



*Accelerated Renewable Energy Growth and Community Benefit Act*

# **Power Grid Study & Investment Plan Webinar**

**Tuesday, May 5<sup>th</sup>**

# Agenda

- ✓ Background on Accelerated Renewable Energy Growth and Community Benefit Act
- ✓ Summary of the Power Grid Study & Investment Plan
- ✓ Overview of priority projects and NYPA's role
- ✓ Q&A

# Agenda

- ✓ Background on Accelerated Renewable Energy Growth and Community Benefit Act
- ✓ Summary of the Power Grid Study & Investment Plan
- ✓ Overview of priority projects and NYPA's role
- ✓ Q&A

# New York State is working to achieve the most ambitious renewable energy and GHG targets in the nation

- **The Climate Leadership and Community Protection Act (CLCPA), established the following targets:**
  - *GHG reduction from 1990 emissions of 40% by 2030 and 85% by 2050*
  - *Renewable energy generation target of 70% by 2030 and 100% emissions free by 2040*
  - *9 GW Offshore wind by 2035, 6 GW PV by 2025, 3 GW storage by 2030*
- **To achieve success, renewable energy needs to be sited in a timely, balanced and cost-effective manner**
- **In April, New York enacted the “Accelerated Renewable Energy Growth and Community Benefit Act” to expand and streamline renewable energy deployment**

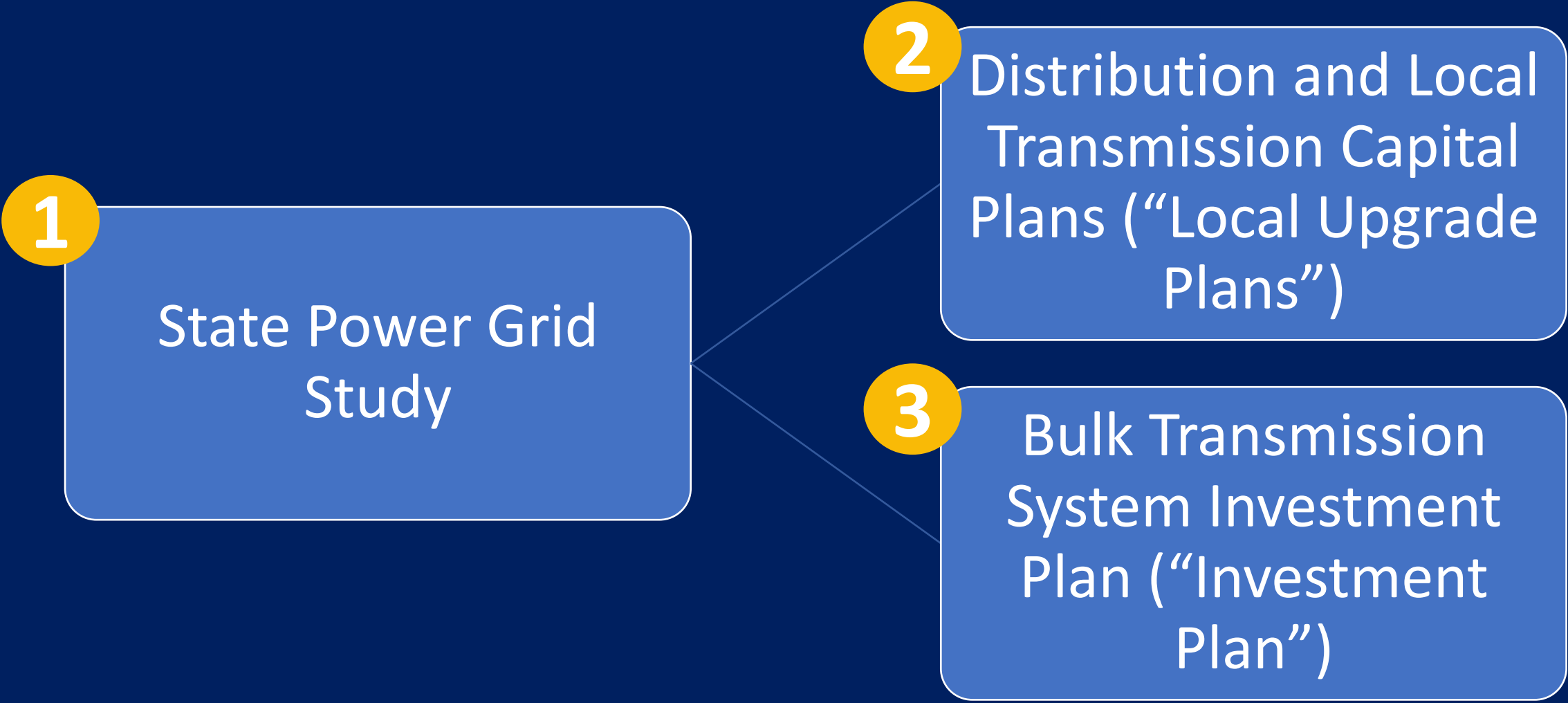
# The Accelerated Renewable Energy Growth and Community Benefit Act, “the Act,” has three main pillars

