

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

**Proceeding on Motion of the Commission to Address
Interconnection Reforms for Large Loads**

Case 26-E-0045

**INITIAL COMMENTS OF THE CITY OF NEW YORK
ON INTERCONNECTION REFORMS FOR LARGE LOADS**

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PRELIMINARY STATEMENT

The City of New York (“City”) respectfully submits these comments on assessing and improving the interconnection of large loads to the State’s electric grid, while also ensuring an equitable cost allocation structure and maintaining system reliability for the diverse ratepayers that rely on it, including New York households, businesses, and critical public services. It is imperative that all New Yorkers have a reliable supply of electricity at an affordable cost. Therefore, any measures the Commission takes with respect to large load interconnections must maintain system reliability and avoid burdening other customers.

Large load integration is not merely a technical interconnection issue, it is a significant system-planning, cost allocation, and reliability challenge. As discussed in further detail below, to adequately account for these challenges, the Commission should adopt a framework that (1) includes financial and reporting measures that bolster forecasting accuracy and discourage uncertain large load applications, (2) ensures that large loads fully internalize the costs they impose on the electric grid, (3) requires that large loads engage in efforts to improve grid reliability and flexibility, (4) promotes the clean energy transition and local community benefits, and (5) does not disproportionately burden disadvantaged communities.

BACKGROUND

It is well understood that electricity demand nationally is expected to grow at an extraordinary pace, due, in meaningful part, to the proliferation of large loads. According to the

North American Electric Reliability Corporation (“NERC”), demand growth is now higher than at any point in the past two decades.¹ Although there are several drivers for this increase in demand, such as the electrification of buildings and vehicles, as well as the expansion of domestic industrial production, increasing quantities of large load projects, most notably data centers and cryptocurrency mining facilities, are connecting rapidly to the transmission system.² These large load interconnections can necessitate major network upgrades, create significant localized impacts, and complicate long-term load forecasting due to uncertainties surrounding project viability and timing. Indeed, NERC has explained that the size and speed with which data centers can be connected to the electric grid present distinct challenges for demand forecasting and system planning.³

The City appreciates that the Commission has recognized these challenges and has instituted the instant proceeding “to review the planning and interconnection processes, cost-allocation mechanisms, and tariff structures relating to the integration of large loads within the State’s transmission and distribution (“T&D”) systems.”⁴ The Order is framed within the State’s broader “Energize NY” development initiative and reflects the growing recognition among regulators, grid operators, and stakeholders that rapid load growth likely will impose significant

¹ NERC, *2024 Long-Term Reliability Assessment* (December 2024, updated July 2025) (“NERC 2024 Long-Term Reliability Assessment”) at 8; available at https://www.nerc.com/globalassets/our-work/assessments/2024-ltra_corrected_july_2025.pdf

² The Federal Energy Regulatory Commission (“FERC”) has begun examining large load interconnection issues at the transmission level. *See Interconnection of Large Loads to the Interstate Transmission System*, Docket No. RM26-4-000, Advanced Notice of Proposed Rulemaking (“ANOPR”) (filed October 23, 2025) at 2.

³ NERC 2024 Long-Term Reliability Assessment at 8.

⁴ Case 26-E-0045, Proceeding on Motion of the Commission to Address Interconnection Reforms for Large Loads, Order Instituting Proceeding and Soliciting Comments (issued February 12, 2026) (“Order”) at 8.

costs and operational risks on the transmission and distribution systems if not appropriately managed.

At the federal level, the FERC is considering whether and what reforms are needed to ensure that large load customers (generally defined as electricity demand greater than 20 megawatts (“MW”)) provide sufficient financial commitments, demonstrate project readiness, and appropriately bear the costs and risks they impose on the system. The ANOPR explored mechanisms such as enhanced study requirements, stricter queue entry criteria, and alternative service arrangements, including co-located or “bring-your-own” generation resources. Last month, the FERC noted that it reviewed over 3,500 pages of public comment and intends to take action on large load issues by June 2026.⁵

Several regional transmission organizations have similarly commenced analyses of large load issues. In New York, the New York Independent System Operator, Inc. (“NYISO”) began work earlier this year on three projects examining large load issues in the New York Control Area. In February, it made a presentation on potential revisions to its large load interconnection study process.⁶ As explained in the presentation, the NYISO is considering reforms centered on (1) reducing and improving predictability of the timeline for the load interconnection study process; (2) allowing for the evaluation of more complex and compounding reliability impacts of load interconnections and the broader transmission system, including identifying system upgrades;

⁵ *Interconnection of Large Loads to the Interstate Transmission System*, Docket No. RM26-4-000, Order Regarding Intent to Act re Interconnection of Large Loads to the Interstate Transmission System under RM26-4 (issued April 16, 2026).

