

**Comments of the Indicated New York Transmission Owners on
Transmission Needs Being Driven by Public Policy Requirements for the
2022-2023 Transmission Planning Cycle**

October 31, 2022

The Indicated New York Transmission Owners (“Indicated NYTOs”)¹ submit these comments in response to the New York Independent System Operator, Inc.’s (“NYISO”) August 31, 2022 “Request for Proposed Transmission Needs Being Driven by Public Policy Requirements for the 2022-2023 Transmission Planning Cycle.”

Transmission investment is a critical component in achieving the goals set out in New York State’s nation-leading Climate Leadership and Community Protection Act (“CLCPA”).² The Indicated NYTOs commend the New York Public Service Commission (“NYPSC”) and the NYISO for their leadership, and for achieving extraordinary progress in advancing the transmission infrastructure necessary to achieve the CLCPA’s objectives while maintaining system reliability. The NYISO’s Public Policy Transmission Planning Process is conducted on a two-year cycle, with the last (2020-2021) cycle resulting in the NYPSC’s identification of the third Public Policy Transmission Need (“PPTN”) over the last several years. NYISO’s September 2022 System & Resource Outlook also identified several potential transmission constraints requiring bulk and/or local transmission investment to achieve CLCPA objectives.³

It is critical to identify transmission needs that will effectively and efficiently support the record levels of clean energy growth needed to meet the CLCPA’s objectives. The Indicated NYTOs are submitting these comments jointly; however, the Indicated NYTOs also reserve the right to submit additional individual utility comments with recommendations on possible PPTNs. These comments highlight certain key developments that are relevant to the NYPSC’s consideration of possible PPTNs for the 2022-2023 cycle. These include:

1. Determining the impact of the yet-to-be-selected Public Policy Transmission project for the 2020-2021 Long Island offshore wind PPTN solicitation;
2. Incorporating results of New York State Energy Research and Development Authority’s (“NYSERDA”) third solicitation for at least 2,000 MW of additional offshore wind; and
3. Integrating Tier 4 Renewable Energy Credit (“REC”) transmission projects and reflecting the 2,500 MW of HVDC transmission in analysis of future needs.

¹ The Indicated NYTOs include: Central Hudson Gas & Electric Corp.; Consolidated Edison Company of New York, Inc.; Niagara Mohawk Power Corporation d/b/a/ National Grid; New York State Electric & Gas Corp.; Orange & Rockland Utilities; and Rochester Gas and Electric Corporation.

² S.Res. 6599, 2019 Leg., 242nd Sess. (N.Y. 2019) (codified as Ch. 106, L. 2019).

³ N.Y. Indep. Sys. Operator, 2021-2040 System & Resource Outlook at 15-16 (Sept. 22, 2022), <https://www.nyiso.com/documents/20142/33384099/2021-2040-Outlook-Report.pdf/a6ed272a-bc16-110b-c3f8-0e0910129ade?t=1663848567361>.

The first key development is NYISO's selection of a transmission project to complete its 2020-2021 Public Policy Transmission Planning cycle. Knowledge about the selected transmission project will help identify additional PPTNs to integrate offshore wind energy. In a March 2021 order, the NYPSC identified the CLCPA as a public policy requirement driving transmission needs associated with the delivery of offshore wind energy from Long Island to the rest of the state: "[t]he [CLCPA] constitutes a Public Policy Requirement driving the need for additional transmission facilities to deliver the output of offshore wind generating resources and shall be referred to the [NYISO] to consider solutions to that need"⁴ The NYISO is currently evaluating proposed transmission solutions to meet this need, and anticipates that it will complete its project evaluation and selection process in 2023. The selected major transmission project(s) must then complete its interconnection study process to confirm that the project(s) can reliably and economically connect to the system in compliance with all applicable reliability standards and criteria. The outcome of this process will necessarily inform what transmission needs will next be required or optimal.

The NYPSC's March 2021 order also recognized that NYSERDA had procured 4,316 MW of CLCPA-mandated 9,000 MW of offshore wind generation.⁵ NYSERDA is currently in the midst of its third solicitation which is expected to result in between 2,000 MW and 4,700 MW of additional offshore wind procurement.⁶ The amount of additional procurement will be relevant to identifying associated transmission needs.

