

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

CASE 20-E-0197 - Proceeding on Motion of the Commission to  
Implement Transmission Planning Pursuant to the  
Accelerated Renewable Energy Growth and  
Community Benefit Act.

ORDER DENYING PETITION

Issued and Effective: August 14, 2025

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STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
Albany on August 14, 2025

COMMISSIONERS PRESENT:

Rory M. Christian, Chair  
James S. Alesi  
David J. Valesky  
John B. Maggiore  
Uchenna S. Bright  
Denise M. Sheehan  
Radina R. Valova

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BY THE COMMISSION:

INTRODUCTION

By petition filed on December 23, 2024, and  
supplemented on January 24, 2025 (together, the Petition), the  
New York Power Authority (NYPA) requests that the Public Service  
Commission (Commission) designate the Clean Path Transmission  
Project (the Project) as a Priority Transmission Project (PTP)  
pursuant to the Accelerated Renewable Energy Growth and  
Community Benefit Act (Accelerated Renewables Act or the Act).<sup>1</sup>  
NYPA asserts that the Project is needed expeditiously to achieve  
the Climate Leadership and Community Protection Act (CLCPA)  
targets and seeks a PTP designation to support a filing with the

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<sup>1</sup> The Accelerated Renewables Act is codified in L. 2020, Ch. 58,  
Part JJJ, §7(5).

Federal Energy Regulatory Commission to allocate and recover the associated costs, estimated at approximately \$5.2 billion.<sup>2</sup>

In this Order, the Commission denies the Petition. As discussed below, the Project fails to satisfy the Commission's established criteria for designating a PTP.

#### BACKGROUND

On April 3, 2020, the Accelerated Renewables Act was signed into law, which required the Commission to establish new transmission planning processes to ensure the "timely and cost-effective construction of new, expanded and upgraded transmission infrastructure."<sup>3</sup> The stated purpose of the Act was to achieve the State's clean energy and environmental targets codified in the CLCPA. Among other things, the Accelerated Renewables Act identified a category of bulk transmission projects that are needed on an expeditious basis to meet CLCPA goals and defined those projects as "Priority Transmission Projects" or PTPs.<sup>4</sup> The Act also recognized that other bulk system upgrade projects should be referred to the New York Independent System Operator, Inc.'s (NYISO's) established Public Policy Transmission Planning (PPTP) process.<sup>5</sup>

The Accelerated Renewables Act charges the Commission with identifying and designating PTPs that are distinct from other projects and are needed "expeditiously to achieve CLCPA targets."<sup>6</sup> Further, it directs NYPA to develop these projects by itself or in collaboration with other parties as it determines

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<sup>2</sup> The CLCPA is codified in L. 2019, Ch. 106 (codified, in part, in Public Service Law §66-p).

<sup>3</sup> Accelerated Renewables Act, §2(2)(b).

<sup>4</sup> Id., §7(5).

<sup>5</sup> Id., §7(4).

<sup>6</sup> Id., §7(5).

appropriate, subject to concurrence by the NYPA Board of Trustees.<sup>7</sup> The Act includes requirements for NYPA to solicit interests from potential co-participants to assess whether joint development would provide additional benefits in achieving CLCPA targets. For projects NYPA determines are not substantially within NYPA's existing rights of way, NYPA shall, as deemed feasible and advisable by its Board of Trustees, select private partners through a competitive bidding process.<sup>8</sup>

In July 2020, Department of Public Service (DPS) staff and NYPA filed a petition that suggested criteria for identifying and designating a PTP, for application to a set of transmission investments proposed by NYPA in Northern New York (NNY). On October 15, 2020, the Commission issued an order identifying the criteria it would use to determine whether a bulk transmission project is needed "expeditiously" and should be identified as a PTP.<sup>9</sup> The PTP Order adopted the following criteria for designating a PTP:

1. *Support delivery of existing and near-term renewables:*

"The transmission investment's potential for unbottling existing renewable generation, as well as projects that are in the NYISO interconnection process, for delivery to load centers in the State, thereby reducing the amount of new generation that must be constructed to meet the CLCPA Targets."<sup>10</sup>

2. *Urgency of need and value of adoption as PTP over*

*alternatives:* "Whether an early in-service date for the transmission investment would: (a) increase the

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<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> Case 20-E-0197, Order on Priority Transmission Projects (issued October 15, 2020) (PTP Order).

<sup>10</sup> Id., p. 17.

likelihood that the State will meet the CLCPA targets; and/or (b) enhance the value of recent, ongoing or anticipated distribution, local transmission, and/or bulk transmission investments, and/or help the State realize benefits from such investments, because it can be placed in-service sooner than the NYISO process would allow.”

The Commission also noted that factors such as the availability of NYPA rights of way; availability of other rights of way and transmission assets; access to other property for siting of the transmission investment, including State-owned or controlled property; NYPA’s financial resources and access to capital; and other potential benefits could be considered in evaluating NYPA’s ability to meet an early in-service date.<sup>11</sup>

3. *Such other criteria deemed by the Commission to be in the public interest.*<sup>12</sup>

In the PTP Order, the Commission applied the first two criteria stated above to NYPA’s NNY project and designated it as a PTP primarily because it would unbottle significant amounts of renewable generation capacity in the region it was proposed to serve.<sup>13</sup> The Commission also noted that there was evidence of strong developer interest in the area, indicated by the presence of approximately 2,400 megawatts (MWs) of planned renewable generation in the NYISO’s interconnection planning queue.<sup>14</sup> Thus, the Commission found that there was a significant amount of existing renewable generation not being served by the

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<sup>11</sup> Id., pp. 3, 17-19.

<sup>12</sup> Id., p. 20.

<sup>13</sup> NYPA presented studies claiming that the NNY project would avoid 7.5 TWh of curtailments annually. Id., p. 20.

<sup>14</sup> Id., p. 21.

transmission system, so the project was “needed expeditiously” to unbundle these resources.<sup>15</sup>

The Commission found that the petition for the NNY Project fell short of meeting the second criterion (i.e., that it would be able to be constructed sooner than a similar project developed through the NYISO process) since NYPA did not include the NNY Project’s proposed in-service date. However, the Commission concluded that the NNY project was likely to be placed in-service earlier than a comparable project developed through the NYISO’s process given the status of the NYISO’s public policy planning process at that time.<sup>16</sup>

The Commission has since taken additional action to further the requirements of the Accelerated Renewables Act, including issuing the Power Grid Study Order in January 2022 that emphasized the need for the Utilities and the NYISO to coordinate their planning and provide a comprehensive framework for identifying both bulk and local transmission investments.<sup>17</sup> The Commission moved to implement this framework through approval of the Coordinated Grid Planning Process (CGPP), which provides a “transparent path to identify the transmission investments required to meet the State’s climate objectives.”<sup>18</sup>

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<sup>15</sup> Ibid.

<sup>16</sup> Id. pp. 22-23.

<sup>17</sup> Case 20-E-0197 et al., Order on Power Grid Study Recommendations (issued January 20, 2022) (Power Grid Study Order), pp. 28-30. The term “Utilities” refers to Consolidated Edison Company of New York, Inc., Orange and Rockland Utilities, Inc., New York State Electric & Gas Corporation, Rochester Gas and Electric Corporation; Central Hudson Gas & Electric Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, and the Long Island Power Authority.

<sup>18</sup> Case 20-E-0197, Order Approving a Coordinated Grid Planning Process (issued August 17, 2023) (CGPP Order), p. 41.

