2/12/2026 - NYS PUBLIC SERVICE COMMISSION

STATE OF NEW YORK

PUBLIC SERVICE COMMISSION

2026 COMMISSION SESSION

DATE: FEBRUARY 12, 2026 at 10:31 a.m.

LOCATION: AGENCY 3 BUILDING, 19TH FLOOR
EMPIRE STATE PLAZA
ALBANY, NEW YORK 12223

COMMISSIONERS:

RORY M. CHRISTIAN, Chair
COMMISSIONER JAMES S. ALESI
COMMISSIONER DAVID J. VALESKY
COMMISSIONER JOHN B. MAGGIORE
COMMISSIONER UCHENNA S. BRIGHT
COMMISSIONER DENISE M. SHEEHAN
COMMISSIONER RADINA R. VALOVA

Reported by Winston Idada

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(The hearing commenced at 10:31 a.m.)

CHAIR CHRISTIAN: Good morning. I call this session of the Public Service Commission to order.

Madam Secretary, are there any changes to the final agenda?

SECRETARY PHILLIPS: There are no changes to the final agenda.

CHAIR CHRISTIAN: Thank you.

Before moving to the agenda, I would like to conduct a roll call of the commissioners. When I call your name, please confirm that you are present.

Commissioner James Alesi.

COMMISSIONER ALESI: Present.

CHAIR CHRISTIAN: Commissioner David Valesky.

COMMISSIONER VALESKY: Here.

CHAIR CHRISTIAN: Commissioner John Maggiore.

COMMISSIONER MAGGIORE: Here.

CHAIR CHRISTIAN: Commissioner Uchenna Bright.

COMMISSIONER BRIGHT: Here.

CHAIR CHRISTIAN: Commissioner Denise Sheehan.

COMMISSIONER SHEEHAN: Here.

CHAIR CHRISTIAN: Commissioner Radina Valova.

COMMISSIONER VALOVA: Here.

CHAIR CHRISTIAN: Thank you.

Before we turn to the regular agenda, do any commissioners wish to recuse from voting on item 301 or 302?

Commissioner Alesi?

COMMISSIONER ALESI: No.

CHAIR CHRISTIAN: Thank you.

Commissioner Valesky?

COMMISSIONER VALESKY: No.

CHAIR CHRISTIAN: Thank you.

Commissioner Maggiori?

COMMISSIONER MAGGIORE: No.

CHAIR CHRISTIAN: Thank you.

Commissioner Bright?

COMMISSIONER BRIGHT: No.

CHAIR CHRISTIAN: Thank you.

Commissioner Sheehan?

COMMISSIONER SHEEHAN: No.

CHAIR CHRISTIAN: Thank you.

Commissioner Valova?

COMMISSIONER VALOVA: No.

CHAIR CHRISTIAN: Thank you.

We will now move to the regular agenda. Our first item for discussion is item 301, Case 24-M-0433, which relates to proposed regulations pursuant to the RAPID Act. It will be presented today by Russell King with Zeryai Hagos, Meave Tooher, Alon Dominitz, and Jason Zehr available for questions.

Russell, please kick us off.

MR. KING: Thank you. Good morning, Chair and Commissioners. Before you is a draft memorandum and resolution approving the adoption of 16 NYCRR parts 1100, 1101, and 1102, pursuant to Public Service Law Sections 3-C(2)(c), 138(1)(a), and 139(1)(a).

On April 20th, 2024, the RAPID Act merged the Office of Renewable Energy Siting, formerly within the Department of State, into the Department of Public Service, and with the former Office of Environmental Certification and Compliance, to become the Office of Renewable Energy Siting and

Electric Transmission, which I will refer to as the Office.

The RAPID Act replaces the Article 7 and Article 10 siting regimes for major electric transmission facilities and major renewable energy facilities with Article 8. Article 8, as well as Public Service Law 3-C(2)(c) authorize the Office to establish regulations and uniform standards and conditions for permitting renewables and electric transmission. The Office may adopt such regulations with Commission approval.

The memorandum and resolution before you is that approval. The Office has drafted final regulations for Commission approval. Development of the regulations was a two-year process consisting of consultation with the Commission and other State agencies, environmental review, pursuant to the State Environmental Quality Review Act, and two rounds of public comments.

The final regulations will be codified in three parts. The first is part 1100, which are the general procedures; the second is part 1101, which are the substantive provisions applicable to renewable energy facilities; the third is part 1102,

which are the substantive provisions applicable to electric transmission facilities. Zeryai will provide a more detailed discussion of the regulations.

Progress towards targets of the CLCPA will require deploying more renewable energy facilities and electric transmission to deliver electricity throughout the state. The RAPID Act's objective is to accelerate progress towards meeting the CLCPA by accelerating the deployment of these renewable energy and electric transmission facilities.

The memorandum and resolution before you explains that the Commission has reviewed the rulemaking and the associated documents and performed a SEQRA analysis as an involved agency. It concludes that, pursuant to SEQRA, the regulations provide substantial environmental benefits and minimize environmental impacts. It concludes that the Office has taken into account the views of stakeholders in developing the regulations. Finally, it concludes that the regulations further the statutory objectives of the RAPID Act.

Therefore, the memorandum and

resolution approves the Office's adoption of 16 NYCRR Parts 1100, 1101, and 1102 and directs the executive director of the Office to adopt the regulations.

I'll now turn it over to Zeryai for a presentation on the regulations themselves.

MR. HAGOS: Thank you, Russell.

And good morning, Chair and Commissioners.

If we could advance to the next slide, please.

I want to begin by emphasizing the significant level of stakeholder feedback that was received and reviewed as part of this rulemaking. First, the Office scheduled twenty in-person public comment hearings throughout the state and two virtual public comment hearings following the release of these proposed rulemaking.

Second, the Office provided an extended ninety-day time period for written comments to the proposed rulemaking, which was later further extended to 120 days in response to a request from local municipal government for additional time due to the length and complexity of the rulemaking.

Third, the Office examined the written

and verbal comments received and spent nearly a year researching and evaluating the over 2,000 comments to the proposed rulemaking.

As part of that review, and where justified, the Office made revisions to the rulemaking. We received over 400 comments in response to the revised rulemaking, which led to further clarifications in the draft final rule before you today.

I'll emphasize another aspect of the process followed by the Office. The revised rulemaking process added nearly a year of additional time and effort to the already busy schedule of our sixty-three person office.

Our experienced team of experts, which includes biologists, ecologists, agricultural specialists, archeological specialists, cultural resource specialists, landscape architects, and field compliance experts, in coordination with other DPS offices, the DEC, the Department of State, Department of Ag and Markets, and other agencies spent many long days, late nights, and weekends iterating through proposed changes and solutions.

The extra effort allowed for

significant and meaningful public input to be incorporated in the draft final regulations, improving both the existing standards and procedures for major renewable energy facilities and the new standards and procedures proposed for major electric transmission facilities.

Now, before I discuss the key changes to the Article 8 siting regulations, we'll start with an overview of the current permitting process for renewable generation facilities. We are proposing to adopt a similar process for major electric transmission facilities, which will be a significant modification to the process under Article 7 if the draft final regulations are adopted.

Please advance the next slide.

That process begins with a significant pre-application review that includes environmental studies, community outreach, meetings with both the office and the applicant, and for transmission facilities, route scoping processes.

Experience shows that motivated applicants for renewable energy facilities can take up to two years to complete the pre-application process, as it can involve fieldwork that is

seasonally specific, with additional effort before and after that fieldwork. Among other requirements, the pre-application phase proactively identifies the exact locations of regulated resources such as wetlands, threatened, and endangered species for review during the application phase.

Applicants have to compile a comprehensive application that includes twenty-five exhibits for generation projects and up to twenty-nine exhibits for transmission projects. For generation projects, staff has sixty days to review the application and determine if it's complete, with 120 days for review of transmission projects.

If an application is deemed complete, this results in a notice of complete application. Alternatively, a notice of incomplete application is issued, identifying those areas where there are deficiencies requiring additional information.

Within sixty days of a completeness determination, Staff issues a draft permit for the project, which includes uniform standards and conditions that are common to all projects as well as site-specific conditions applicable and unique to the proposed project.

