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April 27, 2023

Via email to herb@poweradvisorsllc.com.

Chris Wentlent Director New York State Reliability Council

## Re: PRR-151- Large Inverter Based Resources (IBR)

Dear Mr. Wentlent,

The Independent Power Producers of New York, Inc. ("IPPNY") offers the following comments on Proposed Reliability Rule-151 ("PRR-151"). IPPNY is New York's premier trade association dedicated to ensuring the ongoing development of efficient wholesale competitive markets and representing the largest fleet of clean energy generators in New York State and companies involved in: the competitive power supply industry; the development of electric generating facilities; the generation, sale, and marketing of electric power; and natural gas transmission facilities. IPPNY Member companies produce the majority of New York's electricity, utilizing all sources such as: wind, solar, hydro, energy storage, natural gas, low sulfur oil, waste-to-energy, biomass, and nuclear. IPPNY's interest is in designing competitive and non-discriminatory market mechanisms to achieve the State's public policy initiatives reliably and at least cost to New Yorkers.

## **IPPNY Supports Key Provisions of PRR-151**

IPPNY has always stridently advocated for rules and market mechanisms that protect and maintain grid reliability since its founding. The NYSRC, in responding to the potential reliability risks as reflected in recent years around the United States involving the operation of Inverter Based Resources ("IBR"), has undertaken substantial effort to develop PRR-151. The proposed standards require large scale IBR developers to comply with the delineated components of IEEE 2800 identified by the NYSRC for implementation in the New York Control Area. The NYSRC has "grandfathered" large scale IBRs that are in commercial operation, have executed Interconnection Agreements, have accepted their respective cost allocation and remained in previous class years or will accept their respective cost allocation and remain in Class Year 2023. As the NYSRC has confirmed in its presentations to stakeholders, projects in Class Year 2021 (or earlier) that have accepted their cost allocations and posted security do NOT need to have an executed Interconnection Agreement in order to be grandfathered. Additionally, projects currently in the NYISO Interconnection Queue that have at least had SRIS scopes approved would not be required to complete scope revisions or redo SRIS for existing projects. PRR-151 would apply prospectively to projects that submit new interconnection requests and projects that enter into the class year following Class Year 2023, and all subsequent class years.

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This decision to limit the scope of applicability to future large scale IBRs is the correct one. As the NYSRC has stated, given the information available from past occurrences, the level of assets grandfathered are not expected to significantly increase risks to system reliability. Even so, the NYSRC in reaching this conclusion, does not know how many MW of large scale IBRs are in Class Year 2023, and thus cannot estimate the amount of resources that will be grandfathered from the more stringent interconnection requirements directed by PRR-151. However, there are significantly more large scale IBRs in the NYISO's Interconnection Queue than there are currently on the grid or fall within the grandfathered categories noted above. The NYSRC believes the line must be drawn now at the post-Class Year 2023 point to ensure that future projects have the equipment to minimize their potential impacts to system reliability.

Moreover, the NYSRC has encouraged grandfathered large scale IBRs to voluntarily comply with PRR-151. The NYSRC has cautioned, however, that failure to do so could result in the NYISO curtailing their operations during extreme weather events. NYSRC also has cautioned that other entities may take action in the future. IPPNY agrees existing large scale IBRs should be grandfathered and further agrees the NYISO must not forego curtailing such resources if system reliability is jeopardized. IPPNY recognizes the importance of this regulation but aims to ensure all parties have accurate market signals. To that end, to be transparent about the risk of said resources being curtailed should they not voluntarily comply, the Final Rule should be modified to clearly state the curtailment implications.

The NYISO's interconnection queue and the associated studies that must be done for each project to complete the interconnection process have both grown substantially over the past few years, triggered primarily by the implementation of the State's clean energy initiatives. This dynamic is likely to continue for the foreseeable future. This has resulted in the NYISO undertaking projects to make the process more efficient, while still ensuring grid reliability. This includes the most recent proposed enhancement being studied, the clustered approach. The NYISO has expressed concerns over the amount of time that could be added to project evaluations in the interconnection process once PRR-151 is implemented. Given the CLCPA's accelerated deadlines for resource development, time is of the essence. At this critical juncture, the interconnection process must be streamlined, not further slowed. IPPNY thus requests that the NYSRC and NYISO work together to explore how most efficiently to incorporate the study requirements into the NYISO's interconnection process, mindful of how much time will be added, on average, to a large scale IBR developer in complying with the regulation during the interconnection process. Further, the NYSRC should state that if equipment is replaced or retrofitted over time, no further study will be required if the facility's capability does not exceed previously approved levels and does not change the operation of the IBR's interconnection.

IPPNY supports the adoption of PRR-151 with the key provisions noted above and commends the NYSRC in its efforts to develop the rule and provide stakeholders with educational materials as well as the opportunity to offer meaningful input. The Final Rule must, however, be implemented as efficiently and cost effectively as possible. The NYISO is best situated to take the rule and implement it into a workable standard that will ensure large scale IBRs do not impose risks to the reliability of the grid during extreme weather events as they have in other jurisdictions. IPPNY thus urges the NYSRC to specify in the Final Rule that the NYISO shall work with its stakeholders and will be given discretion to establish the study processes that will satisfy compliance with the Final Rule. Page 3



Thank you for the opportunity to submit these comments.

Sincerely,

/s/ Richard K. Bratton

Richard K. Bratton Director of Market and Regulatory Affairs, IPPNY