STATE OF NEW YORK PUBLIC SERVICE COMMISSION

In the Matter of New York Independent System Operator, Inc. Proposed Public Policy Transmission Needs for Consideration for 2020

Case 20-E-0497

COMMENTS OF THE CITY OF NEW YORK

Dated: November 21, 2022

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PRELIMINARY STATEMENT

As part of the New York Independent System Operator, Inc.'s ("NYISO") 2020-2021 public policy-based transmission planning cycle, 15 proposals were submitted that identify bulk system transmission needs driven by the State's public policies, particularly the Climate Leadership and Community Protection Act ("CLCPA") and the Accelerated Renewable Energy Growth and Community Benefit Act, as well as the City of New York's ("City") public policies. These proposals were submitted by the NYISO to the New York State Public Service Commission ("Commission") on October 9, 2020 for its consideration.

On March 19, 2021, the Commission issued an Order finding that the CLCPA requirements related to offshore wind drive the need to expand the number of transmission facilities between Long Island and New York City.¹ The Commission has requested comments to determine whether the NYISO should proceed to select a solution to the identified Long Island Offshore Wind Export Public Policy Transmission Need ("LI PPTN").² The City respectfully submits these comments

Cases 20-E-0497, et al., In the Matter of New York Independent System Operator, Inc.'s Proposed Public Policy Transmission Needs for Consideration for 2020, Order Addressing Public Policy Requirements for Transmission Planning Purposes (issued March 19, 2021) at 4 ("LI PPTN Order").

Case No. 20-E-0497, <u>In the Matter of New York Independent System Operator</u>, <u>Inc.'s Proposed Public Policy Transmission Needs for Consideration for 2020</u>, Notice of Proposed

in support of the continued work of the NYISO to improve and expand the transmission capability between Long Island and New York City.

COMMENTS

THE LONG ISLAND PUBLIC POLICY TRANSMISSION NEED STILL EXISTS

The CLCPA goals include the development of 9,000 MW of offshore wind generation by 2035, with perhaps 6,000 MW connected into Zone J. The Commission concluded in its LI PPTN Order that these goals support a number of public policy needs, including the need to upgrade the Long Island transmission system.³ Specifically, the Commission found that the CLCPA drove the need for: (1) adding at least one bulk transmission cable to increase export capability between Zones K, I, and J; and (2) upgrading local transmission facilities in accordance with the expansion.⁴ It is evident from recent studies and reports that these transmission needs remain today.

A. Recent Studies Provide Additional Evidence Of The Continuing Need For Additional Transmission Between Zones K and Zones J and I

Recently, the NYISO issued a comprehensive overview of potential resource development over the next 20 years.⁵ The Outlook addressed the need for expansion of the transmission system, noting that limitations prevent full delivery of renewable energy throughout the State. At least 5 TWh of renewable energy in 2030 and 10 TWh of renewable energy in 2035 are projected to be curtailed due to transmission limitations.⁶ This equates to roughly 5% less renewable energy that

Rulemaking, New York State Register I.D. No. PSC-38-22-00007-P (September 21, 2022) at 7.

³ LI PPTN Order at 22.

⁴ *Id.* at 23.

⁵ NYISO, "2021-2040 System & Resource Outlook," issued September 22, 2022 ("Outlook").

⁶ *Id.* at 14.

can be produced.⁷ Overall, the Outlook finds that there are many transmission needs across New York State over the next 20 years that are specifically driven by public policy.⁸

More recently, the NYISO Management Committee approved the 2022 Reliability Needs Assessment ("RNA"). The RNA finds that "[t]he margin to maintain reliability over the next ten years could be eliminated based upon likely changes in planned system conditions." In particular, transmission security margins in New York City are projected to decline to near zero under baseline conditions and to be inadequate under severe weather conditions. The RNA also discloses that if any of the planned transmission projects serving New York City are delayed, like the LI PPTN project, the system may not be able to meet customer demand in New York City. In fact, the LI PPTN is expected to increase the Long Island resource adequacy margin. By not following through with this project, the NYISO would risk decreasing the already-tightening resource margin for the State.

Finally, the New York State Energy Research and Development Authority recently commissioned a study of potential cable routes from offshore wind areas to New York City and Long Island and the constraints associated with the various routes.¹⁴ That study found that there are significant challenges to interconnecting a substantial amount of offshore wind directly into

⁷ *Id*.

⁸ *Id.* at 15-16.

⁹ The RNA was approved at the October 26, 2022 Management Committee meeting. It is expected to be formally issued in November 2022.

NYISO, "2022 Reliability Needs Assessment," Draft Report (October 26, 2022) at 7.

¹¹ *Id.* at 7-8.

¹² *Id.* at 12, 54.

¹³ *Id.* at 64.

NYSERDA, "Draft Offshore Wind Cable Corridor Constraints Assessment," RFI 5166, released August 30, 2022.

New York City. Expansion of the transmission system between Long Island and New York City could provide reasonable alternatives for the offshore wind projects and allow more projects to interconnect on Long Island even though they will serve load in New York City and other parts of the State.

B. The Limitations Of The Existing Bulk Power System In Downstate New York Continue To Justify The Identified Need

When the Commission first identified the LI PPTN, the transmission interface between Zones J and K was comprised of two 138 kV transmission lines, and the total transfer capacity between the two Zones was approximately 200 MW.¹⁵ Those facts have not changed.

The configuration of the existing system severely restricts the ability of Zone J to access offshore wind facilities that interconnect on Long Island. Additionally, the potential exists for offshore wind connected to Zone K to be curtailed during some periods.¹⁶

Strengthening the transmission system to support greater reliance on renewable resources is fully consistent with the CLCPA and the State's energy policies. Additional transmission connection between Zones K and Zones J and I will reduce curtailments of offshore wind and provide customers in New York City and other downstate areas greater access to renewable resources. At the same time, the enhancements will improve system reliability in that Long Island would be able to obtain more power from upstate renewable resources during periods when there

See Case No. 20-E-0497, supra, Comments of the City of New York (filed January 19, 2021) at 11.

According to comments filed by the Long Island Power Authority in Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard on December 11, 2020, Long Island hosts over 700 MW of distributed solar resources, with material incremental solar capacity being added each year. Thus, the potential exists for a combination of energy efficiency, offshore wind, and solar generation to exceed the demand in Zone K.

is minimal production from offshore wind facilities. That is, power will be able to flow in both directions to serve load in different zones as circumstances so warrant.

CONCLUSION

At present, very little energy can flow between Zones K and J, which could impede the development of offshore wind, unnecessarily curtail production of carbon-free electricity, and lead to reliability problems as the State becomes more reliant on renewable resources. The studies referenced above make clear that enhancement of the transmission interties between Zone K and Zones I and J will address these concerns, and that the LI PPTN project continues to be needed. Accordingly, the Commission should determine that there remains a public policy-based need for the project and allow the NYISO to move forward with its selection of a specific project to address that need.

Respectfully submitted,

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