Thereafter, a sixty-day public comment period is noticed, at the end of which a public comment hearing to gather verbal feedback from the community and other interested participants is scheduled. Any petitions for party status seeking to participate in the adjudicatory process are due at this time as well. Municipalities have a unique role in the process, filing a statement concerning compliance with local laws during this time frame.

Staff and the applicant will have twenty-one days under the revised rules to file responses to the petitions for party status, after which the administrative law judges have thirty days to determine if any substantive and significant factual issues are raised, requiring a hearing. Substantive and significant legal issues can also be resolved by the judges without holding a hearing. An issue will be considered substantive and significant if it can point to missing or erroneous information that requires a change in the permit.

Following any hearings or a judge's determination that there are no issues requiring a hearing, the executive director must issue a final permit within one year of the notice of complete

application, or within six months if the facility is located on a repurposed industrial site, such as a brownfield.

Please advance to the next slide.

The rulemaking addressed a number of significant issues and improvements to the Article 8 regulations. Some of the more noteworthy aspects of the rulemaking are summarized on this slide and include revisions to the pre-application procedures. Pre-application tends to be the most time consuming phase of the ORES process, and the Office received a number of comments requesting more focus on streamlining the pre-application stage.

In response to this feedback, the Office has introduced a number of improvements to pre-application phase. In general, applicants have the opportunity to forgo certain field work by assuming the presence of resources. This could increase the mitigation costs, but allow projects to complete pre-application sooner, if not constrained by the time-of-year requirements.

Wetlands regulations have also been updated to reflect DEC's revised wetlands regulations, and to recognize that wetlands may

already be impacted by legal activities such as farming operations, and that there may be opportunities to prevent additional harm or even improve the wetland function through our siting process.

Our staff have also been working closely and collaboratively with DEC on the Threatened and Endangered Species Mitigation Fund. DEC has issued regulations implementing the Fund, allowing implementation for required mitigation to threatened and endangered species from ORES projects.

Finally, it should be noted that the transmission procedures shift more time-consuming field surveys to later in the application process review, and thus result in a shorter scope during the pre-application phase for transmission facilities.

The revised rulemaking issued last October added standards to help clarify reasonable alternative routes, the required information by parties who propose alternative routes, and the procedures for late-raised alternative routes.

The revised rulemaking also expanded the topics applicants must discuss with local governments during their pre-application meetings,

including early negotiations for host community benefit agreements and requiring more information be included at the time of application filing regarding those negotiations.

This rulemaking also transitions the Article 8 regulations from the DEC's Potential Environmental Justice Area definition to the CLCPA-compliant definition of disadvantaged communities. The revised rulemaking further clarifies the noise standards in the regulations, including clarifying details regarding existing procedures.

The RAPID Act requires that actively-farmed areas that involve the richest Mineral Soil Groups, Groups 1 through 4, received heightened protections in existing practice of the Office that is made explicit in the draft final regulations.

Finally, the draft final regulations include new streamlined procedures for work that occurs substantially within existing electric transmission rights of way. In projects where the applicant can demonstrate there are no significant increased adverse impacts or that the impacts are addressed by the uniform standards and conditions provided for in the regulations, the permit may be

processed administratively, potentially reducing the total time to permit by over fifty percent when compared to the Article 7 procedures being replaced by Article 8. For projects that do not meet the threshold for this expedited process, the Article 8 regulations will still result in a more streamlined and transparent process for all who are involved.

In closing, the draft final regulations introduce meaningful improvements to the siting process for both renewable energy facilities and transmission facilities. We are proud of the very significant effort to review and where appropriate, incorporate public feedback into this rulemaking. We believe these changes result in a more efficient permitting process without compromise to the environmental or community protections.

Russell King, Meave Tooher, Jason Zehr, Alon Domintz, and I are available for questions. Thank you.

CHAIR CHRISTIAN: Thank you for the presentation this morning.

And thank you, Russell. I think this is your first time presenting, so thank you for the presentation.

I have some comments, but before I get into those, I wanted to ask a couple questions of this group, just concerning some questions, statements that I often hear regarding practices with ORES. And one most important, and I'll start with this one, is the suggestion that the ORES process is taking land away for renewable generation facilities. And I think, for my benefit and the benefit of anyone listening, it would be helpful if you would articulate how a generation project actually comes to ORES for a review.

MR. HAGOS: Thank you, Chair Christian. I'll start by saying no, ORES is not taking land away from anyone, including farmers. In fact, we closely regulate the use of farmland in our process and ensure that the most productive farmland is avoided as much as possible.

Proposals are submitted to the Office, and land use agreements are executed with landowners, who often continue farming in the most productive parcels while helping the State meet its clean energy goals. At public hearings, landowners often say they are in favor of solar development because it allows farmers to continue to farm and keep the land in

their family.

And I want to zoom in on something you said that may be unclear to some. Projects come to ORES. We are not out identifying land and doing the development ourselves. We are reviewing applications that are submitted to us by willing landowners and developers.

CHAIR CHRISTIAN: Thank you. So just to amplify that point, ORES only gets involved once a landowner and a developer have an agreement and an application is submitted to the Department?

MR. HAGOS: Correct.

CHAIR CHRISTIAN: Okay. Thanks. That's an important -- I know there's a great deal of misconception out there about that particular aspect of it, so I appreciate you putting that on the record for us today.

I think another area of concern regards statements that we're going against the community's wishes by siting these projects. Now, I know that utilities have the ability through eminent domain to secure land for transmission projects. But do we have a similar authority for renewable energy generation projects? And is that something permitted

through ORES?

MR. HAGOS: Similar to the last question, no. ORES does not have eminent domain authority, plainly. The Office will not accept applications for renewable energy facilities unless they include willing landowners who have executed land use agreements.

CHAIR CHRISTIAN: Okay. Thank you. Next question I'd ask would be related to the fees collected for the application process. I know there's a assertion that the fee is used to fund ORES operations. Can you comment on how the funds paid for by these developers are actually used?

MR. HAGOS: Absolutely. I'm going to make four points here. 1 is that they are required by law; 2 is that we use those fees responsibly; 3, that this is a common practice; and 4, it limits waste. Let me unpack that a little.

They're required by law. The statute says we must collect these fees, and it defines what they are. There are two fees. One, our local agency account funds, and these are used by the local governments and potentially other interested parties to hire experts and attorneys to help them review the

application and to assist them in engaging in the ORES process. The other is an application fee, and that does help fund the operations of the Office, and it helps to pay for the costs of reviewing the applications.

I should also point out that this doesn't create a conflict of interest. ORES does have funding from the Department of Public Service for our operations, but we are required to collect these application fees, and we buy down the costs of public dollars by using the developers' money that's collected through the application fees. So we can fund our operations through the public service account funding that the Department has if needed, but it is responsible to use this money in the best way possible to facilitate our operations.

The third point about this being a common practice. If you look at other states, other local authorities that issue permits, it is very common to see application fees, so this isn't a new concept that was introduced by ORES.

And then the point about limiting waste, I think it's -- for people who are unfamiliar with how the development cycle works, when a

developer wants to build a project, they are probably looking at a dozen or two dozen different locations at any one time and looking for sites that have a whole combination of attributes that are ultimately going to make it successful with being built. And having a fee, a modest fee at the time of application imposes a burden on that applicant to avoid sending us frivolous or highly speculative applications.

And this does happen in all kinds of application procedures with large power facilities around the country. It's a problem that the queues get really clogged up and congested by speculative projects. These application fees mitigate that practice to some extent and avoid wasting the State's resources, local communities' resources on reviewing projects that are not very realistic.

CHAIR CHRISTIAN: Okay. I appreciate that overview. Thank you.

Last question, I promise, for today at least. So there's also -- concerns have been raised to me that the process is a fait accompli. It's effectively a rubber stamping, that by the time a developer shows up, it's pretty much guaranteed an approval is what's going to happen at the end of the

process. Can you speak -- you highlighted in one of your prior slides the process itself, but can you speak to what happens -- number of permits denied or just the denial process? What happens after a project is denied? How does that typically work out?

MR. HAGOS: Well, I'll just say we -- regarding, like, the rubber stamp comment, we frequently hear the exact opposite sentiment from applicants and investors who are engaging in this type of development from around the country.

