

October 2, 2020

Mr. Zachary Smith
Vice President, System & Resource Planning
New York Independent System Operator
10 Krey Boulevard
Rensselaer, New York 12144

Re: NYISO Solicitation of Transmission Needs Driven by Public Policy Requirements

Dear Mr. Smith:

Invenergy Renewables LLC (Invenergy) respectfully submits these comments in response to the New York Independent System Operator (NYISO)'s "Request for Proposed Transmission Needs Being Driven by Public Policy Requirements for the 2020-2021 Transmission Planning Cycle," dated August 3, 2020.

Invenergy is a leading clean energy company with nearly two decades of experience developing and building cost-effective renewable energy resources in New York State. Invenergy owns and operates more than 220 megawatts of large-scale wind resources in Wyoming and Steuben Counties that currently contribute to New York's clean energy goal. Invenergy also has over 1,800 MWs of late-stage development wind, solar, and energy storage projects and several hundred megawatts of early stage development, representing a multiple billions of dollars of investment in New York State. We greatly appreciate the opportunity to provide comment on the NYISO's notice.

Background

NYISO's Public Policy Transmission Planning Process was developed to comply with FERC's Order No. 1000, which requires the development of a planning process for the consideration of public policy-driven transmission needs. This process includes four main steps: (1) Identification of a Public Policy Requirement/Public Policy Transmission Need; (2) Solicitation of proposed solutions; (3) Evaluation of the viability and sufficiency of proposed solutions to the Public Policy Transmission Need; and (4) Upon confirmation of the transmission need by the Commission, the evaluation and selection by the NYISO of the "more efficient or cost-effective" transmission solution to satisfy the need.

NYISO's OATT defines a Public Policy Requirement as:

[a] federal or New York State statute or regulation, including [an order issued by the Commission] adopting a rule or regulation subject to and in accordance with the State Administrative Procedure Act, any successor statute, or any duly enacted law or regulation passed by a local governmental entity in New York State, that may relate to transmission planning on the [Bulk Power Transmission Facilities].¹

¹ NYISO OATT, Attachment Y, 31.1.1

The NYISO's transmission planning process has a two-year planning cycle. In response to the 2014-2015 planning cycle, the Commission made two Public Policy Transmission Need determinations related to Western New York congestion relief and new major electric transmission facilities to cross the Central East and UPNY/SENY interfaces. The Commission declined to identify any Public Policy Requirements in response to either the 2016-2017 or the 2018-2019 transmission planning cycles.

Public Policy Is Driving the Need for Transmission Development to Unbottle Renewables in New York

Since the last Commission Order identifying Public Policy Transmission Need, New York has undergone several policy changes that establish increased targets for renewable energy in New York, in turn requiring significant upgrades of the bulk power system. These statutes and regulations include:

1. An Order adopting a Clean Energy Standard (CES) establishing a goal that 50 percent of New York State's electricity is generated by renewable resources by 2030 (August 1, 2016, PSC).
2. The Climate Leadership and Community Protection Act (CLCPA) which expanded the CES to a goal of 70 percent renewable energy by 2030 (July 16, 2019).
3. The Accelerated Renewable Energy Growth and Community Benefit Act ("Accelerated Act") was signed into law (April 3, 2020).
4. *White Paper to Implement the 70 by 30 Goal*. This White Paper is pending a Commission Order (June 24, 2020, NYSEERDA Staff).

These statutes and regulations directly relate to an overarching need for transmission planning on the bulk power system in New York and therefore qualify as a Public Policy Requirement as defined by the OATT. In particular, Invenergy believes the constraints and congestion in Northern New York and the Southern Tier should be designated as Public Policy Needs in this process as further detailed in the following section.

