

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
Albany on May 14, 2026

COMMISSIONERS PRESENT:

Rory M. Christian, Chair  
James S. Alesi  
David J. Valesky  
John B. Maggiore  
Uchenna S. Bright  
Denise M. Sheehan  
Radina R. Valova

CASE 25-E-0748 - Petition of Fort Schuyler Management  
Corporation for an Order Granting a Certificate  
of Public Convenience and Necessity and  
Establishing a Lightened Regulatory Regime.

ORDER GRANTING CERTIFICATE OF PUBLIC CONVENIENCE  
AND NECESSITY, PROVIDING FOR LIGHTENED REGULATION,  
AND MAKING OTHER FINDINGS

(Issued and Effective May 15, 2026)

BY THE COMMISSION:

INTRODUCTION

By verified petition filed on December 1, 2025, and supplemented on March 2, 2026, March 6, 2026, and April 13, 2026 (together, the Petition), Fort Schuyler Management Corporation (FSMC or Petitioner) requests: (1) a Certificate of Public Convenience and Necessity (CPCN), pursuant to Section 68 of the Public Service Law (PSL), authorizing FSMC to own, construct, and operate a substation (Substation) and 13.2 kilovolt (kV) electric transmission line (Electric Line) (together, the Project) in the Town of Marcy, Oneida County, New York (the Town); (2) lightened ratemaking regulation in relation to FSMC's operation of the Project; and (3) confirmation from the Public

Service Commission (Commission) that FSMC is permitted to submeter existing commercial premises or future structures located at the site without prior Commission authorization.

In this Order, the Commission finds that FSMC has satisfied the statutory requirements of PSL §68 and, therefore, grants a CPCN to FSMC in connection with the construction, operation, and ownership of the Project. The Commission also grants FSMC a lightened ratemaking regulatory regime similar to the lightened regulation granted to other owners of facilities that operate in competitive markets. As discussed further in this Order, the Commission also confirms that, based on the specific facts presented on the record, FSMC may undertake the submetering of existing and future commercial tenants without needing to seek Commission approval.

#### THE PETITION

##### Petitioner

The Petition explains that FSMC is a private, not-for-profit corporation organized under the laws of the State of New York. FSMC's mission is to help facilitate and advance research and economic development activities related to the research and educational mission of the State University of New York (SUNY) by purchasing, constructing, developing, and managing facilities and promoting the research therein. Relevant to the Petition, FSMC manages various facilities that comprise the SUNY Polytechnic Institute's (SUNY Poly) campus in Marcy, New York (the Campus), including: (1) an approximately 269 acre ground leased parcel (in which SUNY is the fee title holder, FSMC is the primary ground lessee, and the Economic Development Growth Enterprises Corporation is currently the ultimate sub-ground lessee); (2) an approximately 54 acre ground leased parcel (in which SUNY is the fee title holder, FSMC is the primary ground

lessee, and Wolfspeed, Inc. (formerly known as CREE, Inc.) is currently the ultimate sub-ground lessee); (3) an approximately 60 acre ground leased parcel in which SUNY is the fee title holder, FSMC is the primary ground lessee, and Danfoss Silicone Power, LLC, d/b/a Danfoss Silicon Power a/k/a Semikron Danfoss (Danfoss) is currently the ultimate sub-ground lessee utilizing the building(s) located at the parcel known as the "Quad C Building";<sup>1</sup> and (4) an approximately eight acre parcel of vacant land (in which FSMC is the fee title holder). The Petition explains that Niagara Mohawk Power Corporation d/b/a National Grid (National Grid) provides electric service to customers in the Town.

#### The Project

The Petition describes the Substation as a 115 kV/13.2 kV dual transformer substation owned and constructed by FSMC on a portion of private land ground leased by FSMC from SUNY. According to the Petition, the Substation is connected to National Grid's Porter-Terminal LN6 via an approximately 500-foot, 115 kV service tap. The Petition explains that the Electric Line is an approximately 5,100-foot, 13.2 kV electric transmission line running from the Substation, across a public road in the Town, and terminating at the Quad C Building.

According to the Petition, on October 18, 2018, the Marcy Town Board approved FSMC's proposal to construct the Substation and the Electric Line (Approval).<sup>2</sup> The Petition

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<sup>1</sup> The Petition explains that Danfoss is a technology company that specializes in power electronics, producing semiconductors, power modules, and more at sites in countries across the world, and leases space at the Quad C Building for producing silicon carbide power modules.

<sup>2</sup> A copy of the Approval issued by the Town is included as Exhibit C to the Petition (filed December 1, 2025).

states that the Town issued a grading permit to construct the facilities, and Oneida County issued an excavation permit for work on the facilities within the right-of-way.<sup>3</sup> Petitioner asserts that, upon information and belief, no other municipal permits and/or approvals are required in conjunction with the construction and operation of the Project.

The Petition explains that construction of the Substation commenced in August 2019 and was completed in August 2020. Similarly, construction of the Electric Line commenced in February 2020 and is generally complete, except that metering, energizing the transformers, and finalizing the connection of the energized line to the Quad C Building is expected to be complete upon the receipt of a CPCN.

