

**ATTACHMENT K**  
**REGIONAL SYSTEM PLANNING PROCESS**

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APPENDIX 1 – ATTACHMENT K – LOCAL: LOCAL SYSTEM PLANNING PROCESS

APPENDIX 2 – LIST OF ENTITIES ENROLLED IN THE TRANSMISSION PLANNING REGION

APPENDIX 3 – LIST OF QUALIFIED TRANSMISSION PROJECT SPONSORS

## **1. Overview**

This Attachment describes the regional system planning process conducted by the ISO, as well as the coordination with transmission-owning entities in, or other entities interconnected to, the New England Transmission System and neighboring systems to ensure the reliability of the New England Transmission System and compliance with national and regional planning standards, criteria and procedures, while accounting for market performance, economic, environmental, and other considerations, as may be agreed upon from time to time. The New England Transmission System is comprised of PTF, Non-PTF, OTF and MTF within the New England Control Area that is under the ISO's operational authority or control pursuant to the ISO Tariff and/or various transmission operating agreements. This Attachment describes the regional system planning process for the PTF conducted by the ISO, and local system planning process conducted by the PTOs, pursuant to their responsibilities defined in the Tariff, the various transmission operating agreements and this Attachment. Additional details regarding the regional system planning process are also provided in the ISO New England Planning Procedures and ISO New England Operating Procedures, which are available on the ISO's website.

The ISO shall conduct the regional system planning process for the PTF in coordination with the transmission-owning entities in, or other entities interconnected to, the New England Transmission System and neighboring systems, consistent with the rights and obligations defined in the Tariff, applicable transmission operating agreements and this Attachment. As described in this Attachment's Section 6 and Appendix 1, entitled "Attachment K -Local System Planning Process", the PTOs are responsible for the Local System Planning ("LSP") process for the Non-PTF in the New England Transmission System. As also described in Section 6, and pursuant to the Tariff and/or transmission operating agreements, the OTOs and MTOs are required to participate in the ISO's regional system planning process for reliability purposes and to perform and/or support studies of the impact of regional system planning projects on their respective OTF and MTF.

The regional system planning process described in this Attachment provides for the ISO to undertake assessments of the needs of the PTF system on a systemwide or specific area basis. These assessments shall be referred to as Needs Assessments, as described in Section 4.1 of this Attachment. The ISO shall incorporate market responses that have met the criteria specified in Sections 4.1(f) and 4A.3(b) of this

Attachment into the Needs Assessments, Public Policy Transmission Studies or the Regional System Plan (“RSP”), described below. Where market responses incorporated into the Needs Assessments or Public Policy Transmission Studies do not eliminate or address the needs identified by the ISO in Needs Assessments, Public Policy Transmission Studies or the RSP, the ISO shall develop or evaluate, pursuant to Sections 4.2(b), 4.3, or 4A of this Attachment, as applicable, regulated transmission solutions proposed in response to the needs identified by the ISO.

Pursuant to Sections 3 and 7 of this Attachment, the ISO shall develop the RSP for approval by the ISO Board of Directors following stakeholder input through the Planning Advisory Committee established pursuant to Section 2 of this Attachment. The RSP is a compilation of the regional system planning process activities conducted by the ISO. The RSP shall address needs of the PTF system determined by the ISO through Needs Assessments initiated and updated on an ongoing basis by the ISO to: (i) account for changes in the PTF system conditions; (ii) ensure reliability of the PTF system; (iii) comply with national and regional planning standards, criteria and procedures; and (iv) account for market performance, economic, environmental and other considerations as may be agreed upon from time to time.

As more fully described in Section 3 of this Attachment, the RSP shall identify:

- (i) PTF system reliability and market efficiency needs,
- (ii) the requirements and characteristics of the types of resources that may satisfy PTF system reliability and market efficiency needs to provide stakeholders an opportunity to develop and propose efficient market responses to meet the needs identified in Needs Assessments;
- (iii) regulated transmission solutions to meet the needs identified in Needs Assessments where market responses do not address such needs or additional transmission infrastructure may be required to comply with national and regional planning standards, criteria and procedures or provide market efficiency benefits in accordance with Attachment N of this OATT; and
- (iv) those projects identified through the Public Policy procedures described in Section 4A of this Attachment K.



In addition, the RSP shall also provide information on a broad variety of power system requirements that serves as input for reviewing the design of the markets and the overall economic performance of the system. The RSP shall also describe the coordination of the ISO's regional system plans with regional, local and inter-area planning activities.

Pursuant to Section 3.6 of this Attachment, the ISO shall also develop, maintain and post on its website a cumulative list reflecting the regulated transmission solutions proposed in response to Needs Assessments (the "RSP Project List"). The RSP Project List shall be a cumulative representation of the regional transmission planning expansion efforts ongoing in New England.

### **1.1 Enrollment**

For purposes of participating as a transmission provider in the New England transmission planning region pursuant to this Attachment K, and distinct from Transmission Providers as defined in Section I of this Tariff, an entity chooses to enroll by executing (or having already executed) a: (i) transmission operating agreement with the ISO, or (ii) a Market Participant Service Agreement coupled with a written notification to the ISO that the entity desires to be a transmission provider in the New England region. Such enrollment in the transmission planning region is not necessary to participate in the Planning Advisory Committee, which is open to any entity as described in Section 2.3 of this Attachment K.

### **1.2 A List of Entities Enrolled in the Planning Region**

A list of entities enrolled in the transmission planning region as transmission providers as described in Section 1.1. above, is included as Appendix 2 of this Attachment K.

## **2. Planning Advisory Committee**

### **2.1 Establishment**

A Planning Advisory Committee shall be established by the ISO to perform the functions set forth in Section 2.2 of this Attachment. It shall have a Chair and Secretary, who shall be appointed by the chief executive officer of the ISO or his or her designee. Before appointing an individual to the position of the Chair or Secretary, the ISO shall notify the Planning Advisory Committee of the proposed assignment and, consistent with its personnel practices, provide any other information about the individual reasonably requested by the Planning Advisory Committee. The chief executive officer of the ISO or his or her

designee shall consider the input of the members of the Planning Advisory Committee in selecting, removing or replacing such officers. The Planning Advisory Committee shall be advisory only and shall have no formal voting protocol.

The ISO may form subcommittees that, at the discretion of the ISO, may report to the Planning Advisory Committee.

## **2.2 Role of Planning Advisory Committee**

The Planning Advisory Committee may provide input and feedback to the ISO concerning the regional system planning process, including the development of and review of Needs Assessments, the conduct of Solutions Studies, the development of the RSP, and updates to the RSP Project List. Specifically, the Planning Advisory Committee serves to review and provide input and comment on: (i) the development of the RSP, (ii) assumptions for studies, (iii) the results of Needs Assessments, Solutions Studies, and competitive solutions developed pursuant to Section 4.3 of this Attachment, (iv) potential market responses to the needs identified by the ISO in a Needs Assessment or the RSP, and (v) Cluster Enabling Transmission Upgrades Regional Planning Studies. The Planning Advisory Committee, with the assistance of and in coordination with the ISO, serves also to identify and prioritize requests for Economic Studies to be performed by the ISO, and provides input and feedback to the ISO concerning the conduct of Economic Studies and Public Policy Transmission Studies, including the criteria and assumptions for such studies. Based on input and feedback related to the regional system planning process provided by the Planning Advisory Committee to the ISO, the ISO shall consult with the appropriate NEPOOL technical committees, including but not limited to, the Markets, Reliability and Transmission Committees, on issues and concerns identified by the Planning Advisory Committee as requiring further investigation and consideration of potential changes to ISO New England Operating Documents.

## **2.3 Membership**

There are no membership requirements to become part of the Planning Advisory Committee. Meetings are open to members of any entity, including State regulators or agencies and NESCOE, subject to the Critical Energy Infrastructure Information (“CEII”) policy as further described in Section 2.4(d) of this Attachment. To be added to the Planning Advisory Committee email distribution list, an email address shall be provided to the Secretary of the Committee. Throughout this Attachment K, a member of the

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Planning Advisory Committee refers to any individual, whether they attend Planning Advisory Committee meetings or are included on the email distribution list.

## **2.4 Procedures**

### **(a) Notice of Meetings**

Prior to the beginning of each year, the ISO shall list on the ISO Calendar, which is available on the ISO's website, the proposed meeting dates for the Planning Advisory Committee for each month of the year. Prior to a Planning Advisory Committee meeting, the ISO shall provide notice to the Planning Advisory Committee by electronic email with the date, time, format for the meeting (i.e., in person or teleconference), and the purpose for the meeting.

### **(b) Frequency of Meetings**

Meetings of the Planning Advisory Committee shall be held as frequently as necessary to serve the purposes stated in Section 2.2 of this Attachment and as further specified elsewhere in this Attachment, generally expected to be no less than four (4) times per year.

### **(c) Availability of Meeting Materials**

The ISO shall post materials for Planning Advisory Committee meetings on the Planning Advisory Committee section on the ISO's website prior to meetings. The materials for the Planning Advisory Committee meetings shall be made available to the members of the Planning Advisory Committee subject to protections warranted by confidentiality requirements of the ISO New England Information Policy set forth in Attachment D of the ISO Tariff and Critical Energy Infrastructure Information ("CEII") policy as further described in Section 2.4(d) of this Attachment.

### **(d) Access to Planning-Related Materials that Contain CEII**

CEII is defined as specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure (physical or virtual) that:

- (i) Relates details about the production, generation, transportation, transmission, or distribution of energy;
- (ii) Could be useful to a person in planning an attack on critical infrastructure;
- (iii) Is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552; and
- (iv) Does not simply give the location of critical infrastructure.

CEII pertains to existing and proposed system and assets, whether physical or virtual, the incapacity or destruction of which would negatively affect security, economic security, public health or safety, or any combination of those matters. CEII does not include information that is otherwise publicly available. Simplified maps and general information on engineering, vulnerability, or design that relate to production, generation, transportation, transmission or distribution of energy shall not constitute CEII.

Planning-related materials determined to be CEII will be posted on the ISO's password-protected website. To obtain access to planning-related materials determined to be CEII, the entity seeking to obtain such access must contact the ISO's Customer Service department. Authorized Market Participants or their representatives, such as consultants, are bound by the ISO New England Information Policy and will be able to access CEII materials through the ISO's password-protected website. State and federal governmental agency employees and their consultants will be able to access such materials through the ISO's password-protected website upon submittal of a signed non-disclosure agreement, which is available on the ISO's website. Personnel of the ERO, NPCC, other regional transmission organizations or independent system operators, and transmission owners from neighboring regions will be able to access CEII materials pursuant to governing agreements, rules and protocols. All external requests by other persons for planning-related materials determined to be CEII shall be recorded and tracked by ISO's Customer Services staff. Such requestors will be able to obtain access to CEII documents filed with the Commission pursuant to the Commission's regulations governing access to CEII. To the extent a requestor seeks access to planning-related material that is not filed with the Commission, such requestor shall comply with the requirements provided in the CEII procedures of the ISO, available on the ISO's website, prior to receiving access to CEII

information. Upon compliance with the ISO's CEII procedures, the ISO shall grant the requestor access to the planning-related CEII document through direct distribution or access to the ISO password-protected website.

## **2.5 Local System Planning Process**

The LSP process described in Appendix 1 to this Attachment applies to the transmission system planning for the Non-PTF in the New England Transmission System. The PTOs will utilize interested members of the Planning Advisory Committee for advisory stakeholder input in the LSP process that will meet, as needed, at the conclusion of, or independent of, scheduled Planning Advisory Committee meetings. The LSP meeting agenda and meeting materials will be developed by representatives of the pertinent PTOs and PTO representatives will chair the LSP meeting. The ISO will post the LSP agenda and materials for LSP.

## **3. RSP: Principles, Scope, and Contents**

### **3.1 Description of RSP**

The ISO shall develop the RSP based on periodic comprehensive assessments (conducted not less than every third year) of the PTF systemwide needs to maintain the reliability of the New England Transmission System while accounting for market efficiency, economic, environmental, and other considerations, as agreed upon from time to time. The ISO shall update the RSP to reflect the results of ongoing Needs Assessments conducted pursuant to Section 4.1 of this Attachment. The RSP shall also account for projected improvements to the PTF that are needed to maintain system reliability in accordance with national and regional standards and the operation of efficient markets under a set of planning assumptions.

The RSP shall, among other things:

- (i) describe, in a consolidated manner, the assessment of the PTF system needs, the results of such assessments, and the projected improvements;
- (ii) provide the projected annual and peak demands for electric energy for a five-to ten-year horizon, the needs for resources over this period and how such resources are expected to be provided;

- (iii) specify the physical characteristics of the physical solutions that can meet the needs defined in the Needs Assessments and include information on market responses that can address them; and
- (iv) provide sufficient information to allow Market Participants to assess the quantity, general locations, operating characteristics and required availability criteria of the type of incremental supply or demand-side resources, or merchant transmission projects, that would satisfy the identified needs or that may serve to modify, offset or defer proposed regulated transmission upgrades.

The RSP shall also include a description of proposed regulated transmission solutions that, based on the Solutions Studies described in Section 4.2 of this Attachment and the competitive solution process described in Section 4.3 of this Attachment, meets the needs identified in the Needs Assessments. To this end, as further described in Section 3.6 below, the ISO shall develop and maintain a RSP Project List, a cumulative listing of proposed regulated transmission solutions classified, to the extent known, as Reliability Transmission Upgrades, Market Efficiency Transmission Upgrades, and Public Policy Transmission Upgrades (which, for the foregoing types of upgrades, may include the portions of Interregional Transmission Projects located within the New England Control Area) and of External Transmission Projects. The RSP shall also provide reasons for any new regulated transmission solutions or Transmission Upgrades included in the RSP Project List, any change in status of a regulated transmission solution or Transmission Upgrade in the RSP Project List, or for any removal of regulated transmission solutions or Transmission Upgrades from the RSP Project List that are known as of that time.

Each RSP shall be built upon the previous RSP.

### **3.2 Baseline of RSP**

The RSP shall account for: (i) all projects that have met milestones, including market responses and regulated transmission solutions (e.g., planned demand-side projects, generation and transmission projects and Elective Transmission Upgrades) as determined by the ISO, in collaboration with the Planning Advisory Committee, pursuant to Sections 4.1, 4.2, 4.3, and 4A of this Attachment; and (ii) the

requirements for system operation and restoration services, not including the development of a system operations or restoration plan, which is outside the scope of the regional system planning process.

### **3.3 RSP Planning Horizon and Parameters**

The RSP shall be based on a five-to ten-year planning horizon, and reflect five-to ten-year capacity and load forecasts.

The RSP shall conform to: Good Utility Practice; applicable Commission compliance requirements related to the regional system planning process; applicable reliability principles, guidelines, criteria, rules, procedures and standards of the ERO, NPCC, and any of their successors; planning criteria adopted and/or developed by the ISO; Transmission Owner criteria, rules, standards, guides and policies developed by the Transmission Owner for its facilities consistent with the ISO planning criteria, the applicable criteria of the ERO and NPCC; local transmission planning criteria; and the ISO New England Planning Procedures and ISO New England Operating Procedures, as they may be amended from time to time (collectively, the “Planning and Reliability Criteria”).

The revisions to this Attachment K submitted to comply with FERC’s Order No. 1000 shall not apply to any Proposed or Planned project included in an RSP approved by the ISO Board of Directors (or in an RSP Project List update) prior to the May 18, 2015 effective date of the Order No. 1000 compliance filing of the ISO and the PTOs, unless the ISO is re-evaluating the solution design for such project as of that effective date, or subsequently determines that the solution design for such project requires re-evaluation.

### **3.4 Other RSP Principles**

The RSP shall be designed and implemented to: (i) avoid unnecessary duplication of facilities; (ii) identify facilities that are necessary to meet Planning and Reliability Criteria; (iii) avoid the imposition of unreasonable costs upon any Transmission Owner, Transmission Customer or other user of a transmission facility; (iv) take into account the legal and contractual rights and obligations of the Transmission Owners and the transmission-related legal and contractual rights and obligations of any other entity; (v) provide for coordination with existing transmission systems and with appropriate inter-area and local expansion plans; and (vi) properly coordinate with market responses, including, but not limited to generation, merchant transmission and demand-side responses.

### **3.5 Market Responses in RSP**

Market responses shall include investments in resources (e.g., demand-side projects, generation and distributed generation) and Elective Transmission Upgrades and shall be evaluated by the ISO, in consultation with the Planning Advisory Committee, pursuant to Sections 4.1(f), 4A.3(b), and 7 of this Attachment.

