

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Helix Ravenswood, LLC)	Docket No. ER20-323-000
Ravenswood Development, LLC)	
)	

**COMMENTS OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC. ON
REQUEST FOR CLARIFICATION CONFIRMING SCOPE OF COMMISSION ORDER
GRANTING WAIVER**

Pursuant to Rule 213 of the Federal Energy Regulatory Commission’s (“Commission”) Rules of Practice and Procedure,¹ the New York Independent System Operator, Inc. (“NYISO”) submits comments in the above-captioned proceeding in response to the *Request of Helix Ravenswood, LLC and Ravenswood Development, LLC for Clarification Confirming Scope of Commission Order Granting Waiver and Expedited Commission Action* (“Request for Clarification”).² The NYISO requests that the Commission consider these comments and issue an order clarifying the matters raised by Helix Ravenswood, LLC and Ravenswood Development, LLC (collectively, “Ravenswood”) by August 13, 2021, as further described in these comments.

I. Overview

Ravenswood’s Request for Clarification relates to the Commission’s January 23, 2020 order that granted a waiver requested by Ravenswood in this proceeding (“Order”).³ The Order

¹ 18 C.F.R. §385.213 (2021).

² *Helix Ravenswood, LLC and Ravenswood Development, LLC*, Request for Clarification Confirming Scope of Commission Order Granting Waiver and Expedited Commission Action, Docket No. ER20-323-000 (July 9, 2021) (“Request for Clarification”).

³ *Helix Ravenswood, LLC and Ravenswood Development, LLC*, 170 FERC ¶ 61,022 (2020) (“Order”).

granted Ravenswood's request to retain 129 MW of inactive Capacity Resource Interconnection Service ("CRIS") from a subset of Ravenswood's deactivated generation facilities⁴ ("deactivated units") until December 2022 for purposes of a CRIS transfer to a new energy storage resource ("ESR") facility. Specifically, Ravenswood submitted two separate Interconnection Requests for new 129 MW energy storage facilities, which projects were participating in the Class Year Study for Class Year 2019 (collectively, the "original ESR project").⁵ The waiver request and the Order recited specific circumstances that Ravenswood presented regarding the original ESR project. In light of changed circumstances, particularly that the transfer did not occur as Ravenswood originally anticipated, it is no longer clear whether the Order requires the NYISO to continue to model the 129 MW of CRIS as existing CRIS (*i.e.*, whether Ravenswood continues to retain the inactive 129 MW of CRIS).

As there is the potential for impact to other projects, it would be beneficial for the Commission to clarify whether and how the NYISO should model these CRIS MW in current and upcoming deliverability studies. As discussed in Section IV below, the NYISO supports Ravenswood's request for a Commission order by early August to help mitigate the potential for delay to the pending Class Year Interconnection Facilities Study ("Class Year Study") for Class Year 2021.

⁴ The four units with inactive CRIS, the extension of which was the subject of Ravenswood's waiver request, are GT2-4 (PTID 24247), GT3-1 (PTID 24248), GT3-2 (PTID 24249), and GT3-4 (PTID 24251) (collectively, "deactivated units").

⁵ *Helix Ravenswood, LLC and Ravenswood Development, LLC*, Request for Limited Tariff Waiver, Docket No. ER20-323-000 (November 5, 2019) ("Waiver Request") at 2.

II. Factual Background

On March 9, 2018, Ravenswood submitted two Interconnection Requests for the original ESR project. Each 129 MW energy storage facility proposed to interconnect to a new 345 kV gas-insulated substation (“GIS”) approximately 0.5 miles from the existing Rainey substation in New York City, in close proximity to the deactivated units.⁶ Upon completion of the System Reliability Impact Studies (“SRIS”)⁷ for the original ESR project and satisfaction of the applicable entry requirements, Ravenswood proceeded with the original ESR project to Class Year 2019, which commenced on August 9, 2019. As part of Class Year 2019, Ravenswood requested a deliverability evaluation of a transfer of 129 MW CRIS from the deactivated units to the original ESR project.

