176 FERC ¶ 61,096 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Richard Glick, Chairman;

Neil Chatterjee, James P. Danly,

Allison Clements, and Mark C. Christie.

Helix Ravenswood LLC Ravenswood Development, LLC Docket No. ER20-323-001

ORDER GRANTING MOTION FOR CLARIFICATION

(Issued August 13, 2021)

1. On July 9, 2021, Helix Ravenswood, LLC and Ravenswood Development, LLC (collectively, Ravenswood) filed a motion for clarification of the Commission's January 2020 order granting Ravenswood's request for a limited waiver of the three-year period set forth in attachment S, section 25.9.3.1 of the New York Independent System Operator Inc.'s (NYISO) Open Access Transmission Tariff (OATT).¹ In the Waiver Order, the Commission extended the expiration date of 129 MW of Ravenswood's existing capacity resource interconnection service (CRIS) rights until December 31, 2022 to enable Ravenswood to retain and transfer the CRIS rights to Ravenswood's energy storage resource project (Replacement Project), which was expected to be included in NYISO's Class Year 2019. Ravenswood now seeks clarification regarding whether the Waiver Order allowed Ravenswood the option to transfer the CRIS rights to the Replacement Project as part of NYISO's Class Year 2021.

I. <u>Background, Motion for Clarification, and Responsive Pleadings</u>

A. Waiver Order

2. In its original waiver request, Ravenswood explained that, in 2017, in response to New York State's emerging public policy and regulatory initiatives,² it began work on the

¹ Helix Ravenswood, LLC, 170 FERC ¶ 61,022 (2020) (Waiver Order).

² Ravenswood Request for Limited Tariff Waiver at 7-10 (noting, for example, DEC Peaker Rule, N.Y. State Reg., Vol. XLI, Issue 9, pg. 6-10. (Feb. 27, 2019); Climate Leadership and Community Protection Act, N.Y. Pub. Serv. Law §§ 17a, 17b (2019);

Replacement Project by replacing the gas turbine facilities (Helix GT) at its Ravenswood Generation Station with battery-based energy storage resources.³ Ravenswood explained that the Replacement Project would be located at the Ravenswood Generating Station in New York City, NYISO Zone J. Ravenswood also explained that the Replacement Project was a stand-alone, battery-based energy storage facility that will supply up to "four hours of storage capacity at its rated output and will be able to charge and discharge at up to 316 MW of power to provide peak capacity, energy, and ancillary services and enhance grid reliability in New York City . . ."⁴ Ravenswood stated that the Replacement Project would be connected to the Consolidated Edison Company of New York Inc.'s (Con Ed) 345 kV transmission system and had satisfied the eligibility and entry requirements for the Class Year Interconnection Facilities Study (Class Year Study) and was a member of NYISO's Class Year 2019.⁵

- 3. Ravenswood explained that it originally intended to transfer 129 MW of its inactive CRIS rights from four Helix GTs to the Replacement Project. To do that, however, Ravenswood needed to retain those CRIS rights beyond the CRIS rights' March 31, 2021 expiration date. Ravenswood explained that this timeline necessitated its request for waiver of section 25.9.3.1 of attachment S of NYISO's OATT, which limits a facility's ability to retain its CRIS rights to three years after a facility has been deactivated. Ravenswood explained that significant operational risks arose shortly after beginning the development of the Replacement Project, causing Ravenswood to deactivate the Helix GTs by placing them into ICAP Ineligible Forced Outage (IIFO) status effective April 1, 2018.
- 4. The Commission found that Ravenswood's limited waiver request met the Commission's waiver requirements and granted Ravenswood's request, extending the expiration date of the relevant CRIS rights to December 31, 2022.⁷ Specifically, the Commission found that: (1) Ravenswood had acted in good faith; (2) the requested waiver was of limited scope because it was a one-time extension of the three-year deadline to permit Ravenswood to transfer a subset of the Helix GT's CRIS rights to the Replacement Project; (3) the waiver addressed a concrete problem by enabling

Order Establishing Energy Storage Goal and Deployment Policy, N.Y. Pub. Serv. Law § 74 (Dec. 13, 2018) (New York Energy Storage Order)).

³ Ravenswood Waiver Request at 7-10.

⁴ *Id.* at 11.

⁵ *Id.* at 12-13.

⁶ NYISO, OATT, attach. S § 25.9.3.1.

⁷ Waiver Order, 170 FERC ¶ 61,022 at PP 35-39.