Through NYPSC and NYSERDA leadership, other transmission projects to enable integration of renewable energy are already under way, but not yet at a stage of maturity to be modeled by the NYISO.⁷ More information and modeling of these projects when appropriate will help identify transmission needs. In April 2022, the NYPSC approved contracts for two additional transmission projects that were awarded through NYSERDA's Tier 4 REC solicitation process. The Tier 4 projects combine renewable resources with transmission to deliver renewable energy to New York City. The NYPSC approved contracts are for the Champlain Hudson Power Express, the U.S. portion of a 1,250 MW HVDC transmission line that will deliver hydropower from facilities in Quebec, Canada to New York City; and the Clean Path New York project, which will deliver solar and wind energy sited in upstate New York to New York City through a new 1,300 MW HVDC transmission line.⁸ These projects, still in development, are not anticipated to reach commercial operation until 2025 and 2027 respectively. Consequently, as these projects mature, the transmission needs associated with the electric power grid can reflect this substantial (over

⁴ *In the Matter of New York Independent System Operator, Inc.'s Proposed Public Policy Transmission Needs for Consideration for 2020* at 27, Case 20-E-0497 (Mar. 19, 2021).

⁵ *Id.* at 20.

⁶ NYSERDA, Purchase of Offshore Wind Renewable Energy Certificates Request for Proposals (July 27, 2022) <https://portal.nyseda.ny.gov/servlet/servlet.FileDownload?file=00P8z000001i1yzEAA>.

⁷ In contrast, through New York State leadership, the Empire State Line Project, a 345 kV line in Niagara and Erie counties just went into service on June 1, 2022.

⁸ *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and Clean Energy Standard*, Order Approving Contracts for the Purchase of Tier 4 Renewable Energy Certificates, Case 15-E-0302 (Apr. 14, 2022).

2,500 MW) transmission transfer capability between Canada or upstate New York and New York City to help better identify future needs.

In addition, under the Accelerated Renewable Energy Growth and Community Benefit Act,⁹ the NYPSC has been actively working with the NYISO, NYSERDA, the Indicated NYTOs, other agencies, and stakeholders to identify local transmission and distribution investment needed to achieve the CLCPA objectives. Through the NYPSC's leadership, Staff and other parties have been working to develop a Coordinated Grid Planning Process ("CGPP") that will create efficiencies by assessing future local system needs and identifying solutions, as well as improving coordination among individual utility plans and the analyses conducted by the NYISO. Importantly, the CGPP will include a process for identifying constraints on the bulk transmission system which may be considered in the Public Policy Transmission Planning Process, which could impact the determination of future PPTNs. The NYISO and its stakeholders have listed finalization of the CGPP as a priority project for 2023, and the Indicated NYTOs remain committed to working with the Department of Public Service ("DPS") and NYISO Staff to create an effective program.

Finally, the Federal Energy Regulatory Commission has issued a potentially far-reaching Notice of Proposed Rulemaking on transmission planning and cost allocation.¹⁰ Although not currently impacting the NYISO PPTN process, the final rule and the changes necessary to comply may affect the manner in which the NYISO and its stakeholders perform transmission planning in the future.

In sum, there are many facets which influence how best to meet CLCPA transmission requirements, and the factors described above should be considered in deliberations by the NYPSC on the 2022-2023 PPTN cycle. The Indicated NYTOs remain committed to working with DPS and NYISO staff to meet the transmission system challenges and clean energy mandates of the CLCPA.

⁹ Accelerated Renewable Energy Growth and Community Benefit Act, Chapter 58 (Part JJJ) of the Laws of 2020.

¹⁰ *Building for the Future Through Electric Transmission Planning and Cost Allocation and Generator Interconnection*, Notice of Proposed Rulemaking, 179 FERC ¶ 61,028 (2022). Included in the possible new rules are requirements for a long-term transmission planning process to include analysis of at least four resource/load scenarios twenty or more years in the future no less than triennially, potential reforms to benefit analysis and metrics, and a proposal to permit transmission providers to use a federal Right of First Refusal to construct, own, and operate certain new transmission facilities in regional plans for purposes of cost allocation.