The 129 MW of CRIS that were the subject of the transfer request were in an inactive state and set to expire on March 31, 2021 as required by the provisions of Attachment S to the NYISO’s Open Access Transmission Tariff (“OATT”).⁸ To effectuate a transfer of the inactive CRIS, the original ESR project would have had to go into service prior to the CRIS expiration date.⁹ Through its waiver request filed with the Commission on November 6, 2019, Ravenswood sought to extend the expiration date of the inactive CRIS to allow Ravenswood time to develop the original ESR project and for completion of interconnection work by the

⁶ Queue No. 697 Ravenswood Energy Storage 1 is a 129 MW Interconnection Request for an energy storage facility proposing to interconnect to a new GIS on the Farragut – Rainey 345 kV lines. Queue No. 698 Ravenswood Energy Storage 2 is a 129 MW Interconnection Request for an energy storage facility proposing to interconnect to a new GIS on the Vernon – Rainey 138kV lines.

⁷ Two separate SRIS were performed – one for Queue No. 697 and one for Queue No. 698.

⁸ If a facility remains CRIS-inactive for three (3) years, its CRIS will terminate. *See* OATT Attachment S, Section 25.9.3.1.

⁹ *See* OATT Attachment S, Sections 25.9.4 and 25.9.5.

Connecting Transmission Owner – Consolidated Edison Company of New York, Inc. (“Con Edison”) prior to expiration of its existing CRIS.¹⁰ Ravenswood requested that the Commission issue an order prior to the completion of the CRIS transfer analysis in Class Year 2019 in order for Ravenswood “to proceed effectively” with the development of the project.¹¹

The Commission issued its Order on January 23, 2020, which granted a “waiver of the three-year reactivation requirement under section 25.9.3.1 of Attachment S of NYISO’s OATT to allow Ravenswood to retain 129 MW of the Helix GTs’ CRIS rights until December 31, 2022.”¹² Five (5) days later, on January 28, 2020, the NYISO completed its deliverability evaluation of the requested CRIS transfer and advised Ravenswood that the 129 MW of CRIS were fully transferable. Under the applicable provision of Attachment S to the OATT, Ravenswood then had five business days to notify the NYISO as to whether the CRIS transfer transaction was final or not. On February 4, 2020, Ravenswood informed the NYISO that it elected not to finalize the transfer of CRIS. Instead, Ravenswood elected to proceed to the Class Year Deliverability Study with a CRIS request for a collective 258 MW for the two Interconnection Requests in the original ESR project.¹³

In the Class Year Deliverability Study, the NYISO determined that the 258 MW of requested CRIS for the original ESR project were undeliverable and, therefore, identified System Deliverability Upgrades in connection with the project in Class Year 2019 that were further

¹⁰ Waiver Request at 4-5. *See also* Waiver Request at 24 (“Granting the requested waiver and extension will, thus, ensure that Ravenswood can timely, efficiently and effectively aid in meeting the State’s aggressive energy storage goals by retaining its existing CRIS Rights just long enough to transfer 129 MWs of CRIS Rights to an operational ESR Replacement Project.”)

¹¹ Waiver Request at 6.

¹² Order at P 35.

¹³ Each project requested 129 MW of CRIS for a total CRIS request of 258 MW.

evaluated in an Additional SDU Study.¹⁴ Ravenswood rejected its Project Cost Allocation for the System Upgrade Facilities and System Deliverability Upgrades identified for the original ESR project, ending the project's participation in the Class Year 2019.

While Ravenswood could have proceeded to Class Year 2021 with the original ESR project,¹⁵ it elected not to do so. Instead, Ravenswood elected to take a different energy storage project to Class Year 2021 ("alternative ESR project"). This alternative project is a 187 MW energy storage facility proposing to interconnect to a new GIS at the same Farragut—Rainey 345kV lines as proposed in one of the 129 MW Interconnection Requests for the original ESR project.¹⁶

The NYISO commenced Class Year 2021 on March 11, 2021 and is evaluating CRIS requests for 58 projects that are participating in the Class Year, which have requested a cumulative 10,245 MW of CRIS. Of that total, projects located within the New York City Capacity Region have requested 2,990 MW of CRIS. 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. Ravenswood has requested 187 MW of the 2,990 MW of CRIS requested in New York City in Class Year 2021.

