



Statement of Support for Rapid Implementation of NYISO’s Public Policy Transmission Planning Process to Help Achieve New York’s Clean Energy Goals

As the New York Independent System Operator (“NYISO”) and New York Public Service Commission (“PSC”) evaluate proposals for transmission to meet public policy needs in New York State, the Alliance for Clean Energy New York, Environmental Advocates of New York, Natural Resources Defense Council, Pace Energy and Climate Center, and Sierra Club write to express their support for appropriately tailored expanded transmission to support New York’s clean energy goals.

Today’s unique circumstances dictate that the rapid construction of new high-voltage transmission infrastructure should be an important component of the State’s strategy to meet its clean energy goals. Now that the Clean Energy Standard Order has been issued and its goal of 50 percent renewables by 2030 is enforceable,¹ New York needs transmission upgrades to ensure that customers throughout the state are able to take advantage of the significant amount of renewable resources located in Northern and Western New York. Combined with development of offshore wind resources, transmission expansion will supply renewable resources to Downstate areas to help meet the “50 by 30” goal. Further, with Governor Cuomo’s commitment to phase out coal by 2020, transmission expansions no longer pose a significant risk of prolonging the life of uneconomic coal plants located in New York.² Finally, existing rights of way can be leveraged to minimize environmental impacts historically associated with transmission.³ Together, these circumstances make transmission expansion an important clean energy policy.

¹ N.Y. Pub. Serv. Comm’n, Order Adopting a Clean Energy Standard (Aug. 1, 2016), <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7B44C5D5B8-14C3-4F32-8399-F5487D6D8FE8%7D>.

² See Governor Cuomo Outlines 2016 Agenda, Office of Governor Andrew M. Cuomo (Jan. 13, 2016), <https://www.governor.ny.gov/news/governor-cuomo-outlines-2016-agenda-signature-proposals-ensuring-new-york-and-will-continue-be>. The PSC has already taken actions consistent with that commitment. N.Y. Pub. Serv. Comm’n, Order Making Findings on the Repowering of the Cayuga Generating Facility (Feb. 25, 2016), <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7B8BB80E23-A823-4BDD-8C2D-23576AB30289%7D>,

³ N.Y. Pub. Serv. Comm’n, Order Establishing Policy Statement on Expedited Process for Siting Transmission (Aug. 15, 2016), <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={0684AE8C-3356-49E3-AF34-6E43201A3C0B}>

The Federal Energy Regulatory Commission's Order 1000 requires wholesale market operators to consider transmission needs driven by Public Policy Requirements in the local and regional transmission planning processes.⁴ Pursuant to Order 1000, NYISO provides stakeholders the opportunity to identify transmission needs driven by Public Policy Requirements.⁵ Accordingly, NYISO has conveyed to the PSC twelve proposals from a range of stakeholders.⁶ Now, as the PSC and NYISO consider project selection for the Western New York Need and Energy Highway/AC Transmission tracks,⁷ we urge NYISO and the PSC to rapidly proceed with the selection and implementation of transmission projects identified because of public policy needs. We recognize that building transmission has proved to be time-consuming in past years; NYISO and the PSC should seek to eliminate any unnecessary delays in project selection and approval so as to accelerate this process going forward. At the same time, the projects must be selected and implemented consistent with environmentally responsible siting principles, articulated below.

As NYISO and the PSC work to quickly select and implement transmission projects, they should strongly weigh both clean energy policies and environmental protection. A guiding principle for the selection process should be to encourage transmission that is part of a more dynamic grid to support the Clean Energy Standard and the State's other clean energy goals. Consistent with the outcome-oriented approach enshrined in the PSC's Order Adopting a Ratemaking and Utility Revenue Model Policy Framework⁸ (the "Track 2" Order), NYISO and PSC should evaluate the ability of proposed transmission projects to facilitate the interconnection and deployment of renewables. NYISO and the PSC should, to the extent possible, quantify each project's contribution to achieving the 50 by 30 goal under the Clean Energy Standard at least cost. Beyond this immediate proceeding, NYISO and PSC should consider expanding upon existing efforts to assess the broader transmission needs driven by the 50 by 30 goal.

NYISO and the PSC should consider environmental protection as a second guiding principle. Constructing transmission projects to facilitate the State's clean energy goals using existing rights of way offers the opportunity to substantially mitigate the risk of adverse local

⁴ Fed. Energy Regulatory Comm'n, Order No. 1000 (2011), <https://www.ferc.gov/whats-new/comm-meet/2011/072111/E-6.pdf>.

⁵ N.Y. Indep. Sys. Operator, 31 Open Access Transmission Tariff Attachment Y (2010), https://nyisoviewer.etariff.biz/ViewerDocLibrary//MasterTariffs/9TariffSections/OATT%2031.4%20FID1144%20w1009_16607.pdf.

⁶ Letter from Carl F. Patka, Assistant General Counsel, N.Y. Indep. Sys. Operator to Kathleen Burgess, Secretary to the N.Y. Pub. Serv. Comm'n (Oct. 3, 2016), <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={ED4814F7-CB77-40A5-BCBD-7E80DAD3A44C}>.

⁷ Zach Smith, N.Y. Indep. Sys. Operator, Public Policy Transmission Planning Process Update (June 7, 2016), http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_espwg/meeting_materials/2016-06-07/PPTPP_Update.pdf.

⁸ N.Y. Pub. Serv. Comm'n, Order Adopting a Ratemaking and Utility Revenue Model Policy Framework (May 19, 2016), <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={D6EC8F0B-6141-4A82-A857-B79CF0A71BF0}>.

environmental impacts. These environmental impacts can be further limited by following “Smart from the Start” policies and criteria, which address a range of important concerns.⁹ In particular, conflicts with wildlife conservation areas should be avoided and long-term conservation improvements should be implemented to mitigate impacts. Environmental mitigation costs should be incorporated into cost analyses when assessing the cost-effectiveness of projects, a best practice followed in several state planning processes and by the Western Electricity Coordinating Council.¹⁰ Finally, as NYISO assesses longer-term transmission needs, it should establish pre-screened resource zones for renewable energy transmission development, a model that has been developed in Texas to develop transmission for 18,500 MW of remote wind energy.¹¹

Appropriately targeted transmission expansion will allow New York to meet its clean energy goals in a cost effective manner, helping the state to reduce dangerous emissions and combat the impacts of climate change. We urge NYISO and the PSC to act quickly in selecting and implementing transmission projects, while following the guiding principles of supporting the 50 x 30 goal and protecting the environment.

Sincerely,

[Signatures to follow]

⁹ CARL ZICHELLA & JOHNATHAN HLADIK, SITING: FINDING A NEW HOME FOR RENEWABLE ENERGY AND TRANSMISSION 11 (2013), <http://americaspowerplan.com/wp-content/uploads/2013/09/APP-SITING-PAPER.pdf>.

¹⁰ Amelia Schlusser, *WECC Launches New Environmental Data Viewer, an Interactive Transmission Planning Tool Designed to Minimize Environmental Risks and Reduce Costs*, GREEN ENERGY INSTITUTE (Jan. 27, 2016, 3:51 PM), <http://greenenergyinstitute.blogspot.com/2016/01/wecc-launches-new-environmental-data.html>.

¹¹ ZICHELLA & HLADIK, *supra* note 8, at 11.

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