



**Rick Shansky, P.E.**  
Senior Vice President of Operations Oversight  
rshansky@lipower.org  
516.719.7517

July 30, 2020

John Rhodes, Chair  
New York State Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

Re: PSC Case 18-E-0623 - In the Matter of New York Independent System Operator, Inc.'s Proposed Public Policy Transmission Needs for Consideration for 2018

Dear Chair Rhodes:

The Long Island Power Authority ("LIPA") hereby refers to the New York Public Service Commission ("PSC" or "Commission") its determination that a transmission need exists within the Long Island Transmission District, driven by the Commission's Offshore Wind ("OSW") Standard set forth in the July 12, 2018 Order in PSC Case 18-E-0071 (the "2018 OSW Order"). The 2018 OSW Order commits the State to the installation of 2,400 MW of OSW by 2030.<sup>1</sup>

Accordingly, for the reasons set forth below, pursuant to Section 31.4.2.3 of Attachment Y of the Open Access Transmission Tariff ("OATT") of the New York Independent System Operator, Inc. ("NYISO"), LIPA requests that the PSC determine that the 2018 OSW Order constitutes a Public Policy Requirement ("PPR") driving the need for transmission facilities and should therefore be considered a Public Policy Transmission Need ("PPTN") for purposes of the NYISO's solicitation and evaluation of potential solutions.<sup>2</sup>

## **Background**

On August 1, 2018, the NYISO solicited proposals for transmission needs driven by PPRs, as required under the OATT. On October 10, 2018, the NYISO submitted to LIPA seven of the fifteen proposed PPTNs it received from stakeholders. Six of seven stakeholders, – the New York City Office of Sustainability, the New York Power Authority, Indicated New York

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<sup>1</sup> On August 1, 2016, the Commission issued the "Order Adopting a Clean Energy Standard" (CES) in Case 15-E-0302, which included a goal that 50% of New York's electricity is to be generated by renewable resources by 2030, while recognizing that further action was needed "to maximize the potential for offshore wind." The Commission took this further action as part of the 2018 OSW Order.

<sup>2</sup> The terms "Public Policy Requirement" and "Public Policy Transmission Need" used in this letter have the meanings assigned to them in Section 31 of Attachment Y of the NYISO OATT.



Transmission Owners,<sup>3</sup> LS Power, PSEG Long Island, LLC, and Anbaric Development Partners LLC. – proposed that the then-prevailing OSW goal of 2,400 MW is driving the need for transmission in Southeast New York and Long Island in particular. LIPA commenced its consultation with Staff of the Department of Public Service (“DPS Staff”) regarding the proposed PPRs in a letter dated October 29, 2018, in which LIPA referred to ongoing studies of OSW integration that would help confirm the need for transmission upgrades.

Among the responses to the NYISO solicitation, PSEG Long Island summarized the nexus between OSW development and transmission upgrades on Long Island:<sup>4</sup>

“...the Phase I and Phase II Offshore Wind procurements give rise to the need to optimize transmission development and to create a “Transmission Backbone” structure in order to meet the State’s ambitious goal of 2,400 MW of resources by 2030.”<sup>5</sup>

During 2018, LIPA commenced studies to identify the infrastructure needed on Long Island to integrate up to 2,400 MW of OSW. In that regard, LIPA notes that the average load on its system is less than 2,400 MW.

### **Summary of a Transmission Need Driven by OSW**

Based on LIPA’s review of the studies, as well as the responses to the NYISO solicitation, LIPA concludes there is a need to increase the export capability of the LIPA-Con Edison interface, which connects Zone K to Zones I and J. There is also a need to upgrade the existing 138 kV transmission “backbone” between the Ruland Road and East Garden City substations to 345 kV to enable full deliverability of the OSW unforced capacity across LIPA’s system. The foregoing transmission needs are driven by the interconnection of OSW to LIPA’s system, regardless of the specific locations at which the OSW projects may be connected. These findings are consistent with the responses to the NYISO’s 2018 solicitation of proposed PPRs, as well as the comments received by the PSC in Case 18-E-0623. In accordance with Section 31.4.2.3 of Attachment Y of the NYISO OATT, LIPA has

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<sup>3</sup> The Indicated NYTOs include Central Hudson, Con Edison, National Grid, NYPA, NYSEG, O&R, and RG&E.

<sup>4</sup> PSEG Long Island is LIPA’s service provider whose responsibilities include planning and operating the LIPA transmission and distribution system.

<sup>5</sup> PSEG Long Island letter to NYISO dated October 1, 2018, p. 1.



reviewed its findings regarding the identification of transmission needs on Long Island with DPS Staff.

Accordingly, LIPA recommends that the Commission find that the 2018 OSW Order is a PPR that is driving the need to increase the export capability of the LIPA-Con Edison interface through the addition of at least one bulk transmission cable; and to upgrade existing local transmission facilities to support that bulk project. LIPA further recommends that the export cable and associated local upgrades be eligible for statewide cost allocation, inasmuch as the timely, cost-effective development of OSW that will result from these transmission upgrades will confer statewide benefits.

LIPA appreciates the assistance of the DPS Staff and is prepared to provide any additional details or information that the Commission may request.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Shansky", with a long, sweeping flourish extending to the right.

Rick Shansky

Cc: T. Falcone  
A. Chacko