Petitioner states that the Electric Line will be used solely to provide electricity (through the Substation) to the parcels of land comprising the Campus, including the Quad C Building that Danfoss currently occupies for the operation of its semiconductor and nanotechnology business (collectively, the Site). Petitioner asserts the Quad C Building, which is currently served by National Grid through its lower voltage distribution system, requires high levels of electrical power quality due to the sensitivity of equipment, processes, and the high value of products produced, thus necessitating the Project to directly provide electricity to the Quad C Building.

FSMC states that it has worked collaboratively with National Grid to facilitate a connection between the electrical grid and the Substation, and that National Grid constructed an approximately 500-foot 115 kV service tap in order to accommodate the interconnection between National Grid's Porter-

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<sup>3</sup> The grading permit and excavation permit are included as Exhibit D to the Petition (filed December 1, 2025).

Terminal LN6 and the Substation. Petitioner states that it has or will reimburse National Grid for the costs it incurred for the 115 kV service tap pursuant to a Cost Reimbursement Agreement by and between FSMC and National Grid.

Certificate of Public Convenience and Necessity

FSMC seeks a finding that it has satisfied the statutory requirements under PSL §68, and applicable Commission regulations, for the grant of a CPCN. In support of the Petition, FSMC provided its certificate of formation and good standing issued by the New York State Department of State, demonstrating that it is authorized to do business in New York. FSMC also submitted verified statements from its corporate president and secretary, verifying that FSMC has secured all municipal consents required by law for the construction and operation of the Project.

In accordance with 16 NYCRR §21.2, FSMC states that: (1) National Grid provides retail electric service in the municipality in which the Project will be located; (2) FSMC will become a customer of National Grid and receive electric service at the Substation; and (3) FSMC will then submeter the electricity to commercial tenants at the Quad C Building or other existing or future structures at the Campus. FSMC further states that it has ground leases for the parcels upon which the Project components are located. FSMC also states that it has not previously received any authority from the Commission to exercise powers under any prior franchise or municipal consent within the meaning of 16 NYCRR §21.2(c). With respect to 16 NYCRR §21.2(d), FSMC asserts that it is not required to obtain any permit, license, or authority from any federal authority regarding the Electric Line.

With respect to 16 NYCRR §21.3(a), FSMC states that the Project will be used solely to supply electric energy,

capacity, and other services related to electric generation to existing or future tenants located at the Site.<sup>4</sup> The Petition notes that the Project will be located entirely within the Town of Marcy, Oneida County, New York.

Responding to 16 NYCRR §21.3(b), the Petition provides the description set forth above of both the Substation and the Electric Line. Petitioner estimates the cost of the Project to be \$6.88 million to construct the Substation, \$2.19 million for National Grid's design and high voltage connection to the Substation, and approximately \$1.942 million for the Electric Line.

To comply with 16 NYCRR §21.3(c), the Petition states that the cost of constructing the Project was funded by the State of New York. FSMC received a grant from Empire State Development's (ESD) Nano Utica Initiative to create a New York Power Electronics Manufacturing Consortium (PEMC) Center for Advanced Packaging Technologies, Project Numbers AB064 and AB065. This funding covered both the cost of the Quad C Building and the Project to provide lower cost and more reliable power to the Site.

Regarding 16 NYCRR §21.3(d), the Petition asserts that rates to be charged by National Grid for electric service to the Site will be determined pursuant to National Grid's applicable tariffs, as approved by the Commission. FSMC plans to submeter the electricity to commercial tenants at the Quad C Building or other existing or future structures at the Site. Petitioner states that the rates it plans to charge for the operation and

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<sup>4</sup> In a supplemental letter dated March 2, 2026, FSMC clarified that "existing or future tenants" means tenants of FSMC. FSMC further stated that, absent an agreement with FSMC, non-FSMC tenants or future tenants at the Site, including SUNY, would not be required to obtain power through the Project.

maintenance of the Substation will be determined by FSMC and tenants locating facilities at the Site, pursuant to arms-length negotiations between such entities.

Petitioner requests a waiver of the requirements of 16 NYCRR §21.3(e), related to estimated revenues and expenses, because: (1) the cost of constructing the Project has or will be paid for by FSMC, and any service provided by National Grid will be made pursuant to National's Grid's applicable Commission-approved tariffs; (2) the amounts charged by FSMC for the cost to operate and maintain the Substation will be determined through negotiated arms-length agreements between FSMC and existing and future tenants at the Site; and (3) no captive retail customers will be served by the Project.

In accordance with 16 NYCRR §21.3(f), Petitioner asserts that the grant of a CPCN in this proceeding is in the public interest. Petitioner asserts that the economic feasibility of the Project is demonstrated by the fact that the facilities will be used to provide electric energy and other electric-related services to existing and future tenants located at the Site (with one tenant's manufacturing facilities already located at the Site). Petitioner states that it is a New York not-for-profit economic development entity that receives funding from the State of New York as well as other sources, and the cost of constructing the Project was funded by the State of New York through Petitioner. As noted above, FSMC received a grant from ESD to create a PEMC Center for Advanced Packaging Technologies, and the funding covered both the cost of the Quad C Building and the Project. FSMC argues that, because its construction of the Project has been backed financially by the State through grants, the ability of FSMC to finance the Project was assured. FSMC further asserts that it will provide adequate service insofar that FSMC contracted with a reputable and

experienced entity, O'Connell Electric Co., for the construction of the Electric Line and the interconnection at National Grid's Porter-Terminal LN6, each of which meet accepted industry standards.

