RISE
LIGHT & POWER

Comments on the New York Climate Action Council's Draft Scoping Plan

I. Executive Summary

Rise Light & Power, LLC ("Rise") appreciates the opportunity to provide comments on the New York Climate Action Council's Draft Scoping Plan ("DSP"). We support the diligent and timely efforts of the Council in creating a comprehensive, economy-wide suite of policy recommendations to achieve the ambitious decarbonization requirements set forth in the Climate Leadership and Community Protection Act ("CLCPA"). We write in regard to the recommendations concerning the electricity sector – specifically the need to retire New York's fossil fuel-fired generation in a reliable and cost-efficient manner to meet CLCPA mandates.

Unless New York proactively addresses reliability concerns, it will continue to need fossil fueled resources in 2030, 2040, and beyond. To address this "dual challenge" of retiring carbon-intensive generation while maintaining grid reliability, we urge the Council to incorporate the recommendations set forth in the Fossil Fuel Facilities Replacement and Redevelopment Blueprint Act ("Blueprint Act"),[1] which takes up the challenge of Governor Kathy Hochul's directive in her 2022 "State of the State Book," for the State's energy and environmental conservation agencies "to develop a blueprint to guide the *retirement and redevelopment* of New York's oldest and most-polluting fossil fuel facilities and their sites by 2030" (emphasis added),[2] and provides a viable action plan to implement the DSP's recommendations to repurpose fossil fuel-fired generation in a cost-efficient manner that ensures reliability, as well as a just transition for our existing experienced plant staff and environmental justice communities.

Additionally, the final scoping plan should place a greater emphasis on, and reliance upon, timely competitive mechanisms (e.g., the upcoming OREC solicitation) to harness the innovation and cost-saving potential of market-based solutions. New York's experience with competitive solicitations under the Clean Energy Standard program and the New York Independent System Operator's ("NYISO") Public Policy Transmission Need tariff processes demonstrate that competition is an effective method to maximize benefits while reducing costs and reducing ratepayer risks, which should continue to be utilized, whenever possible.

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[1] *See Fossil Fuel Facilities Replacement and Redevelopment Blueprint Act*, S.B. 8405B (2021-2022 Legislative Session); https://legislation.nysenate.gov/pdf/bills/2021/S8405B.

[2] State of the State Book, "A New Era for New York" (Jan. 4, 2022), *available at* https://www.governor.ny.gov/sites/default/files/2022-01/2022StateoftheStateBook.pdf.

II. Rise Light & Power, LLC

Rise is a Queens-based energy asset manager and developer. Our core asset, Long Island City's Ravenswood Generation Station, is New York City's largest thermal power facility, which provides more than 2,000MW of generation capacity.

For nearly 60 years, the Ravenswood Generating Station has been a vital part of New York's energy system. Ravenswood proudly employs more than 100 union members from the greater New York metro region. It played a major role in re-energizing the grid after the 2003 Northeast Blackout. It has continuously delivered safe and reliable service during major weather events, including Hurricane Sandy – during which it provided up to 50 percent of New York City's energy – and others, like extreme cold weather events such as the "Polar Vortex" and "Bomb Cyclone." It remains a vital contributor to New York City's reliability.

Today, Rise is expanding our focus to include modernization and resiliency upgrades at Ravenswood, as well as new large-scale clean energy infrastructure to facilitate the CLCPA's goals. For these projects, Rise is anticipating the opportunity to participate in competitive processes to demonstrate the value of these projects vis-a-vis other possible solutions. Competition should be the cornerstone of the State's renewable energy and transmission buildout policy; as has been well-established in New York's electric market development over the past two decades, well-designed, timely, competitive processes can harness the power, creativity, and financing of the market to deliver cost-effective and reliable solutions that will support the 2030 goals of the CLCPA without shifting cost risks to captive ratepayers.