¹⁴ If a Class Year Deliverability Study identifies a new System Deliverability Upgrade (*i.e.*, a System Deliverability Upgrade not previously identified and cost allocated in a Class Year Study and not substantially similar to a System Deliverability Upgrade previously identified and cost allocated in a Class Year Study), then Additional SDU Studies are required if the impacted Class Year Developer(s) want to proceed with their CRIS request(s). *See* OATT Attachment S, Sections 25.5.10.1

¹⁵ Once a project becomes eligible to enter a Class Year Study, it may enter up to two of the next three consecutive Class Year Studies. *See* OATT Attachment S, Section 25.6.2.3.4.

¹⁶ The Class Year 2021 alternative ESR project (Queue No. 768) proposes the same interconnection configuration as Queue No. 697 – one of the two projects in the original ESR project proposed in the Class Year Study for Class Year 2019.

III. Comments

The NYISO's longstanding CRIS expiration and transfer rules¹⁷ represent a reasonable balancing of interests, allowing existing resources some level of flexibility to return to service or transfer their rights while not establishing unnecessary barriers to entry for new resources. Existing resources in an outage state may retain their CRIS for three (3) years while inactive. However, beyond that time, the CRIS expires and is no longer modeled in the deliverability base cases, thereby creating the potential for new entrants to obtain CRIS with no or reduced need for upgrades. The Commission's treatment of waiver requests related to deactivated facilities, therefore, has increasing significance as the NYISO anticipates more retired units or units in long-term outage states with CRIS set to expire in the near future.¹⁸

A. Changed Circumstances Since the Order

The NYISO understood Ravenswood's waiver request and the Commission's Order as premised upon Ravenswood's transfer of the 129 MW of inactive CRIS to one of the projects that made up the original ESR project in Class Year 2019. The Commission's determination in the Order specifically pointed to the following:

- the anticipated timeline of the NYISO's 2019 Class Year Study and Con Edison's completion of the required interconnection facilities for the original ESR project;¹⁹ and
- the need for an extension of the expiration date for the inactive CRIS to permit Ravenswood to effectuate the transfer.²⁰

¹⁷ See OATT Attachment S, Sections 25.9.3.1, 25.9.4 and 25.9.5.

¹⁸ A 2019 regulation promulgated by the New York State Department of Environmental Conservation will limit nitrogen oxides (NOx) emissions from simple-cycle combustion turbines (the "Peaker Rule"). The Peaker Rule required all impacted plant owners to file compliance plans by March 2, 2020. The plans indicate approximately 1,500 MW of peaker capability would be unavailable during the summer by 2025 to comply with the emissions requirements. See NYISO 2020 Reliability Needs Assessment Report at 8. See also NYISO 2021 Load and Capacity Data Report, Table IV-6: Proposed Generator Status Changes to Comply with DEC Peaker Rule.

¹⁹ Order at P36.

²⁰ Order at P38.

As noted above, however, Ravenswood did not effectuate the CRIS transfer in Class Year 2019. Moreover, as the original ESR project is not in Class Year 2021, Ravenswood can no longer effectuate a CRIS transfer to the original ESR project.

Ravenswood explains in its Request for Clarification that the alternative ESR project is one of three projects, a combination of which it intends to develop as part of a new ESR project to replace certain of its deactivated facilities.²¹ It is not clear whether the Commission intended for Ravenswood to have the option to use the CRIS subject to the waiver for anything other than the Class Year 2019 transfer to the original ESR project.

B. Impact on Other Projects

The NYISO noted in its comments on the waiver request that it could not then state unequivocally that the waiver, if granted, would have no adverse impact to other projects.²² The NYISO noted that there were no projects in its interconnection queue proposing to interconnect in the same deliverability source area – near or at the Rainey substation. That continues to be the case. However, the results from the Class Year 2019 Deliverability Study indicated that deliverability constraints in New York City are not confined to specific deliverability source areas (*i.e.*, transmission load areas). Class Year 2019 revealed deliverability constraints across the New York City Capacity Region, which impacts are not isolated to specific transmission load areas. As a result, existing CRIS modeled in one transmission load area can potentially impact deliverability across the Capacity Region in other transmission load areas. As a result, it is even

²¹ Request for Clarification at 2, n.2.