In the CGPP Order, the Commission noted that the comparative analysis performed at Stage 5 of the CGPP will provide the Commission with the ability to determine whether to initiate the NYISO's PPTP process for bulk solutions or to look to NYPA to propose a PTP if it believes action is "needed expeditiously."<sup>19</sup>

#### THE PETITION

The Petition states that decarbonization of the downstate electric system, and particularly New York City, is critical to achieving the State's clean energy goals. NYPA indicates that, given CLCPA objectives for reducing greenhouse gas emissions, additional transmission is needed to deliver upstate fossil-free generation downstate as soon as possible. NYPA also references recent assessments by the NYISO, noting potential reliability deficiencies in New York City beginning in 2025 and transmission security deficiencies in New York City beginning in 2033. NYPA states that, given CLCPA objectives for reducing greenhouse gas emissions, additional transmission is needed to deliver upstate fossil-free generation downstate as soon as possible. According to the Petition, designation of the Project as a PTP will address the transmission and resource needs expeditiously, improve air quality, and provide public health benefits within New York City. NYPA also indicates that the additional transmission capacity offered by the Project will reduce the need to rely on more expensive local capacity to meet the Locational Minimum Installed Capacity Requirement for Zone J while supporting the upstate power grid by flowing power from downstate to upstate during periods of excess supply from offshore wind facilities that are currently under development.<sup>20</sup>

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<sup>19</sup> Id., p. 31.

<sup>20</sup> Petition, p. 4.



NYPA states that the proposed Project is the transmission portion of the Clean Path New York Project that held a Tier 4 contract with NYSERDA until November 27, 2024, when the contract was terminated.<sup>21</sup> NYPA asserts that despite the termination of the contract, the need for transmission between upstate resources and the downstate load justifies designating the Project as a PTP.

NYPA describes the Project as a 178-mile long 1300 MWs High Voltage Direct Current (HVDC) line that would run from an interconnection point at the Fraser Substation in Delaware County to the Rainey Substation in Queens.<sup>22</sup> As proposed, the Project would bypass four bulk system interfaces to deliver clean energy directly to New York City while also facilitating the integration of offshore wind through south to north flows.<sup>23</sup> NYPA indicates that the Project would primarily use existing rights of way (ROW) owned or controlled by NYPA and other public entities.<sup>24</sup>

In support of the PTP designation, NYPA asserts that the Project meets the criteria established in the PTP Order. First, NYPA states that the transmission system limits transfers from the upstate region to downstate load centers.<sup>25</sup> NYPA explains that the Project would create a new transmission pathway bypassing the most constrained interfaces on the system and reducing the curtailment of clean resources that have been proposed to be built to meet CLCPA goals.<sup>26</sup> This added transmission capacity, NYPA argues, would support ongoing

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<sup>21</sup> Id., pp. 11-12.

<sup>22</sup> Id., p. 12.

<sup>23</sup> Ibid.

<sup>24</sup> Id., pp. 13-16.

<sup>25</sup> Id., p. 21.

<sup>26</sup> Ibid.

efforts to develop renewable generation and incentivize other developers to pursue additional generation projects.<sup>27</sup>

NYPA emphasizes that meeting CLCPA objectives will require an “unprecedented” level of new clean resource development, citing the NYISO’s estimate that between 111 GW and 124 GW of new generation capacity will be needed by 2040.<sup>28</sup> NYPA points to NYSERDA’s planned renewable project solicitations for 2024, 2025, and 2026 and contends these will only be effective if there is sufficient transmission capacity to ensure delivery of that generation to loads.<sup>29</sup> NYPA also notes that anticipated statewide load growth – in the form of transportation and building electrification – requires investing in transmission infrastructure.<sup>30</sup> Specifically, NYPA avers that the Project will support achievement of New York City’s Local Law 97 requirements for buildings to reduce greenhouse gas emissions.<sup>31</sup>

The Petition further discusses that the Project can be completed and placed in-service before 2030, more quickly than any other project, because it is already in development. NYPA states that most of the route is within NYPA ROWs and that the two necessary converter stations would also be located on NYPA-controlled property.<sup>32</sup> NYPA explains that the Project is in the NYISO Class Year 2023 interconnection process and has a pending application for a certificate under Article VII of the Public Service Law, as well as applications for federal permits.<sup>33</sup> NYPA also notes that the Project has acquired “valuable fabrication

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<sup>27</sup> Ibid.

<sup>28</sup> Id., pp. 24-25.

<sup>29</sup> Id., p. 28.

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>32</sup> Id., p. 29.

<sup>33</sup> Ibid.

slots" for the necessary cable and HVDC equipment.<sup>34</sup> These facts, according to the Petition, indicate that NYPA is in position to build the Project faster than a different project could be. In particular, NYPA asserts that relying on the NYISO public policy planning process to identify a transmission solution would result in a project that could not be in-service until after 2030.<sup>35</sup>

NYPA explains that the Project provides additional benefits beyond meeting CLCPA goals. NYPA discusses that the Project will address reliability needs impacting New York City. The Petition references NYISO analyses that suggest a reliability need in the City will emerge in the early 2030s.<sup>36</sup> According to NYPA, the Project would be in service by that time and diminish the need to rely on fossil peaking generation units to maintain reliability. NYPA maintains that this would also have the effect of reducing harmful emissions that impact air quality for New York City residents, including members of disadvantaged communities.<sup>37</sup>

In the last section of the Petition, NYPA discusses proposals for allocating the costs of the Project among ratepayers, based on its various benefits, a potential cost containment mechanism, and the costs of local upgrades that would be needed at substations operated by Consolidated Edison Company of New York, Inc. (Con Edison) and New York State Electric and Gas Corporation.

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<sup>34</sup> Id., pp. 29-30.

<sup>35</sup> Id., p. 32.

<sup>36</sup> Id., p. 33.

<sup>37</sup> Id., pp. 33-34.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rule Making (Notice) was published in the State Register on February 19, 2025 [SAPA No. 20-E-0197SP23]. The Secretary to the Commission also issued a Notice Soliciting Comments on February 14, 2025. The comment period under both notices concluded on April 21, 2025. The comments are summarized below.

SUMMARY OF COMMENTS

Advanced Energy Research and Technology Center at Stony Brook University, American Clean Power Association, Association for a Better New York, The Bronx Chamber of Commerce, Building & Construction Trades Council of Greater New York, Business Council of Westchester, Citizens Campaign for the Environment, Delaware County Chamber of Commerce, Earthjustice, Environmental Advocates NY, IBEW Local No. 3, Natural Resources Defense Council, New York League of Conservation Voters, New York State Laborers Political Action Conference, New Yorkers for Clean Power, New York State AFL-CIO, Orange County Partnership Center for Economic Development, Regional Plan Association, Sierra Club, Partnership for Economic Development in Sullivan County, Inc., Sustainable Westchester, Urban Green Council, and Westchester County Association

Each of these organizations submitted similar letters supporting the Commission's designation of the Project as a PTP given NYPA's unique role in developing bulk transmission projects in a cost-effective manner, the advanced stage of the Project's development, and the ability for the Project to reduce fossil fuel reliance in New York City for power generation. Additionally, the organizations assert that the Project will have several benefits, including high-paying jobs, renewable energy certificate (REC) and zero-emission credit (ZEC) cost savings, reduced congestion, production cost savings, and decreased capacity prices that represent an over \$6 billion value.

