ALLIANCE FOR CLEAN ENERGY NEW YORK, INC.

**November 10, 2026**

RE: **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

REPLY COMMENTS OF THE ALLIANCE FOR CLEAN ENERGY NEW YORK (ACE NY)

TO THE JOINT UTILITIES' RESPONSE TO STAKEHOLDER COMMENTS

ACE NY submits these reply comments in response to the comments filed by the Joint Utilities on October 8, 2026[1], relating to the May 4, 2026, Joint Utilities' Coordinated Grid Planning Process (CGPP) Cycle 1 Report.

In the October 8 response:

1) The JUs highlighted the criticality of the local headroom design component of the CGPP and urged the Commission to "reject assertions that approval of a future bulk transmission project would create, in the words of several commenters, "dynamic headroom" that would replace the need for local headroom provided by the local CGPP portfolio projects.[2]"

   ACE NY agrees with the JUs that the local headroom is an important input into the CGPP assessments. Indeed, the local headroom values represent a view of the potential available transmission capacity at the local level based on a set of specific power flow scenarios and under a Commission-approved methodology.

[1] https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={30C61CA1-0000-C088-9E7C-EAB7E522C4C7}&DocTitle=Joint%20Utilities%20CGPP%20Reply

[2] page 5 of https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={30C61CA1-0000-C088-9E7C-EAB7E522C4C7}&DocTitle=Joint%20Utilities%20CGPP%20Reply

ACE NY understands that these values are meant to represent a starting point for the CGPP studies to rely on a more realistic view of the intra-zone limitations.

However, the current implementation of the local headroom concept automatically creates the need for local headroom when the local headroom is reached in the capacity expansion modeling that is done in stage 1. This means that if a zone hits the local headrooom constraint, renewable capacity in that zone can only be increased if local headroom is also increased. If 3 GW of incremental headroom is found needed, 3 GW of local headroom needs to be added. Clean energy additions can occur at the bulk level as well. While generator injections at the bulk level are expected to result in flows on the local system as well, the incremental local headroom required would be less than if the same generator is interconnected at the local level. The NYISO cluster queue data shows that 15 GW out of the current 26 GW of the clustered queue generation (based on summer peak capacity) is requesting interconnection at 230 KV and above[3].

Furthermore, the local headroom utilized in the CGPP excluded locations at the 230 KV and above level. This can result in underestimating the amount of clean energy additions that could occur in each zone without the need for local headroom.

NYISO's comments filed on September 10 also point out that local headroom is overly constraining in the CGPP: "*Based on the current formulation of the headroom constraints in the CGPP, local headroom is required to be expanded when existing headroom capabilities are exceeded. Additionally, the headroom constraints assume that all generation builds selected by the capacity expansion model are local. This results in the model always being required to expand headroom to accommodate generation builds, even if the model also selects a conceptual bulk transmission solution. In other words, it might be obvious that a bulk transmission solution is warranted based on the size of a renewable generation build out, but the capacity expansion model would still be required to build additional local transmission to address a headroom constraint. Given the implementation of the local headroom constraints in the model, the capacity expansion model cannot fully evaluate the benefits of selecting bulk transmission projects and, therefore, appears to have limited the ability to adequately capture the impact and/or benefits of bulk transmission solutions*.[4]

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[3] https://www.nyiso.com/documents/20142/1407078/NYISO-Interconnection-Queue-09302026.xlsx/ff0e2005-e8d3-e75d-3e81-fa7027a52685?t=1791917810242

[4] page 10 https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={90758CA0-0000-C125-B00F-6BF48F54EDD8}&DocTitle=20260910_NYISOCmmnts_CGPP_cmplt

It is also important to point out that a headroom value derived from a snapshot powerflow assessment is different from an evaluation done with a production cost simulation tool that incorporates an hourly representation of system conditions, production profiles and load shapes. NYISO also pointed out that "*In its 2021 comments, the NYISO noted that headroom metrics derived from Powerflow "snapshot" analyses, such as those commonly used to represent local transmission capability, can overstate or understate the ability of the system to accommodate additional generation. This is particularly true if such analyses are not supplemented with production cost simulations that capture hourly dispatch, congestion, and curtailment over time.*"[5]

2) The JUs note that "local projects and potential bulk projects are complementary" and that "recommendations that the Commission should defer consideration of the CGPP Portfolio until potential PPTNs or future bulk transmission projects are introduced reflect a misunderstanding of the purpose of the CGPP and the results of the Cycle 1 analysis."

   ACE NY agrees with the JUs' representation that local projects can be complementary to bulk projects. Several of the proposed Cycle 1 local upgrades could be components of a hybrid solution, or stand-alone upgrades required to address system needs. However, the way the CGPP is currently implemented does not allow for bulk projects to be evaluated against benefits of reducing the need for local upgrades (e.g. if a bulk expansion reduces overloads on the local system) nor allows for accounting for additional benefits like relieving congestion on a different zonal interface or addressing voltage issues. Bulk and local expansion should be co-designed in a way that confirms both local and bulk expansions are effective, not redundant, and co-optimized especially when this expansion occurs across multiple zones or at the seams.

