

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
Albany on April 18, 2013

COMMISSIONERS PRESENT:

Garry A. Brown, Chairman  
Patricia L. Acampora  
Maureen F. Harris  
James L. Larocca  
Gregg C. Sayre

CASE 12-T-0502 - Proceeding on Motion of the Commission to  
Examine Alternating Current Transmission  
Upgrades.

ORDER ESTABLISHING PROCEDURES FOR JOINT REVIEW UNDER ARTICLE VII  
OF THE PUBLIC SERVICE LAW AND APPROVING RULE CHANGES

(Issued and Effective April 22, 2013)

BY THE COMMISSION:

BACKGROUND

We instituted this proceeding in November 2012 in order to examine possible solutions to the problem of persistent congestion on portions of the New York State transmission system.<sup>1</sup> The focus of the proceeding is on alternating current (AC) projects and the UPNY/SENY and Central East transmission interfaces.<sup>2</sup> As we identified in undertaking this effort, upgrading this section of the transmission system has the potential to bring a number of benefits to New York's ratepayers. These include the near-term benefits of enhanced

---

<sup>1</sup> Case 12-T-0502, Order Instituting Proceeding (issued November 30, 2012)(the November Order).

<sup>2</sup> Id. at 1-2. Specifically, we identified a need for an additional 1,000 MW of transmission capacity in this corridor.

system reliability, flexibility, and efficiency, reduced environmental and health impacts through reduced downstate emissions, and increased diversity in supply; as well as long-term benefits in terms of job growth, development of efficient new generating resources at lower cost in upstate areas, and mitigation of reliability problems that may arise with expected generator retirements. A number of interested parties offered proposals intended to address these objectives. Following the instruction we gave in the November Order, Department of Public Service Staff (Staff) reviewed those submissions with the goal of developing a recommendation for managing further project-specific evaluations.

This order: (1) establishes procedures for a comparative evaluation on a common record of proposed AC project applications to be filed pursuant to Article VII of the Public Service Law (PSL); (2) adopts modifications to the regulations at 16 NYCRR Parts 85, 86, and 88; and, (3) outlines additional steps that we will take over the next several months to pursue the objectives set forth in the November Order.

#### DESCRIPTION OF THE PROPOSED PROJECTS

The November Order invited developers to file statements of intent (SOI) describing their proposals for congestion relief. Six developers responded with a total of 16 different projects utilizing three major transmission corridors across the state.<sup>3</sup> Below is a short description of the projects identified in the SOIs.

---

<sup>3</sup> While the November 30 Order specified the Marcy-New Scotland-Leeds-Pleasant Valley corridor crossing the Central East and UPNY/SENY interfaces for increased transfer capacity, the actual projects do not necessarily have to be within this corridor to accomplish the goal.

1. Boundless Energy NE, LLC

Boundless Energy NE, LLC (Boundless) proposes four projects, two AC and two direct current (DC).

a. North-South Solution

The North-South Solution is a five component project consisting of: a) interconnection of the Empire generation plant to New Scotland; b) installation of a new 345 kV line from Knickerbocker to Leeds; c) double circuiting the existing 345 kV lines from Leeds to Hurley to Roseton to Rock Tavern; d) construction of a new 345 kV cable from Roseton to a new West Fishkill Substation; and, e) construction of new twin 345 kV cables from Ramapo to South Mahwah in New Jersey.

b. West-East Solution

This proposal combines upgrading existing circuits, double circuiting, and constructing additional circuits and facilities to establish a new 345 kV path from the Niagara Area across the Southern Tier to southeast New York.

c. North River Express DC Solution

This proposal involves construction of a new 1,100 to 1,600 MW High Voltage Direct Current (HVDC) line from either Bowline or Ramapo to E. 13<sup>th</sup> Street in New York City.

d. DC Cable Conversion

This is a conversion of existing AC circuits from the Westchester area (Bowline, Indian Point or Sprainbrook and Dunwoodie) to Con Edison and LIPA to HVDC Voltage-Sourced Converter circuits.