Alliance for Clean Energy New York (ACENY)

ACENY supports the designation of the Project as a PTP for several reasons. First, ACENY cites the NYISO's 2024 Reliability Needs Assessment that highlighted reliability deficiencies in New York City beginning in 2025 and transmission security deficiencies beginning in 2033. Second, ACENY explains that the additional transmission capacity offered by the Project will reduce the need to rely on more expensive local generation to meet the Locational Minimum Installed Capacity Requirement for Zone J and lower electricity costs for downstate ratepayers. Third, ACENY states that the Project will facilitate the development of more renewable energy resources upstate. Fourth, ACENY highlights the significant progress the Project has made in advancing through regulatory approval processes including Article VII and the 2023 NYISO Class Year study that concluded in 2024. Lastly, ACENY notes that NYPA has committed to issuing a competitive solicitation seeking a potential partner to co-develop the Project. Specifically, ACENY indicates that it "recognizes the importance of a rigorous, open, competitive solicitation and agrees with this approach."<sup>38</sup>

Americans for a Clean Energy Grid (ACEG)

ACEG supports the Commission's designation of the Project as a PTP because it is a faster process than going through the NYISO's PPTP process. ACEG believes that the Project is needed now to enhance the reliability of the downstate electric system, given the NYISO's projection of thinning reliability margins beginning in 2031.<sup>39</sup>

Benjamin Chonigman (Individual), Catherine Courter (Individual), Elizabeth Brigham (Individual), Lynn Saxton (Individual on behalf of the Climate Reality Western New York Chapter), Moira Ashleigh (Individual), Nivo Rovedo (Individual), Scott Lauffer

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<sup>38</sup> ACENY Comments, p. 5.

<sup>39</sup> ACEG comments, p. 2.

(Individual), Suzie Ross (Individual), William LaBine  
(Individual)

A number of individuals submitted comments urging the Commission to designate the Project as a PTP because it will help generate renewable electricity in many of their communities and then transmit it to New York City. Commenters highlighted the Project's ability to enhance grid resilience, reduce reliance on natural gas for power generation, and provide cleaner air to communities.

Citizens Campaign for the Environment (CCE)

CCE urges the Commission to designate the Project a PTP, mainly to bring renewable energy from upstate New York into New York City. CCE also notes other benefits of the Project, including increased grid resilience and reliability, new clean energy jobs, and other economic developments in the State's communities.

City of New York (City)

The City submitted comments recommending that the Commission designate the Project as a PTP to support the development of more upstate to downstate transmission, facilitate compliance with Local Law 97, support the resilience and reliability of the bulk electric system, and improve air quality. The City points to the aging fossil fuel generation facilities, many of which are more than 60 years old, and states the concern that more units could fail in the coming years before replacement generation or transmission investments are available to obviate their need. The City states that the Project could provide a pathway for building owners to comply with Local Law 97. The City notes that the Project was awarded 1,300 MWs of capacity rights by the NYISO in December 2024 as a transmission and generation resource and that given the Project is now transmission only, it is unclear how that will impact plans for the Project, and this is a topic that needs further

discussion among stakeholders. The City suggests that, as a transmission resource, the Project would lower the Locational Minimum Installed Capacity Requirement set annually by the NYISO and reduce the obligation to purchase from in-City generating facilities, reducing the need for those facilities. According to the City, that would result in public health benefits in the form of air quality improvements, as well as achieving the State and the City's clean energy objectives.

The City notes that criticisms about the competitiveness of the PTP process are "outside the scope of this proceeding, and they should not form any basis upon which to judge the merits of the NYPA PTP petition."<sup>40</sup> The City also highlights the advanced stage of development of the Project and cautions that going through the NYISO's planning process would mean a new upstate to downstate transmission project may not enter service until at least 2033. The City supports NYPA's 60% New York City and 40% rest of state load ratio share cost allocation proposal and that the Commission clarify that the 40% statewide load ratio share portion does not include New York City.

The City requests that the cost containment proposal from NYPA be further modified from an 80/20 risk share to a 70/30 customer/development risk share. The City also recommends increased transparency regarding the cost estimate for the Project, given its high costs, and that the Commission require NYPA to file periodic public reports that detail the progress made on the Project, the costs incurred to date, and the projected total costs, including residential and commercial customer bill impacts. Further, once the Project is completed, the City requests that NYPA be required to prepare a final

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<sup>40</sup> City of New York comments, p. 11.

report detailing the actual total costs, reasons for variation from initial cost estimates, and final residential and commercial customer bill impacts. Finally, the City urges the Commission to require NYPA to accept the status of the pending Article VII siting Case 22-T-0558 and all commitments made therein to prevent any backsliding of the Project development. Con Edison Transmission, Inc. (CET)

CET submits comments in opposition to the Petition, emphasizing that NYPA has not met the burden of proof to show that the Project should be designated as a PTP. CET asserts that NYPA has not shown the Project is needed. CET highlights that, in order to qualify for a PTP designation, NYPA must demonstrate that the Project serves an urgent need in support of the CLCPA, which it asserts NYPA has not done. CET notes that the NYISO's Outlook Report and NYPA's own analysis show that the Clean Path Project will only be 12-14% utilized in 2030, 30-40% utilized in 2035, and will not reach above 75% utilization until 2040.<sup>41</sup> CET explains that NYPA failed to demonstrate that the Project meets the two criteria the Commission established for a PTP - that it must unbottle renewable energy and that it must be placed in-service sooner than a comparable project that was selected using the NYISO's planning process.

CET believes that consumers would be better served if transmission needs are pursued through appropriate existing planning processes and that the Project was chosen by NYSERDA in a competitive generation solicitation, not a transmission solicitation. CET asserts that the Commission can only be sure

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<sup>41</sup> CET comments, pp. 14-15, referencing NYISO 2023-2042 System & Resource Outlook (July 23, 2024) (Outlook), Appendix I: Transmission Congestion Analysis, available at <https://www.nyiso.com/documents/20142/46037616/Appendix-I%20-Transmission-Congestion-Analysis.pdf/a3a7beed-1e4b-125d-eb42-442f1a1189d4>.



that it is selecting the best transmission project through proper transmission planning processes where transmission system impacts are vetted and studied by transmission planners. CET suggests that the Commission should ensure the PTP process is not used as an "end-run around what would otherwise be a competitive Public Policy Transmission Planning process that furthers the public interest."<sup>42</sup> CET explains that without the renewable generation supplies connected to this transmission line, other developers could offer better, more cost-effective solutions to meet the State's CLCPA needs. Specifically, CET notes that the NYISO process allows for consideration of both high voltage alternating current and HVDC upgrade alternatives, each of which provide different benefits to the grid and to customers. CET further states that the Commission cannot know if the PTP will unlock CLCPA benefits that would otherwise not be achieved without looking at an updated system needs analysis and alternative solutions.

CET highlights that NYPA failed to include a viable cost recovery mechanism for the project since use of the NYISO tariff can only be used for projects selected through NYISO's planning process and that the only other statewide cost recovery vehicle is the NYPA Transmission Adjustment Charge (NTAC) that has certain cost recovery requirements. These requirements include that some of NYPA's costs must be recovered from its governmental customers and any investment over \$40 million requires agreements from three of the other five New York Transmission Owners.<sup>43</sup> CET states that NYPA does not make clear whether it intends to use the NTAC for cost recovery and CET notes that this mechanism is only available to NYPA, but that

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<sup>42</sup> Id., p. 3.