Petitioner states that its exercise of the rights and privileges under the Approval is necessary and convenient for the public service. According to the Petition, the grant of a CPCN will allow Petitioner to ensure that adequate and reliable electric service is available at the Site. Development of the Campus has resulted in substantial benefits to the public that have created significant manufacturing jobs at the Site and stimulated additional economic development in Oneida County and surrounding areas. Petitioner argues that the construction and operation of the Substation and Electric Line will provide enhanced power quality and reliability required to retain existing tenants and continue to attract additional entities to the Campus. Petitioner also argues that a diminution of economic activity at the Campus (due to power that does not meet the needs of existing and prospective tenants) could adversely affect the economy of the area, while prompt approval of FSMC's plans to provide more robust utility services will encourage full use of the Site, forestalling adverse economic impacts.

In accordance with 16 NYCRR §21.3(g), Petitioner states that there is no electric service currently at the Site that is adequate to provide the service and power quality needed for the long-term operation of sophisticated manufacturing facilities.

In a letter filed on April 13, 2026, Petitioner asserts that issuance of a CPCN here is consistent with the

Climate Leadership and Community Protection Act (CLCPA).<sup>5</sup> With respect to CLCPA §7(2), Petitioner argues that the Project will not, in and of itself, result in a material measurable increase in statewide greenhouse gas emissions or interfere with the attainment of statewide greenhouse gas limits, but would facilitate better access to carbon-free power at the Campus while supporting equally important economic development goals. Petitioner further asserts that the CLCPA's requirements must be balanced against the Commission's mandate to act on behalf of the public in ensuring safe and adequate service at just and reasonable rates, as well as the State's economic development goals.<sup>6</sup> To that end, Petitioner argues that approval of the Petition will assist in promoting enhanced power quality and reliability required for continued economic development opportunities at the Site, consistent with the State's economic development goals, while a diminution of economic activity at the Campus due to power quality issues could adversely affect the economy of the area. As to CLCPA §7(3), Petitioner notes that the Project is not located in or adjacent to a disadvantaged community.

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<sup>5</sup> See Section 7 of Chapter 106 of the Laws of 2019. The CLCPA became effective on January 1, 2020. In relevant part, section 7(2) of the CLCPA requires that a State agency, in considering and issuing permits, licenses, and other administrative approvals and decisions, consider whether such decisions are inconsistent with or will interfere with the attainment of statewide greenhouse gas emissions limits and, if so, provide justification for why such limits/criteria may not be met, and identify alternatives or mitigation measures to be required where a project is located. Section 7(3) of the CLCPA requires that a State agency not disproportionately burden disadvantaged communities.

<sup>6</sup> See, e.g., Cases 22-E-0317 et al., New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation - Rates, Order Adopting Joint Proposal (issued October 12, 2023), p. 55.

Based on the foregoing, Petitioner argues that it meets all the requirements for the grant of a CPCN.

State Environmental Quality Review

According to the Petition, in September 2018, FSMC provided SUNY Poly with a completed Part 1 of the New York State Short Environmental Assessment Form (SEAF), pursuant to the State Environmental Quality Review Act (SEQRA), for the Project.<sup>7</sup> SUNY Poly conducted an uncoordinated SEQRA review and “determined that the construction of the Substation, Duct Bank and Feeder Line project does not constitute an action that will result in any significant adverse environmental impacts.”<sup>8</sup> The Petition further states that the New York State Department of Environmental Conservation (NYSDEC) issued General Permit No. GP-O-15-002 for stormwater discharges from construction activity related to the Project. In light of SUNY Poly’s environmental review of the Project and its finding of no significant environmental impact, Petitioner argues that the Electric Line will not have a significant adverse impact on the environment, and a negative declaration here is appropriate.

Lightened Regulation

FSMC states that, under PSL §66(13), a business furnishing electric utility service may be exempted from filing and record-keeping requirements where the electric service provided is incidental in character to the business’ primary non-utility purposes. FSMC notes that it is a New York not-for-profit economic development entity whose mission is to “help

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<sup>7</sup> According to the Petition, the Substation is located within the footprint of the Campus, and the full build-out of the Campus was the focus of a previously completed coordinated SEQRA review, which culminated in the issuance of SEQRA Findings by the Town as SEQRA Lead Agency.

<sup>8</sup> A copy of SUNY Poly’s SEQRA Determination is included as Exhibit F to the Petition (filed December 1, 2025).

facilitate research and economic development activities related to the research and educational mission of [SUNY],” particularly at the Campus, and not the ownership of electric plant and/or provision of electric service. FSMC also states that its revenues are earned primarily through the provision of grants from the State of New York, not through the provision of utility services.

