New York ISO
Independent System Operator

Short-Term Reliability Process Report: 2026-2030 Generator Deactivation Reliability Needs (2025 Quarter 3 STAR)

Solution Selection

A Report by the
New York Independent System Operator

April 15, 2026

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Executive Summary

This report summarizes the New York Independent System Operator's (NYISO's) evaluation and selection of solutions to address generator deactivation reliability needs in New York City, Long Island, and the Lower Hudson Valley identified in recent Short-Term Assessment of Reliability (STAR) reports. Based on the evaluation of proposed solutions, the NYISO is taking the following actions to maintain reliable electric service while key permanent projects advance:

- **New York City:** Extend the designation of the Gowanus 2 & 3 and Narrows 1 & 2 generators, consistent with the DEC Peaker Rule, as needed to address ongoing reliability needs until May 1, 2029, the maximum permissible permit extension date allowed under the Peaker Rule.
- **Long Island:** Select the PSEG-LI/LIPA regulated generation solution to address the bulk system reliability need, rely on Far Rockaway 2 and completed local transmission upgrades for the non-bulk system need, and end Interim Service Provider status for Pinelawn Power 1 on May 15, 2026.
- **Lower Hudson Valley:** Address near-term reliability conditions through the selected New York City and Long Island solutions; the 2026 Quarter 1 STAR concludes that Danskammer cannot deactivate until at least August 1, 2026 and may be required to remain in service until at least January 15, 2027 if reliability needs persist.

Starting with the 2025 Quarter 3 STAR, recent quarterly reports observe continued supply deficiencies through the entire five-year horizon of the assessment (*i.e.*, 2026 to 2030) without the completion and energization of planned projects to address the deficiencies. For years, the NYISO's reliability planning reports have indicated that several related risk factors continue to shape near- and long-term reliability conditions in New York. The advancing age of the existing generation fleet, growing electricity demand from electrification and large loads, and limited development of new dispatchable resources are narrowing planning and operating margins. These trends are amplified by reliance on imports that may not be available during regional peak events, increasing exposure to extreme weather, and uncertainty around the timing of major transmission and generation projects. As a result, maintaining reliability increasingly depends on careful management of interim conditions while permanent solutions advance.

The continued safe operation of New York's electric grid depends on replacing an aging fossil generation fleet that is approaching the limits of its useful life. These units were not designed to operate indefinitely, and their increasing failure risk places added strain on the system. As demand grows and older plants retire, new or repowered resources with the necessary set of reliability attributes must be

developed to take their place. Delaying replacement increases reliance on emergency measures and reduces system flexibility. Proactive development of new or repowered replacement dispatchable resources is necessary for maintaining reliable electric service.

New York City

The NYISO previously determined that temporarily retaining the generators on the Gowanus 2 & 3 and Narrows 1 & 2 barges was necessary to address ongoing reliability needs, and the NYISO's designation of these generators in accordance with the Department of Environmental Conservation ("DEC") Peaker Rule allows their continued operation until May 1, 2027 or until permanent solutions are in place. Reliability needs due to supply deficiencies continue to require Gowanus 2 & 3 and Narrows 1 & 2 barges to be available and to operate. Without the retention of these generators, the New York City and Lower Hudson Valley areas would be deficient during expected summer weather peak demand periods. The NYISO now has submitted a letter to the DEC designating the Gowanus 2 & 3 and Narrows 1 & 2 generators as needed to address ongoing reliability needs until May 1, 2029, the maximum permissible permit extension date allowed under the Peaker Rule. AlphaGen, the owner, has proposed to withdraw the generator deactivation notices for these generators.

The retention of the Gowanus and Narrows barges alone is insufficient to address the New York City need, and in the absence of other projects the deficiency would remain unresolved and require reliance on emergency actions to maintain reliability. As planned projects enter service, including Champlain Hudson Power Express ("CHPE") and other planned projects, the margins in New York City improve substantially over the short-term horizon, but diminish again over the longer-term with demand growth and the risk of aging generation.

Among the solutions proposed is repowering of the Gowanus site with hydrogen capable turbines. Such a solution of repowered dispatchable generation would significantly reduce future reliability risks by providing the necessary set of reliability attributes. At this time the proposed repowering solution is not viable to meet the identified need as its proposed in-service date is beyond the timeframe of the short-term process, and the developer notes significant challenges currently to completing permitting and financing. As these types of solutions would be critical to achieving reliability beyond the short-term horizon, the NYISO encourages entities to work together to establish the pathway for these types of resources to interconnect and supply power to the grid.

Long Island

To address the bulk system need in Long Island the NYISO selects the PSEG-LI generation solution that

is described in greater detail within this report. The Far Rockaway, Glenwood, and Shoreham generation solutions together address the near-term deficiencies, but there would be less than 100 MW of margin prior to the Propel NY transmission project entering service. The solutions for the non-bulk system need are the Far Rockaway 2 unit and local transmission upgrades that went into service in December 2025. The NYISO will not offer an RMR to Pinelawn Power 1 and the Interim Service Provider ("ISP") agreement for Pinelawn Power 1 will terminate on May 15, 2026, after which the unit may deactivate.

Lower Hudson Valley

The 2026 Quarter 1 STAR found a near-term generator deactivation reliability need in the Lower Hudson Valley beginning in summer 2027 and continuing throughout the remainder of the planning horizon. The deficiency in this locality is primarily driven by the deficiencies in New York City and is also impacted by the deficiency in Long Island, but is exacerbated by the proposed retirement of Danskammer 1-4, which was assessed in the 2026 Quarter 1 STAR. Upon the planned withdrawal of the Gowanus and Narrows deactivation notice, the deficiencies in summer 2027 and 2028 would be addressed, but the deficiencies in 2029 and 2030 would continue to be observed. As determined in the 2026 Quarter 1 STAR, Danskammer cannot deactivate until at least August 1, 2026 and may be required to remain in-service until at least January 15, 2027 if the reliability need persists.[1]

Reliability Projections and Next Steps

Reliability conditions over the planning horizon reflect a growing set of structural and operational risks. The system is becoming more sensitive to changes in generator availability, demand growth, and project timing as aging resources remain in service and replacement capacity lags. Projected reliability margins indicate a grid that is becoming less operable over time. Even where reliability criteria are met, declining margins increase reliance on emergency tools and operational interventions, particularly during periods of extreme weather or reduced resource availability. The projections demonstrate that small deviations from planned assumptions, such as delays in projects, higher-than-expected demand, or generator outages, could materially affect reliability outcomes in both the near and longer term.

Through the quarterly STAR studies, the NYISO will continuously evaluate the reliability of the system as changes occur and will carefully monitor the progress of the planned permanent projects toward completion. The 2026 Reliability Needs Assessment (RNA) will evaluate the reliability of the New York bulk electric grid over the ten-year planning horizon, with a focus on 2030-2036, considering updated

[1] If planned projects fail to timely enter service or otherwise prove insufficient, and the NYISO determines it requires additional solutions to address Lower Hudson Valley needs arising in 2029 and 2030, then the NYISO will conduct a solicitation pursuant to Section 38.4.8.1(c) of the OATT to obtain additional solutions to the identified needs, and may execute an RMR Agreement with Danskammer to allow sufficient time to complete the solicitation process, and/or to address the 2029 and 2030 needs if the solicitation does not produce other viable and sufficient solutions.

forecasts of grid demand according to the 2026 Gold Book, planned transmission upgrades, and projected changes to the generation fleet. As presented in the recent 2025-2034 Comprehensive Reliability Plan (CRP), the NYISO proposes to incorporate aging generation risk to better capture the likelihood of future resource unavailability and identify emerging reliability needs beyond the short-term horizon.

Background

The NYISO's Short-Term Reliability Process ("STRP"), as prescribed in Attachments Y and FF of the NYISO's Open Access Transmission Tariff ("OATT")[2], evaluates the first five years of the planning horizon, with a focus on needs arising in the first three years of the planning horizon. The Reliability Planning Process focuses on solutions to longer term needs (years four through ten) through the Reliability Needs Assessment ("RNA") and the Comprehensive Reliability Plan ("CRP").

The first step in the STRP is the Short-Term Assessment of Reliability ("STAR"). STARs are performed quarterly to proactively address reliability needs that may arise within five years ("Short-Term Reliability Needs")[3] due to various changes to the grid such as generator deactivations, revised transmission plans, and updated load forecasts. Transmission Owners also assess the impact of generator deactivations on their local systems. A Short-Term Reliability Need that is observed within (a) three years of the conclusion of the 365 day notice period for a Generator Deactivation Reliability Need, or (b) within three years after the posting of the relevant STAR for any other Short Term Reliability Process Need, is a "Near-Term Reliability Need."[4] When a Near-Term Reliability Need is identified in a STAR, the NYISO solicits and selects solution(s) to address the need. The NYISO may choose to address Short-Term Reliability Needs that are not Near-Term Reliability Need within the STRP or, if time permits, through the long-term Reliability Planning Process that considers needs and solutions in years four through ten of the study period.[5]

The NYISO performed the 2025 Quarter 3 STAR[6] under its STRP that evaluated a five-year study period of July 15, 2025 through July 15, 2030, considering forecasts of peak power demand, planned upgrades to the transmission system, and changes to the generation mix over the next five years.[7] As further described below, the 2025 Quarter 3 STAR finds Near-Term Reliability Needs on the Bulk Power Transmission Facilities ("BPTF") and non-BPTF.[8] These needs are Generator Deactivation Reliability Needs. A detailed description of the deficiencies in New York City (Zone J), Long Island (Zone K), and the

[2] Capitalized terms in this report refer to defined terms in the NYISO's Open Access Transmission Tariff ("OATT"). *See* OATT Article 1, Section 38.1 and Section 31.1.1.

[3] OATT Section 38.1 contains the tariff definition of a Short-Term Reliability Process Need.

[4] OATT Section 38.1 contains the tariff definition of a Near-Term Reliability Need. *See also*, OATT Section 38.3.6, which sets forth provisions applicable to the treatment of Near-Term Reliability Needs.

[5] The Reliability Planning Process is the preferred option. *See* OATT Section 38.2.

[6] Short-Term Assessment of Reliability: 2025 Quarter 3, October 13 ,2025 (here)

[7] OATT §§ 38.1 – 38.27.

[8] *See Statement Regarding Near-Term Reliability Need for the 2025 Quarter 3 Short-Term Assessment of Reliability* (October 1, 2025), which is posted on the NYISO's website (here).

Lower Hudson Valley (Zones G-J) are provided in the posted STAR report.[9]

New York City Generator Deactivation Reliability Need

Consistent with the 2023 Quarter 2 STAR, the 2025 Quarter 3 STAR continued to find that Zone J would be deficient in summer peak through the entire five-year horizon without the completion and energization of the following future planned projects:

- Gowanus-Greenwood 345/138 kV feeder, planned in-service date May 2026,
- Champlain Hudson Power Express ("CHPE"), 1,250 MW HVDC, planned in-service by summer 2026,
- Empire Wind, 816 MW offshore wind, planned in-service date July 2027, and
- Propel NY Public Policy Transmission Project, planned in-service date May 2030.

The Generator Deactivation Reliability Need in Zone J is on the BPTF and is driven by the deactivation of Gowanus and Narrows Generators (672 MW nameplate total) in combination with other factors, such as: the range in the demand forecasts based on expected weather, expected generator availability, transmission limitations, and risks associated with the availability of key future planned projects (hereinafter, "New York City BPTF Need"). The New York City BPTF Need is shown in the table below. This need is observed under summer peak demand conditions if system plans are not completed.

New York City BPTF Need

Summer Peak	**2026**	**2027**	**2028**	**2029**	**2030**
MW Deficiency	410-650	440-680	460-790	480-950	500-1,130
Duration (hours)	6-8	6-9	8-11	8-13	8-13
MWh	1,709-3,569	1,753-3,782	3,014-6,658	3,227-8,794	3,211-10,922

Once the future planned projects enter service and demonstrate their planned power capabilities, the margins within Zone J are expected to improve substantially, but the margins gradually erode thereafter as expected demand for electricity grows. As detailed in the 2025 Quarter 3 STAR, even assuming these future planned projects enter service according to their schedules and demonstrate their planned power capabilities and assuming no other generators become unavailable, Zone J would still have observed needs during the summer peak periods of 2029 and 2030. While these planned projects are advancing in their development, the completion is subject to inherent risks commonly observed among large infrastructure

[9] *See* 2025 Quarter 3 STAR Report.

projects that may impact timely completion and energization.

Long Island Generator Deactivation Reliability Needs

The 2025 Quarter 3 STAR found a Generator Deactivation Reliability Need on the BPTF in the Long Island locality starting in summer 2027 (hereinafter "Long Island BPTF Need") and a Generator Deactivation Reliability Need on the non-BPTF starting in summer 2026 and continuing throughout the entire study horizon in the Far-Rockaway Load Pocket (hereinafter "Long Island Non-BPTF Need"). The Long Island BPTF Need is primarily driven by the deactivation of Pinelawn (82 MW nameplate) and the Far Rockaway GTs (121 MW nameplate total), while the Long Island Non-BPTF Need is driven by the deactivation of the Far Rockaway GTs.

Following the publication of the 2025 Quarter 3 STAR, the NYISO received updates to key assumptions in Zone K, which reduced the Long Island BPTF Need. Notably, certain large load projects in Zone K, which were included in the expected weather forecast in the 2025 Gold Book, were removed from the assumptions based on updates received from LIPA.[10]

The Generator Deactivation Reliability Needs in Long Island are shown in the tables below.

