Attachment #12.5.1 Return to Agenda



January --- 2022

Senator Jessica Ramos; Senator Kevin S. Parker, Chair of the Senate Committee on Energy and Telecommunications

Assemblyman Zohan K. Mamdani; Assemblyman Michael Cusick, Chair of the Assembly Energy Committee

Comments on Senate Bill 5939-A /Assembly Bill 6761-A

Submitted on Behalf of the New York State Reliability Council

INTRODUCTION

The New York State Reliability Council (NYSRC) in a non-profit entity established by the Federal Energy Regulatory Commission (FERC) in1998 at the time of the reorganization of the electricity industry in New York State and the formation of the New York Independent System Operator (NYISO) and the competitive wholesale electricity markets, to ensure that state, regional, and federal reliability criteria would be maintained in the newly formed competitive markets. The NYSRC's primary functions are the establishment of the Reliability Rules that must be complied with by the NYISO and all market participants in the operation of the state's bulk-power electricity system, and the establishment of the state-wide Installed Reserve Margin to ensure that there will be sufficient resources to meet all of the electricity needs of New York State. NYSRC Comments on Senate Bill 5939-A/Assembly Bill 6761-A Page 2

NYSRC COMMENTS

The NYSRC appreciates that the focus of the legislation is on the importance of the reliability of the New York State power grid, especially during the transition to meet New York State's clean energy goals. However, the NYSRC has several technical concerns regarding Senate Bill 5939-A/A.6761-A as currently drafted.

Section 3 of the bills would amend Section 162 of the Public Service Law by adding a new Subdivision 6 (b) (i) (1) to provide that:

"a 'reliability need' means an electricity system need, which if unmet would result in a violation of a mandatory standard of the American Electric Reliability Corporation mandatory standard."

The NYSRC respectfully recommends that this provision be revised to include a reference to the mandatory reliability standards of the Northeast Power Coordination Council ("NPCC") and the NYSRC. The NPCC and the NYSRC establish mandatory reliability standards for the New York State bulk power system that may be more strict or specific than the standards established by the North American Electric Reliability Corporation¹ to address the special needs of the New York State bulk power system, and in consideration of the severe consequences of an electric system interruption in New York State.

Section 3 of the bills would also add a Subdivision 6 (b) (i) (3) (ii) to Section 162 of the Public Service Law to require that:

"The developer of such a major generating facility demonstrate to the satisfaction of the board, the commission, and the commissioner of environmental conservation that the existing reliability need cannot be

¹ The correct title of this organization is the North American Electric Reliability Corporation ("NERC")

NYSRC Comments on Senate Bill 5939-A/Assembly Bill 6761-A Page 3

addressed within an appropriate time frame by any combination of transmission, energy storage, zero carbon electric generation, demand response, and/or energy efficiency."

While the proposed Section 6 (b) (i) provides that the developer must submit an attestation of a reliability need "in writing, signed by both the New York independent system Operator and the appropriate transmission owner or public authority", the NYSRC respectfully recommends that the proposed subdivision 6 (b) (i) (3) (ii) be revised to make it clear that the required determination cannot be made by the developer but must be made by the New York State Independent System Operator ("NYISO") and the NYSRC.

CONCLUSION

The NYSRC appreciates your consideration of these comments.

Any comments or questions should be addressed to the NYSRC Counsel, Paul L. Gioia, at <u>pgioia@outlook.com</u> or (518) 795-5766.

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