

Establishing New England System Topology Assumptions for the Forward Capacity Market

Transmission Owners Meeting
October 19, 2006

Forward Capacity Market (FCM)

- Reasons for identifying System Topology for FCM:
 - Determination of the Installed Capacity Requirement
 - Transfer Limit calculations
 - Local Sourcing Requirements
 - Qualification of New Capacity Resources

Topology Considerations

- System Topology will be based on the Installed Capacity Working Group Design Basis Document, as approved by the NEPOOL Participants Committee http://www.iso-ne.com/committees/comm_wkgrps/prtcpnts_comm/prtcpnts/
- Need to address details...
 - Which key Transmission Projects/facilities to include?
 - Regional System Plan (RSP) Project Listing identifies the various transmission projects under development/consideration
<http://www.iso-ne.com/trans/rsp/>
 - LGIP/SGIP Generator Queue and associated transmission
 - Generator Queue lists all proposed projects under study
http://www.iso-ne.com/genrtion_resrcs/nwgen_inter/status/
 - Critical Path Schedule Monitoring

Topology Criteria

Include Transmission Projects/facilities that will affect:

- FCM Capacity Zone definition
 - Creation or Elimination
- Queued Generation Resources to interconnect
 - May not know what to include until all the FCM Show of Interest Applications have been received
 - Construction
- Delisting

The Plan

1. The ISO to take the first cut on which transmission projects/facilities to include (early Nov '06)
 - Based on latest RSP Project Listing
 - Only Key Projects/facilities
2. Review preliminary topology with TO's (Nov '06)
3. Finalize topology (Dec '06)
4. Review Process with Stakeholders (Nov – Dec '06)
 - To be part of new Planning Procedure
 - Including Criteria
5. Post Assumptions (early Jan '07)
6. Begin Critical Path Schedule Quarterly Updates
 - Perhaps Less often?

The Plan continued

- The Critical Path Schedule must be sufficiently detailed to allow the ISO to evaluate the feasibility of the schedule.
- Included in the Critical Path Schedule shall be:
 - Siting and permitting schedule, if required
 - Engineering schedule
 - Complete enumeration of land acquisition dates, including easements, if required
 - Approval or proposed schedule for Proposed Plan approval (I.3.9)
 - Physical site work schedule, including:
 - Major equipment ordered
 - Major equipment delivered to the site
 - Major equipment testing complete
 - Energization Date, broken out by the various project components
 - Include sign-off from Company Officer?

Proposal Benefits

- Monitoring of the Critical Path Schedule of Transmission Projects is similar to the monitoring of New FCM Generating Resources
- This information will assist the ISO in determining if action needs to be taken in a Reconfiguration Auction to address changes in System Topology that may affect Qualified New Resources and/or Local Sourcing Requirements
- Consistent with the intention of the TOA, Schedule 3.09(a)
 - “Each PTO shall make reasonable efforts to provide information and support in response to the ISO’s requests within the ISO’s requested time frames and shall comply with all deadlines set forth in the ISO Planning Process...”