2. Cricket Valley Energy Center, LLC

Cricket Valley Energy Center, LLC (Cricket Valley) submitted an SOI for a new 345 kV circuit from its proposed generation facility to Pleasant Valley.

3. New York Transmission Company<sup>4</sup>

A group of New York utilities proposed five separate transmission projects to accomplish the requested transfer capability increase. These projects include: a) the addition of series compensation on the Marcy South 345 kV lines in combination with the reconductoring of the Fraser-Coopers Corners section of the Marcy South facilities; b) construction of a second Ramapo-Rock Tavern 345 kV line; c) UPNY/SENY Interface Upgrade consisting of a third New Scotland-Leeds-Pleasant Valley 345 kV line; d) construction of a second Oakdale-Fraser 345 kV line; and, e) Marcy-New Scotland 345 kV line.

4. NextEra Energy Transmission, LLC

NextEra Energy Transmission, LLC (NextEra) has proposed three projects comprising an AC and a DC alternative. The AC proposal consists of: a) construction of a new Marcy-Princetown-New Scotland 345 kV line; and, b) construction of a new New Scotland-Leeds-Pleasant Valley 345 kV line. The DC proposal is to construct a new 320 kV HVDC facility between Marcy and either Roseton or Buchanan.

5. North America Transmission, LLC

North America Transmission, LLC (NAT), an affiliate of LS Power, proposed both a long-term solution and an interim project that could provide increased capacity in a shorter time frame. It proposes to: a) construct a new Edic-Fraser 345 kV line with series compensation; and, b) add phase angle

---

<sup>4</sup> The New York transmission owners indicate that they intend to pursue these proposals through a separate entity, New York Transmission Company (Transco). This proceeding is focused on project proposals. We express no view on the Transco concept, as it is not before us in this proceeding.

regulators on the Leeds-Pleasant Valley and Athens-Pleasant Valley 345 kV lines.

6. West Point Partners, LLC

West Point Partners, LLC has proposed the construction of a new Leeds-Buchanan North 320 kV HVDC line.

GENERAL OBSERVATIONS

Following submission of the SOIs, Staff requested the New York Independent System Operator (NYISO) to perform a high-level screening analysis to determine if portfolios of project proposals would accomplish the goal of increasing transfer capability by 1,000 MW at the UPNY/SENY interface along with an increase in transfer capability across the Central-East interface. Portfolios included grouping the Transco projects together, the Boundless North-South solution project set, the Boundless West-East solution set, the two NextEra AC proposals, and a portfolio suggested by NAT.<sup>5</sup> That screening analysis suggests that West-East Southern Tier transmission corridor upgrades are not likely to produce the increases in transfer capability sought in this proceeding. However, the screening analysis also indicates that combinations of the proposed projects in the two main corridors consisting roughly of the Marcy South area and the Hudson Valley are likely to provide substantial congestion relief.

The variety of project proposals suggests that there may be different approaches to increasing the transfer capacity of the system at the two interfaces of concern. It is possible that one set of projects may provide more congestion relief than

---

<sup>5</sup> Staff looked at a subset of the possible combinations of projects; the groupings discussed here do not represent an exhaustive list or preclude us from considering other possibilities.

another; it may be possible to identify an optimum portfolio of projects that provides the most benefit at the least cost to ratepayers. That portfolio may consist of projects currently being proposed by one developer, or it may involve projects sponsored by different entities. We also note that the sponsors of the proposals include new entrants, some of whom are independent transmission developers. Finally, the SOIs submitted suggest the additional possibility that some projects may be more cost-effective than others.

Given these features of the SOI submissions, we find that this case offers an opportunity to evaluate competing solutions to the transmission congestion that we have identified. We believe the interests of ratepayers would be served by reviewing and comparing the individual proposals on a combined record; this approach will allow us to determine which configuration would achieve the best balance among the objectives of reducing congestion, ensuring future reliability, and contributing to flexible system operation while minimizing environmental impacts and costs to ratepayers.<sup>6</sup> To accomplish this, we propose to conduct the Article VII proceeding as a coordinated and comparative review of these AC transmission

---

<sup>6</sup> For an example of an Article VII case handled on a combined record, see Case 02-M-0132, In the Matter of the Siting of Electric Transmission Facilities proposed to be located at the West 49<sup>th</sup> Street Substation of Consolidated Edison Company, Inc. et al., Notice of Combined Siting Proceeding (issued February 6, 2002).

project proposals.<sup>7</sup> For purposes of this order, we sometimes refer to this comparative review as "the Article VII proceeding."

