



NYSERDA

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New York Advances Framework to Implement the State's Climate Law and Decarbonize its Power Sector

Amid the Ongoing COVID-19 Pandemic, State Proposes Comprehensive Strategy to Accelerate Renewable Energy, Create Thousands of Clean Energy Jobs, Advance Environmental Justice, Ensure Energy Affordability, Reduce Carbon Emissions to Combat Climate Change and Jumpstart the Reopening of New York's Economy

Makes Additional Progress Toward Governor Cuomo's Nation-Leading Clean Energy and Climate Goals, Including Securing 70 Percent of State's Electricity from Renewable Sources by 2030

Today the New York State Department of Public Service (DPS) and the New York State Energy Research and Development Authority (NYSERDA) advanced a White Paper, on which stakeholders and members of the public are invited to comment, that introduces an expanded Clean Energy Standard (CES), re-focusing New York's existing and relevant regulatory and procurement structures on meeting the critical goal of meeting 70 percent renewable electricity by 2030 and setting the State on a rapid and irreversible path to achieve a carbon free power sector by 2040 in order to align with the goals laid out in New York's nation-leading Climate Leadership and Community Protection Act. The expanded CES will accelerate renewable energy development in New York, building on historic efforts to expand the state's onshore and offshore renewables capacity; create thousands of good-paying clean energy jobs for New Yorkers; advance environmental justice, focusing on communities and workers that have been historically neglected in and actively disadvantaged by energy policy planning; and reduce emissions to combat climate change.

"Governor Cuomo's visionary climate and energy legislation requires us to build smart, economic renewable energy at greater scale and at a much faster pace so as to deliver the just, clean, resilient and affordable energy system that New Yorkers need," **said Department of Public Service CEO John B. Rhodes.** "This comprehensive and ambitious proposal delivers on that and will enable New York to continue to lead on climate change to grow New York's clean-energy economy."

“The responsible and cost-effective advancement of renewable energy is a critical part of Governor Cuomo’s nation-leading strategy to combat climate change and deliver clean, affordable energy to all New Yorkers,” **said NYSERDA President and CEO Alicia Barton.** “By detailing a path forward, the State is providing the market certainty needed to bring new projects forward and stimulate much-needed private investment and job creation as we continue to align the achievement of the state’s climate goals with the state’s economic recovery efforts.”

The economy-wide decarbonization called for by Governor Cuomo – and codified in the CLCPA – requires that New York harness a power generation sector that no longer emits greenhouse gases and provides electricity for a greater proportion of the overall economy. Both strategies, decarbonization of the generation sector and electrification of other sectors – all while ensuring greater deployment of energy efficiency – need to be carried out collectively and cost-effectively to achieve the state’s ambitious goals. Today’s action is an important first step in implementing the CLCPA requirement that the New York State Public Service Commission (Commission) establish a program for the procurement of large-scale renewable energy sources, such as land-based wind and solar and offshore wind, to meet the state’s nation-leading goals, including nine gigawatts of offshore wind by 2035.

New York’s proposed CES is designed to fight climate change, reduce harmful air pollution, and ensure a diverse and reliable low carbon energy supply. By focusing on low carbon energy sources, the CES will bring investment, economic development, and jobs to New York State. While the clean energy industry has recently experienced significant job loss as result of the COVID-19 public health crisis, achieving the CLCPA goals is expected to result in significant investment and job growth throughout the renewable energy supply chain and will be critical part of New York’s overarching strategy to build back better.

The State’s new investments will result in well-paying jobs for New Yorkers and help to align the imperative of the climate crisis with the new urgency of the economic recovery efforts across New York. NYSERDA has made a \$70 million commitment to fund clean energy workforce development programs aimed at upskilling existing clean energy workers, offering training to displaced workers from traditional energy sectors, and to provide on-the-job training and internship opportunities, with a focus on priority populations including veterans, low-income individuals, unemployed power plant workers and previously incarcerated individuals, among others.

The White Paper released today will be made available for a 60-day public review and comment period, upon which the Commission will act on the recommendations included in the White Paper and make a final determination on program design and implementation.

Specifically, the White Paper:

- Proposes to implement key provisions in the CLCPA related to securing 70 percent renewable energy by 2030, including defining renewable energy technology eligibility and the amount of renewable energy needed to meet New York’s goal.
- Identifies annual procurement targets for the Tier 1 large-scale renewable energy program adopted under the CES and recommends changes to the existing procurement process;
- Proposes procurement targets for offshore wind renewable energy credits intended to meet the requirement of securing nine gigawatts of offshore wind by 2035;
- Proposes the creation of a Tier 4 large-scale renewable program under the CES to specifically value environmental attributes associated with renewable energy deliveries into New York City;
- Proposes a methodology for extending Tier 1 renewable energy eligibility to renewable energy facilities that undergo repowering;

- Invites comment on whether, and the extent to which, baseline generation from NYPA's hydroelectric resources should be used by NYPA as a self-supply option under NYSERDA's proposed Competitive Tier 2 program; and
- Addresses the actions already taken, and those that will be taken, to ensure that disadvantaged communities realize the maximum number of benefits from achieving the goals of the CLCPA.

As part of this filing, NYSERDA and DPS conducted an analysis of the costs and benefits of the incremental Tier 1 large-scale renewable energy and offshore wind procurements. Together, taking in account the value of avoided carbon emissions, these procurements are expected to deliver a combined \$17.3 billion in net benefits over the 20- to 25-year life of the projects, and the associated improvements in local air quality and public health from anticipated reductions in pollutants such as Sulphur Oxide (SOx), Nitrogen Oxide (NOx) and Particulate Matter 2.5 (PM 2.5) only increase this benefit.

Additionally, as directed by the CLCPA, today's filing advances tangible approaches to ensure that the State's renewable energy programs provide substantial benefits for disadvantaged communities, including low to moderate income customers. The steps being undertaken under the Clean Energy Standard and those proposed in the comprehensive strategy filed today will markedly reduce fossil fuel-fired generation and air pollution in the state, including the downstate region clean energy can provide significant health benefits to disadvantaged communities. New York State's clean energy strategy has and will continue to take steps to ensure that these new investments result in jobs for New Yorkers that provide family-sustaining wages and benefits. In addition, NYSERDA has prioritized community engagement and benefits to disadvantaged communities into both its land-based and offshore wind selection processes to ensure that clean energy benefits all New Yorkers.

This filing also builds on the State's actions to more quickly advance development of large renewable energy projects, markedly decreasing fossil-fuel generation and reducing the need for peaker plants in the downstate region. The state's Accelerated Renewable Energy Growth and Community Benefit Act, which was part of this year's final enacted State budget, creates a first in the nation Office of Renewable Energy Siting to improve and streamline the process for environmentally responsible and cost-effective siting of large-scale renewable energy projects across New York while delivering benefits to local communities. The Act also creates a Clean Energy Resources Development and Incentives Program through which NYSERDA will work with local communities to rapidly advance new "Build-Ready" projects and includes critical provisions that will help deliver clean electricity to New Yorkers upstate and downstate by prioritizing necessary upgrades to the power grid.

Today's whitepaper may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 15-E-0302 in the input box labeled "Search for Case/Matter Number". Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.