Mayor's Office of Environmental Coordination

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission to Address Interconnection Reforms for Large Loads **Case 26-E-0045**

COMMENTS OF THE CITY OF NEW YORK ON THE DRAFT SCOPING DOCUMENT FOR A LARGE LOADS GENERIC ENVIRONMENTAL IMPACT STATEMENT

November 4, 2026

PRELIMINARY STATEMENT

The City of New York ("City") respectfully submits these comments to the New York State Public Service Commission ("Commission") in response to the New York State Department of Public Service's ("DPS") Draft Scoping Document for a Large Loads Generic Environmental Impact Statement ("GEIS") pursuant to the New York State Environmental Quality and Review Act ("SEQRA").[1] The Mayor's Office of Environmental Coordination ("MOEC") coordinates the participation of multiple City agencies in SEQRA reviews and submits these comments on behalf of the City.

The City appreciates the Commission's efforts to develop a comprehensive environmental review of the potential impacts associated with large load development and interconnection in New York State. The Draft Scoping Document appropriately recognizes that the anticipated

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[1] Case 26-E-0045, *Proceeding on Motion of the Commission to Address Interconnection Reforms for Large Loads* ("Energize NY Proceeding"), Draft Scoping Document for a Generic Environmental Impact Statement (issued September 18, 2026) ("Draft Scoping Document").

growth of large loads, particularly data centers, may have implications for energy infrastructure, water resources, air quality, Disadvantaged Communities, land use, and other environmental resources. The City believes, however, that certain aspects of the Draft Scoping Document should be clarified to ensure that the GEIS provides the Commission with sufficient information to take the requisite "hard look"[2] at potentially significant environmental impacts and to evaluate reasonable alternatives and mitigation measures. The City's comments below therefore seek to ensure that the GEIS adequately evaluates the range of large load development that may occur in the State, appropriately assesses cumulative and indirect impacts, and develops a comprehensive record regarding reliability, water resources, environmental justice, and climate-related considerations consistent with SEQRA.

BACKGROUND

On July 14, 2026, Governor Hochul issued Executive Order 62, "Establishing a Temporary Moratorium on Data Centers in New York While the State Develops Higher Standards for Data Center Development and Benefits Blueprint to Support Localities" ("EO 62").[3] Paragraph 1 of EO 62 directs DPS to "examine the impacts associated with the interconnection of data centers to the electric distribution network" through the Energize NY Proceeding.[4] EO 62 paragraph 1 further directs DPS to prepare a GEIS "to assess the potential environmental impacts of the

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2 *Matter of Jackson v. New York State Urban Dev. Corp.*, 67 N.Y.2d 400, 417 (1986); *see* 6 NYCRR Part 617.

3 Exec. Order No. 62, *Establishing a Temporary Moratorium on Data Centers in New York While the State Develops Higher Standards for Data Center Development and Benefits Blueprint to Support Localities* (July 14, 2026) ("EO 62").

4 *Id.* ¶ 1.

construction and operation of data centers in the State, including energy demand, water use and quality, air quality, disproportionate impacts on disadvantaged communities, and noise levels."[5]

Within the Energize NY Proceeding, the Commission issued a Notice of Positive Declaration and Availability of Draft Scope on September 18, 2026.[6] By Notice issued October 19, 2026, the Commission extended the deadline for comments on the Draft Scoping Document to November 4, 2026.[7]

The City now submits these comments on the Draft Scoping Document and incorporates by reference its previous comments in the Energize NY Proceeding.[8] As discussed in those comments, large load integration is not merely a technical interconnection issue but also a significant system-planning, cost allocation, land use, water resource, and reliability challenge. The Large Loads GEIS should study the potential significant adverse impacts of the Commission's interconnection framework, as well as the impacts of construction and operation of data centers in the State as directed by EO 62, considering the unprecedented scale of data center development.

Further, the City acknowledges that the New York Independent System Operator, Inc. ("NYISO") is separately considering the potential impact of large load interconnections on the electric grid. The City has supported the NYISO's efforts to make explicit that new large loads must address the incremental resource adequacy impacts they create because the integration of new large loads, such as data centers, should not compromise the reliability of service for existing customers. At the same time, the City has emphasized that the NYISO's proposed procedures

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5 *Id.*

6 Case 26-E-0045, *supra*, Notice of Positive Declaration and Availability of Draft Scope (filed Sept. 18, 2026).

7 Case 26-E-0045, *supra*, Notice Extending Comment Period (Oct. 19, 2026).

8 Case 26-E-0045, *supra*, Initial Comments of the City of New York on Interconnection Reforms for Large Loads (filed May 13, 2026) ("City's Initial Comments").

should not inadvertently favor certain resource types or produce outcomes that are inconsistent with the State's clean energy objectives.[9]

Lastly, the City also previously conveyed in its comments that, as the Commission moves forward with the Energize NY Proceeding, it should ensure that adequate cost allocation and cost-shifting protections are established so that customers are not required to subsidize new large load development. In addition to the GEIS, the City encourages the Commission to explore capacity-based charges, requirements that large load customers procure their own dedicated generation or storage resources, grid flexibility or curtailment policies, and modifications to cost recovery rules to protect existing customers against financial risk.

