

For Immediate Release: 08/13/20

John B. Rhodes, Chair

Contact:

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

http://www.dps.ny.gov http://twitter.com/NYSDPS

20066 / 20-E-0197

PSC Receives Update on Transmission Upgrade Planning Process

Transmission Upgrades Needed to Meet Requirements of the Climate Leadership and Community Protection Act, or CLCPA

Major Transmission Projects Under Review Will Bring Clean Energy to Downstate Market

ALBANY — The New York State Public Service Commission (Commission) today was provided an update on the Department of Public Service's critically important transmission initiatives and progress toward implementing the Accelerated Renewable Energy Growth and Community Benefit Act of 2020 which requires strong investment plans to meet the renewable energy targets of the 2019 Climate Leadership and Community Protection Act (CLCPA).

"The CLCPA is advancing renewable energy, driving statewide economic growth, and creating jobs," said Commission Chair John B. Rhodes. "Achieving this requires smart and timely investments for significant upgrades and additions to the State's existing transmission and distribution systems to integrate new large-scale renewable energy projects into the State's energy supply."

At its May session, the Commission required the State's electric utilities to develop distribution and local transmission upgrades that will help the State achieve the targets of the CLCPA. The Commission directed utilities to submit their proposals for these upgrades by November 1, 2020.

The Commission also directed utilities to file proposals for consistent and transparent planning processes and cost recovery options that will support future investments in projects that support the CLCPA goals. The proposals will address: accounting for CLCPA benefits in utility planning and investment criteria; recommendations for prioritizing CLCPA-supporting projects in the context of the utilities' other capital expenditures and the CLCPA time frames; an appropriate benefit/cost analysis to apply in assessing potential investments; cost-containment, and cost recovery and cost allocation methodologies.

The utilities will submit their proposals on these topics no later than October 5, 2020. Following the filings, the Commission will seek public comment. The Commission expects to be able to move ahead with distribution and local transmission upgrades early in 2021.

As these efforts have been progressing, the Department, in consultation with the New York State Energy Research and Development Authority, the New York Power Authority (NYPA), the Long Island Power Authority, the New York Independent System Operator, and the utilities has been working on a comprehensive study that will enable identification of the bulk transmission investments

that are necessary or appropriate to facilitate the timely achievement of the CLCPA targets. The Department expects the initial results of this study will be available by the end of this year. Public comments will then be sought on the grid study results.

There are already several large transmission projects underway that will increase the deliverability of renewable energy throughout the State. These include a new 345 kV circuit and associated work in Western New York designed to obtain the full output from Niagara Falls and to maximize Ontario imports. The planned in-service date is mid-2022. In addition, there are the AC transmission upgrade projects being developed by LS Power, NYPA and NY Transco that will increase transmission capacity by approximately 800 MWs via the 345-kV backbone system from Central New York to the Capital District and by approximately 2,000 MW from the Capital District to the Hudson Valley, well above the Commission's minimum requirements of 350 MW and 900 MW, respectively, set forth in its December 2015 order. Both projects plan to be in-service by December 2023.

New York State's Nation-Leading Climate Plan

Governor Cuomo's nation-leading climate plan is the most aggressive climate and clean energy initiative in the nation, calling for an orderly and just transition to clean energy that creates jobs and continues fostering a green economy as New York State Builds Back Better as it recovers from the Covid pandemic. Enshrined into law through the CLCPA, New York is on a path to reach its mandated goals of economy wide carbon neutrality and achieving a zero-carbon emissions electricity sector by 2040, faster than any other state. It builds on New York's unprecedented ramp-up of clean energy including a \$3.9 billion investment in 67 large-scale renewable projects across the state, the creation of more than 150,000 jobs in New York's clean energy sector, a commitment to develop over 1,800 megawatts of offshore wind by 2024, and 1,800 percent growth in the distributed solar sector since 2011. New York's Climate Action Council is working on a scoping plan to build on this progress and reduce greenhouse gas emissions by 85 percent from 1990 levels by 2050, while ensuring that at least 40 percent of the benefits of clean energy investments benefit disadvantaged communities, and advancing progress towards the state's 2025 energy efficiency target of reducing on-site energy consumption by 185 TBtus.

Documents related to the transmission planning process may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 20-E-0197 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.