



## Public Service Commission

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Audrey Zibelman, Chair

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**16069/14-E-0454**

### **PSC Acts to Reduce Transmission Grid Congestion — Effort Underway to Ease the Flow of Renewable Energy Across New York State —**

**ALBANY** — The New York State Public Service Commission (Commission) today determined there is a greater need for new transmission facilities and upgrades in Western New York and it directed the New York Independent System Operator, Inc. (NYISO) to move forward with evaluating and selecting the most efficient or cost-effective transmission project to make it easier for renewable energy, such as hydro power, to flow across New York State.

“Inadequate transmission capability is causing transmission congestion in Western New York, which prevents renewable resources from being accessed across the State,” said Commission Chair Audrey Zibelman. “With this decision, we will move forward with efficient, cost-effective transmission projects and upgrades that will un-bottle critically important energy resources to meet Governor Cuomo’s goal of having half of our energy come from renewable resources by 2030.”

The issue of congestion has existed for some time in Western New York, but it has increased following recent power plant retirements. The finding that a transmission need continues to exist in Western New York means that the NYISO, working with stakeholders and developers, can move forward evaluating proposed transmission projects to reduce congestion. In addition, the Commission said certain local transmission upgrades should be included in the overall transmission solution selected by the NYISO. This proceeding is separate and apart from the ongoing Alternating Current transmission upgrade proceeding to ease flow of electricity from north to south.

The Commission noted that this NYISO process does not eliminate the need for developers to receive siting approvals from the Commission. While the merits of any siting application will be evaluated based on need, the Commission made a point to remind all parties that it strongly encourages the use of existing rights-of-way. The use of existing corridors are preferable from an environmental impact standpoint, and should serve to facilitate Commission approval. Accordingly, the NYISO should administer its selection process in a manner that minimizes the acquisition of new rights-of-way.

The Commission also reiterated that current non-ownership of essential utility rights-of-way should not disqualify potential developers from competing. Utility companies that own rights-of-way are expected to bargain in good faith to reach an agreement with the developer of the transmission solution as to property access and compensation as it would for other project developers that seek to co-locate on utility property.

The NYISO public policy transmission planning process was developed to comply with the Federal Energy Regulatory Commission's Order No. 1000, which required, in part, the development of a planning process for the consideration of public policy-driven transmission needs. It also provides an avenue for cost allocation and recovery of public policy transmission projects through the NYISO's tariffs.

Based on the Commission's directives, the NYISO issued a solicitation for projects to address Western New York transmission needs. In response to the solicitation, the NYISO received responses from eight developers, which proposed a total of 12 transmission projects and three non-transmission proposals. The NYISO determined that 10 transmission projects, were viable and sufficient to satisfy Western New York's needs. None of the non-transmission solutions were deemed viable and sufficient. The NYISO may only select a project that is the more efficient or cost-effective solution to address the identified transmission need. Any project selected would come before the Commission for siting approval.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at [www.dps.ny.gov](http://www.dps.ny.gov) and entering Case Number 14-E-0454 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.