Transmission Planning Process Guide – Needs Assessments – Rev. 1

Includes conforming changes resulting from October 2, 2015 Order

Brent Oberlin

DIRECTOR, TRANSMISSION PLANNING

ISO-NE PUBLIC

Purpose

- Present updates to the Transmission Planning Process Guide (the Guide) to address:
  - Conforming Qualified Transmission Project Sponsor (QTPS) process changes resulting from the October 2, 2015, FERC Order
  - Changes and improvements to the description of the Needs Assessment portion of the Guide

Conforming Changes

- On October 2, 2015, FERC issued an Order requiring changes to the QTPS process in Section 4B of Attachment K to the OATT, which necessitate changes within the Guide
  - FERC had previously required that, in addition to meeting the evaluation criteria, a Participating Transmission Owners (PTO) had to be party to both the Transmission Operating Agreement (TOA) and a Non-Incumbent Transmission Developer Operating Agreement (NTDOA) in order to be granted QTPS status
  - Recognizing the addition of the hold harmless clause to the TOA, FERC eliminated the NTDOA requirement so that a PTO only has to be party to the TOA

  Section 2.2 of the Guide was updated to reflect this revision
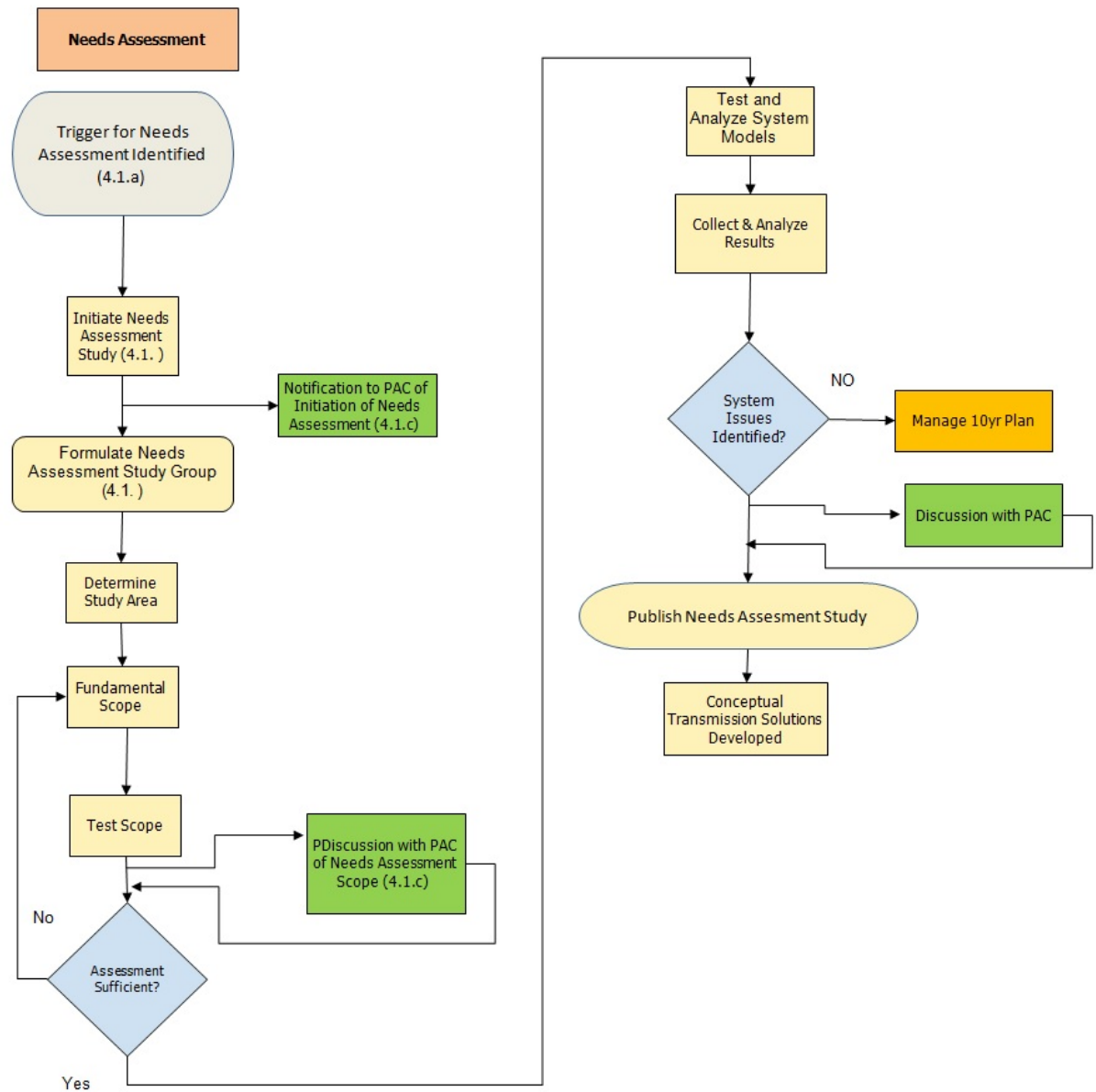
    - Note: FERC did not modify the requirement that, in addition to meeting the evaluation criteria, a non-PTO has to be party to an NTDOA and a Market Participant Service Agreement in order to be granted QTPS status
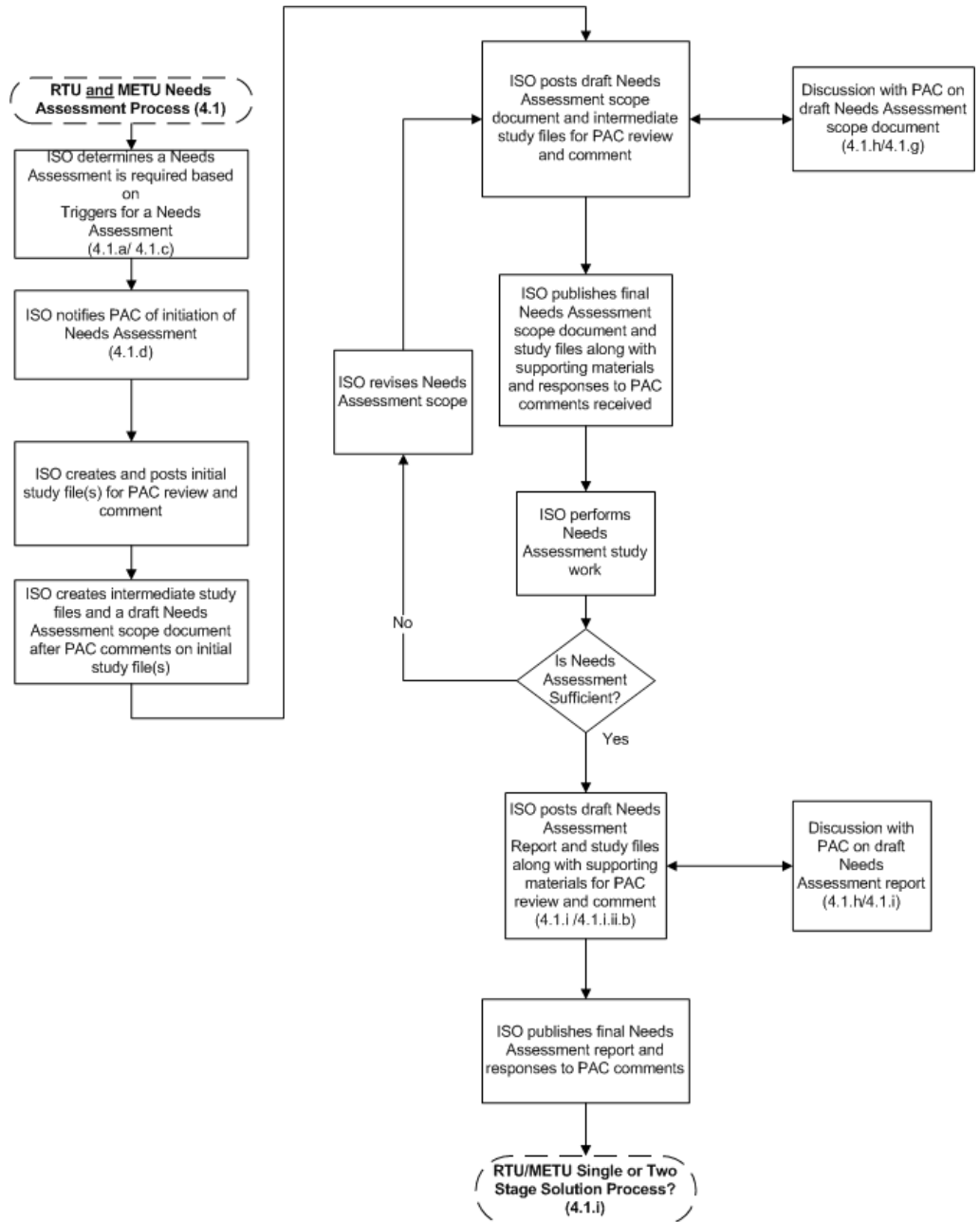
Needs Assessment

- The Planning Guide has been updated to reflect:
  - The formation of study groups (ISO and affected equipment owners) no longer applies
  - The ISO now coordinates with the Planning Advisory Committee (PAC) to support the ISO's performance of Needs Assessments
  - Other process changes have been made to facilitate implementation
    - Initial cases are posted to reduce the amount of rework (more information is provided on this topic later in the presentation)

Prior Process

Needs Assessment

Trigger for Needs Assessment Identified (4.1.a)

Initiate Needs Assessment Study (4.1.)