III. Background on CLCPA and Draft Scoping Plan

A. CLCPA Targets

Enacted in 2019, the CLCPA mandates that New York State achieve an economy-wide 40% reduction in emissions below 1990 levels by 2030 and at least an 85% reduction in emissions by 2050.[3] The CLCPA created the Climate Action Council ("CAC"), an entity that is charged with preparing and approving a Scoping Plan that sets forth pathways for the State to reach the CLCPA's emission reduction goals and informs the State energy planning board's adoption of an updated State Energy Plan in accordance with Energy Law § 6-104.[4] In compliance with the CLCPA's mandated timeline, the CAC released its DSP on December 30, 2021, and solicited comments on that DSP, which are due July 1, 2022.[5]

[3] 2019 N.Y. Sess. Laws 106 (McKinney) ("CLCPA") § 2.

[4] *Id.*

[5] *See* N.Y. State Climate Action Council, Draft Scoping Plan ("DSP") (2021), https://climate.ny.gov/Our-Climate-Act/Draft-Scoping-Plan.

The DSP set forth a vision for 2030 and 2040 with respect to decarbonization of the power generation sector specifically. The CLCPA requires that 70% of statewide electricity come from renewable energy sources by 2030, and mandates technology-specific deployment levels of 6,000 MW of distributed solar to be installed by 2025, 3,000 MW of energy storage to be installed by 2030, and 9,000 MW of offshore wind to be installed by 2035. By 2040, the CLCPA requires that the State achieve a zero-emission electricity system.

B. New York's Current and Anticipated Energy Mix

The DSP anticipates that these targets must be achieved in parallel with significant growth in electric demand over the next few decades. In addition, with peak demand shifting from the summer period to the winter period around 2035 system operators and planners will need to manage reliability differently. For example, because peak output from solar resources will not coincide with peak load conditions and will also have reduced output during the higher winter peak, operators and planners will need a specific mix of renewable resources and storage interconnected and committed to New York to maintain reliability. According to the DSP, "As the transportation and buildings sectors transition to electric—due to [zero-emission vehicle] sales requirements and incentives and zero-emission building codes—the increased demand will impact the amount of renewable electric generating capacity needed to meet the 70x30 and 100x40 requirements."[6] Per the DSP, "Even with aggressively managed load, electric consumption doubles and peak load nearly doubles by 2050, and New York becomes a winter peaking system by 2035, with offshore wind of around 20 gigawatts ("GW"), solar of around 60 GW, and 4- and 8-hour battery storage of around 20 GW by 2050" (emphasis added).[7]

In 2019, the electricity sector comprised 13% of statewide emissions, including electricity generation within the State (44%), imported electricity (15%), emissions from imported fuels (41%), and the SF6 used in electricity distribution and transmission (<1%).[8] Electricity sector emissions have declined 46% since 1990.[9] New York's electricity generation in 2019 consisted of renewable resources (27% of the State's electricity generation, the vast majority of which are hydropower), nuclear resources (29% of the electricity generation in the State), and fossil fuel generation, including natural gas, oil, and dual fuel generation (43% of statewide electricity).[10]

[6] DSP at 151.

[7] DSP at 74.

[8] DSP at 149.

[9] DSP at 149.

[10] DSP at 149.

C. Dual Challenge of Reliability and Fossil Fuel Retirements

The DSP appropriately establishes "Retirement of Fossil Fuel Fired Facilities" as a key strategy for decarbonizing the electricity sector. However, the DSP also recognizes the "dual challenge" of phasing out the use of fossil fuel for power generation over time, while "maintaining a completely safe and reliable power grid."[11] On the one hand, "New York needs to: continue and accelerate its deployment of new renewable generators (e.g., wind, solar, hydro); maintain the fleet of renewable generators it has now; upgrade its transmission and distribution system to allow for the maximum use of the renewable generators (*i.e.*, get the power where it needs to go); and invest in energy storage technologies."[12] One the other hand, the DSP also recommends that New York have "a detailed process in place to ensure that the fossil fuel generators are gradually and safely retired, while still maintaining reliability."[13]

