



March 11, 2024

Thinh Nguyen
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Dear Mr. Nguyen,

Re: ACE NY interconnection reform feedback and comments to NYISO – Treatment of Small Generation Facilities Studies – Additional Comments (corrected version)

The Alliance for Clean Energy New York (ACE NY) appreciates the efforts the NYISO has made to develop a reformed interconnection process and thanks the NYISO for listening to stakeholder feedback. This submission follows up on the comments ACE NY submitted on February 26, 2024, and on the discussion at the March 1, 2024, Interconnection Issues Task Force (IITF) meeting.

We recognize and agree with the need to commit resources necessary to ensure the Transition Cluster Study is initiated and proceeds to conclusion on schedule. With that in mind, ACE NY's first choice, of course, is for the NYISO to be able to also find the resources needed to complete all studies, including all Small Generation Facilities Studies. As we noted in our March 7, 2024 comments, at a minimum, it is important to provide developers with the study information and results that have been obtained in whatever draft or final form exists at the time the cancellation of any project work must occur.

We also believe that the Small Generation Unit study issues are limited to this one transition period given the new interconnection process structure and understand that a limited number of 25 studies are implicated. The developers of Small Generation Units whose Facilities Studies are underway initiated that work expecting to complete the interconnection process this year so they may move expeditiously toward construction and operation. Having to start all over again at the beginning of the new process would be a significant setback for these projects, resulting in at least a year and a half delay. Avoiding that delay is of paramount consideration for these projects. In the event the NYISO decides to terminate Small Generation Facilities Studies that are not completed by a deadline, ACE recommends the following measures that can enable more Small Generation developers to secure as many benefits from the ongoing study process as possible.

1. The deadline proposed by the NYISO for completing Small Generation Facilities Studies is the end of the Application Window (currently projected to be Oct 14). For CY 23 projects doing Additional SDU Studies, the NYISO's proposed deadline is 10 business days before the end of

the Engagement Period (Slide 43) - currently projected to be Jan 8, 2025. It is ACE NY's understanding that this Additional SDU deadline is tied to date for Cluster Study Baseline Assessment completion and is possible given the limited number of projects implicated. ACE NY believes that the same approach could be extended to the deadline for the completion of the Small Generation Facilities Studies given the discrete number of these studies underway and their limited (likely even less limited than the Additional SDU projects) system impacts as well. This additional time could lead to more help immensely in getting Small Generation project studies to be completed.

2. At the March 1, 2024, IITF meeting, Wenjin Yan said that it takes about four months to do a first draft of a Small Generation Facilities Study and about two additional months to get a final report. Presumably, at least some, and perhaps most, of the Small Generation Facility project studies will not identify any major issues. ACE NY members thus stand ready to work closely with the NYISO to identify ways to reduce the time required to go from the draft to final report.
3. Given the prospect of such a long delay, some developers may be willing to accept their respective cost allocations if they could be developed with some significant level of precision understanding they are not yet final and understanding that the Cluster Study project composition could affect that determination. Having that information provided at the time that the list of Cluster Study projects is posted at the beginning of the Customer Engagement Window could provide an approach that would allow these developers to reasonably bound their respective interconnection cost exposure and proceed to construction. We would ask the NYISO to identify whether these developers may execute an Interconnection Agreement at that stage that provides their costs will be accepted at the end of the Cluster Study period and, if so, the steps necessary to do so. If this option is not possible, we would ask the NYISO to engage with us to identify other possible timing options to implement this approach.

I, and ACE NY members, welcome any questions or comments you may have about these recommendations and wish to work through a workable resolution of these issues.

Sincerely,

Mark Reeder
Economic Consultant for ACE NY