In order to carry out our objective, this order establishes an overall structure and specific filing requirements for the Article VII proceeding. Staff's initial review of the SOIs suggests that the developers are not presently prepared to submit complete Article VII applications, and will need several months to do so. While we recognize that considerable time is needed to assemble application materials and studies, we intend to address the UPNY/SENY and Central East issues as promptly as possible.<sup>8</sup> We are also concerned to ensure that the review process is efficient, recognizing the number of projects, the likelihood of high public interest, and the limits on Staff resources.

---

<sup>7</sup> We intend to maintain our focus on AC transmission projects. While DC facilities can contribute to relieving congestion, they are not well suited to accomplish the other goals that we have articulated for this effort. The AC system promotes reliability through its ability to respond to emergencies and changing conditions instantaneously. For example, the reconstruction of aging transmission infrastructure involves removing facilities from service, necessitating the remaining system to operate reliably during the construction period. Without adequate alternate paths for the energy, construction and congestion costs will increase. As DC lines are controlled paths, they do not offer this sort of flexibility. AC lines also provide flexibility for the interconnection of new generation at multiple points, which cannot be accomplished with DC facilities. Of course, if at any time any entity proposes to build a DC line, we will consider such an Article VII case in due course, but we would not consider it together with the AC project applications invited by this order, nor would we consider it pursuant to the special process set forth here.

<sup>8</sup> As we noted in the November Order, the Blueprint recommends constructing AC upgrades in this corridor between 2014-2018.

Our approach to the combined Article VII proceeding reflects the Commission's extensive experience with the siting of energy facilities under the PSL. That experience suggests that early consultation among Staff, the applicants, other involved agencies, and the affected communities, with the oversight of an Administrative Law Judge (ALJ), will assist all parties in creating a full record on which we will be able to make the required statutory findings. We also expect that active case management will enable us to reach decisions within a reasonable time frame.

We further note that the Legislature, in the recently-enacted Article 10 of the PSL, recognized the many benefits of pre-application consultations. The new statute expressly provides for public outreach in advance of the submission of a formal generation siting application.<sup>9</sup> The law also establishes a pre-application scoping phase that contemplates an applicant working with Staff, other agencies, and other interested parties to define the final scope of the study work that the applicant will undertake in support of the application.<sup>10</sup> While Article 10 does not apply to this proceeding, we believe its focus on early interaction with the public and affected communities is instructive. We also note that Article VII of the PSL reflects the same concerns for facilitating substantive public involvement in the transmission siting process.

For these reasons, we will implement a two-step application process that provides an opportunity for scoping consultations with affected communities, agencies, and other parties. AC transmission developers who are interested in participating in the comparative review proceeding are required

---

<sup>9</sup> PSL §163(3).

<sup>10</sup> Id. at §§163(1) and (5).

to file initial application materials, a scoping document, and a proposed schedule on or before October 1, 2013. The initial application materials that are to be provided at the first step in the process are identified in Appendix A; they consist of elements of the information specified in our regulations to comply with the statute's application requirements.<sup>11</sup> The scoping document should set forth the additional work that the applicant intends to undertake in order to complete the application in accordance with the regulations and the statute. Finally, the applicant should propose a schedule for completion of the activities and studies included in the scoping document.

We will require developers to satisfy Section 122(2) of the PSL and provide proof of service and notice as required by that section, on or before October 1, 2013.<sup>12</sup> We believe early notice to affected communities is important to the design of a project. We strongly encourage developers to engage with local governments in communities that may be impacted by their projects before the October 1 date, so that the initial application materials reflect consideration of any concerns raised by those parties. In particular, developers should make diligent efforts to identify and avoid or minimize impacts on areas of concern identified through this early outreach.