Ravenswood to retain 129 MW of CRIS rights from the Helix GTs; and (4) the waiver would not have undesirable consequences, such as harm to third parties, because there were no projects in NYISO's Class Year 2019 or the interconnection queue at that time proposing to connect in the same deliverability source area as the Replacement Project. Moreover, the Waiver Order found that limiting waiver to December 31, 2022 adequately protected against potential harm to new projects in future NYISO Class Years. The Commission also limited waiver to the 129MW of CRIS rights from the Helix GTs and that waiver did not extend the IIFO status of the Helix GTs.

B. <u>Motion for Clarification</u>

In its motion for clarification, Ravenswood explains that, for reasons outside of its 5. control, it was not able to pursue the development of the Replacement Project as a part of NYISO Class Year 2019. Ravenswood states that it is committed to pursuing available options to most efficiently and expeditiously advance the Replacement Project.¹⁰ Ravenswood states that, as part of its efforts to develop the Ravenswood Project, it intends to interconnect part of the Replacement Project by assigning all 129 MW of the CRIS rights to one of its queue positions on the NYISO interconnection queue as part of NYISO's Class Year 2021. Ravenswood states that, to identify an efficient and cost effective electrical configuration for interconnection and provide the necessary flexibility to develop the Replacement Project, Ravenswood submitted its three queue positions with NYISO pursuant to NYISO's large generator interconnection process.¹¹ Ravenswood states that its queue positions for the Replacement Project are composed of NYISO queue #697 for a 129 MW energy storage facility interconnected to the 345 kV system, NYISO queue #786 for a 187 MW energy storage facility also interconnected to the 345 kV system and NYISO queue #698 for a 129 MW energy storage facility interconnected to the 138 kV system. Ravenswood states that some combination of Ravenswood's queue positions is expected to ultimately be used to complete the interconnection of all the energy storage resources comprising the Replacement Project.¹²

6. Ravenswood argues that the Waiver Order was structured for Ravenswood to develop the Replacement Project by transferring its retained CRIS rights to any of

⁸ *Id.* P 39

⁹ *Id.* P 40.

¹⁰ Motion for Clarification at 9.

¹¹ *Id.* at 5-6.

¹² *Id.* at 6.

Ravenswood's queue positions.¹³ Ravenswood first points out that the tariff provision at issue in the Waiver Order—attachment S, section 25.9.3.1 of NYISO's OATT—only has a time limitation and does not otherwise limit or dictate which queue position can be designated. Consistent with this observation, Ravenswood contends that the Waiver Order enables Ravenswood to retain the CRIS rights until December 31, 2022 and does not designate a specific queue position or proscribe Ravenswood from submitting another interconnection request to accommodate a new electrical configuration to support the Replacement Project.¹⁴ Moreover, Ravenswood asserts that the Waiver order does not limit, nor should it have limited, the definition of the Replacement Project to participation in NYISO's Class Year 2019.¹⁵ Ravenswood states that, out of an abundance of caution, it is seeking confirmation that it may transfer the CRIS rights for any of its relevant queue positions.¹⁶ According to Ravenswood, transfer of the CRIS rights to any of Ravenswood's queue positions associated with the Replacement Project equally serves the purpose of facilitating the development of the Replacement Project.¹⁷

C. Responsive Pleadings

1. NYISO's Comments

7. NYISO submitted comments in response to Ravenswood's motion for clarification. NYISO states that Ravenswood's request for waiver and the Waiver Order recited specific circumstances that Ravenswood presented regarding the original Replacement project and that, in light of changed circumstances, clarification is necessary. Specifically, NYISO agrees that it is not clear whether the Commission intended for Ravenswood to have the option to use the CRIS rights subject to the Waiver Order for anything other than the NYISO's Class Year 2019 transfer to the "original" energy storage resource project. NYISO states that, while Ravenswood could have proceeded to NYISO's Class Year 2021 with the "original" Replacement Project, Ravenswood elected to take a different energy storage project to NYISO's Class Year 2021. NYISO states that this "alternative"

¹³ *Id.* at 10.

¹⁴ *Id*. at 11.

¹⁵ *Id*.

¹⁶ *Id.* at 10.

¹⁷ *Id.* at 13.

¹⁸ NYISO Comments at 2.