<sup>43</sup> NYISO OATT 14.2.3.2 OATT Attachment H - NYPA Formula Rate Implementation Protocols, pp. 23-26.

since the Project is owned by Clean Path LLC, it is unclear how the full costs would be recovered. CET also notes that NYPA failed to demonstrate its competitive bidding process would be faster than a process run by the NYISO and how its current partners in the Project would relate to its proposed competitive process.<sup>44</sup> CET further states that even though NYPA has proposed to hold a competitive process, it has "not shown that the existing partners no longer own the project, making its proposed process uncertain at best, and likely already predetermined."<sup>45</sup> Con Edison and Orange and Rockland Utilities, Inc.

Con Edison and Orange and Rockland Utilities, Inc. (O&R) submit comments requesting that the Commission deny NYPA's Petition because the Project fails to meet the criteria for priority designation and that the proposed cost allocation for the Project is lacking proper support but is also "inconsistent with Commission policy, and otherwise unjust, unreasonable, and unduly discriminatory."<sup>46</sup> Con Edison and O&R note that the Project should be denied on the basis that it is not needed urgently to achieve CLCPA targets and that the cost allocation methodology is contrary to the Commission's policy for how the costs of transmission and generation investments should be borne throughout the State - on a statewide load ratio share basis. The comments highlight that NYPA does not provide a transparent analysis and that the calculations around the Project's congestion relief benefits contain significant flaws, including double counting congestion. Con Edison and O&R suggest that the public policy needs that NYPA claims are driving the need for the project - to achieve CLCPA environmental objectives - cannot

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<sup>44</sup> CET comments, p. 13-14.

<sup>45</sup> Id., pp. 19-20.

<sup>46</sup> Con Edison and Orange and Rockland Utilities, Inc. comments, p. 2.

be separated from the cost allocation and be considered just and reasonable.

Delaware Communities

Delaware Communities submitted comments, noting that they are a party to the Project's Article VII proceeding (Case 22-T-0558) to address community impacts and associated mitigation measures. Delaware Communities indicate that the community impact mitigation measures being considered under the Article VII case are based on the prior Tier 4 agreement where the original project cost was estimated at \$3.5 billion, and the applicants accepted 100% of the responsibility for all cost overruns and risks. Conversely, Delaware Communities note that the Petition states that if the Project is designated a PTP, NYPA can recover the new increased cost of building the Project (\$5.2 billion) and 80% of unspecified cost overruns from ratepayers. Delaware Communities also assert that the PTP designation allows NYPA to circumvent "the Public Policy Transmission Process, to recover from ratepayers directly" and that "it is like a blank check."<sup>47</sup>

The comments also caution that NYPA would be able to bypass the NYISO's Public Policy Transmission Planning Process where, as part of that process, the Commission first identifies the need and then the NYISO conducts a competitive solicitation and evaluation of proposed solutions to meet that need. Delaware Communities point to the single-page Cost Containment/Risk Sharing Mechanisms provided by NYPA and that "absolutely no effort was made to quantify the impact on ratepayers or to provide any data/support for these allocations."<sup>48</sup> Delaware Communities request that an updated

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<sup>47</sup> Delaware Communities comments, p. 4.

<sup>48</sup> Id., p. 6.

evaluation of need or energy security be conducted, noting that in the most recent CGPP to determine where new transmission is needed, the Project was not identified as a needed project. Delaware Communities state that the construction schedule is unrealistic and does not allow for the competitive process that NYPA indicates it will conduct in its Petition. Delaware Communities assert that the Petition purpose is to chart a "path forward" to rescue the Project for Clean Path New York.<sup>49</sup>

Delaware County Electric Cooperative (DCEC)

DCEC submits comments that are neutral to NYPA's Petition, noting that it is not opposed to the Project but that the designation of the Project as a PTP "should be conditioned on NYPA committing to robust benefits for communities on the 'northern end' of the Delhi to Queens transmission line."<sup>50</sup> DCEC notes that the affected communities will incur costs for roads and government services and that the benefits identified in the Petition are generalized and under-supported. DCEC highlights NYPA's commitment to workforce training and the announcement the Project made for a \$270 million investment fund to support workforce development and other initiatives while noting that the current status of these efforts and whether they are sufficient is not clear. DCEC asks that NYPA be required to reexamine workforce development opportunities on the north end of the Project, since it previously identified no need for utility workers in upstate New York. DCEC asks the Commission to require NYPA to commit to specific workforce development programs and provide adequate community benefits in the northern end of the Project.

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<sup>49</sup> Id., p. 11.

<sup>50</sup> DCEC Comments, p. 2.

Frack Action and Other Organizations Supporting Clean Path

Frack Action submitted joint comments with several other organizations in support of the Commission's designation of the Project as a PTP to address grid reliability challenges, support renewable energy project development, transition the grid to clean energy, reduce fossil fuel use, and create jobs.<sup>51</sup>

IBEW 1249, Laborers' International Union of North America (LIUNA), the New York State Association of Electrical Workers, and Utility Labor Council of New York State

These labor organizations submitted similar comments in strong support of the Commission's designation of the Project as a PTP. The organizations highlight the Project's ability to deliver 1,300 MWs of firm, carbon-free capacity into New York City and enable the timely retirement of peaking plants and other aging fossil generation facilities in Zone J - many that are located in disadvantaged communities. The organizations note that the PTP should require high labor standards and workforce development opportunities so that New York workers are at the center of the clean energy transition.

Independent Power Producers of New York, Inc. (IPPNY)

IPPNY submitted comments in opposition to the Petition, stating that the Commission has "consistently required that renewable resources and zero emission resources needed to meet State policy goals be selected through a rigorous competitive process to ensure the least cost to electricity ratepayers."<sup>52</sup> Given that, IPPNY notes that the best way to

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<sup>51</sup> The other organizations are Campaign for Renewable Energy, Catskill Mountainkeeper, Citizen Action of New York, Concerned Health Professionals of New York, Food & Water Watch, Gas Free Seneca, Network for a Sustainable Tomorrow, Nuclear Information and Resource Service, NYPAN of the Southern Finger Lakes, People for a Healthy Environment, Seneca Lake Guardian, and the Sierra Club Atlantic Chapter.

<sup>52</sup> IPPNY comments, p. 3.

ensure the most cost-effective project for ratepayers would be to conduct a competitive solicitation for new transmission lines. IPPNY cautions that proceeding without a competitive process subjects ratepayers to costs that could otherwise have been avoided and that the Petition makes several representations of costs that are not correct or impossible to verify. IPPNY questions NYPA's benefit-cost ratio analysis and states that the Petition does not include an examination of whether other solutions could result in a more favorable ratio.

IPPNY notes that there is no longer a binding requirement proposed by NYPA that there will be sufficient new renewable energy supply constructed to deliver into the Project, which was the case when it held a prior Tier 4 contract.<sup>53</sup> As such, there is now uncertainty as to whether the proposed Project represents the lowest possible cost to consumers since it was not subject to a competitive solicitation process. IPPNY argues that there is sufficient time to competitively solicit proposals. IPPNY highlights that, as of the date of filing its comments on April 21, 2025, the Article VII case for the Project remains on hold, rendering NYPA's claim that the project will receive its approvals under Article VII and notice to proceed with construction in May 2025 highly unlikely.