Long Island BPTF Need

Summer Peak	2026	2027	2028	2029	2030
MW Deficiency	None	34-111	34-111	58-136	110-189
Duration	None	1-3	2-3	2-3	3-3
MWh	None	34-156	139-363	177-407	320-557

Long Island Non-BPTF Need (Far Rockaway Load Pocket)

Summer Peak	2026	2027	2028	2029	2030
MW Deficiency	61	68	74	80	72
Duration	13	14	15	15	14
MWh	505	658	736	813	649

Once Sunrise Wind (880 MW nameplate, planned in-service date July 2027) is delivering power at the planned power capability, the Long Island BPTF margins improve in summer 2028, followed by dramatic improvement in 2030 with the planned energization of the Propel NY project in May 2030 such that the margins remain positive throughout the remainder of the planning horizon. However, the Long Island

[10] Several potential changes to the assumptions for Zone K and their impact to the observed BPTF Generator Deactivation Reliability Need were discussed with NYISO stakeholders at the November 7, 2025 ESPWG/TPAS, which presentation is posted on the NYISO's website (here).

BPTF Need would still be observed in summer 2027. The planned projects had negligible impact on the Long Island non-BPTF Need.

Lower Hudson Valley Generator Deactivation Reliability Needs

A BPTF deficiency was also reported for the Lower Hudson Valley in the 2025 Quarter 3 STAR and 2025 Quarter 4 STAR. In the 2025 Quarter 4 STAR the NYISO reported a deficiency of 195 MW over 3 hours (729 MWh) in summer 2030. The Lower Hudson Valley deficiency reported in these prior STAR reports is primarily an exacerbation of the New York City BPTF Need and is also impacted by the Long Island BPTF Need. Accordingly, the NYISO did not separately seek solutions to address the deficiency for the Lower Hudson Valley beyond the solutions for the identified needs in New York City and Long Island. As reported in these STAR reports, should there remain a deficiency in the Lower Hudson Valley following the solicitation and evaluation of proposed solutions to address the needs in New York City and Long Island, the NYISO would address it through the Reliability Planning Process.

Near-Term Need Statement & Solicitation

The NYISO's *Statement Regarding Identification of Near-Term Reliability Need for the 2025 Quarter 3 Short-Term Assessment of Reliability*,[11] explains that the NYISO, in consultation with Con Edison and LIPA, reviewed whether the adoption of alternative operating procedures could address the identified Needs, and whether updates to their respective Local Transmission Owner Plans, could address the Needs.[12] The review did not identify operating procedures or updates to Con Edison's or LIPA's Local Transmission Owner plans that could address the identified Needs. In the same timeframe the NYISO also reviewed the status of tracked projects and did not identify additional transmission or non-transmission (including generation) projects that are expected to enter or re-enter service by summer 2026.[13]

On November 10, 2025, the NYISO issued a solution solicitation requesting the submission of proposed STRP Solutions to address the identified Needs in New York City and Long Island.[14] Proposed solutions were due to the NYISO on January 9, 2026.

Throughout the process the NYISO explained that, if proposed solutions, either individually or in combination, are not viable or sufficient to meet the identified Short-Term Reliability Needs, then interim

[11] Statement Regarding Identification of Near-Term Reliability Need For the 2025 Quarter 3 Short-Term Assessment of Reliability (October 15, 2025), which is posted on the NYISO's website (here).

[12] *See* OATT Section 38.3.5.2.

[13] As part of its ongoing Reliability Planning Process, the NYISO monitors and tracks the progress of market-based projects and regulated backstop solutions, together with other resource additions and retirements, consistent with its obligation to protect confidential information under its Code of Conduct. *See* OATT Section 31.2.13.

[14] Short-Term Reliability Process Solution Solicitation Regarding Near-Term Reliability Need (here)

solutions must be in place to keep the grid reliable. The NYISO explained that if sufficient, viable market-based or transmission solutions in response to the solicitation are not provided, that the retention of generators that have proposed to deactivate may be necessary to keep the grid reliable until permeant solutions are in-service, demonstrate their planned power capabilities, and the Needs no longer exist. The NYISO only temporarily retains generators as a last resort to addressing reliability needs. This solution selection process is designed to ensure that executing a Reliability Must Run ("RMR") Agreements with Generators is a last resort to addressing a reliability need.

Key Risk Factors Shaping the Grid

While New York's energy transition is accelerating, the pace and sequencing of change introduce risks that cannot be ignored. For several cycles of its Reliability Planning Process, the NYISO has evaluated various scenarios to identify key trends and potential vulnerabilities that pose risks to the reliability of the New York grid.

In the recent 2025-2034 CRP, the NYISO identified a growing range of emerging risks across generation, demand, and transmission that could significantly affect system reliability. Aging thermal plants, volatile demand driven by electrification and large industrial loads, and the potential for delays in major renewable and transmission projects all contribute to a more complex and less predictable operating environment.

The range of possible outcomes based on variations in evolving data, detailed below, are no longer theoretical—they are materializing now, and their combined impact could challenge the reliability of the New York grid if not addressed proactively. The 2026 RNA will evaluate the reliability of the New York bulk electric grid over the ten-year planning horizon, with a focus on 2030-2036, considering updated forecasts of grid demand according to the 2026 Gold Book[15], planned expansions and/or upgrades to the transmission system, and projected changes to the generation mix. As presented in the 2025-2034 CRP, the NYISO proposes to incorporate projections of aging generation risks for the purpose of identifying reliability needs in years 6-10 (2032-2036) of the 2026 RNA.

Reliance on Aging Generation

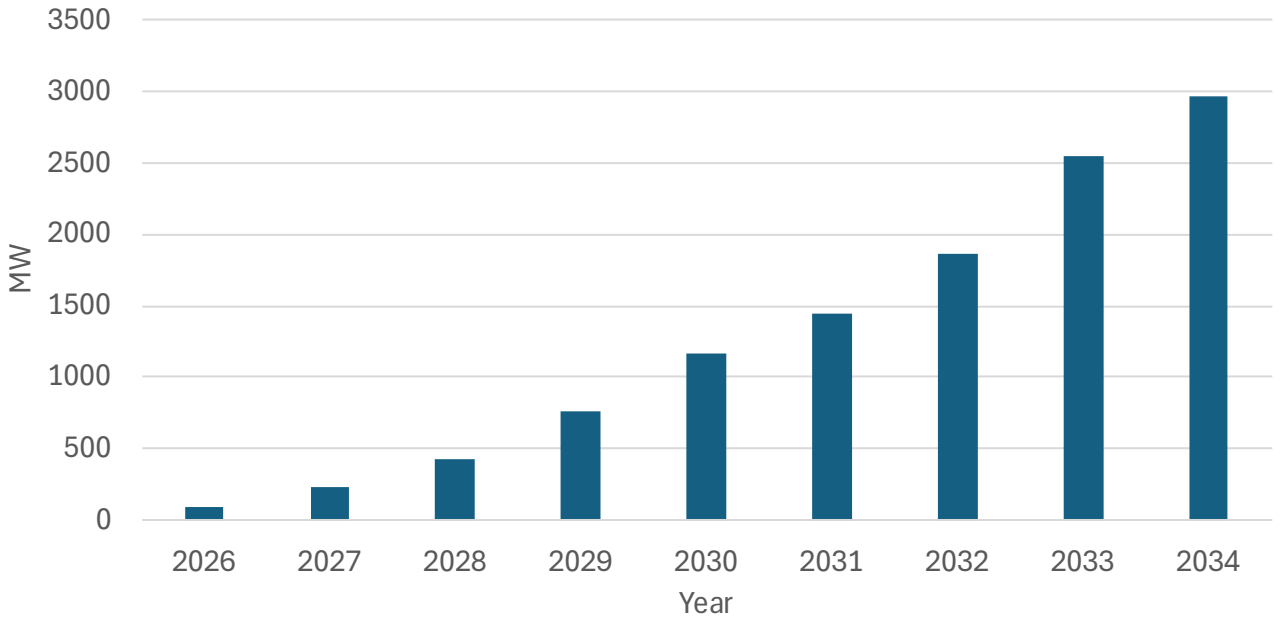
New York's generation fleet is among the oldest in the country. Roughly 25% of the state's total generating capacity is fossil-fuel-based generation that has been in operation for more than 50 years, well beyond the age at which similar units have been deactivated across the country.

As these generators age, they are experiencing more frequent and longer outages as well as potential for catastrophic end of life damage. Greater difficulties in maintaining older equipment, combined with the impact of policies to restrict or eliminate emissions, are driving aging generators to deactivate or be unavailable due to an end-of-life failure, which would exacerbate declining reliability margins. To account for aging generation, the 2025-2034 CRP assessed the risk of end-of-life failures for generating units as they advance in age. The NYISO first analyzed the data of the nationwide generation fleet and developed a methodology to incorporate the risk. As a result, approximately 3,000 MW of New York's existing conventional fossil-fuel generation was identified as likely to be unavailable by 2034, approximately 60%

[15] The 2026 Gold Book will be published by April 30, 2026

of which is in New York City.

Figure 1: Aging Generation Risk Projection (2025-2034 CRP)



Future Demand Growth

The range of future outcomes with regard to future demand is growing. Beyond the expected growth from electric vehicles, building electrification, and economic trends, the surge in large semiconductor manufacturing plants and data center projects is reshaping the demand outlook. Though not every project will materialize, the speed and scale of these requests far outpace the development of new supply. This imbalance creates a significant reliability risk: large loads can come online quickly, but the resources needed to serve them—generation, transmission, and storage—require years to plan, permit, and build. Without proactive measures, this dynamic could erode reliability margins well before the end of the decade.

The 2026 Gold Book, to be published by April 30, 2026, reflects revised expectations for electricity demand growth that reduce near-term forecast levels relative to the 2025 forecasts, but continue to show substantial long-term increases driven by New York State electrification and decarbonization policies. While the updated forecasts assume a slower pace of electric vehicle adoption and building electrification, they also underscore the risk that demand growth could accelerate if real-world adoption of electrification policies or large load development exceeds current assumptions.

These risks are compounded by uncertainty surrounding the durability of demand reductions from energy efficiency and distributed resources, as well as the timing and location of large load additions. The

inclusion of higher- and lower-demand forecasts in reliability assessments is intended to highlight the potential spread of outcomes and the implications for system planning, particularly as modest deviations from the baseline could have outsized impacts on reliability and resource adequacy over time.

Reliance on Imports

While imports from neighboring systems are assumed in baseline planning, real-world conditions may limit their availability during peak events. During the June 2025 heatwave, New York faced significant curtailments of scheduled imports as neighboring systems prioritized their own needs. As the NYISO's reliability margins grow tighter throughout the planning horizon, each of its neighbors—PJM, Ontario, Quebec, and New England—are projecting similar trends, which means emergency assistance or even firm imports may not be available when New York needs them most.

Extreme Weather and Seasonal Peaks

NYISO incorporates weather variability into its reliability assessments, and recent weather events already delivered conditions beyond those design expectations. In 2025 and already in 2026, operators faced cold snaps and heatwaves that resulted in emergency conditions beyond what NYISO traditionally accounts for in its actionable baseline assessments.

Winter reliability is emerging as a growing concern. Summer peaks have traditionally driven planning, and winter conditions now present comparable risks. Electrification of heating is increasing winter demand, while the availability of gas-fired generation during cold snaps remains uncertain due to non-firm fuel contracts. Recent events underscore this vulnerability: the 2025-2026 winter operating season pushed the system near its operational limits, highlighting how extreme weather combined with constrained fuel supply can quickly erode reliability margins. As winter peaks rise and the system becomes more dependent on intermittent resources, ensuring firm capacity and fuel security during prolonged cold periods will be critical to maintaining reliability.

Delays in Planned Projects

Delays in transmission and generation projects would pose risks to future reliability. The CRP's analysis shows that timely completion of major transmission and generation projects is essential to maintaining reliability through the next decade. Projects such as the Champlain Hudson Power Express (CHPE), the Propel NY Alternate 5 transmission project, and planned renewable and storage resources are foundational to the state's future grid. Delays in these projects would significantly reduce system flexibility and could lead to statewide and local resource deficiencies. Given the long lead times for permitting, construction, and interconnection, even modest delays can have outsized impacts on reliability, particularly as demand grows and aging generation retires.

Evaluation of Proposed Solutions

New York City

Con Edison Regulated Solution

As the Responsible Transmission Owner, Con Edison proposed a conceptual permanent solution as a regulated transmission solution comprised of the installation of about 16 miles of 345 kV underground cable, construction of a 345 kV switching station, and reconfiguration of two existing 345 kV substations. However, Con Edison stated that the solution could not be completed until 2035 which is well after the anticipated 2026 in-service date of CHPE, let alone the initial occurrence of the Need in 2026. As such, the proposed transmission solution is not viable to meet the identified Need.

To address the New York City BPTF Need Con Edison proposed the use of demand response and emergency actions such as the use of emergency operating procedures ("EOPs") (*e.g.,* neighboring area emergency imports, voltage reduction, and public appeals) as interim solutions to address the need until permanent and sufficient solutions are in-service and have demonstrated their planned capabilities.

Market-Based Solutions

In response to the solicitation the NYISO received two market-based solutions from Alpha Generation Services, LLC ("AlphaGen").

The first market-based solution from AlphaGen is the retention of the existing Gowanus and Narrows barges (608 MW nameplate)[16]. As this solution is subject to the New York State Department of Environmental Conservation ("DEC") Peaker Rule[17], this proposed solution would be a temporary market-based solution with potential availability through May 1, 2029. This proposed solution of extending the existing Gowanus and Narrows barges operation is also subject to withdrawal of their Generator Deactivation Notice with the NYISO. Based on the NYISO's review of this option from AlphaGen, continued operation of the existing Gowanus and Narrows barges, as proposed by AlphaGen, following the withdrawal of their deactivation notice is a viable solution.