COMMENTS

I. The GEIS Should Evaluate the Construction, Operation, and Interconnection-Related Impacts of Large Loads

SEQRA requires that a lead agency preparing an EIS identify the appropriate and relevant aspects of an action, take a "hard look" at the action's potential for significant adverse impacts, and provide a "reasoned elaboration" of the agency's assessment of the potential for such impacts.[10]

Consistent with these requirements, the Commission should appropriately define the scope of the "action" subject to the Large Loads GEIS. First, EO 62 directed the agency to study the "environmental impacts of the construction and operation of data centers in the State."[11] Accordingly, the GEIS should evaluate not only the interconnection framework under

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[9] The City of New York's Statement at the October 28, 2026 NYISO Management Committee, available at: https://www.nyiso.com/management-committee-mc?meetingDate=2026-10-28

[10] *Jackson*, 67 N.Y.2d at 417; *see* 6 NYCRR Part 617.

[11] EO 62 ¶ 1

consideration in the Energize NY Proceeding, but also the reasonably foreseeable construction, operation, and associated infrastructure development of large loads, including large-scale data centers, that may connect to the State's electric grid pursuant to that framework.

More broadly, the GEIS should develop sufficient information to allow the Commission to understand the environmental consequences of the potential large load interconnection approaches under consideration in the Energize NY Proceeding. While the purpose of the GEIS is not to prescribe a particular regulatory outcome, the environmental review should evaluate how different approaches to large load interconnection may influence electricity and water demand, transmission and distribution infrastructure needs, emissions, reliability-related infrastructure investments, impacts on Disadvantaged Communities, and other environmental considerations.

II. The GEIS Analysis Should Include a Definition of "Large Load"

It is imperative that the Commission define what constitutes a "large load." In developing a definition, there are a number of competing factors and contexts that should be considered, including size of the loads, State policy goals such as electrification and affordable housing, and the nature of the load (*i.e.,* economic development that provides many jobs and environmental infrastructure, as opposed to large-scale data centers). The City recommends that the Commission solicit further public comment specifically on how "large loads" should be defined. The City does not yet have a proposed definition, but, at a minimum, the large loads subject to study in this GEIS should exclude critical municipal infrastructure such as water treatment plants and wastewater

resource recovery facilities, as well as existing high-rise buildings with loads below 50 megawatts ("MW").[12]

The scope of what the Commission defines as a "large load" will necessarily impact both the regulatory framework for large loads and the total estimate of data center and other large load development in the "With Action" condition for a GEIS.

III. The GEIS Analysis Should Include "With Action" Prototypes

There is also no such thing as a one-size-fits-all "large load." The Commission should study in the GEIS a reasonable number of representative types of data centers and other large loads that would be subject to whatever policies the Commission adopts in the Energize NY Proceeding.

Identification of the planned scale and type of large loads is critical for understanding the potential demands and impacts on both the electrical grid and water supply. While data centers are only one form of "large load" that may be subject to the Commission's policies, data centers can themselves vary widely in demand for water and power. Forecasting long-term demand of power and water requires identification of the technologies and processes occurring at data centers or other large load facilities. The two primary uses of electricity at data centers are for operation of information technology equipment and cooling. Importantly, efficiencies in power and water usage at data centers can be inversely related: an increase in power efficiency (and therefore lower electricity demand) may lead to a decrease in water use efficiency (and therefore higher water demand), and vice versa. The Commission should consider a reasonable range of likely data center

[12] The NYISO intends to define "large load" as a "proposed commercial or industrial load, located at a single site or in close proximity, behind one or more [points of interconnection], that has a peak load of 50 MW or greater proposing to connect to the New York State Transmission System." NYISO "FERC Show Cause Order on Large and Co-Located Loads" Presentation to Management Committee (dated Oct. 28, 2026), at slide 16. The NYISO intends to exclude public safety facilities and providers of essential services from the "large load" definition.

and other large load types when estimating the scope of future development in the With Action condition.

