

Boston 2028 Solutions Study – Mystic Retirement - Preliminary Preferred Solution

Planning Advisory Committee

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Purpose

 Present the preliminary preferred solution for the non timesensitive needs in the Boston study area due to the retirement of Mystic 8 and 9

Overview

- Background
- Boston Area Optimized Solution description

- Solutions Study analysis
- Preliminary preferred solution
- Schedule and next steps

BACKGROUND



Background

- Boston 2028 Needs Assessment
 - October 17, 2019 the Boston 2028 Needs Assessment (NA) Update^{*} and the Boston 2028 NA Addendum^{**} identified non-time sensitive needs for the Boston area, which triggered the Competitive Solutions process
 - Need-by date of June 1, 2024 based on the retirement date for Mystic 8 and 9
 - One N-1 115 kV line overload and three N-1-1 345 kV line overloads
 - A dynamic reactive device (DRD) based on system restoration needs
- Boston 2028 Competitive Solutions Process
 - December 20, 2019 the ISO issued the Boston 2028 Request for Proposal (Boston 2028 RFP) to solicit Phase One Proposals
 - March 4, 2020 in response to the Boston 2028 RFP, the ISO received 36 Phase One Proposals from 8 QTPSs
 - July 17, 2020 the ISO posted the Final Boston 2028 Review of Phase One Proposals***:
 - The ISO identified one Phase One Proposal, the Boston Area Optimized Solution (BAOS[#]), to be included in the final listing of qualifying Phase One Proposals

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• The BAOS resolved all the identified needs, met the Tariff and RFP instructions, met the required in-service date, and had the lowest installed cost

BAOS has also previously been referred to as BOS-017.

^{*} https://smd.iso-ne.com/operations-services/ceii/pac/2019/10/ceii_final_boston_2028_na_update.pdf

^{**} https://www.iso-ne.com/static-assets/documents/2019/10/final_boston_2028_na_addendum.pdf

^{***} https://www.iso-ne.com/static-assets/documents/2020/07/final_boston_2028_rfp_review_of_phase_one_proposals.pdf

Background, cont.

- Boston 2028 Solutions Study Mystic Retirement
 - July 17, 2020 the ISO posted the notice of initiation^{*} of the Boston 2028 Solutions Study Mystic Retirement:
 - Given that the BAOS was the only Phase One Proposal that was selected to move on as a Phase Two solution, the ISO determined that, consistent with Section 4.1.(i) of Attachment K of the Tariff, the Solutions Study process will be utilized

* <u>https://www.iso-ne.com/static-assets/documents/2020/07/pac_memo_final_boston_2028_rfp_review_of_phase_one_proposals_report_and_notice_of_information.pdf</u>

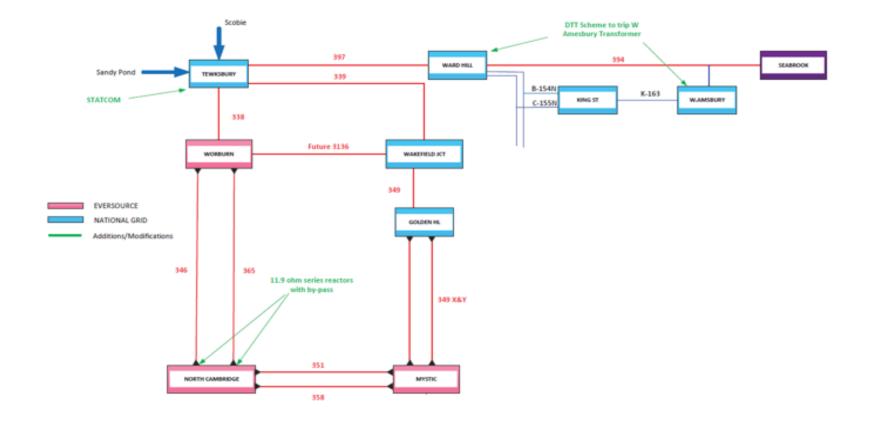
BAOS DESCRIPTION



BAOS Description

- The BAOS high-level description is summarized as follows:
 - Install two 11.9 ohm 345 kV series reactors at the North Cambridge substation (one each on the two Woburn to North Cambridge 345 kV cables)
 - A normally-closed bypass breaker will be installed in parallel with each series reactor and will only be opened when there is a need to switch in the reactor(s)
 - Install direct transfer trip (DTT) scheme on the 394 line to address the contingency that causes the K-163 115 kV line overload
 - Install +/- 167 MVAR static synchronous compensator (STATCOM) at Tewksbury 345 kV substation
- The BAOS has an installed cost of \$48.6 M and a proposed inservice date of October 2023