The Office of Hearings and Alternative Dispute Resolution will assign an administrative law judge (ALJ) to oversee the scoping process and set a schedule based on the proposals of applicants, Staff, other agencies, and representatives of local governments. To ensure meaningful

---

<sup>11</sup> As modified in this order; see *infra* at Appendix B.

<sup>12</sup> Developers need only serve the initial application materials at this time. Service of remaining application materials will be accomplished in accordance with the schedule set by the ALJ.

participation in the scoping phase, we will also require developers to submit the appropriate intervenor funding fee as required by PSL Section 122(5)(a) with the initial application materials. The ALJ will administer and award intervenor funds as provided in the statute and regulations. The primary aim of the scoping phase will be to make sure that the proposed scopes meet the requirements of Article VII. The second goal will be to establish an overall schedule for the balance of the proceeding, including a common deadline for completion of the individual applications. We encourage the ALJ to consider procedural measures, such as consolidation or sequencing of issues that may streamline the decisional process. Once the applications have been found to be compliant, the ALJ shall convene hearings and other proceedings in accordance with the statute and the schedule.

Each application should be filed as an Article VII case with its own case number. We will hear all these applications on a common record, recognizing that efficiency and consistency suggest making generic determinations on common issues whenever possible, and that the comparative evaluation aspects will require a coordinated review. Specific procedures will be determined by the ALJ in consultation with parties. The ALJ should ensure it is clear which decisions are commonly applicable and which apply only to a specified case or applicant.

As we are proposing a new comparative analysis using existing authorities, we expect prospective applicants and other parties will have numerous questions about the process. We also anticipate that Staff will benefit from discussions with potential applicants and other interested parties. Therefore, we direct Staff to convene at least one technical conference, to be held within 30 days of the date of this order. We further

encourage Staff to hold additional conferences as may be needed to assist prospective applicants and other parties.

ADOPTION OF MODIFICATIONS TO 16 NYCRR

In order to implement the Commission's directives in this proceeding, Staff proposed limited waivers and modifications to the Article VII regulations that would be applied in the Article VII review of AC transmission proposals submitted pursuant to this Order. The primary goal of the Staff proposal was to ensure that any such application contains pertinent information to assist the Commission to decide, in an expeditious manner, whether to grant a Certificate of Environmental Compatibility and Public Need. The rule changes proposed (modifications to 16 NYCRR Subpart 85-2 and Parts 86 and 88) would streamline the certification process by (1) avoiding the need for future applicants to seek case-specific routine waivers, and (2) clarifying certain information requirements in the existing regulations.

By a notice issued February 7, 2013, the Acting Secretary solicited comments on the Staff proposal. The notice specified a deadline for the receipt of comments of April 8, 2013, but encouraged early submission. Notice of Staff's proposal was also published in the State Register on February 20, 2013, in conformance with State Administrative Procedure Act (SAPA) Section 202(1). Comments regarding the proposal were received from three entities within the comment period, which expired on April 8, 2013.<sup>13</sup> Some commenters suggested changes that are within the scope of Staff's proposal. Commenters also urged that consideration be given to matters that go beyond Staff's proposal. This order discusses the

---

<sup>13</sup> Transco, Cricket Valley, and NextEra.

suggested modifications to Staff's proposal but leaves for future consideration those ideas that go beyond it.<sup>14</sup>

The New York transmission owners requested clarification as to which NYISO map should be used to comply with 16 NYCRR §86.3(a)(2). The rule will be clarified to specify that the required map is the New York Control Area Transmission 230 kV and above figure. These entities also commented that the 16 NYCRR §86.8 requirement would be better satisfied if the zoning and flood zones were required to be overlaid on the required topographic maps at a scale of 1:24,000. We agree with this suggestion and adopt it.