²² *Helix Ravenswood, LLC and Ravenswood Development, LLC*, Motion to Intervene and Comments of the New York Indep. Sys. Operator, Inc., Docket No. ER20-323-000 (November 26, 2019) at 9.

less clear now whether the continued retention of the inactive CRIS by Ravenswood could impact the deliverability of other projects that the NYISO is evaluating in the Class Year 2021 Deliverability Study or upcoming 2021-01 Expedited Deliverability Study.²³

C. The Alternative ESR Project Must Be In-Service By December 2022 to Effectuate a CRIS Transfer

If the Commission determines that the alternative ESR project can receive through a transfer the CRIS subject to the waiver, the project would need to go into service by December 2022 under the terms of the Order.²⁴ However, it is not clear how the alternative ESR project can reach that milestone. Subject to confirmation in Class Year 2021, the System Upgrade Facilities identified in the SRIS are similar to and require the same time to construct as those identified for the original ESR project and discussed in the waiver request. While the alternative ESR project can take steps before the Class Year Study is completed to accelerate the construction of required upgrades, a number of steps are required to proceed in that manner, none of which appear to have commenced.²⁵

²³ The NYISO anticipates the 2021-01 Expedited Deliverability Study will commence in the third quarter of 2021.

²⁴ In its Order on Ravenswood's Waiver Request, the Commission limited the requested waiver to December 31, 2022, noting:

We find that the request to grant the waiver until December 31, 2022, the anticipated completion date of the Replacement Project, is of limited scope because it is a one-time extension of the three-year deadline to permit Ravenswood to transfer a subset of the Helix GTs' CRIS rights to the Replacement Project. However, we find that Ravenswood's request to extend the requested waiver beyond December 21, 2022, should the Replacement Project not be completed by this date, until ConEd's completion of the interconnection facilities is not limited in scope. Therefore, we grant waiver of section 25.9.3.1 of Attachment S of NYISO's OATT until December 31, 2022.

Order at P37.

²⁵ These steps include (1) an engineering and procurement agreement with the Connecting Transmission Owner, a Large Generator Interconnection Agreement or a Provisional Large Facility Interconnection Agreement; (2) a Limited Operations Study; (3) construction of the alternative ESR project and its associated attachment facilities; (4) Trial Operations; and (5) Initial Synchronization. *See* OATT Attachment X, Sections 30.9, 30.11.4 and 30.12.13.

D. Ravenswood May Obtain CRIS for the Alternative ESR Project Absent Further Retention of the Inactive CRIS

Ravenswood has requested CRIS in the current Class Year Study for Class Year 2021 and has until the commencement of the Class Year Deliverability Study analyses to request a CRIS transfer evaluation as part of Class Year 2021.²⁶ In other words, even if the CRIS is deemed expired (*i.e.*, the Commission clarifies that the CRIS extension is no longer applicable), Ravenswood can obtain CRIS for the alternative ESR project in the pending Class Year upon its acceptance of its required upgrade costs for any System Upgrade Facilities and System Deliverability Upgrades required for the project.²⁷

Ravenswood can obtain CRIS through this approach without the alternative ESR project having to go into service by December 2022. Rather, the facility would only need to go in-service within four (4) years of completion of the Class Year Study.²⁸ Based on the anticipated schedule for Class Year 2021, that 4-year deadline would likely be no earlier than Q1 2026.

IV. NYISO Supports Ravenswood's Request for Expedited Order

The NYISO supports Ravenswood's request for expedited action by the Commission – specifically, a Commission order on the Request for Clarification by August 13, 2021. As Ravenswood noted, the NYISO is currently developing the base cases for the reliability and deliverability evaluations in Class Year 2021. The NYISO currently estimates that it will complete all such base cases, including the post-project deliverability cases, by late July. After

²⁶ The NYISO expects to finalize the deliverability base cases by the end of July 2021 and then to commence the Class Year 2021 Deliverability Study analyses in early to mid-August.

