NYISO System & Resource Planning Status Report November 8, 2024

Comprehensive System Planning Process (CSPP):

On May 13, 2024, FERC issued a final rule (Order No. 1920), titled Building for the Future
 Through Electric Regional Transmission Planning and Cost Allocation, that adopts the most
 significant reforms to transmission planning processes in over a decade. The primary focus of
 Order No. 1920 is the adoption of a new Long-Term Regional Transmission Planning process
 that uses scenarios to evaluate at least a 20-year time horizon. Compliance filings are due June
 12, 2025, with a subsequent compliance filing related to the interregional transmission
 coordination requirements due by August 12, 2025. (Current)

Reliability Planning Process:

- The MC approved the 2024 Reliability Needs Assessment ("RNA") at the October 31 meeting. The RNA identified a reliability need associated with a deficiency in New York City (transmission security overload beginning 2033). The NYISO Board of Directors will review the RNA report, with expected publication to follow in November 2024. In early 2025, the NYISO will consider if the reliability need still exists after accounting for system updates prior to soliciting for solutions. (Updated)
- The 2023 Quarter 2 Short-Term Assessment of Reliability ("STAR") issued on July 14, 2023
 and identified a Short-Term Reliability Need in summer 2025 in New York City. The NYISO
 solicited market-based solutions to the reliability need from interested parties, along with a
 regulated solution from Con Edison. On November 20, 2023, the NYISO published the
 Short-Term Reliability Process Report addressing the 2025 reliability need. (Current)
 - The permanent solution to address this need is the Champlain Hudson Power Express ("CHPE") project planned to enter service in spring 2026.
 - To ensure the continued reliability of electric service in New York City, the NYISO has designated the generators on the Gowanus 2 & 3 and Narrows 1 & 2 barges to temporarily remain in operation after the DEC Peaker Rule compliance date until permanent solutions to the Need are in place, for an initial period of up to two years (May 1, 2027). There is a potential for an additional two-year extension (to May 1, 2029) if reliability needs still exist, as provided by the DEC Peaker Rule. Through the quarterly STAR studies, the NYISO will continuously evaluate the reliability of the system as changes occur and will carefully monitor the progress of the CHPE project toward completion.
- The NYISO issued the 2024 Quarter 3 STAR on October 13, 2024, which did not identify any new Short-Term Reliability Process Needs. The 2024 Quarter 4 STAR commenced on October 15, 2024 and will be issued by January 13, 2025. (Updated)

Economic Planning Process:

- The NYISO published the 2023-2042 System & Resource Outlook study ("the Outlook") in July 2024 and is available on the NYISO's <u>website</u>. (Current)
 - The key findings from the Outlook highlight several areas of the system that should be monitored or pursued, including Central East dynamic voltage support services, Western NY/Southern Tier, and Northern NY. This information will inform stakeholders and policymakers in proposing new transmission needs driven by public policy requirements when the NYISO solicits input in August 2024.
 - The NYISO held a public information session to review the Economic Planning Process and 2023-2042 System & Resource Outlook on August 8, 2024.
 - The NYISO will be holding a "Lessons Learned" session during an ESPWG meeting in Q4 2024 to solicit feedback for updates and improvements for the 2025-2044
 System & Resource Outlook set to start in 2025. (Current)

Public Policy Transmission Planning Process:

- On March 18, 2021, the PSC issued an order (referred to as the "Long Island Offshore Wind Export PPTN") finding that the state Climate Leadership and Community Protection Act (CLCPA) constitutes a Public Policy Requirement driving the need for transmission to ensure delivery of at least 3,000 MW of offshore wind connected to Long Island. On June 13, 2023, following extensive evaluation of 16 viable and sufficient transmission projects, the NYISO Board of Directors selected Propel NY's (a partnership of NY Transco and NYPA) T051 Alternate Solution 5 project as the more efficient or cost-effective transmission solution to meet the Long Island Offshore Wind Export PPTN. All development agreements have been executed and development of the projects are in progress. (Current)
- On June 22, 2023, the PSC declared a Public Policy Transmission Need to integrate at least 4,770 MW of offshore wind into New York City ("NYC PPTN"). The NYC PPTN project solicitation window opened April 4, 2024 and remained open until June 17, 2024.
 - The NYISO received 28 proposed solutions. The NYISO completed the Viability & Sufficiency Assessment ("VSA") and found that all 28 proposed solutions were both viable and sufficient to meet the declared need. On October 30, 2024, the NYISO filed the final VSA report with the PSC. (Updated)
 - Proposed transmission solutions that pass the VSA and elect to continue to be evaluated will then proceed to the evaluation stage where the NYISO will perform a comparative review of those projects using a variety of established metrics. Using the results from those metrics, NYISO staff will make a recommendation as to the more efficient or cost-effective solution to the NYC PPTN for consideration by the NYISO Board of Directors, which is estimated to occur in 2025. (Current)
- On August 22, 2024, the NYISO posted a <u>notice</u> requesting proposed transmission needs in New York State driven by public policy requirements. This notice initiated the 2024-2025 cycle of the public policy transmission and started a 60-day response window for interested parties to submit potential needs. The responses were due to the NYISO by November 4, 2024, and the NYISO is currently processing the submittals before filing them with the PSC. (Updated)

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. An Interregional Planning Stakeholder Advisory Committee (IPSAC) meeting was held on May 3, 2024, at which the JIPC provided updates on processes and studies amongst the three regions. The final 2023 Northeast Coordinated System Plan (NCSP) was published on May 28, 2024. The next IPSAC meeting is scheduled for December 6, 2024. (Updated)
- ISO-NE sent a letter to JIPC requesting a study to determine whether the current limitation
 (as memorialized in a three-party joint operating agreement among ISO-NE, NYISO, and
 PJM) on ISO-NE's largest single loss of source contingency can be increased from 1,200 MW
 to 2,000 MW. The three members of the JIPC agreed to perform a coordinated study led by
 ISO-NE, which is underway. JIPC will provide an update to stakeholders at the December 6
 IPSAC. (Current)

EIPC:

- The Eastern Interconnection Planning Collaborative (EIPC) remains involved in a number of interregional planning initiatives, including as key members of the Technical Review Committee for the DOE National Transmission Planning Study. On December 14, 2023, EIPC issued a white paper that identifies some important technical considerations associated with determining an appropriate level of interregional transfer capability to ensure the continued reliability of the transmission grid as system operators work to integrate an increasing level of renewable resources. (Current)
 - The white paper is posted on the EIPC website at https://eipconline.com/s/EIPC-ITC-White-Paper-2023-12-14.pdf
- EIPC is also in discussions with FERC and NERC regarding evaluation of interregional transfer capability. This includes support of the NERC Interregional Transfer Capability Study (ITCS) ordered by the U.S. Congress to study the reliable transfer of electric power between neighboring transmission planning regions. Since October 2023, the NYISO and other EIPC members have participated in the ITCS through the Advisory Group whose role was to consult with NERC on the study design, execution, and recommendations. In August 2024 NERC issued their part 1 assessment of transfer capability. On November 4, 2024, NERC issued their recommendations for prudent additions to transfer capability and their recommendations to meet and maintain transfer capability (parts 2 and 3 respectively). Specific to New York, the study recommends prudent additions for 3,700 MW of additional interregional transmission capability (1,800 MW increase with PJM and 1,900 MW with Quebec), even though the maximum deficiency is only projected to be over a 15-hour period. It is also notable that this finding does not account for the Champlain Hudson Power Express HVDC tie with Hydro Quebec. The complete ITCS will be filed with FERC by December 2, 2024, and will be followed by a FERC public comment period. (Updated)