The same parties argued that the requirement to provide a statement concerning an applicant's consultation with municipalities along a project route should be met after the filing of the application or that a time limit for a municipality's response should be imposed. As discussed above, however, we strongly encourage project developers to consult with communities that may be affected by their projects, and the rule simply requires a statement describing such consultation. The transmission owners opined that the requirement that the applicant identify the agency qualified by the Secretary of State to approve building plans, inspect construction work, and certify code compliance should be removed. However, we find this requirement is necessary, because the Department of Public

---

<sup>14</sup> See *infra* at 13.

Service is not so qualified.<sup>15</sup> Last, these parties asserted that the requirement that the applicant state the criteria in a zoning ordinance or other local law by which qualification for a special exception is to be determined is inconsistent with PSL §§126(1)(f) and 130. We disagree with this view, as the Commission explained 20 years ago.<sup>16</sup>

We will adopt the proposed modifications for purposes of the Article VII proceeding, as discussed herein. The full text of the modified rules is attached to this order as Appendix B.

#### FURTHER PROCEDURAL MATTERS

We anticipate that other changes to the Article VII regulations may be necessary in order to facilitate a comparative evaluation of multiple projects on a common record. We may consider specific community outreach efforts to ensure robust public participation. We also expect to require financial information not typically submitted in an Article VII case, for the reasons discussed below. We direct Staff to prepare a proposal addressing these, and any other procedural issues Staff identifies, for publication pursuant to the SAPA by the end of May 2013. In preparing this proposal, Staff should consider suggestions for procedural adaptations made at the

---

<sup>15</sup> 10-T-0350, DMP New York, Inc. and Laser Northeast Gathering Company, LLC, Order Granting Certificate of Environmental Compatibility and Public Need (issued February 22, 2011); and Cases 11-T-0401 and 12-G-0214, Bluestone Gas, One Commissioner Order by Garry A. Brown, Chairman, Adopting the Terms of a Joint Proposal and Granting Certificate of Environmental Compatibility and Public Need and Certificate of Public Convenience and Necessity (issued September 21, 2012)(confirmed by order issued October 18, 2012).

<sup>16</sup> Cases 92-T-0114, and 92-T-0252, Niagara Mohawk Power Corporation, Opinion NO. 93-17, 1993 NYPUC LEXIS 25, 33 NYPSC 885 (issued August 20, 1993).

technical conference as well as the prior transmission owner comments not addressed in this order. Our intent in setting this schedule is to ensure that any further modifications to the rules are in place well before the October 1 due date for the initial application materials.

COST RECOVERY AND COST ALLOCATION FOR AC PROJECTS

The comparative Article VII proceeding that we contemplate here will include an economic analysis of the competing proposals. We intend to issue certificates and a funding commitment to those projects, or combinations of projects, that meet the Article VII criteria and provide the most benefit to ratepayers at the least cost.<sup>17</sup> To achieve this, we will need to establish mechanisms for cost recovery, as the existing mechanisms for cost recovery are not designed to compensate non-incumbent developers who do not have designated customers from whom to collect their costs. We also recognize that the benefits of a project or portfolio of projects may not align with current rate structures; thus, a mechanism is needed to allocate the costs of the preferred solutions.

We anticipate that the cost allocation methodology that we will eventually apply to the successful AC projects will reflect the public policy aspects of the transmission expansion initiative. Existing Commission policies and NYISO processes only address allocation of costs for either reliability-based or "economic" projects. While the NYISO has filed a proposal at the Federal Energy Regulatory Commission to administer cost recovery and cost allocation for public policy-driven projects, it is not clear when the NYISO's proposal will take effect, and

---

<sup>17</sup> Subject, of course, to those projects' satisfying the criteria set forth in Article VII.

its effectiveness will depend in part on actions yet to be taken by this Commission.<sup>18</sup>

Given that cost allocation based on identifying the beneficiaries of a public policy initiative has not been considered before, we will undertake to examine and resolve these issues, considering the views of all potentially impacted parties. We also intend to reduce ratepayer costs and risk of cost overruns by identifying innovative cost control mechanisms, including mechanisms to share risk between project developers and customers. We direct Staff to develop a straw proposal addressing the basis for cost recovery, appropriate mechanisms for cost recovery, mechanisms for allocating risk between developers and ratepayers, and methods for allocating project costs among ratepayers. We direct Staff to make the straw proposal available for comment as soon as possible. As with the potential procedural modifications discussed above, we intend to determine these cost-related issues prior to the October deadline for initial applications. We will apply the methodologies established through these proceedings to provide cost recovery for the projects approved through the Article VII proceeding that best meet our objectives.

