

Overview of Economic Study Technical Guide

January 2024 PAC



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ENGINEER | ECONOMIC STUDIES & ENVIRONMENTAL OUTLOOK



Purpose

- Early in 2023, FERC accepted revisions to the ISO Tariff¹ for the procedures relevant to the conduct of Economic Studies
 - These changes provided a cohesive, repeatable, Economic Study process for stakeholders based on defined reference scenarios, with additional stakeholder-requested sensitivities
- The ISO plans on publishing an Economic Study Technical Guide to provide **Stakeholders**, **Policy Makers**, and the **Public** with a comprehensive document that describes the Economic Study process
 - The goal of the Technical Guide is to provide increased accessibility and understanding of the Economic Studies
 - The guide seeks to mimic the [Transmission Planning Technical and Process Guides](#) for Economic Studies
- Today's presentation overviews the current draft

1. [Open Access Transmission Tariff \(OATT\) Attachment K, Section 17 Procedures for the Conduct of Economic Studies](#)

Sections of the Technical Guide

The Guide will be broken down into three primary sections:

Study Process

Overview of the study cycle timeline and description of the reference study scenarios

Input Assumptions

Detailed descriptions of all modeling inputs

- This section will help inform stakeholders in making sensitivity requests

Output Metrics

Explanations of the various modeling outputs and how they are influenced by input assumptions

Attached Appendices

There are three planned appendices for the preliminary Technical Guide:

Appendix A – Terms and Definitions

Contains common nomenclature used in Economic Studies

Appendix B – Data Sources Spreadsheet

Provides the specific sources of input data used in Economic Studies with links to publicly available data

Appendix C – Market Efficiency Needs Scenario Assumptions

Will provide a detailed description of how market efficiency needs are identified from the Economic Studies

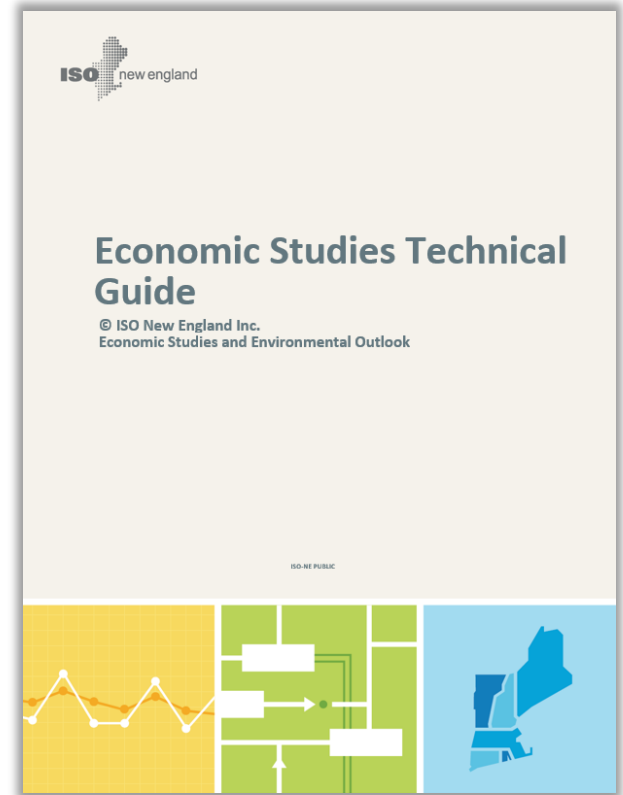
- This appendix is under development and will be published later this year

Update Process

- This document intends to be a live document that will be updated as needed
- The update process will mimic the Transmission Planning Technical and Process Guides update process:
 1. Proposed changes will be presented to the PAC
 2. A two week window for stakeholder feedback will be provided
 3. The PAC will be given notice once the updates to the guide have been finalized and published
- A revision history to the guide will be contained within the document

Timeline

- The ISO is planning on publishing a draft of the Economic Studies Technical Guide for stakeholder review on **January 25, 2024**
- The ISO is seeking stakeholder comments by **February 25, 2024**
 - All comments must be submitted to pacmatters@iso-ne.com



Questions