In developing the RSP, the ISO shall account for market responses: (i) proposed by Market Participants as addressing needs (and any critical time constraints for addressing such needs) identified in an RSP, Needs Assessment, or Public Policy Transmission Study; and (ii) that have proved to be viable by meeting the criteria specified in Section 4.1(f) or 4A.3(b) of this Attachment, as applicable.

Specifically, market responses that are identified to the ISO and are determined by the ISO, in consultation with the Planning Advisory Committee, to be sufficient to alleviate the need for a particular regulated transmission solution or Transmission Upgrade, based on the criteria specified in the pertinent Needs Assessment or RSP, and are judged by the ISO to be achievable within the required time period, shall be reflected in the next RSP and/or in a new or updated Needs Assessment. That particular regulated transmission solution or Transmission Upgrade may continue to be included in the appropriate category on the RSP Project List (as described in Section 3.6 below), subject to the ISO having the flexibility to indicate that the project should proceed at a later date or it may be removed if it is determined to be no longer needed. If the market response does not fully address the defined needs, or if additional transmission infrastructure is required to facilitate the efficient operation of the market, the RSP shall also include that particular regulated transmission solution or Transmission Upgrade, subject to the ISO having the flexibility to indicate that the Transmission Upgrade or regulated transmission solution should proceed at a later date and be modified, if necessary.

### **3.6 The RSP Project List**

#### **(a) Elements of the RSP Project List**

The RSP Project List shall identify regulated transmission solutions proposed in response to the needs identified in a RSP or Needs Assessments conducted pursuant to Section 4.1 of this Attachment, and shall identify Public Policy Transmission Upgrades identified pursuant to Section 4A of this Attachment. The RSP Project List shall identify the proposed regulated transmission solutions separately as a Reliability Transmission

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Upgrade, a Market Efficiency Transmission Upgrade, or a Public Policy Transmission Upgrade.

With regard to Reliability Transmission Upgrades and Market Efficiency Transmission Upgrades, the following subcategories will be utilized to indicate the status of each proposed regulated transmission solution in the evaluation process. These subcategories include: (i) Proposed; (ii) Planned; (iii) Under Construction; and (iv) In-Service. A Public Policy Transmission Upgrade will be identified in the RSP Project List as (i) Proposed; (ii) Planned; (iii) Under Construction; or (iv) In-Service.

The regulated transmission solution subcategories are defined as follows:

(i) For purposes of Reliability Transmission Upgrades and Market Efficiency Transmission Upgrades, “Proposed” shall include a regulated transmission solution that (a) has been proposed in response to a specific need identified by the ISO in a Needs Assessment or the RSP and (b) has been evaluated or further defined and developed in a Solutions Study, as specified in Section 4.2(a) of this Attachment, or in the competitive solutions process specified in Section 4.3 of this Attachment, such that there is significant analysis that supports a determination by the ISO, as communicated to the Planning Advisory Committee, that the proposed regulated transmission solution would likely meet the need identified by the ISO in a Needs Assessment or the RSP, but has not received approval by the ISO under Section I.3.9 of the Tariff.

For purposes of Public Policy Transmission Upgrades, “Proposed” means that the ISO has included the project in the RSP Project List pursuant to the procedures described in Section 4A of this Attachment K, but that the project has not yet been approved by the ISO under Section I.3.9 of the Tariff.

(ii) “Planned” shall include a Transmission Upgrade that has met the requirements for a Proposed project and has been approved by the ISO under Section I.3.9 of the Tariff.

(iii) “Under Construction” shall include a Transmission Upgrade that has received the approvals required under the Tariff and engineering and construction is underway.

(iv) “In Service” shall include a Transmission Upgrade that has been placed in commercial operation.

The RSP Project List shall also list External Transmission Projects for which cost allocation and, if applicable, operating agreements have been accepted by the Commission, and indicate whether such External Transmission Projects are proposed, under construction or in service.

Each Reliability Transmission Upgrade and Market Efficiency Transmission Upgrade shall be cross-referenced to the specific systemwide or area needs identified in a Needs Assessment or RSP. Each proposed Public Policy Transmission Upgrade shall be cross-referenced in the RSP Project List to a specific Public Policy Transmission Study.

For completeness, the RSP Project List shall also include Elective Transmission Upgrades and transmission facilities (as determined under the ISO interconnection process specified in this OATT) to be built to accommodate new generation, and Elective Transmission Upgrades that have satisfied the requirements of this OATT.

An Interregional Transmission Project developed pursuant to Section 6.3 of this Attachment K may displace a regional Reliability Transmission Upgrade or Market Efficiency Transmission Upgrade on the RSP Project List where the ISO has determined that the Interregional Transmission Project is a more efficient or cost-effective solution. In the case of an Interregional Transmission Project that could meet the needs met by a Public Policy Transmission Upgrade, the associated Public Policy Transmission Upgrade may be removed from the RSP Project List in the circumstances described, and using the procedures specified, in Section 4A of Attachment K.

**(b) Periodic Updating of RSP Project List**

The RSP Project List will be updated by the ISO periodically by adding, removing or revising regulated transmission solutions or Transmission Upgrades in consultation with the Planning Advisory Committee and, as appropriate, the Reliability Committee.

Updating of the RSP Project List shall be considered an update of the RSP to be reflected in the next RSP, as appropriate, pursuant to Section 3.1 of this Attachment.

**(c) RSP Project List Updating Procedures and Criteria**

As part of the periodic updating of the RSP Project List, the ISO: (i) shall modify (in accordance with the provisions of this Attachment) regulated transmission solutions or Transmission Upgrades to reflect changes to the PTF system configurations, including ongoing investments by Market Participants or other stakeholders; (ii) may add to and classify accordingly, regulated transmission solutions; (iii) may remove from the RSP Project List regulated transmission solutions or Transmission Upgrades previously identified in the RSP Project List if the ISO determines that the need for the proposed regulated transmission solution or the approved Transmission Upgrade no longer exists or is no longer feasible; and (iv) may remove from the RSP Project List regulated transmission solutions or Transmission Upgrades that have been displaced by an Interregional Transmission Project in the circumstances described in Section 3.6(a) of this Attachment. With regard to (iii) above, this may include a removal of a regulated transmission solution or Transmission Upgrade because a market response meeting the need reaches the maturity specified in Sections 4.1(f) or 4A.3(b) of this Attachment and has been determined, pursuant to Sections 4.1(f) or 4A.3(b) of this Attachment, to meet the need described in the pertinent Needs Assessment, Public Policy Transmission Study or RSP, as applicable. In doing so, the ISO shall consult with and consider the input from the Planning Advisory Committee and, as appropriate, the Reliability Committee. In addition, the ISO shall remove from the RSP Project List any Public Policy Transmission Upgrade if the ISO determines, with input from the Planning Advisory Committee, that the need to which the Public Policy Transmission Upgrade responds no longer exists.

If a regulated transmission solution or Transmission Upgrade is removed from the RSP Project List by the ISO, the entity responsible for the construction of the regulated

transmission solution or Transmission Upgrade shall be reimbursed for any costs prudently incurred or prudently committed to be incurred (plus a reasonable return on investment at existing Commission-approved ROE levels) in connection with the planning, designing, engineering, siting, permitting, procuring and other preparation for construction, and/or construction of the regulated transmission solution or Transmission Upgrade proposed for removal from the RSP Project List. The provisions of Schedule 12, Schedule 13 and Schedule 14 of this OATT shall apply to any cost reimbursement under this Section. Prior to finalizing the RSP, the ISO shall provide the Planning Advisory Committee with written information explaining the reasons for any removal under this Section.

**(d) Posting of LSP Project Status**

Each PTO will be individually responsible for publicly posting and updating the status of its respective LSP and the transmission projects arising therefrom on its company website. The ISO's posting of the RSP Project Lists will include links to each PTO's specific LSP posting to be provided to the ISO by the PTOs.

**4. Procedures for the Conduct of Needs Assessments, Treatment of Market Responses and Evaluation of Regulated Transmission Solutions**

**4.1 Needs Assessments**

The reliability planning process established in this Attachment K shall apply to all transmission solutions adopted to resolve a reliability need. The market efficiency planning process established in this Attachment K shall apply to all transmission solutions adopted to resolve a market efficiency need. The public policy planning process established in this Attachment K shall apply to all transmission solutions adopted to resolve a public policy need. For needs identified initially as reliability, market efficiency or public policy needs, the collateral benefits of potential solutions to those needs shall not change the planning process applicable to those identified needs; notwithstanding the foregoing, the ISO shall report its views as to whether a project or preferred solution may also satisfy identified reliability needs of the system as described in Section 4A.8 of this Attachment K. Sections 4.1 through 4.3 of this Attachment are not applicable to the planning of Public Policy Transmission Upgrades, which is governed instead by Section 4A of this Attachment.

On a regular and ongoing basis, the ISO, in coordination with the PTOs and the Planning Advisory Committee, shall conduct assessments (i.e., Needs Assessments) of the adequacy of the PTF system, as a whole or in part, to maintain the reliability of such facilities while promoting the operation of efficient wholesale electric markets in New England. A Needs Assessment shall analyze whether the PTF in the New England Transmission System: (i) meet applicable reliability standards; (ii) have adequate transfer capability to support local, regional, and inter-regional reliability; (iii) support the efficient operation of the wholesale electric markets; (iv) are sufficient to integrate new resources and loads on an aggregate or regional basis; or (v) otherwise examine various aspects of its performance and capability. A Needs Assessment shall also identify: (i) the location and nature of any potential problems with respect to the PTF and (ii) situations that significantly affect the reliable and efficient operation of the PTF along with any critical time constraints for addressing the needs of the PTF to facilitate the development of market responses and to initiate the pursuit of regulated transmission solutions.

**(a) Triggers for Needs Assessments**

The ISO, in coordination with the PTOs and the Planning Advisory Committee, shall perform Needs Assessments, inter alia, as needed to:

- Assess compliance with reliability standards and criteria (including those established by the ISO, NERC, and NPCC) consistent with the long term needs of the system.
- Assess the adequacy of the transmission system capability, such as transfer capability, to support local, regional and interregional reliability.
- Assess the efficient operation of the wholesale electric market. (See Attachment N regarding the identification of market efficiency upgrades).
- Assess sufficiency of the system to integrate new resources and loads on an aggregate or regional basis as needed for the reliable and efficient operation of the system.
- Analyze various aspects of system performance. (Including but not limited to, transient network analysis, small signal analysis, electromagnetic transients program analysis, or delta P analysis).
- Examine short circuit performance of the system.

- Assess the ability to efficiently operate and maintain the transmission system.
- Address requests for an economic study consistent with section 4.1.b of Attachment K.
- Address system performance in consideration of de-list bids and cleared demand bids consistent with sections 4.1(c) and 4.1(f) of Attachment K.
- Address system performance as otherwise deemed appropriate by the ISO.

**(b) Requests by Stakeholders for Needs Assessments for Economic Considerations**

The ISO's stakeholders may request the ISO to initiate a Needs Assessment to examine situations where potential regulated transmission solutions or market responses or investments could result in (i) a net reduction in total production cost to supply system load based on the factors specified in Attachment N of this OATT, (ii) reduced congestion, or (iii) the integration of new resources and/or loads on an aggregate or regional basis (an "Economic Study").

Requests for Economic Studies shall be submitted, considered and prioritized as follows:

- (i) By no later than April 1 of each year, any stakeholder may submit to the ISO for public posting on the ISO's website a request for an Economic Study.
- (ii) The ISO shall thereafter add any of its own proposals for Economic Studies. The ISO shall also develop a rough work scope and cost estimate for all requested Economic Studies, and develop preliminary prioritization based on the ISO's perceived regional and/or, as coordinated with the applicable neighboring system, inter-area benefits to assist stakeholders in the prioritization of Economic Studies.
- (iii) By no later than May 1 of each year, the ISO shall provide the foregoing information to the Planning Advisory Committee, and a Planning Advisory Committee meeting shall be held at which Economic Study proponents will provide an explanation of their request.
- (iv) By no later than June 1 of each year, the ISO shall hold a meeting of the Planning Advisory Committee for the members of the Planning Advisory Committee to discuss,

identify and prioritize, as further facilitated by the ISO's preparation of a straw priority list to be further discussed at such meeting, up to two (2) Economic Studies (the costs of which will be recovered by the ISO pursuant to Schedule 1 of Section IV.A of the Tariff) to be performed by the ISO in a given year taking into consideration their impact on the ISO budget and other priorities. The ISO may consider performing up to three (3) Economic Studies if a Public Policy Transmission Study will not be concurrently performed.

- (v) The ISO and the Planning Advisory Committee may agree to hold additional meetings to further discuss and resolve any issue concerning the substance of the Economic Studies themselves and/or their prioritization.
- (vi) If the Planning Advisory Committee, after discussions between the Planning Advisory Committee and ISO management, is not able to prioritize the Economic Studies to be performed by the ISO in a given year, any member of the Planning Advisory Committee must submit a request for Regional Planning Dispute Resolution Process pursuant to Section 12 of this Attachment, such request to be submitted no later than August 30, to resolve the issues concerning the substance of the Economic Studies themselves and/or their prioritization.
- (vii) The ISO will issue a notice to the Planning Advisory Committee detailing the prioritization of the Economic Studies as identified by the Planning Advisory Committee or, if a request for Regional Planning Dispute Resolution Process is submitted pursuant to Section 4.1.(b)(vi), as determined through that Process.

The foregoing timelines are subject to adjustment as determined by the ISO in coordination with the Planning Advisory Committee. The ISO will provide periodic updates on the status of Economic Studies to the Planning Advisory Committee.

Economic Study requests not within the three studies identified in Section 4.1(b)(iv) to be performed in a given year may be requested and paid for by the study proponent.

**(c) Conduct of a Needs Assessment for Rejected De-List Bids**

- (i) In the case of a rejected Static De-List Bid or Dynamic De-List Bid, the ISO may as warranted, with advisory input from the Reliability Committee, examine the unavailability of the resource(s) with the rejected bid as a sensitivity in a Needs Assessment, or examine the unavailability of the resource(s) in the base representation in a Needs Assessment. The ISO may as warranted, with advisory input from the Reliability Committee, initiate a Needs Assessment for the purpose of modeling rejected Static De-List Bids or Dynamic De-List Bids where the ISO believes that the initiation of such a study is warranted.
- (ii) Prior to the start of each New Capacity Show of Interest Submission Window, the ISO shall present to the Reliability Committee the status of any prior rejected Dynamic De-List Bids, Static De-List Bids, Permanent De-List Bids or Retirement De-List Bids being studied in the regional system planning process.

**(d) Notice of Initiation of Needs Assessments**

Prior to its commencement, the ISO shall provide notice of the initiation of a Needs Assessment to the Planning Advisory Committee consistent with Section 2 of this Attachment.

**(e) Preparation of Needs Assessment**

Needs Assessments may examine resource adequacy, transmission adequacy, projected congestion levels and other relevant factors as may be agreed upon from time to time. Needs Assessments shall also consider the views, if any, of the Planning Advisory Committee, State regulators or agencies, NESCOE, the Market Advisor to the ISO Board of Directors, and the ISO Board of Directors. A corresponding assessment shall be performed by the PTOs to identify any needs relating to the Non-PTF transmission facilities (of whatever voltage) that could affect the provision of Regional Transmission Service over the PTF.

**(f) Treatment of Market Responses in Needs Assessments**



The ISO shall reflect proposed market responses in the regional system planning process. Market responses may include, but are not limited to, resources (e.g., demand-side projects and distributed generation), and Elective Transmission Upgrades.

Specifically, the ISO shall incorporate or update information regarding resources in Needs Assessments that have been proposed and (i) have cleared in a Forward Capacity Auction pursuant to Market Rule 1 of the ISO Tariff, (ii) have been selected in, and are contractually bound by, a state-sponsored Request For Proposals, or (iii) have a financially binding obligation pursuant to a contract. The ISO will model out-of-service all submitted Retirement De-List Bids, submitted Permanent De-List Bids, and demand bids that have cleared in a substitution auction, and may model out-of-service rejected-for-reliability Static De-List Bids and rejected-for-reliability Dynamic De-List Bids from the most recent Forward Capacity Auction. With respect to (ii) or (iii) above, demonstration of such contracts is accomplished through submittal for ISO review of an order or other similar authorization from the appropriate state regulatory agency, along with a copy of the contract, that together demonstrate the contractual requirements. These documents may be submitted by: the Project Sponsor; the state regulatory agency authorizing the contract; a transmission company that is a counterparty to the contract; or by a third-party organization representing the interests of the New England states regarding energy related issues, such as NESCOE. The ISO shall incorporate or update information regarding a proposed Elective Transmission Upgrade in a Needs Assessment at a time after the studies corresponding to the Elective Transmission Upgrade are completed (including receipt of approval under Section I.3.9 of the Tariff), a commercial operation date has been ascertained, and for which the certification has been accepted in accordance with Section III.12 of the Tariff. In the case where the Elective Transmission Upgrades are proposed in conjunction with the interconnection of a resource, these Elective Transmission Upgrades shall be considered at the same time as the proposed resource is considered in the Needs Assessment provided that the studies corresponding to the Elective Transmission Upgrade are completed (including receipt of approval under Section I.3.9 of the Tariff), a commercial operation date has been ascertained, and for which the certification has been accepted in accordance with Section III.12 of the Tariff.

