**To: NYISO Interconnection Working Groups**

**Re: Comments of Independent Power Producers of New York in Response to NYISO Interconnection Queue Reform**

Date: February 3, 2023

The Independent Power Producers of New York, Inc. (IPPNY) is a trade association representing companies involved in the competitive power supply industry in New York State and in the development of electric generating facilities, the generation, sale, and marketing of electric power, and the development of natural gas transmission facilities. IPPNY Member companies produce the majority of New York's electricity, utilizing hydro, nuclear, wind, natural gas, solar, energy storage, biomass, oil, and waste-to-energy.

The recent Outlook Report highlighted that, in either one of the two scenarios that were able to meet the CLCPA’s targets, a major buildout of the grid needs to be accomplished in record time. Optimizing the Interconnection Queue is the first step in this endeavor. Over the past few years, the NYISO has implemented modifications that have given developers more flexibility, but at what expense? There has been an increase in developers not accepting the final cost allocation and dropping out of the queue. This requires the NYISO to complete another round of studies to ensure system reliability and passes this cost onto the remaining developers. For this reason, IPPNY advocates for changes to the system that would make it more akin to the CAISO Interconnection Queue in terms of procedures that restrict entry to only serious developers.

As the NYISO has mentioned, it is only one of many entities that need to work together for a project to make it to ultimately selling energy into the system. There must be a consistently harsh execution of timelines to be met in this process, applying to developers, the NYISO, and Transmission Owners, by which they need to get their studies and permits completed. Coupled with fair cost allocation between these entities, the result is the most competitively priced projects making it through to implementation. A change of course needs to be made, with more stringent requirements for projects, including posting significant money up front like the CAISO requires. These changes better align with NYISO’s stated goal of making the process and cost as transparent as possible from the beginning.

Realizing that the NYISO does not have an unlimited number of resources to dedicate to these ends, more flexibility results in more needed resources. By making predictable, hard, and fast rules, when it comes to the Interconnection Queue, the NYISO will be able to decrease the amount of required work. This includes cutting down on accepting material modification requests, since they can be used as a placeholder for developers that do not have finalized plans from the start. IPPNY supports the NYISO hiring additional staff as needed to work on the immense increase in projects entering the queue, which will still be the case under the less flexible model proposed. In addition, the creation of templates for study reports and increased communication with developers is an admirable use of resources.

IPPNY is an advocate for in-state generation of all kinds. The arguments presented above should not be construed as working to create barriers for developers to move through the interconnection process. Instead, these changes remove barriers for serious developers by reducing cost, time, and overall inefficiencies caused by flexibility. New York needs a record amount of generation added, and the recent focus on flexibility only cuts into serious developers’ bottom lines, thus reducing the amount of generation in which they can afford to invest.

Respectfully submitted,

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