The CLCPA also tasked the Just Transition Working Group ("JTWG") with identifying generation facilities that "may be closed as a result of a transition to a clean energy sector" and identifying issues and opportunities presented by the reuse of those sites.[14] The JTWG's findings, which are appended as Appendix D to the DSP, identified challenges of "displaced workforce, and local economic impacts" and "reliability impacts (current reliability/contribution)." The JTWG identified opportunities for the use of existing fossil power plant sites such as (i) "repurposing with onsite clean energy resources," and (ii) "interconnection points and infrastructure for offsite renewables," and (iii) "port/marine infrastructure." The JTWG identified the Ravenswood facility as a power generation facility that may be closed and repurposed, noting transmission and energy storage as potential clean energy reuse cases associated with the site.[15]

The Power Generation Advisory Panel similarly issued a series of recommendations, which were largely incorporated into the DSP and included on their own as Appendix A. That Advisory Panel labeled the retirement of fossil fuel-fired facilities "hard," noting that "[r]etiring all fossil sources on the system will be difficult, requiring thorough and innovative planning, as well as technology advancements."[16]

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[11] DSP at 154.

[12] DSP at 155.

[13] DSP at 155. Notably, advanced notice and staged implementation of more stringent emission requirements under the recently implemented Peaker Rule regulations provided the opportunity to complete planning studies, identify reliability needs in advance, and allow for the development of transmission system upgrades or resource additions as needed to more effectively account for such retirements to the greatest degree possible by the timing provided. The NYISO and existing owners were an integral part of this process.

[14] DSP at 41.

[15] DSP, Appendix D, at D-5, fn. 2 (JTWG Power Group Inventory), https://climate.ny.gov/-/media/Migrated/CLCPA/Files/JTWG-Power-Plant-Inventory.ashx.

[16] DSP, Appendix A, at A-81 (Advisory Panel Recommendations), https://climate.ny.gov/-/media/Project/Climate/Files/Draft-Scopping-Plan-Appendix-A.pdf.

The DSP's recommended implementation policies to retire fossil units consist of three initiatives, all of which are conditioned upon maintaining grid reliability: (i) Assessment and Determination of Emission Reduction Targets;[17] (ii) Promulgation of Emissions Regulations; and (iii) Regular and Transparent Resource Planning. Under the first component, the Commission, DEC, NYSERDA and the New York State Energy Planning Board are to determine potential GHG reductions from fossil fuel-fired generation "while ensuring reliability."[18] Under the second, the DEC assesses regulatory options to reduce emissions from fossil fuel-fired generating units "to the maximum extent practicable to achieve the requirements of the [CLCPA] while maintaining system reliability."[19] The third component entails examining "options to reduce or eliminate emissions from fossil fuel-fired generation facilities . . . as expeditiously as practicable but not later than 2040, assessing "feasibility" and impacts on reliability.[20]

As part of this effort, the DSP urges policymakers to focus on repurposing fossil fuel-fired facilities "as necessary to take advantage of their location and infrastructure to ensure reliability while meeting the [CLCPA] requirements."[21] The DSP notes that options "may include efficiency, storage, load flexibility, DERs, and transmission and distribution upgrades, among others."[22] Policymakers should also "[i]nvestigate and implement . . . market mechanisms to assist in the removal of fossil fuel-fired generating facilities from the system" such as carbon pricing or a "clean dispatch credit" program.[23] New York should also "[e]xamine options to reduce emissions impacts in environmental justice and Disadvantaged Communities."[24]

NYSERDA recently conducted a competitive solicitation for renewable resources located in, or interconnecting into New York City, under Tier 4 of the Clean Energy Standard program. NYSERDA selected and the Commission approved two HVDC transmission projects: the Clean

[17] DSP at 156. Rise would note that DEC closely coordinated with the NYISO, the independent entity that has the detailed information on system operations and reliability needs, in developing the Peaker Rule. The NYISO in turn coordinated closely with existing peaker resource owners. As addressed in more detail below, the Blueprint Act provides for NYISO coordination and Rise strongly encourages specifying that such coordination be continued as efforts to retire resources are undertaken going forward.

[18] DSP at 156.

[19] DSP at 156.

[20] DSP at 157.

[21] DSP at 158.

