Customers that are part of a single Cluster may cause the need for Affected System Network Upgrades. The ISO shall complete the Affected System Study and provide the Affected System Study Report to Affected System Interconnection Customer(s) and its host region within three hundred (300) Calendar Days after the receipt of (i) the completed Affected System Study Agreement without any deficiencies and related study deposit from Affected System Interconnection Customer(s); and (ii) the network system model(s) from its host region. If during a clustered Affected System Study one or more Affected System Interconnection Customers withdraw, or are deemed withdrawn by the ISO, from the Affected System Study, the ISO may toll the three hundred (300) Calendar Day period for that Affected System Study for any remaining Affected System Interconnection Customers by up to sixty (60) Calendar Days to enable the ISO to update its study work in light of the withdrawn projects.

At the request of Affected System Interconnection Customer, the ISO shall notify Affected System Interconnection Customer as to the status of the Affected System Study. If the ISO is unable to complete the Affected System Study within the requisite time period, it shall notify Affected System Interconnection Customer(s) and its host region, and shall provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, the ISO shall provide Affected System Interconnection Customer(s) with all supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Affected System Study, subject to confidentiality arrangements consistent with Section 40.24.1.

The ISO must study an Affected System Interconnection Customer using the Energy Resource Interconnection Service modeling standard used for Interconnection Requests on its own transmission system, regardless of the level of interconnection service that Affected System Interconnection Customer is seeking from its host region.

40.8.3.8 Meeting with the ISO

Within ten (10) Business Days of providing the Affected System Study Report to Affected System Interconnection Customer(s), the ISO, Affected System Interconnection Customer(s), and Affected Transmission Owner or Affected System Operator shall meet to discuss the results of the Affected System Study.

40.8.3.9 Affected System Cost Allocation and Decision Period

The ISO shall allocate the costs of Affected System Network Upgrades identified during the Affected System Study to Affected System Interconnection Customer(s) using the proportional impact method for allocating System Upgrade Facilities set forth in Section 40.12.2 to this Attachment HH.

40.8.3.10 Iterative Decision Period for Project Cost Allocation and Security Posting

40.8.3.10.1 Within five (5) Business Days after the completion of the meeting set forth in Section 40.8.3.8, the ISO shall commence an iterative decision period process for the Affected System Interconnection Customer(s) consistent with the requirements for conducting the Final Decision Period process in Sections 40.15.2 – 40.15.4 by which the Affected System Interconnection Customer may accept its allocated costs for the Affected System Network Upgrades and pay cash or post Security to the Affected Transmission Owner or Affected System Operator for its allocated amount. If an Affected System Interconnection Customer does not accept its allocated cost or pay cash or post Security for such amount in any of the rounds of the

iterative decision process, its Affected System Queue Position shall be withdrawn consistent with the requirements in Section 40.6.4.

40.8.3.10.2 The iterative decision process will be repeated until none of the remaining eligible Affected System Interconnection Customers provide a Non-Acceptance Notice or commits a Security Posting Default as those terms are defined in 40.15.

40.8.3.10.3 If an Affected System Interconnection Customer accepted its allocated costs for the Affected System Network Upgrades and paid cash or posted Security for the allocated amount in the final decision round of the decision process consistent with the requirements in Section 40.15, including the requirements concerning the posting of Security, then the Affected System Interconnection Customer shall be subject to the Security forfeiture requirements in Section 40.16.1 and the future cost responsibility requirements in Section 40.16.3 for purposes of the Affected System Network Upgrades.

40.8.3.11 Tender of Standard Upgrade Construction Agreement/Standard Multiparty Upgrade Construction Agreement.

As soon as practicable after the Affected System Interconnection Customer accepts its cost allocation for any Affected System Network Upgrades and pays cash or post security in accordance with Section 40.8.3.10, the ISO shall tender to Affected System Interconnection Customer(s) and, as applicable, the Affected System Operator or Affected Transmission Owner a Standard Upgrade Construction Agreement/Standard Multiparty Upgrade Construction Agreement, as applicable, in the form of Appendix 16 or 17 to this Attachment HH in accordance with the requirements in Section 40.21 to this Attachment HH.

40.8.3.12 Restudy.

If restudy of the Affected System Study is required pursuant to Section 40.8.3.10, the ISO shall notify Affected System Interconnection Customer(s) and conduct such restudy in

accordance with the requirements in Section 40.8.3.10. Any cost of restudy shall be borne by the Affected System Interconnection Customer(s) being restudied.