Notification to PAC of Initiation of Needs Assessment (4.1.c)

Formulate Needs Assessment Study Group (4.1.)

Determine Study Area

Fundamental Scope

Test Scope

PDiscussion with PAC of Needs Assessment Scope (4.1.c)

Assessment Sufficient?

No

Yes

Test and Analyze System Models

Collect & Analyze Results

System Issues Identified?

NO

Manage 10yr Plan

Discussion with PAC

Publish Needs Assesment Study

Conceptual Transmission Solutions Developed

Current Process

RTU and METU Needs Assessment Process (4.1)

ISO determines a Needs Assessment is required based on Triggers for a Needs Assessment (4.1.a/ 4.1.c)

ISO notifies PAC of initiation of Needs Assessment (4.1.d)

ISO creates and posts initial study file(s) for PAC review and comment

ISO creates intermediate study files and a draft Needs Assessment scope document after PAC comments on initial study file(s)

ISO posts draft Needs Assessment scope document and intermediate study files for PAC review and comment

Discussion with PAC on draft Needs Assessment scope document (4.1.h/4.1.g)

ISO revises Needs Assessment scope

ISO publishes final Needs Assessment scope document and study files along with supporting materials and responses to PAC comments received

ISO performs Needs Assessment study work

Is Needs Assessment Sufficient?

No

Yes

ISO posts draft Needs Assessment Report and study files along with supporting materials for PAC review and comment (4.1.i /4.1.i.ii.b)

Discussion with PAC on draft Needs Assessment report (4.1.h/4.1.i)

ISO publishes final Needs Assessment report and responses to PAC comments

RTU/METU Single or Two Stage Solution Process? (4.1.i)

Side by Side

Comparison between Prior Process and Current Process

Prior Process
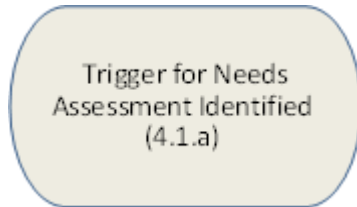
Trigger for Needs
Assessment Identified
(4.1.a)

Current Process

ISO determines a Needs
Assessment is required based
on
Triggers for a Needs
Assessment
(4.1.a/ 4.1.c)

- Intent remains the same

- Wording changed to be more clear

Comparison Continued

Prior Process

Initiate Needs Assessment Study (4.1.) → Notification to PAC of Initiation of Needs Assessment (4.1.c)

Current Process

ISO notifies PAC of initiation of Needs Assessment (4.1.d)
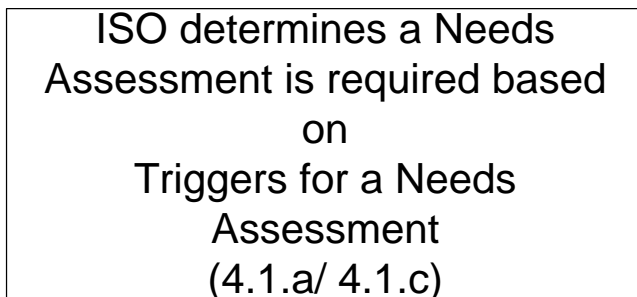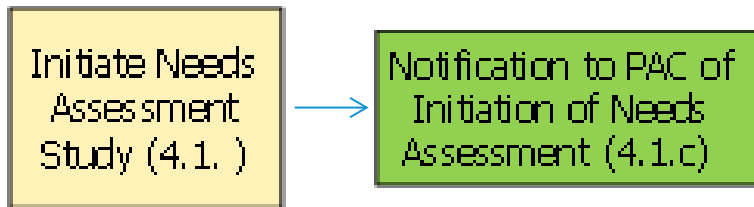
- Intent remains the same

- Wording changed to be more clear
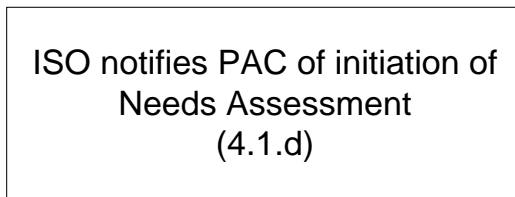
Comparison Continued

Prior Process

Formulate Needs Assessment Study Group (4.1.)

