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Via e-mail  
Board of Directors  
New York Independent System Operator  
c/o Carl Patka, Esq.

Thank you for granting a small extension of time to submit these comments on behalf  
of:

Town of Clinton  
Town of Milan  
Milan Hall Farm  
Walnut Grove Farm  
Farmers and Families for Claverack  
Farmers and Families for Livingston  
Pamela Lovinger

The Addendum to the AC Transmission Public Policy Transmission Planning Report, draft dated February 20, 2019 ("Addendum"), recommends for Segment B that Project TO19 be substituted for Project TO29 as the more efficient or cost effective solution. This simply means that Project TO19 is the best of the projects that were evaluated. According to the Market Monitor Unit ("MMU"), Potomac Economics, February 2019 Report entitled "NYISO MMU Evaluation of the Proposed AC Public Policy Transmission Projects" ("MMU Report") the "overall Benefit-Cost Ratio is 0.74 in the Baseline Case and 1.52 in the CES+Retirement Scenario over a 45-year period." To understand a B-C Ratio of 0.74 in the Baseline case, one should consider paying \$1.00 to save \$0.74. The B-C Ratio for the CES+Retirement Scenario of 1.52 is attractive until one looks at the assumptions which are described below.

These estimates are based on a total cost of \$1.99 billion.”<sup>1</sup> MMU Report at page 10.

The Report concludes:

- Under the Baseline Case ... the recommended projects would not satisfy a basic cost-benefit test, raising concerns that the recommend projects would adversely effect the wholesale electricity markets.
- Under the CES+Retirement Scenario, the recommended projects clearly satisfy a basic cost-benefit test because of the increased value of transfers to downstate areas from low-emitting, low-variable cost resources in upstate New York. However, benefits from the projects would be sensitive to the locations of particular resources that will be used to satisfy the Clean Energy Standard. For instance, if the PSC relies more on offshore wind rather than renewable generation upstate, it would reduce the benefits from the recommended transmission projects.<sup>2</sup>

The CES+Retirement Scenario envisions New York achieving the Clean Energy Standard by constructing 16.2 GW of new renewable generating capacity and retiring Indian Point nuclear plant, all coal fired generation, and 3.5 GW of older peaking generation in downstate areas.<sup>3</sup>

The MMU Report states, at page vi, that the NYISO assumed “that just 226 MW of offshore wind would be placed in downstate areas by 2030.”

These assumptions are completely at odds with the most recently updated NYISO Interconnection Queue which shows over 10,000 MWs of offshore wind projects in Zones J and K, along with 113.9 MW of solar in Zone K. The Addendum needs another Addendum to account for this massive fleet of wind projects. Incidentally, the following Table shows the amount of renewables in each NYISO Zone that is currently on the NYISO Queue

Zone A	2,402
Zone B	185
Zone C	2,145.7
Zone D	969

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<sup>1</sup> That cost includes overnight costs, costs of associated upgrades, interest during construction and financing costs and O&M costs over the 45-year period.

<sup>2</sup> MMU Report at page viii (Executive Summary) and at page 10.

<sup>3</sup> MMU Report at page v (Executive Summary).

Zone E	1,583.8
Zone F	648
Zone G	352.5
Zone J	4,786
Zone K	6,366

The total of the Zones that are north and west of SENY, i.e., A through F, is 7,927 MW in wind and utility-scale solar projects or a little more than half assumed by the NYISO. Assuming a 25% survival rate of these projects, i.e., makes it from the Interconnection Queue to commercial operation, then there are only 2,000 MW (2 GW) to satisfy the CES+Retirement Scenario assumption of 16.2 GW. Clearly this assumption is grossly overstated, even in the unlikely event that all of the utility-scale solar and wind become commercially operable (7.9 GW).

These facts require a complete re-examination of the justification for the AC Transmission Public Policy Projects.

Respectfully submitted,



Daniel P. Duthie

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