[22] DSP at 157.

[23] DSP at 158.

[24] DSP at 158. Separately, the DSP also recommends identifying and facilitating transmission and distribution needs necessary to accelerate the grown of large-scale renewable energy generation. DSP at 159.

Path NY project and the Champlain Power Hudson Express ("CHPE").[25] Fossil fuel retirement was not the primary purpose of the solicitation, and accordingly the selected Tier 4 projects are projected to fill some, but not all, of the capacity and reliability needs of New York City.

Specifically, the CHPE contract does not require that the CHPE project provide capacity or energy during the Winter Capability Period – the period of time where electricity is expected to peak in both New York State and Canada around 2035. To successfully achieve emission reductions and maintain reliability requirements as peak demands change and shift into winter, a diversity of renewable resources will need to be *committed* to serve New York City needs. Therefore, a combination of in-State on-shore wind, solar, hydro, storage and offshore wind resources will need to be interconnected or transmitted to New York City *and commit* to provide capacity and energy in both the summer and winter periods. However, to meet the timeline associated with achieving emission goals in a reliable manner, a clear path to interconnection locations that do not disrupt the existing system reliability is needed.

Interconnection of a diverse set of renewable resources into New York City is one of the most difficult issues to resolve and to the extent existing locations can be used without initially having to disrupt current facilities will (1) eliminate redundant facilities and the associated additional costs, (2) mitigate reliability issues, and (3) accelerate interconnection schedules. Schedules are improved because redundant facilities do not need to be constructed and integrated into the system. Further planning and competitive programs are needed to fill the gaps left by CHPE and Clean Path NY. Without additional steps taken in a carefully orchestrated and creative manner, it is likely that retirement of fossil fueled generation will be delayed to ensure sufficient capacity and energy is available to meet the needs of New York City consumers while maintaining the reliability of the downstate grid. The interconnection of new renewable resources could also be delayed because redundant facilities need to be developed.

IV. Rise's Recommendations for Responsibly Achieving the State's Generation and Fossil Fuel Replacement Goals

As acknowledged in the DSP, maintaining downstate grid reliability is the biggest obstacle to building a zero-emission grid. These concerns are particularly acute with respect to the challenge of replacing downstate fossil fuel-fired facilities. Beneficial electrification of the building and transportation sectors is expected to nearly double New York's electricity demand, even with aggressive energy efficiency and other load management measures, further magnifying the complexities of system operations downstate. Maintaining reliability while also interconnecting gigawatts of intermittent renewable onshore and offshore generation and retiring baseload assets in

[25] Case 15-E-0302, et al., *Press Release: Governor Hochul Announces Finalized Contracts for Clean Path NY and Champlain Hudson Power Express to Deliver Clean Renewable Energy from Upstate New York and Canada to New York City* (Nov. 30, 2021).

transmission-constrained parts of the State will require thoughtful, carefully staged, creative and proactive policies.

Without such policies, the CLCPA's retirement ambitions will run into the reality of the need to provide New York consumers with the energy they need by keeping the grid up and running and, as noted below, likely will require new and more costly interconnection infrastructure for renewables, and delays in interconnections, which can be avoided by using existing interconnection infrastructure at existing fossil resource sites. It is one thing to set ambitious emissions reduction targets and decree that all carbon-intensive resources be decommissioned as soon as possible; it is quite another to achieve that mandate cost effectively while keeping the lights on, efficiently using the existing grid.

As the Commission has often stated, significant practical consideration, of course, is cost. Containing project costs while at the same time maximizing project benefits and the timely development and interconnection of renewable resources will be major determinants of whether New York will be able to sustain the effort to meet the CLCPA's policies over the next few decades. Policymakers cannot afford to waste limited resources – be they political capital, program funds, ratepayer or taxpayer dollars – on initiatives that do not maximize benefits and minimize costs. The use of existing fossil resource interconnection infrastructure for newly developed renewable resources will eliminate the need to develop, construct and invest in redundant facilities. In addition, because the existing facilities can be maintained in service until the renewable resources are near completion, there will be more time to address any reliability issues that are identified.