The truth is that ORES has developed an extremely comprehensive application review process that holds developers accountable, successfully limiting environmental and community impacts, while also having issued twenty-nine permits for major renewable energy facilities in the last five years through a process that achieves those high environmental standards in a more efficient and transparent process compared to the process that it replaced, Article 10.

We say no, and we say redo this frequently to applicants, and I think of the Article 8 process as a pyramid that eliminates poorly sited projects as early as possible to avoid wasted time

and effort for all who are involved -- theme I touched upon with the application fee just a moment ago.

This cycle starts at the base of the pyramid, where our clearly defined uniform standards and conditions inform the market exactly on how the impacts are going to be evaluated and allows them to determine, as they're prospecting different parcels of land across the state, which ones are better suited for development and which ones are not. So the clear publication of uniform standards and conditions in the regulations directly allows the developers to eliminate bad projects before they ever come in.

Say the next layer of the pyramid is the pre-application process, which I spoke a bit about in the presentation. It's a very rigorous and robust process where habitat surveys for threatened and endangered species are conducted. We issue jurisdictional determinations for wetlands, and there are cultural resource studies that identify features of a property that must be avoided.

This is an iterative process where the design of the project changes as the applicant,

working with the Office, identifies sensitive habitats, wetlands, archeological resources, and areas of historic importance, causing them to reconfigure facilities away from those protected resources. Each adjustment to the design, moving facilities away from regulated resources is a form of the Office and the Article 8 regulations saying no to that facility in that specific location.

Moving on to the next level of that pyramid, it's the time of the application filing, and to date, each application submitted to the Office has been turned away at least once through a notice of incomplete application. At this point, the applicant has to complete additional studies and work in order to demonstrate the project sufficiently meets the requirements and the regulations.

And I don't say this with a sense of pride. We strive to reduce the amount of applications that are deemed incomplete through clear and transparent regulations, and this rulemaking helps advance that goal. But returning to a point I made right at the top of this response, I would strongly disagree with the term rubber stamp and so would the industry. And we've issued fifty-one

notices of incomplete applications to date at this point.

And the final layer of that pyramid is, of course, the issuance or denial of the permit by the executive director, and we do hear concerns that most projects that reach this stage of the process happen to receive final permits. And in fact, there's only been one such case where the executive director has denied a permit. But I hope the examples of the numerous ways the ORES process has resulted in redesigns, relocations, or even withdrawals during the earlier phases of development provides helpful clarification regarding the rigor of the ORES process and the strong protections it enforces.

CHAIR CHRISTIAN: Appreciate that. Thank you. So when ORES was established in 2020 through legislation advanced by the executive and enacted by the State legislature, the goal was to develop regulations that would expedite the permitting of renewable energy facilities and advance the targets set forth in New York's Climate Act.

And the legislature, in passing the RAPID Act in 2024, expressed an intent that these

matters be addressed through coordinated, expert-driven processes. And I would say you've clearly articulated and described that, both in terms of the nature of the staff and the processes established.

One thing I want to make clear, expedite doesn't mean doing less. And you've made it very clear that the new regulations actually will require additional work in most instances, particularly, we are now going to assume the likelihood of harm of wildlife as a default condition and proactively take steps to avoid, minimize, and mitigate negative impacts.

So put another way, instead of waiting a year or potentially more to determine if threatened or endangered wildlife in an area would be negatively affected, we just assume they would. And I think that is an excellent advancement towards ensuring environmental protection is a priority, aligned with meeting our climate goals. We're not willing to sacrifice one at the expense of another. So I applaud you for making this change and making these rules more stringent in that regard.

And as you've stated, ORES is comprised of professionals with deep expertise in

environmental science, land use, engineering, and other disciplines, all of whom have dedicated their careers to navigating complex intersection of infrastructure development and environmental stewardship. And I know they work closely with their colleagues at the Department of Environmental Conservation, the State Historic Preservation Office, Department of Ag and Markets, and other venues to scrutinize applications as well as coordinate field compliance and inspections. And that work is going to continue as part of this. That remains unchanged, as I understand it.

So I appreciate the work that you guys have shown us here. I appreciate the work of everyone in the office who uses their expertise to guide the development of these new regulations. And I want to reiterate that these regulations rest on fifty-five years of siting experience, and are the culmination of nearly two years, right? Two years of deliberate deliberation made possible through public comments, of which we obtained about 2,500 throughout the process.

So again, I see this as consistent with the environmental review pursuant to the State

Environmental Quality Review Act, and I'm confident these regulations are going to continue to yield benefits to New Yorkers. And appreciate the work that went into this. Thank you.

Commissioner Alesi?

COMMISSIONER ALESI: Thank you, Chairman.

That was very thorough. Good job, first time out. I have no questions or comments.

CHAIR CHRISTIAN: Thank you.

Commissioner Valesky.

COMMISSIONER VALESKY: Thank you, Chair.

No questions. Just one, two, three, maybe four quick points. And first of all, thank you, Zeryai and Russell and your entire team for bringing this this before us.

And Zeryai, if I say anything here -- even though I'm not phrasing it as in a question, if you disagree with anything I say, please don't hesitate to correct me.

The first two points I just wanted to make follow up on a couple of things that Chair Christian raised in his questioning. And I'm not

sure which layer of the pyramid you had responded to one of his questions in regard to something required by law, which, not only is that true, and it may go without saying that all of this, right, is required by law.

In fact, you wouldn't be here today but for the RAPID Act and everything that is in the statute itself. So I just kind of wanted to reiterate that as laws go, it was a highly prescriptive statute, and to the degree that there are those out there that may think that the Office is off doing their own thing, that most certainly is not the case. You are following the RAPID Act and have been, and this entire process that has led you here today has followed the statute.

The second thing, again in response to a question from Chair Christian, I just want to take a moment in regard to the protections that -- again, back to the statute -- but also to the heightened attention that under your leadership you gave the protection of Mineral Soil Groups 1 through 4.

I mention that -- I had an opportunity in a previous life at the Department of Agriculture and Markets as a deputy commissioner there, to

oversee the initial drafting of those rules a number of years ago now and just wanted to acknowledge how important that is and also to acknowledge the efforts of my former colleagues at the Department, Commissioner Richard Ball, and his entire team, who do an outstanding job in their mission.

And again, I'm pleased that that you have transferred that to and enshrine that in these rules and regulations.

Two general comments. Just in regard to the time that this has taken, the law passed now almost two years ago, I guess -- three years ago -- two -- no, two. Some might say, some on one side of the issue might say, what took you so long? I happen to think that, in this case, the additional time that you took, the additional year, I believe, Russell, you indicated, in terms of far more public hearings than were necessary by the statute. Not one, but two additional extensions of time, one in regard to, I think you indicated, concerns that a local government had raised about not having enough time to respond, so I appreciate that.

I think the extra time was incredibly important to respond to the stakeholders, who

provided such valuable input. So thank you for that. And if this comes to us a little bit later than anyone might have hoped, I think it's worth it.

And final point, I just want to make, Russell, as you indicated, the law itself, and while that isn't necessarily encompassed in these rules and regs, the law first and foremost transferred the Office from the Department of State to the Department of Public Service. And I just want to acknowledge the efforts -- Jessica Waldorf is here. She was asked to oversee that process initially, Zeryai, before you were hired as the executive director. And I know there's a lot to that.

I think you indicated over sixty employees now, and the bureaucratic process of moving a group of public servants from one State agency to the other is not an easy task. So I just want to acknowledge that on behalf of all of us here. You certainly set this up and set them up for success, so just wanted to put that on the record.

I'll certainly be supporting the draft order and looking forward to continuing to watch as you process applications and move these projects forward. Thank you.

CHAIR CHRISTIAN: Thank you.

Commissioner Maggiore.

COMMISSIONER MAGGIORE: Thank you. I don't have any questions. Thank you for the very thorough presentation and well-drafted order. Also, thank you for answering the Chair's questions. I think he touched on most of the concerns that I'm aware of or I've encountered, and I thought your answers covered all the bases. So I will be supporting this item. Thank you.

CHAIR CHRISTIAN: Thank you.

