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Rory M. Christian, Chair

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## **Commission Announces New Proactive Grid Planning Proceeding to Prepare New York's Electric Grid for Building and Vehicle Electrification**

### **Statewide Planning Process to Proactively Develop Grid Infrastructure To Further Enable Electrification**

**ALBANY** — The New York State Public Service Commission (Commission) today commenced a proceeding to evaluate new energy loads from transportation and building electrification to proactively identify and develop future grid infrastructure needs. As part of this new proceeding, the Commission will direct New York's investor-owned utilities to develop a framework for proactively planning for infrastructure needs driven by transportation and building electrification, and to determine how to address today's urgent infrastructure needs.

"The Commission is establishing a statewide, collaborative planning framework to ensure that the utilities are ready to support New Yorkers who are increasingly choosing electric vehicles and heating for their homes, business and transportation needs," **said Commission Chair Rory M. Christian.** "The purpose of this effort is to identify timely electric grid upgrades to support electrification across a number of sectors of the economy."

In typical infrastructure planning studies, each individual utility identifies potential needs as they arise in their territory, either from new service requests or load letters — requests for new or increased electrical service — from new or existing customers or through their planning processes based on forecasted load. However, the rate at which consumers are electrifying buildings and vehicles has the potential to outpace the existing grid planning processes. The new planning framework directed by the Commission is designed to proactively identify grid infrastructure needs to ensure the utilities expand the system in the most cost effective and timely manner. The new planning framework will also ensure that the utilities leverage shared, best-in-class information and techniques to ensure that each utility is coordinating across geographies and service territories.

An important part of the new equation is accounting for the increased load related to the electrification of vehicles, which will be significant and is expected to be a major driver of the load forecasts used to identify transmission and distribution upgrades in the newly established Coordinated Grid Planning Process (CGPP). The more granular and local load forecasting process developed in the proactive planning framework will complement and integrate with the CGPP, resulting in a more efficient integrated resource plan for the state's transmission and distribution systems. Ultimately merging granular electric vehicle (EV) planning with the CGPP will enable the Commission to evaluate the

totality of upgrades necessary to meet the clean energy and greenhouse gas emission targets in the Climate Leadership and Community Protection Act (Climate Act).

The largest and most complex utility upgrades take over seven years to complete, while the speed at which fleet owners can order electric cars and trucks that drive such upgrades can happen in a matter of months. The Commission finds that a proactive planning process is necessary, to ensure the grid is ready for the future needs of our utility customers, and the infrastructure is developed in the most cost effective and timely manner. The development of an innovative electrification planning process will not only lower utility bills, but also enable the significant levels of electrification anticipated through consumer choice and in pursuit of the Climate Act goals.

Adopting an approach from the transmission planning proceeding, today the Commission directs the major utilities to file a proposal for a long-term coordinated planning process to study and identify necessary upgrades to support electrification. In this proposal, the utilities will account for new electrification loads beyond the transportation sector, including, but not limited to, electrification of buildings, such as housing or industrial loads related to economic development that can similarly drive system upgrade needs. The proposal shall, at a minimum, include assumptions and methods that will underlie the process, as well as identify necessary data and timelines needed to carry out the study.

Given the importance of the load forecast and demand expectations on model outputs, special attention shall be given to these assumptions in the filing, including how a less granular forecast may be scaled to a given utility's territory and load areas. The utilities' proposals shall include at least two options related to load forecast development: utilities must consider the option of relying on load forecasts developed in other proceedings, including the work produced by the CGPP, and the option of developing their own bottom-up forecast of granular electric demands.

The Commission notes that the development of integrated planning processes, along with the studies and regulatory approvals, will take a significant amount of time. There may be upgrades that, due to load growth expectations or construction time, need to be planned or fully constructed in advance of implementation of the integrated planning process.

Therefore, the Commission finds that there is a need to address urgent upgrade projects on an earlier time frame, while a statewide proactive planning framework is developed. Specifically, the Commission directs the major utilities to submit filings in three months outlining the urgent upgrades required in their territories, and a filing in four months describing the needed long-term planning processes.

Today's decision may be obtained by going to the Commission Documents section of the Commission's website at [www.dps.ny.gov](http://www.dps.ny.gov) and entering Case Number 24-E-0364 in the input box labeled "Search for Case/Matter Number". Many libraries offer free internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.