

Order No. 890 - Transmission Planning Strawman for Local Facilities

NEPOOL Planning Advisory Committee
and Order No. 890 Working Group

May 16, 2007

The Final Rule

- *“In order for an RTO’s or ISO’s planning process to be open and transparent, transmission customers and stakeholders must be able to participate in each underlying transmission owner’s planning process. This is important because, in many cases, RTO planning processes may focus principally on regional problems and solutions, not local planning issues that may be addressed by individual transmission owners. These local planning issues, however, may be critically important to transmission customers... [Therefore] individual TOs must, to the extent that they perform transmission planning within an RTO or ISO, comply with the Final Rule as well.Accordingly, as part of their compliance filing RTOs and ISOs must indicate how all participating transmission owners within their footprint will comply with the planning requirement in the final rule.” (P440)*
- Specifically, the Commission expects that transmission customers and stakeholders must be able to participate in a planning process which addresses each underlying transmission owner’s local planning issues. The Commission leaves the mechanics of such compliance to each RTO and ISO.

Key PTO Concerns

- Planning for Local Non-PTF Tx facilities must be subjected to a coordinated, periodic, open and transparent regional stakeholder process that:
 - Facilitates communication between transmission providers, state authorities, customers and other stakeholders (P 452)
 - Includes full public disclosure and status of Tx plans consistent with confidentiality of customer information (See Transparency)
 - Meets specific service requests of Tx customers and treats similarly situated customers comparably (P494)
 - Addresses qualified demand resources (P 479)
 - Establishes uniform system for submittal of Tx Customer load forecast information (P 486-87)
 - Consistently applies both economic and reliability considerations

Our Current Planning Process

- The I.3.9. process reviews proposed changes in the capacity for both regional and local transmission facilities rated at 69 kV or above.
- Even though it's a transparent process, the I.3.9. process occurs after transmission planning has already taken place.
- The RSP process already generally conforms with the Commission's planning criteria.
- The PAC provides for open, transparent stakeholder review of transmission planning, but does not consider non-PTF or local facilities unless they're related to PTF planning.

PTO Proposed Strawman

- The majority of PTOs support an expansion of the PAC process to allow stakeholder input to transmission planning for local transmission facilities.
- Each PTO would be responsible for:
 - Developing a needs analysis for its local transmission facilities
 - Presenting a plan for addressing those needs.
 - Addressing issues arising out of the PAC meetings.
 - Reporting status of proposed solutions.

Other Proposed Changes

- The PAC may periodically change meeting locations to focus attention on local transmission needs in the area where the meeting is held.
- ISO's Quarterly Project List will contain transmission plans for local facilities
- Develop a uniform system for solicitation of Tx Customer load forecasts and other information
- Develop uniform means for recognizing demand response and analyzing customer requests for studies
- Address economic planning for congestion on local facilities

Next Steps

- Posting of the Strawman on OASIS by May 29
- While the hope is that a consensus strawman will be jointly posted by ISO and PTOs, the PTOs are reserving their rights to make their own proposals
- FERC hosting regional conference June 28-29
- Stakeholder meetings throughout the summer to address other 890 compliance issues
- Order 890 Compliance filing by October 11

Questions /Feedback