Rise's efforts and plan to reliably and cost effectively transition the Ravenswood facility to a clean energy hub is a microcosm of this challenge and can serve as both a state and national model for similar facilities. Transitioning Ravenswood as planned will create cost-effective alternative uses for the site that contribute to the CLCPA's goals, while making sure that New York can continue to meet its electricity needs. In addition, encouraging the transition of existing resources and repurposing interconnection capabilities will efficiently use the existing transmission and distribution system capabilities and prevent the potential of overbuilding new facilities, which would likely delay interconnections and increase costs because redundant infrastructure will need to be planned and developed.

To these ends, we urge the Climate Action Council to adopt the recommendations discussed herein in its final scoping plan.

A. Incorporate recommendations of the Blueprint Act into the final scoping plan

Though the DSP recognizes the challenge of reliability, it stops short of providing the actionable and feasible pathways necessary to retire fossil fuel facilities to meet our climate imperatives and to ensure a just transition for our workforce and communities. To strengthen the DSP's recommendations, we urge that the Climate Action Council incorporate recommendations

set forth in the Blueprint Act.[26] The Blueprint Act implements and builds upon Governor Hochul's directive, in her "State of the State Book," for "NYSERDA, DPS, and [Department of Environmental Conservation ("DEC")] to develop a blueprint to guide the *retirement and redevelopment* of New York's oldest and most-polluting fossil fuel facilities and their sites by 2030" (emphasis added).[27]

The Blueprint Act would adopt this express recommendation into legislation.[28] In so doing, the Act would not only ensure a fulsome study of the state's options, but also require a competitive procurement process – which may operate similar to NYSERDA's existing large-scale Tier 1 renewable energy and Tier 4 solicitations – to enable the owners of the transitioning facilities to make the investments needed to commence these facilities' retirement and redevelopment. Specifically, the Blueprint Act would:

- Require NYSERDA and related agencies to study and map the course to retirement and redevelopment by 2030 of the subject facilities through competitive processes, consistent with the CLCPA's 70 percent renewable energy by 2030 requirement. This "study" would be similar to the "master plans" and roadmaps that NYSERDA has effectively developed for offshore wind, energy storage and distributed solar deployment;

- Ensure that NYSERDA works with other agencies and the NYISO to study impacts on the electric system's reliability in designing the competitive process options; and

- Ensure that NYSERDA's study prioritizes the replacement and redevelopment of facilities that impact environmental justice and disadvantaged communities.

Importantly, the Blueprint Act sets a necessary timeline for action with measureable milestones. It requires that:

- After public comment and hearings on NYSERDA's study, and after any adjustments are made to it as a result, NYSERDA deliver the study to the Governor, temporary President of the Senate and Speaker of the Assembly within 180 days of the effective date of the Blueprint Act;

- The Commission and DEC commence rulemakings described in the study within 60 days of the study's delivery; and

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[26] *See Fossil Fuel Facilities Replacement and Redevelopment Blueprint Act*, S.B. 8405B (2021-2022 Legislative Session); https://legislation.nysenate.gov/pdf/bills/2021/S8405B.

[27] State of the State Book, "A New Era for New York," (Jan. 4, 2022) *available at* https://www.governor.ny.gov/sites/default/files/2022-01/2022StateoftheStateBook.pdf.

[28] *Id.*

- The Commission issue its order – including the essential competitive procurement processes – no later than July 30, 2023, which is the outside date for fossil facility owners to make investment decisions that will result in the needed retirement and redevelopment of those facilities by 2030.

Such a plan would provide a structured pathway for policymakers and stakeholders to consider the following solutions:

- Integrating fossil fuel replacement into Clean Energy Standard program solicitations, including those for offshore wind and Tier 4 resources;

- Continuing to incentivize offshore wind projects that also propose to retire existing operational fossil fuel facilities;

- Recognizing the interconnection advantages such facilities have that would allow for replacement of fossil generation with clean energy alternatives without incurring costly grid upgrades that would be paid for by New Yorkers through their taxes or electric rates; and

- Reliability planning that accommodates and accounts for anticipated retirement of fossil generation in its business-as-usual scenarios.

