

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

Proceeding on Motion of the Commission to)
Implement Transmission Planning Pursuant to the) Case 20-E-0197
Accelerated Renewable Energy Growth and)
Community Benefit Act)

**JOINT UTILITIES’ PETITION TO IMPROVE THE EFFECTIVENESS OF
HEADROOM CALCULATIONS**

On March 16, 2021, the Department of Public Service Staff (“DPS Staff”) issued its *Staff Straw Proposal for Conducting Headroom Assessments*¹ (“Staff Straw Proposal”) in the above captioned proceeding. The Joint Utilities² respectfully submit recommendations to enhance the headroom assessment process by establishing a revised framework that delivers actionable results, while allowing necessary flexibility to incorporate physical constraints and local planning criteria. These recommendations aim to enhance the value of the headroom calculation updates and enable these calculations to more effectively inform stakeholders and support the Coordinated Grid Planning Process (CGPP), as modified by the Commission’s recent CGPP Modification Order.³

¹ 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* (LT&D Planning Proceeding), Staff Straw Proposal for Conducting Headroom Assessments (March 16, 2021).

² The Joint Utilities include: Central Hudson Gas & Electric Corp.; Consolidated Edison Company of New York, Inc.; Long Island Power Authority; Niagara Mohawk Power Corporation d/b/a National Grid; New York State Electric & Gas Corporation; Orange & Rockland Utilities, Inc.; and Rochester Gas and Electric Corporation.

³ LT&D Planning Proceeding, Order Modifying Coordinated Grid Planning Process (November 13, 2025) (CGPP Modification Order).

I. Introduction

The objective of the headroom assessment is to improve the quality of the information available to policy makers, renewable generation developers, and other stakeholders. However, the current methodology does not accurately reflect conditions prevalent on the system in a way that can best inform the analyses the Joint Utilities are conducting in the Coordinated Grid Planning Process (CGPP). The methodology, as it exists today, can indicate headroom availability in certain regions that are not physically capable of interconnecting incremental generation resources. Other limitations of the existing approach include lack of consideration of interface transfer limits and local planning criteria. These limitations have resulted in infeasible generation siting, which has introduced confusion among stakeholders and unnecessary delays in the completion of multiple CGPP engineering and modeling processes. The Joint Utilities present opportunities to align these calculations more closely with the CGPP, including the timing of the headroom filings, in Section II, below.

II. Recommended Modifications to the Headroom Calculation Methodology

The Joint Utilities propose the following modifications to the current Headroom Assessment methodology to better align headroom calculations with the purposes of the CGPP and to provide stakeholders with more accurate representation of interconnection opportunities on New York's local transmission and distribution system.

1) Integration of Physical Feasibility Limitations

The current headroom methodology relies on power flow models that do not account for physical feasibility limitations. As a result, some substations appear to have available capacity when, in reality, immutable physical limitations—such as lack of space for additional equipment—

prevent them from accommodating additional interconnections. Furthermore, the existing study methodology does not allow for the application of established, company-specific best practices such as Con Edison's Fundamental Design Principles, which are embedded in its Planning Criteria. For example, Con Edison requires alternating supply and load feeders in substation design, which can restrict the availability of Points of Interconnection (POIs). In some cases, the remaining POI may only support load connections. Moreover, to accurately determine the maximum injection at a POI, a bus flow analysis should be conducted on the relevant substations to establish practical limitations. As an alternative, a proxy maximum could be applied.⁴

The Joint Utilities recommend that utilities be permitted to omit substations that have no feasible POIs from the headroom update analysis. The Joint Utilities should instead report capacity values that align with each company's specific circumstances and planning practices. In addition, the Joint Utilities recommend that utilities be permitted to indicate headroom based on available POIs alongside or in lieu of the standard capacity headroom (MW) figure. This flexibility will allow utilities to report a more practical and realistic assessment of available capacity by tying the headroom value to the physical constraints of the existing substation infrastructure.

While physical feasibility constraints may primarily affect downstate utilities, upstate utilities may encounter comparable physical expansion challenges that merit a similar approach.