Commissioner Bright.

COMMISSIONER BRIGHT: Thank you, Chairman, and thank you, Zeryai and team for bringing this to us. And as everybody has said, so much dedicated and amazing work over two years. I truly appreciate and value your responsiveness to the comments and taking that extra year to address all of the public engagement that was happening there.

I also don't have any questions. I see this as really a lot of dedicated effort and a great outcome that is really a testament to your team. So great job. Thank you.

CHAIR CHRISTIAN: Thank you.

Commissioner Sheehan.

COMMISSIONER SHEEHAN: Thank you, Chair. Thanks Zeryai, Russell, the whole team. I do have a couple things I want to go over. I want to note that I did take the time to review the materials. I went through the summary of comments, which is enormous. My best just to digest all of them.

One of the things that we did receive a lot of comments on, and notably from elected officials across the state, was basically asking the Commission not to act on these regulations, not to do the regs. So I just want to get it out there on the record that that's not an option, correct? We have a requirement under the law, as stated by my colleagues already. The RAPID Act is a law; ORES was established by a law in 2022. So our capability to say no, we're not doing regs is not within -- would be inconsistent with the law, right.

So I just needed to get that out, because I don't think there's an understanding that this -- our ability to act on these regulations, again, just like your ability to do your job, is based in the law and the legal requirements that are

handed to us by the State legislature. So that's what we're acting on today, unless John Sipos tells me I don't have to act on regulations.

MR. SIPOS: No. Commissioner Sheehan, you're absolutely correct. The legislature enacted RAPID. It authorized the Office to develop and promulgate these regulations, and that is what the Office did. The Office complied with the legislators' authority that was given to the Office.

COMMISSIONER SHEEHAN: Yep. Okay. Just like I said, because that was a lot of the comments that were submitted, it was important, I think, that we just acknowledged that and speak to that specific point.

I also just want to go back to the fees issue. So paying an application fee to ORES doesn't guarantee the project's approval, correct?

MR. HAGOS: Correct.

COMMISSIONER SHEEHAN: Okay. And if the project is denied, they don't get their money back, correct?

MR. HAGOS: Nonrefundable.

COMMISSIONER SHEEHAN: Okay. So as the Chair talked about, the fee really is, and as you

talked about, Zeryai, the fee is really intended to offset the cost that -- for the State to review the applications, to allow for stakeholder engagement, and that whole process is expensive.

So if we didn't have the fees, if the fees weren't paid, who would pay it? My answer is the taxpayers or the ratepayers, right? So to me, the fees that are being imposed are to ensure that the industry pays, not the taxpayers or ratepayers. Is that a correct interpretation?

MR. HAGOS: I completely agree with that interpretation.

COMMISSIONER SHEEHAN: Okay. So and then the other thing I wanted to just note is that these are dollars that are paid to the State and as such are subject to audit at any time, both internally by the Department's own internal audit function as well as by the State comptroller; is that correct?

MR. HAGOS: Correct.

COMMISSIONER SHEEHAN: Okay. All right. I just wanted to cover that as well. Okay.

Now to the things that are near and dear to me, the environmental impacts of projects and

how ORES interfaces with our sister agency at the Department of Environmental Conservation. I think it would be helpful, Zeryai, if you -- I'm not asking you for a dissertation, but to just describe the consultation process that takes place between the experts at DEC and the experts at ORES to ensure that the law's intent, which is that those parts of the ECL that are required to be reviewed under ORES are still part of the process, and how DEC's input is considered.

MR. HAGOS: I'll try to make it quick. One of the best parts of my job is having the opportunity to work with some really amazing and heavily-credentialed experts within the Office of Renewable Energy Siting and Electric Transmission and the other agencies like the Department of Environmental Conservation. I really am just so blown away by the expertise and experience that they bring. They don't have to work here. They choose to work here because of the important mission of these agencies.

My staff coordinate and work with the DEC on a weekly basis. At minimum, we have weekly check-ins. The DEC staff in particular work closely

with ORES staff to review the wildlife exhibits and the wetland exhibits in the application review. And so as the Office staff is making determinations, they're working hand in hand with DEC staff.

So there is a very close alignment between the experts in both agencies. And again, they're an extended part of our team is how I would frame it.

COMMISSIONER SHEEHAN: Okay. So in other words, they're not told to stand down.

MR. HAGOS: Absolutely not. We work very closely with them, and they provide really important -- an aspect of the review of the ORES applications.

COMMISSIONER SHEEHAN: Okay. Thanks. Thanks very much. One area that I know I had some questions on was with respect to noise and the creation of new noise standards. I understand that for the major generating facilities, we're relying on the World Health Organization standard.

For transmission, I'm a little less clear. My interpretation is that there are design goals set. So I would just say, I know that the other part of this is that we expect to be issuing

addition -- or having -- creating additional guidance with respect to noise is what I understand. So I would just say with respect to guidance that if that guidance has the force and effect of a reg, I would just encourage the Office to publicly notice it and go through the process so that it's open and transparent with respect to noise.

And that's all my comments. So lastly, I do just want to summarize and express my support for the regulations. I do think that it implements the RAPID Act law as we are required to do, and it's consistent with the legislative intent. I am particularly pleased to see the change in the process, basically the front-loading of the pre-application process, which encourages more stakeholder engagement, involves the local governments, which I think is responsive to some of the concerns that were raised by elected officials.

So I really want to compliment the team. I know this is a really tough job, and you're often put into a position where you become a lightning rod, and I don't want to see that, because you're all people who care about your communities, who are trying to do a job that's been handed to us.

So I compliment you for your dedication. I appreciate your hard work, and I appreciate the hard work that went into this regulation today. So I will be supporting. Thank you.

CHAIR CHRISTIAN: Thank you.

Commissioner Valova.

COMMISSIONER VALOVA: Thank you. Thank you to my colleagues for all of your thoughtful comments. I second everything that you've already shared, and I want to thank Staff for the excellent job on these regulations, I feel like the regulatory process is always challenging in terms of involving voluminous information from numerous experts and taking stakeholder feedback. And this feels like it was extra-involved both in terms of time and effort.

I have one question and then several reflections. My question is, Zeryai, can you expand a little bit on why is it important to have the team of experts that you mentioned, people with backgrounds like biologists, ecologists, agricultural specialists, archeological and cultural resource specialists, landscape architects, and field compliance experts? Why is it important to have such a breadth and depth of expertise?

MR. HAGOS: Well, ultimately I would say you need to have experts to evaluate the very, very complicated exhibits in the comprehensive application review. Determining the presence of a threatened/endangered species, and the siting requirements that avoid, minimize, and mitigate impacts to those species sounds simple. Just avoid them completely. But establishing where those boundaries are requires science, right, of where they are breeding, where they are migrating from. And those are baked into both the regulations and the reviews of the process in every aspect.

And I'd say there are so many different experts. Acoustics engineers, right. When we receive an application that says a project conforms with the World Health-based Organization (sic), noise limits that are required in our process, you don't just take their word for it. We do noise modeling, study the physics of the project, and make our own assessment, independent assessment of the validity of their studies and reports. And that's embedded in the review for every exhibit, every aspect of every exhibit.

So it's an extremely complicated

process. That's why I mentioned in my presentation, pre-application can take upwards of two years for a motivated applicant. We think it can get down to a year if they do everything in parallel as quickly as possible, and we're happy to work with them to help them understand how to do that.

But this is a very rigorous process. It's much more rigorous than, I think, many other states. I think we have one of the most rigorous and protective legal frameworks in the country, and we have really talented and qualified experts to help us carry out that mission.

COMMISSIONER VALOVA: Thank you so much. And I agree with you. My impression is also that these are some of the leading rules in the country.

The reason I asked that question is because, and folks may have heard me say this before, one of my guiding principles is the quote from H. L. Mencken (sic), In God we trust; all others bring data. And I feel like not only do these rules establish a very rigorous data-gathering process, but you have the staff to interpret that data and to do something with it and to make decisions with it. And

I think that's an incredibly important point to make.

And now a few observations. I am a former environmental law professor. I've published on administrative law in various forms, and I want to make a general observation that administrative law governs the process by which not just this commission, but regulatory bodies develop rules and regulations. It is intended to provide a fair and transparent and democratic process for arriving at decisions. It is not intended to provide a specific result. If it were doing that, we would be ruling by fiat, and that is not what we do.

