

NYISO System and Resource Planning Status Report

September 30, 2018

Comprehensive System Planning Process (CSPP):

Reliability Planning Process:

- The 2018-2019 cycle of the Reliability Planning Process (RPP) is in progress, with its first phase, the Reliability Needs Assessment (RNA), currently in the approval process. The 2018 RNA draft report identifies no Reliability Needs for the 2019-2028 study period. The draft report was reviewed by ESPWG/TPAS at their July 19, August 8, and August 22 meetings, and it was recommended for approval by the NYISO's Board of Directors at the September 12 Operating Committee meeting and the September 26 Management Committee meeting. Following the Board's consideration and approval of the RNA, which is scheduled for October, the NYISO will initiate the second phase of the Reliability Planning Process, which is the 2018 Comprehensive Reliability Plan (CRP).
- On March 22, the NYISO determined that J-Power USA had submitted a complete Generator Deactivation Notice for two 50 MW nameplate units that comprise its Pilgrim facility. In conjunction with the Long Island Power Authority ("LIPA"), the Generator Deactivation Assessment identified two reliability needs arising on the LIPA 69 kV system for 83 MW of resources immediately, increasing to 88 MW in 2023. Because the needs arise in the near term and solely on local (non-bulk) transmission facilities, the tariff provides for the NYISO to solicit regulated transmission solutions from LIPA only as the Responsible Transmission Owner. The NYISO sent out the solicitation for solutions on July 9th seeking market-based solutions as well as temporary solutions that resolve the needs. The proposed solutions from the solicitation were due September 7th and the only solutions received were the transmission solutions from LIPA. The NYISO may enter into a Reliability Must Run ("RMR") agreement with the Pilgrim facility until the permanent transmission solutions from LIPA are in-place.

Economic Planning Process (CARIS):

- No specific 2018 CARIS 2 project proposals have been submitted as of September 30th.
- The 2017 CARIS Phase 1 Study report was approved by the NYISO's Board of Directors in April.
- The NYISO finalized the 2018 CARIS 2 base case assumptions with their presentation at the September BIC.

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 has 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 20, 2018, by an affirmative advisory vote of 76.33% with abstentions, the Business Issues Committee recommended that the Management Committee recommend Board approval of the AC Transmission Public Policy Transmission Planning Report (“AC Transmission Report”). 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. The Board continues to deliberate on the record before it.

- 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, which are due on September 30, 2018.

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:

- Production Cost Task Force continues to develop an Eastern Interconnection production cost database.
- Frequency Response Task Force completed its analysis, and is drafting a report for review.
- Steady State Modeling and Load Flow Working Group is reviewing the procedure to perform a gap transfer analysis.
- The Executive Committee approved the “State of the Grid” report.