BEFORE THE
STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission
to Implement a Nuclear Reliability Backbone Case 26-E-0335

COMMENTS OF THE NEW YORK POWER AUTHORITY

The New York Power Authority (NYPA) submits these comments in response to the Notice Soliciting Comments issued (Notice) on June 12, 2026, in the above-referenced proceeding. On June 11, 2026, the New York State Public Service Commission (Commission) issued an Order Establishing a Nuclear Reliability Backbone Process (Order) whereby the Commission initiated a proceeding to evaluate the development of a Nuclear Reliability Backbone, including the potential mechanisms for integrating new nuclear generation in a timely and cost-effective manner, and with maximum benefits to New York's electric grid and ratepayers.[1] The Order particularly highlights the significant role that nuclear generation has played in providing firm, reliable zero-emissions electricity in New York for over fifty years.[2] On June 12, 2026, the New York State Energy Research and Development Authority (NYSERDA) and the Department of Public Service (DPS) Staff separately filed their Advanced Nuclear Policy Options Paper (Options Paper) to evaluate a broad range of policy mechanisms available to New York State (NYS) to support new grid-scale advanced nuclear projects, with the objective of identifying approaches that can enable project viability while minimizing expected costs and risk exposure to the public.[3] Through the Notice, the Commission seeks

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[1] Case 26-E-0335, Order Establishing a Nuclear Reliability Backbone Process (issued June 11, 2026).
[2] See id. at p.11.
[3] Case 26-E-0335, Advanced Nuclear Policy Options Paper (filed June 12, 2026).

stakeholder comments on: (1) the questions presented in the Commission's Order; and (2) the Options Paper submitted by the DPS staff.

NYPA respectfully submits the following comments in response to the Options Paper. Specifically, these comments offer: (i) an overview of NYPA's effort to develop at least one gigawatt (GW) of new nuclear energy generation, as called upon by Governor Kathy Hochul; (ii) NYPA's perspective on New York's procurement model for advanced nuclear resources; (iii) recommendations for the Commission's consideration for transmission investments necessary to support the successful development of a nuclear reliability backbone in New York State, and (iv) recommendations for the layered integration and coordination of this proceeding with closely related Commission proceedings, planning processes and NYISO planning processes.

Furthermore, although the Options Paper does not specifically cover this issue, NYPA strongly encourages the Commission to deem advanced nuclear energy generation —as defined in the Options Paper as "zero emission" under Public Service Law Section 66-p(2)(b).[4] As New York enters a new phase of clean energy transformation, NYPA will continue serving as a strategic partner for advancing the state's clean energy priorities.

A. Background

New York has a longstanding reputation for pioneering clean energy policy through innovative legal, regulatory, and market-based strategies. Over the past two decades, the state has consistently promoted investment in renewable energy generation and transmission infrastructure. Throughout this period, NYPA has served as a trusted partner, playing a leading role in New York's transition toward a carbon-free, economically robust future by working

[4] The Climate Leadership and Community Protection Act (the Climate Act) directed the Commission to establish, among other things, a program to ensure that (1) by 2030, at least 70% of electric load is served by renewable energy (70 by 2030 Target), and (2) by 2040, there are zero emissions associated with electrical demand in the State (Zero-Emission by 2040 Target). In May 2023, in Case 15-E-0302, the Commission issued an Order Initiating Process Regarding Zero Emissions Target, Effective May 18, 2023. Among other things, the Commission sought input on whether the term "zero emissions" should be construed to include advanced nuclear (Gen III+ or Gen IV).

closely with customers, delivering innovative energy solutions, and ensuring the responsible supply of affordable, clean, and reliable electricity.

In June 2025, Governor Hochul called upon NYPA to develop and construct at least one GW of advanced, zero-emission nuclear energy capacity in Upstate New York. In her 2026 State of the State address, Governor Hochul unveiled the Nuclear Reliability Backbone—a transformative initiative aiming to establish 8.4 GW of reliable, zero-emission electricity for New York's grid. This visionary plan leverages the state's existing 3.4 GW of nuclear generation assets and expands upon NYPA's commitment to developing at least one GW of advanced nuclear capacity. By developing new nuclear generation resources, New York seeks to enhance grid reliability, support the reshoring of manufacturing and other high technology industries, meet clean energy targets, and position New York as a leader in sustainable power generation for the future.

