March 20, 2019

Governor Andrew Cuomo
New York State Capitol
Albany, NY 12224

Senator Todd Kaminsky
307 LOB
Albany, NY 12247

Assemblyman Steve Englebright
621 LOB
Albany, NY 12248

Dear Governor Cuomo, Senator Kaminsky, and Assemblyman Englebright:

We write to thank you for your leadership on combating climate change and commend you for making this a priority during the 2019 legislative session.

Climate change is the biggest global challenge we face and in order to avoid saddling future generations with its deleterious effects, we must act now. It is heartening to see that both the FY 2019-20 Executive Budget (Climate Leadership Act) and the Climate Community and Protection Act (CCPA) face this global crisis head on.

We agree with the underlying assumptions of your proposals that climate change warrants an economy-wide approach that focuses on greenhouse gas reduction targets from all sectors, including electricity, transportation, and heating. For the purposes of this letter, however, we focus on the components necessary to build a robust renewable electricity industry in New York to help us reach our clean energy and greenhouse gas emission goals.

To make any real and meaningful progress toward mitigating the impacts of climate change, there needs to be a plan in place to build more renewable energy projects, and soon. The strongest legislation on climate change is a bill that codifies an ambitious renewable electricity mandate; specifically directs the State how and when to implement that mandate; and includes policies that help projects – like wind and solar – get built and begin to start generating pollution-free power in the near-term. New York is currently the only state in the country with a renewable electricity mandate that is not established in statute.

We respectfully request that you consider including the following elements in any final climate change legislation:

1. **Codify the Executive Budget recommendation of 70% renewable electricity by 2030.** The current Clean Energy Standard (CES) set an ambitious goal of 50% renewable electricity by 2030. We recommend codifying the 70% mandate included in the Governor’s Climate Leadership Act, along with interim annual obligations for electricity suppliers to achieve this requirement. Also, to facilitate this obligation, the New York State Energy Research & Development Authority (NYSERDA) should be required to procure a certain amount of renewable energy credits (RECs) annually. To this end, it is critical that the NYS Public Service Commission be directed to place annual renewable energy purchase obligations on electricity suppliers out to 2030.

2. **Require utilities to sign Power Purchase Agreements (PPAs).** By requiring utilities to enter into PPAs, the CES would be strengthened, and according to the NYS Department of Public Service Cost Study of the CES, PPAs would reduce ratepayer costs in meeting the state’s renewable goals. With a statutory PPA requirement, utilities would purchase a small percentage of the renewable electricity
they supply through long-term contracts, which includes the renewable attributes of clean electricity. This action would complement the NYSERDA procurement program.

3. **Use the original Renewable Portfolio Standard (RPS) definition for renewables.** To achieve ambitious clean energy goals, it is necessary to provide opportunities for all clean and renewable energy technologies that greatly reduce greenhouse gas emissions – including technologies such as non-combustion fuel cells and sustainable biomass. New York State’s original RPS contained an inclusive definition of renewables, which was carried over into the current CES. Moving to exclude some forms of renewable generators from any statutory requirements would be counterproductive, and we encourage you to use the established CES definition of renewables going forward.

4. **Codify New York’s commitment to offshore wind.** New York should be the epicenter of the nascent U.S. offshore wind industry. To ensure that New York realizes the multiple climate benefits, the thousands of jobs, and the billions of dollars in investment related to offshore wind development, we urge you to codify the 9,000 MW by 2035 goal.

5. **Double down on distributed solar.** The successful NY-Sun Program is on target to achieve 3,000 MW of distributed solar by 2023. We encourage you to raise the bar and establish in law an even more aggressive goal of 6,000 MW by 2025 – enough to power one million homes – as proposed in the Governor’s State of the State Address and endorsed by the Million Solar Strong Campaign.

6. **Codify energy efficiency goals.** To achieve its renewable energy objectives, New York is going to need significant investment in energy efficiency. The NYS Public Service Commission recently issued an order establishing a strong statewide energy efficiency mandate – a statewide target of 185 TBtu energy reduction from the current 2025 forecast – and assigned energy efficiency targets to each of the state’s investor-owned utilities. We urge you to codify this target.

7. **Prevailing wage.** Under the CES Tier 1 procurement conducted by NYERDA, developers are required to pay prevailing wage. The same is true for the Offshore Wind Tier of the CES. ACE NY members have and will continue to support this. We ask, however, that this requirement be limited to grid-scale projects and that an exemption is provided for rooftop or community solar as well as for smaller energy efficiency projects. Work on these smaller projects is often performed by small companies and local non-profit organizations and on behalf of financially challenged entities where prevailing wage requirements may make the work prohibitive; requiring prevailing wage will discourage investment in this project type and put smaller local companies at a disadvantage.

Modern and clean renewable electricity technologies—like wind and solar power—are the most critical component of a comprehensive climate change policy. When we transition to a clean energy economy, we will reduce air pollution, create in-state jobs, keep more energy dollars in-state, use electricity more efficiently, modernize the grid and power plant fleet, and address climate change.

ACE NY appreciates your consideration of the potential legislative elements outlined above, and we hope they are included in any final climate change legislation to stimulate clean energy investment in New York. We stand ready to help you accomplish these recommendations and other aspects of the State’s evolving climate change policy.

Thank you,

Anne Reynolds, Executive Director, ACE NY