

BEFORE THE STATE OF NEW YORK PUBLIC SERVICE COMMISSION

CASE 24-E-0645 - Petition of New York Independent System
Operator, Inc. Regarding Public Policy
Transmission Needs for Consideration for 2024.

INITIAL COMMENTS OF ENERGY JUSTICE LAW AND POLICY CENTER

TO CASE 24-E-0645

September 2, 2026

Introduction

In these comments, the Energy Justice Law and Policy Center (EJLPC) respond to requests regarding the Coordinated Grid Planning Process (CGPP): Cycle 1 Report under Case 20-00905 and Public Policy Transmission Needs (PPTN) under Case 24-02394.

The decisions made in these proceedings may affect electricity affordability, the retirement of aging resources, and the marginalized communities that disproportionately bear the health impacts of fossil fuel pollution. New York communities should not face higher electricity costs or prolonged exposure to polluting plants because of inadequate grid planning.

The Commission should therefore ensure that New York's grid planning processes identify reliable, affordable, feasible and equitable paths to meeting the state's energy needs while enabling the retirement of polluting resources. To do so, the EJLPC encourages the Commission to direct New York Independent System Operator (NYISO) to solicit and evaluate the bulk transmission solutions identified in the CGPP through a PPTN.

CASE 20-E-0197 – Proceeding on Motion of the Commission to Implement Transmission Planning Pursuant to the Accelerated Renewable Energy Growth and Community Benefit Act

The CGPP is an important opportunity for New York to plan a reliable, affordable, and clean grid. However, the Cycle 1 Report does not sufficiently consider bulk transmission and instead relies heavily on local solutions and impractical assumptions about downstate resources. As a result, the selected portfolio is not the least-cost or the best long-term solution for New Yorkers.

This has significant consequences for marginalized communities. Without sufficient alternatives to downstate fossil generation, aging plants may remain online longer than necessary. That could leave communities exposed to additional years of pollution while requiring ratepayers to continue paying for potentially more expensive generation that should otherwise retire.

These risks stem from three shortcomings in the CGPP Cycle 1 report:

1. The CGPP should have co-optimized bulk and local transmission solutions.

Conceptual bulk transmission projects were not evaluated until Stage 5 of the CGPP, after local projects had already received years of detailed analysis. This process risks favoring local projects from the outset rather than determining which combination of investments best serves New Yorkers.

2. The CGPP should have captured the full benefits of transmission.

The CGPP Report only evaluated one benefit of transmission: its ability to create “headroom” within specific zones. This narrow approach does not capture the true value of

transmission. Bulk transmission can connect resource-rich areas to down state load centers, helping reduce dependence on local generation and lowering system costs over time.

3. The CGPP should have more realistic assumptions about downstate resources.

The CGPP Report's assumes major, unrealistic additions of downstate resources, including 2.6 GW of hydrogen-fueled generation by 2035. However, hydrogen generation is not commercially available at scale and would require substantial investments in fuel production, storage, and pipelines that do not exist today.¹

Relying on these unrealistic assumptions about downstate resources could create a substantial gap between what the planning process assumes will be available and what can feasibly be built in the required timeline. If these resources do not come online as assumed, New York may continue relying on more expensive, polluting downstate generation. Communities that already live near those facilities could then face additional years of pollution, while ratepayers may continue paying for generation that should otherwise be able to retire

For these reasons, the local solutions identified in the CGPP should not be treated as the final or least-cost answer. They should instead be evaluated against bulk transmission alternatives through the PPTN process so that the Commission can determine which portfolio best protects ratepayers and enables fossil generation to retire.

Case 24-02394 – Petition of New York Independent System Operator, Inc. Regarding Public Policy Transmission Needs for Consideration for 2024

The EJLPC supports PPTN proposals to solicit and evaluate the bulk transmission solutions identified in the CGPP.

New York needs bulk transmission to create a reliable and affordable pathway to retire aging downstate fossil generation. Keeping expensive and polluting resources online longer than necessary could impose costs on ratepayers and on communities that already bear disproportionate pollution burdens.

