

New England States Committee on Electricity

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**A PERSPECTIVE ON ISO-NE'S
REGIONAL SYSTEM PLAN 09**

SEPTEMBER 10, 2009

NESCOE Preliminary Comments

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- NESCOE's Preliminary Comments dated August 17 addressed several issues; not repeated here
 - some doable in RSP 09, some look forward toward discussion concerning RSP 10
- Common Thread: **Looking for Clarity**
 - no requests for anything innovative
- NESCOE appreciates ISO-NE response to some & willingness to talk with NESCOE & stakeholders about how to address others in RSP 10

Focus Issue: Transmission Project List

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- The *Transmission Project List* should be in the RSP or included as Attachment
- Updates to the *Transmission Project List* during the year are good; updates don't prohibit a list's inclusion in the RSP
- Current approach means little transmission **cost** information in the RSP. Prior RSPs included transmission cost data. As the region's primary public planning document, the RSP should show costs associated with transmission projects it indicates the ISO-NE should proceed with

The Point

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- Regulated transmission solutions to meet identified needs & to maintain reliability are important to the region's planning process
- As the Board approves the RSP, which indicates that ISO-NE should proceed with projects identified as planned in the *Transmission Project Listing*, those projects should be set forth in the RSP
- As the RSP process matures, the kind of information in the transmission section should increase in clarity and depth
- States want to work with ISO-NE & stakeholders to develop other project lists to enhance clarity of presentation concerning project approvals

Prior ISO-NE RSPs

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Prior RSPs included various project lists and cost data. For Example....

RSP 05:

- Table 9.1 Cost Comparison of Reliability Projects, October 2004 versus July 2005
- Table 9.2 New Transmission Projects since October 2004 Update
- Table 9.3 New Transmission Lines and Corresponding Needs since October 2004 Update
- Table 9.4 New Transmission System Upgrades and Corresponding Needs since October 2004 Update
- Table 9.7 Transmission Upgrades Placed In Service and Corresponding Needs since October 2004 Update
- Figure 9.1 Cost of in-service Transmission Projects by Year Since 2002

RSP 06: Table 10.2 & 10.3 Estimated Annual Revenue Requirement for Major Transmission Projects & Estimated Capital Costs for Major Transmission Projects

RSP 04: Table 14.1 Reliability Projects with Estimates Greater than \$10M

Other ISO Transmission Project Listings

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Other ISO practices demonstrate that transmission project lists in annual plans is a reasonable and ordinary thing ...

Midwest ISO Transmission Expansion Plan 2008

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MISO Provides Project Lists as Appendices

“Appendix A contains the transmission expansion plan projects which are recommended by Midwest ISO staff, *and approved by Midwest ISO Board of Directors*, for implementation by Transmission Owners (TO).” (emphasis not added)

The List is Updated During the Year, As Is ISO-NE’s

“Appendix A is periodically updated. That is, recommended projects need not wait for completion of the next MTEP for Board approval and inclusion in Appendix A. As projects go through the process and are approved by the Midwest ISO Board of Directors, Appendix A will be updated and posted.” (page 154)

The Point

ISOs can and do list projects in Annual Plans **and update lists during the year. The two are not mutually exclusive.**

MISO Lists Project Movement to Approved List

MISO's Plan Also Lists Projects at Other Stages

“In general, MTEP Appendix B contains projects which are still in the Transmission Owners planning process or are still in the Midwest ISO review and recommendation process...”

“Appendix C may contain projects which are still in the early stages of Transmission Owners planning process or are have just entered the MTEP study process and have not been reviewed for need or effectiveness”

And Then Makes Clear the Movement of Projects to Approved List

“New Appendix A Projects in MTEPo8

This section lists the projects which are moving to Appendix A as part of MTEPo8.

Note that Appendix A is a rolling list which includes all previously approved projects plus those approved in MTEPo8. The new projects listed in this section of the report can be noted in Appendix A by the B>A or C>B>A designations which indicate whether they were projects from past MTEP Studies which were in Appendix B or projects new to this planning cycle. The projects in Table 5-4 were recommended by the Midwest ISO staff for approval by the Board of Directors in MTEPo8.”

California ISO 2009 Transmission Plan

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CAL ISO's 09 Plan Presents Detailed Project Lists

For example:

- Projects Eligible for Approval by ISO Executive Management
- Projects that Require ISO Board of Governors Approval
- Updates on the status on the projects cost less than \$50M, and over \$50M, previously approved by the ISO
- New projects that received ISO management approval as part of the 2009 transmission planning cycle
- Transmission projects that were rejected by the ISO
- Transmission projects that require ISO board approval and tentative board presentation
- Other lists: On-going transmission projects, Conceptual Projects, Study Requests the ISO received from the 2008 Request Window

CONCLUSION

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- The RSP presents substantial information; the work put into it is appreciated
- Backstop transmission solutions and costs are critically important to consumers
- As the Board approves the RSP, which indicates that ISO-NE should proceed with projects identified as planned in the *Transmission Project Listing*, projects on that list should be set forth in the RSP
- The States want to work with ISO-NE & stakeholders on other lists to enhance clarity of presentation concerning project approvals