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July 11, 2022

Via Document and Matter Management (DMM)

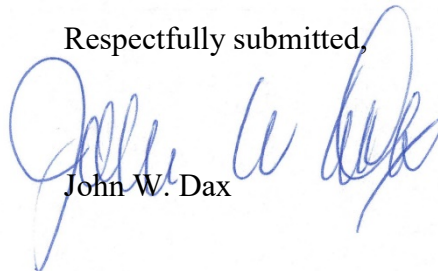
Hon. Michelle L. Phillips
Secretary to the Commission
NYS Department of Public Service
3 Empire State Plaza
Albany, New York 12223-1350

Re: 20-E-0197 – Proceeding on Motion of the Commission to Implement Transmission Planning Pursuant to the Accelerated Renewable Energy Growth and Community Benefit Act, and Petition of Consolidated Edison Company of New York, Inc. for Approval to Recover Costs of Brooklyn Clean Energy Hub

Dear Secretary Phillips:

Enclosed for filing please find *Comments of Anbaric Development Partners LLC on Proposed Clean Energy Hub* in connection with above-referenced case.

Respectfully submitted,



John W. Dax

JWD:bnb
Enclosure

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

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In the Matter of: :
: :
Proceeding on Motion of the Commission to Implement :
Transmission Planning Pursuant to the Accelerated : Case 20-E-0197
Renewable Energy Growth and Community Benefit Act, :
and Petition of Consolidated Edison Company of New :
York, Inc. for Approval to Recover Costs of Brooklyn Clean :
Energy Hub :
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**COMMENTS OF ANBARIC DEVELOPMENT PARTNERS LLC
ON PROPOSED CLEAN ENERGY HUB**

In response to the Notice Soliciting Comments issued by the Public Service Commission (Commission) on May 13, 2022, in this docket, Anbaric Development Partners LLC (Anbaric), submits these comments concerning the petition of Consolidated Edison Company of New York for approval to develop its proposed Brooklyn Clean Energy Hub (Clean Energy Hub).

The proposal is the product of the creative, forward-looking thinking that is required in order for the State to achieve its nation-leading goals for replacing its remaining fossil-fueled electric generation with renewable resources and, in particular, to address the challenge of importing Off Shore Wind (OSW) generation from 9000 MW OSW capacity. The full scope of the benefits of the Clean Energy Hub will be made even more obvious when it is evaluated within a broader planning context the object of which is to identify options for bringing OSW generation from the wind lease areas into Zone J. Anbaric urges the Commission to promptly institute a planning process using its authority to initiate and expedite the Public Policy Transmission (PPT) planning process prescribed in Attachment Y of the NYISO’s Open Access Transmission Tariff seeking solutions that incorporate the Clean Energy Hub as a key component.

INTRODUCTION

Consolidated Edison Company of New York (CECONY) seeks Commission approval to incur costs related to its development of a proposed substation located in Brooklyn designed for the purpose of receiving the electricity generated by up to 6000 megawatts (MW) of offshore wind (OSW) generating capacity, two-thirds of the State's currently targeted goal of 9000 MW of OSW capacity. CECONY proposes the Clean Energy Hub as a Local Transmission Project.

The *Petition of Consolidated Edison Company of New York, Inc. for Approval to Recover Costs of Brooklyn Clean Energy Hub (Petition)*, dated April 15, 2022, is a response to the Commission's authorization in its January 20, 2022 *Order on Power Grid Study Recommendations* for CECONY to "file a comprehensive petition addressing the Consolidated Edison Hub that details the requested information [listed in the Order] below." *January 20, 2022 Order* at 22. The information the Commission directed CECONY to include in its petition is focused primarily on matters affecting CECONY's franchised service territory and matters under CECONY's control, including: the real estate needed for the Clean Energy Hub; the estimated costs; the technical capability of CECONY's system to accommodate energy from 6000 MW of OSW capacity and to inject it into the Bulk Power System; and whether CECONY's customer load could absorb the energy generated by 6000 MW of OSW. *Id.* at 23-24. In response to the Commission's direction, the *Petition* also provides, at a high level, information on possible locations for siting DC to AC converter stations and the feasibility of routing HVAC cables between those locations and the Clean Energy Hub.