Pillar	Summary	Agency lead(s)
<b>Power Grid Study &amp; Investment Plan</b>	<ul style="list-style-type: none"> <li>• Requires evaluation of need for upgrades to the distribution, and local and bulk transmission system</li> <li>• PSC will establish an investment plan for distribution and local transmission upgrades, identify bulk transmission projects that can be built through NYISO Order 1000 and those that must proceed on an expedited basis</li> <li>• For expedited transmission projects, NYPA will construct such projects through competitively solicited partnerships</li> </ul>	<b>DPS/PSC; NYPA</b>
<b>Build-Ready</b>	<ul style="list-style-type: none"> <li>• Focus on incentivizing the reuse of previously developed sites for renewable energy facilities</li> <li>• NYSERDA will acquire interests in land, conduct review of siting feasibility, secure permits, and auction build-ready sites to developers, with possible REC contracts.</li> </ul>	<b>NYSERDA</b>
<b>Office of Renewable Energy Siting</b>	<ul style="list-style-type: none"> <li>• Streamlined permitting process for large-scale renewable energy projects in NYS</li> </ul>	<b>DOS/ORES</b>

# Agenda

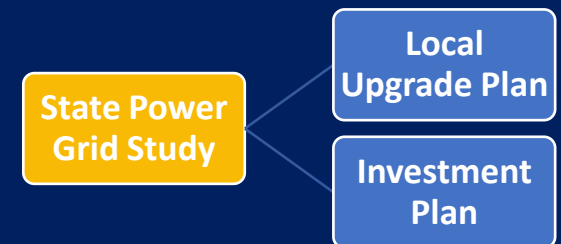
- ✓ Background on Accelerated Renewable Energy Growth and Community Benefit Act
- ✓ Summary of the Power Grid Study & Investment Plan
- ✓ Overview of priority projects and NYPA's role
- ✓ Q&A

# Power Grid Study & Investment Plan has three components



# State Power Grid Study – Overview

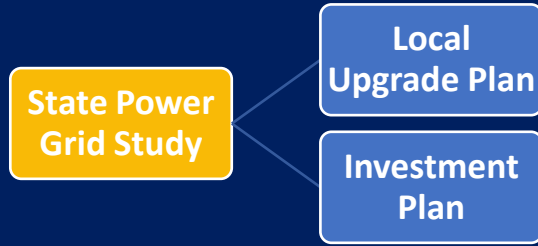
- **Goal:** make the necessary transmission system investments to help the State meet CLCPA goals
- The Act requires the State to evaluate the need for upgrades to the distribution, and local and bulk transmission system to ensure that renewable generation is delivered to consumers in a **cost-effective and efficient manner**





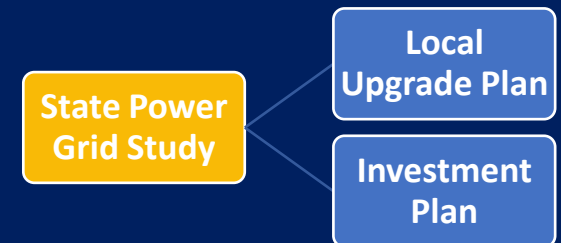
# State Power Grid Study – Responsibilities

- **The State Power Grid Study will:**
  - Study will provide input to the plans for distribution and local transmission upgrades
  - Identify bulk transmission projects that can be built through the NYISO Order 1000 process
  - Identify projects that must proceed on an expediated basis
- **DPS will make an initial report of the findings and recommendations of the report within 270 days**
  - May issue findings and recommendations at reasonable intervals before and after that date
- **PSC is required to issue, after notice and public comment, a comprehensive review of actions taken under Sec. 7 of the Act, including impacts on grid congestion and achievement of CLCPA targets, by Jan. 1, 2023 and every four years there after**
  - PSC can institute new proceedings to address any deficiencies
- **NYPA and NYSERDA may contribute to the cost of the study**