⁶ NYISO, “Load Interconnection Process: Challenges and Considerations,” a presentation to the Transmission Planning Advisory Subcommittee and Electric System Planning Working Group (dated February 3, 2026) (“NYISO Load Interconnection Process Presentation”); available at https://www.nyiso.com/documents/20142/56802634/04_Load_interconnection_reform_2-3-26_TPAS_final.pdf/063ff31f-a5ad-0494-707d-3275f007d23a.

and (3) defining milestones for inclusion of large load interconnections in reliability planning studies. The City encourages the Commission and Department of Public Service Staff (“Staff”) to coordinate their efforts in this proceeding with the NYISO’s consideration of large load issues

COMMENTS

The Commission’s stated goal for this proceeding is “to support new demand for electric power and to advance State economic development objectives without adversely impacting other ratepayers or the reliability of the electric system, and to do so in a way that is consistent with the Climate Leadership and Community Protection Act.”⁷ The Order included a Notice that poses a series of questions for public comment that aim to better inform the Commission in developing rules and processes pertaining to large load integration. The City provides some brief general comments on this topic and responses to select questions posed in the Notice to assist in the development of a large load integration framework.⁸

The first step in this matter should be for the Commission to define what constitutes a large load. In developing a definition, there are a number of competing factors and contexts that should be considered. For instance, defining “large” based on size, alone, may not be appropriate. While a 20 MW load in some parts of the State may have a significant impact on the grid, it may not be significant in other parts of the State.

The definition also needs to be sensitive to State policy goals. That is, the Commission should not establish a definition that could hinder or prevent building electrification or building

⁷ Order at 8-9.

⁸ The City’s silence on other questions in the Notice should not be taken as a position on those matters. Moreover, these Comments only relate to the potential impacts that new large loads may have on the State’s electricity infrastructure. The City would have additional comments should the Commission inquire about the impacts of and regulatory solutions for large load water use.

construction that is contextual to the surrounding area. For example, there are some buildings in New York City that could have loads in excess of 20 MW if they fully electrify. Further, the construction of infrastructure to provide certain future public services, like wastewater resource recovery centers or public transit charging stations, may also have loads in excess of 20 MW, but it may not be appropriate to impose the same requirements on these loads as privately-owned loads. The City does not think this proceeding is intended to encompass such buildings, and it should not do so.

Further, the Commission should consider whether the definition should take into account the nature of the load. There are some large loads in New York that provide thousands of direct jobs, as well as secondary, tertiary, and more indirect jobs. They are important economic engines for their host communities and the State as a whole. Their loads could be flexible; a number of manufacturing facilities participate in demand response programs and reduce their loads during peak periods. In contrast, data centers often have very few employees and require constant supply regardless of system conditions. These different types of loads provide different economic benefits and do not give rise to similar system impacts.

For all of these reasons, the definition of large load requires significant, nuanced thought. The City has begun to consider these factors but has not yet developed a proposed definition. The City recommends that the Commission conduct a technical conference and/or solicit comments specifically on how “large loads” should be defined. The City looks forward to participating in such a process and providing input to the Commission.

In general, the City is also concerned about the impact large loads could have on other customers. In particular, as supply in New York gets tighter and tighter, the Commission must ensure that there remains an adequate supply of power for existing customers, and that the rates

they pay for such power are just and reasonable. Indeed, the Commission should not allow large loads—of any type—to connect to the electric grid if their doing so would jeopardize system reliability, lead to supply deficiencies, or cause material increases in electricity prices.

Some have argued that data centers should provide their own sources of supply, but such an approach gives rise to several concerns. They include, but are not limited to, impacts on achievement of the State’s policy goals (particularly the reduction of greenhouse gas emissions), and indirect impacts on other customers (such as reducing the public’s access to new sources of electricity generation and environmental impacts). The Commission should not establish a large load policy that undermines achievement of important public policies, including reducing reliance on fossil fuels and decreasing greenhouse gas and other harmful air emissions.⁹ Moreover, the Commission should not permit large loads to secure supply from existing generating facilities, including zero emission generation, which presently serve the public at large. Customers have funded the construction, operation, and maintenance costs of existing generation, including New York’s hydroelectric and nuclear fleets, through their electric rates, and they rely on those facilities to provide the power they need and maintain system reliability. It would be unfair and unreasonable to allow data centers to gain exclusive access to such power supplies and force customers to fund replacement sources of supply.

