

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

**CASE 15-E-0302 - Proceeding on Motion of the Commission to Implement a Large-Scale
Renewable Program and a Clean Energy Standard**

**COMMENTS OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.
ON PETITION OF INDEPENDENT POWER PRODUCERS OF NEW YORK, INC.,
NEW YORK STATE BUILDING AND CONSTRUCTION TRADES COUNCIL AND
NEW YORK STATE AFL-CIO FOR THE ESTABLISHMENT OF A ZERO EMISSIONS
ENERGY SYSTEMS PROGRAM UNDER THE CLEAN ENERGY STANDARD**

Pursuant to the Notice of Proposed Rulemaking published September 15, 2021,¹ the New York Independent System Operator, Inc. (“NYISO”) respectfully submits these comments on the petition filed by the Independent Power Producers of New York, Inc. (“IPPNY”), the New York State Building and Construction Trades Council, and the New York State AFL-CIO proposing that the New York State Public Service Commission (“PSC” or “Commission”) establish a new competitive program or tier under the Clean Energy Standard (“CES”) to encourage the development of zero emitting electric generating facilities that are not renewable systems, as defined by the Climate Leadership and Community Protection Act (“CLCPA”).

The NYISO offers comments on the petition to highlight the importance of sufficient flexible and dispatchable generation resources and to encourage further discussion on the types of flexible and dispatchable generation resources that will comply with the CLCPA.

¹ Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard*, Notice of Proposed Rulemaking, NYS Register, Sept. 15, 2021, at 17.

COMMENTS

A. The Electric Grid Needs Flexible and Dispatchable Generation Resources that Comply with the CLCPA

The New York electric grid is facing an unprecedented transition driven by the CLCPA mandate that 70% of New York State’s end-use energy be generated by renewable energy systems by 2030 (“70x30”) and for the statewide electric system to be zero emissions by 2040. As discussed in the NYISO’s draft 2021-2030 Comprehensive Reliability Plan, one of the key challenges arising in the energy and ancillary services markets with significant penetration of weather-dependent, renewable resources is balancing the intermittency of the power produced by these resources with system demand.² Substantial zero-emission dispatchable resources will be required to fully replace the fossil generation that balances the system today.³ The integration of batteries that will store renewable energy for later use on the grid will be poised to help with the short duration and daily cycles of reduced renewable output. However, the grid of the future will require flexible, on-demand resources (1) that can balance lulls in output from intermittent resources over extended periods of time, (2) that can quickly turn on and are flexible in dispatch, and (3) that are able to meet the sharp and occasionally sustained ramping needs created by sudden changes in electric output from solar or wind resources.

² See, *2021-2030 Comprehensive Reliability Plan*, A Report from the New York Independent System Operator, Draft Report for October 25, 2021, TPAS/ESPG, at pp. 7-9, 41-42, and 44-46, available at https://www.nyiso.com/documents/20142/26119798/06_DraftReport.pdf/a435d1b0-b08c-9540-c3a3-0fcbb4a543b7.

³ These challenges are discussed in detail in the NYISO’s Climate Change Phase II study, available at: <https://www.nyiso.com/documents/20142/10773574/NYISO-Climate-Impact-Study-Phase-2-Report.pdf/209bc753-3f69-8ab9-37b5-eae3698b0ed1>.

B. A Technical Conference and Other Forums for Discussion will provide Valuable Insight to Interested Parties

The NYISO encourages the Commission to facilitate further discussion with interested parties on this topic through a stand-alone technical conference and/or as part of the regional public comment hearings on the New York State Climate Action Council's draft scoping plan.

As suggested by the Joint Utilities⁴ in their November 15, 2021 comments in this proceeding, a Department of Public Service Staff-led technical conference on the types of flexible and dispatchable generation resources that will comply with the CLCPA could provide invaluable information to electric generation developers and other interested stakeholders. An emissions-free electricity supply will require the development of new technologies to provide necessary reliability services. Providing more information to interested parties about the types of generation resources that will comply with the CLCPA will better inform needed investments in technologies to build the supply resources that the grid of the future will require to reliably deliver electricity to consumers.

The upcoming public comment hearings on the Climate Action Council's draft scoping plan could also provide opportunities for these discussions. Since the Climate Action Council will be issuing its draft scoping plan in the near future, the associated public comment hearings that will follow could facilitate timely and valuable discussion on the types of generation resources that will be needed to maintain electric system reliability in the future and that will help achieve the mandates of the CLCPA.

⁴ The Joint Utilities are Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., National Fuel Gas Distribution Corporation, New York State Electric & Gas Corporation, The Brooklyn Union Gas Company d/b/a National Grid NY, KeySpan Gas East Corporation d/b/a National Grid, and Niagara Mohawk Power Corporation d/b/a National Grid, Orange & Rockland Utilities, Inc., and Rochester Gas and Electric Corporation.

CONCLUSION

The NYISO respectfully requests that the Commission consider these comments during its consideration of the petition. As discussed herein, the NYISO respectfully encourages the Commission to consider the importance of flexible and dispatchable generation. Flexible, on-demand generation is necessary to balance intermittent, renewable generation and preserve electric system reliability while supporting the CLCPA.

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Respectfully submitted,

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