In its totality, the Blueprint Act would ensure thoughtful, coordinated planning that would incorporate not only transmission but also capacity and reliability resource considerations, strategies for shutdown of fossil fuel-fired facilities, particularly those near disadvantaged communities, and provisions aimed more directly at meeting the state's CLCPA requirements. The Blueprint Act is a missing piece of the DSP needed to implement its laudable aim of retiring the State's fossil fueled-facilities. The DSP should adopt its recommendations in full.

B. Final scoping plan should support competitive market mechanisms whenever possible in order to achieve the most beneficial, cost-efficient solutions

Utility-driven "solutions" that force unnecessary costs onto New Yorkers through taxes or in their electric rates without guaranteeing commensurate benefits or being subject to evaluation through a rigorous, competitive process will jeopardize the State's long-term chances of achieving the CLCPA's mandates and ensuring public support for the measures needed to do so. Increased costs for New Yorkers through taxes or higher electric rates – including those in disadvantaged communities – will inevitably create unnecessary and avoidable political pushback if there are no corresponding benefits or if more advantageous solutions are ignored. Moreover, innovative private sector investors and developers will be discouraged from engaging in New York's energy markets and will look elsewhere. This, in turn, will create additional headwinds for further climate policies. Many of the DSP's policies call for decades of sustained policy support across multiple

political administrations, and the continuous investment of funds that only the private sector could marshal and that will require strong, consistent and positive market signals.

Competitive mechanisms, such as NYSERDA's Clean Energy Standard solicitations and/or the NYISO's Public Policy Transmission Need process pursuant to FERC Order No. 1000,[29] harness the power of the private market to develop creative solutions, maximize benefits and lower costs. As indicated by the Public Service Commission in its 2015 Reforming the Energy Vision Track 1 order, New York has aimed "to reorient both the electric industry and the ratemaking paradigm toward a consumer-centered approach that harnesses technology and markets."[30] Further, "[a]s the economic regulator, the Commission deeply understands that investor confidence yields consumer benefits through encouraging capital deployment, competition and lower overall financing expense."[31] Under Tier 1 of the CES and the offshore wind program, NYSERDA issues regular competitive solicitations for renewable energy certificates (RECs) and offshore renewable energy certificates (ORECs). Through these solicitations, and combined with the existing baseline of renewable facilities in New York, NYSERDA has *already* established a pipeline of awarded renewable energy resources sufficient to bring the State's CLCPA 2030 emissions reduction targets within reach.

And the State's Tier 4 solicitation under the CES, which solicited transmission solutions to inject renewable energy directly into Zone J of the New York Control Area, similarly produced five (5) separate project proposals with 33 alternative configurations, all of but one of which sourced in-state generation facilities, and approved two awards.[32]

In each case, the private sector has produced project proposals far outpacing, both in capacity and creativity, what policymakers may have envisioned when the programs were originally authorized. The first solicitation for offshore wind resources, for example, resulted in prices that were approximately 40 percent less than projected by NYSERDA's 2018 analysis.[33] In the whitepaper preceding the Tier 4 Order[34] of the CES program, DPS Staff remarked, "Having never undertaken a solicitation with these requirements, it remains uncertain whether viable, cost-

[29] Case 20-E-0197, et al., *Initial Report on the New York Power Grid Study* (Jan. 19, 2021), at 73.

[30] Case 14-M-0101, *Order Adopting Regulatory Policy Framework and Implementation Plan* (Feb. 26, 2015), at 2-3.

[31] Case 15-E-0302, et al., *Order Adopting a Clean Energy Standard* (Aug. 1, 2016), at 11-12.

[32] *See Case 15-E-0302, Petition Regarding Agreements for Procurement of Tier 4 Renewable Energy Certificates (Nov. 30, 2021); see also Case 15-E-0302, Order Approving Contracts for the Purchase of Tier Renewable Energy Certificates (Apr. 14, 2022).*

[33] NYSERDA, "2018 Solicitation," https://www.nyserda.ny.gov/offshore-wind-2018-solicitation.