- This step has been eliminated

- Information is posted so that all stakeholders have access to the information at the same time
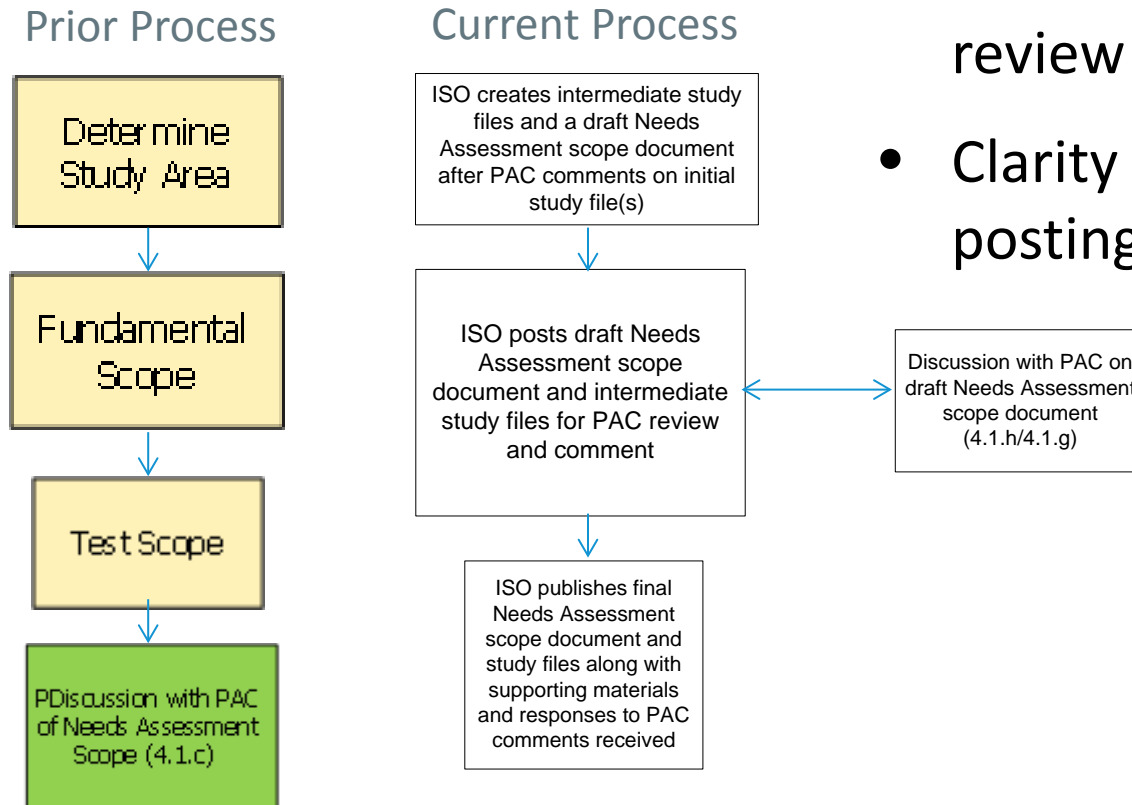
Comparison Continued

Current Process

ISO creates and posts initial study file(s) for PAC review and comment
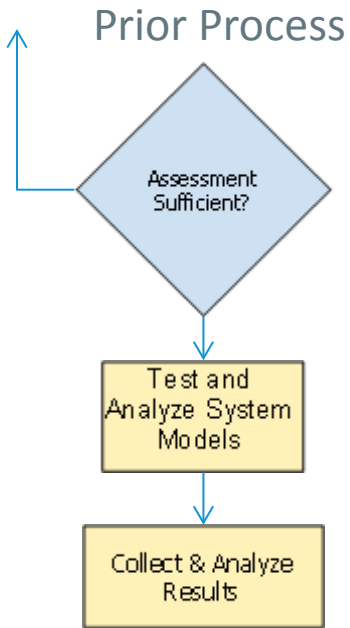
- New step added to reduce rework

- One case is provided for topology review

- Once comments are received on that single case, numerous cases will be created to cover various dispatch and transfer scenarios to be included in the draft scope

- Adding this step prevents making changes to numerous cases

Comparison Continued

Prior Process

Determine Study Area

↓

Fundamental Scope

↓

Test Scope

↓

PDiscussion with PAC of Needs Assessment Scope (4.1.c)