BAOS One-Line Diagram Overview



SOLUTIONS STUDY ANALYSIS



Analysis Performed as a part of the Review of Phase One Proposals

- The technical analysis performed as a part of the Boston 2028 Review of Phase One Proposals included steady-state analysis, short-circuit analysis and dynamic reactive device testing
- Steady-state analysis was performed with the BAOS included in the cases used for the Boston 2028 NA Update:
 - the thermal needs were resolved*
 - no new thermal or voltage violations were caused by the BAOS
- Short-circuit analysis was performed with the BAOS included in the cases used for the Boston 2028 NA Update:
 - All area circuit breaker duties were within their limits
- Dynamic Reactive Device (DRD) testing was performed for the BAOS. The proposed STATCOM at Tewksbury meets the following requirements of the DRD:
 - Provides a reactive injection of -150 MVAR at Tewksbury 345 kV for voltages from 0.95 p.u. to 1.05 p.u. at Tewksbury 345 kV
 - Provides a reactive injection of +150 MVAR at Tewksbury 345 kV for voltages from 0.90 p.u. to 1.05 p.u. at Tewksbury 345 kV
 - Has a net charging of 40 MVAR or less associated with its interconnecting facilities between the STATCOM and Tewksbury 345 kV

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* The results of the Boston 2028 NA Update did not identify any voltage needs

PRELIMINARY PREFERRED SOLUTION



Preliminary Preferred Solution

- The Boston 2028 Solutions Study Mystic Retirement, adopts the analysis performed as a part of the Boston 2028 RFP Review of Phase One Proposals
- As a part of the review of Phase One Proposals, the ISO and its consultants found that for the BAOS:
 - All identified needs are resolved
 - The cost estimate is reasonable
 - There is no transmission line siting required
 - All real estate rights are in place
 - Limited permitting is required
 - The in-service date of October 2023 is reasonably achievable
- The BAOS is selected as the preliminary preferred solution for the Boston 2028 Solutions Study – Mystic Retirement

Preliminary Preferred Solution Cost Summary

BAOS Component	Installed Cost Estimate Reported in \$M at +10/-10% Accuracy ⁶
Install two 11.9 ohm 345 kV series reactors at the North Cambridge substation	14.4
Install direct transfer trip (DTT) scheme on the 394 line	0.8
Install +/- 167 MVAR static synchronous compensator (STATCOM) at Tewksbury 345 kV substation	33.4
Preliminary Preferred Solution Total in \$M	48.6

- During the June 17, 2020 PAC meeting, Eversource and National Grid stated they would honor the cost containment proposal submitted with the BAOS proposal
- The cost containment proposal details are as follows:
 - Eversource and National Grid are proposing return on equity (ROE) reductions if the companies exceed \$48.6 million of installed cost of the BAOS (the "Cost Cap"). If the Cost Cap is exceeded by more than 5%, the ROE for that increment will be reduced by 25 basis points. The ROE will continue to be reduced by 25 basis points for each incremental 5% overrun

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⁶ Typically an accuracy of +50/-25% is used for solution alternatives in a Solutions Study.

SCHEDULE AND NEXT STEPS



Schedule and Next Steps

- The ISO will collect comments on the draft Boston 2028 Solutions Study – Mystic Retirement report:
 - Until Friday, September 11, 2020 if the report is posted prior to the August 27 PAC meeting
 - Until 15 days after the posting of the report if the report is posted on August 27 or later
- Please submit comments on the draft Solutions Study report to <u>pacmatters@iso-ne.com</u>

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Questions

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