**(g) Needs Assessment Support**

For the development of the Needs Assessments, the ISO will coordinate with the PTOs and the Planning Advisory Committee to support the ISO's performance of Needs Assessments. To facilitate this support, the ISO will post on its website the models, files, cases, contingencies, assumptions and other information used to perform Needs Assessments. The ISO may establish requirements that any PTO or member of the Planning Advisory Committee must satisfy in order to access certain information used to perform Needs Assessments, due to ISO New England Information Policy and CEII constraints. The ISO may ask PTOs or Planning Advisory Committee members with special expertise to provide technical support or perform studies required to assess one or more potential needs that will be considered in the Needs Assessments process. These entities will provide, and the ISO will post on its website, the models, files, cases, contingencies, assumptions and other information used by those entities to perform studies. The ISO will post the draft results of any such Needs Assessment studies on its website. The ISO will convene meetings open to any representative of an entity that is a member of the Planning Advisory Committee to facilitate input on draft Needs Assessments studies and the inputs to those studies prior to the ISO's completion of a draft Needs Assessment report to be reviewed by the entire Planning Advisory Committee pursuant to Section 4.1(i) of this Attachment. All provisions of this subsection (g) relating to the provision and sharing of information shall be subject to the ISO-NE Information Policy.

**(h) Input from the Planning Advisory Committee**

Meetings of the Planning Advisory Committee shall be convened to identify additional considerations relating to a Needs Assessment that were not identified in support of initiating the assessment, and to provide input on the Needs Assessment's scope, assumptions and procedures, consistent with the responsibilities of the Planning Advisory Committee as set forth in Section 2.2 of this Attachment.

**(i) Publication of Needs Assessment and Response Thereto**

The ISO shall report the results of Needs Assessments to the Planning Advisory Committee, subject to CEII constraints. Needs Assessments containing CEII will be posted on the ISO's password-protected website consistent with Section 2.4(d) of this Attachment. Needs Assessments will identify high-level functional requirements and characteristics for regulated transmission solutions and market responses that can meet the needs described in the assessment.

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Where the ISO forecasts that a solution is needed to solve reliability criteria violations in three years or less from the completion of a Needs Assessment (unless the solution to the Needs Assessment will likely be a Market Efficiency Transmission Upgrade), and the requirements of Section 4.1(j) of this Attachment have been met or where there is only one Phase One Proposal submitted in response to a request for proposal issued under Sections 4.3(a) of this Attachment or only one proposed solution that is selected to move on as a Phase Two Solution, the ISO will evaluate the adequacy of proposed regulated solutions by performing Solutions Studies, as described in Section 4.2 of this Attachment. Where the solution to a Needs Assessment will likely be a Market Efficiency Transmission Upgrade, or where the forecast year of need for a solution that is likely to be a Reliability Transmission Upgrade is more than three years from the completion of a Needs Assessment, the ISO will conduct a solution process based on a two-stage competitive solution process, as described in Section 4.3 of this Attachment.

**(j) Requirements for Use of Solutions Studies Rather than Competitive Solution Process for Projects Based on Year of Need**

The following requirements must be met in order for the ISO to use Solutions Studies in the circumstances described in Section 4.1(i) based on the solution's year of need:

- (i) The ISO shall separately identify and post on its website an explanation of the reliability criteria violations and system conditions that the region has a time-sensitive need to solve within three years of the completion of the relevant Needs Assessment. The explanation shall be in sufficient detail to allow stakeholders to understand the need and why it is time-sensitive.
- (ii) In deciding whether to utilize Solutions Studies, such that the regulated transmission solution will be developed through a process led by the ISO and built by the PTO(s), the ISO shall:
  - (A) Provide to the Planning Advisory Committee and post on its website a full and supported written description explaining the decision to designate a PTO as the entity responsible for construction and ownership of the reliability project, including an explanation of other transmission or non-transmission options that the region considered but concluded would not sufficiently address the

immediate reliability need, and the circumstances that generated the reliability need and an explanation of why that reliability need was not identified earlier.

(B) Provide a 15-day period during which comments from stakeholders on the posted description may be sent to the ISO, which comments will be posted on the website, as well.

(iii) The ISO shall maintain and post on its website a list of prior year designations of all projects in the limited category of transmission projects for which the PTO(s) was designated as the entity responsible for construction and ownership of the project following the performance of Solutions Studies. The list must include the project's need-by date and the date the PTO(s) actually energized the project, i.e., placed the project into service. The ISO shall file such list with the Commission as an informational filing in January of each calendar year covering the designations of the prior calendar year, when applicable.

#### **4.2 Evaluation of Regulated Transmission Solutions in Solutions Studies, Where Competitive Solution Process of Section 4.3 Is Not Applicable**

The procedures described in this Section 4.2 shall be utilized for the evaluation of regulated transmission solutions for reliability and market efficiency needs where the requirements of Sections 4.1(i) and/or (j) of this Attachment are satisfied. Otherwise, the procedures of Section 4.3 shall be utilized for that purpose.

##### **(a) Evaluation and Development of Regulated Transmission Solutions in Solutions Studies for Market Efficiency Transmission Upgrades and Reliability Transmission Upgrades**

In the case of Market Efficiency Transmission Upgrades and Reliability Transmission Upgrades, the ISO, in coordination with the proponents of regulated transmission solutions and other interested or affected stakeholders, shall conduct or participate in studies ("Solutions Studies") to evaluate whether proposed regulated transmission solutions meet the PTF system needs identified in Needs Assessments. The ISO, in coordination with affected stakeholders shall also identify regulated transmission projects for addressing the needs identified in Needs Assessments.

The ISO may form ISO-led targeted study groups to conduct Solutions Studies. Such study groups will include representatives of the proponents of regulated transmission solutions and other interested or affected stakeholders. Through this process, the ISO may identify the solutions for the region that offer the best combination of electrical performance, cost, future system expandability, and feasibility to meet a need identified in a Needs Assessment in the required time frame. These solutions may differ from a transmission solution proposed by a transmission owner.

Proponents of regulated transmission proposals in response to Needs Assessments shall also identify any LSP plans that require coordination with their regulated transmission proposals addressing the PTF system needs.

**(b) Notice of Initiation of a Solutions Study**

The ISO shall provide notice of the initiation and scope of a Solutions Study to the Planning Advisory Committee.

**(c) Classification of Regulated Transmission Solutions as Market Efficiency Transmission Upgrades or Reliability Transmission Upgrades**

As described in Section 3.1 and 3.6(a) of this Attachment, proposed regulated transmission solutions determined by the ISO, in consultation with the Planning Advisory Committee, to address needs identified in Needs Assessments shall be classified as a Reliability Transmission Upgrade and/or a Market Efficiency Transmission Upgrade pursuant to the standards set forth in Attachment N of this OATT.

**(d) Evaluation Factors Used for Identification of the Preferred Solution**

Factors to be considered during the evaluation process for identification of the preferred solution may include, but are not limited to, the following which are listed in no particular order:

- Installed cost;
- Life-cycle cost, including all costs associated with right of way acquisition, easements, and associated real estate;
- System performance;

- Cost cap or cost containment provisions;
- In-service date of the project or portion(s) thereof;
- Project constructability;
- Generation and transmission facility outages required during construction;
- Extreme contingency performance;
- Operational impacts;
- Incremental costs for potential resource retirements;
- Interface impacts;
- Future expandability;
- Consistency with Good Utility Practice;
- Potential siting/permitting issues or delays;
- Loss savings;
- Replacement of aging infrastructure;
- Environmental impact;
- Design standards; and
- Impact on NPCC Bulk Power System classification.

**(e) Identification of the Preferred Solution and Inclusion of Results of Solutions Studies for Market Efficiency Transmission Upgrades and Reliability Transmission Upgrades in the RSP**

The results of Solutions Studies related to Market Efficiency Transmission Upgrades and Reliability Transmission Upgrades will be reported to the Planning Advisory Committee. After receiving feedback from the Planning Advisory Committee, the ISO will identify the preferred solution. The ISO will inform the appropriate Transmission Owners in writing regarding the identification of the preferred solution.

Once identified, the preferred solution, as appropriate, will be reflected (with an overview of why the solution is preferred) in the RSP and/or its Project List, as it is updated from time to time in accordance with this Attachment. Where external impacts of regional projects are identified through coordination by the ISO with neighboring entities, those impacts will be identified in the RSP. Costs associated with such impacts will be addressed as set forth in Schedule 15.

**(f) Cancellation of a Solutions Study**

The ISO may cancel a Solutions Study at any time. Such cancellation may be due to new or different assumptions which may change or eliminate the identified needs. Any costs associated with Solutions Study development shall be recovered pursuant to Section 3.6(c) of this Attachment.

**4.3 Competitive Solution Process for Reliability Transmission Upgrades and Market Efficiency Transmission Upgrades**

**(a) Initiating the Competitive Solution Process**

The ISO will publicly issue a request for proposal with respect to each Needs Assessment for which, pursuant to Section 4.1(i) of this Attachment, a competitive solution process will be utilized. The request for proposal will indicate that Qualified Transmission Project Sponsors may submit Phase One Proposals offering solutions that comprehensively address the identified needs. A Qualified Transmission Project Sponsor may propose a comprehensive solution to address the identified needs that includes an upgrade(s) located on or connected to a PTO's existing transmission system where the Qualified Transmission Project Sponsor is not the PTO for the existing system element(s). In such cases, the Qualified Transmission Project Sponsor's proposed solution relating to the upgrade(s) of an existing transmission system element(s) must provide all data available to the Qualified Transmission Project Sponsor as part of its response to the request for proposal. The Qualified Transmission Project Sponsor is not required to procure agreements with the PTO for implementation of such upgrades as the PTO is required to implement the upgrade(s) in accordance with Schedule 3.09(a) of the Transmission Operating Agreement if the proposed solution is selected through the competitive process.

A PTO or PTOs identified by the ISO as the Backstop Transmission Solution provider(s) shall submit an individual or joint Phase One Proposal (if more than one PTO is identified) as a Backstop Transmission Solution for any need identified in the request for proposal that would be solved by a project located within or connected to its/their existing electric system, and which it/they would therefore have an obligation to build under Schedule 3.09(a) of the TOA. Such PTOs may recover the costs of preparing Phase One Proposals in accordance with the mechanisms reflected in the OATT and the terms of the TOA.

A member of the Planning Advisory Committee that is not a Qualified Transmission Project Sponsor but would like the ISO to consider a Phase One Proposal reflecting its concept for a project in response to a Needs Assessment (that is, a project that is “unsponsored”) must, before the deadline for the submission of Phase One Proposals, identify a Qualified Transmission Project Sponsor willing to submit a corresponding Phase One Proposal and Phase Two Solution (and to develop and construct the project, if selected in the competitive solution process) in order for the unsponsored project to be submitted in response to an ISO solicitation in Phase One. Upon request by the pertinent Planning Advisory Committee member for assistance in identifying a sponsor, the ISO shall post on its website and distribute to the Planning Advisory Committee a notice that solicits expressions of interest by Qualified Transmission Project Sponsors for sponsorship of the member’s conceptual project. All expressions of interest shall include a detailed explanation of why the Qualified Transmission Project Sponsor is best qualified to construct, own and operate the unsponsored project. If only one Qualified Transmission Project Sponsor expresses interest, the ISO shall designate it as the Qualified Transmission Project Sponsor. If more than one Qualified Transmission Project Sponsor expresses interest, the Planning Advisory Committee member shall select the Qualified Transmission Project Sponsor. In either case, the designated Qualified Transmission Project Sponsor shall thereafter comply with the requirements of this Attachment K and the ISO Tariff with respect to the project. If no Qualified Transmission Project Sponsor expresses interest, the unsponsored project may not be submitted as a Phase One Proposal.

**(b) Use and Control of Right of Way**

Neither the submission of a project by a Qualified Transmission Project Sponsor nor the selection by the ISO of a project submitted by a Qualified Transmission Project Sponsor for inclusion in the RSP Project List shall alter a PTO’s use and control of an existing right of way, the retention, modification, or transfer of which remain subject to the relevant law or regulation, including property or contractual rights, that granted the right-of-way. Nothing in the processes described in this Attachment K requires a PTO to relinquish any of its rights-of-way in order to permit a Qualified Transmission Project Sponsor to develop, construct or own a project.

**(c) Information Required for Phase One Proposals; Study Deposit; Timing**

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**Phase One Proposals shall provide the following information:**

- (i) a detailed description of the proposed solution, in the manner specified by the ISO, including an identification of the proposed route for the solution and technical details of the project, such as interconnection into the existing transmission system;
- (ii) a detailed explanation of how the proposed solution addresses the identified need;
- (iii) the proposed schedule, including key high-level milestones, for development, siting, procurement of real estate rights, permitting, construction and completion of the proposed solution;
- (iv) right, title, and interest in rights of way, substations, and other property or facilities, if any, that would contribute to the proposed solution or the means and timeframe by which such would be obtained; and
- (v) the estimated life-cycle and installed costs of the proposed solution, including a high-level itemization of the components of the cost estimate, a description of the financing being used, and any cost containment or cost cap measures.

With each proposal, the Qualified Transmission Project Sponsor must include payment of a \$100,000 study deposit per submitted Phase One Proposal to support the cost of Phase One Proposal and Phase Two Solution study work by the ISO. The study deposit of \$100,000 shall be applied towards the costs incurred by the ISO associated with the study of the Phase One Proposal and Phase Two Solution.

Phase One Proposals must be submitted by the deadline specified in the public posting by the ISO of the request for proposal described in Section 4.3(a) of this Attachment, which shall not be less than 60 days from the posting date of the request for proposal. The ISO may reject submittals which are insufficient or not adequately supported.

**(d) LSP Coordination**

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Qualified Transmission Project Sponsors of Phase One Proposals shall also identify any LSP plans that require coordination with their Phase One Proposals.

**(e) Preliminary Review by ISO**

If the sole Phase One Proposal in response to a given Needs Assessment is the Backstop Transmission Solution, the ISO shall proceed under Section 4.2 of this Attachment, rather than pursuant to the procedures set forth in the remainder of this Section 4.3.

If more than one Phase One Proposal has been submitted in response to the request for proposal described in Section 4.3(a) of this Attachment K, the ISO shall perform a preliminary feasibility review of each proposal to determine whether the proposed solution:

- (i) provides sufficient data and that the data is of sufficient quality to satisfy Section 4.3(c) of this Attachment;
- (ii) appears to satisfy the needs described in the Needs Assessment;
- (iii) is technically practicable and indicates possession of, or an approach to acquiring, the necessary rights of way, property and facilities that will make the proposal reasonably feasible in the required timeframe; and
- (iv) is eligible to be constructed only by an existing PTO in accordance with Schedule 3.09(a) of the TOA because the proposed solution is an upgrade to existing PTO facilities, or because the costs of the proposed solution are not eligible for regional cost allocation under the OATT and will be allocated only to the local customers of a PTO.

**(f) Proposal Deficiencies; Further Information**

If the ISO identifies any minor deficiencies in meeting the requirements of Section 4.3(e) in the information provided in connection with a proposed Phase One Proposal, the ISO will notify the Phase One Proposal Qualified Transmission Project Sponsor and provide an opportunity for the sponsor to cure the deficiencies within the timeframe specified by the ISO. Upon request, Qualified Transmission Project Sponsors of Phase One Proposals shall provide the ISO with

additional information reasonably necessary for the ISO's evaluation of the proposed Phase One Proposals. This identification and notification will occur prior to the publication by the ISO of any Phase One Proposals. In providing information under this subsection (f), or in Phase Two Solutions, the Qualified Transmission Project Sponsor may not modify its project materially or submit a new project, but instead may clarify its Phase One Proposal. Phase Two Solutions reflecting a material modification to a Phase One Proposal or representing a new project will be rejected.