¹⁹ *Id.* at 7.

project is a 187 MW energy storage facility proposing to interconnect to a new gasinsulated substation at the same 345kV lines as proposed in one of the 129 MW Interconnection Requests for the original energy storage resource project.²¹

- 8. NYISO states that it understood Ravenswood's waiver request and the Waiver order as premised upon Ravenswood's transfer of the 129 MW of inactive CRIS rights to one of the projects that made up the original energy storage resource project in NYISO's Class Year 2019. According to NYISO, the Waiver Order specifically pointed to: (1) the anticipated timeline of NYSIO's 2019 Class Year Study and Con Ed's completion of the required interconnection facilities for the original Replacement Project; and (2) the need for an extension of the inactive CRIS to permit Ravenswood to effectuate the transfer. NYISO states that, because the original Replacement Project is not in NYISO's Class Year 2021, Ravenswood can no longer effectuate a transfer to the original project.²² NYISO states that, by contrast, the "alternative" project is one of three projects, a combination of which Ravenswood intends to develop as part of a new energy storage resource project to replace certain of Ravenswood's deactivated Helix GTs.
- 9. NYISO states that it commenced Class Year 2021 on March 11, 2021 and is evaluating CRIS requests for 58 projects that are participating in Class Year 2021. NYISO adds that Ravenswood's request is one of 24 energy storage projects in Class Year 2021 and one of 14 projects in New York City requesting CRIS. NYISO explains that it still cannot state unequivocally that the waiver, if granted, would have no adverse impact to other projects.²³ NYISO adds, however, that there are no projects in its interconnection queue proposing to interconnect in the same deliverability area. According to NYISO, it is also not clear how Ravenswood's new energy storage resource project can go into service before the CRIS rights expire on December 31, 2022.²⁴ Furthermore, according to NYISO, Ravenswood does not need to use the CRIS rights at issue in this proceeding in order to obtain the CRIS needed for the new configuration of the Replacement Project.²⁵
- 10. NYISO supports Ravenswood's request that the Commission issue an order on Ravenswood's motion for clarification by August 13, 2021.²⁶ In the event the

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<sup>20</sup> Id. at 5.
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²¹ *Id*.

²² *Id.* at 7.

²³ *Id*.

²⁴ *Id.* at 8.

²⁵ *Id.* at 9.

Commission determines that Ravenswood does retain the CRIS rights extended by the Waiver Order through December 31, 2022, NYISO asks that the Commission clarify that: (1) the 129 MW of CRIS at issue in this proceeding is retained solely for the purpose of a CRIS transfer to the alternative energy storage resource project as part of a CRIS transfer in Class Year 2021; (2) if Ravenswood fails to request a transfer of the above-referenced CRIS prior to the commencement of the Class Year 2021 Deliverability Study, the CRIS is deemed expired; and (3) if Ravenswood seeks a transfer evaluation of the 129 MW to its alternative energy storage resource project in Class Year 2021 and such transfer is found transferable, but Ravenswood elects not to proceed with the transfer, the CRIS is deemed expired.

2. Ravenswood's Answer

- Ravenswood submitted an answer in response to NYISO's comments. Ravenswood 11. confirms that it expects to transfer the full 129 MW of CRIS rights to its queue position #786 as part of NYISO's Class Year 2021 process, but states that NYISO's comments confuse the factual background concerning the Replacement Project.²⁷ Ravenswood further states that NYISO's comments fundamentally misperceived the interrelationship between the Replacement Project and its associated three queue positions, which caused NYISO to erroneously reach the conclusion that there had been changed circumstances since Ravenswood's request for waiver.²⁸ Ravenswood clarifies that it is developing one project, which has been known throughout this proceeding as the Replacement Project and is a 316 MW project composed of a series of batteries to be installed at Ravenswood's existing generation site in New York City.²⁹ Ravenswood reiterates that it initiated its three separate queue positions to understand how to most efficiently and cost effectively interconnect the Replacement Project to the New York system. Specifically, Ravenswood explains that taken together, the queue positions provide Ravenswood with pertinent information concerning the viability and cost of interconnecting the entire Replacement Project on the 345 kV system or some part of it at the 138 kV level.³⁰
- 12. Ravenswood argues that the Waiver Order applies to the Replacement Project as a whole, as opposed to some subset of the project.³¹ Therefore, according to Ravenswood,

²⁶ *Id.* at 9-10.

²⁷ Ravenswood Answer at 2-3.

²⁸ *Id.* at 3.

²⁹ *Id.* at 4.

³⁰ *Id.* at 4 n.13.