AlphaGen also submitted a conceptual proposal for repowering of the Gowanus site with three new, hydrogen-capable barges. Each barge would be capable of delivering 273 MW (nameplate) of fast-start, dispatchable capacity (819 MW nameplate total). AlphaGen states that this solution option would reduce emissions intensity by more than 50 percent compared to the existing units and, through its hydrogen

[16] The total nameplate MW capability of the Gowanus and Narrows barges is 672 MW. However, on April 1, 2025, Gowanus 3-6 entered IIFO and on May 1, 2025 Narrows 2-1 and 2-7 entered IIFO reducing the capability of these barges to 608 MW nameplate.

[17] DEC Peaker Rule, 6 N.Y.C.R.R Part 227-3 (available here)

capability, would align with New York's long-term decarbonization goals. However, the earliest possible in-service date for this solution would be mid-2031.[18] This proposal would also face numerous challenges associated with permitting and financing. At this time the proposed solution is not viable to meet the identified need as its proposed in-service date is beyond the timeframe of the short-term process as well as the additional actions that remain to be completed regarding permitting and financing.

In consideration of state policy goals, the NYISO notes that repowering solutions provide significant improvement to reliability margins as well as the additional reliability attributes of dispatchable resources. As such, these types of solutions are critical to achieving policy objectives while maintaining a reliable electric system. The NYISO encourages Developers and State agencies to work collaboratively to establish pathways for these resources to interconnect and supply power to the grid. Notably, these types of solutions would also provide the reliability attributes of dispatchable resources discussed in the 2025–2034 CRP.[19]

Other Proposed Solutions

In response to the solicitation, the NYISO also received a proposal from Daroga Power, LLC ("Daroga") to address the observed deficiencies in both New York City and Long Island. Daroga is a developer and operator of distributed energy resources, and its proposal included the development of up to 200 MW of natural gas-fueled fuel cell or linear generator systems with on-site carbon capture technology. This total capacity would be achieved through up to 40 separate installations of approximately 5 MW each across New York City and Long Island service territories. However, Daroga did not provide specific site locations or other information necessary for the NYISO to assess the viability of the proposal. In addition, Daroga did not propose that these resources would be available to participate in the NYISO markets. Accordingly, the NYISO has determined that this proposal is not viable. Nonetheless, the NYISO encourages Daroga, and developers of similar solutions, to continue working with Transmission Owners and New York State to advance the development and interconnection of such resources, as they could help offset demand and further support system reliability.

Reliability Must-Run Solutions

In response to the solution solicitation there were no requested RMR solutions submitted by any

[18] Alpha Generation, LLC submitted a similar solution in response to the Con Edison Request for Information (RFI) for clean and non-emitting reliability solutions to manage peak demand and address the transmission security need within NYCA Zone J. Both the solution provided to the NYISO and as part of the Con Edison RFI include the repowering of the Gowanus site with 819 MW of new, reduced emissions generation with hydrogen capability. However, as discussed by AlphaGen (here) the response to the Con Edison RFI also includes two utility-scale battery energy storage systems (the Luster Creek Energy Storage projects) totaling 126 MW/504 MWh at Astoria Generating Station in Queens and a proposed 150 MW/600 MWh battery project at the Gowanus site, with the potential for barge-based deployment.

[19] See appendix G of the 2025-2034 Comprehensive Reliability Plan found on the NYISO website (here) for information on the reliability attributes of dispatchable resources.

developers. However, as discussed below should AlphaGen not rescind its Generator Deactivation Notice for the Gowanus and Narrows barges, these units would be eligible for RMR agreements starting July 14, 2026 until the units are no longer needed to meet a reliability need.

Other Planned Projects (Permanent Solutions)

In addition to the Developer-proposed responses to the November 10, 2025 solutions solicitation, all other planned projects in New York City that have met the reliability planning process inclusion rules are important to the reliability of the grid. A summary of these planned projects is provided here.

The CHPE project, planned to enter service by summer 2026, is a 1,250 MW HVDC underground and submarine cable from the Hertel substation in Quebec to the Astoria Annex 345 kV substation in New York City (Zone J). The project will deliver power from the Hydro Quebec control area to Zone J during the summer, but the facility is not expected to provide any capacity in the winter. CHPE has met all milestones to be included in the NYISO reliability plans, starting with the 2022 RNA. The project completed the NYISO interconnection process as a member of Class Year 2021 in queue positions Q#631 and Q#887. In November 2021, NYSERDA finalized contracts with CHPE as a result of New York State's Tier 4 Renewable Energy Credit (REC) program. CHPE has received all major necessary permits, construction is complete, and is proposed to be in service by summer 2026.

Arthur Kill Energy Storage 1 is a 15 MW 4-hour battery storage project connecting to the Fresh Kills 13.8 kV substation that is proposed to be in-service by winter 2026. This project met the reliability planning process inclusion rules starting with the 2025 Quarter 3 STAR.

Astoria Energy Storage is a 100 MW 4-hour battery storage project connecting to the Astoria West 138 kV substation that is proposed to be in-service by winter 2026. This project completed the interconnection process as part of Class Year 2021 in queue position #0931. All major permits have been received along with financing. Various aspects of construction are underway. This project met the reliability planning process inclusion rules starting with the 2026 Quarter 1 STAR.

Empire Wind 1 ("Empire Wind") is an 816 MW (nameplate) offshore wind project connecting into New York City at the Gowanus 345 kV substation planned to be in-service by winter 2027. This project completed the interconnection process as part of Class Year 2019 in queue position #0737. All major permits have been received along with financing. Various aspects of construction are underway. This project met the reliability planning process inclusion rules starting with the 2024 RNA. However, the NYISO continues to monitor the status of the planned Empire Wind offshore wind project, considering the December 22, 2025, order by the Bureau of Ocean and Energy Management (BOEM) to suspend all

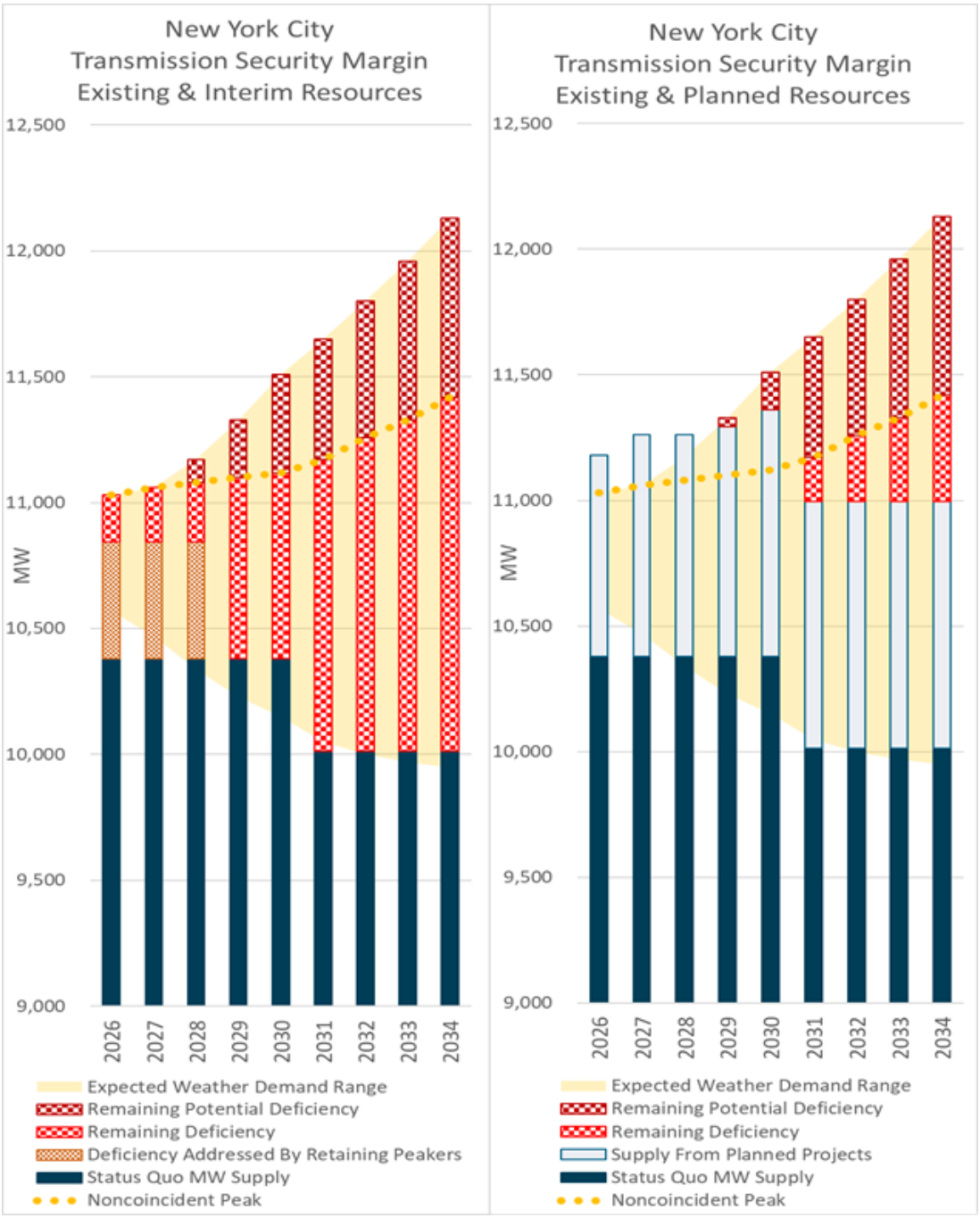
ongoing activities and the subsequent preliminary injunction granted on January 15, 2026 by a federal District Court to stay the suspension order while the court considers the merits of Empire Wind's challenge to the order.

New York City Assessment Summary

As shown in Figure 2, the retention of the Gowanus and Narrows barges alone is insufficient to address the New York City BPTF Need, and in the absence of other projects entering service, the deficiency would remain unresolved. Under a barges-only scenario, New York City could be deficient by up to 187 MW over a four-hour period (571 MWh) at the non-coincident peak in summer 2026. In the absence of other solutions, addressing this deficiency would require reliance on emergency actions to maintain reliability. As CHPE and other planned projects enter service, the margins in New York City improve substantially in the short-term horizon leaving only the potential for deficiencies if demand is beyond the non-coincident peak forecast (*i.e.,* remaining potential deficiency under the higher demand forecast).

More information regarding the New York City reliability margins is provided in the Reliability Margin Projections section of this report.

Figure 2: Factors Affecting New York City Transmission Security Margin



Long Island

LIPA Regulated Solution

As the Responsible Transmission Owner, PSEG-LI/LIPA proposed a regulated generation solution, shown in Figure 3, to address the Long Island BPTF Need. This solution includes the installation of water injection capability at Shoreham 1, Shoreham 2, and Glenwood GT 3, with all upgrades planned to be in-service by May 1, 2027. In addition, the DEC Peaker Rule compliance plan for these units was updated in October 2025 to account for the planned water injection. The PSEG-LI/LIPA proposal also includes execution of the capacity purchase agreement with MPH Rockaway Peakers for the operation of Far Rockaway 1 and 2. On March 20, 2026 the Office of the State Comptroller approved a capacity purchase agreement between LIPA and MPH Rockaway Peakers, LLC.[20] Following this approval, on March 30, 2026, Hull St. Energy provided to the NYISO notice of their withdrawal of their generator deactivation notice for Far Rockaway GT1 and GT2 effective hour beginning 1:00 on May 1, 2026. Based on this information, the regulated generation solution proposed by PSEG-LI/LIPA, as shown in Figure 3, is viable to address the Long Island BPTF Need.

Figure 3: PSEG-LI/LIPA Regulated Generation Solution

Proposed Solution Developer	Project Name	Nameplate (MW)
PSEG-LI/LIPA	Shoreham 1 (water injection)	52.9
	Shoreham 2 (water injection)	18.6
	Glenwood GT 3 (water injection)	55
	Far Rockaway 1	60.5
	Far Rockaway 2	60.5

To address the Long Island Non-BPTF Need, PSEG-LI/LIPA proposed two solutions. The first solution consists of the availability of at least one Far Rockaway unit along with local transmission upgrades. The local transmission upgrades include the Belmont 33 kV to 69 kV conversion and the addition of two new 69 kV circuits from the Lake Success and Whiteside substations. These transmission upgrades were presented by PSEG-LI at the December 3, 2025 TPAS/ESPWG[21] meeting and are now in-service. This solution is viable to address the non-BPTF need.

The second solution proposed by PSEG-LI/LIPA to address the Long Island Non-BPTF Need consists of the installation of a 7-mile 138 kV cable between LIPA's Valley Stream and Far Rockaway 138 kV substations along with a 138/69 kV transformer and the expansion of two existing substations. Given the

[20] https://www.osc.ny.gov/open-book-new-york

[21] https://www.nyiso.com/documents/20142/56616218/PSEG-LI-2025-LTP.pdf/

permitting timeframe through the Article VIII process and the time needed to permit, design, and construct this upgrade, this proposed solution is estimated to be in-service after 2030.[22] As such, the proposed transmission solution is not viable to address the identified non-BPTF need.

Market-Based Solutions

In response to the solution solicitation, there were no proposed market-based solutions submitted by any Developers in the Long Island locality.

Reliability Must-Run Solutions

In response to the solution solicitation there were no requested RMR solutions submitted by any Developers.

Other Proposed Solutions

As discussed in the New York City section above, the NYISO received a proposal from Daroga to address the observed deficiencies in both New York City and Long Island. As discussed above, the NYISO has determined that this proposal is not viable. Nonetheless, the NYISO encourages Daroga, and Developers of similar solutions, to continue working with Transmission Owners and New York State to advance the development and interconnection of such resources, as they could help offset demand and further support system reliability.