**(g) Listing of Qualifying Phase One Proposals**

For each Needs Assessment, the ISO will provide the Planning Advisory Committee with, and post on the ISO's website, a listing of Phase One Proposals that meet the criteria of Section 4.3(e). A meeting of the Planning Advisory Committee will be held thereafter in order to solicit stakeholder input on the listing, and the listed proposals. The ISO with input from the Planning Advisory Committee may exclude projects from the list, and from consideration in Phase Two Solutions, based on a determination that the Phase One Proposal is not competitive with other projects that have been submitted in terms of cost, electrical performance, future system expandability, or feasibility. Information on Phase One Proposals containing CEII will be posted on the ISO's protected website consistent with Section 2.4(d) of this Attachment. The ISO may amend its listing based on stakeholder input. The ISO shall post on its website an explanation of why it has determined to exclude a Phase One Proposal from consideration in the Phase Two Solution process.

**(h) Information Required for Phase Two Solutions; Identification and Reporting of Preliminary Preferred Phase Two Solution**

Qualified Transmission Project Sponsors of Phase One Proposals reflected on the final listing developed pursuant to Section 4.3(g) of this Attachment shall provide the following information in their proposed Phase Two Solutions:

- (i) updates of the information provided in Phase One Proposals, or a certification that the information remains current and correct;
- (ii) list of required major Federal, State and local permits;

- (iii) description of construction sequencing, a conceptual plan for the anticipated transmission and generation outages necessary to construct the Phase Two Solution and their respective durations, and possible constraints;
- (iv) project schedule, with additional detail compared with Phase One Proposals, as specified by the ISO;
- (v) detailed cost component itemization and life-cycle cost including any clarifications to cost containment or cost cap measures that were not included as part of the Phase One Proposal;
- (vi) design and equipment standards to be used;
- (vii) description of the authority the Qualified Transmission Project Sponsor has to acquire necessary rights of way;
- (viii) experience of the Qualified Transmission Project Sponsor in acquiring rights of way;
- (ix) status of acquisition of right, title, and interest in rights of way, substations, and other property or facilities, if any, that are necessary for the proposed Phase Two Solution;
- (x) detailed explanation of project feasibility and potential constraints and challenges;
- (xi) description of the means by which the sponsor proposes to satisfy state legal or regulatory requirements for siting, constructing, owning and operating transmission projects; and
- (xii) detailed explanation of potential future expandability.

Phase Two Solutions must be submitted to the ISO by the deadline specified in the posting of the final listing (following stakeholder input) of Phase One Proposals described in Section 4.3(g). The deadline for submittal of Phase Two Solutions shall not be less than 60 days from the posting

date of the final listing. The ISO may reject Phase Two Solution submittals which are insufficient or not adequately supported.

The ISO will identify the Phase Two Solution that offers the best combination of electrical performance, cost, future system expandability and feasibility to meet the need in the required timeframe as the preliminary preferred Phase Two Solution in response to each Needs Assessment. The ISO will report the preliminary preferred Phase Two Solution, together with explanatory materials, to the Planning Advisory Committee and seek stakeholder input on the preliminary preferred Phase Two Solution.

The ISO will consider several factors during the evaluation process for identification of the preliminarily preferred Phase Two Solution. These factors may include, but are not limited to, the following which are listed in no particular order:

- Life-cycle cost, including all costs associated with right of way acquisition, easements, and associated real estate;
- System performance;
- Cost cap or cost containment provisions;
- In-service date of the project or portion(s) thereof;
- Project constructability;
- Generation and transmission facility outages required during construction;
- Extreme contingency performance;
- Operational impacts;
- Incremental costs for potential resource retirements;
- Interface impacts;
- Future expandability;
- Consistency with Good Utility Practice;
- Potential siting/permitting issues or delays;
- Loss savings;
- Replacement of aging infrastructure;
- Environmental impact;
- Design standards;

- Impact on NPCC Bulk Power System classification; and
- Qualified Transmission Project Sponsor capabilities.

**(i) Reimbursement of Phase Two Solution Costs; Collection and Refund of ISO Study Costs**

Qualified Transmission Project Sponsors whose Phase One Proposals are listed pursuant to Section 4.3(g) for review as Phase Two Solutions shall be entitled to recover, pursuant to rates and appropriate financial arrangements set forth in the Tariff (and, as applicable, the TOA and NTDOA), all prudently incurred costs associated with developing a Phase Two Solution. PTOs shall be entitled to recover, pursuant to rates and appropriate financial arrangements set forth in the Tariff, all prudently incurred study costs and costs associated with developing any upgrades or modifications to such PTOs' existing facilities necessary to facilitate the development of a listed Phase One Proposal proposed by any other Qualified Transmission Project Sponsor.

Any difference between a Qualified Transmission Project Sponsor's study deposit and the actual cost of the Phase One Proposal and Phase Two Solution studies shall be paid by or refunded to the Qualified Transmission Project Sponsor, as appropriate, with interest calculated in accordance with Section 35.19a(a)(2) of the FERC regulations. Any refund payment shall be accompanied by a detailed and itemized accounting of the actual study costs incurred. Any invoice to collect funds in addition to the deposit shall be accompanied by a detailed and itemized accounting of the actual study costs incurred. Any disputes arising from the study process shall be addressed under the dispute resolution process specified in Section I.6 of the ISO Tariff.

**(j) Selection of the Preferred Phase Two Solution**

Following receipt of stakeholder input, the ISO will identify the preferred Phase Two Solution (with an overview of why the solution is preferred) by a posting on its website. The ISO's identification will select the project that offers the best combination of electrical performance, cost, future system expandability and feasibility to meet the need in the required timeframe. The ISO will also notify the Qualified Transmission Project Sponsor that proposed the preferred Phase Two Solution that its project has been selected for development. The preferred Phase Two Solution may include an upgrade(s) located on or connected to a PTO's existing transmission system where the Qualified Transmission Project Sponsor is not the PTO for the existing system

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element(s). In such cases the ISO will notify the PTO that have upgrades required by the preferred Phase Two Solution to proceed in accordance with Schedule 3.09(a) of the Transmission Operating Agreement. Once the ISO has identified the preferred Phase Two Solution, any remaining Phase Two Solutions, along with the Backstop Transmission Solution, must stop all development. The ISO will include the project as a Reliability Transmission Upgrade or Market Efficiency Transmission Upgrade, as appropriate, in the RSP and/or its Project List, as it is updated from time to time in accordance with this Attachment. Where external impacts of regional projects are identified through coordination by the ISO with neighboring entities, those impacts will be identified in the RSP. Costs associated with such impacts will be addressed as set forth in Schedule 15.

**(k) Execution of Selected Qualified Transmission Project Sponsor Agreement**

Within 30 days of its receiving notification pursuant to Section 4.3(j) of this Attachment, the Qualified Transmission Project Sponsor shall submit to the ISO its acceptance of responsibility to proceed with the preferred Phase Two Solution by execution of the Selected Qualified Transmission Project Sponsor Agreement (Attachment P to the OATT). Any cost cap or cost containment provisions shall be included in the Selected Qualified Transmission Project Sponsor Agreement.

**(l) Failure to Proceed**

If the ISO finds, after consultation with a non-PTO Qualified Transmission Project Sponsor, that the sponsor is failing to pursue approvals or construction in a reasonably diligent fashion, or that the sponsor is unable to proceed with the project due to forces beyond its reasonable control, the ISO shall request the applicable PTO(s) to execute the Selected Qualified Transmission Project Sponsor Agreement (Attachment P to the OATT) and implement the Backstop Transmission Solution. In such cases the ISO shall prepare a report explaining why it has reassigned the project. If the Qualified Transmission Project Sponsor that is failing or unable to proceed is a PTO, the report shall be consistent with the provisions of Section 1.1(e) of Schedule 3.09(a) of the Transmission Operating Agreement, including the ISO's proposed course of action. If prepared with respect to a Qualified Transmission Project Sponsor that is not a PTO, the report shall include a report from that sponsor. The ISO shall file its report (whether with respect to a PTO or non-PTO Qualified Transmission Project Sponsor) with the Commission.

**(m) Cancellation of a Request for Proposal**

The ISO may cancel a request for proposal at any time. Such cancellation may be due to new or different assumptions which may change or eliminate the identified needs. Any costs associated with solution development shall be recovered pursuant to Sections 3.6(c), 4.3(a) and 4.3(i) of this Attachment.

**4A. Public Policy Transmission Studies; Public Policy Transmission Upgrades**

**4A.1 NESCOE Requests for Public Policy Transmission Studies**

No less often than every three years, by January 15 of that year, the ISO will post a notice indicating that members of the Planning Advisory Committee may, no later than 45 days after the posting of the notice: (i) provide NESCOE, via the process described below, with input regarding state and federal Public Policy Requirements identified as driving transmission needs relating to the New England Transmission System, and regarding particular transmission needs driven by those Public Policy Requirements, and (ii) provide the ISO with input regarding local (e.g., municipal and county) Public Policy Requirements identified as driving transmission needs relating to the New England Transmission System, and regarding particular transmission needs driven by those Public Policy Requirements. A meeting of the Planning Advisory Committee may be held for this purpose. Members of the Planning Advisory Committee shall direct all such input related to state, federal, and local Public Policy Requirements that drive transmission needs to the ISO and the ISO will post such input on the ISO's website. By no later than May 1 of that year, NESCOE may submit to the ISO in writing a request for a new Public Policy Transmission Study, or an update of a previously conducted study. The request will identify the Public Policy Requirements identified as driving transmission needs relating to the New England Transmission System, and may identify particular NESCOE-identified public policy-related transmission needs as well. Along with any such request, NESCOE will provide the ISO with a written explanation of which transmission needs driven by state or federal Public Policy Requirements the ISO will evaluate for potential solutions in the regional planning process, including why other suggested transmission needs will not be evaluated. The ISO will post the NESCOE request and explanation on the ISO's website. If NESCOE does not provide that listing of identified transmission needs (which may consist of a NESCOE statement of its determination that no transmission needs are driven by state or federal Public Policy Requirements identified during the



stakeholder process) and that explanation (which may consist of a NESCOE explanation of why no transmission needs are driven by state or federal Public Policy Requirements identified during the stakeholder process), the ISO will note on its website that a NESCOE listing and explanation have not been provided. In that circumstance, the ISO will determine subsequently (after opportunity for Planning Advisory Committee input), and post on its website an explanation of, which transmission needs driven by state or federal Public Policy Requirements the ISO will evaluate in the regional planning process, including why other suggested transmission needs will not be evaluated.

#### **4A.1.1 Study of Federal Public Policy Requirements Not Identified by NESCOE; Local Public Policy Requirements**

If a stakeholder believes that a federal Public Policy Requirement that may drive transmission needs relating to the New England Transmission System has not been appropriately addressed by NESCOE, it may file with the ISO, no later than 15 days after the posting of NESCOE's explanation as described in Section 4A.1 of this Attachment, a written request that explains the stakeholder's reasoning and that seeks reconsideration by the ISO of NESCOE's position regarding that requirement. The ISO will post the stakeholder's written request on the ISO's website. Where the ISO agrees with a stated stakeholder position, or on its own finding, the ISO may perform an evaluation under Sections 4A.2 through 4A.4 of this Attachment of a federal Public Policy Requirement not otherwise identified by NESCOE. The ISO will post on its website an explanation of those transmission needs driven by federal Public Policy Requirements not identified by NESCOE that will be evaluated for potential transmission solutions in the regional system planning process, and why other suggested transmission needs driven by federal Public Policy Requirements not identified by NESCOE will not be evaluated. In addition, the ISO will post on its website an explanation of those transmission needs driven by local Public Policy Requirements that will be evaluated for potential transmission solutions in the regional system planning process, and why other suggested transmission needs driven by local Public Policy Requirements will not be evaluated.

#### **4A.2 Preparation for Conduct of Public Policy Transmission Studies; Stakeholder Input**

Upon receipt of the NESCOE request, or as the result of the ISO's consideration of a federal or local Public Policy Requirement pursuant to Section 4A.1.1, the ISO will prepare and post on its

website a proposed scope for the Public Policy Transmission Study, and associated parameters and assumptions (including resource assumptions), and provide the foregoing to the Planning Advisory Committee by no later than September 1 of the request year. A meeting of the Planning Advisory Committee will be held promptly thereafter in order to solicit stakeholder input for consideration by the ISO on the study's scope, parameters and assumptions.

#### **4A.3 Public Policy Transmission Studies**

##### **(a) Conduct of Public Policy Transmission Studies; Stakeholder Input**

With input from Planning Advisory Committee and potentially impacted PTOs, the ISO will perform the initial phase of the Public Policy Transmission Study to develop a rough estimate of the costs and benefits of high-level concepts that could meet transmission needs driven by Public Policy Requirements. The study's results will be posted on the ISO's website, and a meeting of the Planning Advisory Committee will be held promptly thereafter in order to solicit input on the results of the initial phase of the study, and the scope, parameters and assumptions (including resource assumptions) for any follow-on phase of the study. The ISO may – as a follow-on phase of the Public Policy Transmission Study – perform more detailed analysis and engineering work on the high-level concepts.

##### **(b) Treatment of Market Solutions in Public Policy Transmission Studies**

The ISO shall reflect proposed market responses in the Public Policy Transmission Study. Market responses may include, but are not limited to, resources (e.g., demand-side projects and distributed generation), Merchant Transmission Facilities and Elective Transmission Upgrades.

Specifically, the ISO shall incorporate in the Public Policy Transmission Study information regarding resources that have been proposed and (i) have cleared in a Forward Capacity Auction pursuant to Market Rule 1 of the ISO Tariff, (ii) have been selected in, and are contractually bound by, a state-sponsored Request For Proposals, or (iii) have a financially binding obligation pursuant to a contract. The ISO will model out-of-service all submitted Retirement De-List Bids, submitted Permanent De-List Bids, and demand bids that have cleared in a substitution auction, and may model out-of-service rejected-for-reliability Static De-List Bids and rejected-for-reliability Dynamic De-List Bids from the most recent Forward Capacity Auction. With respect to (ii) or (iii) above, demonstration of such contracts is accomplished through submittal for ISO

review of an order or other similar authorization from the appropriate state regulatory agency, along with a copy of the contract, that together demonstrate the contractual requirements. These documents may be submitted by: the Project Sponsor; the state regulatory agency authorizing the contract; a transmission company that is a counterparty to the contract; or by a third-party organization representing the interests of the New England states regarding energy related issues, such as NESCOE. The ISO shall incorporate information regarding a proposed Merchant Transmission Facility or Elective Transmission Upgrade in a Needs Assessment at a time after the studies corresponding to the Merchant Transmission Facility or Elective Transmission Upgrade are completed (including receipt of approval under Section I.3.9 of the Tariff), and a commercial operation date has been ascertained, with the exception of Elective Transmission Upgrades that are proposed in conjunction with the interconnection of a resource, which shall be considered at the same time as the proposed resource is considered in the Public Policy Transmission Study.

#### **4A.4 Response to Public Policy Transmission Studies**

The results of the Public Policy Transmission Study will be provided to the Planning Advisory Committee and posted on the ISO's website, and a meeting of the Planning Advisory Committee will be held promptly thereafter in order to solicit input for the ISO on those results, including any updates from the states on any methods by which they are satisfying their respective Public Policy Requirements included in the Public Policy Transmission Study. The ISO's costs of performing the Public Policy Transmission Study described in Section 4A.3 will be collected by the ISO pursuant to Schedule 1 of Section IV.A of the Tariff. Any prudently incurred PTO costs for assistance requested by the ISO to support the Public Policy Transmission Study will be recovered by the applicable PTO(s) in accordance with Attachment F and Schedule 21 of the Tariff.

The ISO will evaluate the input from the Planning Advisory Committee and provide the results of the Public Policy Transmission Study to Qualified Transmission Project Sponsors for their use in preparing Stage One Proposals to develop, build and operate one or more projects consistent with the general design requirements identified by the ISO in the study.

#### **4A.5 Use and Control of Right of Way**

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Neither the submission of a project by a Qualified Transmission Project Sponsor nor the selection by the ISO of a project submitted by a Qualified Transmission Project Sponsor for inclusion in the RSP Project List shall alter a PTO's use and control of an existing right of way, the retention, modification, or transfer of which remain subject to the relevant law or regulation, including property or contractual rights, that granted the right-of-way. Nothing in the processes described in this Attachment K requires a PTO to relinquish any of its rights-of-way in order to permit a Qualified Transmission Project Sponsor to develop, construct or own a project.