B. Discussion

NYPA applauds the Commission's commitment to advancing advanced nuclear technologies as an important component of New York's transition to a reliable, affordable, and clean electric system. NYPA is encouraged by the Commission's support in aligning the Reliability Backbone initiative with NYPA's ongoing efforts. Together these efforts represent an opportunity to establish a framework for successful implementation of New York's long-term energy affordability, power system reliability, and decarbonization objectives.

I. NYPA Nuclear Project

As NYPA maintains its commitment to new renewable generation and energy storage, new nuclear energy will be an essential part of an all-of-the above approach to increasing New York's energy generating capacity to meet growing demand for firm base load power while maintaining affordable and emissions-free energy for consumers. NYPA's new nuclear project draws on the Authority's long-standing record of safely and efficiently running the Indian Point 3 and James A. Fitzpatrick nuclear power plants.

To advance our new nuclear program, NYPA issued two Requests for Information (RFIs) in October 2025, the first to solicit feedback from communities interested in hosting a nuclear facility, and the second to seek information regarding technology, siting, cost, timelines, ownership structure and partnership models from interested nuclear project developers and partners. The Authority received robust responses to both solicitations, with submissions from eight interested communities and 23 nuclear industry participants.

Additionally, NYPA formed a strategic partnership with our long-standing partner Ontario Power Generation to jointly develop advanced nuclear technology, entering into a Memorandum of Understanding (MOU) on December 19, 2025. This collaboration will utilize the entities' combined expertise and resources to drive technological innovation, deepen its understanding of nuclear financing and economics, and support workforce development efforts essential for the construction and operation of nuclear facilities in both New York and Ontario.

In June 2026, NYPA issued a Request for Qualifications (RFQ) for experienced nuclear developers and delivery partners and a Request for Applications. The RFQ builds on the robust interest received from responses to NYPA's 2025 RFIs and seeks to qualify firms with demonstrated experience developing, constructing, operating, or servicing nuclear power projects.

On the same date, NYPA also issued a Request for Applications (RFA) inviting New York State-based training providers to apply for NYPA nuclear workforce development funding. NYPA's RFA for workforce training reflects its commitment to invest up to $40 million over four years in initiatives that strengthen New York's nuclear talent pipeline. This funding will support training programs, hands-on learning opportunities, paid internships, and job placement for essential construction and operations roles. Eligible New York State–based training providers include technical high schools, community colleges, universities, trade associations, unions, manufacturers, community organizations, and state or federally recognized Native American nations and tribal organizations. This effort is complementary to NYPA's work providing

funding for workforce development funding to improve opportunities for New Yorkers to enter the renewable energy workforce. Together, these programs will help provide opportunities for New Yorkers to secure family-supporting jobs in clean energy industries.

NYPA appreciates the Option Paper's focus on identifying strategies that support project viability while minimizing costs and risks for the public. NYPA encourages the Commission to employ innovative solutions to overcome barriers to making these first projects commercially viable.

II. The Commission Should Consider a Broad Range of Procurement Options to Promote Project Viability While Prioritizing Best Value for Ratepayers

For more than ten years, New York has advanced clean energy policies through market-based procurement mechanisms such as renewable energy attribute payments to accelerate investment, stabilize markets, and leverage private capital and competitive procurement processes. Advanced nuclear technologies present distinct commercial and regulatory challenges, and providing adequate revenue certainty for investors is critical. A robust procurement framework must acknowledge that nuclear projects will encounter heightened commercial, regulatory, and supply chain risks, particularly for the initial tranche.

The Options Paper introduces Advanced Nuclear Zero Emission Credits (or ANZECs) for new advanced nuclear projects which could provide the above-market revenue needed to make projects viable. New York's experience with market-based mechanisms like Tier I renewable energy credits (RECs), Tier II maintenance RECS, Tier III zero emission credits (ZECs), Tier IV offshore wind RECs (ORECs) and index storage RECs (IRECs) positions it well to inform the design of ANZECs, as outlined in the Options Paper, including key elements such as procurement methods and revenue hedging. Nevertheless, NYPA cautions that relying exclusively on ANZECs may not sufficiently address the unique challenges faced by advanced nuclear projects. Rather, NYPA recommends a policy framework that is tailored to the specific needs of advanced nuclear generation, supporting its large-scale deployment. NYPA agrees with

the procurement principles outlined in the Options Paper, which recognizes that advanced nuclear procurement differs from renewables.