Other Planned Projects (Permanent Solutions)

In addition to the Developer proposed responses to the November 10, 2025 solutions solicitation, all other planned projects in Long Island that have met the reliability planning process inclusion rules are important to the reliability grid. A summary of these projects are provided here.

Propel NY Energy – Alternate Solution 5 ("Propel NY"), planned to enter service by summer 2030 is the project selected by the NYISO Board of Directors to meet the Long Island Offshore Wind Export Public Policy Transmission Need ("LI PPTN"). The project includes various transmission additions and enhancements across parts of Long Island, New York City, and Westchester County. Propel NY has met all milestones to be included in the NYISO reliability plans, starting in the 2024 RNA. The project is currently undergoing a Facilities Study in the NYISO's interconnection process in queue position Q#1289. Propel NY is in the process of securing all major necessary permits and making progress towards start of construction.

Sunrise Wind and Sunrise Wind II ("Sunrise Wind") together comprise a 924 MW (total nameplate)

[22] The most recent LTP presentation (December 3, 2025 TPAS/ESPWG) from PSEG-LI identifies this upgrade as non-firm with a proposed in-service date of June 2033.

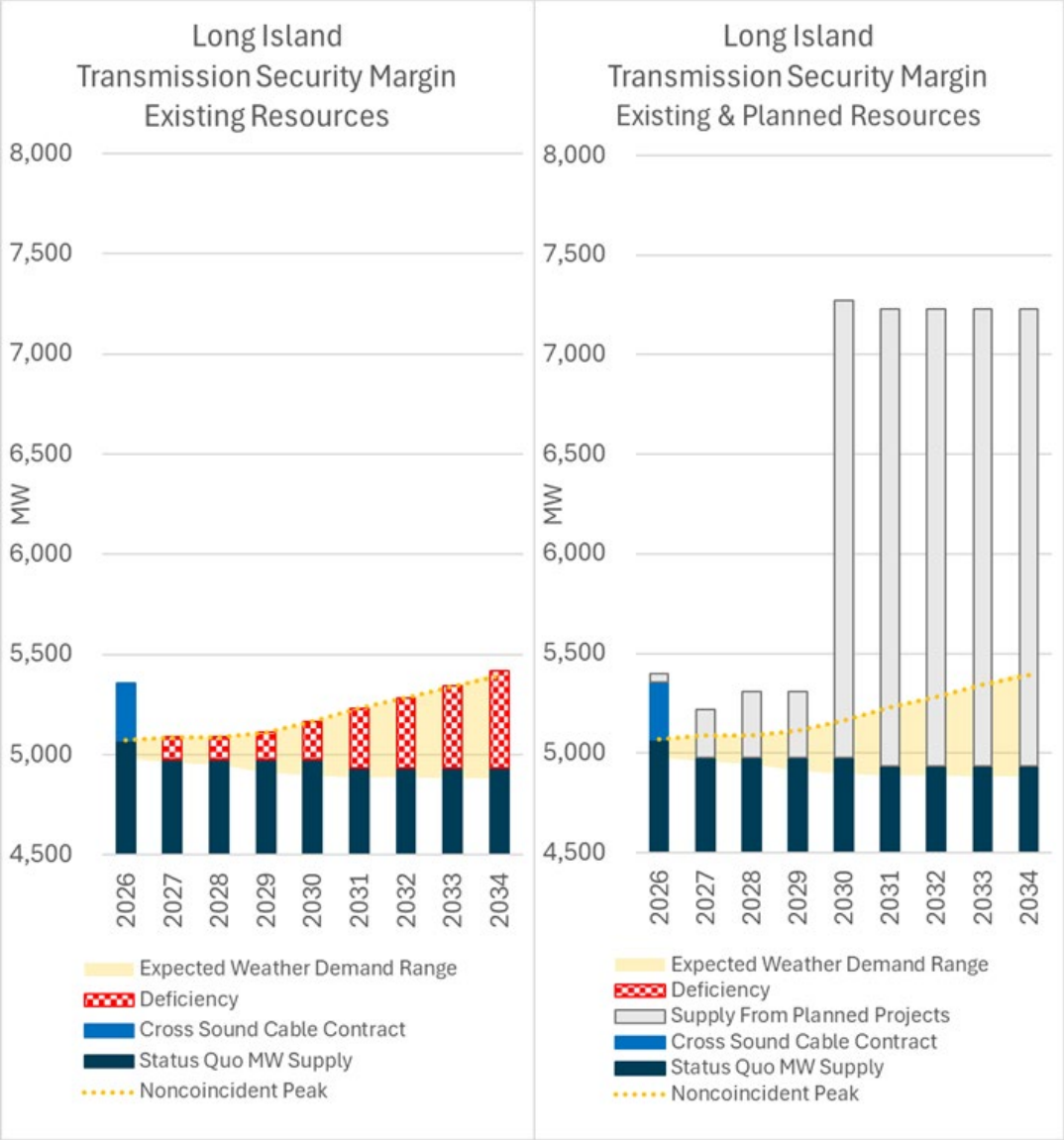
offshore wind project connecting into Long Island at the Holbrook 138 kV substation planned to be in-service by winter 2027. This project completed the interconnection process as part of Class Year 2021 in queue positions #0766 and #0987. All major permits have been received along with financing. Various aspects of construction are underway. Sunrise Wind met the reliability planning process inclusion rules starting with the 2024 RNA. However, the NYISO continues to monitor the status of the planned Sunrise Wind offshore wind project, considering the December 22, 2025, order by the BOEM to suspend all ongoing activities and the subsequent preliminary injunction granted on February 2, 2026 by a federal District Court to stay the suspension order while the court considers the merits of Sunrise Wind's challenge to the order.

Long Island Assessment Summary

Figure 4 provides a summary of the factors affecting the Long Island BPTF Need as well as the impact of the identified solutions and illustrates the range of the potential deficiency until other planned projects are completed and demonstrate their planned power capabilities to address the identified reliability needs. The Far Rockaway, Glenwood, and Shoreham generation solutions together address the near-term deficiencies, but there would be less than 100 MW of margin prior to the Propel NY transmission project entering service.

More information regarding the Long Island reliability margins is provided in the Reliability Margin Projections section of this report.

Figure 4: Factors Affecting Long Island Transmission Security Margin



Lower Hudson Valley

Lower Hudson Valley Assessment Summary

Consistent with the findings of the 2025 Quarter 3 and Quarter 4 STARs, the 2026 Quarter 1 STAR continued to find a Generator Deactivation Reliability Need in the Lower Hudson Valley locality. In the 2025 Quarter 3 STAR and 2025 Quarter 4 STAR, the NYISO had identified that the Lower Hudson Valley deficiency was primarily an exacerbation of the New York City BPTF Need and was also impacted by the Long Island BPTF Need.

As found in the 2026 Quarter 1 STAR, with the proposed retirement of Danskammer 1-4, the

magnitude and scope of the Lower Hudson Valley Generator Deactivation Reliability Need changed such that it also became a Near-Term Reliability Need (hereinafter, "Lower Hudson Valley BPTF Need"). The need is also driven by demand forecasts based on expected weather, expected generator availability, transmission limitations, and risks associated with the availability of key future planned projects. The observed transmission security margin deficiencies in the Lower Hudson Valley locality are also driven in part by the RECO demand, whose MW supply from PJM must flow across Lower Hudson Valley transmission in New York. In the 2026 Quarter 1 STAR, the NYISO also found a resource adequacy need in 2030 if the planned projects are not timely completed and demonstrate their planned capabilities.

The following table provides the magnitude and duration of the Lower Hudson Valley BPTF Need observed in the 2026 Quarter 1 STAR until future planned projects are in-service and have demonstrated their planned capabilities.

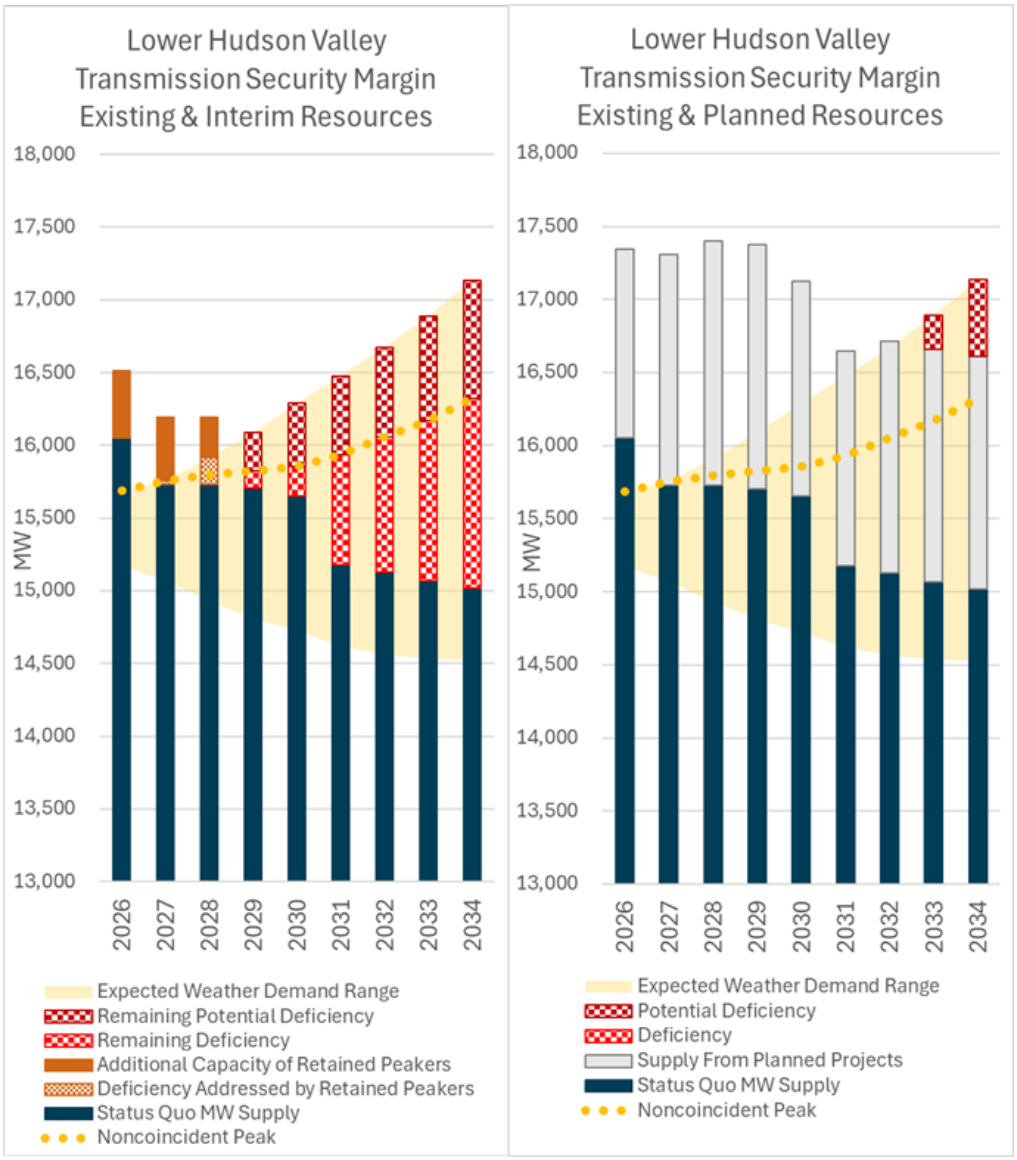
Lower Hudson Valley BPTF Need:

Summer Peak	**2026**	**2027**	**2028**	**2029**	**2030**
MW Deficiency	None	17-27	69-184	121-383	202-639
Duration (hours)	None	1	3	3-4	3-6
MWh	None	17-27	396-756	521-1,446	718-2,663

As shown in Figure 5, in consideration of the projects identified to address New York City (Figure 16) and Long Island (Figure 17) BPTF Needs, there are sufficient solutions to address the Lower Hudson Valley BPTF Need in the short-term horizon. While the extension of the Gowanus and Narrows barges would also help to address the Lower Hudson Valley deficiency, retaining Danskammer 1-4 would not help alleviate the New York City Need. As determined in the 2026 Quarter 1 STAR, Danskammer cannot deactivate until at least August 1, 2026 and may be required to remain in-service until at least January 15, 2027 if the reliability need persists.

More information regarding the Lower Hudson Valley reliability margins is provided in the next section.

Figure 5: Factors Affecting Lower Hudson Valley Transmission Security Margin



Reliability Margin Projections

Reliability conditions over the planning horizon reflect a growing set of structural and operational risks. The system is becoming more sensitive to changes in generator availability, demand growth, and project timing as aging resources remain in service and replacement capacity lags. Projected reliability margins indicate a grid that is becoming less operable over time. Even where reliability criteria are met, declining margins increase reliance on emergency tools and operational interventions, particularly during periods of extreme weather or reduced resource availability. The projections demonstrate that small deviations from planned assumptions, such as delays in projects, higher-than-expected demand, or generator outages, could materially affect reliability outcomes in both the near and longer term.

The continued safe operation of New York's electric grid depends on replacing an aging fossil generation fleet that is approaching the limits of its useful life. These units were not designed to operate indefinitely, and their increasing failure risk places added strain on the system. As demand grows and older plants retire, new or repowered resources must be developed to take their place. Delaying replacement increases reliance on emergency measures and reduces system flexibility. Proactive development of new or repowered replacement dispatchable resources is necessary for maintaining reliable electric service.

