

NYISO System and Resource Planning Status Report December 31, 2018

Comprehensive System Planning Process (CSPP):

Reliability Planning Process:

- The 2018-2019 cycle of the Reliability Planning Process (RPP) is in progress. The RPP's first phase, the Reliability Needs Assessment (RNA), was approved by the NYISO Board of Directors on October 16, 2018. The 2018 RNA report identifies no Reliability Needs for the 2019-2028 study period. For the RPP's second phase, the NYISO expects to issue a draft Comprehensive Reliability Plan in the first quarter of 2019.

Economic Planning Process (CARIS):

- The NYISO finalized the 2018 CARIS 2 base case assumptions with their presentation at the September BIC. No specific 2018 CARIS 2 project proposals have been submitted as of December 31st.

Public Policy Transmission Planning Process:

- The NYISO has executed a Development Agreement with NextEra Energy Transmission New York, Inc. for its Empire State Line Proposal 1 for the Western NY Public Policy Transmission Need. NextEra filed its Article VII siting application with the NYPSC in August 2018.
- Regarding the AC Transmission Public Policy Transmission Need, the NYISO staff's initial report recommended that the Board of Directors (Board) select the Segment A Double-Circuit project (T027) proposed by North America Transmission/NYPA, and the Segment B Base project (T029) also proposed by North America Transmission/NYPA, as the more efficient or cost-effective transmission solutions. On June 26, 2018, by an affirmative advisory vote of 80.0% with abstentions, the Management Committee recommended that the Board approve the AC Transmission Report. The NYISO Board reviewed the AC Transmission Report and considered written comments and oral arguments from competing developers, at its July meeting and directed NYISO staff to conduct certain additional studies and analyses. After consideration of the additional analyses conduct, the Board concluded that the more efficient cost effective solution for Segment A is Project T027. However, for Segment B the Board concluded that the most efficient or cost effective solution is Project T019 sponsored by National Grid and Transco, and directed that the draft AC Transmission Report be modified accordingly. The modified AC Transmission Report will be reviewed at two ESPWG meetings and then at the Management Committee in March, for comments to the Board. Upon approval by the Board, the NYISO will issue the revised report to the marketplace by posting it on its website.
- The NYISO initiated the 2018-2019 Public Policy Transmission Planning Process (PPTPP) cycle on August 1, 2018 by issuing a solicitation for proposed transmission needs driven by Public Policy Requirements. As of September 30, 2018, 15 entities have proposed transmission

needs to the NYISO. On October 10, 2018, the NYISO filed the proposals with the NYPSC and forwarded to LIPA for its consideration those proposals that would involve construction of transmission on Long Island. The PSC issued a notice seeking comments on the proposed needs by January 22, 2019. If the NYPSC determines that there is a need for transmission, the NYISO will solicit projects from developers to fulfill that need.

Interregional Planning:

JIPC/IPSAC:

- The Joint ISO/RTO Planning Committee (JIPC) is continuing to exchange data and information, review transmission needs in neighboring regions, review interconnection projects with interregional impacts, and maintain an interregional production cost database.

EIPC:

- The primary work undertaken by EIPC in 2019 will include:
 - Development of enhanced power flow and associated dynamics data required to perform analyses of the frequency response of the Eastern Interconnection.
 - Negotiations with NERC on an agreement that designates EIPC as the manager of modeling building efforts currently undertaken by the Multiregional Modeling Working Group (MMWG), and if successful, begin the implementation steps to actively manage future annual cycles of model development.
 - Completion of a gap and transfer analysis of an MMWG case and publication of an updated State of the Grid Report.
- In addition, EIPC will reach out to key stakeholders in pursuit of potential strategic initiatives to enhance EIPC's visibility.