Indicated Utilities<sup>54</sup>

The Indicated Utilities urge the Commission to deny NYPA's request for the Project to be designated a PTP. The Indicated Utilities explain that NYPA fails to demonstrate that the Project meets the criteria under the Accelerated Renewables Act for the Commission to find the transmission project is

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<sup>53</sup> IPPNY comments, p. 4.

<sup>54</sup> The Indicated Utilities include Con Edison, O&R, Central Hudson Gas & Electric Corporation, New York State Electric Gas Corporation, and Rochester Gas and Electric Corporation.

needed expeditiously to achieve CLCPA targets, be placed in service sooner than existing transmission planning processes would allow, and unbottle existing renewable energy generation as well as projects that are in the NYISO interconnection process.

The Indicated Utilities note that NYPA does not identify any renewable generation projects in its Petition and that the Project will instead send a market signal to developers. The Indicated Utilities highlight that the Commission has previously stated that "addressing deliverability of existing generation is a key and perhaps determinative factor" in determining a project's urgency and that the presence of generation in the NYISO queue can also be given weight.<sup>55</sup> The Indicated Utilities assert that NYPA's Petition, which relies on generation that does not exist, is not already in the NYISO queue, or would be developed by NYPA under its expanded authority, does not satisfy the criteria for a PTP that the Commission has previously established.

The Indicated Utilities also note that NYPA does not establish an earlier in-service date than would be needed to realize the benefits of ongoing transmission and distribution investments to meet CLCPA targets. The comments explain that even though NYPA notes the Project is needed by 2030, its Petition does not support this claim, pointing to the NYISO's recent Outlook, which shows low utilization (12-14%) of the project from 2030-2042.

The Indicated Utilities state that the total cost savings for the Project and environmental benefits lack any support of these claimed benefits. The comments emphasize capacity and energy savings are not germane to the Commission's

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<sup>55</sup> Indicated Utilities comments, p. 5.

designation of the Project as a PTP, but that even if they were, NYPA does not provide sufficient information to evaluate claimed savings and does not disclose how these factors were considered, including locational capacity requirement benefits. The Indicated Utilities note that the benefit-cost calculation contains two significant errors - first that the analysis double counts congestion and second that the calculation includes both production cost savings and load savings, which is not appropriate as both address similar items and only one should be selected.

Lastly, the Indicated Utilities argue that the Petition fails to explain how any partner would obtain cost recovery and that if NYPA seeks to use the NTAC, any partner would not have such a mechanism and would have to seek a change to the NYISO tariff.

Manhattan Borough President Mark Levine

Mark Levine submitted comments in support of the Commission designating the Project as a PTP, highlighting the significant air quality improvements to New York through emissions reductions. Additionally, Mr. Levine highlights the Project's ability to enhance reliability, incorporate lessons learned from the Champlain Hudson Power Express Project, create jobs, and provide utility bill savings.

Multiple Intervenors (MI)

MI takes no position on whether the Project should be designated a PTP by the Commission. However, if the Commission designates the Project as a PTP, MI urges the Commission to modify the proposed cost allocation methodology proposed by NYPA to be more consistent with the "beneficiaries pay" principles. MI recommends that the Commission allocate 75% of the costs to the economic beneficiaries (including but not necessarily limited to Zone J - New York City) and the remaining 25%



socialized to the rest of the State on a load ratio share basis. MI notes that the Project does not add generation and instead enables delivery of generation upstate to downstate (Zone J), which reduces surplus supply and increases energy prices upstate. Based on NYPA's analyses included in its Petition, MI notes that the projected savings is more than 80% and almost exceeds 90% of the economic benefits so a 75/25 Cost Allocation Method is reasonable for downstate customers in comparison to the 60/40 cost allocation method proposed by NYPA.

National Grid Ventures (NGV)

NGV submitted comments in opposition to the Petition, stating that the Project was originally proposed under the NYSERDA Tier 4 solicitation as a joint renewable and transmission project, and that absent the renewable energy portion, the transmission project should not proceed without independent verification of its need through existing planning processes, such as the CGPP and the Comprehensive System Planning Process that identify the prioritization of lines funded by New York ratepayers. NGV asserts that NYPA provided no substantive basis for why the Commission should deviate from traditional transmission planning processes and that the project should not be sole sourced to NYPA. NGV further notes that even if the Commission determines that the Project be designated a PTP, the Commission should direct NYPA to conduct a competitive solicitation to identify the best solution at the best price and potentially require Commission approval of a partner to avoid NYPA limiting the scope a partner may contribute to the Project.

New York City Environmental Justice Alliance (NYC-EJA)

NYC-EJA submitted comments in support of the Project being designated by the Commission as a PTP to increase the number of transmission lines between New York City and the rest of the statewide electric grid, decrease curtailments of

renewable generation upstate, reduce emissions from fossil fuel power plants, and decrease the health burden faced by disadvantaged communities.

New York Communities for Change

New York Communities for Change supports NYPA's Petition for the Project to be designated a PTP to bring renewable energy downstate, help close polluting power plants, and deliver significant health benefits including asthma prevention, emphysema, heart disease and other negative health conditions that are caused or exacerbated by air pollution from fossil fuel power plants.

New York Energy & Climate Advocates (NYECA)

NYECA supports a Commission designation of the Project as a PTP for reasons not stated in the Petition. NYECA notes that the original Project under Tier 4 was flawed in that it sought to couple a transmission project with a narrow set of solar and wind projects and that it stifled the potential utilization of the Project. NYECA notes that decoupling the transmission line from limited renewable resources opens up an opportunity to integrate other carbon-free resources like existing and future nuclear power and enhance overall electric grid reliability and decarbonization efforts.

New York Energy Consumers Council (NYECC)

NYECC submitted comments highlighting its concerns with the Project, noting that NYPA's proposed 60/40 cost allocation and associated rationale are "superficial at best and arbitrary and capricious at worst and therefore the proposed cost allocation lacks adequate justification and quantification for acceptance as reasonable."<sup>56</sup> NYECC believes that a more granular review of the proposed benefits of the Project to

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<sup>56</sup> NYECC comments, p. 2.

ratepayers statewide should be conducted without the inclusion of false assumptions regarding the value of these benefits. NYECC notes that while NYPA commits to a cost containment mechanisms under the NYISO's Open Access Transmission Tariff (OATT) and an 80/20 soft cost cap split where NYPA is responsible for the 20% if actual costs exceed the cap, ratepayers would still be on the hook for cost overruns for Included Capital Costs and 100% of Excluded Capital Costs. NYECC raises significant concerns with cost overruns and urges the Commission to ensure that such overruns are contained. Lastly, NYECC recommends that the Commission consider allowing Tier 4 RECs to offset some of the cost burden on ratepayers for this project.

New York State Assemblymember Dana Levenberg, Queens Borough President Donovan Richards, Jr., Congressman Dan Goldman, Congressman Ritchie Torres, New York City Councilmember James F. Gennaro, United States Senator Charles E. Schumer, New York State Senator Peter Harckham

These elected officials submitted similar comments in support of the Commission designating the Project as a PTP. Assemblymember Levenberg highlights the loss of Indian Point and the increase in the State's reliance on fossil fuels as a concern. These commenters assert that the Project will deliver clean energy into New York City and reduce reliance on fossil fuels for power generation. Additionally, the elected officials highlight NYPA's unique role in developing bulk transmission projects and the Project's ability to be completed quicker than any other newly proposed transmission project, given development work that has occurred to date.