Size is another factor that the Commission should consider in its definition of large loads and its environmental analysis. Data centers can vary from already widely-existing facilities with smaller loads that serve individual companies or institutions, to server facilities that may house data for multiple businesses, to the largest and most demand-intensive hyperscale data centers. The Commission should develop reasonable estimates of the potential number of varying-sized large loads when assessing the future With Action condition.

Ultimately, to meaningfully assess these varieties of types of large loads, the GEIS should evaluate a reasonable range of representative types of data centers and other large loads, reflecting variations in facility size, function, technologies, and operational characteristics. These SEQRA review prototypes should inform the Commission's estimates of electricity and water demand, greenhouse gas ("GHG") emissions, and other relevant environmental impacts under the action assessed in the GEIS. Although a generic review need not evaluate every conceivable type of large load, it should study a sufficient range of large loads to meaningfully assess the environmental consequences of the development that the proposed action may facilitate.

IV. The Proposed "No Action" Condition Should Be Modified

The Draft Scoping Document states that the appropriate "No Action" condition for the Large Loads GEIS is the continuation of the development of data centers under existing interconnection processes without the adoption of any new regulatory framework for large loads. The City believes that this proposed No Action condition is not sufficient.

EO 62 directed DPS to study the environmental impacts from large loads—specifically data centers—in the context of a statewide moratorium on interconnection and siting of hyperscale

data centers until further study of their potential impacts and development of a reasonable development policy can occur.[13] The appropriate No Action condition for the Large Loads GEIS, therefore, is the current condition under EO 62 of no new 50 MW or larger data centers being constructed. The use of any other baseline for the No Action condition will artificially shrink the No Action / With Action increment that the agency should study in the Large Loads GEIS. The preferred "No Action" condition does not reflect current reality in New York State and would not result in the Commission taking a "hard look" at the potential significant adverse impacts of widespread data center buildout.

V. In the GEIS, the Commission Should Evaluate the Specific Impacts on Water and Wastewater Infrastructure

The Commission should evaluate the potential impacts of large loads under the With Action condition on water and wastewater infrastructure. The GEIS should assess the water demands of a reasonable range of types of large loads (including data centers), which vary widely in water demand depending on their size and type of technology. The GEIS should also assess the potential indirect impact on available water supplies attributable to increased power generation and transmission, including the potentially different impacts based on geographical location in the State. Consideration of the increased power and water demand of data centers during droughts, heat waves, and other scenarios is also critical for accurate projection of the impact to the water supply for long-term planning.

VI. The GEIS Should Evaluate the Impacts of Large Loads on Climate and Clean Energy Objectives

Finally, it is crucial that the Commission consider ways in which the Large Loads GEIS will impact the City's and the State's climate and decarbonization policies, including the Climate

[13] EO 62 ¶ 1.

Leadership and Community Protection Act. The Commission should conduct a fulsome environmental/emissions review of the estimated impacts of large load development on the availability of renewable and clean energy sources to the electric grid. That is, if these resources are dedicated to serving large loads, they may be unavailable to serve statewide load, and existing customers may need to look to other resources to serve their growing energy demands. In 2024, the electric grid within New York City was powered by 80 percent fossil fuel sources, mainly generated from fossil fuel power plants in New York City and within the metro region, and 20 percent clean energy sources, mainly delivered from upstate transmissions. The development of large loads in New York State could limit the availability of clean energy sources to New York City customers and continue New York City's reliance on fossil fuel power plants in and around the metro region. Such extended reliance has implications for regional and state emissions reduction progress and could exacerbate negative public health impacts within New York City. The City urges the Commission to carefully analyze the air quality and health impacts associated with possible actions in this proceeding and identify mitigation and other measures that would result in an approach that advances, rather than undermines, the City's and State's important public policies, and which evaluates the role of large loads within the energy system as a whole, including their impact on system-wide energy use.

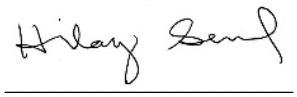
Conclusion

The City appreciates the opportunity to comment on the Draft Scope Document for the Large Loads GEIS. As discussed above, the City respectfully requests that the Commission refine the Draft Scoping Document to ensure that the GEIS evaluates the full range of reasonably

foreseeable large load development that may occur under further Commission action, including associated impacts on water resources and infrastructure, air quality, climate goals, and

Disadvantaged Communities throughout New York state. A robust GEIS will provide the Commission and the public with the information necessary to evaluate the potential impacts, alternatives, and mitigation measures and to support informed decision-making consistent with SEQRA and EO 62.

Respectfully submitted,



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