Even if the Commission holds that the electric service to be provided is not incidental to FSMC’s primary purpose, Petitioner asserts that it should be afforded a lightened regulatory regime. Petitioner states that detailed regulatory oversight of the contracts FSMC will enter into with Campus occupants is unnecessary because they will be sophisticated business customers that can avail themselves of competitive alternatives by selecting another site. Petitioner also states that it is motivated to offer electric service at a competitive price in order to attract and retain businesses to the Campus and fulfill its economic development mission.

Regarding applicable provisions of the PSL, Petitioner argues that the lightened regulatory regime that should be applied to FSMC’s electric operations within the Park should be limited to: (1) PSL §§11, 19, 24, 25 and 26 (to prevent the taking of “actions that are contrary to the public interest”); (2) Article 4 generally, namely, PSL §§66(6), 68, 69, 69-a, and 70; and (3) PSL §119-b (pertaining to the protection of underground facilities). Petitioner states that it would also remain subject to the PSL with respect to matters such as enforcement, investigation, safety, reliability, and system improvement. Petitioner further asserts that, consistent with prior Commission precedent, most of the provisions of PSL Article 6 should not apply FSMC because it will furnish electric

service on a competitive basis to sophisticated business customers that can avail themselves of competitive options.

Commercial Submetering

FSMC states that it intends to submeter the electricity delivered to the Substation to existing or future commercial tenants at the Quad C Building or other existing or future structures at Campus. FSMC requests Commission confirmation that, consistent with existing precedent, no additional Commission approval is required. If the Commission holds that approval is required, FSMC requests that submetering approval be granted.

PUBLIC NOTICE AND HEARING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking concerning the request for lightened regulation (Notice) was published in the State Register on December 31, 2025 [SAPA No. 25-E-0748SP1]. The time for submission of comments pursuant to the Notice expired on March 2, 2026. The Griffiss Institute and Mohawk Valley EDGE submitted comments in support of the Petition, both asserting that the Project will ensure the delivery of enhanced power quality and reliability to the Campus, and will further New York State's economic development goals.

On March 3, 2026, SUNY Poly submitted comments on the Petition. SUNY Poly highlights the positive effects that the Project will have on campus power quality and reliability, while also expressly highlighting that, in FSMC's March 2, 2026 supplemental filing, it clarified that "existing or future tenants" means existing or future tenants of FSMC at the Site, and that absent an agreement with FSMC, nothing in the Petition would commit SUNY or any other non-FSMC occupant at the Site to obtain electric service through the Project.

On April 7, 2026, the Secretary to the Commission (Secretary) issued a Notice Requesting Comments and Announcing Virtual Public Statement Hearing and Procedural Conference (Secretary's Notice). A virtual public statement hearing was held before Administrative Law Judge (ALJ) Anthony Belsito via WebEx on April 30, 2026. No statements were received from members of the public in response to the Secretary's Notice. Immediately following the public statement hearing, a virtual procedural conference was conducted before ALJ Belsito to determine if an evidentiary hearing was required. Thereafter, a Ruling on Process was issued on May 4, 2026, finding that an evidentiary hearing is not required.

#### LEGAL AUTHORITY

PSL §68 prohibits an electric corporation from constructing electric plant, or from exercising any right or privilege under any franchise, until it receives the Commission's approval in a CPCN. Before a CPCN can be issued, a Petitioner must provide a certified copy of the charter of the corporation, together with verified statements of the president and secretary of the corporation, showing that it has received the required consent of the proper municipal authorities. The Commission has the power to grant a CPCN whenever it, after due hearing, determines that such construction or exercise of the right, privilege, or franchise is convenient and necessary for the public service. In considering whether to grant a CPCN, the Commission "shall consider the economic feasibility of the corporation, the corporation's ability to finance improvements of ... electric plant, render safe, adequate and reliable

service, and provide just and reasonable rates, and whether issuance of a certificate is in the public interest.”<sup>9</sup>

The PSL grants the Commission broad authority to regulate corporations that own, operate, and/or manage electric plant, which is broadly defined by PSL §2(12). The regulation of electric corporations has been adapted over time to accommodate the development of competitive wholesale markets and lightened ratemaking regulation policies. The Commission has determined that lightly regulated entities may be exempt from certain PSL provisions that pertain to retail service because they do not serve captive utility customers.<sup>10</sup>

#### DISCUSSION

##### State Environmental Quality Review

Under SEQRA, the Commission must determine whether the actions it is authorized to approve may have a significant adverse impact on the environment. The proposed action over which the Commission has jurisdiction is the grant of a CPCN to construct and operate the Project in the Town. The proposed action does not meet the definition of Type 1 or Type 2 actions listed in 6 NYCRR §§617.4 and 617.5, and 16 NYCRR §7.2, so it is classified as an “unlisted” action requiring SEQRA review.

In September 2018, FSMC submitted to SUNY Poly a prepared SEAF Part 1 regarding the proposed Project. On September 27, 2018, SUNY Poly issued a determination finding that the proposed Project will not result in any significant adverse environmental impacts.<sup>11</sup> Because SUNY Poly’s SEQRA

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<sup>9</sup> PSL §68.

<sup>10</sup> See, e.g., Case 16-E-0409, Indeck Corinth Limited Partnership, Order Providing for Lightened regulation (issued December 21, 2016), pp. 3-4.