As we noted above, we acknowledge that procedures exist under the NYISO's federal tariffs for the allocation and recovery of the costs of certain kinds of transmission projects. We understand that developers may seek cost recovery under the NYISO's procedures, and we have no objection to them doing so, provided that the costs recovered are reasonable. However, to address the possibility that the NYISO process may not be available to these projects, or to all types of project sponsor,

---

<sup>18</sup> We note that under the NYISO's proposal, we may determine the appropriate cost allocation methodology for public policy projects.

we believe it is necessary for us to establish an alternative State cost recovery mechanism and cost allocation methodology.

CONCLUSION

The variety of project submissions and the appearance of independent transmission developers create an opportunity for consumers to reap the benefits of an enhanced AC transmission system, at a cost reflecting effective competition. For these reasons, we establish procedures and deadlines for a comparative evaluation of potential solutions to the transmission congestion we identified in the November Order.

The Commission orders:

1. AC transmission developers intending to participate in the comparative Article VII proceeding shall comply with requirements set forth in the body of this order and in Appendices A and B hereto.
2. Staff is directed to arrange the technical conference and to develop straw proposals for our future consideration, as contemplated in this order.
3. We adopt the rules proposed by Staff, with the modifications discussed here, as set forth in Appendix B.
4. This proceeding is continued.

By the Commission,

(SIGNED)

JEFFREY C. COHEN  
Acting Secretary

Initial Application Materials:

(1) The information required pursuant to the following sections of 16 NYCRR §§85 et seq.:

- 85-2.4 - Fund for Municipal and other Parties
- 85-2.8(a), (b), (d) and (f) - Content of Application
- 85-2.10 - Notice of Application
- 86.1 - General Requirements
- 86.2 - Exhibit 1: General Information Regarding Application
- 86.3 EXCEPT for the subsections (a)(1)(ii) and B(1)(i), (ii) and (iii) - Exhibit 2: Location of Facilities<sup>1</sup>
- 86.6(a) and (b) - Exhibit 5: Design Drawings
- 86.8(4)- Exhibit 7: Local Ordinances
- 88.1(a)-(d) - Exhibit E-1: Description of Proposed Transmission Line
- 88.4 - Exhibit E-4: Engineering Justification

(2) Notice that the SIS/SRIS studies are in progress (study scope accepted and work underway pursuant to a Study Agreement with the NYISO); and,

(3) A scoping statement and schedule describing how and when the applicant will comply with the following sections:

- 86.4 - Exhibit 3: Alternatives
- 86.5 - Exhibit 4: Environmental Impact
- 86.7 - Exhibit 6: Economic Effects of Proposed Facility
- 86.8(1), (3), (5), (6) - Exhibit 7: Local Ordinances
- 86.9 - Exhibit 8: Other Pending Filings
- 86.10 - Exhibit 9: Cost of Proposed Facility
- 88.1(e) and (f) - Exhibit E-1: Description of the Proposed Transmission Line
- 88.2 - Exhibit E-2: Other Facilities
- 88.3 - Exhibit E-3: Underground Construction
- 88.5 - Exhibit E-5: Effect on Communications
- 88.6 - Exhibit E-6: Effect of Transportation

---

<sup>1</sup> We recommend that applicants use the latest (2010 or newer) version of the USGS Topographic Edition quadrangle maps based on ca. 2010 aerial photography for the location mapping required by 86.3(a)(1). If this version is used for 86.3(a)(1), the aerial photo based exhibit required by the regulations at 86.3(b) may be submitted with Part B.