The following section provides insights into reliability margins over the next ten years, taking into consideration the revised demand forecasts[23] to be published in the 2026 Gold Book coupled with the recognition of aging generation statistical risks. The same information will be the basis for key findings in this year's RNA, for which full preliminary results will be available in July, with the final report to be published by the end of 2026.

Statewide Adequacy

Resource adequacy is the ability of the electric system to supply the aggregate electrical demand and energy requirements of the firm load at all times, considering scheduled and reasonably expected unscheduled outages of system elements. The NYISO performs resource adequacy assessments on a probabilistic basis to capture the random nature of system element outages. If a system has sufficient transmission and generation, the probability of an unplanned disconnection of firm load is equal to or less than the system's standard, which is expressed as a loss of load expectation ("LOLE"). Consistent with the NPCC and NYSRC criterion, the New York State bulk power system is planned to meet a LOLE that, at any given point in time, is less than or equal to an involuntary firm load disconnection that is not more

[23] Draft 2026 Gold Book forecasts were provided to Stakeholders at the April 7, 2026 TPAS/ESPWG/LFTF (here)

frequent than once in every 10 years, or 0.1 event days per year.

Statewide system margin is a measure of the amount of generation and net imports available to supply firm load over the bulk power transmission system within applicable normal ratings and limits while maintaining 10-minute operating reserves. A negative statewide system margin, on its own, is not a criteria violation, but it is a leading indicator of the system's inability to securely serve demand under normal operations.

As shown in Figure 6 and Figure 7, when considering the 2026 Gold Book demand forecasts, the statewide system margin would be deficient starting in summer 2027 until future planned projects have demonstrated their capabilities. However, even with future planned projects in-service on schedule, the risks to reliability would remain as the statewide system margin would again become deficient as early as 2030, and worsen rapidly thereafter as demand grows and old fossil generators are likely to reach end of life. As shown in Figure 8 and Figure 9, similar issues are observed under winter peak. While the peak demand is lower in winter, so is the available supply due to fuel and import constraints.

In the near term, these declining margins indicate a less operable system. This is concerning because it means that NYISO operators will have to utilize the tools in their toolbox more often, such as emergency operating procedures (EOPs), since the "just right" system condition in planning is often more optimistic than typical conditions experienced by operators. The EOPs consist of load control and capacity resource supplements that can be implemented before load must be disconnected due to capacity shortages. Load control measures include implementation of demand response programs, public appeals to reduce demand, and voltage reduction. Capacity resource supplements could include emergency purchases and cutting operating reserves. The 2025-2034 CRP further describes how the utilization of emergency actions is expected to triple over the next ten years without additional dispatchable generation.

Figure 6: Factors Affecting Statewide System Margin (Summer Peak)

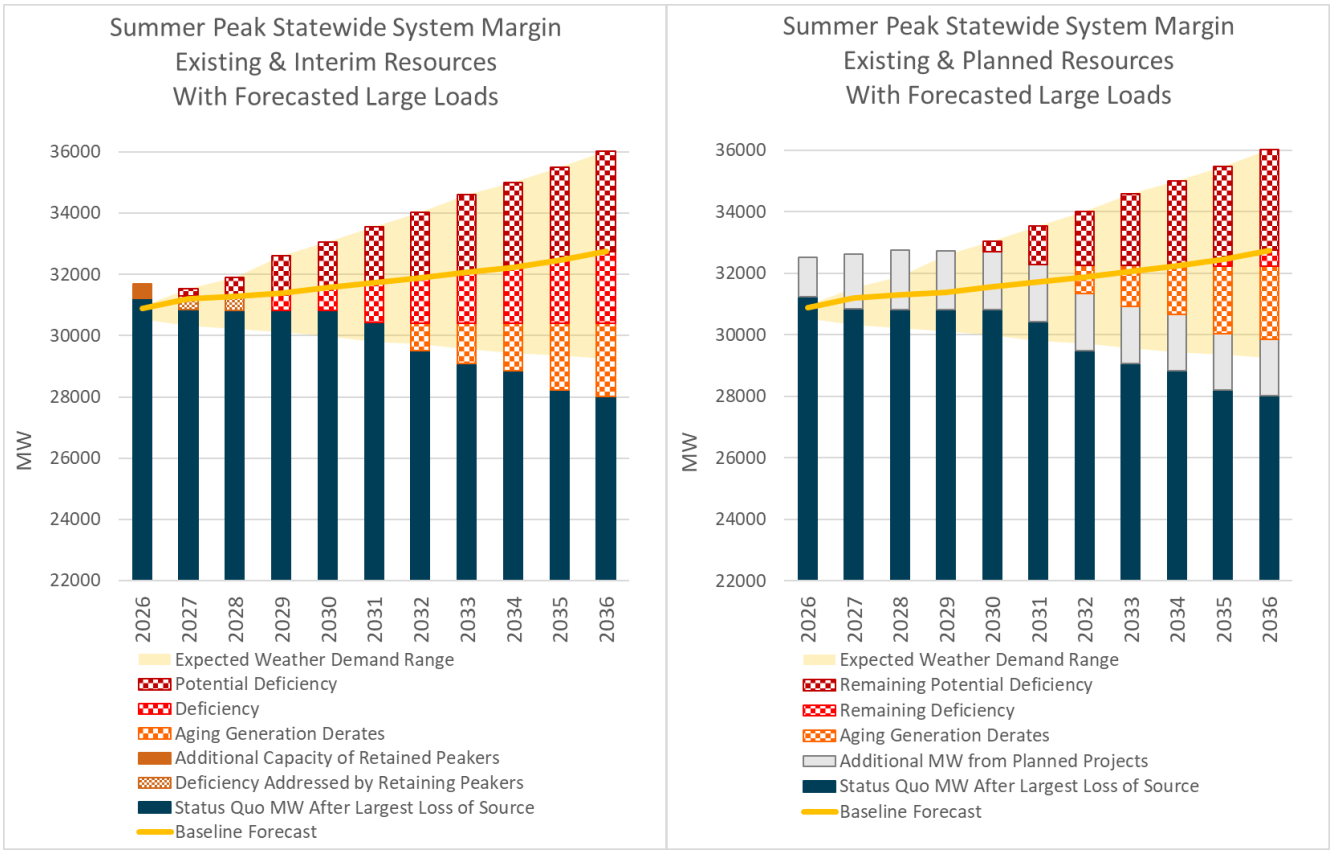


Figure 7: Statewide System Margin (Summer Peak)

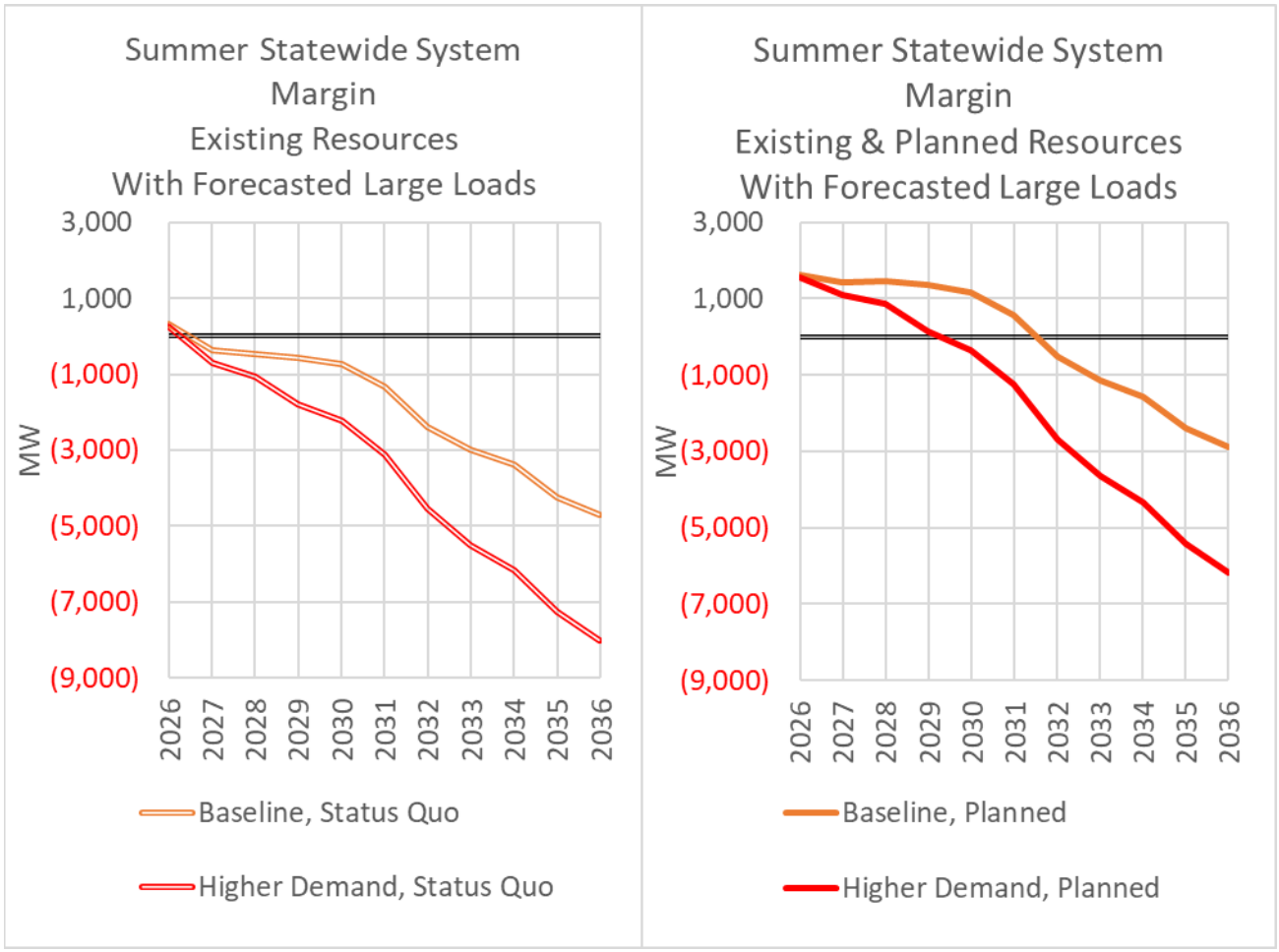


Figure 8: Factors Affecting Statewide System Margin (Winter Peak)