<sup>11</sup> See Petition, Exhibit F (filed December 1, 2025).

review for the Project was an uncoordinated review, the Commission may, pursuant to 6 NYCRR §617.6(b)(4), conduct its own uncoordinated environmental review as if it were the only involved agency, and make its own determination as to whether its proposed action may have a significant adverse impact on the environment.

SEQRA requires applicants to submit a complete environmental assessment form describing and disclosing the likely impacts of the actions they propose.<sup>12</sup> As noted above, Petitioner previously submitted a completed SEAF Part 1 to SUNY Poly as part of its 2018 SEQRA review. For purposes of this instant SEQRA review, the Commission will treat that completed SEAF Part 1 as substantially complying with the requirement of 6 NYCRR §617(6).

After reviewing the Petition and supporting information, the Commission concludes, based on the criteria for determining significance listed in 6 NYCRR §617.7(c), that the grant of a CPCN in this instance will not have an adverse impact on the environment. As discussed above, in its 2018 review, SUNY Poly found that the construction of the Substation and Electric Line would not result in any significant adverse environmental impacts. Specifically, SUNY Poly found, inter alia, that: (1) site-specific measures would minimize impacts on and from stormwater runoff, erosion, and sedimentation; (2) the Project's visual impacts and impacts to water bodies are not significant; (3) the Project would not significantly impact endangered or threatened species; and (4) impacts to historic places and archeological sensitive areas will not be significant. The Commission agrees with these findings given that the information provided as part of that review process is

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<sup>12</sup> 6 NYCRR §617.6(a)(3).

equally compelling with respect to the Commission's current environmental review of the Project, insofar that the grant of a CPCN will not create new environmental impacts beyond the temporary construction-related impacts already reviewed by SUNY Poly. Issuance by NYSDEC of a permit for stormwater discharges from construction activity related to the Project further supports a finding here that the grant of a CPCN will not result in adverse environmental impacts.

Based on all the foregoing, the Commission determines that the proposed action here will not have a significant adverse impact on the environment and adopts a negative declaration pursuant to SEQRA. Because no adverse environmental impacts were found, no public notice requesting comments is required or will be issued and no coordinated review was undertaken. A Notice of Determination of Significance concerning the unlisted action is attached. Department of Public Service staff has completed SEAF Parts 2 and 3, and the completed SEAF will be retained in our files.

Public Convenience and Necessity

PSL §68 requires an electric corporation to obtain a CPCN prior to the construction and operation of electric plant, which is broadly defined under the PSL and encompasses the Project.<sup>13</sup> The Commission may grant a CPCN to an electric corporation after due hearing and upon a determination that construction of the electric plant is necessary and convenient for the public service. In this regard, the Commission's rules establish pertinent evidentiary requirements for a CPCN application.<sup>14</sup> They require a description of the plant to be constructed, the manner in which the costs of the plant would be

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<sup>13</sup> PSL §2(12).

<sup>14</sup> 16 NYCRR §21.1 et al.

financed, evidence that the proposed plant is in the public interest and is economically feasible, and proof that the applicant is able to finance the project and render adequate service at just and reasonable rates. In addition, a petitioner must certify that it is authorized to operate in New York and document that it has obtained all necessary municipal consents.

Similar to the circumstances discussed in the G-P Order, however, FSMC's failure to seek PSL §68 certification until well after it commenced construction exposed it to the unnecessary risks that it could have been required to cease further activities or to satisfy additional conditions more readily implemented prior to commencement of the service rather than afterwards.<sup>15</sup> Moreover, while certification has been granted retroactively in the past, it is at our discretion to do so, when and if the certification is in the public interest. Entities that commence utility construction or service prematurely are reminded that we have the authority to impose penalties in the event of a knowing failure to obey or comply with the PSL. Notwithstanding, we find that certification is warranted in this case.

In accordance with the procedural requirements under PSL §68, an opportunity for "due hearing" was provided at the public statement hearing held on April 30, 2026. ALJ Belsito concluded in his Ruling on Process that no information has been presented in this case to indicate that an evidentiary hearing is warranted. Having reviewed the information filed throughout this proceeding, the Commission agrees with ALJ Belsito that there are no issues of material fact in dispute here that would

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<sup>15</sup> Case 09-S-0315, Georgia-Pacific Consumer Operations, LLC, Order Granting Certificate of Public Convenience and Necessity and Providing For Lightened and Incidental Regulation (issued June 19, 2009) (G-P Order).

merit an evidentiary hearing. Accordingly, the Commission finds that the statutory requirement for due hearing under PSL §68 is satisfied.

In accordance with the filing requirements of PSL §68, Petitioner provided: (1) its certificate of formation and good standing issued by the New York State Department of State, demonstrating that it is authorized to do business in New York; and (2) verified statements from its corporate president and secretary, verifying that FSMC has secured all municipal consents required by law for the construction and operation of the Project. To further support its Petition, FSMC provided a copy of the Approval issued on October 18, 2018, by the Marcy Town Board, as well as a grading permit issued by the Town of Marcy and an excavation permit issued by Oneida County for work within the public right-of-way.