   NYISO in its September 10 comments also emphasized how the bulk solutions were applied in a way that underestimates their potential benefits: "*Specifically, the nature of the conceptual bulk transmission solutions considered and the manner in which they were evaluated, as discussed below, may have limited the ability to fully consider the benefits of bulk transmission solutions for cycle 1 of the CGPP. The*

[5] page 13 of https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={90758CA0-0000-C125-B00F-6BF48F54EDD8}&DocTitle=20260910_NYISOCmmnts_CGPP_cmplt

*NYISO, therefore, recommends that the Commission consider the NYISO's comments herein and the transmission expansion opportunities identified in the 2025-2044 Outlook in considering and advancing bulk transmission expansion needs*."[6] NYISO further notes how the conceptual bulk transmission solutions were modeled as "*high-level, zonal transfer expansions without underlying engineering detail*", which created an "all-or-nothing" outcome, which limits "*the ability to consider incremental or component-level alternatives*[7]."

As an example of how bulk solutions were not represented with all their potential benefits, NYISO highlights that "*the southern tier portion of the west-to-east conceptual bulk transmission project was proposed without providing additional information about how existing constraints along the northern tier of western New York would be alleviated. As a result, the analysis performed does not appear to have identified the key areas of the system that benefited from the conceptual bulk solutions. Moreover, in the first cycle of the CGPP, the conceptual bulk transmission solutions were limited to only providing inter-zonal bulk transmission projects, which further limited the ability to consider the potential for bulk transmission needs, such as the Central East constraint identified in the 2025-2044 Outlook*."[8]

*3)* The JUs note that "cost discipline is best addressed through traditional utility mechanisms" with a misplaced assertion from several stakeholders, including ACE NY, that *"competitive solicitations should replace CGPP-identified local projects"*.

ACE NY is agnostic to the transmission builder and the transmission solution identified as the most cost effective and robust solution for the grid. ACE NY is encouraging competitive solicitations for investments that are in the billions of dollars on the basis that competitive processes typically yield innovation and the most cost-effective solutions. Local upgrades, if identified as components of such a robust and cost-effective solution, would remain in the JUs' mandate to build.

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[6] page 9 - https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={90758CA0-0000-C125-B00F-6BF48F54EDD8}&DocTitle=20260910_NYISOCmmnts_CGPP_cmplt

[7] https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={90758CA0-0000-C125-B00F-6BF48F54EDD8}&DocTitle=20260910_NYISOCmmnts_CGPP_cmplt

[8] page 10 of https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={90758CA0-0000-C125-B00F-6BF48F54EDD8}&DocTitle=20260910_NYISOCmmnts_CGPP_cmplt

In summary, ACE NY does not dispute the need for local upgrades nor use of local headroom values to inform the CGPP outcome. However, as noted above, the approach utilized for bulk solutions in the first CGPP cycle has limited consideration of bulk solutions and the range of benefits they can provide including obviating the need for some local upgrades.

As noted in ACE NY's September 11 comments, ACE NY generally supports the need for and the concept of NYSEG's Binghamton, Hornell/Elmira/Bath and RG&E Rochester upgrades but we recommend that the final scope and approval be coordinated through the PPTN process rather than approving them at this point as local upgrades, such that the most cost efficient and robust set of local *and* bulk solutions in this area are identified concomitantly. ACE NY also acknowledges that Con Edison's Ridge Hill Project 1 may be beneficial but recommends that it be evaluated as part of the broader PPTN and not be approved in a manner that forecloses alternative solutions. For Con Edison Project 2 in Zone J, ACE NY recommends consideration of a scaled investment, commensurate with the amount of contracted or more advanced generation resources anticipated in the future. Lastly, for the North Country, ACE NY recommends that the Commission declare a public policy need in line with NYISO's 2025-2044 System & Resource Outlook recommendation[9] that would be co-optimized with any local upgrades required on the National Grid's system in Oneida County and Mohawk Valley.

As recognized by the Accelerated Renewable Energy Growth and Community Benefit Act (AREGBA), local and bulk transmission upgrades need to be coordinated and co-optimized for the State of New York to reach its clean energy goals – while preserving affordability and grid reliability. Without transmission expansion where such investments are needed, clean energy resources can face significant congestion costs that can impact their ability to be successfully financed and built, or their ability to deliver under their settlement structures.

For example, in its September 28 comments regarding the white paper on optimizing the index REC settlement structure[10], HydroQuebec Energy Services highlights the negative impact that congestion into zone J is having to Champlain Hudson Power Express (CHPE) by limiting its deliveries when the grid most needs it during high demand conditions: "When congestion-driven basis risk reduces the economic incentive for discretionary CHPE deliveries, the renewable energy that would otherwise be delivered into Zone J is effectively replaced by continued dispatch by fossil-fuel generators in New York City—the very

[9] see page 84 of https://www.nyiso.com/documents/20142/58309806/2025-2044_System_Resource_Outlook_Draft_Report_revised_redline.pdf/aa505567-e0ae-507a-b6a6-6b7c5348d63b

[10] https://urldefense.com/v3/__https:/documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=*7BF088E9A0-0000-CA2E-B4E9-

resources that the Tier 4 program was designed to displace." The low delivery levels reported to date by CHPE are a strong indication of the transmission needs into zone J but also an example of why transmission investments are so critical in New York; without timely and co-optimized upgrades, generators could be facing congestion levels beyond what could be reasonably anticipated, impacting their ability to sustain economic and reliable deliveries of clean energy.

Respectfully submitted,



Marguerite Wells, Executive Director

Alliance for Clean Energy New York

119 Washington Avenue, Suite 103

Albany, NY 12210