#### **4A.6 Stage One Proposals**

##### **(a) Information Required for Stage One Proposals**

The ISO will publicly post on its website a request for proposal inviting, for each high-level general project concept identified by the ISO pursuant to Section 4A.3(a) above, Qualified Transmission Project Sponsors to submit (by the deadline specified in the request for proposal, which shall be not less than 60 days from the date of posting the request for proposal) a Stage One Proposal providing the following information:

- (i) a detailed description of the proposed solution, in the manner specified by the ISO, including an identification of the proposed route for the solution and technical details of the project, such as interconnection into the existing transmission system;
- (ii) a detailed explanation of how the proposed solution addresses the identified need;
- (iii) the proposed schedule, including key high-level milestones, for development, siting, procurement of real estate rights, permitting, construction and completion of the proposed solution;
- (iv) right, title, and interest in rights of way, substations, and other property or facilities, if any, that would contribute to the proposed solution or the means and timeframe by which such would be obtained; and
- (v) the estimated life-cycle and installed costs of the proposed solution, including a high-level itemization of the components of the cost estimate, a description of the financing being used, and any cost containment or cost cap measures.

A Qualified Transmission Project Sponsor may submit a proposed solution that includes an upgrade(s) located on or connected to a PTO's existing transmission system where the Qualified Transmission Project Sponsor is not the PTO for the existing system element(s). In such cases, the Qualified Transmission Project Sponsor's proposed solution relating to the upgrade(s) of an existing transmission system element(s) must provide all data available to the Qualified Transmission Project Sponsor as part of its response to the request for proposal. The Qualified Transmission Project Sponsor is not required to procure agreements with the PTO for implementation of such upgrades as the PTO is required to implement the upgrade(s) in accordance with Schedule 3.09(a) of the Transmission Operating Agreement if the proposed solution is selected through the competitive process.

A member of the Planning Advisory Committee that is not a Qualified Transmission Project Sponsor but would like the ISO to consider a Stage One Proposal reflecting its concept for a project in response to a Public Policy Transmission Study (that is, a project that is "unsponsored") must identify a Qualified Transmission Project Sponsor willing to submit a corresponding Stage One Proposal and Stage Two Solution (and to develop and construct the project, if selected in the competitive solution process) in order for the unsponsored project to be submitted in response to an ISO solicitation in Stage One Proposal. Upon request of the pertinent Planning Advisory Committee member for assistance in identifying a sponsor, the ISO shall post on its website and distribute to the Planning Advisory Committee a notice that solicits expressions of interest by Qualified Transmission Project Sponsors for sponsorship of the member's conceptual project. All expressions of interest shall include a detailed explanation of why the Qualified Transmission Project Sponsor is best qualified to construct, own and operate the unsponsored project. If only one Qualified Transmission Project Sponsor expresses interest, the ISO shall designate it as the Qualified Transmission Project Sponsor. If more than one Qualified Transmission Project Sponsor expresses interest, the Planning Advisory Committee member shall select the Qualified Transmission Project Sponsor. In either case, the designated Qualified Transmission Project Sponsor shall thereafter comply with the requirements of this Attachment K and the ISO Tariff with respect to the project. If no Qualified Transmission Project Sponsor expresses interest, the unsponsored project may not be submitted as a Stage One Proposal.

With each proposal, the Qualified Transmission Project Sponsor must include payment of a \$100,000 study deposit per submitted project to support the cost of Stage One Proposal and Stage Two Solution study work by the ISO. The study deposit of \$100,000 shall be applied towards the costs incurred by the ISO associated with the study of the Stage One Proposal and Stage Two Solution.

**(b) LSP Coordination**

Qualified Transmission Project Sponsors of Stage One Proposals shall also identify any LSP plans that require coordination with their Stage One Proposals.

**(c) Preliminary Review by ISO**

Upon receipt of Stage One Proposals, the ISO shall perform a preliminary feasibility review of each proposal to determine whether the proposed solution:

- (i) provides sufficient data and that the data is of sufficient quality to satisfy Section 4A.6(a);
- (ii) appears to satisfy the needs driven by Public Policy Requirements, as reflected in the Public Policy Transmission Study;
- (iii) is technically practicable and indicates possession of, or an approach to acquiring, the necessary rights of way, property and facilities that will make the proposal reasonably feasible in the required timeframe; and;
- (iv) is eligible to be constructed only by an existing PTO in accordance with Schedule 3.09(a) of the TOA because the proposed solution is an upgrade to existing PTO facilities or because the costs of the proposed solution are not eligible for regional cost allocation under the OATT and will be allocated only to the local customers of a PTO.

**(d) Proposal Deficiencies; Further Information**

If the ISO identifies any deficiencies (compared with the requirements of Section 4A.6(a)) in the information provided in connection with a proposed Stage One Proposal, the ISO will notify the Stage One Proposal Qualified Transmission Project Sponsor and provide an opportunity for the Qualified Transmission Project Sponsor to cure the deficiencies within the timeframe specified by the ISO. Upon request, Qualified Transmission Project Sponsors of Stage One Proposals shall

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provide the ISO with additional information reasonably necessary for the ISO's evaluation of the proposed solutions. This identification and notification will occur prior to the publication by the ISO of any Stage One Proposals. In providing information under this subsection (d), or in Stage Two Solutions, the Qualified Transmission Project Sponsor may not modify its project materially or submit a new project, but instead may clarify its project. Stage Two Solutions reflecting a material modification to a Stage One Proposal or representing a new project will be rejected.

**(e) List of Qualifying Stage One Proposals**

The ISO will provide the Planning Advisory Committee with, and post on the ISO's website, a list of Stage One Proposals that meet the criteria of Section 4A.6(c). A meeting of the Planning Advisory Committee will be held promptly thereafter in order to solicit input for the ISO on that list. The ISO shall also indicate whether any of the Stage One Proposals may also satisfy identified reliability needs of the system. The ISO with input from the Planning Advisory Committee may exclude Stage One Proposals from the list, and from consideration in Stage Two Solutions, based on a determination that the Stage One Proposal is not competitive with other Stage One Proposals that have been submitted in terms of cost, electrical performance, future system expandability, or feasibility. Information on Stage One Proposals containing CEII will be posted on the ISO's protected website consistent with Section 2.4(d) of this Attachment. The ISO may amend its listing based on stakeholder input.

**4A.7 Reimbursement of Stage One Proposal and Stage Two Solution Costs; Collection and Refund of ISO Study Costs**

Qualified Transmission Project Sponsors that are requested by NESCOE in writing or by one or more states' governors or regulatory authorities directly to submit a Stage One Proposal shall be entitled to recover, pursuant to rates and appropriate financial arrangements set forth in the Tariff and the TOA, their prudently incurred costs from the Regional Network Load of the states identified by NESCOE in the written communication as having made the request or from the Regional Network Load of the states that made the request directly. Stage One Proposal costs shall otherwise not be subject to recovery under the ISO Tariff.

Qualified Transmission Project Sponsors whose projects are listed by the ISO pursuant to Section 4A.6(e) shall be entitled to recover, pursuant to rates and appropriate financial arrangements set

forth in the Tariff and, as applicable, the TOA and NTDOA, all prudently incurred costs associated with developing a Stage Two Solution. PTOs shall be entitled to recover, pursuant to rates and appropriate financial arrangements set forth in the Tariff, all prudently incurred study costs and costs associated with developing any upgrades or modifications to such PTOs' existing facilities necessary to facilitate the development of a listed Stage Two Solution proposed by any other Qualified Transmission Project Sponsor.

Any difference between a Qualified Transmission Project Sponsor's study deposit and the actual cost of the Stage One Proposal and Stage Two Solutions studies shall be paid by or refunded to the Qualified Transmission Project Sponsor, as appropriate, with interest calculated in accordance with Section 35.19a(a)(2) of the FERC regulations. Any refund payment shall be accompanied by a detailed and itemized accounting of the actual study costs incurred. Any invoice to collect funds in addition to the deposit shall be accompanied by a detailed and itemized accounting of the actual study costs incurred. Any disputes arising from the study process shall be addressed under the dispute resolution process specified in Section I.6 of the Tariff.

#### **4A.8 Information Required for Stage Two Solutions; Identification and Reporting of Preliminary Preferred Stage Two Solution**

Qualified Transmission Project Sponsors of Stage One Proposals listed pursuant to Section 4A.6(e) of this Attachment shall provide the following information in their proposed Stage Two Solutions:

- (i) updates of the information provided in Stage One Proposals, or a certification that the information remains current and correct;
- (ii) list of required major Federal, State and local permits;
- (iii) description of construction sequencing, a conceptual plan for the anticipated transmission and generation outages necessary to construct the Stage Two Solution and their respective durations, and possible constraints;



- (iv) project schedule, with additional detail compared with Stage One Proposals, as specified by the ISO;
- (v) detailed cost component itemization and life-cycle cost including any clarifications to cost containment or cost cap measures that were not included as part of the Stage One Proposal;
- (vi) design and equipment standards to be used;
- (vii) description of the authority the Qualified Transmission Project Sponsor has to acquire necessary rights of way;
- (viii) experience of the Qualified Transmission Project Sponsor in acquiring rights of way;
- (ix) status of acquisition of right, title, and interest in rights of way, substations, and other property or facilities, if any, that are necessary for the proposed Stage Two Solution;
- (x) detailed explanation of project feasibility and potential constraints and challenges;
- (xi) description of the means by which the sponsor proposes to satisfy state legal or regulatory requirements for siting, constructing, owning and operating transmission projects; and
- (xii) detailed explanation of potential future expandability.

Stage Two Solutions must be submitted to the ISO by the deadline specified in the posting of the final listing (following stakeholder input) of Stage One Proposals described in Section 4A.6(e). The deadline for submittal of Stage Two Solutions shall not be less than 60 days from the posting date of the final listing. The ISO may reject Stage Two Solution submittals which are insufficient or not adequately supported.

The ISO will consider several factors during the evaluation process for identification of the preliminarily preferred Stage Two Solution. These factors may include, but are not limited to, the following which are listed in no particular order:

- Life-cycle cost, including all costs associated with right of way acquisition, easements, and associated real estate;
- System performance;
- Cost cap or cost containment provisions;
- In-service date of the project or portion(s) thereof;
- Project constructability;
- Generation and transmission facility outages required during construction;
- Extreme contingency performance;
- Operational impacts;
- Incremental costs for potential resource retirements;
- Interface impacts;
- Future expandability;
- Consistency with Good Utility Practice;
- Potential siting/permitting issues or delays;
- Loss savings;
- Replacement of aging infrastructure;
- Environmental impact;
- Design standards;
- Impact on NPCC Bulk Power System classification; and
- Qualified Transmission Project Sponsor capabilities

The ISO will report the preliminary preferred Stage Two Solution(s), along with its views as to whether the preliminary preferred solution(s) also satisfies identified reliability needs of the system, to the Planning Advisory Committee and seek stakeholder input on the preliminary preferred Stage Two Solution(s).

#### **4A.9 Inclusion of Public Policy Transmission Upgrades in the Regional System Plan and RSP Project List; Milestone Schedules; Removal from RSP Project List**

##### **(a) Inclusion of Public Policy Transmission Upgrades in the Regional System Plan and RSP Project List**

Following receipt of stakeholder input, the ISO will identify the preferred Stage Two Solution (with an overview of why the solution is preferred) by a posting on its website. The ISO's identification will select the Stage Two Solution that best addresses the identified Public Policy Requirement while utilizing the best combination of electrical performance, cost, future system expandability and feasibility to meet the need in the required timeframe. The ISO will also notify the Qualified Transmission Project Sponsor that proposed the preferred Stage Two Solution that its project has been selected for development, and include the project as a Public Policy Transmission Upgrade in the Regional System Plan and RSP Project List, as it is updated from time to time in accordance with this Attachment. The preferred Stage Two Solution may include an upgrade(s) located on or connected to a PTO's existing transmission system where the Qualified Transmission Project Sponsor is not the PTO for the existing system element(s). In such cases the ISO will notify the PTO that have upgrades required by the preferred Stage Two Solution to proceed in accordance with Schedule 3.09(a) of the Transmission Operating Agreement. Once the ISO has identified the preferred Stage Two Solution, any remaining Stage Two Solutions must stop all development. Where external impacts of regional Public Policy Transmission Upgrades are identified through coordination by the ISO with neighboring entities, those impacts will be identified in the RSP. Costs associated with such impacts will be addressed as set forth in Schedule 15.

##### **(b) Execution of Selected Qualified Transmission Project Sponsor Agreement**

Within 30 days of its receiving notification pursuant to Section 4A.9(a) of this Attachment, the Qualified Transmission Project Sponsor shall submit to the ISO its acceptance of responsibility to proceed with the preferred Stage Two Solution by execution of the Selected Qualified Transmission Project Sponsor Agreement

(Attachment P to the OATT). Any cost cap or cost containment provisions shall be included in the Selected Qualified Transmission Project Sponsor Agreement.

**(c) Failure to Proceed**

If the ISO finds, after consultation with a non-PTO Qualified Transmission Project Sponsor, that the sponsor is failing to pursue approvals or construction in a reasonably diligent fashion, or that the sponsor is unable to proceed with the project due to forces beyond its reasonable control, the ISO shall, after consultation with the Planning Advisory Committee, prepare a report, including a proposed course of action. If the Qualified Transmission Project Sponsor that is failing or unable to proceed is a PTO, the ISO shall, after consultation with the Planning Advisory Committee, prepare a report consistent with the provisions of Section 1.1(e) of Schedule 3.09(a) of the Transmission Operating Agreement, including the ISO's proposed course of action. The proposed course of action may include, for example, a consideration and selection of another Stage Two Proposal relating to the pertinent Public Policy Requirement, or the re-solicitation of Stage One Proposals to meet the pertinent Public Policy Requirement. If prepared with respect to a Qualified Transmission Project Sponsor that is not a PTO, the report shall include a report from that sponsor. The ISO shall file its report (whether with respect to a PTO or a non-PTO Qualified Transmission Project Sponsor) with the Commission.

**4A.10 Cancellation of a Request for Proposal**

The ISO may cancel a request for proposal at any time. Such cancellation may be due to new or different assumptions which may change or eliminate the identified needs. Any costs associated with solutions development shall be recovered pursuant to Sections 3.6(c) and 4A.7 of this Attachment.

**4A.11 Local Public Policy Transmission Upgrades**

The costs of Local Public Policy Transmission Upgrade(s) that are required in connection with the construction of a Public Policy Transmission Upgrade approved for inclusion in the Regional System Plan in accordance with Section 4A.9 shall be allocated in accordance with Schedule 21 of the ISO OATT.

## **4B. Qualified Transmission Project Sponsors**

### **4B.1 Evaluation of Applications**

The ISO will evaluate applications submitted by an entity that seeks to qualify as a sponsor of a proposed Reliability Transmission Upgrade, Market Efficiency Transmission Upgrade or Public Policy Transmission Upgrade.

### **4B.2 Information To Be Submitted**

The application to be submitted to the ISO by an entity desiring to be a Qualified Transmission Project Sponsor will include the following information:

- (i) the current and expected capabilities of the applicant to finance and construct a Reliability Transmission Upgrade, Market Efficiency Transmission Upgrade or Public Policy Transmission Upgrade and operate and maintain it for the life of the project;
- (ii) the financial resources of the applicant;
- (iii) the technical and engineering qualifications and experience of the applicant;
- (iv) if applicable, the previous record of the applicant regarding construction and maintenance of transmission facilities;
- (v) demonstrated capability of the applicant to adhere to construction, maintenance and operating Good Utility Practices, including the capability to respond to outages;
- (vi) the ability of the applicant to comply with all applicable reliability standards; and
- (vii) demonstrated ability of the applicant to meet development and completion schedules.

### **4B.3 Review of Qualifications**

The ISO shall review each application for completeness. The ISO will notify each applicant within 30 calendar days of receipt of such application whether the application is complete, or identify any deficiencies in provision of the information required by Section 4B.2 of this Attachment. An applicant notified of deficiencies must provide any remedial information within 30 calendar days of the receipt of such notice. Thereafter, the ISO will determine whether the applicant is physically, technically, legally, and financially capable of constructing a Reliability Transmission Upgrade, Market Efficiency Transmission Upgrade or Public Policy Transmission Upgrade in a timely and competent manner, and operating and maintaining the facilities consistent with Good Utility Practice and applicable reliability criteria for the life of the project,

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and use its best efforts to inform the applicant within 90 days from the date on which it has a completed application on file with the ISO whether it has met all of these criteria. A PTO determined by the ISO to meet all of these criteria will be deemed a Qualified Transmission Project Sponsor. A non-PTO entity determined by the ISO to meet all of these criteria will, upon its execution of the Non-incumbent Transmission Developer Operating Agreement (in the form specified in Attachment O of the OATT) and the Market Participant Service Agreement, be deemed a Qualified Transmission Project Sponsor.