Addressing the proliferation of large loads is challenging, and there are no easy solutions. Any approach the Commission adopts should place the interests of existing customers first and

⁹ A discussion of whether new fossil fueled generation should be required or encouraged as a primary or secondary source of supply for large loads requires careful scrutiny and should be specifically considered in this proceeding. Such issue appears to be beyond the scope of the Commission’s initial questions, so the City will offer comments on that topic at the appropriate time.

ensure that they are not asked to subsidize such loads or suffer diminution in service or power quality to accommodate them.

RESPONSES TO QUESTIONS

Question 1: How can large load demand be accurately forecasted and verified before being included in long-term load forecasts and system planning studies?

As noted by the Commission, as of February 2026, 11,900 MW of projects within the NYISO interconnection queue are attributed to large loads.¹⁰ In 2025 alone, more than 8,000 MW of new large loads sought to interconnect to the bulk power system and entered the NYISO interconnection queue.¹¹ In and before 2022, there were fewer than 10 large load interconnection requests in total, and their cumulative demand was just over 1,000 MW.¹² These figures underscore the extent to which data centers and other large loads are reshaping system planning assumptions and system needs. The Commission rightfully observed in the Order that “[t]hese interconnection requests may introduce planning uncertainty through speculative or duplicative interconnection requests, and the projects themselves often require significant electric supply and may drive the need for major grid upgrades.”¹³

The City agrees that inaccurate large load forecasts can distort system planning and trigger unnecessary infrastructure investment, which place upward pressure on customers’ electric bills and add to existing affordability problems. It is critical that the Commission, the NYISO, and utilities have the most accurate forecasts possible. In order to be included in such forecasts, the

¹⁰ Order at 3; *see also* NYISO Load Interconnection Process Presentation at 6 (showing that as of December 2025, the interconnection queue included 48 large load proposals, comprising 12,090 MW).

¹¹ NYISO Load Interconnection Process Presentation at 7.

¹² *Id.*

¹³ *Id.*

Commission should impose some minimum requirements or thresholds; possible factors to be considered could include, but are not limited to, receipt of permits and approvals, obtaining financing commitments, completing design plans, establishing site control, and procurement of materials and/or construction contracts. In other words, there should be a demonstration that the large loads are “real” before they are included in system planning and utilities’ capital plans.

Additionally, the Commission should examine requiring large load applicants to provide financial security to cover the cost of infrastructure upgrades required to serve them. If a utility begins to make investments to serve a large load, but the large load decides not to proceed, the general body of customers should not be burdened by recovery of those costs. That is, the financial security should be subject to forfeiture if the project is not completed and placed into service, or if it shuts down before the utility has recovered its investment.¹⁴ This approach should ensure that large-load forecasts do not drive costly planning, transmission expansion, or distribution upgrades unless the customer has placed real capital at risk. The security rate could be based on the cost of any infrastructure upgrades, a fixed price per MW, or another similar benchmark. For example, in Virginia, starting on January 1, 2027, a new GS-5 rate class of Virginia Electric and Power Company’s (“Dominion”) large load customers (those over 25 MW of demand) will be required to pay collateral of \$1.5 million per MW of contracted capacity, subject to reductions for credit quality.¹⁵

¹⁴ This proposal is intended to be similar to the rules applicable to new generating facilities.

¹⁵ See *Application of Virginia Electric and Power Company*, Case No. PUR-2025-00058, Final Order (issued November 25, 2025) (“Dominion Final Order”) at 25. 1/14th of that collateral requirement will be released to the customer each year throughout the mandated 14-year contract term.

Next, to improve the accuracy of demand forecasting, the Commission should consider requiring large load customers to submit binding load forecasts¹⁶ before entering the interconnection queue and/or requiring large loads to meet a series of early development milestones, such as site control, permits, and verified financing, before advancing in the queue. On the issue of site control, large load customers could be required to provide proof that the site's acreage, geography, and zoning requirements support the size of the load requested for interconnection.

Long-term contract requirements have also become a standard feature in large load tariffs and should be assessed as a means to deter speculative projects and improve forecasting accuracy. For example, in Virginia, Dominion's large load customers must agree to a 14-year contract term.¹⁷ If the customer ceases operations or otherwise defaults on its agreement during the contract term, the customer is required to pay an exit fee covering any outstanding minimum charges over the remaining contract duration, subject to capacity reassignment.