²⁷ If the Class Year 2021 deliverability test shows that the proposed CRIS transfer is transferable, NYISO will provide Ravenswood five business days to notify it as to whether the CRIS transfer transaction for the alternative ESR project is final or not. If the proposed transaction is not finalized within five business days of the NYISO's deliverability evaluation of the transfer, the alternative ESR project may have its full 187 MW CRIS request evaluated in the collective deliverability evaluation performed for all of the Class Year 2021 CRIS requests.

²⁸ See OATT Attachment X Section 30.4.4.5.1.

completion of the base cases, the NYISO will provide them to the Connecting Transmission Owners for review and, thereafter, will perform the various reliability and deliverability analyses. Currently, the NYISO estimates that it will be able to commence such analyses in early to mid-August.

A Commission order by mid-August will allow the NYISO to proceed with the current Class Year 2021 schedule without any delays resulting from the order. Pending the Commission's clarification, the NYISO will continue to model the 129 MW of CRIS at issue as existing CRIS in the Class Year 2021 deliverability base cases. If the Commission clarifies that the CRIS should no longer be retained (*i.e.*, no longer be modeled as existing CRIS), the impact to Class Year 2021 will be minimal if the Commission's order is issued by mid-August, prior to the NYISO's commencement of the deliverability analyses. After that time, however, a Commission order that changes the manner in which the NYISO must model the 129 MW of CRIS will require the NYISO to re-perform any deliverability analyses conducted as of the date of the order. A Commission order after mid-August could also impact and delay the NYISO's deliverability analyses in the upcoming Expedited Deliverability Study, which is expected to commence in August or September 2021. The NYISO therefore respectfully requests that the Commission act by August 13, 2021 to provide certainty and avoid actions that could disrupt and delay ongoing interconnection studies.

V. Requested Clarifications

As discussed herein, the NYISO echoes Ravenswood's request for clarification regarding whether Ravenswood continues to retain the 129 MW of CRIS extended in the Order through December 31, 2022. If the Commission determines that Ravenswood does retain such CRIS through December 31, 2022, the NYISO requests the following additional clarifications:

- Clarification that the above-referenced CRIS is retained by Ravenswood solely for the purpose of a CRIS transfer to the alternative ESR project as part of a CRIS transfer in Class Year 2021;
- Clarification that if Ravenswood fails to request a transfer of the above-referenced CRIS prior to commencement of the Class Year 2021 Deliverability Study, the CRIS is deemed expired (*i.e.*, will no longer be modeled in Class Year Deliverability Studies or Expedited Deliverability Studies as “existing CRIS,” including for Class Year 2021 and the 2021-01 Expedited Deliverability Studies); and
- Clarification that if Ravenswood seeks a transfer evaluation of the 129 MW to its alternative ESR 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.

In addition, if the Commission acts after August 13, 2021, the NYISO asks that the Commission’s order provide additional clarification with regard to the treatment of the inactive 129 MW of CRIS for the pending and upcoming deliverability studies. Specifically, the NYISO requests the Commission clarify that for the pending Class Year Study for Class Year 2021, the pending 2020-02 Expedited Deliverability Study and any subsequent Class Year Study or Expedited Deliverability Study in which the NYISO models the inactive 129 MW of CRIS as existing CRIS, that once approved by the NYISO’s Operating Committee, the NYISO’s practice of modeling the 129 MW of Ravenswood CRIS as existing CRIS pursuant to Sections 25.7.8.2.1.3 and 25.7.8.2.2.3 of Attachment S to the NYISO OATT is deemed appropriate under the circumstances.

VI. Conclusion

WHEREFORE, for the foregoing reasons, the NYISO respectfully requests the Commission provide the requested clarifications and act by August 13, 2021.

Respectfully submitted,

/s/ Sara B. Keegan

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July 26, 2021

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. §385.2010.

Dated at Rensselaer, NY this 26th day of July 2021.

/s/ Joy A. Zimmerlin

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