New York State Assemblymember Didi Barrett

Assemblymember Barrett supports the Commission's designation of the Project as a PTP and notes that since the Tier 4 contract was terminated by Clean Path New York, it has suffered delays and increased development costs. The

Assemblymember also highlights the benefits of the Project in reducing reliance on fossil fuels for New York City power generation.

New York Transco (NY Transco)

NY Transco submitted comments recommending that the Commission deny NYPA's request for the Project to be designated a PTP. In its comments, NY Transco notes that NYPA has failed to provide sufficient information to support declaration of the Project as a PTP or met the criteria established under the Accelerated Renewables Act and by the Commission to qualify as a PTP. NY Transco asserts that the Public Policy Transmission Planning Process outlined in the NYISO Open Access Transmission Tariff is the appropriate mechanism to evaluate the Project should the Commission identify a relevant Public Policy Transmission Need. NY Transco notes that NYPA has not identified the specific renewable generation resources that would benefit the Project or quantified the amount of congestion or curtailment relief the Project would accomplish. Specifically, NY Transco states that NYPA does not quantify the number of MWs the project would unlock or how the Project would compare to alternative transmission solutions.

NY Transco believes that NYPA's Petition for the Project is unlike NYPA's previous PTP petition for the NNY Project that the Commission granted. In the prior NNY Petition, NYPA identified the specific renewable generation zones that would benefit from reduced curtailments, described NNY's alignment along known transmission corridors, included a graphical depiction of the renewable generation pockets impacted by the NNY Project, and provided a quantified estimate of benefits including the avoidance of 7.5 terawatt-hours of curtailment. In the present case, NY Transco asserts that NYPA's Petition only makes vague references to upstate

renewables and includes no modeling, figures, or projections to demonstrate increased delivery of renewables or reduced curtailments.

NY Transco highlights recent presentations by the NYISO in the CGPP where sensitivities were run across future scenarios to assess system performance, one of which evaluated the removal of the Project to determine its impact. According to NY Transco, this analysis demonstrated that the Project would not significantly improve power flows into Zone J or that the project is needed in 2030, as NYPA claims. NY Transco indicates that the sensitivity (Sensitivity 10) did conclude that additional capacity would be needed starting in 2035, but that NYPA has not demonstrated that the Project could not be submitted through a future NYISO solicitation process in time to meet that need. NY Transco also notes that the emissions reduction claims by NYPA are unsupported with any evidence beyond references to potential renewable generation and that NYPA does not identify any resources or explain why similar benefits could not be achieved with other transmission solutions. NY Transco explains that the NYISO's recent Outlook shows that the Project would operate at just 15% utilization by 2030 and only to 50% by 2042 as compared to the Champlain Hudson Power Express line that is projected to remain at a consistent 92% utilization rate from 2030-2042.

Finally, NY Transco asserts that NYPA has failed to support the proposed cost recovery mechanism for the Project as it does not qualify for cost recovery under the NYISO tariff and if NYPA attempts to recover costs under the existing NTAC, there are certain limitations to recovery under that mechanism. NY Transco notes that it is unclear whether NYPA intends to use the NTAC mechanism and if it has taken any steps to seek approval through that process. Further, since the NTAC rate is

specifically reserved for NYPA, it is unclear how its partners would obtain recovery for its investment.

Niagara Mohawk Power Corporation d/b/a National Grid (National Grid)

National Grid submitted comments urging the Commission to review the proposed cost allocation methodology by NYPA to determine if it is equitably distributing costs across statewide customers. National Grid states that additional information is needed to enable a full analysis of the purported benefits and costs of the Project. National Grid requests that the Commission require this information and analysis to justify the proposed cost allocation methodology and determine whether it is just and reasonable for all New York State customers.

Nuclear New York

Nuclear New York submitted comments supporting the Commission's designation of the Project as a PTP but encourages the Commission to consider benefits in addition to those discussed in the Petition. Specifically, Nuclear New York notes that the PTP is focused on renewable energy and does not discuss the ability to deliver other "carbon-free" resources to New York City.<sup>57</sup> Nuclear New York suggests that if the Project is designed to incorporate more than just renewable energy resources, it could have significant energy system flexibility, efficiency and reliability benefits.

Orange County Chamber of Commerce (OCCC)

The OCCC submitted comments highlighting NYPA's record in developing transmission projects and the ability for the Project to deliver 1,300 MWs of emissions-free power to New York City by 2029. OCCC notes that the Project provides broader statewide benefits due to its bi-directional grid support and

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<sup>57</sup> Nuclear New York comments, p. 1.

the jobs, ratepayer savings, and the public health benefits it promises to deliver.

PSEG Long Island

PSEG Long Island submitted comments in support of the Commission designating the Project as a PTP based on the benefits NYPA includes in its Petition. PSEG Long Island believes that project development costs would be lower than if a private developer were to develop a similar project, based on NYPA's most recent use of its NTAC and cost of debt. However, PSEG Long Island notes that the overall costs of the Project will be impacted based on the selection of a project partner and that NYPA should be required to provide further details on the criteria it proposes to use in selecting a project partner.

Queensbridge Houses Residents Association

The Queensbridge Houses Residents Association submitted comments in support of the Commission designating the Project a PTP to reduce New York City's dependency on fossil fuel generation that is polluting communities, including public housing.

Susquehanna Group of the Sierra Club

The Susquehanna Group of the Sierra Club submitted comments in support of NYPA's Petition to designate the Project as a PTP, given its ability to meet the objectives of the CLCPA and help New York City transition its electric supply from fossil-fuel based sources to renewable energy sources.

The Climate Reality Project New York State Chapter Coalition

The Climate Reality Project New York State Chapter Coalition submitted comments in support of the NYPA Petition due to the Project's ability to lower reliance on fossil fuels, enhance the resiliency of the State's transmission systems, increase downstate New York grid capacity, and lower ratepayer costs.

Triangle

Triangle submitted general comments that encourage NYPA to consider the risks of various financing mechanisms, including residential and commercial property assessed clean energy financing and activating a direct revenue generation pool to support bonds for infrastructure - minimizing the cost of meeting emission reduction requirements, especially in New York City.

Urban Upbound

Urban Upbound submitted comments in support of NYPA's request for the Project to be designated a PTP given the Project's potential to significantly decrease greenhouse gas emissions in New York City and displace fossil fuel generation facilities. Urban Upbound also notes that the Project should support workforce development in the form of job training and apprenticeships that lead to long-term employment opportunities.

Westchester County

Westchester County supports the Commission's designation of the Project as a PTP due to its ability to deliver emissions-free power into New York City in 2029, increasing grid capacity, enhancing electric system resiliency, and potential to deliver significant cost savings to the County's ratepayers.