#### **4B.4 List of Qualified Transmission Project Sponsors**

Qualified Transmission Project Sponsors are listed in Appendix 3 of this Attachment K.

#### **4B.5 Annual Certification**

Each Qualified Transmission Project Sponsor shall submit to the ISO annually a certification that the information initially submitted in response to Section 4B.2 of this Attachment K has not changed adversely in a material fashion, or (if a material adverse change has occurred in the intervening year) submit instead a new application for qualification as a project sponsor. In the latter case, the entity shall not be a Qualified Transmission Project Sponsor unless and until the ISO approves its new application.

### **5. Supply of Information and Data Required for Regional System Planning**

The Transmission Owners, Generator Owners, Transmission Customers, Market Participants and other entities requesting transmission or interconnection service or proposing the integration of facilities to PTF in the New England Transmission System or alternatives to such facilities, and stakeholders requesting a Needs Assessment pursuant to Section 4.1 of this Attachment, shall supply, as required by the Tariff, the Participants Agreement, MPSAs, applicable transmission operating agreements, and/or other existing agreements, protocols and procedures, or upon request by the ISO, and subject to required CEII and confidentiality protections as specified in Section 2.4 of this Attachment, any information (including cost estimates) and data that is reasonably required to prepare an RSP or to perform a Needs Assessment or Solutions Study.

### **6. Regional, Local and Interregional Coordination**

#### **6.1 Regional Coordination**

The ISO shall conduct the regional system planning process for the PTF in coordination with the transmission-owning entities in, or other entities interconnected to, the New England Transmission System consistent with the rights and obligations defined in the ISO OATT, applicable transmission operating agreements or protocols, and/or this Attachment. Pursuant to Section II.49 of this OATT and Sections 3.02, 3.05 and 3.09 of the TOA, the ISO has Operating Authority or control over all PTF and Non-PTF within the New England Control Area, which are utilized for the provision of transmission service under this OATT. The ISO also has Operating Authority or control over the United States portions of the HVDC ties to Quebec and over Merchant Transmission Facilities and Other Transmission Facilities, pursuant to this OATT or applicable transmission operating agreements or protocols. The ISO, however, is not responsible for the planning of the Non-PTF, OTF and MTF. As provided in Section 6.2 and Appendix 1 of this Attachment, the PTOs are responsible for the planning of the Non-PTF and coordinating such planning efforts with the ISO. Pursuant to the OATT and/or applicable transmission operating agreements or protocols, the transmission owners of OTF and MTF are required to participate in the ISO's regional system planning process and perform and/or support studies of the impacts of regional system projects on their respective facilities.

## **6.2 Local Coordination**

The regional system planning process shall be conducted and the RSP shall be developed in coordination with the local system plans of the PTOs. In accordance with the TOA and OATT provisions identified in Section 6.1 of this Attachment, the PTOs have responsibility for planning Non-PTF. The PTOs conduct planning of Non-PTF using the LSP process outlined in Section 2.5 and Appendix 1 of this Attachment, in coordination with the ISO, other entities interconnected with the New England Transmission System, Transmission Customers and stakeholders, and in accordance with the provisions in the TOA, the OATT and the Planning and Reliability Criteria. The openness and transparency of the LSP process is intended to be consistent with the regional system planning process.

## **6.3 Interregional Coordination**

The regional system planning process shall be conducted and the RSP shall be developed in coordination with the similar plans of the surrounding ISOs/RTOs and Control Areas pursuant to the Northeastern Planning Protocol and other agreements with neighboring systems (including entities that are not Parties to the Northeastern Planning Protocol) and NPCC.

**(a) Interregional Coordination and Cost Allocation Among ISO, New York Independent System Operator, Inc. (“NYISO”) and PJM Interconnection, L.L.C. (“PJM”) Under Order No. 1000**

Pursuant to Section 7 of the Northeastern Planning Protocol (which is posted on the web at [www.iso-ne.com/static-assets/documents/2015/07/northeastern\\_protocol\\_dmeast.doc](http://www.iso-ne.com/static-assets/documents/2015/07/northeastern_protocol_dmeast.doc), the Joint ISO/RTO Planning Committee (“JIPC”) reviews regional needs and solutions identified in the regional planning processes of the ISO, NYISO and PJM in order to identify, with input from the Interregional Planning Stakeholder Advisory Committee (“IPSAC”), the potential for Interregional Transmission Projects that could meet regional needs more efficiently or cost-effectively than regional transmission projects. All members of the Planning Advisory Committee shall be considered IPSAC members. The JIPC will coordinate studies deemed necessary to allow the effective consideration by the regions, in the same general timeframe, of a proposed Interregional Transmission Project in comparison to regional transmission solutions. Any stakeholder may propose in the New England planning process, for evaluation under Section 4.2, 4.3, or 4A (as applicable) of Attachment K, an Interregional Transmission Project (or project concept) that may be more efficient or cost-effective than a regional transmission solution. If a proposed Interregional Transmission Project is approved in each region in which the project is located, the corresponding New England regional transmission project(s) will be displaced in the circumstances described in Section 3.6(a) of this Attachment, and the costs of the Interregional Transmission Project will be allocated among the regions based on the formula provided in Schedule 15 of this OATT, or in accordance with another funding arrangement filed with and accepted by the Commission. The amount of the costs of an Interregional Transmission Project allocated as the responsibility of New England pursuant to the methodology referenced in Section 6.3(a) of this Attachment shall be allocated within New England as specified in Schedule 15 of the ISO OATT.

**(b) Other Interregional Assessments and Other Interregional Transmission Projects**

Interregional system assessments and/or interregional system expansion planning studies may be performed periodically by the ISO with Planning Authorities who are not parties to the Northeastern Planning Protocol, or with the JIPC pursuant to Section 6 of the Northeastern Planning Protocol, or both. The ISO shall convene periodic meetings of the Planning Advisory Committee (which may be combined with meetings of the IPSAC), to provide input and feedback



to the ISO concerning such assessments and studies. To the extent that an Interregional Transmission Project is agreed to by ISO and by another region (not a Party to the Northeastern Planning Protocol) in which a portion of the project is located, the related cost allocation and operating agreements will be filed with the Commission (and, as applicable, with Canadian jurisdictional agencies) in accordance with existing filing rights.

## **7. Procedures for Development and Approval of the RSP**

### **7.1 Initiation of RSP**

No less often than once every three years, the ISO shall initiate an effort to develop its RSP and solicit input on regional system needs for the RSP from the Planning Advisory Committee. The Planning Advisory Committee shall meet to perform its respective functions in connection with the preparation of the RSP, as specified in Section 2 of this Attachment. The ISO shall issue the periodic planning reports that support the RSP, such as Needs Assessments, as those reports are completed.

### **7.2 Draft RSP; Public Meeting**

The ISO shall provide a draft of the RSP to the Planning Advisory Committee and input from that Committee shall be received and considered in preparing and revising subsequent drafts. The ISO shall post the draft RSP and provide notice to the Planning Advisory Committee of a meeting to review the draft RSP as specified in Section 2.2 of this Attachment.

After the ISO has provided a draft of the RSP to the Planning Advisory Committee, the ISO shall issue a second draft of the RSP to be presented by the ISO staff to the ISO Board of Directors for approval. The draft RSP shall incorporate the results of any Needs Assessment, and corresponding Solutions Studies, performed since the last RSP was approved. A subcommittee of that Board shall hold a public meeting, at their discretion, to receive input directly and to discuss any proposed revisions to the RSP. The final recommended RSP shall be presented to the ISO Board of Directors and shall be acted on by the ISO Board of Directors within 60 days of receipt. The foregoing timeframes are subject to adjustment as determined by the ISO in coordination with the Planning Advisory Committee.

### **7.3 Action by the ISO Board of Directors on RSP; Request for Alternative Proposals**

#### **(a) Action by ISO Board of Directors on RSP**

The ISO Board of Directors may approve the recommended draft RSP as submitted, modify the RSP or remand all or any portion of it back with guidance for development of a revised recommendation. The Board of Directors may consider the RSP in executive session, and shall consider in its deliberations the views of the subcommittee of the Board of Directors reflecting the public meeting held pursuant to Section 7.2 of this Attachment. In considering whether to approve the draft RSP, the Board of Directors may, if it finds a proposed Reliability Benefit Upgrade not to be viable, or if no Reliability Benefit Upgrade has been proposed, direct the ISO staff to meet with the affected load serving entities and State entities in order to develop an interim solution. Should that effort fail, and as a last resort, the Board of Directors may direct the ISO to issue a Request For Alternative Proposal (“RFAP”), subject to the procedures described below, and may withhold approval of the draft RSP, or portions thereof, pending the results of that RFAP and any Commission action on any resulting jurisdictional contract or funding mechanism. The ISO shall provide a written explanation as to any subsequent changes or modification made in the final version of the RSP.

**(b) Requests For Alternative Proposals**

- (i) The RFAP shall seek generation, demand-side and merchant transmission alternatives that can be implemented rapidly and provide substantial reliability benefits over the period solicited in the RFAP, and normally will focus on an interim (“gap”) solution until an identified Reliability Transmission Upgrade has been placed in-service. The ISO will file a proposed RFAP with the Commission for approval at least 60 days prior to its issuance. The filing shall explain why the issuance of an RFAP is necessary.
- (ii) The ISO staff shall provide the Board of Directors and subject to confidentiality requirements, the Planning Advisory Committee with an analysis of the alternatives offered in response to the RFAP, and provide a recommendation together with a funding mechanism reflecting input from the Planning Advisory Committee.
- (iii) The ISO may enter into contracts awarded pursuant to an RFAP process, and/or propose a funding mechanism. Bidders that are awarded contracts through the RFAP process shall file those contracts with the Commission for approval of the rates to be charged thereunder to the extent that such contracts are for services that are jurisdictional

to the Commission. The ISO shall file related or separate funding mechanisms with the Commission as well. All other contracts entered into pursuant to an RFAP shall be filed with the Commission for informational purposes.

(iv) The Board of Directors will reflect the results of the RFAP process in the approved RSP.

## **8. Obligations of PTOs to Build; PTOs' Obligations, Conditions and Rights**

In accordance with the TOA, PTOs designated by the ISO as the appropriate entities to construct and own or finance Transmission Upgrades included in the RSP shall construct and own or finance such facilities or enter into appropriate contracts to fulfill such obligations. In the event that a PTO: (i) does not construct or indicates in writing that it does not intend to construct a Transmission Upgrade included in the RSP; or (ii) demonstrates that it has failed (after making a good faith effort) to obtain necessary approvals or property rights under applicable law, the ISO shall promptly file with the Commission a report on the results of the planning process, which report shall include a report from the PTO responsible for the planning, design or construction of such Open Access Transmission Tariff Section II – Attachment K – Regional System Planning Process Transmission Upgrade, in order to permit the Commission to determine what action, if any, it should take.

In connection with regional system planning, the ISO will not propose to impose on any PTO obligations or conditions that are inconsistent with the explicit provisions of the TOA or deprive any PTO of any of the rights set forth in the TOA.

Subject to necessary approvals and compliance with Section 2.06 of the TOA, nothing in this OATT shall affect the right of any PTO to expand or modify its transmission facilities in the New England Transmission System on its own initiative or in response to an order of an appropriate regulatory authority. Such expansions or modifications shall conform with: (a) Good Utility Practice; (b) applicable reliability principles, guidelines, criteria, rules, procedures and standards of national, regional, and local reliability councils that may be in existence; and (c) the ISO and relevant PTO criteria, rules, standards, guides and policies. The ISO reserves its right to challenge the permitting of such expansions or modifications.

## **9. Merchant Transmission Facilities**

### **9.1 General**

Subject to compliance with the requirements of the Tariff and any other applicable requirements with respect to the interconnection of bulk power facilities with the New England Transmission System, any entity shall have the right to propose and construct the addition of transmission facilities (“Merchant Transmission Facilities”), none of the costs of which shall be covered under the cost allocation provisions of this OATT. Any such Merchant Transmission Facilities shall be subject to the requirements of Section 9.2 of this Attachment. In performing studies in connection with the RSP, the prospect that proposed Merchant Transmission Facilities will be completed shall be accounted for as will the prospect that proposed generating units will be completed.

### **9.2 Operation and Integration**

All Merchant Transmission Facilities shall be subject to: (i) an agreement to transfer to the ISO operational control authority over any facilities which constitute part of the Merchant Transmission Facilities that are to be integrated with, or that will affect, the New England Transmission System; and (ii) taking such other action as may be required to make the facility available for use as part of the New England Transmission System.

### **9.3 Control and Coordination**

Until such time as a Merchant Transmission Owner has transferred operational control over its Merchant Transmission Facilities to the ISO pursuant to Section 9.2(i), all such Merchant Transmission Facilities shall be subject to the operational control, scheduling and maintenance coordination of the System Operator in accordance with the Tariff.

## **10. Cost Responsibility for Transmission Upgrades**

The cost responsibility for each upgrade, modification or addition to the transmission system in New England that is included with the status of “Planned” in the RSP Project List as defined in Section 3.6 of this Attachment shall be determined in accordance with Schedule 12 of this OATT.

## **11. Allocation of ARRs**

The allocation of ARRs in connection with Transmission Upgrades is addressed in Section III.C.8 of the Tariff.

## **12. Dispute Resolution Procedures**

### **12.1 Objective**

Section 12 of this Attachment sets forth a dispute resolution process (the “Regional Planning Dispute Resolution Process”) through which regional transmission planning-related disputes may be resolved as expeditiously as possible.

### **12.2 Confidential Information and CEII Protections**

All information disclosed in the course of the Regional Planning Dispute Resolution Process shall be subject to the protection of confidential information and CEII consistent with the ISO New England Information Policy and CEII policy.

### **12.3 Eligible Parties**

Any member of the Planning Advisory Committee that has been adversely affected by a Reviewable Determination, defined in Section 12.4(a) of this Attachment, with respect to the regional system planning process described in this Attachment is eligible to raise its dispute, as appropriate, under this Dispute Resolution Process (“Disputing Party”).

### **12.4 Scope**

In order to ensure that the regional transmission planning process set forth under this Attachment moves expeditiously forward, the scope of issues that may be subject to the Regional Planning Dispute Resolution Process under this Section 12 shall be limited to certain key procedural and substantive decisions made by the ISO within its authority as specified in documents on file with the Commission. That is, decisions not subject to resolution within the jurisdiction of the Commission are not within the scope of the Regional Planning Dispute Resolution Process. Examples of matters not within the scope of the Regional Planning Dispute Resolution Process include planning to serve retail native load or state siting issues. Additionally, the Tariff already explicitly provides specific dispute resolution procedures for various matters. To this end, any matter regarding the review and approval of applications pursuant to Section I.3.9 of the Tariff, which is subject to the dispute resolution process under Section I.6 of the Tariff, shall not be within the scope of this Regional Planning Dispute Resolution Process. Similarly, any matter regarding Transmission Cost Allocation shall be governed by the dispute resolution process under

Schedule 12 of the OATT, and shall be outside the scope of this Regional Planning Dispute Resolution Process.

**(a) Reviewable Determinations**

The determinations that may be subject to the Regional Planning Dispute Resolution Process under this Section 12 that include certain procedural and substantive challenges that may arise at limited designated key decision points in the regional transmission planning process for PTF. Procedural challenges will be limited to whether or not the steps taken up to a designated key decision point conform to the requirements set forth in this Attachment. Substantive challenges will be limited to whether or not a determination or conclusion rendered at a designated key decision point was supported by adequate basis in fact.

The designated key decision points for Reviewable Determinations shall be limited to the following:

- (i) Results of a Needs Assessment conducted and communicated by the ISO to the Planning Advisory Committee as specified in Section 4.1 of this Attachment;
- (ii) Updates to the RSP Project List, including adding, removing or revising regulated transmission solutions included thereunder, as presented at the Planning Advisory Committee and as specified in Section 3.6 of this Attachment;
- (iii) Results of Solutions Studies conducted and communicated by the ISO to the Planning Advisory Committee as specified in Section 4.2 of this Attachment;
- (iv) Consideration of market responses in Needs Assessments as specified in Section 4.1(f) of this Attachment;
- (v) Substance of Economic Studies to be conducted by the ISO in a given year as specified in Section 4.1(b) of this Attachment; and

- (vi) Prioritization of Economic Studies to be performed in a given year where the Planning Advisory Committee is not able to prioritize them as specified in Section 4.1(b) of this Attachment.