[34] Case 15-E-0302, *Order Adopting Modifications to the Clean Energy Standard* (Oct. 15, 2020) ("Tier 4 Order").

competitive applications will be received."[35] Accordingly, DPS Staff recommended, "NYSERDA should be free to evaluate proposals without any obligation to enter a procurement transaction."[36] The Commission adopted this view in the Tier 4 Order, stating that it did "not expect that 3,000 MW of competitive bids would be available to the Tier 4 program in the near term."[37]

Federal transmission policy favors competition as a means to promote the public interest. In its Order No. 1000, FERC established that reserving the right to develop transmission only to incumbent transmission owners could well lead to unjust and unreasonable rates, by "[depriving] customers of the benefits of competition in transmission development, and associated potential savings."[38] FERC's aim was not to determine which entity or entities should construct any particular transmission facility, but to "allow more types of entities to be considered for potential construction responsibility," in keeping with the Supreme Court's finding that "the history of the Federal Power Act indicates an overriding policy of maintaining competition to the maximum extent possible consistent with the public interest."[39] FERC's "aim in requiring the comparable evaluation of *all* potential transmission solutions is to ensure that more efficient or cost-effective solutions end up in transmission plans.[40]

NYISO's Public Policy Transmission Need process, which was established pursuant to FERC Order No. 1000, conducts only competitive transmission solicitations, allowing the NYISO to select the more cost-effective or efficient solutions from a range of solutions.[41] New York has implemented two transmission projects under this process with three awards made (far more successfully than other states and RTOs), and is in the process of evaluating a third project on Long Island to facilitate the export of offshore wind energy into New York City and the rest of the State. As Commissioner Clements noted, "[w]hile this has not been the case in all regions, the success of NYISO's competitive solicitations for public policy projects has been a bright spot in the Order No. 1000 landscape."[42]

Because competitive policies enforce price discipline, spur innovation, and deliver results, such policies are not only desirable, but politically necessary to ensure the durability of the various

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[35] Case 15-E-0302, NYSERDA/DPS Staff, *White Paper on Clean Energy Standard Procurements to Implement New York's Climate Leadership and Community Protection Act* (June 18, 2020) ("CES Whitepaper") at 52.

[36] *Id.*

[37] Tier 4 Order at 94-95; *see also* CES Whitepaper at 52.

[38] Order No. 1000 at 225-26.

[39] Order No. 1000 at 229-30; *id.* at 227 (citing *Otter Tail Power Co. v. United States*, 410 U.S. 366 at 374 (1973)).

[40] *See* Order No. 1000 at 202.

[41] "OSW LI PPTN Order" at 1-2 ("The NYISO Public Policy Planning Process offers an effective mechanism for identifying competitive solutions to transmission needs. Such solutions may combine innovative transmission designs and non-wires alternatives.").

[42] *NYISO*, 175 FERC 61,038 (2021) (Comm'r Clements, concurring P 3).

recommendations contained in the DSP. Competition, in short, has been demonstrated to be a cost effective and efficient approach to New York's electric system evolution and should continue to be the default policy mechanism.

By contrast, proposals like the recent *Petition of Consolidated Edison Company of New York, Inc. for Approval to Recover Costs of Brooklyn Clean Energy Hub*, which seeks Commission approval to spend at least "$1 billion" to interconnect offshore wind into New York City, are exactly the types of anti-competitive, blank check proposals that should be rejected in favor of competitive processes.[43] In the face of recent rate hikes for New York City's ratepayers, it would be inadvisable as a matter of policy to grant any utility's premature and costly proposal without first subjecting it to rigorous scrutiny that a competitive process would yield. Such proposals are inconsistent with the integrated planning and competitiveness principles – at both the State and federal levels, exemplified by FERC Order No. 1000 and the Commission's CES and REV orders – that will enable the State to meet the CLCPA's goals.

Sincerely,

/s/ Jim D'Andrea

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[43] Petition at 18.