LEGAL AUTHORITY

The Accelerated Renewables Act provides the Commission with the authority to adopt criteria to determine whether a project should be given priority treatment and to identify a PTP based upon application of that criteria.<sup>58</sup> The core provisions of the Act direct the Commission to establish planning and

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<sup>58</sup> Act, §7(4) and §7(5).



investment programs to identify projects that “are necessary or appropriate to achieve the CLCPA targets.”<sup>59</sup> Specifically, the Act requires the Commission to develop a statewide bulk transmission plan and to establish a prioritized schedule for the implementation of needed projects.<sup>60</sup>

The Act recognizes two avenues to advancing the investments identified in the bulk transmission plan. First, Section 7(4) directs the Commission to refer to NYPA “those projects for which the Commission has determined there is a need to proceed expeditiously to promote the state’s public policy goals.”<sup>61</sup> Second, the Act requires the Commission to submit other “necessary” projects to the public policy planning process administered by the NYISO.<sup>62</sup>

The Act assigns the Commission responsibility for deciding which transmission investments should proceed via the first or second mechanism but does not specify what project characteristics or process the Commission should use to make that determination. Accordingly, the Accelerated Renewables Act provides the Commission discretion to determine what kinds of projects are needed expeditiously and should therefore be designated as a PTP and referred to NYPA.

The Public Service Law (PSL) provides the Commission with broad authority to ensure that energy supplies and transmission resources are adequate to meet demand in a manner that is protective of the environment. PSL §4(1) expressly

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<sup>59</sup> Id., §7(3) and §7(4).

<sup>60</sup> Id., §7(4).

<sup>61</sup> Ibid.

<sup>62</sup> Ibid. The Commission understands this language to refer to the NYISO’s Public Policy Transmission Planning Process, set out in Section 31.4 of the NYISO Open Access Transmission Tariff (OATT).

imbues the Commission with "all powers necessary or proper to enable [the Commission] to carry out the purposes of [the PSL]" which include, without limitation, the provision of safe and adequate service at just and reasonable rates,<sup>63</sup> environmental stewardship, and the conservation of resources.<sup>64</sup> PSL §5(1) provides that the "jurisdiction, supervision, powers and duties" of the Commission extend to the "manufacture, conveying, transportation, sale or distribution of ... electricity." Under PSL §5(2), the Commission is required to "encourage all persons and corporations subject to its jurisdiction to formulate and carry out long-range programs, individually or cooperatively, for the performance of their public service responsibilities with economy, efficiency, and care for the public safety, the preservation of environmental values and the conservation of natural resources." PSL §65(1) grants the Commission authority to ensure that "every electric corporation and every municipality shall furnish and provide such service, instrumentalities and facilities as shall be safe and adequate and, in all respects, just and reasonable."

#### DISCUSSION

The Petition presents another opportunity for the Commission to consider how the Accelerated Renewables Act prioritizes bulk transmission investments. As the Commission concluded in the PTP Order, the Act recognizes two mechanisms

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<sup>63</sup> See Int'l Ry. Co. v. Pub. Serv. Comm'n, 264 A.D. 506, 510 (3d Dep't 1942).

<sup>64</sup> PSL §5(2); see also Consolidated Edison Co. of N.Y., Inc. v. Pub. Serv. Comm'n, 47 N.Y.2d 94 (1979) (overturned on other grounds) (describing the broad delegation of authority to the Commission and the Legislature's unqualified recognition of the importance of environmental stewardship and resource conservation in amending the PSL to include §5).

for identifying bulk transmission upgrades needed to support CLCPA objectives: the NYISO public policy planning process and a new role for NYPA in deploying projects "needed expeditiously." As the Commission noted in the PTP Order, "this distinction suggests that the Legislature considers the NYISO process to be an appropriate vehicle for meeting some CLCPA transmission objectives, but inadequate to solve all of the expected transmission needs."<sup>65</sup> Thus, the Commission's task under the statute is to deploy the tools identified in the Act, as intended.

To accomplish the statutory objectives, the PTP Order provided criteria to distinguish a project that is "needed expeditiously" from one that can be addressed through the NYISO process. Those criteria focus primarily on reducing the constraints that limit the operation of existing generation. In fact, the Commission stated that addressing the deliverability of existing generation "is a key and perhaps determinative factor" in the analysis.<sup>66</sup> The Commission recognized that one reason for this focus is the fact that existing generators represent substantial investments of public and private funds, whose full output is needed to meet State clean energy targets. Consequently, the Commission determined that, when considering a possible PTP, it would consider "the transmission investment's potential for unbottling existing renewable generation, as well as projects that are in the NYISO interconnection process, ... thereby reducing the amount of new generation that must be constructed to meet the CLCPA Targets."<sup>67</sup>

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<sup>65</sup> PTP Order, p. 15.

<sup>66</sup> Id., p. 16.

<sup>67</sup> Id., p. 17.

However, the Petition before us does not demonstrate that the Project will relieve constraints impacting existing generation, as required by the PTP Order. Instead, NYPA relies on a recitation of the State's future needs for renewable generation and the presence of a significant amount of proposed projects in the NYISO interconnection queue to justify designating the Project as a PTP.<sup>68</sup> As NY Transco points out, NYPA does not provide any evidence of existing congestion and does not even meet the standard it set in the NNY petition for establishing a need to unbottle renewable resources. This approach overlooks the PTP Order's emphasis on the need to unbottle existing generation and therefore misses the mark.

We note, as do a number of commenters, that evidence from recent NYISO studies and the Coordinated Grid Planning Process (CGPP) does not support designation of the Project as one that is "needed expeditiously." The NYISO's 2023-2042 System & Resource Outlook report shows that the Project would operate at a low level of utilization until 2040, at the earliest.<sup>69</sup> Indeed, the Outlook forecasts that the Project would reach only a 47% utilization level by 2042, as compared to the Champlain Hudson Power Express line that is projected to operate at a consistent 94%-95% utilization rate from 2030-2042.<sup>70</sup> Even if we assume the Project is technically capable of meeting future needs, designating it as a PTP now would mean charging

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<sup>68</sup> NYPA itself characterizes the Project as one that would "send a market signal to renewable developers that there will be reliable transmission to deliver renewable energy directly" into New York City. Petition at 18. This language underscores that the utility of the Project relates not to relieving existing congestion but to supporting a future system state.

<sup>69</sup> NYISO Outlook, Appendix I: Transmission Congestion Analysis.

<sup>70</sup> Id., p. 13.

ratepayers for transmission facilities that will not begin conducting significant amounts of generation until a point in the future that may be two decades away. We do not find that it is either just or reasonable to impose such costs on New York electric customers.<sup>71</sup>

Initial results published under the CGPP also indicate that the Project does not address any urgent near-term need.<sup>72</sup> Various sensitivities were run to test the modeling results for the assumed State Scenario, including Sensitivity 10 which explored the consequences of removing the Project from the system.<sup>73</sup> This test shows that the loss of the Project does not trigger the model to choose new replacement energy resources. Rather, the results indicate that the same quantity of renewable resources are built with or without the Project through the 2040 horizon.<sup>74</sup> These results provide additional indications that the Project is not needed in the near term.

Additionally, we note that an evaluation of the Project's impact on existing and new renewables in and around

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<sup>71</sup> See Case 22-E-0633, New York Independent System Operator, Inc. Proposed Public Policy Transmission Needs for Consideration for 2022, Order Withdrawing Public Policy Transmission Need (issued July 17, 2025) (withdrawing prior finding of a public policy transmission need in order to protect ratepayers from the costs of building a facility that might not be used).

<sup>72</sup> Results are available at the Energy Policy Planning Advisory Council website:  
<https://dps.ny.gov/system/files/documents/2025/02/sensitivitie-s-8-9-and-10-results.pdf>.

<sup>73</sup> Electric system planning is based on sophisticated system modeling. A "sensitivity" is a test of the model that examines the effects of changes to the baseline assumptions.