All of the information the Commission requested and Con Edison supplied indeed is needed for the Commission to evaluate the Clean Energy Hub, but the Commission's inquiry requires a wider focal setting. The Commission should not delay in considering policies and facts affecting infrastructure both

upstream and downstream of the Clean Energy Hub. Anbaric stresses this not because Anbaric doubts the wisdom or efficacy of the proposal but rather because in deploying it, now is the time to ensure it is used to serve the public interest in the best way possible. Major transmission and major generating facilities are subject to extensive review processes to ensure they most effectively serve the public interest; the Clean Energy Hub merits a similar degree of attention.

The proposed Clean Energy Hub is an important proposal for addressing one critical aspect of realizing the role OSW energy can play in reaching the State's goal for decarbonizing its electricity system: the location and design of the needed on-shore interconnection infrastructure. Other equally critical aspects will need to be identified and thought through in order for the Commission to conclude that the Clean Energy Hub can best achieve its mission. The questions that need to be answered include the following:

1. What routes are feasible for bringing HVDC cables from the Atlantic Ocean to converter stations located in the vicinity of the Clean Energy Hub?
 - (a) How many cables, including those cables already planned, whether HVAC or HVDC, can feasibly be routed through the Verrazano Narrows?
 - (b) What land routes can feasibly be used that by-pass the Narrows?
2. What is the minimum number of HVDC cables required to interconnect 6000 MW of OSW capacity to the New York Control Area in Zone J?
3. What is the optimal number of HVDC cables, from an efficiency perspective, that can be routed in the Narrows and in land-based alternative routes, considering construction difficulties, reliability, environmental impacts and other factors?
4. What efficiencies can be gained by clustering converter stations in a few locations or in a single location?

5. Is the feasibility or the efficacy of the Clean Energy Hub dependent on the development of a planned offshore, networked (meshed) transmission system?

Similar questions pertain to routing HVAC cables interconnecting to the Clean Energy Hub:

6. How many circuits can feasibly be installed within the Upper New York Bay, considering among other imperatives the separation required for maintenance and repair operations?
7. Are there feasible means for minimizing the number of HVAC cables and at what cost to reliability?
8. What land routes can be used assuming feasible alternative locations for HVDC cable routes and converter stations are identified?
9. How will the disruption to existing plans for interconnecting OSW capacity to the Gowanus Substation resulting from the Clean Energy Hub be addressed?

Answering these and other questions will enable the Commission to prescribe the conditions under which the Clean Energy Hub can most effectively play the role CECONY anticipates for it. All questions relevant to interconnecting 6000 MW of OSW capacity to Zone J become even more critical if the State expects to expand total OSW capacity beyond the 9000 MW target. Anbaric urges the Commission to initiate a comprehensive planning process for deciding on the optimal plan and most cost effective solution for integrating anticipated levels of OSW power into Zone J.

DISCUSSION

I. A Project of the Scope, Statewide Cost Impact and Public Policy Importance Warrants Examination in a Comprehensive Transmission Planning Process

There is no compelling need to accept or reject CECONY's description of the proposed Clean Energy Hub as a "Local Transmission Project" in order to evaluate it in a comprehensive planning

process. As CECONY argues in support of statewide cost recovery,¹ the Clean Energy Hub will realize “statewide benefits” (*Petition*. at 1). That alone is reason to consider the proposal in a comprehensive planning process.

A. Because CECONY Proposes The Clean Energy Hub to address a Public Policy Transmission Requirement, the Proposal Should be Evaluated In The Public Policy Transmission Planning Process.