In Ohio, the AEP Ohio Data Center Tariff ("DCT") includes a minimum contract length equal to the load ramp period (no greater than four years) plus eight years.¹⁸ The DCT also includes measures designed to ensure revenue certainty over time and reduce the risk that load will disappear after the necessary infrastructure is built. Specifically, the DCT includes (1) a collateral requirement up to 50% of the total minimum charges for the full term of the contract; (2) minimum monthly demand charges that must be paid for at least the first five years of the contract, even if

¹⁶ Such forecasts could include not only the requested MW of contract capacity and the expected energization date, but also the projected annual ramp schedule, monthly peak demand forecast, expected load factor, minimum load commitment, backup generation or interruptible capability, and affiliated projects at nearby sites.

¹⁷ Dominion Final Order at 24.

¹⁸ <https://www.aepohio.com/company/about/rates/data-center-tariff/>

the customer chooses to curtail, reduce, suspend, or terminate service; and (3) an exit fee equal to the minimum charges for 36 months if the customer chooses to terminate the contract after completing the fifth year of the contract after the load ramp period.¹⁹ As evidence of the effectiveness of these provisions, AEP Ohio reduced projected large load demand by over 80% after the DCT's adoption (from 30,000 MW to 5,600 MW).²⁰ This suggests that speculative requests were filtered out. The Commission should consider imposing similar types of minimum demand and/or withdrawal penalty measures to discourage uncertain large load interconnection applications.

Collectively, the types of measures discussed above can work to ensure that large load demand is accurately forecasted and real.

Question 3: What requirements should be applied to large loads and/or data centers to maintain grid reliability, protect ratepayers, and meet New York's climate goals?

It is vital that the reliability of the bulk power system be maintained with the addition of large loads. Reliability margins in the State have been decreasing to alarming levels over the past several years, as evidenced by the results from the NYISO's reliability planning processes.²¹

New York City has the tightest electric reliability margins and the least supply diversity in the State.²² The NYISO recently released its annual Summer Reliability Assessment, which found that under baseline summer conditions, the reliability margin is only 417 MW, which is the lowest

¹⁹ *Id.*

²⁰ RTO Insider, "Large Loads Add Difficulties to an Already Tough Subject: Cost Allocation," issued May 4, 2026 (quoting interview with Ohio Consumers' Counsel on AEP Ohio's DTC).

²¹ See NYISO, *Short-Term Assessment of Reliability: 2026 Quarter 1* (April 1, 2026) ("Q1 2026 STAR Report"); NYISO, *2025-2035 Comprehensive Reliability Plan* (November 21, 2025).

²² State Energy Plan, Chapter 1. Electricity at 13; cf. NYISO, "2025 Power Trends: the New York ISO Annual Grid and Markets Report" (June 2, 2025) at 44, available at <https://www.nyiso.com/documents/20142/2223020/2025-Power-Trends.pdf>.

it has been in recent history.²³ In addition, recent analyses by Consolidated Edison Company of New York, Inc. (“Con Edison”) and the NYISO show increasing deficits in supply over the next ten years. According to Con Edison, even with the Champlain Hudson Power Express (“CHPE”) project, a reliability deficiency is expected to arise in 2032—125 MW for a three-hour period on a peak demand day—and increase over time.²⁴ By 2036, the projected deficiency is 750 MW for nine hours on a peak demand day. The NYISO’s reliability analyses show similar deficits.²⁵ Its Q1 2026 STAR Report shows that through 2036, deficiencies will persist and increase, potentially by over 1,000 MW.²⁶

With the reliability challenges discussed above, coupled with changing federal policies impacting the development of renewable resources, plus the increasing demand for electricity, it is more critical than ever that the State implement creative solutions that ensure the reliability of the grid to protect the diverse ratepayers that rely on it, including New York households, businesses, and critical public services.

The Commission also should consider whether large loads should be subject to enhanced study requirements equivalent to, or even more rigorous than, those applied to generation

²³ NYISO, Operating Committee Presentation: Summer 2026 Capacity Assessment (May 14, 2026), pg. 3, 5, available at: <https://www.nyiso.com/documents/20142/57796669/S2026%20Capacity%20Assessment%20for%20OC.pdf/0b4612fb-fb14-671f-98b1-89ec25d2732b>.