2) Integration of Impacts on Interface Transfer Capability

The current headroom methodology relies on power flow models that do not account for impacts on interface transfer capability. Interconnecting new generation resources may

⁴ For instance, Con Edison uses a 750 MW proxy for a POI on its 345 kV underground system.

inadvertently degrade existing import/export interface transfer capabilities. For example, NYISO considers degradation exceeding 25 MW to be unacceptable.

The Joint Utilities recommend that, as an optional step, utilities be permitted to evaluate the potential for interface degradation. Utilities should be allowed to identify substations where new injections would adversely affect transfer limits and, in such cases, assign a capacity headroom value of 0 MW to those locations.

3) *Local Criteria*

Under the current headroom methodology, studies do not incorporate utility-specific local criteria or best practices. The analysis is limited to transmission constraints based solely on thermal limits under N-0 and N-1 conditions. This narrow scope can result in incomplete or misleading assessments of system capability. In practice, some utilities impose additional local criteria or best practices that are essential for accurately determining headroom. For example, Con Edison is allowed (under certain conditions) to plan and operate its system so that the post-contingency loading of any underground cable can exceed its LTE rating, provided it does not exceed its Short-Term Emergency (STE) rating— a requirement not uniformly applied by other utilities. This exception can create additional headroom capability within New York City.

Compliance with local criteria and best practices is essential for any project seeking interconnection with local transmission and distribution (LT&D) systems. Each utility has distinct planning practices and requirements tailored to address localized issues that may not be relevant statewide. It would be inefficient and unnecessary for each utility to replicate studies performed by its peers when those studies reflect unique, locally justified practices. However, each company should have the ability to incorporate conclusions from planning processes that address its specific needs.

The Joint Utilities recommend that each company have the option to conduct supplemental studies aligned with its local criteria. While these additional analyses may require time and resources to complete, they are essential to provide developers and other stakeholders with results that accurately reflect the headroom available on the system.

4) Headroom Timeline

The Joint Utilities recommend that the headroom assessment be repeated as part of each Coordinated Grid Planning Process (CGPP) cycle rather than annually, as this approach would better align with each cycle of CGPP.

Moreover, to streamline the process, the scope of years evaluated should be reduced to focus on the information that would best inform the current cycle of CGPP. The Joint Utilities recommend that the Commission direct them to maintain a focus on summer and winter peaks, light load cases, and shoulder load cases but to conduct calculation updates for only two future focus years. For example, in the first CGPP cycle, the two years that would have been evaluated are 2035 and 2042. This modification will allow the headroom updates to align with (i) the focused analyses being undertaken in the CGPP; and (ii) constructability timelines. This modification would significantly reduce the resources required to develop these headroom figures without diminishing the value the analyses provide.

5) Utility District Granularity and Boundary Alignment for CGPP Cycle 2

The Commission's CGPP Modification Order⁵ directs the utilities to develop a more granular representation of headroom within the capacity expansion model. To ensure consistency,

⁵ LT&D Planning Proceeding, Order Modifying the Coordinated Grid Planning Process (November 13, 2025) (CGPP Modification Order), pp. 20-22.

granularity applied to headroom in the capacity expansion model and NYSERDA's supply curve data should align with the utilities' headroom calculations. The CGPP Modification Order also places greater emphasis on a project development and selection process that relies on accurate headroom values, which are highly dependent on how geographic districts/areas are defined and which electrical facilities are contained within those boundaries. To maintain accuracy and compatibility for Cycle 2, the Joint Utilities respectfully request flexibility to update and, where necessary, adjust the geographical boundaries used in the headroom calculations from the utility-district boundaries that were used in prior headroom filings. This refinement will enable alignment across headroom calculations, supply curve data, and capacity expansion modeling, as directed by the Commission.

III. Conclusion

The Joint Utilities make these recommendations to improve the headroom assessment methodology that is used today. The proposed modifications will yield headroom calculations that more accurately reflect physical system constraints, local planning criteria, and interface transfer capabilities, while aligning with the objectives of the CGPP. These changes will reduce stakeholder confusion and support more efficient and feasible generation siting decisions in the future. The Joint Utilities respectfully request that the Commission adopt these recommendations and provide the necessary flexibility to incorporate utility-specific practices within the CGPP framework. Doing so will enable the headroom assessment process to deliver meaningful, actionable information that advances New York's clean energy goals.

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Respectfully submitted,

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