Here, based on what you've described, the extensions for public comments, and the length of time that you took, these full two years to develop these rules and regulations, it's very clear to me that there can be no question that both the regulations, as well as the process they establish, are fair and transparent and democratic. And I am very grateful for that. It gives me confidence that they will produce just results.

I'm also grateful for all of the stakeholders who participated and put their time and effort to submit comments. I think, especially since

these are such complicated issues, I know that it took them a lot of time and effort as well, and we can't do our jobs without a complete regulatory record that involves meaningful stakeholder input.

And so taking that together, both the proposed rules and regulations and the responsiveness of the draft to stakeholder input, gives me confidence that both the regulations themselves and the process that they establish are fair and transparent and will result in a more-efficient permitting process while supporting environmental and community protection.

And the last thing I'll say, and it goes off of my question on expertise, I can't help but wonder what our world would look like if we had had similarly-rigorous permitting processes sixty, seventy, eighty years ago, when we were siting fossil-fired power plants in frontline and environmental justice in disadvantaged communities who didn't have that kind of voice and didn't have the opportunity for feedback.

And I feel like these rules are intended to balance the interests between developers and communities and individual homeowners and the

environment in a way that simply wasn't done in the past. And in so doing, they have an important role to play in addressing the legacy harm of our legacy fossil fuel and infrastructure and energy system in a way that meaningfully takes in community feedback, and I'm appreciative of that as well. They have a broader role to play within the energy transition.

So with all of that, I'm very grateful and will be supporting this order.

CHAIR CHRISTIAN: Thank you. I'll now conduct a call for a vote.

My vote is in favor of the recommendations contained in the draft order as discussed.

Commissioner Alesi, how do you vote?

COMMISSIONER ALESI: Yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Valesky?

COMMISSIONER VALESKY: Yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Maggiore?

COMMISSIONER MAGGIORE: Yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Bright?

COMMISSIONER BRIGHT: Yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Sheehan?

COMMISSIONER SHEEHAN: Yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Valova?

COMMISSIONER VALOVA: Yes.

CHAIR CHRISTIAN: Thank you.

The item is approved and the recommendations are adopted. Thank you, everyone.

Thank you, Staff.

All right. Good morning.

We now move to our second item for discussion, Item 302, Case 26-E-0045, as it relates to the Energize New York Development initiative. It'll be presented today by Kevin Luteran -- and I think this is your first time, so congrats, welcome -- Rob Habermann, Mary Ann Sorrentino, Jordan Lesser and Spencer Freer are available for questions.

Kevin, please begin.

MR. LUTERAN: Good morning, Chair.

Thank you. I'll start over. Before you is a draft initiating order in Case 26-E-0045, proceeding on the motion of the Commission to address

interconnection reforms for large loads that respond to the rapidly-accelerating challenge of how we integrate new, large electric loads onto the grid in a way that supports economic development, protects ratepayers, and maintains system reliability while considering the State's climate goals.

As announced by Governor Hochul in the recent State of The State Address, the Energized New York Development proposal calls on the Department of Public Service to assess and modernize how large loads connect to the electric grid. While data centers are a lead driver of recent load growth, this proceeding is not limited to any single industry or end use. The intent is to establish a framework applicable to all large loads, while recognizing that certain facilities, including data centers, may need additional requirements based on their system impacts.

New York has a long history of supporting large electric loads that drive manufacturing, innovation, and job creation. Advanced manufacturing, clean tech, and other industrial facilities often require substantial electric requirements. Timely, predictable, and

cost-effective interconnection is essential to keep New York competitive. At the same time, the scale and speed of today's load growth presents new challenges.

Currently, there are nearly 12 gigawatts of electric load in the NYISO interconnection queue, with more than eight gigawatts entering in the queue in 2025 alone. To put these numbers in perspective, the peak demand for all Zone J, New York City, is around ten gigawatts. This means the amount of load in the queue is like adding another New York City to the grid.

In addition, these projects can require substantial system upgrades, introduce planning uncertainty through speculative or phantom request, and in some cases caused significant costs without delivery of comparable economic development benefits.

The Commission has long applied a beneficiary-pays principle, requiring new customers to pay at least a portion of the cost for necessary grid upgrades. This principle is grounded in Public Service Law and Commission regulation that obligates utilities to provide service while defining how

system costs are recovered.

However, given the unprecedented magnitude of recent load growth, especially from data centers, it is necessary to explore whether this current principle adequately protects ratepayers from costs associated to meet these new demands.

This draft order recognizes that not all large loads are the same. While New York continues to welcome large-load projects that drive job creation and economic growth, certain facilities, like data centers, often present system impacts and benefits -- often present system impacts and benefits based on their scale, operating characteristics, and location. Consistent with the State of The State directive, this new proceeding would advance a large-load interconnection framework that acknowledges those distinctions and allow policies to be adjusted accordingly.

The six main objectives of this proceeding are to, first, modernize the interconnection process; second, to improve transparency and predictability around grid upgrades; third, to ensure that data centers and similar facilities bear the cost they impose on the electric

system; fourth, to provide the continued reliability of the electric system; next, to develop programs and policies for interconnection of large loads that consider objectives of the CLCPA; and finally, to explore the ways in which new large electric load could lead to downward pressure on rates for all customers.

The Commission's prior work of modernizing interconnections, improving system planning, and protecting ratepayers provides a strong foundation for this proceeding to build on. The Commission implemented improvements to the standardized interconnection requirements by establishing working groups to troubleshoot challenges and developed an innovative cost-sharing mechanism, Cost-Sharing 2.0, to address first-mover cost burden.

More recently, proceedings on the timely interconnection of distributed energy resources are working to improve transparency, standardized cost estimation practices, and reduce barriers for developers to interconnect. To improve system planning, the Commission approved the coordinated grid-planning process and proactive

planning proceeding. These initiatives focus on integrating transmission, distribution, and resource planning to improve transparency and certainty to support efficient infrastructure investment.

The results from these initiatives will inform best practices to manage large-load forecasting, planning, and integration. They will also help move towards proactive instead of reactive system planning.

Another supporting initiative the governor recently announced was the launch of the Promote Opportunity with Electric Readiness for Underdeveloped Properties or the POWER UP program. This program is administered by Empire State Development in consultation with the Department of Public Service to proactively develop electric-ready sites, which significantly reduce development timelines to attract businesses to invest from target industries.

Together, these programs demonstrate how the State, and in particular the Commission, is moving towards actively addressing infrastructure readiness.

Furthermore, the Commission has

previously addressed cost impacts of high-density loads for data centers and cryptocurrency mining companies through tariff design specifically for municipal utilities. Those actions demonstrate how targeted tariff structures can protect existing customers by ensuring large, energy-intensive facilities pay their fair share.

Experience outside New York further underscores the need for action. Other states are exploring long-term contracts, capacity-based charges, customer-supply generation and other approaches to manage data-center growth. Some data centers have voluntarily committed to higher electric costs or dedicated resources to mitigate grid impacts. These developments highlight the importance of updating New York's interconnection and cost-allocation frameworks.

This proceeding builds on all the prior work and will complete a review of planning and interconnection processes, cost-allocation mechanisms and tariff structures related to large loads on the grid. It also recognizes that not all large loads are the same. The order directs the development of a criteria to define and categorize large loads,

allowing for adjustments to requirements for high-energy dense facilities like data centers.

Consistent with Energize New York development, this order will provide the framework to support large-load projects that drive job creation and economic benefits. At the same time, the proceeding will explore additional requirements for facilities that impose significant system demands with limited economic benefits. These may include impact-based cost recovery, customer-supply generation or storage, grid flexibility or curtailment measures, or other approaches to ensure reliability and protect the ratepayers.

The draft order also recognizes that large loads may present both challenges and opportunities. In some scenarios, large loads, including data centers, could lead to downward pressures on rates for all customers depending on system design, operating profiles, and location.

Additionally, this proceeding will consider opportunities for beneficial reuse of waste heat through coordination with Utility Thermal Energy Network and Jobs Act, where additional efficiencies and benefits can be realized.