In particular, NYPA recommends all considered frameworks provide support throughout the pre-final investment decision (FID), construction, and operational phases, and incorporates assistance from federal stakeholders, such as the U.S. Department of Energy, and other stakeholders when appropriate. For example, NYPA expects to lower its total project costs by seeking financing through the U.S. Department of Energy (USDOE) nuclear loan guarantee program that provides low-cost loan financing of up to 80% of the final total cost of a new advanced nuclear generation project. State financial assistance should be targeted at costs and time periods when other funding and financing are not available.

In adopting a procurement framework for any state or ratepayer supported mechanism, NYPA cautions the Commission against adopting requirements that create "vintage cliffs" or ownership restrictions, which might reward later projects but unfairly exclude pioneering efforts that have taken on the greatest development and operational risks. It is essential that early projects are and remain eligible for future state-supported procurements, as this rewards innovation, encourages strategic investor risk management, builds industry confidence, and facilitates timely deployment of cost effective advanced nuclear generation.

To help achieve the State's objective to promote project viability while minimizing expected costs and risk exposure to the public, NYPA recommends a procurement mechanism that avoids eligibility restrictions based on ownership. This is particularly important for advanced nuclear projects, which are likely to rely on public-private partnerships and diverse ownership models to maximize viability and success while minimizing costs and risks to New Yorkers.

III. Transmission Investment is Critical to Advanced Nuclear in New York

a. The Commission Should Prioritize Transmission Investments to Ensure That Any New Nuclear Generation Can Reliably Reach Load Centers

New York's pursuit of up to 5 GW of advanced nuclear energy represents a critical step toward securing long-term, zero emission, firm capacity. However, realizing the full system value of this new generation will depend on the State's bulk transmission system. Without targeted and significant transmission investment, the benefits of new nuclear capacity, including improved reliability, reduced emissions, and mitigation of renewable intermittency, cannot be fully delivered to load centers.

As the NYISO 2025-2044 System & Resource Outlook[5] highlights, transmission capabilities are increasingly critical to ensure that new resources can serve load. The expected siting of new nuclear facilities in upstate zones, including locations upstream of existing bottlenecks, means that additional bulk transmission facilities will be critical for delivering firm, zero carbon energy to downstate consumers from new nuclear resources. The Draft Outlook highlights a few critical transmission needs, including the need for Central East enhancements and congestion and curtailment risks in Northern New York, which would only be exacerbated by adding high-capacity nuclear units. Outlook scenarios further show that resource mix, demand growth, and renewable deployment can intensify transmission pressures regardless of siting, underscoring the importance of transmission to new nuclear generation.

A coordinated, long-term commitment to transmission expansion is essential to ensure that nuclear resources can reliably and efficiently serve the State's highest demand regions, support decarbonization objectives, and maintain cost effective system operations.

Given these considerations, New York State should prioritize transmission development to ensure that any new nuclear generation can reliably reach load centers. The Accelerated Renewable Energy Generation and Community Benefits Act (Act) included a robust transmission planning process by the PSC in coordination with the NYISO to provide New

[5] New York Independent System Operator, Inc., 2025-2044 System & Resource Outlook (July 22, 2026) (The Outlook).

Yorkers with new transmission needed to deliver carbon-free energy to New Yorkers.[6] The PSC has implemented the Coordinated Grid Planning Process (CGPP) to provide a process to build a robust local and bulk transmission plan for new facilities built by the investor owned utilities, state authorities, and the NYISO planning processes.[7] The NYISO also has established transmission planning processes in its Comprehensive System Planning Process (CSPP) including its biennial Public Policy Transmission Planning Process (PPTPP).[8] Moreover, the NYISO recently submitted its compliance filing to create its long-term transmission planning process under FERC Order No. 1920, which will be coordinated with the CGPP on a three-year transmission planning cycle starting in 2027.

