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August 19, 2019

Ms. Sara Keegan
Mr. Thanh T. Nguyen
New York Independent System Operator

Via E-Mail:

interconnectionsupport@nyiso.com , tnguyen@nyiso.com , skeegan@nyiso.com

Dear Mr. Nguyen and Ms. Keegan:

The Alliance for Clean Energy New York (ACE NY) respectfully submits the following comments to the New York Independent System Operator (NYISO) regarding the NYISO's proposals for redesign of the Class Year Study process. These comments supplement comments ACE NY submitted earlier this year. Also, these comments are focused exclusively on the issue of regulatory milestones and the treatment of deposits.

We request that these comments be posted to the NYISO website so they can be viewed by stakeholders.

ACE NY is a nonprofit membership organization whose mission is to promote clean energy, energy efficiency, a healthy environment, and a strong economy for New York State. Our diverse coalition includes private renewable energy and energy efficiency companies, environmental and economic development organizations, academic institutions, and consultants to the energy sector. The clean energy technologies represented by ACE NY members include land-based wind, offshore wind, hydropower, biomass, fuel cells, energy efficiency, energy storage, distributed wind, and both distributed solar and utility-scale solar.

ACE NY appreciates the NYISO's efforts to streamline the Class Year Study process in pursuit of the goal of a one-year long Class Year Study. ACE NY is engaged in this effort because it is a high priority issue for renewable energy developers, and we stand ready to help in any way we can.

For ease in understanding, these comments make reference to the presentation slide deck titled "[Class Year/Interconnection Queue Redesign](#)" that the NYISO posted for the August 20, 2019 meeting of the Transmission Planning Advisory Subcommittee.

- Re: Slide 61 - Alternative milestones in lieu of regulatory milestone deposits, ACE NY *strongly supports* the proposed milestones that could be used in lieu of the \$100,000 and \$3,000/MW deposits for becoming eligible to enter a Class Year Study. These are: NYSERDA Renewable Energy Credit (REC) contract; NYSERDA Market Bridge Incentive contract; Power purchase agreement; Article VII application deemed complete (for portions of a generation project subject to Article VII). ACE NY believes these milestones demonstrate a sufficient advancement and financial commitment of

projects to warrant inclusion in a Class Year Study. ACE NY notes that the proposed tariff language's use of the word "or" between each of the listed alternatives appropriately makes clear that any one of the listed milestones can be used to qualify to enter a Class Year Study.

- Re: Slide 67 – Return of interconnection study deposits, including the deposit in lieu of regulatory milestone, ACE NY *supports* the proposal to allow the \$3,000/MW portion of the deposits to be returned at the earlier of satisfaction of the regulatory milestone or completion of the Class Year. These deposits represent a substantial financial cost to project developers and their return no later than the end of the Class Year Study is proper. In addition, ACE NY *opposes* the proposal to withhold interest on deposits that are returned. The act of making the deposits comes at a cost to project developers – failing to return the interest on the deposits adds to this cost unnecessarily and will lead to increased financial risk for developers as well as increased costs for consumers. It is our understanding that at the August 20th TPAS meeting this proposal was verbally changed to return the deposit plus the actual interest earned. ACE NY *supports* this approach.
- Re: Slide 56 – Require Class Year agreements, deposits, and project data earlier in the class year process, the NYISO proposes to “require Developer to submit executed Class Year Study agreement, required deposits and data requested on Attachment B to the Facilities Study Agreement and data required by the Connecting Transmission Owner by the earlier of the Class Year Start Date or 10 Calendar Days after the NYISO tenders the Class Year Study Agreement.” While this requirement will increase the burden to some developers of quickly obtaining the needed information, ACE NY supports this proposal because it contributes to the crucial imperative of reducing the duration of the Class Year Study, thereby increasing the prospect of completing Class Year Studies within one year. For renewable energy developers, a quicker Class Year Study process is the single most important queue process improvement needed to the NYISO's interconnection process. This proposed change does increase the chances that some developers will be less than fully aware of the impending due dates for Class Year Study materials as one Class Year Study is heading toward completion and the beginning date of the next Class Year Study has not yet been announced. Accordingly, ACE NY *recommends* that this change be accompanied by an increased focus by the NYISO on communicating to all developers the NYISO's projected dates for the end of the then-existing Class Year Study and the start of the next Class Year Study, along with reminders of the implications for due dates for Class Year Study materials.

In addition, the New York Offshore Wind Alliance (NYOWA), which is a project of ACE NY, will be separately submitting comments to the NYISO concerning regulatory milestones for offshore wind projects. It is reasonable to expect that offshore wind projects will soon be active in a Class Year Study and it is necessary and timely to clarify the regulatory milestones that will apply to an offshore wind project. ACE NY supports the comments of NYOWA and stands ready to help in making sure that the identification of appropriate offshore wind milestones is properly addressed by the redesign.

Respectfully submitted,



Anne Reynolds, Executive Director