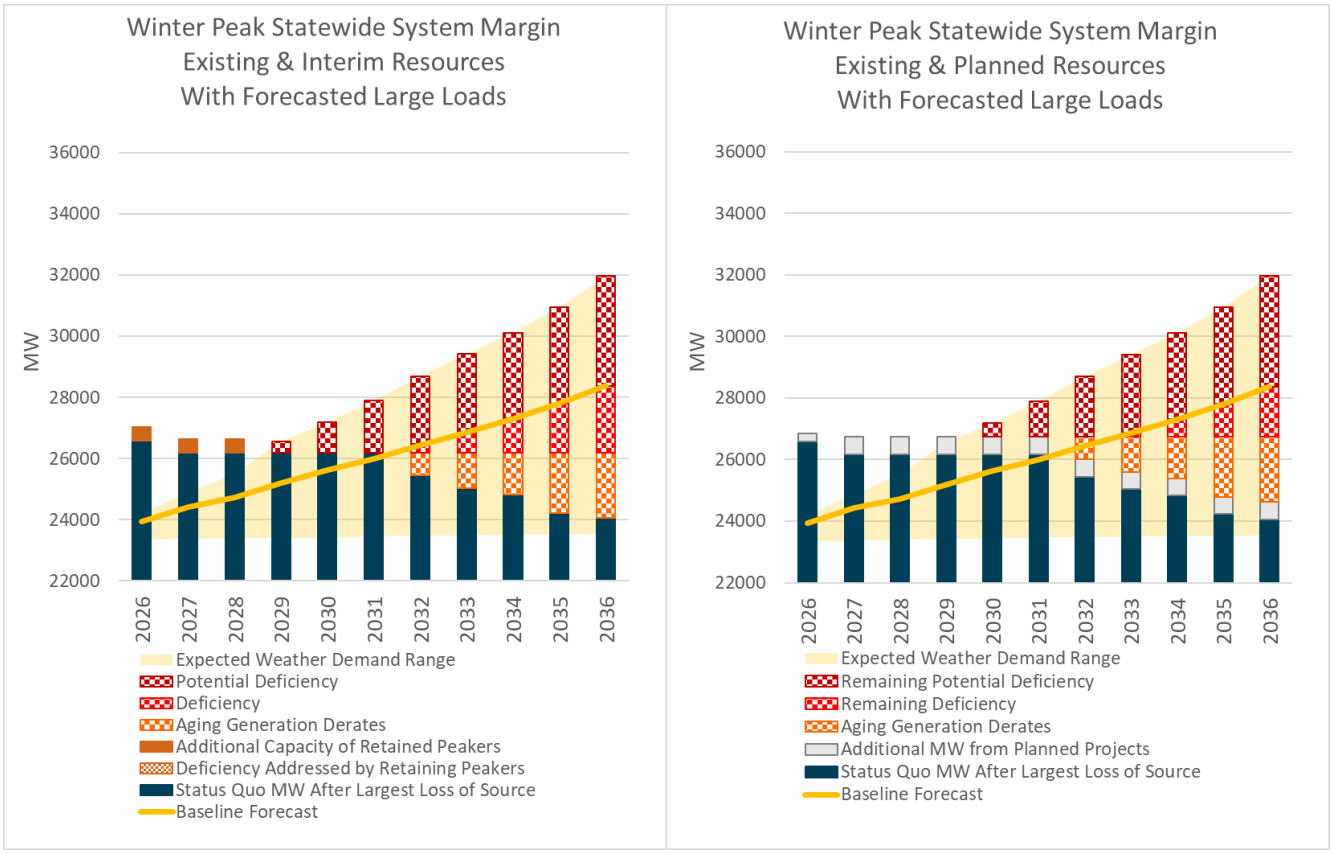
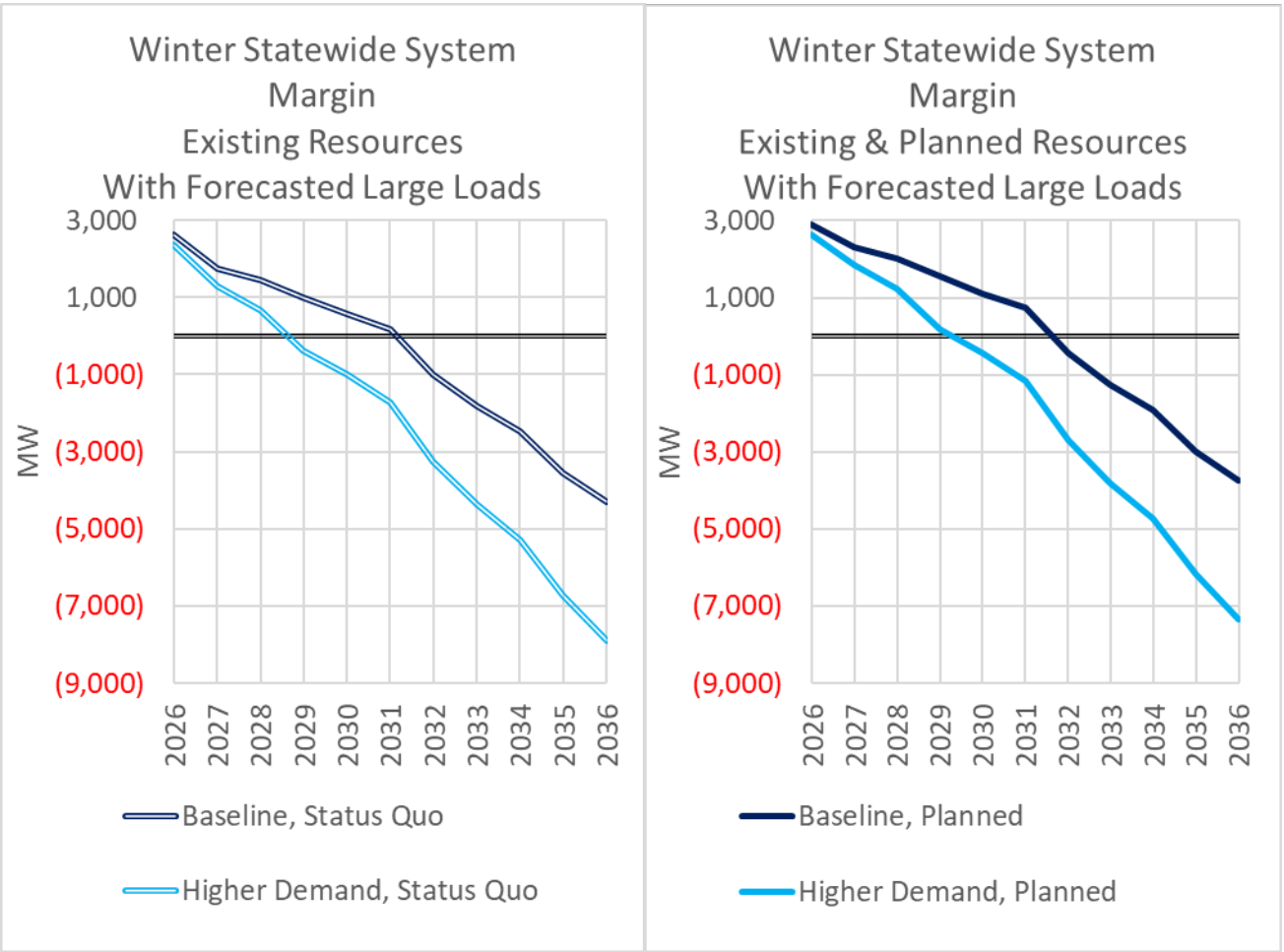


Figure 9: Statewide System Margin (Winter Peak)



In the 2026 Quarter 1 STAR assessment, the NYISO found that the planned system through the five-year study period meets the resource adequacy criterion. However, when considering the potential for delays in planned projects ("status quo"), a LOLE violation (*i.e.,* above 0.1 event-days/year) would occur in 2030. The deficiency without planned projects or retained generation is estimated to be 525 MW.

Locality Transmission Security Margins

With the revised 2026 Gold Book forecasts, in general the higher demand forecast has reduced but the baseline forecast has increased for the New York City, Long Island, and Lower Hudson Valley localities. These localities are also home to the oldest generation in New York State, resulting in accelerating risks in the long term as demand increases and supply projected to rapidly decrease.

Within New York City, the planned unavailability of the NYPA Small Plants (517 MW) by December 31,

2030 would result in a deficiency in 2031. When coupled with the risk of aging generation retirements, New York City would be substantially deficient of reliable power, with projected deficiencies growing to more than 2,000 MW by 2036 as shown in Figure 10 and Figure 11.

Should the proposed Gowanus site repowering with hydrogen capable turbines (819 MW nameplate) be available in this timeframe, the deficiency would be significantly reduced. It is notable that these types of solutions provide the reliability attributes of dispatchable resources discussed in the 2025-2034 CRP.[24] As these types of solutions would be critical to achieving reliability beyond the short-term horizon, the NYISO encourages entities to work together to establish the pathway for these types of resources to interconnect and supply power to the grid. The NYISO also notes that the conceptual proposed transmission solution put forward by Con Edison would also help to improve reliability in the longer-term horizon (2035 and beyond) by increasing the transfer capability into this locality by about 700-800 MW. However, additional transmission capacity into a locality only provides reliability benefit when coupled with sufficient statewide supply to transfer into that locality.

[24] *See* appendix G of the 2025-2034 Comprehensive Reliability Plan found on the NYISO website (here)

Figure 10: Factors Affecting New York City Transmission Security Margin (2026 RNA Horizon)

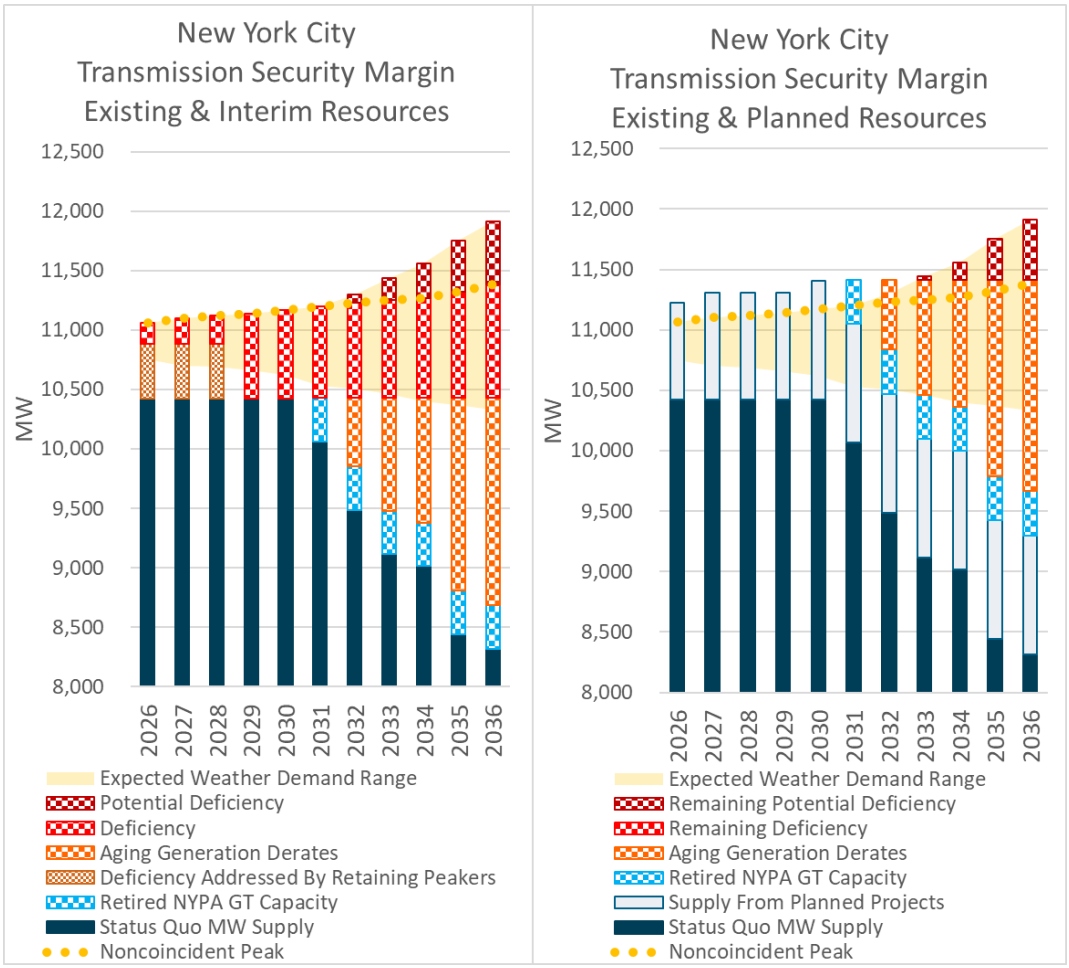
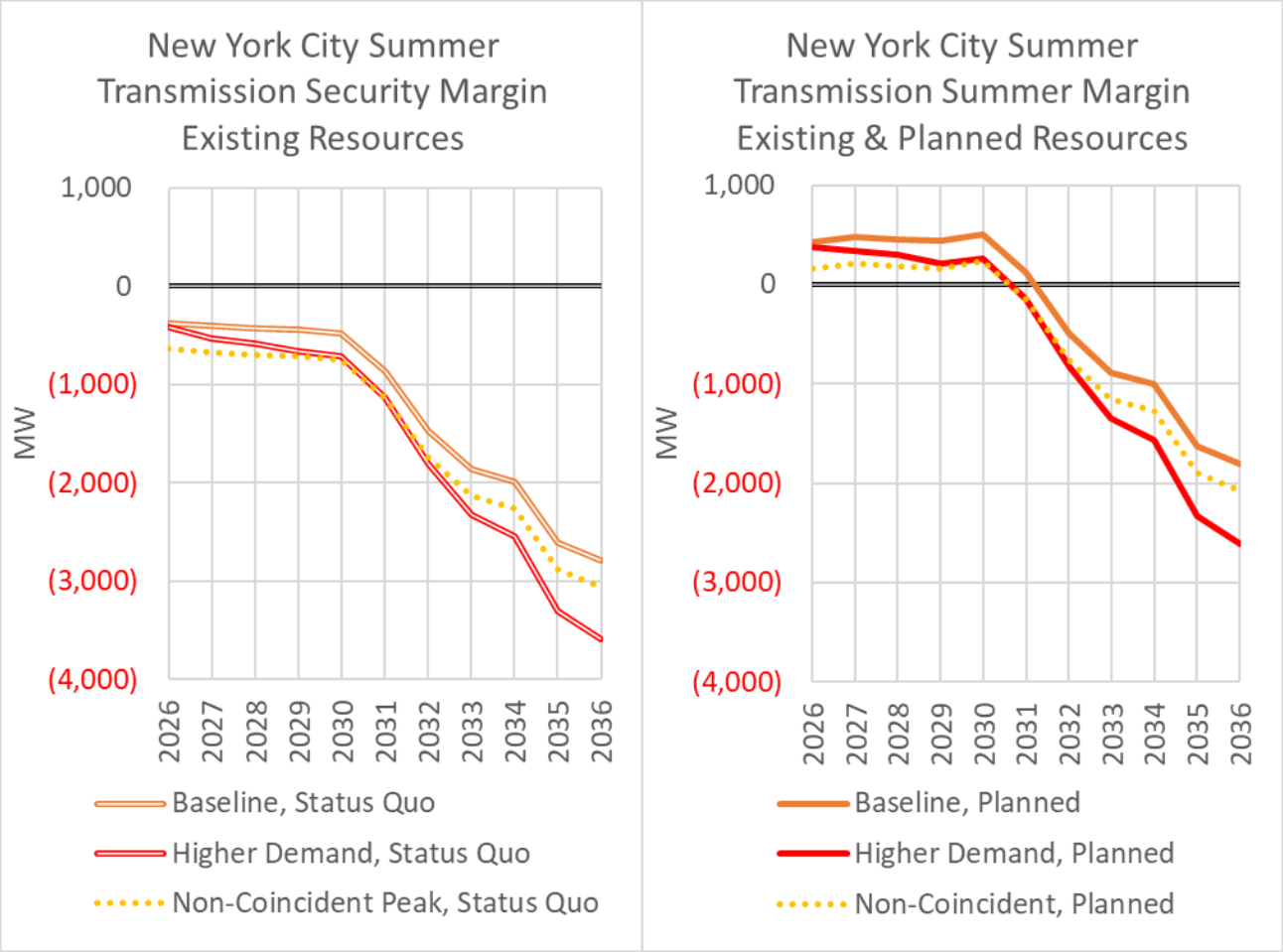


Figure 11: New York City Transmission Security Margin (2026 RNA Horizon)



As with New York City, Long Island must rely heavily on planned projects to meet reliability in the future. The revised demand forecasts continue to indicate a near-term need for generation solutions and a reliance on the completion of the Propel NY transmission project. Considering the risk of aging generation in the long term, Long Island would be deficient starting in 2031 without the Propel NY transmission project. While this project provides sufficient transmission into the locality over the long term, as shown in Figure 12 and Figure 13, sufficient statewide supply or imports will need to be available to help meet the demand. PSEG-LI/LIPA has issued a request for proposals to procure up to 345 MW of capacity from one or more generating facilities located in the ISO-NE control area for several capability years up to May 1, 2031.[25]

[25] On October 24, 2025, PSEG Long Island, as agent of and acting on behalf of LIPA, issued a request for proposals, the 2025 ISO-NE Capacity Request for Proposals, to procure up to 345 MW of Capacity from one or more generating facilities located in the New England Control Area. Details of this RFP are found on the PSEG-LI website (here).