³¹ *Id.* at 5.

the Waiver Order applies to the transfer of CRIS rights to all three of Ravenswood's queue positions in whatever form or combination Ravenswood elects to utilize them in accordance with the Waiver Order and NYISO's tariff requirements. Ravenswood adds that it has both acknowledged and accepted that it must transfer its CRIS rights to the Replacement Project by December 31, 2022. To this end, Ravenswood argues that the queue positions included in NYISO's Class Year 2019 are irrelevant to the motion for clarification and restates its position that the Waiver Order did not condition waiver upon transfer of the CRIS rights as part of NYISO's Class Year 2019. Ravenswood states that the only issue before the Commission in its motion for clarification is whether the waiver order authorizes Ravenswood to include its queue position #786 for the Replacement Project in NYISO's Class Year 2021.³²

- 13. In response to NYISO's comment that Ravenswood could secure CRIS rights through alternative means, Ravenwood explains that securing the transfer of CRIS rights now will provide Ravenswood more certainty than NYISO's suggested alternative.³³ Ravenswood argues that, given the tight time frame it faces to bring the Replacement Project on line before December 31, 2022, it is arguably even more important for Ravenswood to have the certainty brought by transferring the CRIS rights to the Replacement Project.³⁴ Ravenswood states that NYISO's observations related to the number of energy storage resource projects participating in NYISO's Class Year 2021 and whether the Replacement Project can be completed by December 31, 2022 are irrelevant to the Commission's consideration of the instant motion for clarification.³⁵ Moreover, Ravenswood argues that NYISO's observations mirror similar speculative concerns that the Commission considered and rejected in the Waiver Order.³⁶
- 14. Ravenswood states that it does not seek a new waiver or an extension of the existing waiver granted under the Waiver Order. Ravenswood states that it only seeks to transfer the CRIS rights at issue to the Replacement Project, which is the only project for which it has ever sought to transfer these CRIS rights. Ravenswood asserts that it remains committed to bringing the Replacement Project online by December 31, 2022.

³² *Id.* at 6.

³³ *Id.* at 7-8.

³⁴ *Id.* at 8.

³⁵ *Id.* 8-9.

³⁶ *Id.* at 9.

II. Discussion

- 15. We grant Ravenswood's motion for clarification and confirm that the Waiver Order granted Ravenswood the ability to retain 129 MW of the Helix GT's CRIS rights until December 31, 2022, and to develop the Replacement Project by assigning those CRIS rights in the manner described in Ravenswood's motion for clarification. This outcome is consistent with the limitations discussed in the Waiver Order.
- 16. We agree with Ravenswood that section 25.9.3.1 of NYISO's OATT only has a time limitation and does not concern which queue position can be designated for a particular project in NYISO's interconnection queue. The Commission's determination in the Waiver Order was not premised upon Ravenswood's transfer of the 129 MW of inactive CRIS rights to the Replacement Project taking place in NYISO's Class Year 2019, nor was the Commission's decision tied to the queue positions Ravenswood included in NYISO's Class Year 2019. Rather, the Commission's determination was based on its finding that Ravenswood's waiver request met the Commission's standard for waiver.³⁷ Ravenswood demonstrates in its answer that the Replacement Project that it seeks to include in NYISO's Class Year 2021 is the same project it hoped to include NYISO's Class Year 2019. The interconnection queue position associated with the Replacement Project's interconnection does not alter this fact. The Waiver Order placed two explicit limitations on its waiver of attachment S, section 25.9.3.1 of NYISO's OATT: (1) an expiration date of the relevant CRIS rights to December 31, 2022; and (2) a decision not to extend the IIFO status of the Helix GTs at issue in the Waiver Order. Ravenswood's intended interconnection plans for the Replacement Project as part of NYISO's Class Year 2021 do not reach beyond those limitations. Neither limitation is implicated by the request for clarification here.
- 17. We find that NYISO's requested clarifications are beyond the scope of this proceeding, which is limited to clarifying whether the Waiver Order permits NYISO to develop the Replacement Projects by assigning the CRIS rights at issue in this proceeding to any of its queue positions associated with the Replacement Project and transfer them by December 31, 2022. There is no evidence that Ravenswood cannot transfer its CRIS rights to the Replacement Project within that timeframe.

The Commission orders:

The Commission hereby grants Ravenswood's motion for clarification, as discussed in the body of this order.

By the Commission.

³⁷ Waiver Order, 170 FERC ¶ 61,022 at P 39.

(SEAL)

Debbie-Anne A. Reese, Deputy Secretary.