**(b) Material Adverse Impact**

In order to prevail in a challenge to a procedural-based Reviewable Determination, the Disputing Party must show that the alleged procedural error had a material adverse impact on the determination or conclusion. In order to prevail in a challenge to a substantive-based Reviewable Determination, the Disputing Party must show that either (i) the determination is based on incorrect data or assumptions or (ii) incorrect analysis was performed by the ISO, and (iii) as a result the ISO made an incorrect decision or determination.

**12.5 Notice and Comment**

A Disputing Party aggrieved by a Reviewable Determination shall have fifteen (15) calendar days upon learning of the Reviewable Determination following the ISO's presentation of such Reviewable Determination at the Planning Advisory Committee to request dispute resolution by giving notice to the ISO ("Request for Dispute Resolution"). A Request for Dispute Resolution shall be in writing and shall be addressed to the ISO's Chair of the Planning Advisory Committee and, as appropriate, the affected Transmission Owner. Within three (3) Business Days of the receipt by the ISO of a Request for Dispute Resolution, the ISO shall prepare and distribute to all members of the Planning Advisory Committee a notice of the Request for Dispute Resolution including, subject to the protection of Confidential Information and CEII, the specifics of the Request for Dispute Resolution and providing the name of an ISO representative to whom any comments may be sent. Any member of the Planning Advisory Committee may submit to the ISO's designated representative, on or before the tenth (10th) Business Day following the date the ISO distributes the notice of the Request for Dispute Resolution, written comments to the ISO with respect to the Request for Dispute Resolution. The party filing the Request for Dispute Resolution may respond to any such comments by submitting a written response to the ISO's designated representative and to the commenting party on or before the fifteenth (15th) Business Day following the date the ISO distributes the notice of the Request for Dispute Resolution. The ISO may, but is not required to, consider any written comments.

**12.6 Dispute Resolution Procedures**

**(a) Resolution Through the Planning Advisory Committee**

The Planning Advisory Committee shall discuss and resolve any dispute arising under this Attachment involving a Reviewable Determination, as defined in Section 12.4 of this Attachment, between and among the ISO, the Disputing Party, and, as appropriate, the affected Transmission Owner (collectively, “Parties”) (excluding applications for rate changes or other changes to the Tariff, or to any Service Agreement entered into under the Tariff, which shall be presented directly to the Commission for resolution).

**(b) Resolution Through Informal Negotiations**

To the extent that the Planning Advisory Committee is not able to resolve a dispute arising under this Attachment involving a Reviewable Determination, as defined in Section 12.4 of this Attachment, between and among the ISO, the Disputing Party, and, as appropriate, the affected Transmission Owner, such dispute shall be the subject of good-faith negotiations among the Parties. Each Party shall designate a fully authorized senior representative for resolution on an informal basis as promptly as practicable.

**(c) Resolution Through Alternative Dispute Resolution**

In the event the designated representatives are unable to resolve the dispute through informal negotiation within thirty (30) days, or such other period as the Parties may agree upon, by mutual agreement of the Parties, such dispute may be submitted to mediation or any other form of alternative dispute resolution upon the agreement of all Parties to participate in such mediation or other alternative dispute resolution process. Such form of alternative dispute resolution shall not include binding arbitration.

If a Party identifies exigent circumstances reasonably requiring expedited resolution of the dispute, such Party may file a Complaint with the Commission or seek other appropriate redress before a court of competent jurisdiction.

**12.7 Notice of Dispute Resolution Process Results**

Within three (3) Business Days following the resolution of a dispute pursuant to either Section 12.6(b) or Section 12.6(c) of this Attachment, the ISO shall distribute to the Planning Advisory Committee a document reflecting the resolution.



### **13. Rights Under The Federal Power Act**

Nothing in this Attachment shall restrict the rights of any party to file a Complaint with the Commission under relevant provisions of the Federal Power Act.

### **14. Annual Assessment of Transmission Transfer Capability**

Each year, the ISO shall issue the results of the annual assessment of transmission transfer capability, conducted pursuant to applicable NERC, NPCC and ISO New England standards and criteria and the identification of potential future transmission system weaknesses and limiting facilities that could impact the transmission system's ability to reliably transfer energy in the planning horizon. Each annual assessment will identify those portions of the New England system, along with the associated interface boundaries, that should be considered in the assessment of Capacity Zones to be modeled in the Forward Capacity Market pursuant to ISO Tariff Section III.12. This report will be posted on the ISO website. Each annual assessment will model out-of-service resources associated with the following bids, if the ISO determines the removal of the resource is likely to have an impact on the transmission transfer limits for the relevant period: Retirement De-List Bids, Permanent De-List Bids, demand bids submitted for the upcoming substitution auction, and rejected for reliability Static De-List Bids and rejected for reliability Dynamic De-List Bids from the most recent Forward Capacity Auction.

### **15. Procedures for the Conduct of Cluster Enabling Transmission Upgrades Regional Planning Study**

The purpose of this Section 15 is to support the conduct of Interconnection Studies under the Interconnection Procedures set forth in Schedules 22, 23 and 25 of Section II of the Tariff. Other than Section 2 of this Attachment K regarding the responsibilities of the Planning Advisory Committee and this Section 15, none of the other provisions in this Attachment K apply to the conduct of the Cluster Enabling Transmission Upgrade Regional Planning Study or the results of the study.

#### **15.1 Notice of Initiation of Cluster Enabling Transmission Upgrade Regional Planning Study in Support of Cluster Studies under the Interconnection Procedures.**

Pursuant to Section 4.2.2 of Schedule 22, Section 1.5.3.2 of Schedule 23, and Section 4.2.2 of Schedule 25 of Section II of this Tariff, the ISO shall provide notice to the Planning Advisory Committee of the initiation of a cluster for studying certain Interconnection Requests. The cluster study process, known as Clustering, shall consist of two phases. This notice shall trigger the first phase of Clustering, during

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which the ISO shall conduct a Cluster Enabling Transmission Upgrade (“CETU”) Regional Planning Study (“CRPS”) (the cost of which will be recovered by the ISO pursuant to Schedule 1 of Section IV.A of the Tariff). In the second phase of Clustering, the ISO shall conduct Interconnection System Impact Studies and Interconnection Facilities Studies in clusters pursuant to Schedules 22, 23 and 25 of Section II of the Tariff.

## **15.2 Preparation for Conduct of CRPS; Stakeholder Input**

The purpose of the CRPS shall be to identify the new transmission infrastructure and any associated system upgrades to enable the interconnection of potentially all of the resources proposed in the Interconnection Requests for which the conditions identified in Section 4.2.1 of Schedule 22, Section 1.5.3.1 of Schedule 23, and Section 4.2.1 of Schedule 25 of Section II of the Tariff have been triggered. The ISO will prepare and post on its website, consistent with Section 2.4(d) of this Attachment K, a proposed scope of the CRPS and associated parameters and assumptions, and provide the foregoing to the Planning Advisory Committee. A meeting of the Planning Advisory Committee will be held promptly thereafter in order to solicit stakeholder input for consideration by the ISO on the CRPS’s scope, parameters and assumptions, consistent with the responsibilities of the Planning Advisory Committee as set forth in Section 2.2 of this Attachment. As part of the CRPS’s scope, the ISO will describe the circumstances that triggered the conditions in Section 4.2.1 of Schedule 22, Section 1.5.3.1 of Schedule 23, and Section 4.2.1 of Schedule 25 of Section II of the Tariff. In addition, the ISO will identify: (i) the Interconnection Requests, to be referenced by Queue Position, that are expected to be eligible to participate in the Cluster Interconnection System Impact Study, and (ii) the preliminary transmission upgrade concepts proposed to be considered in the CRPS. The preliminary transmission upgrade concepts may account for previously conducted transmission reinforcement studies and previously identified concepts for transmission upgrades in the relevant electrical area, including Elective Transmission Upgrades with Interconnection Requests pending in the interconnection queue prior to the initiation of the CRPS.

A member of the Planning Advisory Committee or an Interconnection Customer may make a written submission to the ISO, requesting that Clustering be considered for specific Interconnection Requests in the ISO New England interconnection queue. In response to such a request, the ISO will either develop a notice of initiation of a cluster pursuant to Section 15.1 of this Attachment K, or identify, in writing, to

the Planning Advisory Committee why the conditions in Section 4.2.1 of Schedule 22, Section 1.5.3.1 of Schedule 23, and Section 4.2.1 of Schedule 25 of Section II of the Tariff have not been triggered.

### **15.3 Conduct of the CRPS**

The CRPS will consist of analyses performed under the conditions used in the conduct of an Interconnection System Impact Study under the Interconnection Procedures. The CRPS will consist of steady state thermal analysis, voltage and transient stability analysis, and, as appropriate, other analysis, such as weak-grid-related analyses. The ISO will use Reasonable Efforts to complete the CRPS within twelve (12) months from the notice of the cluster initiation to the Planning Advisory Committee. If less than two (2) Interconnection Requests identified pursuant to Section 4.2.1 of Schedule 22, Section 1.5.3.1 of Schedule 23, and Section 4.2.1 of Schedule 25 of Section II of the Tariff remain in the interconnection queue prior to the completion of the CRPS, the ISO will terminate the CRPS.

### **15.4 Publication of the CRPS**

The ISO shall post a draft report of the CRPS to the Planning Advisory Committee, consistent with Section 2.4(d) of this Attachment K, and a meeting of the Planning Advisory Committee will be held promptly thereafter in order to discuss the results of the CRPS. A comment period will follow the Planning Advisory Committee meeting. The ISO will post on its website any comments received and the ISO's responses to those comments.

The CRPS report will provide:

- (i) a planning level description of the CETU(s) and a non-binding good faith order-of-magnitude estimate, developed by the applicable Transmission Owner(s), of the costs for the CETU(s);
- (ii) a list of other facilities that may be needed in addition to the CETU(s) and a non-binding good faith order-of-magnitude estimate, developed by the applicable Transmission Owner(s), of the costs for those facilities (the CRPS will not provide descriptions of expected Interconnection Facilities for specific Interconnection Requests in the cases where the Interconnection Facilities cannot be finalized until the actual Interconnection Requests that will be moving forward in the cluster are known);

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- (iii) the approximate megawatt quantity (or quantities if more than one level of megawatt injection was studied in the CRPS) of resources that could be interconnected in a manner that meets the Network Capability Interconnection Standard and the Capacity Capability Interconnection Standard in accordance with Schedules 22, 23 and 25 of Section II of the Tariff; and,
- (iv) a list of the Interconnection Requests, to be referenced by Queue Position, that at the sole discretion of the ISO are identified as eligible to participate in the Cluster Interconnection System Impact Study that will be conducted by the ISO in accordance with Section 4.2.3 of Schedule 22, Section 1.5.3.3 of Schedule 23, and Section 4.2.3 of Schedule 25 of Section II of the Tariff. The list shall include the expected cost allocation for the eligible Interconnection Requests, calculated in accordance with Schedule 11 of Section II of the Tariff.

The non-binding good faith order-of-magnitude estimates under Section 15.4(i)-(ii) of this Attachment will be developed by the applicable Transmission Owner(s), and the costs of developing such estimates shall be recovered as specified in Sections 3.3.1, 6.1 and 7.2 of Schedule 22, Section 3.3.1, 3.4.2, and Attachment 1 of Schedule 23, and Section 3.3.1, 6.1 and 7.2 of Schedule 25.

The posting, consistent with Section 2.4 (d) of this Attachment K, of the final CRPS report on the ISO website will trigger the Cluster Interconnection System Impact Study Entry Deadline specified in Section 4.2.3.1 of Schedule 22, Section 1.5.3.3.1 of Schedule 23, and Section 4.2.3.1 of Schedule 25 of Section II of the Tariff. The Cluster Interconnection System Impact Study Entry Deadline shall be 30 days from the posting of the final CRPS report.

Notwithstanding any other provision in this Section 15, the final Maine Resource Integration Study shall be the first CRPS and will form the basis for the first Cluster Interconnection System Impact Study to be conducted in accordance with Section 4.2.3 of Schedule 22, Section 1.5.3.3 of Schedule 23, and Section 4.2.3 of Schedule 25 of Section II of the Tariff.



**ATTACHMENT K APPENDIX 1**  
**ATTACHMENT K -LOCAL**  
**LOCAL SYSTEM PLANNING PROCESS**

**APPENDIX 1**  
**ATTACHMENT K -LOCAL**  
**LOCAL SYSTEM PLANNING PROCESS**

**1. Local System Planning Process**

**1.1 General**

In circumstances where transmission system planning for Non-Pool Transmission Facilities (“Non-PTF”)<sup>1</sup>, including Local Public Policy Transmission Upgrades, is taking place in New England that is not incorporated into the RSP planning process, the following Local System Plan (“LSP”) process will be utilized for transmission planning purposes. The purpose of the LSP is to enable formal stakeholder input to planning for Non-PTF that is not incorporated into the RSP. The LSP shall ensure the opportunity for Planning Advisory Committee participation in the LSP process. The LSP will not be subject to approval by the ISO or the ISO Board under the RSP.

**1.2 Planning Advisory Committee Review**

The Planning Advisory Committee shall periodically provide input and feedback to the PTOs concerning the development of the LSP and the conduct of associated system enhancement and expansion studies. It is contemplated that LSP issues for identified local areas will be periodically addressed at the end of regularly scheduled Planning Advisory Committee meetings. Regular meetings of the Planning Advisory Committee shall be extended as necessary to serve the purposes of this section. Each PTO contemplating the addition of new Non-PTF will present its respective LSP to the Planning Advisory Committee not less than once per year. Not less than every three years, each PTO will post a notice as part of its LSP process indicating that members of the Planning Advisory Committee, NESCOE, or any state may provide the PTO with input regarding state and federal Public Policy Requirements identified as driving transmission needs relating to Non-PTF and regarding particular local transmission needs driven by Public Policy Requirements. The PTO will provide a written explanation, to be posted on the ISO website, of why suggested transmission needs driven by Public Policy Requirements will or will not be evaluated for potential solutions in the LSP planning process.

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<sup>1</sup> For absence of doubt, the PTOs clarify that Non-PTF is meant to include Category B and Local Area Facilities as defined by the TOA.

### **1.3 Role of the PTOs**

Each PTO will be responsible for administering the LSP process pertaining to its own Non-PTF, including Local Public Policy Transmission Upgrades, by presenting LSP information to the Planning Advisory Committee, developing an appropriate needs analysis and addressing LSP needs within its local area. In developing its LSP, each PTO will ensure comparable treatment of similarly situated customers or potential customers and will take into consideration data, comments and specific requests supplied by the Planning Advisory Committee, Transmission Customers and other stakeholders. To the extent that generation and/or demand resources are identified that could impact planning for Non-PTF, each PTO will take such resources into account when developing the LSP for its facilities, consistent with Good Utility Practice. Each PTO will also be responsible for addressing issues or concerns arising out of Planning Advisory Committee review of its proposed LSP and posting its LSP and the LSP Project List.

### **1.4 Description of LSP**

The LSP shall describe the projected improvements to Non-PTF that are needed to maintain system reliability or as Local Public Policy Transmission Upgrades, and shall reflect the results of such reviews within the limited geographical areas that pertain to the LSP, as determined by each PTO (“LSP Needs Assessments”), and corresponding system planning and expansion studies. The LSP Needs Assessments will be coordinated with the RSP and include the information that the ISO-NE incorporates into the RSP plans, as applicable. The proponents of regulated transmission proposals in response to LSP Needs Assessments shall also identify any RSP plans that require coordination with their regulated transmission proposals addressing the Non-PTF system needs.

The LSP shall identify the planning process, criteria, data, and assumptions used to develop the LSP. To the extent the current LSP utilizes data, assumptions or criteria used by the ISO in the RSP, any such data, assumptions or criteria will also be identified in the LSP.

Each PTO shall consult with NESCOE and applicable states, local authorities and stakeholders to consider their views prior to including a Local Public Transmission Upgrade in its LSP, as described in Section 1.6.



Each PTO's LSP will be made available on a website for review by the Planning Advisory Committee, Transmission Customers and other stakeholders, subject to the ISO New England Information Policy and CEII restrictions or requirements. The ISO's posting of the RSP and the RSP Project List will include links to each PTO's specific LSP posting.

The LSP of a particular PTO shall be posted not less than 3 business days prior to its presentation by the PTO to the Planning Advisory Committee. The Planning Advisory Committee, Transmission Customers, and other stakeholders will have 30 days from the date of the PTO's presentation to the Planning Advisory Committee to provide any written comments for consideration by the PTO. The LSP shall specify the physical characteristics of the solutions that can meet the needs identified in the LSP. The LSP shall provide sufficient information to allow Market Participants to assess the quantity, general locations and operating characteristics of the type of incremental supply or demand-side resources, or merchant transmission projects, that would satisfy the identified needs or that may serve to modify, offset or defer proposed regulated transmission upgrades.