With respect to the statutory findings required for our grant of a CPCN, the Commission finds that the Petition and the record developed in this proceeding provide sufficient information to make the necessary findings. FSMC has provided thorough information describing the Project, the various design aspects of which are described above and included in the record. FSMC has also demonstrated that its exercise of rights, privileges, or franchises under a CPCN is economically feasible, and that it will have the ability to finance improvements. Notably, FSMC currently manages various facilities at the Campus, including, but not limited to, the parcel on which the Quad C Building is located, and has a demonstrated history of providing such facility-related services to SUNY.

The Commission also notes that all comments received, including from SUNY Poly itself, indicated support for the Project. The Commission further notes that Project construction was funded by the State of New York through various grants, and

such construction of the Substation and the Electric Line are already largely completed, with the final step (i.e., metering, energizing the transformers, and finalizing the connection of the energized line to the Quad C Building) expected to be completed upon receipt of a CPCN. Regarding income to support the Project, the rates that National Grid will charge FSMC for electric service will be determined pursuant to National Grid's applicable tariffs, as approved by the Commission, and FSMC will subsequently submeter that electricity to commercial tenants at the Quad C Building or other existing or future structures at the Campus. All of these facts support a finding that Petitioner has adequately demonstrated its ability finance, develop, construct, and operate the Project.

The Petition articulates the basis by which the Project would provide safe, adequate, and reliable service. Notably, the very purpose of the Project is to provide enhanced power quality and reliability to the Site, in order to retain existing tenants and continue to attract additional entities to the Campus. The record demonstrates that the Substation is located within the footprint of the Campus, and the Electric Line is specifically designed to terminate at the Quad C Building and provide a reliable source of power to that commercial property. Construction of the Electric Line, and its interconnection at National Grid's Porter-Terminal LN6, was completed based on accepted industry standards. Based on consultations with Department of Public Service staff, the Commission finds that the technical specifications associated with such construction do not raise any safety or reliability concerns.

With respect to the PSL §68 requirement that the Commission consider a corporation's ability to provide just and reasonable rates, FSMC plans to purchase electricity from

National Grid, and then subsequently submeter that electricity to existing or future commercial tenants. As noted above, the rates to be charged by National Grid for electric service to the Site are established pursuant to the utility's applicable tariffs as approved by the Commission. To the extent that FSMC plans to submeter that electricity to existing or future commercial tenants, the rates for such service will be determined by FSMC and its tenants pursuant to arms-length negotiations between such entities. Because FSMC's tenants will likely be sophisticated commercial entities that can protect their financial interests and, if necessary, avail themselves of reasonable alternatives (e.g., by choosing to locate their businesses elsewhere), the Commission finds that just and reasonable rates will be ensured.

The Commission further finds that granting FSMC a CPCN is in the public interest because it will provide positive local economic impacts and serve a SUNY facility that currently does not have adequate service to meet its needs.

The Commission finds that granting a CPCN in this case is not inconsistent with the requirements of the CLCPA. The Commission is satisfied that, based on the record, the Project in and of itself would not result in an increase in statewide greenhouse gas emissions beyond the status quo, insofar that the Quad C Building currently receives grid power from National Grid, and FSMC will purchase said grid power from National Grid and then deliver it to the Quad C Building through the Project once it commences operations. Conversely, the Project would help improve power quality and reliability, and promote economic development, at the Site. Based on these facts, the Commission finds that the grant of a CPCN is not inconsistent with and would not interfere with the attainment of statewide greenhouse gas emissions limits, as required by CLCPA §7(2). The

Commission also finds that the requirements of CLCPA §7(3) are satisfied, insofar that the Project is not located in or adjacent to a disadvantaged community and therefore would not disproportionately burden any such community.

Given the foregoing considerations, the Commission finds that Petitioner has satisfied all the requirements for the grant of a CPCN. Accordingly, the Commission grants a CPCN to FSMC, pursuant to PSL §68, to construct and operate the Project.<sup>16</sup> FSMC is advised that it will be required to demonstrate compliance with PSL §68(1) and to obtain a CPCN in relation to the construction or operation of any additional electric plant.

#### Lightened Ratemaking Regulation

FSMC requests that a lightened regulatory regime be applied to its wholesale electric operations similar to that granted to other owners of facilities that operate in competitive markets. That request is granted, to the extent discussed below.

In interpreting the PSL, the Commission has examined what reading best carries out the statutory intent and advances the public interest. The Commission thus concluded previously that new forms of electric service providers participating in

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<sup>16</sup> The Commission's determination here does not presuppose any action that any other regulatory authority may take regarding the Project, and the Commission expressly reminds Petitioner that this grant of a CPCN does not relieve Petitioner of its obligation to obtain all other federal, state, and local permits and approvals that Petitioner may need to construct and operate the Project.

competitive wholesale markets would be lightly regulated.<sup>17</sup> Under this approach, PSL Article 1 applies to FSMC because it meets the definition of an electric corporation under PSL §2(13) and will be engaged in the sale and distribution of electricity under PSL §5(1)(b). It is therefore subject to provisions, such as PSL §§11, 19, 24, 25, and 26, that prevent producers of electricity from taking actions that are contrary to the public interest.