The *Climate Leadership and Community Protection Act of 2019 (CLCPA)* and the *Accelerated Renewable Energy Growth and Community Protection Act of 2020*, collectively, are a Public Policy Transmission Requirement (PPTR), defined in the Open Access Transmission Tariff as:

A federal or New York State statute or regulation, including a NYPSC order adopting a rule or regulation subject to and in accordance with the State Administrative Procedure Act, any successor statute, or any duly enacted law or regulation passed by a local governmental entity in New York State, that may relate to transmission planning on the BPTFs.

OATT §31.1.1. Section 31.4 of the *OATT* prescribes the procedures by which the Commission and the New York Independent System Operator (NYISO) identify transmission needs driven by public policies, solicit proposed solutions and select one or more solutions for implementation. Although NYISO is mandated to initiate the Public Policy Transmission Planning process every two (2) years, *OATT §31.4.2.1* acknowledges the Commission’s authority to initiate the Public Policy Transmission (PPT) planning process when it sees fit: “In addition, the NYSPSC may, on its own, identify a transmission need driven by a Public Policy Requirement.” This authority logically includes the authority to tailor the PPTP procedures to save time by streamlining the steps prescribed in Attachment Y. As demonstrated by

¹ Although the Petition describes the Clean Energy Hub as a “local transmission project, as defined by the Commission” (Petition at 13, note 35), the Clean Energy Hub is proposed to be a part of the State’s 345 kV transmission system and is designed to interconnect two-thirds of the State’s currently planned 9000 MW of OSW capacity.

previous PPTP efforts,² the PPTP process is ideally suited to addressing large scale infrastructure solutions to large scale infrastructure needs. The PPTP process can be expected to provide solutions to bringing OSW wind into the Hub, thereby making best use of the Clean Energy Hub. Exercising its authority to expedite the PPTP process, the process can be moved forward promptly.

Consistent with the Commission's previous reliance on competitive industry participants to design and build major bulk power infrastructure,³ in this docket, the Commission has initiated the development of the Coordinated Grid Planning Process (CGPP) to integrate the Local Transmission Plans of the State's utilities. While that might be a process capable of conducting a comprehensive examination of the Clean Energy Hub proposal, the CGPP remains under development⁴, leaving the PPT planning process as a logical means for evaluating the Clean Energy Hub on an expedited basis.

B. Even If the Clean Energy Hub is Understood to be a Local Transmission Project, Attachment Y Provisions Govern Treatment of Local Transmission Needs Driven by A Public Policy Requirement.

Even as a Local Transmission Project, Attachment Y requires that local Transmission Owners, including CECONY, solicit proposed solutions to local transmission needs driven by a Public Policy Requirement:

As part of its LTP process pursuant to Section 31.2.1.2 below, each Transmission Owner will consider whether there is a transmission need on its local system that is being driven by a Public Policy Requirement for which a local transmission solution should be evaluated, including needs proposed by market participants and other interested parties.... The Transmission Owner will post on its website a list of the transmission needs

² See, e.g., Case 19-T-0549 Application of LS Power Grid, New York LLC, *Order Adopting Joint Proposal*, January 21, 2021 at 3-6.

³ *Id.*

⁴ The utilities expect to file a proposed CGPP by January 1, 2023. See, The Utilities' Coordinated Grid Planning Process and Revised Benefit Cost Analysis Proposals (DMM 123) at 6.

driven by Public Policy Requirements for which local transmission solutions should be evaluated.

OATT §31.2.1.1.2.2

The Transmission Owner will evaluate solutions to identified transmission needs, including transmission solutions proposed by market participants and other parties for inclusion in its LTP. The Transmission Owner, in consultation with the NYDPS, will evaluate proposed transmission solutions on its local system to determine the more efficient or cost-effective transmission solutions.

OATT §31.2.1.1.2.3

The governing tariff, as well as prudent planning, require that the public policy-driven need to which the Clean Energy Hub is a response be given a full airing and the input of industry stakeholders prior to cost authorization.

