



New York Battery and Energy Storage Technology Consortium, Inc.

March 1, 2024

IITF Committee Staff
NYISO
10 Krey Boulevard
Rensselaer, NY 12144

Dear Think and Sara:

I'm writing on behalf of the New York Battery and Energy Storage Technology Consortium (NY-BEST) to share additional feedback in response to the NYISO's proposed compliance plan for FERC Order 2023, and specifically in relation to NYISO's proposed approach to interconnection studies for Energy Storage Resources (ESR) and proposed site requirements. This letter is a follow-up to our letter to Richard Dewey, dated January 31, 2024 and includes our additional feedback and suggestions on the NYISO's most recently proposed FERC Order Compliance Plan, as discussed at the February 16th IITF meeting.

ESR Operating Assumptions

NY-BEST attended the IITF meeting on February 16th and appreciates the NYISO's proposed changes to the proposed compliance plan the respect to Energy Storage Resources operating assumptions. We are generally supportive of the proposed approach for ESR resources interconnecting on unsecured lines >100kV.

As we understand it, the NYISO is proposing to allow developers of storage causing potential overloads on non-secured transmission elements operated at 100+kV to elect to move forward without correcting thermal overloads in MIS. In those circumstances, NYISO will follow the process outlined in the NYISO T&D manual to potentially secure more facilities in the market systems. NY-BEST is pleased that NYISO has identified this as the first step, as we are encouraging NYISO and the TOs to secure more lines across the entire grid system.

Under the NYISO's proposal, if the NYISO is unable to add an potentially overloaded element as secured, because it does not meet the criteria outlined in the T&D manual, the ESR will need to agree to limitations in output (or withdrawal) of the resource to secure the thermal overload. As discussed

at the IITF, this would likely require the resource to accept a derate, reflecting that the resource would be managed in real time to reduce production.

Fundamentally, reliability is either achieved through operation that allows for dynamic control or planning that requires static constraints. The use of operation, either through the NYISO markets or through out-of-market action, creates a more efficient T&D system and eliminates the need for costly, potentially unnecessary upgrades.

NY-BEST generally supports the proposed approach for ESR on >100 kV. However, we are seeking clarification on the nature of the derate and whether it would be temporal or permanent. Based on the IITF discussions, we had understood it to be temporal, but your clarification of this would be helpful. Specifically, it appears that transmission operators generally use planning rather than operation to achieve reliability. We seek clarification that for TO secured lines, the use of NYISO operations (either in market or out-of-market) would alleviate the static planning constraints, in other words, the TO planning criteria would not require upgrades that are not required due to the NYISO operations.

While NYISO's proposal for projects >100kV appears to be a workable solution, NY-BEST remains concerned about the NYISO's lack of a proposal for ESR projects interconnecting on unsecured lines < 100 kV. Given that much of the system on Long Island, as well as some regions upstate, operates on 69 kV, the current proposal is not a full solution and leaves ESR projects vulnerable to having to pay for costly and unnecessary system upgrades. NY-BEST proposes that the NYISO extend its proposed approach for ESR interconnecting at 100 kV to those interconnecting on unsecured 69 kV lines to address this issue.

For projects interconnected on unsecured lines below 69 kV (a smaller subset of projects), NY-BEST requests the NYISO continue to work to secure those lines in the future. Prior to the point when these lines are secured, NY-BEST requests that for this subset of projects the NYISO follow Order 2023 and use operating assumptions in interconnection studies that reflect the proposed charging behavior of electric storage resources or use more realistic operating assumptions about the ESR to alleviate potentially unnecessary and costly upgrades.

Site Control

Technology Acreage Requirement

NYISO proposed a preliminary site control acreage requirement of 0.01 acre/MWhac for battery energy storage. Based on energy storage technologies commercially available and deployed today, NY-BEST recommends an acreage requirement of 0.0025 acre/MWhac. Developers and members of NY-BEST agree that 0.0025 acre/MWhac is an appropriate acreage requirement for battery energy storage. We also support the NYISO's inclusion of an alternate path for site control approval especially given the rapidly changing battery technology sector.

Demonstration of Full Site Control

Under NYISO's draft proposal, generating facilities with an interconnection request must demonstrate site control.

We suggest the NYISO clarify this requirement as follows – note highlighted proposed language change in yellow:

Site Control shall mean the exclusive land right sufficient to develop, construct, operate, and maintain the Generating Facility over a term of at least ten (10) years. **Site Control may be demonstrated by evidencing control for the applicable ten (10) year period, in the aggregate, with any (or any combination) of the following:** (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size to construct and operate the Generating Facility; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to occupy a site of sufficient size to construct and operate the Generating Facility.. The term “exclusive land right” does not restrict multi-use applications of the site in addition to its use for the Generating Facility, such as agriculture, ranching, etc. The ISO will maintain acreage requirements and other applicable parameters for each facility type on its OASIS or public website.

Conclusion

Energy storage is an essential technology to meeting the State’s climate goals and achieving 70 percent renewable energy by 2030 and a zero-emission grid by 2040. Improving certainty in the interconnection process, ensuring access to the transmission system for new technologies, and establishing a timely and efficient interconnection process, as required by Order 2023, will help ensure these goals are achieved cost effectively.

NY-BEST appreciates NYISO’s willingness to work with us to develop alternative approaches to studying ESRs that is consistent with FERC Order 2023. Thank you.

Sincerely,



William Acker
NY-BEST, Executive Director