Northeast States Collaborative on Interregional Transmission



March 11, 2024

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Dear Members of the Joint ISO/RTO Planning Committee (JIPC):

The Northeast States Collaborative on Interregional Transmission (Collaborative)¹ appreciates the support of the three eastern regional transmission organizations—ISO New England Inc. (ISO-NE), the New York Independent System Operator, Inc. (NYISO), and PJM Interconnection L.L.C. (PJM)—as the Collaborative explores ways to increase transfer capacity between our regions and accelerate offshore wind deployment. We write to respectfully request that you accelerate your investigation into the feasibility of raising the loss of source limit for all three markets to 2,000 MW. The current loss of source limit creates potential barriers to optimizing future offshore wind at a time when the Northeast states are pursuing transformative offshore wind projects critical to grid reliability.²

ISO-NE's request to the JIPC, which was submitted prior to the establishment of the Collaborative, notes that New England's current 1,200 MW loss of source limit could stymy optimal interconnection design for large scale renewables, such as offshore wind, in New England.³ As the Collaborative has begun its work, it has become clear that the impact of the loss of source limit extends beyond New England: the JIPC should consider raising the limit in New York (currently 1,310 MW) and PJM (1,650 MW) as well.

² See ISO New England, Operational Impact of Extreme Weather Events: Final Report on the Probabilistic Energy Adequacy Tool (PEAT) Framework and 2027/2032 Study Results (December 11, 2023), <u>https://www.iso-ne.com/static-assets/documents/100006/operational_impact_of_exteme_weather_events_final_report.pdf</u> (e.g., at 233: "Timely additions of . . . offshore wind . . . are critical to mitigate energy shortfall risks that result from significant winter load growth and retirements").

¹ States participating in the Collaborative are Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont.

³ See March 27, 2023 Letter from ISO-NE to JIPC, available at <u>https://www.iso-ne.com/static-assets/documents/2023/03/jipc loss of source limit final.pdf.</u>

The Collaborative is working in part to develop standardized equipment specifications that could be incorporated into individual state procurements or into coordinated regional transmission procurements. A higher loss of source limit is critical to determining what standards could be appropriate. For example, in practice, many offshore wind resources in Europe use 2,000 MW 525 kilovolt (kV) high voltage direct current (HVDC) cable systems to interconnect offshore wind.⁴ However, the current loss of source limit may preclude this option. Increasing the loss of source limit could allow for larger single wind projects, fewer offshore transmission cables, and fewer onshore points of grid interconnection, thus reducing costs and siting impacts while improving economies of scale. These benefits would flow to electricity customers.⁵

Time is of the essence for increasing the loss of source limit. States are seeking to incorporate early standardization efforts into upcoming offshore wind solicitations. However, based on JIPC's response to ISO-NE, we understand that the necessary study would not be completed until early- to mid-2025, with further time required beyond mid-2025 to implement any upgrades identified in the study.⁶ In practice, this means that solicitations for up to the next 2 years may have to assume that the existing low loss of source limits remain in place.

We request that ISO-NE, PJM, and NYISO make this effort a high priority and take all reasonable measures to accelerate the study timeline and, ultimately, increase the loss of source limit. Completing the study by September 2024 will allow for better coordinated planning and standardization across the Northeast and Mid-Atlantic and will in turn benefit the regions' ratepayers by accelerating the deployment of clean energy resources.

Thank you for considering this request.

Kath & Dykes

Katie S. Dykes Commissioner, Department of Energy and Environmental Protection On behalf of Connecticut

na Cobb (Mar 4, 2024 12:10 EST)

Dayna Cobb, Director, Division of Climate, Coastal and Energy, Department of Natural Resources and Environmental Control On behalf of Delaware

Dan Burgess Director, Governor's Energy Office On behalf of Maine

⁴ See e.g., <u>https://www.tennet.eu/news/tennet-has-opened-2gw-program-tender-525-kv-dc-offshore-cable-manufacturing-and-installation.</u>

⁵ See id.

⁶ See August 23, 2023 Response to ISO-NE from JIPC, available at <u>https://www.iso-ne.com/static-assets/documents/2023/08/2023 08 23 jipc response to iso letter.pdf.</u>

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