²⁴ Case 25-E-0764, Proceeding on Motion of the Commission to Address New York City Reliability Needs, January 2026 Reliability Needs Report (filed January 20, 2026) at 9.

²⁵ The NYISO first found an actionable reliability need in New York City driven by load growth in its 2024 Reliability Needs Assessment (“RNA”) for summer 2033. The 2024 RNA found that when “accounting for forecasted economic growth and policy-driven increases in demand, the New York City (Zone J) will be deficient starting in summer 2033 by as much as 17 MW for 1 hour and increasing to 97 MW for 3 hours in summer 2034 on the peak day during expected weather conditions.”

²⁶ Q1 2026 STAR Report at 48.

resources. These types of study requirements would include, but may not be limited to (1) full interconnection studies—including thermal, voltage, stability, and short-circuit analyses at both transmission and distribution levels; (2) evaluations of whether the system can reliably serve load under peak and contingency conditions; (3) cumulative impact modeling to account for other queued loads and generation to avoid underestimating aggregate impacts; and (4) dynamic modeling, especially for loads with variable or high-ramping characteristics like artificial intelligence and data-processing facilities.

Turning to operations, the Commission should examine whether to require large loads to participate in demand response programs to provide for dispatchable load reductions in peak scenarios, as well as whether such customers should be required to enter into curtailment or interruptible service agreements. The Commission should further consider whether large loads must have minimum on-site capability requirements, such as behind-the-meter storage and backup generation.

Some states have already approved such measures in utility large load tariffs. For example, Idaho Power’s “Schedule 20, Speculative High-Density Load”—which applies to large commercial and industrial customers with significant, metered demand that may not yet be fully operational but is expected to grow—includes a “mandatory interruption” requirement.²⁷ Under that requirement, the utility, at its discretion, may call “Interruption Events” to remotely disconnect electric service to the customer load for up to 225 hours annually, from June 15 to September 15, on weekdays from 1:00 pm to 11:00 pm, at a maximum of 10 hours per interruption event, with a minimum of two hours’ notice.²⁸ This mandatory, interruptible service agreement gives the utility

²⁷ <https://docs.idahopower.com/pdfs/AboutUs/RatesRegulatory/Tariffs/20.pdf>.

²⁸ *See id.*

and system operators the ability to reduce load during emergencies or peak conditions.²⁹

Some combination of the above-described reliability measures should be considered as baseline obligations for large loads and not merely optional enhancements. The failure to impose some obligations to decrease peak demand could cause unacceptable strain to an already-strained grid.

Question 5: How should cost allocation be structured to ensure data centers or similar facilities bear the costs they impose on the electric system?

In the Order, the Commission stated that “data centers and similar facilities must pay their fair share” of system costs,³⁰ and the City emphatically agrees, noting that fair should be defined as *all* additive direct and indirect costs that ratepayers incur due to the proposal, construction, and operation of the load. The City is deeply concerned about energy affordability. Increasing numbers of New Yorkers are struggling to pay their utility bills. In 2025, in New York City alone, over half a million residential electric and gas customers had arrears greater than 60 days in excess of \$1 billion.³¹ The actions taken to accommodate large loads must take affordability into account,

²⁹ As another example, under Entergy Arkansas’s “Schedule 69, Large Power High-Load Density Service,” cryptocurrency miners and high-density load customers must take interruptible service. These customers are required to enter a separate interruptible service agreement with at least 90% of their load classified as non-firm, limiting firm demand to 10%. https://www.entergyarkansas.com/wp-content/uploads/2024/11/eal_lphlds.pdf.

³⁰ Order at 7.

³¹ Times Herald-Record, “1.3M New Yorkers are behind on electric, gas bills. What’s next for them?” issued March 12, 2025, available at <https://www.recordonline.com/story/news/ny-news/2025/03/12/ny-ratepayers-behind-on-utility-bills-electric-gas-con-edison-nyseg-orange-and-rockland-utility/82275811007/>

and they must be done in a cost-effective and efficient manner, ensuring that such loads do not negatively impact and shift risks and burdens onto other customers.

As the Commission addressed in the Order, New York has historically relied on a “beneficiary pays” principle—grounded in the New York Public Service Law (“PSL”) and the Commission’s regulations³²—which requires new customers to bear the costs of infrastructure upgrades that directly benefit them. At the same time, the Order recognizes that the speed, size, and uncertainty associated with large loads create risks that extend beyond traditional interconnection cost recovery.³³ These risks include the potential for significant transmission and distribution upgrades, the increased procurement of higher-cost energy, and stranded investments if large load projects fail to materialize. The City is concerned that, absent clear safeguards, these costs could be socialized across all customers, which would wrongfully place upward pressure on energy bills for New York’s residential customers and especially low-income households.