Current Process

ISO creates intermediate study files and a draft Needs Assessment scope document after PAC comments on initial study file(s)

↓

ISO posts draft Needs Assessment scope document and intermediate study files for PAC review and comment ←→ Discussion with PAC on draft Needs Assessment scope document (4.1.h/4.1.g)

↓

ISO publishes final Needs Assessment scope document and study files along with supporting materials and responses to PAC comments received
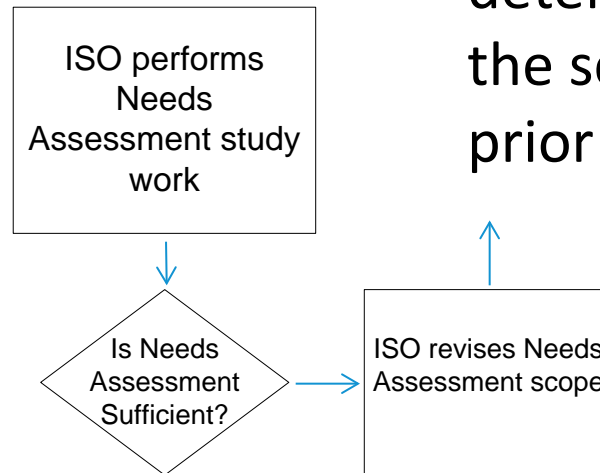
- New process wording was drafted to work with the review of initial study files

- Clarity added surrounding postings and PAC review

Comparison Continued

Prior Process


```
         Assessment
         Sufficient?
              |
              v
      Test and
   Analyze System
       Models
              |
              v
   Collect & Analyze
       Results
```

Current Process

```
   ISO performs
      Needs
  Assessment study
       work
         |
         v
   Is Needs          ISO revises Needs
   Assessment  --->  Assessment scope
   Sufficient?
```
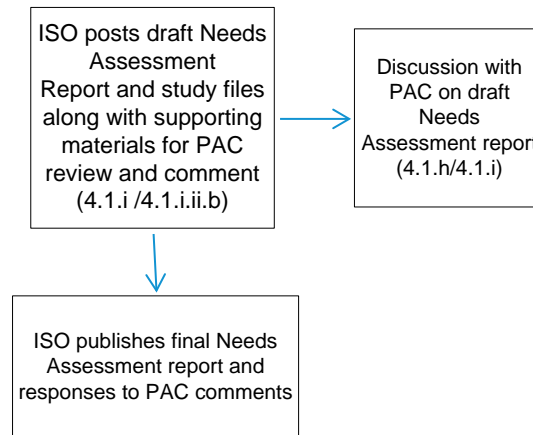
- Process was reordered

- Prior process required a determination of whether the scope was complete prior to testing

Comparison Continued

Prior Process
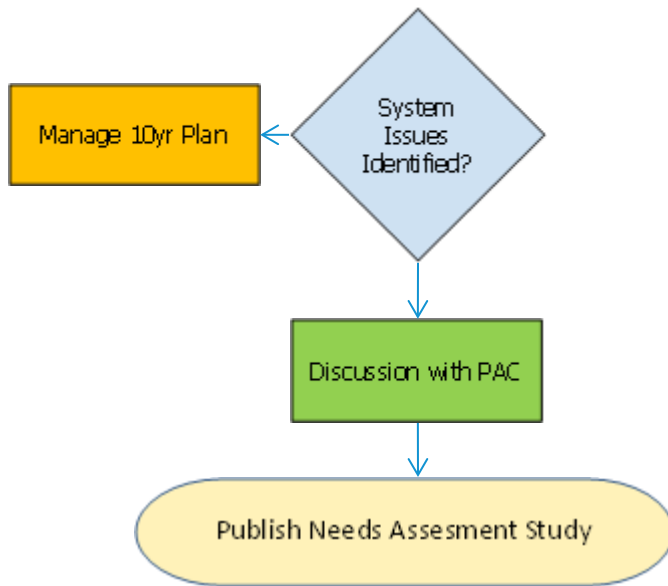
Current Process

- Descriptions have been refined to provide clarity

- Intent is the same

Next Steps

- Proposed revisions to the Guide were posted as part of the PAC materials for this meeting

- Stakeholders must provide comments by February 4, 2016 to PACMatters@iso-ne.com

- Comments will be responded to and a final update is targeted for the end of February 2016

- Future updates will be made with respect to the development of solutions and Public Policy Transmission Upgrades

Questions