Article VII AC Transmission Rule

In furtherance of the New York Energy Highway Task Force Blueprint, the Public Service Commission has solicited proposals for transmission projects that will increase transfer capacity in the electric transmission corridor that traverses the Mohawk Valley Region, the Capital Region, and the Lower Hudson Valley.<sup>1</sup> Proposals meeting the objectives of the Blueprint were due by January 25, 2013. A number of proposals were submitted by the deadline, several of which will require further review pursuant to Article VII of the Public Service Law. The purpose of this proposed rule is to clarify and modify certain requirements of 16 NYCRR Subpart 85-2, and Parts 86 and 88 in order to facilitate prompt review of timely AC project applications. The modifications established under this rule will apply in the Article VII review of any AC transmission project submitted in the Article VII proceeding contemplated by the this order in Case 12-T-0502.

Applications submitted for any such AC projects must comply with the provisions of §122 of the Public Service Law; 16 NYCRR Subpart 85-2; 16 NYCRR Part 86; and 16 NYCRR Part 88, with the following modifications and substitutions:

An application must provide the information required by Sections 86.3, 86.4, and 88.4(a)(4) except that:

The applicant may substitute recent edition topographic maps (at a scale of 1:24,000) for the New York State Department of Transportation maps specified in Section 86.3(a)(1). If the application is for the overhead portion of a transmission facility, such alternative maps must show the area for at least five miles on either side of the proposed centerline; if the application concerns an underground segment, the maps must show an area of at least one mile on either side of the proposed centerline. Applications for a subaquatic facility must utilize recent edition nautical charts (published by the U.S. Department of Commerce, National Oceanic and Atmospheric Administration) depicting the location of the proposed facility. Information required by 16 NYCRR 86.3(a)(1)(i)-(ii) must be represented on such maps.

---

<sup>1</sup> Case 12-T-0502, Proceeding on Motion to Examine Alternating Current Transmission Upgrades, Order Instituting Proceeding (issued November 30, 2012).

The applicant need not meet the requirements of §86.3(a)(1)(iii), so long as the maps or charts submitted as Exhibit 2 show any geologic, historic, or scenic area, park, or wilderness listed, eligible, or nominated for listing on the state or national register of historic places within three miles on either side of the proposed centerline, for an overhead facility; or within one mile of the proposed centerline, for an underground or subaquatic segment.

The applicant may also substitute recent edition topographic maps (at a scale of 1:250,000) for the New York State Department of Transportation maps specified at §86.3(a)(2), so long as the maps show the relationship of the proposed facility to interconnected electric systems and the information required by §86.3(a)(2)(i)-(iv) is represented on the maps.

The applicant need not meet the requirements of 86.3(b)(2), so long as the aerial photographs submitted as Exhibit 2 reflect the current situation and specify the source and date of the photography.

For Exhibit 3, the applicant may use recent edition topographic maps (at a scale of 1:24,000) instead of the New York State Department of Transportation maps referenced at §86.4(b); if any alternative is subaquatic, the applicant shall use recent edition nautical charts (published by the U.S. Department of Commerce, National Oceanic and Atmospheric Administration) to show any alternative route considered.

An application must meet the requirements of 16 NYCRR Part 88, except that an application need not contain the information required by §88.4(a)(4), so long as it contains: (1) a system impact study or system reliability impact study, performed in accordance with the open access transmission tariff of the New York Independent System Operator, Inc. (NYISO); and (2) an indication as to whether the Operating Committee of the NYISO has approved the study.

In complying with 16 NYCRR §85-2.8, the applicant must include operating effects including: (a) noise of facilities and associated equipment, including: (1) for overhead transmission facilities, conductor noise due to corona effects; (2) noise associated with operation of terminal facilities including: (i) transformers; (ii) power converter facilities; and, (iii) substation facilities; (b) electromagnetic fields (1) estimates of electric field strength at facility centerline, and at offset distances from the centerline to include areas at the edge of the proposed right-of-way.