Figure 12: Factors Affecting Long Island Transmission Security Margin (2026 RNA Horizon)

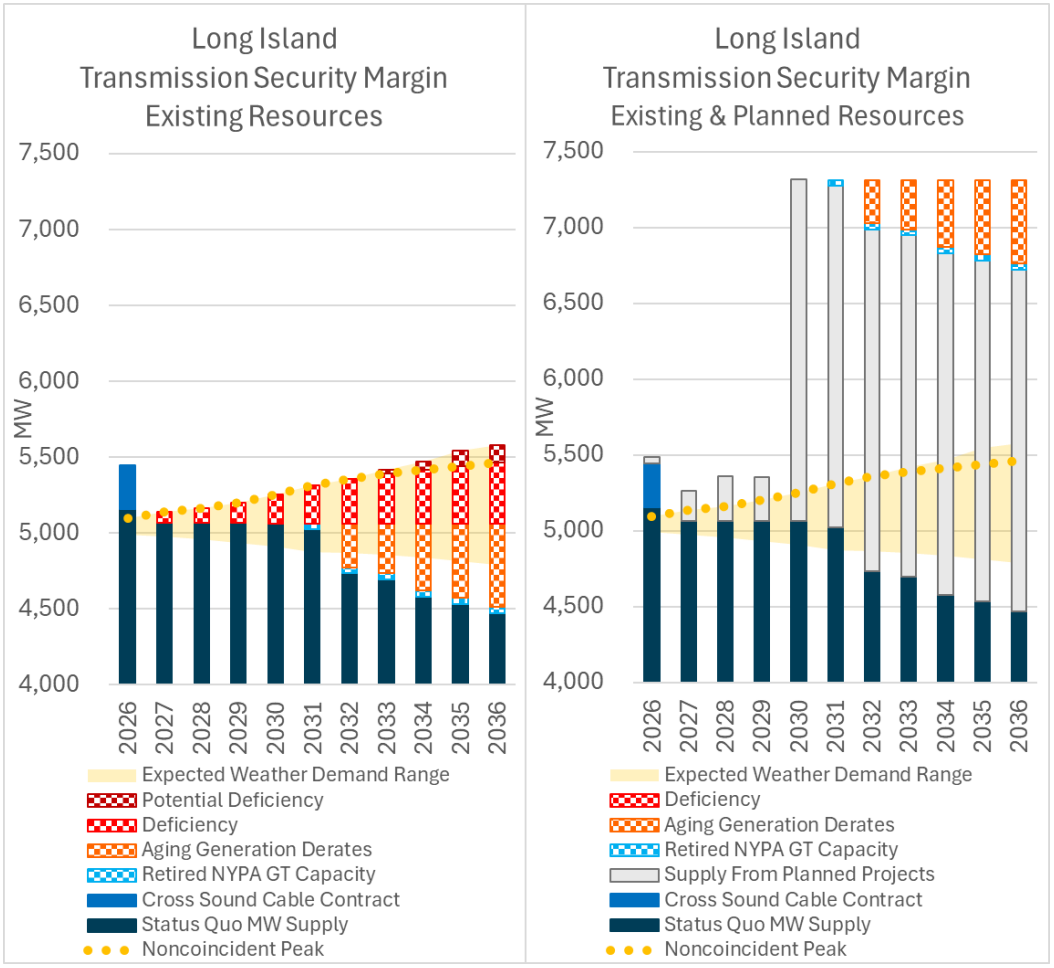
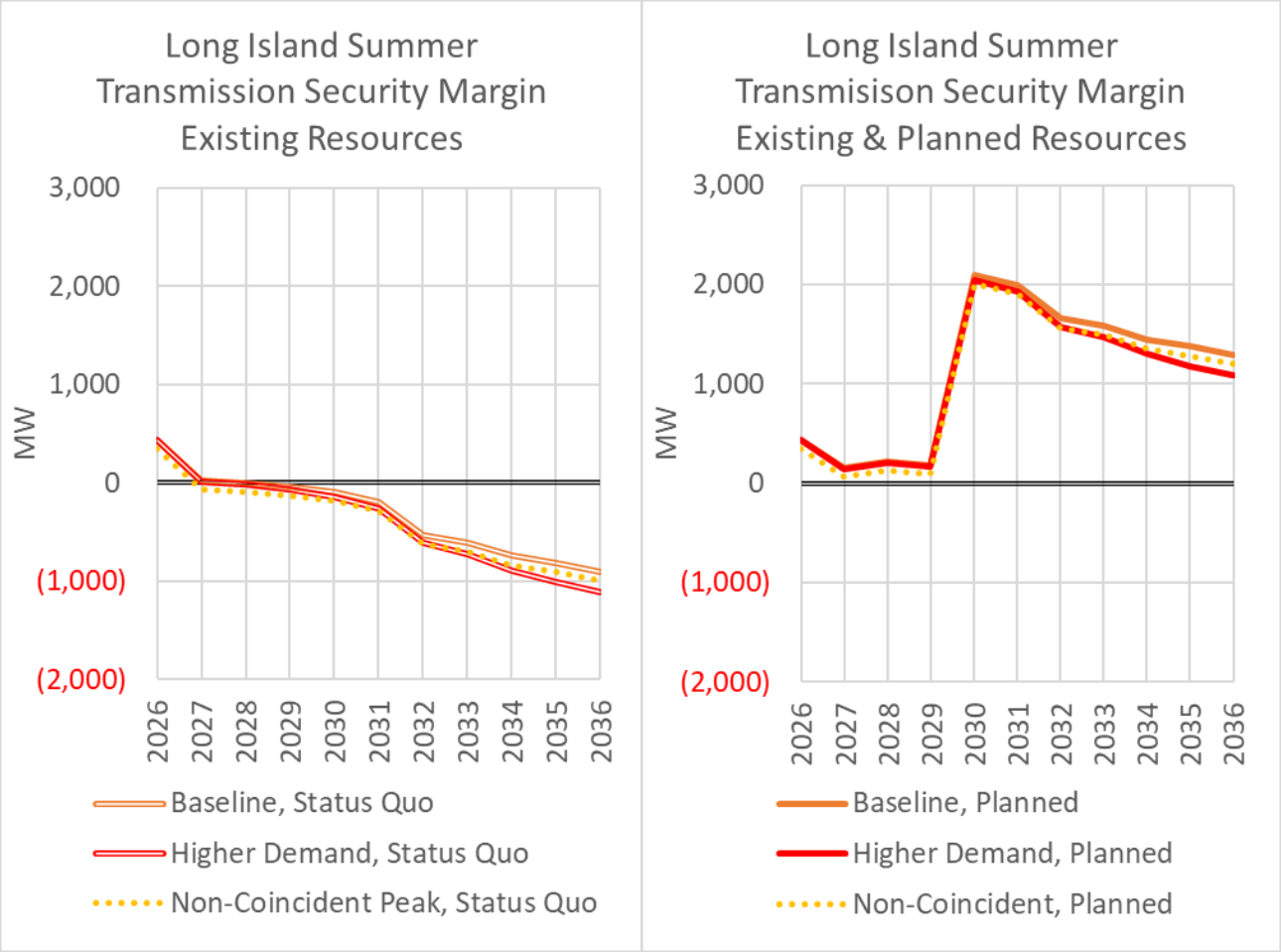


Figure 13: Long Island Transmission Security Margin (2026 RNA Horizon)



With increased demand forecasts for the Lower Hudson Valley locality (which includes New York City), the near-term reliability needs remain until planned projects enter service. Similar to New York City, the combined effect from the unavailability of the NYPA Small Plants and aging generation risk significantly reduces the available supply in the Lower Hudson Valley over the ten-year planning horizon. As seen in Figure 14 and Figure 15, deficiencies would start in 2032 growing to more than 2,000 MW by 2036, even after accounting for planned projects.

Figure 14: Factors Affecting Lower Hudson Valley Transmission Security Margin (2026 RNA Horizon)

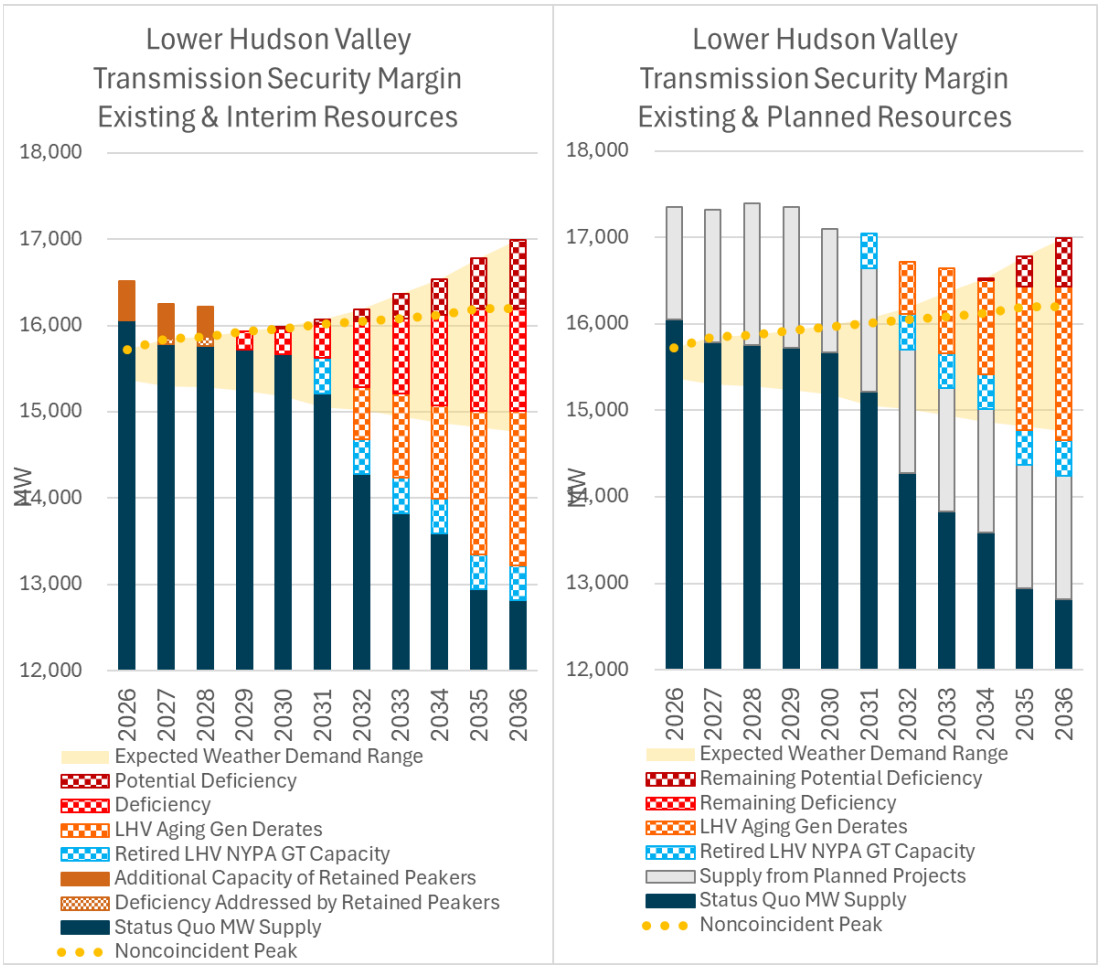
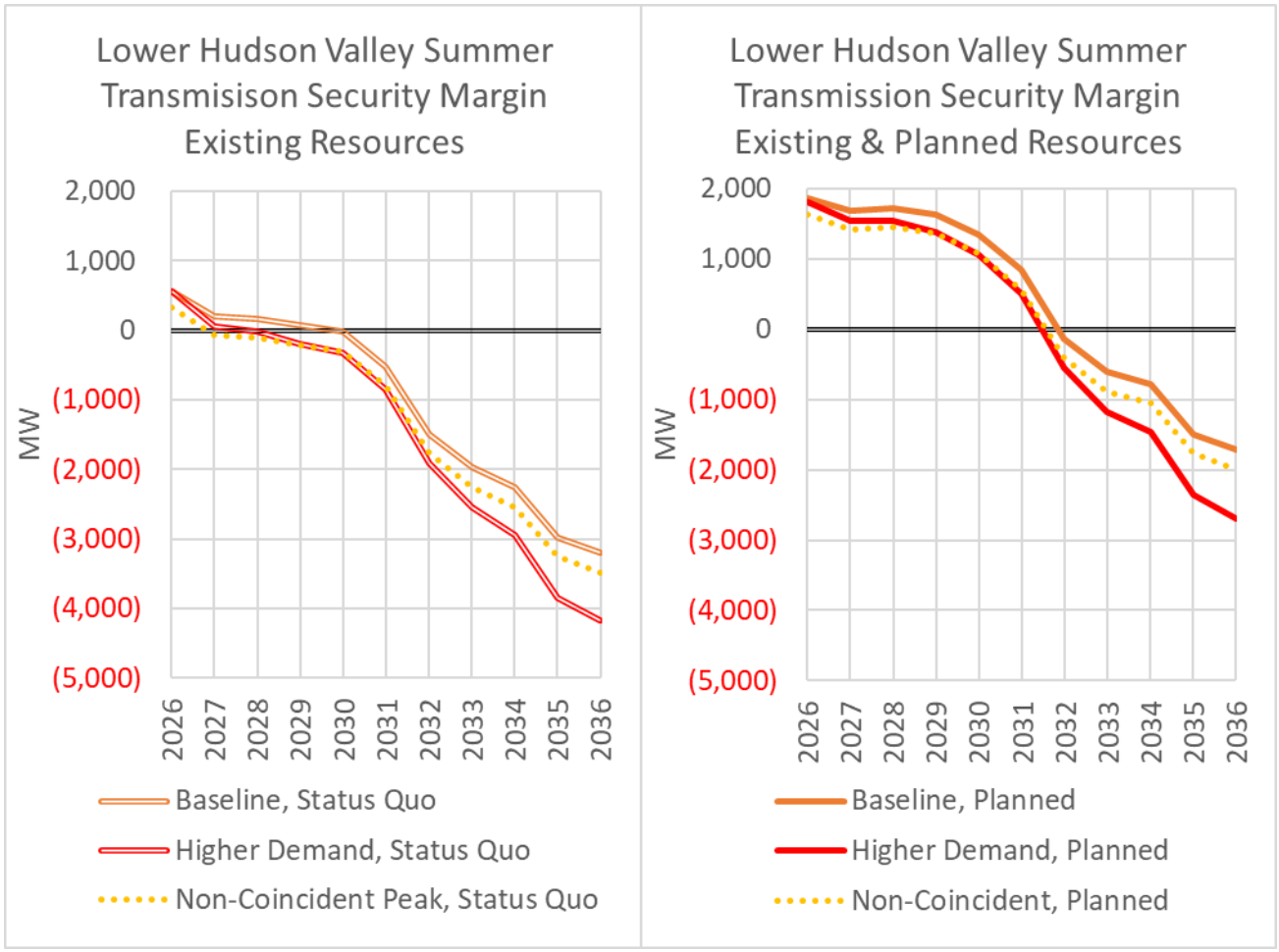