In addition, staff will explore requirements that are specifically designed for large electric load to lead to reduced rates for all customers.

Finally, staff will develop a whitepaper that will take into account stakeholder comments, results from a technical conference, and leverage lessons learned from previous initiatives. This will outline the structured path forward to modernizing the large-load integration in a way that supports economic development, protects ratepayers, ensures system reliability, and aligns with New York climate goals.

Thank you and Staff team's available to answer your questions.

CHAIR CHRISTIAN: Thank you for the presentation, Kevin.

I appreciate this coming at this time. I know everyone is hearing about the challenge related to load growth, not just here in New York State, but throughout the country, and I see this order, this action here today, as yet another action taken by the Commission to support the efforts needed to have the infrastructure we need to meet that

rising challenge.

And you've stated several of the different things we're doing: the standard interconnection agreements and procedures. You mentioned what we're doing with the municipalities regarding high-density load customers. And this building upon that and further integrating with other ongoing actions, notably the utility thermal energy network, I see this as a sound way forward to capture that ten gigawatts of future load coming into the system. So appreciate the effort and looking forward to seeing this move forward. Thank you.

Commissioner Alesi?

COMMISSIONER ALESI: This is a good job on your first time out.

I think we're having a lot of newcomers today, Chairman.

A prudent approach to what the future holds for us and without -- based on what we learned in our briefings last week and what you've presented here today, I'll be supporting the effort.

CHAIR CHRISTIAN: Thank you.

Commissioner Valesky?

COMMISSIONER VALESKY: Thank you,

Chair Christian.

Thanks, Kevin and team for the good work here.

Just two issues. If I could just address two questions, I guess. The first would be, could you just take just a few brief moments just to explain the time line going forward, assuming the order is approved? I know that the final product would be a whitepaper that would eventually come before us, but can you just give a sense of when that would be, what would lead to the development of the whitepaper, and when the Commission would realistically expect to see further action from our perspective?

MR. LUTERAN: Yes. So as part of the next steps, to walk you through the process, we have several questions that we would solicit comments and feedback on that are due April 13th. Responses to those comments will be due a month after that. That's going to be used to help inform us and provide some context around what this issue is and what we should take into consideration.

As a follow-up to that, we're going to be holding a technical conference before the end of

this year that will also provide those additional details and provide us guidance on things to consider as we roll out the whitepaper that will ultimately be due next February.

COMMISSIONER VALESKY: Okay. So about a year from now, we could reasonably expect to see --

MR. LUTERAN: Yes.

COMMISSIONER VALESKY: -- additional material for us to consider. Okay. Thank you.

The other issue I wanted to raise -- and I'm not intending this as a hypothetical question, as I understand we don't deal in hypotheticals. However, I do always feel it important to reflect other efforts that may be going on here at the capital -- or here in the capital and by other branches of government. So if you could just take an extra moment to address the issue of this proceeding and it not being limited to economic development projects that would be data centers alone.

The reason why I asked for that, I know, you know, within recent days, there has been legislation introduced in the legislature that would provide for a three-year moratorium statewide on any

and all new data center projects. Now, the hypothetical would be, legislature passes it, the governor signs it into law. I understand that is -- that's not the issue. That's not the question. But if that were to happen, my understanding is in reading the order, that there is sufficient economic development projects going -- large-load economic development projects going on in the state that are not data centers for which this order is important to address. Can you just expand on that if you could, please?

MR. LUTERAN: Yeah, absolutely. So you're right, there's additional economic development projects underway besides data centers, whether it's advanced manufacturing, clean tech industries coming in. And through this draft order, we're proposing to make improvements to the interconnection process. Right now, that can take significant time, around twenty-four, twenty-seven months on average, I believe. And by streamlining this, providing greater transparency and predictability will help encourage developers to understand what that timeline would look like, which is critical as they start to build out these projects.

COMMISSIONER VALESKY: Great. Great. I appreciate that, and I think that's important to note. I think this order is certainly timely, regardless of what may or may not happen elsewhere, and I very much look forward to the results of the process and ultimately the whitepaper that you all will prepare.

MR. LUTERAN: Great.

COMMISSIONER VALESKY: Thank you.

Counselor, you looked like you might hit your microphone button. No? Okay.

MR. SIPOS: No, Commissioner. I'm just smiling.

COMMISSIONER VALESKY: Ah, wonderful. We like that. Thanks very much.

CHAIR CHRISTIAN: All right. Thank you.

Commissioner Maggiore?

COMMISSIONER MAGGIORE: Thank you. Thank you for the presentation. I have several questions. Let me start by asking this. Can you expand on the reasons why DPS is bringing this initiative to the Commission to launch at this time?

MR. LUTERAN: Yeah. So over the last

several months, Department staff have recognized that new large loads are increasingly entering the queue and presenting an unprecedented challenge right now, and want to work to figure out best ways to address that challenge as we see it coming down the pipe.

In parallel, the governor's office also recognized this work and shared the same concern that this issue needs to be addressed, similar to what other states are doing throughout the country as well. As part of the State of the State proposal, it provides us direction to evaluate these issues and also provides a regulatory pathway for us to pursue this effort. And this is following the same process that's typically done with other State of the State proposals, like Grid of the Future that was done in 2024.

COMMISSIONER MAGGIORE: Okay. Will this proceeding seek to identify all the ways customers with large electric demands, such as data centers, impact the cost for ratepayers?

MR. LUTERAN: Yeah. Large loads, including data centers, have the potential to impact the overall electric system, including upstream transmission and generation. The intent is to strive

and identify what those challenges would be and figure out what potential solutions could be available to protect the ratepayers.

COMMISSIONER MAGGIORE: Okay. One of the questions that this proceeding would put out, which I think is question 8, asks in part, what additional measures should the Commission consider as part of this proceeding to ensure large load and data centers are not adversely impacting reliability or the achievement of CLCPA objectives?

Does this question presuppose the large load and data centers that obtain their electricity from renewable sources make it harder for New York State to either meet its clean energy generation goals or emission goals, because those renewable sources would then not be available for other customers?

MR. LUTERAN: So that question does not assume large loads or data centers will inherently affect the state's climate goals. It acknowledges that significant new load may require additional generation capacity to maintain system reliability. If renewables are developed to meet that incremental demand, it could have implications

for the availability of those resources to serve other customers.

COMMISSIONER MAGGIORE: Okay. Does the same question anticipate the impact of large load and data centers to CLCPA objectives beyond its need for electricity? For instance, some large load customers also use fossil fuels in addition to electricity.

MR. LUTERAN: Yes, the proceeding will consider impacts from large loads or data centers beyond their electric demand, including the potential use for fossil fuels for other applications. Through this process, stakeholder feedback will be important to understand the context of these issues.

COMMISSIONER MAGGIORE: Okay. The order seems to distinguish between economic development and job-creation value of data centers versus advanced manufacturing facilities, clean tech, and other industrial development. This distinction appears to be made in the acknowledgment that certain large electric load facilities, such as data centers, often do not provide the same economic development or job-creation opportunities relative to other strategic industries, as well as how for data centers

and similar facilities, the Commission may consider additional requirements.

Is there a danger that the outcome of this proceeding will be a more streamlined process that makes it equally easier, both for large-load projects that further economic development and job creation, as well as those that don't?

MR. LUTERAN: So this concern's understood and is something that we're working to address through this proceeding. The intent is to modernize the process. We want to make it more timely, predictable, and transparent as large-load requests continue to increase over time. While the interconnection process is improved for all electric loads, projects that impose greater risk or cost to the system may be subject to additional requirements.

COMMISSIONER MAGGIORE: Okay. Is it within the legal authority of the Public Service Commission to restrict the delivery of energy to certain types of large-load customers? Hypothetically, do we have the legal authority, for instance, to deny approval of projects to help deliver energy to data centers? So could we restrict the ease of energy to data centers?

MR. LUTERAN: No. The law obligates utilities to provide service when requested.

COMMISSIONER MAGGIORE: Okay. So if not, could this proceeding separate out policies to encourage job creators and economic drivers while discouraging or establishing roadblocks for large load customers, such as data centers that do not provide the same economic development or job creation opportunities?