Each year's LSP shall be based upon the LSP completed in the prior year by either recertifying the results of the prior LSP or providing specific updates.

## **1.5 Economic Studies**

To the extent that the ISO selects any Economic Studies pursuant to Section 4.1(b) of Attachment K or otherwise performs Economic Studies that will impact Non-PTF, the PTOs will coordinate with the ISO in the performance of such Economic Studies.

## **1.6 Public Policy Studies**

As part of the LSP process, each PTO will evaluate potential transmission solutions on its Non-PTF system that are likely to be both efficient and cost-effective for meeting Public Policy Requirements.

### **1.6A Process to Identify Public Policy Requirements Driving Non-PTF Transmission Needs**

Within six months of publication, each PTO will review the Public Policy Requirements posted by the ISO to determine and evaluate at a high level any public policy needs potentially driving transmission needs on their respective Non-PTF systems. Such evaluations will also include potential public policy

needs suggested by third parties. Each PTO will review NESCOE's written explanation of which transmission needs driven by state or federal Public Policy Requirements will be evaluated by the ISO and why other suggested transmission needs will not be evaluated. If NESCOE does not provide a listing of identified transmission needs and explanation, each PTO will review the ISO's explanations of which transmission needs driven by state or federal Public Policy Requirements will be evaluated by the ISO and why other suggested transmission needs will not be evaluated. In addition, each PTO will review the ISO's explanation of which transmission needs driven by local Public Policy Requirements will be evaluated in the regional system planning process and why other suggested transmission needs driven by local Public Policy requirements will not be evaluated. Each PTO will then determine if any of the posted state, federal or local Public Policy Requirements are driving a need on its Non-PTF transmission system and will include the non-PTF needs in its local planning process.

As part of the local planning process, each PTO will list the identified transmission needs on its non-PTF transmission system driven by state, federal, or local Public Policy Requirements that will be evaluated, and provide an explanation of why any identified transmission needs will not be evaluated as part of its LSP. The list will be posted in the PTO's LSP and presented at the annual PAC meeting. The PTO will seek input at the PAC meeting from stakeholders about whether further study is warranted to identify solutions for local transmission system needs and seek recommendations about whether to proceed with such studies. A stakeholder may provide written input on the list within 30 days from the date of presentation for consideration by the PTO. Each PTO will then confirm, or modify if appropriate, its determination of which identified transmission needs on its non-PTF transmission system driven by state, federal, or local Public Policy Requirements will be evaluated and which will not be evaluated, and revise its annual LSP accordingly. If the potential Non-PTF transmission needs identified would affect the Non-PTF facilities of more than one PTO, the affected PTOs will coordinate their efforts with other affected PTOs, as necessary.

#### **1.6B Procedure for Evaluating Potential Public Policy Solutions on the Non-PTF**

Once it has been determined that a non-PTF need driven by state, federal or local Public Policy Requirements will be evaluated, each PTO will prepare a scope and associated assumptions as part of a Public Policy Local Transmission Study. For those needs where a scope is available, a PTO may present the proposed scope for the Public Policy Local Transmission Study within its LSP and as part of its LSP

presentation described in Section 1.6A. A stakeholder may provide written input to the scope within 30 days after the LSP presentation for the PTO to consider.

Each PTO will schedule a follow-up PAC meeting presentation for additional stakeholder input within 4 months after the PTO's LSP presentation as described in Section 1.6A if the proposed scope for a Public Policy Local Transmission Study was not included in its annual LSP presentation. Within 30 days after the follow-up meeting, a stakeholder may provide written input to the scope for the PTO to consider. Subsequently, the PTO will determine the study scope for the Public Policy Local Transmission Study and revise its annual LSP.

In preparation of a Public Policy Local Transmission Study that will be presented to the PAC as part of the LSP for the following year, the PTO will undertake the following: First, the PTO will perform the initial phase of the Public Policy Local Transmission Study to develop an estimate of costs and benefits and post its preliminary results on a website. Second, the PTO will use good faith efforts to contact stakeholders and the appropriate state and/or local authorities informing them of the posting, requesting input on whether further study is warranted to identify solutions for local transmission system needs, and seeking recommendations about whether to proceed with further planning and construction of a Local Public Policy Transmission Upgrade. Each PTO will then make a determination of whether further study is warranted to identify solutions for local transmission system needs, or will select its final solution, and revise its annual LSP accordingly. If the potential Non-PTF transmission needs identified would affect the Non-PTF facilities of more than one PTO, the affected PTOs will coordinate their efforts with other affected PTOs, as necessary. Results of a Public Policy Local Transmission Study will be provided to the PAC as part of the LSP for the following year.

## **2. Posting of LSP Project List**

Each PTO shall develop, maintain and make available on a website, a cumulative listing of proposed regulated transmission solutions that may meet LSP needs (the "LSP Project List"). The LSP Project List will be updated at least annually. The LSP Project List shall also provide reasons for any new Non-PTF, including Local Public Policy Transmission Upgrades, any change in status of proposed Non-PTF, including Local Public Policy Transmission Upgrades, or any removal of proposed Non-PTF, including Local Public Policy Transmission Upgrades, from the LSP Project List. Each PTO will be individually responsible for publicly posting and updating the status of its respective LSP and the transmission projects arising therefrom on a website in a format comparable to the manner in which RSP plans and

projects are posted on the RSP Project List. The ISO's posting of the RSP and RSP Project List will include links to each PTO's specific LSP Project List.

### **3. Posting of Assumptions and Criteria**

Each PTO will make available on a website the planning criteria and assumptions used in its current LSP. A link to each PTO's planning criteria and assumptions will be posted on the ISO website.

### **4. Cost Responsibility for Transmission Upgrades**

The cost responsibility for each upgrade, modification or addition to the transmission system in New England that is included in the LSP Project List of this Appendix 1 shall be determined in accordance with Schedule 21 of this OATT.

### **5. LSP Dispute Resolution Procedures**

#### **5.1 Objective**

Section 5 of this Appendix 1 sets forth an LSP dispute resolution process (the "LSP Dispute Resolution Process") through which LSP-related transmission planning-related disputes may be resolved as expeditiously as possible.

#### **5.2 Confidential Information and CEII Protections**

All information disclosed in the course of the LSP Dispute Resolution Process shall be subject to the protection of confidential information and CEII consistent with the ISO New England Information Policy and CEII policy.

#### **5.3 Eligible Parties**

Any member of the Planning Advisory Committee that has been adversely affected by a PTO's Reviewable Determination with respect to the LSP transmission planning process described in this Appendix 1 is eligible to raise its dispute, as appropriate, under this LSP Dispute Resolution Process ("Disputing Party").

#### **5.4 Scope**

In order to ensure that the LSP transmission planning process set forth under this Appendix 1 moves expeditiously forward, the scope of issues that may be subject to the LSP Dispute Resolution Process under this Section 5 shall be limited to certain key procedural and substantive decisions made by the applicable PTO within its authority as specified in documents on file with the Commission. That is, decisions not subject to resolution within the jurisdiction of the Commission are not within the scope of this LSP Dispute Resolution Process. Examples of matters not within the scope of the LSP Dispute Resolution Process include planning to serve retail native load or state siting issues. Additionally, the Tariff already explicitly provides specific dispute resolution procedures for various matters. To this end, any matter regarding the review and approval of applications pursuant to Section I.3.9 of the Tariff, which is subject to the dispute resolution process under Section I.6 of the Tariff, shall not be within the scope of this LSP Dispute Resolution Process. Similarly, any matter regarding Transmission Cost Allocation shall be governed by the dispute resolution process under Schedule 12 of the OATT, and shall be outside the scope of this LSP Dispute Resolution Process.

**(a) Reviewable Determinations:**

The LSP determinations made by the applicable PTO that may be subject to the LSP Dispute Resolution Process under this Section 5 ("Reviewable LSP Determination") shall include certain procedural and substantive challenges at designated key decision points during the LSP transmission planning process for Non-PTF, including Local Public Policy Transmission Upgrades ("Key LSP Decision Points"). Procedural challenges will be limited to whether or not the steps taken up to a Key LSP Decision Point conform to the requirements set forth in this Appendix 1. Substantive challenges will be limited to whether or not a determination or conclusion rendered at a Key LSP Decision Point was supported by adequate basis in fact. The Key LSP Decision Points shall be limited to the following:

- (i) Results of an LSP Needs Assessment conducted and communicated by a PTO to the Planning Advisory Committee as specified in this Appendix 1;
- (ii) Updates to the LSP Project List, including adding, removing or revising regulated Non-PTF transmission solutions included thereunder, as presented at the Planning Advisory Committee and as specified in this Appendix 1;

- (iii) Results of Non-PTF transmission solutions studies, including any Local Public Policy Transmission Upgrade studies, conducted and communicated by the PTO to the Planning Advisory Committee as specified in this Appendix 1; and
- (iv) Consideration of market responses in LSP Needs Assessments as specified in this Appendix 1.

**(b) Material Adverse Impact**

In order to prevail in a challenge to a procedural-based Reviewable LSP Determination, the Disputing Party must show that the alleged procedural error had a material adverse impact on the determination or conclusion made by the applicable PTO. In order to prevail in a challenge to a substantive-based Reviewable LSP Determination, the Disputing Party must show that either (i) the determination is based on incorrect data or assumptions or (ii) incorrect analysis was performed by the PTO, and (iii) as a result thereof, the PTO made an incorrect decision or determination.

**5.5 Notice and Comment**

A Disputing Party aggrieved by a PTO's Reviewable LSP Determination shall have fifteen (15) calendar days upon learning of the Reviewable LSP Determination following the PTO's presentation of such LSP Reviewable Determination at the Planning Advisory Committee to request dispute resolution by giving notice to the Applicable PTO ("Request for LSP Dispute Resolution").

A Request for LSP Dispute Resolution shall be in writing and shall be provided to the applicable PTO and, as appropriate, other affected Transmission Owners. Within three (3) Business Days of the receipt by a PTO of a Request for Dispute Resolution, the PTO, in coordination with the ISO, shall prepare and distribute to all members of the Planning Advisory Committee a notice of the Request for Dispute Resolution including, subject to the protection of Confidential Information and CEII, the specifics of the Request for Dispute Resolution and providing the name of a PTO representative to whom any comments may be sent. Any member of the Planning Advisory Committee may submit to the PTO's designated representative, on or before the tenth (10th) Business Day following the date the PTO distributes the notice of the Request for Dispute Resolution, written comments to the PTO with respect to the Request for Dispute Resolution. The Disputing Party filing the Request for Dispute Resolution may respond to

any such comments by submitting a written response to the PTO's designated representative and to the commenting party on or before the fifteenth (15th) Business Day following the date the PTO distributes the notice of the Request for Dispute Resolution. The PTO may, but is not required to, consider any written comments.

## **5.6 Dispute Resolution Procedure**

### **(a) Resolution Through the Planning Advisory Committee**

The Planning Advisory Committee shall discuss and resolve any LSP related dispute arising under this Appendix 1 involving a Reviewable LSP Determination, as defined in Section 5.4 of this Appendix 1, between and among the applicable PTO, the Disputing Party, and, as appropriate, other affected Transmission Owners and the ISO (collectively, "Parties") (excluding applications for rate changes or other changes to the Tariff, or to any Service Agreement entered into under the Tariff, which shall be presented directly to the Commission for resolution).

### **(b) Resolution Through Informal Negotiation**

To the extent that the Planning Advisory Committee is not able to resolve a dispute arising under this Appendix 1 involving a Reviewable LSP Determination, as defined in Section 5.4 of this Appendix 1, between and among the Parties, such dispute shall be the subject of good-faith negotiations among the Parties. Each Party shall designate a fully authorized senior representative for resolution on an informal basis as promptly as practicable.

### **(c) Resolution Through Alternative Dispute Resolution**

In the event the designated representatives are unable to resolve the dispute through informal negotiations within thirty (30) days, or such other period as the Parties may agree upon, by mutual agreement of the Parties, such LSP related dispute may be submitted to mediation or any other form of alternative dispute resolution upon the agreement of all Parties to participate in such mediation or other alternative dispute resolution process. Such form of alternative dispute resolution shall not include binding arbitration.

If a Party identifies exigent circumstances reasonably requiring expedited resolution of the LSP related dispute, such Party may file a Complaint with the Commission or seek other appropriate redress before a court of competent jurisdiction

**5.7 Notice of Results of Dispute Resolution**

Within three (3) Business Days following the resolution of a dispute pursuant to either Section 5.6(b) or 5.6(c) of this Appendix 1, the PTO shall distribute to members of the Planning Advisory Committee a document reflecting the resolution.

**5.8 Rights under the Federal Power Act:**

Nothing in this Appendix 1 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.



**ATTACHMENT K APPENDIX 2**  
**LIST OF ENTITIES ENROLLED IN THE TRANSMISSION PLANNING REGION**  
**ENTITIES**

## **APPENDIX 2**

### **ATTACHMENT K**

#### **LIST OF ENTITIES ENROLLED IN THE TRANSMISSION PLANNING REGION**

The entities listed in this Appendix 2 are those enrolled for the purpose of participating as a transmission provider in the New England transmission planning region pursuant to Attachment K as of the date the revisions to this Appendix 2 were filed with the Commission. The most current list of entities enrolled for the purpose of participating as a transmission provider in the New England transmission planning region pursuant to Attachment K is available on the ISO-NE website. This Appendix 2 will be updated to reflect any subsequent enrollments as part of unrelated OATT filings at the time ISO-NE undertakes such unrelated filings.

Town of Braintree Electric Light Department

Central Maine Power Company

The City of Chicopee Municipal Lighting Department

The City of Holyoke Gas and Electric Department

The Connecticut Light and Power Company

Connecticut Municipal Electric Energy Cooperative

Connecticut Transmission Municipal Electric Energy Cooperative

Cross-Sound Cable Company, LLC

Emera Maine

Fitchburg Gas and Electric Light Company

Green Mountain Power Corporation

Hudson Light & Power Department

Massachusetts Municipal Wholesale Electric Company

Maine Electric Power Company

Middleborough Gas and Electric Department

New England Electric Transmission Corporation

New England Energy Connection, LLC

New England Hydro-Transmission Corporation

Effective Date: 12/10/19 - Docket #: ER20-92-000

New England Hydro-Transmission Electric Company Inc.  
New England Power Company  
New Hampshire Electric Cooperative, Inc.  
New Hampshire Transmission, LLC  
Eversource Energy Service Company as agent for: The Connecticut Light and Power Company, NSTAR  
Electric Company, Public Service Company of New Hampshire, and Western Massachusetts Electric  
Company  
Norwood Municipal Light Department  
NSTAR Electric Company  
Public Service Company of New Hampshire  
Shrewsbury Electric & Cable Operations  
Taunton Municipal Lighting Plant  
Town of Reading Municipal Light Department  
The United Illuminating Company  
Unitil Energy Systems, Inc.  
Vermont Electric Cooperative, Inc.  
Vermont Electric Power Company, Inc.  
Vermont Electric Transmission Company  
Vermont Public Power Supply Authority  
Vermont Transco LLC  
Town of Wallingford CT Dept of Public Utilities – Electric Division  
Western Massachusetts Electric Company

## **ATTACHMENT K APPENDIX 3**

### **LIST OF QUALIFIED TRANSMISSION PROJECT SPONSORS**

The entities listed in this Appendix 3 are those approved by ISO-NE as Qualified Transmission Project Sponsors as of the date the revisions to this Appendix 3 were filed with the Commission. The most current list of entities approved as Qualified Transmission Project Sponsors is available on the ISO-NE website. This Appendix 3 will be updated to reflect any subsequent enrollments as part of unrelated OATT filings at the time ISO-NE undertakes such unrelated filings.

Braintree Electric Light Department

Central Maine Power Company

City of Holyoke Gas and Electric Department

The Connecticut Light and Power Company

The Connecticut Transmission Municipal Electric Cooperative

Emera Maine

Eversource Energy Transmission Ventures, Inc.

Grid America Holdings, Inc.

Hudson Light and Power Department

Maine Electric Power Company

Middleboro Gas & Electric Department

New England Energy Connection, LLC

New England Power Company

New Hampshire Transmission, LLC

Norwood Municipal Light Department

NSTAR Electric Company

Public Service Company of New Hampshire

Taunton Municipal Light Plant

United Illuminating Company

Vermont Transco, LLC

Western Massachusetts Electric Company