The City recommends that any reforms adopted should strengthen, not dilute, the beneficiary pays principle. To accomplish this, the Commission should ensure that (1) large load customers bear the full costs of direct and system-wide upgrades attributable to their interconnection; (2) utilities and customers are protected against stranded costs through appropriate financial assurances, contractual provisions, and penalties; and (3) rate designs and large load tariff structures prevent cross-subsidization from other customers.

With respect to the first item, large load customers should pay for all direct and indirect costs associated with system upgrades and new infrastructure made primarily to interconnect their

³² PSL §§65 and 66 and 16 NYCRR §§ 98.2 and 98.3.

³³ Order at 2. Indeed, the scale of new loads associated with proposed data center projects could increase electricity costs for other ratepayers, not merely the costs related to facility construction, operations, and maintenance.

facilities with the bulk transmission system. These costs would not have been incurred but for the large load customer's project. These costs should therefore not be socialized. Additionally, a large load tariff could require minimum monthly demand charges for a set duration like AEP Ohio's DTC discussed above.

For example, Oregon is a leading state model for full cost-causation and upfront financial responsibility for large loads. There, the Legislature passed the 2025 POWER Act, which created a separate customer category for energy users over 20 MW; the Act requires those users to pay a proportionate share of their infrastructure and energy costs. Pursuant to the Act, Portland General Electric ("PGE") has put forward a proposed large load tariff that would require data centers to directly pay for their initial infrastructure costs for a set period and increase data center customers' rate by 26% while reducing residential customers' rate by 2%. This rate increase for data centers falls under PGE's "Peak Growth Modifier" methodology, used to allocate fixed generation and transmission costs to customer classes based on their contribution to peak load growth.³⁴

In sum, costs associated with large load development must be allocated in a way that fully reflects cost causation and avoids shifting financial burdens onto customers who do not benefit from, and cannot control, these developments. This is especially important for low-to-moderate-income customers, who are disproportionally affected by rate increases and already energy cost-burdened.

³⁴ See "PUC Investigation of Rule C and I, Marginal Cost Study Treatment," Docket No. UM 2377, Portland General Electric Company's Closing Brief (February 24, 2026) at 1.

Question 7: What interconnection rules should the Commission consider that would allow for leveraging of waste heat as part of thermal energy networks?

Large loads should provide system or societal benefits that offset their impacts. For example, the City supports the Commission's interest in assessing the viability and cost-effectiveness of carbon-free thermal energy networks as they pertain to large load development as such networks have the potential to reduce energy consumption and lower operational costs. As the City has stated in other proceedings,³⁵ it is important to understand whether such networks are able to adequately, reliably, resiliently, cost-effectively, and safely serve the needs of customers.

As one possible approach, the Commission should consider requiring large load customers to conduct waste heat recovery feasibility studies as a condition to connecting to the electric grid. Such a requirement would identify the technical and economic viability of such networks and ascertain whether the large load would be capable of providing a community benefit that could lower the overall demand for electricity in the same area.

To the extent the system cannot accommodate multiple large loads in an area, preference should be given to projects that provide local community benefits. Such preferences would help to ensure that large loads contribute tangible local value and motivate their developers to be creative and consider ways to offset the demands they will place on the electric grid.

CONCLUSION

The City appreciates that the Commission has instituted this proceeding to examine approaches to large electric load integration and ways to minimize or avoid adverse impacts on other customers. As discussed above, it is critical that the approach selected takes into account the

³⁵ Case No. 22-M-0429, Proceeding to Implement the Utility Thermal Energy Network and Jobs Act, Comments of the City of New York Regarding UTEN Pilot Project Engineering Design and Customer Protection Plans (filed October 27, 2025) at 21-22.

need for energy affordability and preservation of system reliability. Any rules or standards that are adopted should ensure that large loads meet enforceable financial and reporting commitments to eliminate speculative projects and stranded costs, fully internalize their interconnection costs, promote clean energy integration and the provision of community benefits, and not diminish system reliability. The City looks forward to working with the Commission, Staff, and other stakeholders to develop an approach that encompasses all of the considerations discussed herein.

Respectfully submitted,

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