Together, these planning processes provide a robust platform for the State, the NYISO, utilities, authorities and developers to evaluate all transmission options, including new high capacity corridors and targeted system upgrades. To identify the most viable and cost-effective solutions, NYPA recommends using the Public Policy Transmission Planning Process (PPTPP) to determine whether accessing nuclear generation should be designated as a Public Policy Transmission Need. The PPTPP should also be utilized to assess the viability and sufficiency of proposed transmission solutions and select the more efficient or cost-effective option.[9] Importantly, employing an established competitive process encourages developers to introduce innovative, creative, and technologically advanced solutions that can reduce costs and enhance system performance. By leveraging PPTPP's transparent, competitive solicitation framework and standardized evaluation criteria, the State can help ensure open access and nondiscriminatory

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[6] See generally, Act, § 7.

[7] See 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 Approving a Coordinated Grid Planning Process, August 17, 2023, DMM Item No. 302.

[8] See generally, New York Independent System Operator, Inc., Public Policy Transmission Planning Process Manual (July 2015) available at: https://www.nyiso.com/documents/20142/1397429/agenda%206%20M-36_PPTPP%20Manual_Draft.pdf/54151f21-7da8-a2e8-1d40-88315bb3163c.

[9] See generally, New York Independent System Operator, Inc., Public Policy Transmission Planning Process Manual (July 2015) available at: https://www.nyiso.com/documents/20142/1397429/agenda%206%20M-36_PPTPP%20Manual_Draft.pdf/54151f21-7da8-a2e8-1d40-88315bb3163c.

treatment for all potential developers and resources, while fostering the kind of innovation-driven competition that ultimately benefits ratepayers.

The PPTPP has a proven track record, as demonstrated by projects such as the Empire State Line, a 20-mile 345kV transmission line in Western New York designed to relieve congestion and enhance hydroelectric power delivery, and the AC Transmission Project, a set of upgrades that reduce bottlenecks and improve renewable energy flows from upstate to downstate.[10] This established, effective process could similarly be applied to nuclear development needs. Specifically, in the next PPTPP that begins this year, the DPS and PSC should consider determining a public policy transmission need to deliver nuclear energy driven by the Climate Act and the Governor's call for new nuclear generation in New York State. By leveraging the PPTPP, New York can ensure that any future nuclear resources are supported by a transmission system capable of delivering their full reliability and clean-energy value to consumers statewide.

The Act also recognized a category of bulk transmission projects that are needed on an "expeditious" basis to meet the CLCPA goals.[11] These are defined as "Priority Transmission Projects" (PTPs). The Act charges the Commission with identifying PTPs, as distinct from other transmission projects, and directs NYPA to undertake their development, subject to the concurrence of NYPA's Trustees.[12] If the Commission determines that bulk transmission to interconnect nuclear resources represents a more critical or time-sensitive need—one that could benefit from NYPA's expertise and that may warrant development on a faster timeline than projects advanced through the PPTPP—NYPA recommends that the Commission consider utilizing the PTP process to accelerate development. Doing so would also send a clear market

[10] See, Nextera Energy, Empire State Line Project Overview, available at: https://www.empirestateline.com/project-overview.html; see also, New York Independent System Operator, Inc., How Historic Transmission Projects Bridged an Upstate-Downstate Clean Energy Divide, (August 27, 2024), available at: https://www.nyiso.com/-/how-historic-transmission-projects-bridged-an-upstate-downstate-clean-energy-divide.

[11] Act, § 7.4.

[12] Act, § 7.5.

signal to nuclear generation developers that reliable transmission infrastructure will be in place to deliver their power to load centers. In applying the PTP process where appropriate, the State can ensure that essential infrastructure is advanced in a timely, coordinated manner that supports both system reliability and New York's long-term clean energy objectives.

b. The Commission Should Ensure Close Coordination Between This Proceeding and Related Dockets and Ongoing Planning Processes

As the Commission noted in the Order, the "Nuclear Reliability Backbone was conceptualized using insights from various State grid planning and modeling efforts, including the CGPP and the State Energy Plan (SEP), which point to nuclear as… consistent with the goals set out in the [Climate Act]."[13] If the Commission finds through this proceeding that nuclear can technologically and economically help achieve the Climate Act goals, then nuclear should be deemed "zero emission" for the purposes of the CLCPA.

