

# Qualified Transmission Project Sponsor (QTPS) Qualification Process – Introduction Rev. 1

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*Planning Advisory Committee*

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# Agenda

- Background
- Attachment K Language
- Scope of the QTPS process
- Who should apply
- Proposed QTPS process

# Background

- On March 19, 2015, FERC issued its response<sup>1</sup> to the ISO's Order 1000 intra-regional follow-up compliance filing
- FERC's response stated that the proposed financial and technical criteria to qualify as a QTPS in New England were generally fair and not unreasonably stringent (Paragraph 240)
- This presentation begins the rollout of the proposed process to become a Qualified Transmission Project Sponsor (QTPS)

1. ER13-193 & ER13-196 Order on Rehearing and Order No. 1000 Compliance Filings

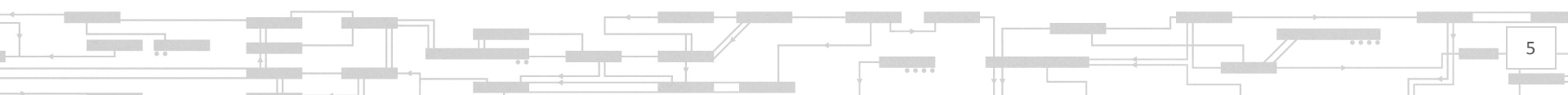
[http://www.iso-ne.com/static-assets/documents/2015/03/er13-193\\_er13-193\\_order\\_on\\_rehearing\\_and\\_order\\_no\\_1000\\_compliance\\_filings.pdf](http://www.iso-ne.com/static-assets/documents/2015/03/er13-193_er13-193_order_on_rehearing_and_order_no_1000_compliance_filings.pdf)

# Attachment K Language

- Attachment K, Section 4B, lists the following information to be submitted to the ISO by an entity desiring to be a Qualified Transmission Project Sponsor:
  - 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;

# Attachment K Language, continued

- 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.



# Scope of the QTPS Process

- Attachment K requires any entity submitting any part of a solution to be a QTPS
  - Including the provider of the backstop solution
- The QTPS process is based on the minimum qualification requirements outlined in Section 4B of Attachment K
  - The scope of transmission projects can vary significantly and consequently, the appropriate qualifications for the entity sponsoring a transmission project can also vary
  - As appropriate, the qualifications of transmission project sponsors would be further evaluated in association with the review of submissions made under Sections 4 and 4A of Attachment K

# Who Should Apply?

- Any entity who expects to, or is required to, submit a Phase 1 proposal under Section 4.3 of Attachment K
  - Since Attachment K requires incumbent PTOs to submit back-stops and a back-stop provider are required to be a QTPS, it is necessary that all PTOs will apply for and maintain QTPS status
- Any entity who expects to submit a Stage 1 Proposal under Section 4A of Attachment K
- All entities are encouraged to apply for QTPS status on a timely basis
  - Since they must be considered a QTPS prior to submitting a Proposal

# QTPS Application Timeline

- To apply to become a QTPS, an applicant must submit an application to ISO
  - An entity may apply, or reapply, to become a QTPS at any time
- Within thirty (30) calendar days from its receipt, ISO will notify the applicant whether the application is deemed complete or incomplete
  - If incomplete, the Applicant will have thirty (30) calendar days to rectify the identified issues
- ISO will use its best efforts to inform the applicant within 90 days from the date that the application was deemed complete whether the application is accepted or rejected



# Other QTPS Steps

- A PTO with an approved application and an executed Non-Incumbent Transmission Developer Operating Agreement (NTDOA) will be notified that it is approved as a QTPS
- A non-PTO with an approved application must also have an executed Market Participant Services Agreement (MPSA) and an executed NTDOA
  - The ISO notification will provide direction on the steps, as required, (i) to execute an NTDOA and/or (ii) execute an MPSA
  - Once all three are in place (i.e., accepted application, MPSA and NTDOA), ISO will notify the applicant that it has been deemed a QTPS

# Annual Renewal

- In January every year, each QTPS will be required to submit an annual certification
  - The QTPS will identify any information included in the initial application that has changed
    - If ISO determines that a such a change is materially adverse, then the entity will lose its QTPS status
  - A PTO must continue to be party to the TOA and the NTDOA
  - A non-PTO must continue to be party to an NTDOA and an MPSA
- ISO will notify each QTPS whether its status as a QTPS will, or will not, continue
- Failure to submit an annual certification will result in loss of QTPS status

# Next Steps

- The written guidelines for administering the QTPS process:
  - are under development and will include an application form
- FERC is considering moving the hold harmless language for PTOs to the TOA, which would eliminate the need for PTOs to sign the NTDOA
- June 2015 PAC meeting - Present and discuss details of the proposed QTPS administration guidelines
- July/August 2015 –
  - Incorporate PAC input into the QTPS administration guidelines; and
  - Publish the resulting QTPS administration guidelines

# Questions