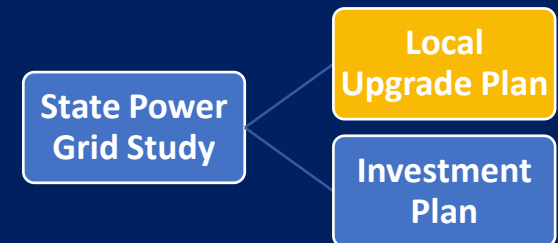
# State Power Grid Study – Components

- **Study will consider, among other things:**
  - System reliability
  - Safety
  - Cost-effectiveness of upgrades and investments necessary for connecting major renewable energy facilities and eliminating electric system constraints
  - Factors identified in the Executive Law sec. 94-c for renewable siting permits
  - Information from owners and developers of competitive transmission projects, the NYISO, transmission technology and smart grid solutions providers and industry research



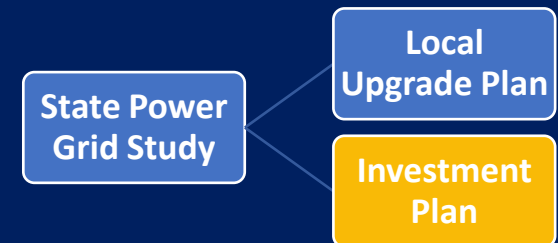
# Distribution and Local Transmission Capital Plans (“Local Upgrade Plans”)

- **Within 60 days of receipt of the Study, the PSC must commence a proceeding to establish a distribution and local transmission capital plans for each utility that the Study identified for upgrades**
  - Each plan must include a prioritized schedule for identified distribution and local transmission upgrades for each utility
  - The PSC will address utility distribution and local transmission upgrade plans consistent with PSL, including utility rate cases
  - Concurrently, LIPA shall establish a capital program for its local transmission and distribution



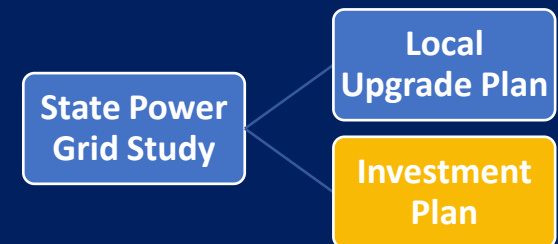
# Bulk Transmission System Investment Plan (“Investment Plan”)

- **Within 60 days of receipt of the Study, the PSC is required to establish a Bulk Transmission System Investment Program, per the State’s siting authority over such assets**
  - Using the Study, the PSC will identify bulk investments needed for the State to meet the CLCPA requirement
  - 
  - PSC will set forth a prioritized schedule of the identified investments and identify investments that need to proceed expeditiously (“priority projects”)
  - PSC is required to periodically review and update the Investment Plan



# Bulk Transmission System Investment Plan (“Investment Plan”)

- **PSC will submit the Bulk Transmission System Investment Plan to the NYISO for use in their planning process**
  - Specifically, within 8 months of the NYISO’s commencement of the transmission planning (Order 1000 process)\*, the PSC must identify projects or policy from the Investment Plan for inclusion in the Order 1000 process
- **PSC will also identify “priority projects” from the Investment Plan that will be built by NYPA rather than selected through NYISO’s Order 1000 competitive solicitation process**
  - The Act provides a basis for the costs for such projects to be recovered by a formula rate filed with NYISO/FERC
  - These projects do not include projects such as generator lead lines or repairs to, replacement of or upgrades to the Authority’s own transmission assets



\*Estimated date of April 1, 2021, assuming NYISO’s solicitation is issued on Aug. 1, 2020

# Agenda

- ✓ Background on Accelerated Renewable Energy Growth and Community Benefit Act
- ✓ Summary of the Power Grid Study & Investment Plan
- ✓ Overview of priority projects and NYPA's role
- ✓ Q&A

# Priority Transmission Projects – NYPA's role

- **The Act identifies NYPA as the entity best-suited, and in the public interest, to lead priority transmission projects**
- **This approach will leverage NYPA's key strengths, including technical expertise, financial stability and access to capital to help bring needed priority transmission improvements across the finish line efficiently and cost-effectively**
- **The PSC will identify priority projects.**
- **NYPA's Board of Trustees reserve the right to determine what priority transmission projects identified in the Investment Plan NYPA will undertake**

# Priority Transmission Projects – NYPA's responsibilities

- **For projects outside of NYPA's ROWs, NYPA must conduct a competitive bidding process to seek potential partnerships with other entities**
  - NYPA has the right to determine the terms and conditions of the partnership
  - Such partnerships are subject to approval from the NYPA Board of Trustees
- **For most Priority Projects, it is anticipated that NYPA will solicit private sector interest in Priority Project development, and as appropriate select private sector partners through a competitive bidding process to participate in Priority Project development.**



# Q&A

If we did not have a chance to answer your question today, or if you have questions moving forward, please email James Denn at [James.Denn@dps.ny.gov](mailto:James.Denn@dps.ny.gov)