PSL Article 2 is restricted by its terms to the provision of service to retail residential customers, and so is inapplicable to operators like FSMC that provide electric service strictly to commercial tenants. Certain provisions of Article 4 are also inapplicable because they are restricted to retail service. These inapplicable provisions include PSL §66(12) (optional tariff filings), §66(21) (retail electric corporation storm plans), §67 (inspection of increased fuel cost), §75 (excessive charges), and §76 (rates charged to religious bodies).

In the Carr Street and Wallkill Orders, the Commission determined that other provisions of Article 4, including but not limited to the provisions of PSL §§68, 69, and 70, would apply to entities engaged in wholesale markets. Application of these provisions was deemed necessary to protect the public interest. However, these Article 4 provisions have also been implemented in prior lightened regulation orders in a fashion that limits their impact in a competitive environment. The Commission has done so to ensure that the scrutiny given such transactions is

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<sup>17</sup> Case 98-E-1680, Carr Street Generation Station, L.P., Order Providing for Lightened Regulation (issued April 23, 1999) (Carr Street Order); Case 91-E-0350, Wallkill Generating Company, Order Establishing Regulatory Regime (issued April 11, 1994) (Wallkill Order).

commensurate with the level required, in the Commission's judgment, by the public interest. For example, under PSL §66(6), competitive providers of utility services subject to lightened ratemaking regulation satisfy annual report filing requirements through a format designed to accommodate their particular circumstances.<sup>18</sup> Similarly, the scrutiny for approval of financing plans under PSL §69 may be reduced for lightly regulated companies operating in a competitive environment, and upstream transfers of ownership in lightly regulated companies are reviewed under PSL §70 using the presumption established in the Wallkill Order. This analysis of Article 4 applies to FSMC.

Regarding PSL Article 6, several of its provisions adhere to the rendition of retail service, and do not pertain to FSMC as it will not engage in retail sales, but instead plans to submeter electricity purchased from National Grid to commercial tenants.<sup>19</sup> Application of PSL §115, regarding requirements for the competitive bidding of utility purchases, is discretionary and will not be imposed on wholesale service providers. In contrast, PSL §119-b, regarding the protection of underground facilities from damage by excavators, adheres to all persons, including operators like FSMC.

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<sup>18</sup> See Case 11-M-0294, Annual Reporting Requirements, Order Adopting Annual Reporting Requirements Under Lightened Ratemaking Regulation (issued January 23, 2013).

<sup>19</sup> See, e.g., PSL §112 (rate order enforcement); §113 (reparations and refunds); §114 (temporary rates); §114-a (lobbying costs in rates); §117 (consumer deposits); §118 (bill payments via an agency); §119-a (use of utility poles and conduits); and §119-d (tax benefits in rates).

The remaining provisions of PSL Article 6 need not be imposed generally on entities like FSMC.<sup>20</sup> These provisions were intended to prevent financial manipulation or unwise financial decisions that could adversely impact rates charged by monopoly providers. Here, FSMC will take electric service from National Grid pursuant to the utility's applicable tariffs that are subject to Commission approval, and then submeter that electricity to its tenants. FSMC's tenants are (and will be) sophisticated commercial entities capable of protecting their financial interests through arms-length negotiations.

Notwithstanding the above, as discussed in the Carr Street Order, in the event market power issues arise, they may be addressed under PSL §110(1) and (2), which afford the Commission jurisdiction over affiliated interests. The record does not indicate that FSMC's ownership and operation of the Project would pose the potential for the exercise of market power. As such, the Commission imposes the requirements of PSL §110(1) and (2) on FSMC only conditionally, to the extent a future inquiry into its relationships with an affiliate becomes necessary.

FSMC is reminded that, notwithstanding that it is lightly regulated, FSMC and/or any other entities that exercise control over Project operations remain subject to the PSL with respect to matters such as annual reporting,<sup>21</sup> enforcement,

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<sup>20</sup> These requirements include approval of loans under PSL §106; the use of utility revenues for non-utility purposes under §107; corporate merger and dissolution certificates under §108; contracts between affiliated interests under §110(3); and water, gas, and electric purchase contracts under §110(4).

<sup>21</sup> Pursuant to the Order Adopting Annual Reporting Requirements Under Lightened Ratemaking Regulation issued January 23, 2013, in Case 11-M-0294, the owners of lightly regulated entities are required to file Annual Reports.

investigation, safety, reliability, and system improvement, and the other requirements of PSL Articles 1 and 4, as with other transmission line operators that have been afforded a lightened regulatory regime.<sup>22</sup> These requirements include obligations to conduct tests for stray voltage on all publicly accessible electric facilities,<sup>23</sup> and report personal injury accidents pursuant to 16 NYCRR Part 125. These conditions further ensure FSMC will render safe, adequate, and reliable service.

#### Commercial Submetering

In its Submetering Deregulation Order, the Commission decided, inter alia, that conversions from master-metering to commercial electric submetering, and commercial electric submetering in new construction, may proceed without Commission authorization in all service territories in New York State.<sup>24</sup> FSMC clarified in its March 2, 2026 supplemental filing that the Project is intended to provide electricity to FSMC's existing or future tenants at the Site. In the Commission's understanding, National Grid currently provides electric service on a temporary basis to the Quad C Building via a National Grid master meter. Following receipt of a CPCN, FSMC will purchase electricity from National Grid and then submeter that electricity to its commercial and industrial tenants, including the current tenant in the Quad C Building.