In complying with 16 NYCRR §85-2.8, the applicant must also provide a discussion of the compatibility of the proposed facility with the goals and benefits to New York's ratepayers identified in the Blueprint, including:

- 1) congestion relief;
- 2) enhanced system reliability;
- 3) flexibility;
- 4) efficiency;
- 5) reduced environmental impact, including greenhouse gas emission reduction;
- 6) health impacts;
- 7) increased diversity in supply; and
- 8) long-term benefits in terms of job growth, development of efficient new generating resources at lower cost in upstate areas, and mitigation of reliability problems that may arise with expected generator retirements.

In complying with 16 NYCRR §85-2.8, the applicant must provide the development schedule for the proposed facility (including an estimate of the time needed to prepare and submit applications for any regulatory approvals necessary to begin construction).

In complying with 16 NYCRR §86.2, the applicant must include an e-mail address in providing its contact information; and for corporate applicants, identify whether the entity is incorporated under the Transportation Corporations Law. In complying with 16 NYCRR §86.3(a)(2) the applicant must include a the New York Control Area Transmission 230 kV and Above figure showing the relationship of the proposed facility to the interconnected electric system.

In complying with 16 NYCRR §86.5, the applicant must include environmental impact analyses including an assessment of impacts on ecological, land use, cultural and visual resources; land use impacts should include noise analysis and analysis of consistency with existing, planned and proposed uses and adopted land use plans; and demonstrations of consistency with Coastal Zone policies, Local Waterfront Revitalization Programs, and designated Inland Waterway areas.

In complying with 16 NYCRR §86.8, the applicant must provide:

- 1) A statement describing its consultation with the municipalities or other local agencies whose procedural and substantive requirements are the subject of Exhibit 7 to: (a) determine whether the applicant has correctly identified all such requirements; and, (b) to determine whether any potential request by the applicant that the Commission refuse to apply any such local substantive requirement could be obviated by design changes to the proposed facility, or otherwise;
- 2) An identification of the city, town, village, county, or State agency qualified by the Secretary of State that shall review and approve any applicable building plans, inspect the construction work, and certify compliance with the New York State Uniform Fire Prevention and Building Code, the Energy Conservation Construction Code of New York State, and the substantive provisions of any applicable local electrical, plumbing or building code; if no other arrangement can be made, the Department of State should be identified; the statement of identification shall include a description of any preliminary arrangement made between the applicant and the entity that shall perform the review, approval, inspection, and compliance certification, including arrangements made to pay for the costs thereof (including the costs for any consultant services necessary due to the complex nature of a component of the proposed facility);
- 3) (a) A summary table of all local substantive requirements required to be identified pursuant to 16 NYCRR §86.8 in two columns (listing the provisions in the first column and a discussion or other showing demonstrating the degree of compliance with the substantive provision in the second column); and, (b) copies of or links to all such local substantive requirements;
- 4) Recent edition topographic maps (at a scale of 1:24,000) showing the project route location with overlays showing: (a) zoning; and, (b) flood zones;
- 5) (a) An identification of the zoning designation or classification of all lands constituting the site of the proposed facility and a statement of the language in the zoning ordinance or local law by which it is indicated that the proposed facility is a permitted use at the proposed site; (b) if the language of the zoning ordinance or local law indicates that the proposed facility is a permitted use at the proposed site subject to the grant of a special exception, the applicant shall provide a statement of the criteria in the zoning

- ordinance or local law by which qualification for such a special exception is to be determined; and,
- 6) (a) A list of all state approvals, consents, permits, certificates, or other conditions for the construction or operation of the proposed facility of a substantive nature; and, (b) a statement that the facility as proposed conforms to all such state substantive requirements.

In complying with 16 NYCRR §86.10, the applicant must identify the general financial structure supporting the proposed facility and funding options (including whether the project would be supported by rates set under Commission jurisdiction, under the jurisdiction of the Federal Energy Regulatory Commission, or in another specified manner. In preparing the detailed cost estimate required by §86.10, the Applicant must provide estimates of the following items: cost of interconnection facilities, including the cost of all substation work associated with new and upgrading existing substations for bus work, breakers, transformers, control houses, and other necessary equipment. Work papers supporting all cost estimates must be provided with the application.