Transmission Investment is Imperative to Fulfilling the Public Policy Requirement

In 2016, the Commission established the goal of 50 percent renewable energy by 2030 goal and the goal was expanded in 2019 by the CLCPA to reach a goal of 70 percent renewable energy by 2030. The rulemaking to implement the 70 by 30 goal was initiated this summer by the NYSEERDA Staff's publication of the *White Paper*. This *White Paper* seeks to establish programs to meet the goals of the CLCPA with a particular emphasis on the need for additional transmission, noted by its discussion of congestion, curtailment and its proposal of a new tier 1 bid review. NYSEERDA proposes to change the bid review process to allow a technical panel the ability to reject bids based on project viability related to congestion. Transmission development becomes an essential component of a successful bid review process in securing new renewable build within the state. Additionally, the *White Paper* proposes an annual procurement of 4,500 GWh from 2021 to 2026 in order to reach the goal of an operational fleet of renewable energy projects by 2030. In review of the NYISO's 2019 Class Year and the queue, it is evident that the majority of development projects will be constructed in upstate New York. Without significant buildout of the

transmission system, renewable energy projects will be unable to expand beyond the current system constraints.

The Accelerated Act, passed in April 2020, was signed into law to accelerate progress towards the clean energy and climate goals identified within the CLCPA. The Accelerated Act finds that, “a public policy purpose would be served and the interests of the people of the state would be advanced by: expediting the regulatory review for the siting of major renewable energy facilities and transmission infrastructure necessary to meet the CLCPA targets, in recognition of the importance of these facilities and their ability to lower carbon emissions.”²

The statute establishes a program to help prioritize the planning, investment, and development of grid infrastructure to allow for renewable energy power to be delivered throughout New York State. The statute directs the Commission to initiate a proceeding to establish a bulk transmission system investment program and utilize the NYISO’s Public Policy Transmission Planning Process to select a project necessary for implementation of the state bulk transmission investment plan no later than eight months following notice of the process. This is a clear indication of a Public Policy Need for transmission development written into statute.

NYISO has issued studies that demonstrate that transmission investment is required to fulfill New York public policies. While the Commission declined to declare a Public Policy Need in the 2016-2017 planning cycle, it did direct DPS Staff to work with NYISO and transmission owners to identify constraints and provide insights on possible public policy transmission needs to best achieve the CES. In July 2018, in preparation for the 2018-2019 transmission planning cycle, NYISO published the *Public Policy Transmission Needs Study: Transmission Constrained Renewable Generation Pockets*. The study clearly indicated a need for transmission upgrades in order to transmit the renewable generation from upstate New York to downstate load centers. Invenergy supports the findings of the assessment and highlights the identification of the Northern New York region as a high potential area for unbottling between 975 and 1,050 megawatts of renewable generation after upgrading the 115 kV and 230 kV lines in the area. The analysis also identified significant unbottling potential of up to 925 MW in the Southern Tier. New York cannot achieve the goals of the CLCPA without the development of renewable energy projects in the North Country and the Southern Tier.

The NYISO also recently completed the 2019 Congestion Assessment and Resource Integration Study (CARIS) to study both historic and projected congestion on the New York bulk power system. The NYISO included a scenario to analyze transmission constraints that may prevent the delivery of renewable energy to achieve the 70 by 30 target. The study made assumptions about renewable energy needed to meet the goal including significant additions of land-based wind and utility-scale solar PV, and then identified constraints on the system. In the 70 by 30 scenario, much of the renewable generation build-out was constrained by the underlying system before the power could reach the bulk system because the 115 kV system was designed to serve local load, not to deliver power to the bulk system.

The pockets of renewable generation and the constraints in the study are consistent with the 2018 findings and Invenergy’s experience developing renewable projects in the regions, especially in the North Country and Southern Tier. In the North Country, an upgrade of the Moses-Porter 230 kV corridor to operate 345 kV line combined with an upgrade at the porter substation to a 345 kV would unbundle more than 1,000 MWs of renewable generation. The Southern Tier requires an

² Part JJJ Section 1.4.(a)

upgrading of the 115 kV system running west-to-east to a 230 kV line in order to unbottle over 1,000 MWs of renewable generation.

Conclusion

Invenergy supports the findings of recent NYISO studies that have identified transmission constraints on the system hindering the ability to meet the clean energy goals. The ambitious renewable energy goals of New York State have found backing in a series of legislative and regulatory supports as outlined above. In researching how to best reach these goals, a range of studies have concluded that transmission buildout is essential for the reduction of renewable curtailment and the success of development projects. We sincerely thank the NYISO for the opportunity to engage in this important discussion and look forward to the renewable energy future in New York State.

Sincerely,

Kaley Bangston
Manager, Government and Regulatory Affairs
Invenergy Renewables LLC