Because bulk transmission projects can take years to plan, permit, and build, the Commission should direct the NYISO to solicit and evaluate the conceptual bulk transmission solutions identified in the CGPP now. In particular, the EJLPC supports the following PPTN proposals:

1. Zone E-J PPTN

¹ New York Independent System Operator. "2025-2044 System & Resource Outlook." July 22, 2026. Accessed at www.nyiso.com/documents/20142/58641988/2025-2044-System-Resource-Outlook.pdf.

A Zone E-J PPTN is urgently needed to move lower-cost and cleaner energy from upstate resources to New York City and other downstate load centers, reducing reliance on local fossil generation that impose pollution burdens on nearby communities. The U.S. Department of Energy's draft National Transmission Needs Study identified this corridor as the highest-value within-region transmission link in the U.S.²

A Zone E-J PPTN would help address emerging reliability concerns in downstate New York. NYISO reliability assessments project growing transmission security margin deficiencies in New York City (Zone J) and the Lower Hudson Valley (Zones G-J), with deficiencies worsening in the early 2030s.³

These reliability concerns coincide with the expected retirement and declining availability of aging downstate generation. The 2023-24 Enacted State Budget calls for NYPA to deactivate its seven small gas plants in New York City and Long Island, totaling more than 500 MW, by the end of 2030.⁴ Other downstate peaking units have been affected by the New York State Department of Conservation's Peaker Rule, which limits nitrogen oxide emissions from simple-cycle combustion turbines. The Gowanus 2 & 3 and Narrows 1 & 2 barges have already been approved to remain online for several years beyond their original deactivation dates to address New York City's reliability needs, prolonging pollution burdens on nearby communities.⁵ A Zone E-J PPTN could help these aging and polluting resources retire without compromising reliability or affordability.

Together, these conditions support the need for additional bulk transfer capability into downstate New York. The Zone E-J PPTN should consider the timing, cost, siting, and environmental justice implications of different transmission upgrades. In particular, the Commission should consider whether a proposed solution would enable aging and high-emitting fossil resources to retire on schedule.

2. Zone C-E PPTN

A Zone C-E PPTN would help address broader west-to-east transmission constraints and be a backbone for power transfers from resource-rich regions toward downstate load centers. The Commission should advance a Zone C-E PPTN as part of a broader strategy to

² U.S. Department of Energy. "National Transmission Needs Study: Draft for Consultation and Public Comment." July 2026. Accessed at <https://www.energy.gov/documents/national-transmission-needs-study-draft-july-2026>.

³ New York Independent System Operator. "Short-Term Assessment of Reliability: 2026 Quarter 2." July 2026. Accessed at <https://www.nyiso.com/documents/20142/16004172/2026-Q2-STAR-Report-vFinal.pdf/>.

⁴ NY Power Authority. "Small Natural Gas Power Plant Transition Plan." May 2025. Accessed at <https://edge.sitecorecloud.io/newyorkpowe1810-nypa32f6-prodnewd354-e629/media/Feature/nypa-sites/small-natural-gas-media/SNGPP-Transition-Plan.pdf>.

⁵ New York Independent System Operator. "Short-Term Assessment of Reliability: 2026 Quarter 2." July 2026. Accessed at <https://www.nyiso.com/documents/20142/16004172/2026-Q2-STAR-Report-vFinal.pdf/>.

proactively build the transmission infrastructure that New York needs to support an affordable, reliable, and clean grid.