Figure 15: Lower Hudson Valley Transmission Security Margin (2026 RNA Horizon)



Explanation of the Solution Selection

New York City

In accordance with Section 38.10 of the OATT, the NYISO first considers the impact of the Developer proposed market-based and demand response solutions. For the New York City locality this includes only the proposed continued operation of the Gowanus and Narrows barges following the anticipated withdrawal of their deactivation notice. Figure 16 lists this proposed solution as well as the other projects (permanent solutions) that have met the reliability planning process inclusion rules in the New York City locality.

The continued operation of the Gowanus and Narrows barges is needed until sufficient supply is available to serve New York City and Lower Hudson Valley demand. In November 2023, the NYISO determined that temporarily retaining the Gowanus and Narrows barges was necessary to address ongoing reliability needs, and the NYISO's designation of these generators allows their continued operation until May 1, 2027 or until permanent solutions are in place. As shown in Figure 2 and Figure 5, extending the reliability resource designation of Gowanus and Narrows barges through May 1, 2029, helps alleviate the identified deficiencies, but without additional supply resources, reliability needs will likely develop at the end of the five-year horizon or shortly after it with the planned unavailability of the NYPA Small Plants starting in summer 2031. Supply deficiencies continue to require the Gowanus and Narrows barges to be available and to operate. Without the retention of these generators, the New York City and Lower Hudson Valley areas would face a significant reliability risk until additional new resources come into service. As described in this report, supply deficiencies and reliability needs are likely to continue to materialize due to demand growth, aging generation risks, and persistent difficulty of developing new dispatchable resources.

On April 15, 2026 the NYISO submitted a letter to the DEC identifying the need for extending the Gowanus and Narrows barges for the full extent allowed by the Peaker Rule (May 1, 2029). Specifically, the NYISO designates the generators listed in Appendix A as resources that must be retained in order to ensure the continued reliability of electric service in New York City.

Figure 16: Projects Identified to Address New York City Need

Projects to Identifed to Address New York City Need

	Queue Pos.	Proposed Solution Developer	Project Name	Nameplate (MW)	Proposed In-Service
Proposed Solution	N/A	AlphaGen	Existing Gowanus & Narrows Retention	608	Existing
	Queue Pos.	**Developer/Interconnection Customer**	**Project Name**	**Nameplate (MW)**	**Proposed In-Service**
Other Projects (Permanent Solutions)	631/887	CHPE LLC	NS Power Express	1,250	Summer 2026
	1289	New York Power Authority / New York Transco LLC.	Propel NY Energy - Alternate Solution 5	-	Summer 2030
	0827	Lighthouse Arthur Kill, LLC	Arthur Kill Energy Storage 1	15	Winter 2026
	0931	East River ESS, LLC	Astoria Energy Storage	100	Winter 2026
	0737	Empire Offshore Wind LLC	Empire Wind 1	816	Winter 2027

Long Island

In accordance with Section 38.10 of the OATT, the NYISO first considers the impact of the Developer proposed market-based and demand response solutions. Within Long Island there were no proposed market-based solutions submitted by any Developers. Accordingly, as the only viable solution identified to address the Long Island BPTF Need, the NYISO selects the regulated generation solution proposed by PSEG-LI/LIPA. Further, this proposed regulated generation solution is sufficient to satisfy the Long Island BPTF Need. Figure 17 lists this selected solution along with the other planned projects within Long Island. The solution selected to address the Long Island non-BPTF need in the Far Rockaway load pocket is the Far Rockaway 2 generator in combination with local transmission upgrades that went into service in December 2025. The NYISO has selected this solution as it is the only viable solution to address the Long Island Non-BPTF Need.

In consideration of the system conditions which resulted in the observed needs in the 2025 Quarter 3 STAR, and as the PSEG-LI/LIPA solution is sufficient to address the Long Island BPTF need, the NYISO will not offer an RMR agreement to Pinelawn Power 1. As such, in accordance with OATT 38.13.2. 5 and following the provision of the required 30-day notice period, the Interim Service Provider ("ISP") agreement for Pinelawn Power 1 will terminate on May 15, 2026, after which the unit will no longer be an ISP and may deactivate.[26]

[26] Consistent with Section 38.3.7 of the OATT, the earliest possible retirement date for Hull Street Energy, LLC generator, Pinelawn Power 1 is May 15, 2026. Hull Street Energy, LLC must complete all required NYISO administrative process and procedures prior to retirement of its generating unit. See NYISO Technical Bulletin 185. The NYISO's determination in this Short-Term Reliability Process does not relieve Hull Street Energy, LLC of any obligations they have with respect to its Generators participation in the NYISO markets. Hull Street will be required to repay study cost in accordance with Section 38.14 of the OATT for its Far Rockaway GTs. If Hull Street Energy, LLC rescinds its Generator Deactivation Notice or does not retire Pinelawn within 730 days of July 15, 2025, then Hull Street will be required to submit a new Generator Deactivation Notice in order to deactivate the affected Generator(s) and will be required to repay study cost in accordance with Section 38.14 of the OATT.

Figure 17: Projects Identified to Address Long Island Need

Projects to Identifed to Address Long Island Need

	Queue Pos.	Proposed Solution Developer	Project Name	Nameplate (MW)	Proposed In-Service
Proposed Solutions	N/A	PSEG-LI/LIPA	Shoreham 1 (water injection)	52.9	Existing, water injection by May 1, 2027
			Shoreham 2 (water injection)	18.6	
			Glenwood GT 3 (water injection)	55	
			Far Rockaway 1	60.5	Existing
			Far Rockaway 2	60.5	
	Queue Pos.	**Developer/Interconnection Customer**	**Project Name**	**Nameplate (MW)**	**Proposed In-Service**
Other Projects (Permanent Solutions)	0766/0987	Sunrise Wind, LLC	Sunrise Wind	924	Winter 2028
	1289	New York Power Authority / New York Transco LLC.	Propel NY Energy - Alternate Solution 5	-	Summer 2030

Conclusion

To ensure the continued reliability of electric service in New York City, the NYISO is designating to the DEC the generators on the Gowanus 2 & 3 and Narrows 1 & 2 barges (identified in Appendix A hereto) to temporarily remain in operation after the DEC Peaker Rule[27] compliance date until sufficient permanent solutions to address the Need are in place and there is no longer a reliability need for up to May 1, 2029, as provided by the DEC Peaker Rule. Through the quarterly STAR studies, the NYISO will continuously evaluate the reliability of the system as changes occur and will carefully monitor the progress of the CHPE project toward completion, currently scheduled to enter service by summer 2026.

Further, to address the bulk system need in Long Island the NYISO selects the generation solution proposed by PSEG/LIPA. The Far Rockaway, Glenwood, and Shoreham generation solutions together address the near-term deficiencies, but there would be less than 100 MW of margin prior to the Propel NY transmission project. The solutions for the non-bulk system need are the Far Rockaway 2 unit and local transmission upgrades that went into service in December 2025. The NYISO will not offer an RMR agreement to Pinelawn Power 1.

Effective with the service commencement date for Far Rockaway 1 and Far Rockaway 2, the ISP rate for these units will terminate on May 1, 2026. The ISP rate for Pinelawn will terminate on May 15, 2026, after which the unit may deactivate.

The 2026 Quarter 1 STAR found a near-term generator deactivation reliability need in the Lower Hudson Valley beginning in summer 2027 and continuing throughout the remainder of the planning horizon. The Lower Hudson Valley BPTF Need is primarily driven by the deficiencies in Zone J, but is exacerbated by the proposed retirement of Danskammer 1-4. This Need is also impacted by the Long Island BPTF Need. Upon the planned withdrawal of the Gowanus and Narrows deactivation notice the margin deficiencies in summer 2027 and 2028 would be addressed, but the deficiencies in 2029 and 2030 would continue to be observed. As determined in the 2026 Quarter 1 STAR, Danskammer cannot deactivate until at least August 1, 2026 and may be required to remain in service until at least January 15, 2027 if the reliability need persists.[28]

[27] In 2019, the New York State Department of Environmental Conservation adopted a regulation to limit nitrogen oxides (NOx) emissions from simple-cycle combustion turbines, referred to as the DEC "Peaker Rule" (here)

[28] If planned projects fail to timely enter service or otherwise prove insufficient, and the NYISO determines it requires additional solutions to address Lower Hudson Valley needs arising in 2029 and 2030, then the NYISO will conduct a solicitation pursuant to Section 38.4.8.1(c) of the OATT to obtain additional solutions to the identified needs, and may execute an RMR Agreement with Danskammer to allow sufficient time to complete the solicitation process, and/or to address the 2029 and 2030 needs if the solicitation does not produce other viable and sufficient solutions.

Appendix A: Designated Peaker Units

Ower, Operator, and/or Billing Organization	Station Unit	Zone	PTID	Name Plate Rating (MW)	2025 Summer Capability (MW)	Contribution to NYC Margin (MW)
Astoria Generating Company L.P.	Gowanus 2-1	J	24114	20	16.7	15
Astoria Generating Company L.P.	Gowanus 2-2	J	24115	20	17	15.2
Astoria Generating Company L.P.	Gowanus 2-3	J	24116	20	19.1	17.1
Astoria Generating Company L.P.	Gowanus 2-4	J	24117	20	16.9	15.2
Astoria Generating Company L.P.	Gowanus 2-5	J	24118	20	17.5	15.7
Astoria Generating Company L.P.	Gowanus 2-6	J	24119	20	19	17
Astoria Generating Company L.P.	Gowanus 2-7	J	24120	20	18.4	16.5
Astoria Generating Company L.P.	Gowanus 2-8	J	24121	20	17.6	15.8
Astoria Generating Company L.P.	Gowanus 3-1	J	24122	20	16.7	15
Astoria Generating Company L.P.	Gowanus 3-2	J	24123	20	16.8	15.1
Astoria Generating Company L.P.	Gowanus 3-3	J	24124	20	18.1	16.2
Astoria Generating Company L.P.	Gowanus 3-4	J	24125	20	16.7	15
Astoria Generating Company L.P.	Gowanus 3-5	J	24126	20	17.9	16.1
Astoria Generating Company L.P.	Gowanus 3-7	J	24128	20	18.9	16.9
Astoria Generating Company L.P.	Gowanus 3-8	J	24129	20	18.7	16.8
Astoria Generating Company L.P.	Narrows 1-1	J	24228	22	18.1	16.2
Astoria Generating Company L.P.	Narrows 1-2	J	24229	22	16.8	15.1
Astoria Generating Company L.P.	Narrows 1-3	J	24230	22	17.4	15.6
Astoria Generating Company L.P.	Narrows 1-4	J	24231	22	18	16.1
Astoria Generating Company L.P.	Narrows 1-5	J	24232	22	19.1	17.1
Astoria Generating Company L.P.	Narrows 1-6	J	24233	22	15.6	14
Astoria Generating Company L.P.	Narrows 1-7	J	24234	22	18.4	16.5
Astoria Generating Company L.P.	Narrows 1-8	J	24235	22	16.3	14.6
Astoria Generating Company L.P.	Narrows 2-2	J	24237	22	16.7	15
Astoria Generating Company L.P.	Narrows 2-3	J	24238	22	17.9	16.1
Astoria Generating Company L.P.	Narrows 2-4	J	24239	22	18.7	16.8
Astoria Generating Company L.P.	Narrows 2-5	J	24240	22	20.4	18.3
Astoria Generating Company L.P.	Narrows 2-6	J	24241	22	20	17.9
Astoria Generating Company L.P.	Narrows 2-8	J	24243	22	17	15.2