MR. LUTERAN: The Commission cannot condition utility service based on job creation or economic drivers. Instead, the Commission could consider rules based on usage or unique operating characteristics. These types of policies are based on system impacts, ensuring reliability at just and reasonable rates, not economic outcomes for large customers. And again, through this process, we're seeking public input to help provide context on these issues.

COMMISSIONER MAGGIORE: Okay. Thank you very much for the answers to those questions. I do have some comments.

This is an important proceeding that is coming from the DPS itself. That places special

responsibility on the Commission to monitor the proceeding and ensure that any orders that come from it are aligned with its original purpose. When DPS Staff conducts analysis of a petition and makes recommendations to the Commission, they are doing so as a party that is independent from the petitioner. In the case of orders derived from a proceeding initiated by the Commission at the recommendation of Staff, Staff analysis is coming from the same entity that originated the proceeding.

The DPS is an executive agency, whereas the Commission is not part of the executive, but also doesn't have its own staff. So we Commissioners have a special responsibility in this type of case, which I think is heightened in part because the terms of four of us will likely expire before any order comes out of this proceeding. The whitepaper is coming out in February of next year, I'll be gone.

For the same reason, the input of stakeholders and the general public, which I have come to appreciate, often shapes the outcome of proceedings, is especially important in this case. Independent analysis of facts and the law will come

via the participatory nature of this proceeding. My plea to anybody who will choose to participate is to take your role seriously and where appropriate, offer well-grounded factual and legal input while avoiding polemics.

Part of our legal mandate, as you indicated, is to find a New York City's worth of energy without compromising our clean energy or emission obligations. As indicated by my questions, or at least as hinted by my questions, I am concerned that there is a tension between the stated goals of streamlining the process, of bringing large loads online, and ensuring that data centers and similar facilities bear the costs they impose on the electric system.

I would consider it a profound failure of this proceeding if the proceeding results in the first half of that equation, but not the second. However, the risk is outweighed by the potential of that second half, which will not only be enormously beneficial to regular ratepayers, but also could be meaningful for the development of clean energy in New York State.

Another reason I'm supporting this

order has to do with what the Commission does not have the legal authority to do, as you clarified. As we launch this proceeding, the legislature might want to consider reviewing our legal obligations to ensure the delivery of unlimited energy to any customer, regardless of its value to the State.

Also, as the legislature considers such things as what Commissioner Valesky referenced, such as a moratorium on data centers, they should be aware that we cannot do that, and indeed, our obligation is to provide energy to all customers. I think this proceeding might be one of, if not the most important being launched during the time that I've been on the Commission. It is not without risk, but it has great potential for producing very positive results for New York State's energy future. So I plan to vote in favor of this. Thank you very much.

CHAIR CHRISTIAN: Thank you.

Commissioner Bright?

COMMISSIONER BRIGHT: Thank you all. I do not have any questions. I really appreciate this order, especially the consideration of waste heat, which I think will hopefully be important. And

I'm interested to see everything that comes after, including the whitepaper. So thank you so much for your hard work.

CHAIR CHRISTIAN: Thank you.

Commissioner Sheehan?

COMMISSIONER SHEEHAN: Thank you.

Great job, Kevin.

Obviously this is a huge topic. Some of us just came back from NARUC, which is -- almost every session was on large loads. And it was interesting to hear from other states that may have a totally different mindset than New York. And many of them are looking at this as a huge opportunity. But I think a couple of things I took away, and it's only the beginning, so is that all large loads aren't created equal, and that if we do this right it can really produce benefits for the grid, for ratepayers, for our economy, and we can protect the environment in the process.

So I appreciate the work. I'm going to support the order. I look forward to the technical conference -- I'd love to listen in -- and to seeing the whitepaper and as well as the next steps. And part of me is like, we need to speed this

up, because the world is moving fast, and I know there's a lot to examine here, but the more we can accelerate this review process and get the materials before the Commission, the better.

I think that's it. So thanks again. I appreciate it. And I'll be supporting.

CHAIR CHRISTIAN: Thank you.

Commissioner Valova?

COMMISSIONER VALOVA: Thank you.

Thank you for the great initiating order. I will be supporting it. I echo my colleagues' both concerns and recognition that there's an opportunity here. So if we get this right, we can create economic opportunities for the State, benefits for ratepayers, but we really do need to get this right.

I'm also personally very interested in seeing some of the synergies that the initiating order notes, like the opportunity for the beneficial reuse of waste heat through coordination with the Utility Thermal Energy Network and Jobs Act. I would love to see us maximizing those kinds of synergies and beneficial use of aspects of large loads.

And also great job on the starting

list of questions. I think it's a really great launching point for stakeholders to provide feedback, and I will be supporting. Thank you.

CHAIR CHRISTIAN: Thank you.

With that, I'll vote. My vote is in favor of the recommendations contained in the draft order, as we've discussed today.

Commissioner Alesi, how do you vote?

COMMISSIONER ALESI: I vote yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Valesky?

COMMISSIONER VALESKY: Yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Maggiore?

COMMISSIONER MAGGIORE: Yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Bright?

COMMISSIONER BRIGHT: Yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Sheehan?

COMMISSIONER SHEEHAN: Yes.

CHAIR CHRISTIAN: Thank you.

Commissioner Valova?

COMMISSIONER VALOVA: Yes.

CHAIR CHRISTIAN: Thank you.

The item is approved, and the recommendations are adopted.

Thank you everyone.

With that, we'll now move to the consent agenda. Do any commissioners wish to comment on or recuse from voting on any of the items on the consent agenda? I'll begin with Commissioner Alesi.

COMMISSIONER ALESI: I do not.

CHAIR CHRISTIAN: Thank you.

Commissioner Valesky?

COMMISSIONER VALESKY: No comments or recusals.

CHAIR CHRISTIAN: Thank you.

Commissioner Maggiore?

COMMISSIONER MAGGIORE: No recusals. I do have comments on one item, which is item 264. This item has to do with whether or not to overturn an ALJ's decision that an evidentiary hearing has to take place in person. I am going to vote yes on this item. I find the Staff analysis that there was no error of fact or law to be convincing, and thus there is not an adequate justification for overturning the ALJ's decision.

Further, I also find that the explanation of the ALJs that an evidentiary hearing involves their full attention on the parties and witnesses in attendance without the distraction of managing daily remote viewing options. In this respect, there is a specific reason for this type of proceeding to take place in person.

There's a third reason I will vote yes, which is a justification that is not included, which is that the proceedings should take place in person for the sake of transparency. In this situation, such a justification would be nonsensical, but I would also argue that the same justification for banning remote participation from proceedings in general, such as this proceeding we find ourselves in at this very moment, is equally nonsensical and even unsafe.

In this case, I have great empathy for the appellant's argument. I do not want to be in this room right now, despite how much I want to spend time with everybody who's in it. State proceedings, ranging from these PSC sessions to sessions in the legislature and many other types of meetings that demand transparency, take place at a very

different -- take place in a very different world than existed when some of the governing rules were conjured up in the first place.

This session can be viewed in real time on the other side of the globe, and if somebody there missed it, a recording will be posted in short order. In this respect, State government proceedings are more transparent than at any previous time in history. We learned during the pandemic that these types of proceedings, which I am distinguishing from the evidentiary hearing that's at issue in this particular case, can take place remotely, be every bit as accessible and transparent as in-person meetings in Albany that are also live streamed and can be much safer and healthier.

I will point out that last month we voted on the Con Ed rate case, which affects millions of New Yorkers. If anybody came up from the service area to this room, it was a handful of people at best, who simply sat and observed the same way they could have on their phones at home. I actually doubt any regular ratepayers came up for that consequential proceeding at all.

We do not have to meet in a tightly-

packed room in order to facilitate transparency. I'm not sure how much flexibility we have as a Commission, but we are well past the time that the legislature should review the Open Meetings Law and update it to bring it in alignment with the contemporary world.

That said, I'm going to vote for this item and everything else in the consent agenda.

CHAIR CHRISTIAN: Thank you.

Commissioner Bright?

COMMISSIONER BRIGHT: No comments or recusals. Thank you.

CHAIR CHRISTIAN: Thank you.

