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Via Electronic Delivery

October 31, 2018

Hon. Kathleen H. Burgess
Secretary
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, NY 12223-1350

Re: Case 18-E-0130 – In the Matter of Energy Storage Deployment Program

Dear Secretary Burgess:

Pursuant to the New York State Public Service Commission’s (“Commission”) October 5, 2018 Notice Soliciting Comments and Announcing Public Statement Hearings issued in the above-captioned proceeding, the Metropolitan Transportation Authority (“MTA”) hereby submits its comments on the New York State Energy Storage Roadmap developed by the New York State Department of Public Service Staff and the New York State Energy Research and Development Authority (“NYSERDA”).¹ The Roadmap provides recommendations intended to achieve Governor Cuomo’s goal of installing 1,500 MW of energy storage in New York by 2025.² As described more fully below, the MTA supports several of the Roadmap’s recommendations and offers some improvements.³

The MTA is exploring ways to harness electricity generated by regenerative braking systems installed on its subway trains. During the normal course of operation, trains need to decelerate. Regenerative braking generates electricity by converting the braking’s kinetic energy into electricity during deceleration. The generated electricity can be used to charge a storage system, which can later reduce load or be injected into the grid. The MTA is currently engaged in a pilot program with NYSERDA to test a storage system paired with regenerative braking at one of the MTA’s traction power substations.

¹ Case 18-E-0130, In the Matter of Energy Storage Deployment Program, New York State Energy Roadmap (June 21, 2018) (“Roadmap”).

² *Id.* at 4.

³ The lack of discussion on other recommendations herein should not be interpreted as MTA support or opposition for those recommendations.

Regarding the environmental (“E”) value of the Value of Distributed Energy Resources (“VDER”) value stack, the Roadmap recommends that “[s]ystems that can demonstrate they charge entirely from renewable energy, such as in a paired situation, should receive the full carbon benefit displaced during peak E hours.”⁴ The MTA supports this recommendation. Storage paired with clean generation, such as regenerative braking, is environmentally beneficial because it can provide electricity when needed without any emissions. When deployed during times of peak power plant emissions, these systems will reduce carbon emissions from New York’s electric system. The MTA recommends that the Commission clarify that the category of “systems charged entirely from renewable energy” includes storage systems charged with regenerative braking to ensure that such systems are appropriately compensated for the environmental value that they provide.

The Roadmap also recommends that utilities be required to offer an option for multi-year dynamic load management (“DLM”) program participation agreements.⁵ This option would be available where participation will remain the same for 3–5 years or longer, and such agreements would be competitively procured at a premium or discount based on forecasting.⁶ The MTA supports this recommendation, and suggests that longer agreements should receive higher compensation. Installing storage systems throughout MTA properties will require significant upfront investment, which is difficult to obtain without stable, long-term financial incentives. In addition, we strongly support measuring DLM participation for energy storage by sub-metering battery performance directly at the storage system. We believe this methodology will eliminate uncertainty associated with estimating performance by comparing load during DLM events to historic customer load baselines, which might not accurately reflect reality at the time of DLM events.

In addition, the MTA supports the Roadmap’s recommendation to expand the scope of non-wires alternatives (“NWAs”) to consider DERs that could provide savings to all customers by decreasing system peak load.⁷ Such DERs would benefit both customers and utilities, and DER owners would receive additional benefits from the ability to participate in NYISO markets when not needed for peak relief.⁸ The MTA also supports the recommendation to explicitly allow NWA resource owners to maintain interconnections and to continue to use their DERs to participate in the NYISO markets after NWAs discontinue because this provides certainty to DER owners and avoids wasting DERs’ potential benefits beyond NWA needs.

The Roadmap recommends that NYSERDA and other State partners engage with the MTA to develop its regenerative braking system.⁹ While the MTA supports this recommendation, it points out that, as noted above, it has already begun to work with NYSERDA to test its regenerative braking system through a small pilot program. Realizing the full potential of the MTA’s regenerative braking system will require large investments. The

⁴ Roadmap at 37.

⁵ *Id.* at 39.

⁶ *Id.*

⁷ *Id.* at 44.

⁸ *Id.* at 44–45.

⁹ *Id.* at 48.