II. The Commission Should Continue to Look to the Competitive Market to Identify the Best Solutions to Transmission System Needs

Anbaric understands that certain infrastructure requirements might best be met by reliance on an incumbent Transmission Owner, given its access to real estate and the public streets. Anbaric also appreciates that independent market participants have gained substantial knowledge, experience and access to innovative technologies, in large part due to the trust placed in them by the Commission and others to propose, plan, permit, build and operate new transmission infrastructure. The Commission has endorsed reliance on participants in the competitive market place to provide solutions to infrastructure needs in both electricity generation and transmission at the bulk power level.⁵ The independent developers should not be ignored in considering the Clean Energy Hub and its many surrounding implications. Approving CECONY's request to incur costs for a massive new substation intended to be

⁵ See note 2, *supra*.

the sole point of interconnection for 6000 MW of OSW capacity without taking the opportunity to optimize, or even revise, the proposal by soliciting proposals through the same open process previously used for that purpose would deprive the public from the benefits of the broad market of ideas and capabilities just when New York State needs them the most.

III. Approval of the Petition Requires Conducting an Environmental Assessment of the Impacts Resulting From the “But-For” Actions Closely Related to and Driven By the Clean Energy Hub

In addition to the direct impacts resulting from the construction and operation of the Clean Energy Hub, there will be impacts resulting from the construction and operation of the converter stations and the installation of cables that the Clean Energy Hub will both drive and depend upon. The impacts resulting from the siting of multiple converter stations in the Upper New York Bay and the impacts, singly and collectively, of installing multiple HVDC and HVAC cable systems in the New York Harbor and Upper New York Bay will need to be identified and assessed, at least on a generic basis by the Commission.

The State Environmental Quality Review Act (SEQRA) defines actions subject to its requirements, as including:

projects or activities directly undertaken by any agency; or projects or activities supported in whole or part through contracts, grants, subsidies, loans, **or other forms of funding** assistance from one or more agencies; or projects or activities involving the issuance to a person of a lease, permit, license, certificate or other entitlement for use or permission to act by one or more agencies

(emphasis added). CECONY requests authority to incur costs to be covered in regulated rates. As an action taken to approve incurring costs, identifying and assessing likely impacts resulting from that action are minimum requirements to accompany Commission approval. Those impacts extend beyond the construction and operation of the Clean Energy Hub. See, *Village of Westbury v. Dep't of Transp.*, 75

N.Y.2d 62 (1989), in which the Court held that when an agency evaluates whether an action has a significant effect on the environment, it must take into consideration “reasonably related effects ‘including other simultaneous or subsequent actions which are: (1) included in any long-range plan of which the action under consideration is a part; (2) likely to be undertaken as a result thereof; or (3) dependent thereon. *Id.* at 67, *citing* 6 NYCRR 617.11(b); 17 NYCRR 15.11(b). In *Defreestville Area Neighborhoods Ass'n, Inc. v. Town Bd. of Town of N. Greenbush*, 299 A.D.2d 631 (3d Dep’t 2002), the Third Department held that the Town of North Greenbush improperly limited the nature and scope of environmental review for rezoning a property (the proposed action) when it did not consider the rezoning generically when it was clear that this action of rezoning “[could] be characterized as the first step in a process which [would] culminate in the final development of a particular project” *Id.* at 63, *citing Matter of People for Westpride v. Board of Estimate of City of N.Y.*, 165 A.D.2d 555, 558 (1st Dep’t 1991).

The fact that CECONY’s petition triggers the requirement to conduct a SEQRA assessment provides another reason for the Commission to first subject the proposed Clean Energy Hub to a comprehensive planning process.

CONCLUSION

CECONY has offered an important proposal for injecting OSW generated electricity from 6000 MW of capacity into New York’s Bulk Power System. The proposal merits careful consideration in a comprehensive transmission planning process using or modeled on the Public Policy Transmission Requirement process of Attachment Y of the OATT. To succeed, that consideration should encompass all the aspects associated with bringing OSW electricity from the generators into the NYCA and ensuring its most efficient and cost-effective use by the consumers of New York State.

[Signature page follows]

Dated: July 11, 2022

Respectfully submitted,

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