Commissioner Sheehan?

COMMISSIONER SHEEHAN: Yes. I am recused from item 380.

CHAIR CHRISTIAN: Item 380 recused. Thank you.

And Commissioner Valova?

COMMISSIONER VALOVA: No comments or recusals.

CHAIR CHRISTIAN: Thank you.

I'll now conduct a call for vote. My vote is in favor of the recommendations on the

consent agenda.

Commissioner Alesi, how do you vote?

COMMISSIONER ALESI: Yes on all items.

CHAIR CHRISTIAN: Thank you.

Commissioner Valesky?

COMMISSIONER VALESKY: Yes on all items.

CHAIR CHRISTIAN: Thank you.

Commissioner Maggiore?

COMMISSIONER MAGGIORE: Yes on all items.

CHAIR CHRISTIAN: Thank you.

Commissioner Bright?

COMMISSIONER BRIGHT: Yes on all items.

CHAIR CHRISTIAN: Thank you.

Commissioner Sheehan?

COMMISSIONER SHEEHAN: Yes on all items, except for number 380, which I'm recused from.

CHAIR CHRISTIAN: Noted. Thank you.

Commissioner Valova?

COMMISSIONER VALOVA: Yes on all items.

CHAIR CHRISTIAN: Thank you.

And with that, the items are approved, and the recommendations are adopted. Thank you everyone.

Before we conclude, there's one final matter I'd like to address. I want to take the time to honor the departure of a very valued individual who has dedicated his career to the Department, someone who I admire a great deal and who will be leaving us in a few days.

I'd like to honor Jim Denn, who's standing there in the audience. Many of you know him.

(Applause)

CHAIR CHRISTIAN: Jim will be retiring after a very, very long and very productive career. And with that, I'd like to ask Madam Secretary to read a resolution of the Commission onto the record.

SECRETARY PHILLIPS: And I will do so happily.

And Jim, with such a long and distinguished career, we couldn't fit everything in here, but we did try to get it, most of it. So the resolution will read as follows.

Whereas James Denn has served the

Department of Public Service, the Public Service Commission, and the citizens of the State of New York since 2006 with great distinction.

And whereas Mr. Denn began his career in public service at the New York State Division of the Budget, then moving to NYSTAR. That's N-Y-S-T-A-R, all caps, where he advanced economic development and innovation programs.

And whereas Mr. Denn was appointed as the Director of Public Affairs by then Chairperson Patricia Acampora in 2006, and he brought his experience of over a decade as an award-winning newspaper reporter and magazine editor to all proceedings, matters, and issues pertaining to the work of the Department of Public Service and the Public Service Commission.

And whereas, Mr. Denn has exemplified the role of a public servant, taking great care to provide thoughtful and thorough advice regarding every matter and issue, always striving for the right decisions, no matter how hard, and conducting his work with the utmost integrity and professionalism.

And whereas, Mr. Denn has worked tirelessly and earned the admiration and respect of

Department of Public Service staff and the Public Service Commission,

And whereas Mr. Denn will now have more time to spend with his wife, their children, their beloved grandson, and devote to his charitable endeavors and pursue his passion for writing and his goal of authoring a book, it is resolved that the New York State Public Service Commission expresses its deepest appreciation to James Denn for his dedication and leadership in the Department and his faithful service to the citizens of the State of New York, as demonstrated by his unwavering commitment to the mission of the Commission to ensure safe, secure, and reliable access to electric, gas, steam, telecommunications, and water services for all of New York's residential and business consumers.

(Applause)

CHAIR CHRISTIAN: And Jim, know that I appreciate you wearing red today to make you easier to spot in the audience.

So I have a lot of words, but I find it hard to say them right now. But I remember my first time meeting Jim in the office. He was the first person here at 8 something or 7 something a.m.,

and I know you will be missed. I know that for a fact. And I will cherish the last few times we have here, but I know you'll be with us in spirit. And your legacy will continue for a very long time to come.

I feel like you've helped take us to where we are today, and I'm forever grateful for that. So thank you, Jim. Thank you.

And if any other commissioners wish to make any comments.

Commissioner Alesi?

COMMISSIONER ALESI: This will be the best promotion you'll ever have. Take it from me. I wish you the best, and thank you for all you've done for all of us. Good luck, Jim.

COMMISSIONER VALESKY: Well, Jim, I just am kind of wondering who's going to unlock the 20th floor going forward once you leave, because you're there so early that I don't even carry my office key with me. I guess I'll have to start.

I know we'll have an opportunity in the future to, hopefully anyway, to say words and celebrate. I just want to say in congratulating you, many of us here have been, well, certainly in this

role and previous roles where we are required to often have someone speak on our behalf. And I'm thinking of all the stories that refer to the Public Service Commission. And so many of them will say Jim Denn, spokesman for the Commission, right.

And there's a trust that that we place in you to speak on our behalf. When we don't use our own words, we use your words, and we trust that your words reflect our opinions and our perspective. And that's pretty important to me. And I know it is to all of us here. So I want to thank you for that.

COMMISSIONER MAGGIORE: I've been in state government for about thirty years, and Jim is in the very top tier of professionals in state government. And I spoke of transparency a few minutes ago. A big way that transparency is advanced is through media coverage. So most New Yorkers don't know and won't know the name of Jim Denn, but most of what they know about what we do is because of Jim Denn. And the service you provide to the people of New York cannot be adequately expressed.

So congratulations, and I want to thank you for your public service and tell you it's been a joy to work with you.

COMMISSIONER BRIGHT: It's been so lovely. It's been such a short time that I've known you, but it has been such a joy and such an amazing experience. And I'm going to miss seeing your face, walking into the office. Absolutely, that's the first thing that comes to mind. But also, you've created a legacy of excellence here. And that will continue. And I think when I first heard that you were retiring, I emailed you, and I said something about being steady and true. And that is you. And that will continue here at the Department because of you. So thank you so much, Jim.

COMMISSIONER SHEEHAN: Jim, congratulations. It's been a pleasure. In my thirty-five plus years of a career, I've worked with many different public information officers, many different types. And when I met you, I thought, he can't possibly be the director of public affairs. He's too calm. He's too easygoing.

Every other PIO I know is usually hair on fire, using lots of different creative language, expressing concern about what's going on in the world. You are the most calm, even-handed, nonemotional director of public affairs that I've

ever had the pleasure to work with. And I have to say, it's been a real joy and a real pleasure to watch you do your work, and as Commissioner Valesky said, to speak for us.

I wish you all the best in your next chapter. I know your wife, your kids, and your grandchildren are going to enjoy more time with you. And I hope you, once the summer gets here, you enjoy floating in your pool without any interruption, because you deserve it. Thank you, Jim.

COMMISSIONER VALOVA: Thank you so much for your service, Jim. I think you leave very big shoes to fill, and I wish you joyous retirement full of all the things that you love doing. And I want to also thank you personally.

When I first started in this wonky world of utility regulation, when I was a junior staff attorney at Pace Energy and Climate Center, I'd never engaged before Commissions before, and I will admit it now, I had no idea what I was doing, because no one teaches you what the process is. No one teaches you in law school, certainly, what is a DMM and how do you file comments?

And I reached out to you a number of

times asking basic questions like, how do you do this? How do you do that? Who do you reach out to? And you are always so helpful, so I've been able to see your kindness and your professionalism from both perspectives. And again, thank you for your service. Have a wonderful, well-deserved, joyous retirement.

CHAIR CHRISTIAN: Hear, hear. Thank you, Jim.

All right. Now, that said Madam Secretary, do we have anything else to come before us today?

SECRETARY PHILLIPS: We have nothing further today.

CHAIR CHRISTIAN: Okay. Thank you. And with that, I adjourn. Thank you everyone.

(The hearing concluded at 12:03 p.m.)

STATE OF NEW YORK

I, WINSTON IDADA, do hereby certify that the foregoing was reported by me, in the cause, at the time and place, as stated in the caption hereto, at Page 1 hereof; that the foregoing typewritten transcription consisting of pages 1 through 81, is a true record of all proceedings had at the hearing.

IN WITNESS WHEREOF, I have hereunto subscribed my name, this the 16th day of February, 2026.

WINSTON IDADA, Reporter