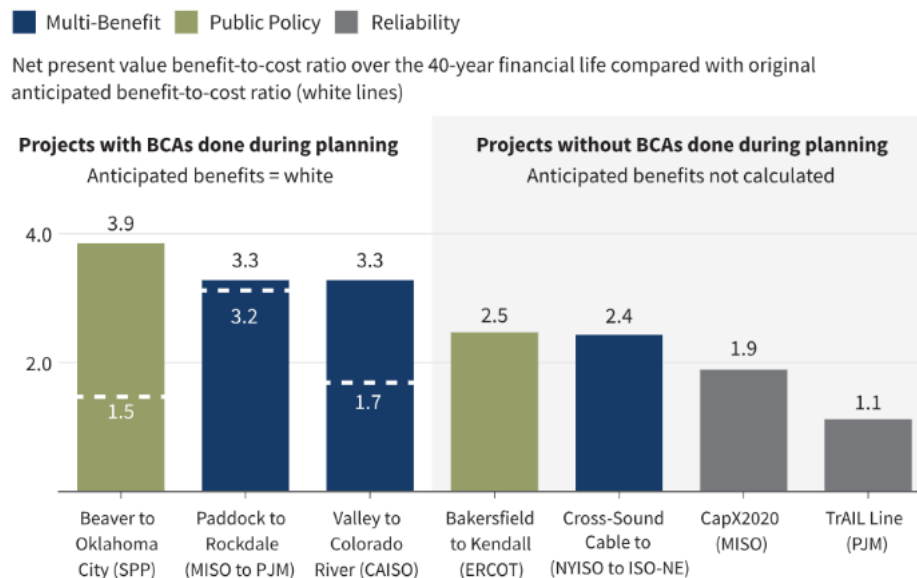
The EJLPC suggests that the Commission require NYISO to conduct a benefit-cost analysis (BCA) that directly compares competitively identified bulk and CGPP local transmission solutions across the full range of benefits and environmental justice considerations in the PPTN process.

The PPTN process should evaluate both competitively submitted bulk solutions and the local solutions identified through CGPP as alternatives for meeting the same system needs. This comparison is essential to determine whether the selected portfolio is truly the best long-term and least-cost option. Selecting an initial mix of projects without considering broader system benefits could waste ratepayer dollars and delay the retirement of aging fossil generation.

The value of considering multiple benefits is reflected in RMI's 2025 report *High Voltage, High Reward Transmission*, which examined the economic performance of seven bulk transmission projects across the United States. The analysis found that projects planned to provide multiple benefits or advance public policy objectives generally delivered higher benefit-cost ratios than projects planned primarily for reliability needs (Figure 1).

Figure 1: Net present value benefit-to-cost ratio over the 40-year financial life compared with original anticipated benefit-to-cost ratio for seven large-scale transmission projects studied

The seven lines delivered significant benefits to ratepayers, exceeding planners' expectations



RMI Graphic. Source: RMI analysis and multiple data sources; see *Appendix C* for a full list of data sources.

In particular, the BCA should consider environmental justice impacts, including reduced reliance on aging fossil plants and associated human health benefits from emissions reductions. New York's Scoping Plan provides a framework for integrating the value of avoided greenhouse gas emissions and health impacts into BCAs.⁶ It found that decarbonizing New York in accordance with the 2019 Climate Leadership and Community Protection Act (CLCPA) can result in \$50 billion to \$110 billion in public health benefits from improved air quality from 2020 to 2050. These benefits are particularly important to consider in disadvantaged communities (DACs), which have historically borne disproportionate pollution and public health burdens.

Moreover, the CLCPA requires state agencies to direct at least 40% of the overall benefits of clean energy investments to DACs.⁷ Consistent with this requirement, the PPTN process and BCA should evaluate the pollution reduction, workforce development, and economic development benefits that proposed projects could deliver to DACs.

The EJLPC recognizes that a more comprehensive BCA across local and bulk solutions can add complexity to the planning process and create risk of delay. The greater risk, however, is making an investment decision that appears least-cost when viewed narrowly but ultimately results in higher costs, continued reliance on fossil generation, and additional burdens for marginalized communities.

A timely PPTN process that properly captures the multiple benefits of bulk transmission solutions will give New York a better chance of achieving what communities and ratepayers need most: a reliable and affordable electric system that does not depend on keeping aging, polluting fossil plants online.

Conclusion

The EJLPC appreciates the opportunity to provide these comments. The PPTN process represents an important opportunity to identify reliable, affordable, feasible and equitable transmission investments to meet the state's energy needs while enabling the retirement of polluting resources.

Dated September 2nd, 2026

Respectfully,

Raya Selter, Esq.
Founder and Executive Director
Energy Justice Law and Policy Center
Raya@EJLPC.org

⁶ New York State Climate Action Council. "Scoping Plan." December 2022. Accessed at <https://climate.ny.gov/Resources/Scoping-Plan>.

⁷ New York State. Climate Act. Accessed at <https://climate.ny.gov/Resources/Disadvantaged-Communities-Criteria/Investments-and-Benefits-Reporting-Guidance>.