Effective coordination between the nuclear backbone proceeding and other major Commission dockets is essential to avoid duplicative analysis, inconsistent planning assumptions, and conflicting signals for both resource and infrastructure investment. Because the nuclear proceeding operates within the same planning ecosystem as CGPP, NYSERDA's Pathway analysis for Zero-by-40, and several demand- and resource-related proceedings, it must coordinate with those processes through shared assumptions, integrated modeling, and aligned procedural milestones.

A first layer of coordination involves establishing common system-level assumptions. The nuclear backbone proceeding, CGPP, and Zero-by-40 objective of the CLCPA all depend on statewide load forecasts, electrification trajectories, transmission constraints, reliability criteria, and emissions-compliance pathways. The Commission can help ensure consistency by directing the use of a unified set of planning assumptions across all three proceedings. This will ensure

[13] Case 26-E-0335, Order Establishing a Nuclear Reliability Backbone Process (issued June 11, 2026) p. 2-3.

that any nuclear scenarios are analyzed within the same analytic environment that informs New York's broader clean-energy and grid-planning decisions.

A second layer is consistency in modeling. CGPP produces transmission and distribution planning outputs, while the Zero-by-40 proceeding identifies statewide decarbonization pathways.[14] The nuclear proceeding should consider CGPP's assessments of bulk and local transmission needs when evaluating siting, capacity potential, or system integration. It should also use Zero-by-40s decarbonization scenarios as a reference point for assessing the potential role of nuclear resources in meeting long-term emissions limits and reliability requirements. At the same time, any nuclear-specific findings, particularly regarding reliability, resource adequacy, or resilience, should be fed back into CGPP so that future grid-planning cycles can account for them. This prevents nuclear analyses from becoming siloed and ensures that clean-energy pathways and transmission plans are aligned. Third, the sequencing of milestones in these related proceedings should be intentionally coordinated. By aligning major deliverables in a logical sequence across proceedings, the Commission can ensure that analyses are not produced out of order.

Finally, the nuclear backbone proceeding must be situated within New York's broader ecosystem of demand, resource, and grid-planning dockets. Proceedings such as Large Load (Case No. 26-E-0045), the Clean Energy Standard (Case No. 15-E-0302), Energy Storage (Case No. 18-E-0130), Grid of the Future (Case No. 24-E-0165), and Electric Vehicles (Case No. 18-E-0138) help establish statewide and location-specific forecasts, electrification patterns, and resource-deployment expectations that inform both load forecasting and long-term transmission and distribution needs. CGPP and the Proactive Planning initiative translate these expectations into concrete infrastructure requirements, identifying the transmission and distribution networks needed to support planned resources and new demand. Because procurement decisions for

[14] See Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Initiating Process Regarding Zero Emissions Target, May 18, 2023, DMM Item No. 1047.

transmission, nuclear generation, and non-nuclear generation all rely on these same planning foundations and are working to meet the same demand, they must be coordinated so that resource procurements align with transmission capability, transmission development reflects evolving resource needs, and reliability requirements are addressed consistently across technologies. This nuclear proceeding, which clarifies the role of nuclear resources as a potential reliability anchor, must therefore both draw from and contribute to this broader planning structure, ensuring that nuclear-related findings inform grid planning, that transmission constraints are considered in nuclear siting and integration analyses, and that its outcomes are aligned with the overall load the system must serve.

Taken together, layered coordination of this proceeding with the Commission's other proceedings will ensure that the nuclear backbone proceeding complements rather than conflicts with New York's major clean-energy and grid-modernization efforts. This integrated approach supports a coherent statewide planning framework in which resource decisions, infrastructure needs, and policy objectives can be evaluated consistently and transparently across PSC proceedings.

IV. Conclusion

While NYPA's advanced nuclear project is distinct from the broader nuclear backbone discussed in the Order and Options Paper and is progressing on its own timeline, we recognize the importance of close coordination and the opportunity for NYPA's project to help inform the development of the State's overall nuclear backbone portfolio. As NYPA continues to develop our advanced nuclear project, we look forward to sharing our experiences and lessons learned on technology selection, site selection, ownership structure, and financial terms with the Commission, NYSERDA, and other state entities so that NYPA's experience can be leveraged to determine the best deployment approach for the New York State Nuclear Reliability Backbone.

Respectfully submitted,

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