<sup>74</sup> Case 20-E-0197, Slides for January 27, 2025, Meeting of the Energy Policy Planning Advisory Council, see page 106 for Sensitivity 10 results, available at  
<https://dps.ny.gov/system/files/documents/2025/02/sensitivitie-s-8-9-and-10-results.pdf>.

Delaware County in the southernmost portion of NYISO Zone E, which the NYISO refers to as "Renewable Pocket Z2" located in NYSEG's Southern Tier Service Territory further demonstrates that this line will not be needed in 2030. The NYISO's analysis shows that the Renewable Pocket Z2 remains unconstrained until at least 2035; in other words, the transmission system is sufficient to serve the expected resources. Specifically, the report states "for year 2035, the 345 kV Fraser to Oakdale line remains the only congested element in the pocket ... [upstate photovoltaic] deliverability reduces slightly in the Policy Case scenarios. [Land-based wind] deliverability remains high at 100%."<sup>75</sup> This information shows that congestion and curtailment are unlikely to be significant issues in the area of the Project's interconnection until at least 2035 at expected levels of wind and solar development.

These studies and findings also indicate that the Project cannot be justified as a solution to near term reliability issues affecting New York City. Commenters correctly point out that recent NYISO studies raise concerns about shrinking reliability margins in the City and urge us to designate the Project as a PTP in order to address this problem. However, the Project in the Petition is for a transmission line only and does not identify any new renewable generation to be delivered through it. Thus, the record does not show that the Project will deliver significant amounts of generation output to the New York City grid until the 2040s. If reliability issues arise in the 2030-2035 timeframe, the Project would not provide a solution.

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<sup>75</sup> NYISO Outlook, Figure J-26, Appendix J, p. 43: Renewable Generation Pockets, available at <https://www.nyiso.com/documents/20142/46037616/Appendix-J-Renewable-Generation-Pockets.pdf>.

The Commission finds that, even as we concur with NYPA on the general point that transmission will be necessary to accommodate future generation, projections of future resources do not suffice to bypass the State's planning processes and designate a PTP. The PTP Order discussed the weight to be given to future generation in establishing a PTP, and the Commission explained that avoiding congestion based on a prediction of generation to be built in the future "does not have the same urgency as securing the value of investments already made."<sup>76</sup> The Commission stated that, where a transmission project proposes to unbottle existing generation, the presence of additional projects in development that might also be served is a factor to consider but is not itself an indicator that the transmission is needed "expeditiously."<sup>77</sup> In the case of a proposal such as the Project, which does not resolve congestion affecting existing generation in the first place, we will not base a PTP on the number of queued projects in development. In other words, a project whose rationale is serving future generation is not "needed expeditiously," unless it also, like the NNY project, relieves system constraints impacting existing resources.

The Commission does not disagree with NYPA's assertion that many clean generation projects will be needed to meet the State's decarbonization goals. We have noted this fact as recently as our order on the Clean Energy Standard Biennial Review.<sup>78</sup> However, the Accelerated Renewables Act requires us to

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<sup>76</sup> PTP Order, p. 16.

<sup>77</sup> Id. p. 17.

<sup>78</sup> Case 15-E-0302, Large-Scale Renewable Program and a Clean Energy Standard, Order Adopting Clean Energy Standard Biennial Review (issued May 15, 2025), pp. 31-54 (adopting changes to renewable procurements to increase the volume of solicitations and reduce project risks).

distinguish between long-term and short-term transmission needs, and to deploy the transmission planning tools that are appropriate to each. We agree with commenters who point out that the Petition provides no substantive basis for us to use a PTP instead of the alternative recognized by the Act (i.e., the NYISO planning process).

The concerns that NYPA raises for the future of the system are issues that are being explored and analyzed in planning studies based on a long-term horizon, such as the CGPP work that is currently underway. If those processes indicate a need for bulk transmission investment to support deliverability of clean energy beyond the 2030 horizon, the NYISO's public policy planning process is likely to be the proper mechanism for identifying a cost-effective solution.<sup>79</sup> Among other benefits, the NYISO process is independent of any stakeholder interests and provides for a competitive evaluation of alternatives, which we have determined is critical to securing cost-effective solutions and protecting ratepayers' interests.<sup>80</sup> NYPA's assertions of multiple benefits to the Project do not overcome our preference for a competitive process, and in any event, we agree with commenters that NYPA's analysis of benefits is flawed and contains significant errors, including the double-counting of certain savings metrics.<sup>81</sup>

Further, we reject NYPA's contention that the existing planning processes will take too long to develop a solution.

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<sup>79</sup> We agree with IPPNY that there is no certainty that the Project, now reduced to its transmission component, represents the lowest possible cost to consumers since it was not subject to a competitive solicitation process.

<sup>80</sup> Case 15-E-0302, supra, Order Denying Petitions Seeking to Amend Contracts with Renewable Energy Projects (issued October 12, 2023).

<sup>81</sup> Indicated Utilities' comments, p. 9.



NYPA's argument is based on its assumed 2030 need date, which the Petition does not support. NYPA also argues that the development activities it has already undertaken for the Project indicate that it can be placed in-service by 2030 and before any other project could be constructed. We remind NYPA of the Commission's determination in the PTP Order that the fact that NYPA may have completed certain project development activities is not a basis for finding that a proposal qualifies as a PTP. As the Commission stated there, "a PTP is a project that is needed 'expeditiously' not because it has already been engineered ... but because early construction serves a particular CLCPA objective."<sup>82</sup> As noted above, the Petition does not establish a rationale for building the proposed facility in the immediate term.

NYPA's own analysis suggests that, as decarbonization proceeds, the Project will not be needed to serve substantial amounts of generation until well after 2033 and possibly not until 2040.<sup>83</sup> We understand NYPA's point that the NYISO solicitation process takes between 18 and 24 months to select a

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<sup>82</sup> PTP Order, pp. 18-19.

<sup>83</sup> We observe that the Project does not satisfy either criterion, and this effectively concludes our analysis and decision making here. Although this conclusion does not implicate the CLCPA, we, nevertheless, also provide the following observations. Pursuant to CLCPA §7(2), we note that our denial of the Petition is consistent with and will not interfere with the attainment of the statewide greenhouse gas emissions limits, as the Project is not needed "expeditiously" and the transmission planning processes identified herein, including the CGPP, will provide adequate means to identify any necessary facilities. Similarly, in line with CLCPA §7(3), we further note that our denial will not disproportionately burden disadvantaged communities, as it does not directly impact greenhouse gas emissions or otherwise burden disadvantaged communities - especially given the absence of renewable energy resources and the shifted need date.

project, and that permitting and construction can consume years. However, we find that the State's current planning and permitting processes are adequate to ensure transmission solutions to bulk system needs that are anticipated to arise on a ten-year horizon can be identified and constructed in time.

For all these reasons, the Petition is denied. Since we do not designate the Project as a PTP, it is unnecessary to address NYPA's additional assertions with respect to potential cost recovery and cost allocation mechanisms.

#### CONCLUSION

The Commission denies the Petition on the grounds that the proposed Project does not meet the criteria established by the Commission in the PTP Order for designation as a PTP under the Accelerated Renewables Act.

#### The Commission orders:

1. The Petition, filed in this proceeding by the New York Power Authority on December 23, 2024, and supplemented on January 24, 2025, is denied, as discussed in the body of this Order.

2. This proceeding is continued.

By the Commission,

(SIGNED)

MICHELLE L. PHILLIPS  
Secretary