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<sup>22</sup> See, e.g., Case 16-E-0409, Indeck Corinth Limited Partnership, Order Providing for Lightened Regulation (issued December 21, 2016).

<sup>23</sup> Case 04-M-0519, Safety of Electric Transmission and Distribution Systems, Order Instituting Safety Standards (issued January 5, 2005), and Order on Petitions for Rehearing and Waiver (issued July 21, 2005).

<sup>24</sup> Case 12-E-0381, Deregulating Commercial Submetering, Order Authorizing Commercial Submetering and Requiring Rate Cap Bill Calculator (issued February 20, 2013) (Submetering Deregulation Order).

The electric redistribution practices described in the Petition fall within the ambit of those arrangements that do not require approval pursuant to the Submetering Deregulation Order. Accordingly, the Commission confirms that no further action is needed regarding FSMC's submetering plans to the extent described in the Petition. FSMC is reminded that conversions from direct metering to submetering in commercial premises, or electric submetering to residential customers, will continue to require Commission review and approval.

#### CONCLUSION

Having held the hearing required by PSL §68(1) on April 30, 2026, the Commission finds that FSMC has demonstrated its financial viability and readiness to construct and operate the Project, ability to render safe and adequate service, and ability to provide just and reasonable rates, and that the issuance of a CPCN to FSMC is in the public interest. Accordingly, the Commission hereby grants a CPCN to FSMC to construct and operate the Project. The Commission also grants FSMC's request for a lightened regulatory regime, and confirms that FSMC's plans to submeter commercial premises like the Quad C Building and other existing or future structures at the Campus, as described in the Petition, may proceed without prior Commission authorization.

#### The Commission orders:

1. A Certificate of Public Convenience and Necessity is granted to Fort Schuyler Management Corporation pursuant to Public Service Law §68, as discussed in the body of this Order.
2. Fort Schuyler Management Corporation shall comply with the Public Service Law in conformance with the requirements set forth in the body of this Order.

3. Fort Schuyler Management Corporation shall obtain all necessary federal, state, and local permits and approvals, as applicable, and shall implement appropriate mitigation measures defined in such permits or approvals.

4. Fort Schuyler Management Corporation shall, within 30 days of the issuance of this Order, file with the Secretary a verified written statement signed by a duly authorized officer indicating Fort Schuyler Management Corporation's complete and unconditional acceptance of this Order and its terms and conditions. Failure to comply with this condition shall invalidate this Order.

5. Fort Schuyler Management Corporation shall ensure that the authorized electric plant may be inspected by authorized representatives of Department of Public Service staff pursuant to §66(8) of the Public Service Law.

6. Fort Schuyler Management Corporation shall file with the Secretary, within three days after commencement of commercial operation of the electric plant, a written notice thereof.

7. In the Secretary's sole discretion, the deadlines set forth in this Order may be extended. Any requests for an extension must be in writing, must include a justification for the extension, and must be filed at least three days prior to the affected deadline.

8. These proceedings shall be closed upon compliance with Ordering Clauses 4 and 6.

By the Commission,

(SIGNED)

MICHELLE L. PHILLIPS  
Secretary

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

CASE 25-E-0748 - Petition of Fort Schuyler Management Corporation for an Order Granting a Certificate of Public Convenience and Necessity and Establishing a Lightened Regulatory Regime.

NOTICE OF DETERMINATION OF SIGNIFICANCE  
(NEGATIVE DECLARATION)

NOTICE is hereby given that an Environmental Impact Statement will not be prepared in connection with the grant by the Public Service Commission (Commission) of a Certificate of Public Convenience and Necessity (CPCN) for the construction and operation of a substation and 13.2 kilovolt electric transmission line in the Town of Marcy, Oneida County, New York (the Project), in accordance with Article VIII of the Environmental Conservation Law. The grant of a CPCN in this case constitutes an "unlisted" action, as is defined in 6 NYCRR §617.2(a1).

Based on the Commission's review of the record, it finds that the construction and operation of the Project will not have a significant adverse impact on the environment, under the criteria set forth in 6 NYCRR §617.7. The Commission notes that an uncoordinated environmental review of the Project was previously conducted in 2018 by the State University of New York Polytechnic Institute (SUNY Poly), and SUNY Poly issued a determination on September 27, 2018, finding that the proposed Project will not result in any significant adverse environmental impacts. Nothing on the record indicates that a different finding is warranted here or that the impacts, which will be temporary and involve construction-related activities, will be significant. The Commission further notes that construction of

the Project has largely been completed, and in accordance with a General Permit issued by the New York State Department of Environmental Conservation. The Project is located on the SUNY Poly campus in Marcy, New York, and is intended to provide reliable electric service to existing commercial customers located at the site. The record further demonstrates that, as proposed, the Project will not result in an increase in greenhouse gas emissions.

The address of the Commission, the Lead Agency for the purposes of the environmental quality review of the Project, is Three Empire State Plaza, Albany, New York 12223-1350. Questions may be directed to Justin Fung at (518) 473-4953 or at the address above.

MICHELLE L. PHILLIPS  
Secretary