

January 20, 2026

VIA EMAIL: secretary@dps.ny.gov

Hon. Michelle L. Phillips
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

**Re: Case 25-E-0764 - Proceeding on Motion of the Commission to
Address New York City Reliability Needs**

Dear Secretary Phillips:

PSEG Long Island, as agent for and on behalf of the Long Island Power Authority (“LIPA”), submits these comments in response to the order issued by the New York State Public Service Commission (“PSC” or “Commission”) on December 18, 2025 in the above-captioned proceeding.¹ PSEG Long Island and LIPA share the Commission’s concerns regarding emerging reliability needs, and support efforts to identify and implement solutions that will advance the State’s clean energy goals while protecting ratepayers. As outlined below, PSEG Long Island has several in-flight actions to address near-term needs as well as proactive planning measures to address anticipated future needs and support the continued provision of safe, reliable, and affordable service to LIPA’s customers on Long Island.

I. Emerging Downstate Reliability Risks

In the December Order, the Commission recognized emerging reliability risks in New York City, the Lower Hudson Valley, and Long Island. Although the Order principally focused on near-term and emerging reliability needs in New York City and the Lower Hudson Valley, the Commission noted that the New York Independent System Operator’s (“NYISO”) Q3 STAR Report² identified needs on Long Island addressing the reliability of both Bulk Power Transmission Facilities (BPTF) and non-BPFT facilities within the five year planning period covering 2026-2030. The projected deficiencies identified on Long Island are primarily driven by the proposed retirement of two gas turbine generating facilities in the Far Rockaways (the “Far Rockaway GTs”) and the unavailability of Glenwood GT 3 and Shoreham GT 1 absent compliance with the Department of Environmental Conservation (“DEC”) Peaker Rule.

¹ Case 25-E-0764, Proceeding on Motion of the Commission to Address New York City Reliability Needs, *Order Initiating Proceeding and Directing Reliability Contingency Plan* (issued and effective December 18, 2025) (the “December Order” or the “Order”).

² NYISO Report, *Short-Term Assessment of Reliability: 2025 Quarter 3* (issued October 13, 2025).

The Order also noted that the NYISO's Comprehensive Reliability Plan ("CRP"), which covers a longer planning horizon through 2034, indicates that significant reliability shortfalls are likely to arise over the next ten years.³ Specifically, the CRP noted risks associated with aging dispatchable generation as well as potential load growth from new data centers, chip manufacturers, and electrification.

The Ordering required that Consolidated Edison: submit planning study findings identifying reliability needs and the dates of those needs; issue a Request for Information seeking non-emitting solutions to the identified reliability needs; and subsequently submit an initial reliability contingency plan recommending solutions to identified needs.⁴ The Order also solicited feedback on potential regulatory changes that could increase the effectiveness of the available solutions.⁵ Finally, the Order encouraged LIPA to conduct a similar planning exercise and develop a contingency plan.⁶

PSEG Long Island, on behalf of LIPA, offers these comments in response to the Order as we are also keenly focused on ensuring reliability for present and future customers on Long Island.

II. Near-Term Long Island Solutions

PSEG Long Island responded to the NYISO Q3 STAR Solicitation⁷ on January 9, 2026. The response provided updates regarding investments that PSEG Long Island has made or will be making in existing units to improve their efficiency, with expected emissions reductions. As noted in the response, PSEG Long Island is in the process of finalizing a long-term capacity purchase agreement with MPH Rockaway Peakers, LLC. Upon the execution of the contract, the generators will revoke their Generator Deactivation Notices and invest in repairs that will support reliable operations over the coming decade. PSEG Long Island has also coordinated with National Grid to develop a plan for Shoreham GT 1, Shoreham GT 2, and Glenwood GT 3 to install water injection. The plan will allow the units to continue to operate more efficiently and with lower emissions, in compliance with the DEC Peaker Rule.

Using NYISO's methodology for the Q3 STAR Report and the CRP, PSEG Long Island has proposed, and is progressing, additional solutions to resolve identified needs throughout the planning horizon. For example, PSEG Long Island has issued a solicitation for capacity located in New England, which could be imported to Long Island by leveraging LIPA's existing contract involving the Cross Sound Cable. PSEG Long Island is also updating our load forecast on a regular basis and will explore additional solutions as necessary to address changes in forecasted load.

³ December Order, at 11-13.

⁴ *Id.*, Ordering Clauses 2-5.

⁵ *Id.*, at 5.

⁶ *Id.*, at 22. As a New York State public authority, LIPA is not regulated by the Commission.

⁷ NYISO Notice, *Short-Term Reliability Process Solution Solicitation Regarding Generator Deactivation Reliability Needs* (issued November 10, 2025).

III. Longer Term Solution Identification and Planning Process

The NYISO's CRP identified thinning margins and the potential for reliability risks over the next decade stemming from aging generation units and load growth. We are closely monitoring potential changes to system requirements, as well as NYISO proposals, to refine planning requirements. In addition, recent Federal policy changes may necessitate a change to planning assumptions around commercial operation dates for offshore wind facilities interconnecting to Long Island. PSEG Long Island is also acutely aware of thinning reliability margins in neighboring regions, which may make reliance on imported capacity from PJM and New England more challenging in the future.

To address these emerging needs, PSEG Long Island plans to issue a Request for Information ("RFI") in early 2026. The RFI will seek potential solutions that may address needs through 2035. The RFI will solicit responses from providers of clean and non-emitting solutions, including, but not limited to: demand side management, energy storage, distributed renewable resources, and other non-emitting generation resources. The RFI will invite respondents to suggest regulatory changes that could enhance the effectiveness, scalability, and timely deployment of these solutions. PSEG Long Island will use the RFI to inform next steps towards addressing future on-island reliability needs. Upon completion of the RFI and review of responses received, PSEG Long Island will follow up with the Commission to share findings and discuss potential regulatory changes that could contribute to resolving future reliability needs.

PSEG Long Island is also planning to update LIPA's Integrated Resource Plan in 2027. This planning report will incorporate learnings from the RFI and seek to identify a full set of solutions to address needs through 2035. The IRP update will consider risks associated with the potential for increased demand, an aging generation fleet, and reliance on imported capacity. The update will also incorporate updated assumptions around the development of offshore wind off the coast of Long Island.

IV. Conclusion

PSEG Long Island appreciates the opportunity to provide these comments and inform the development of potential reliability solutions for Long Island and downstate New York. We look forward to working with DPS Staff and interested stakeholders on these matters in the future. Please contact me with any questions regarding this filing. Thank you for your time and attention in this matter.

Respectfully submitted,

/s/ Kara Krueger

Kara Krueger
Director – Legal Regulatory