



119 Washington Avenue, Suite 103
Albany, NY 12210
518.432.1405
info@aceny.org | www.aceny.org

MEMORANDUM IN SUPPORT OF
[S.7027 \(Parker\)/A.8096 Cusick](#)
In Relation to maintaining the continued viability of the State's
existing large-scale, renewable energy resources

February 2022

The Alliance for Clean Energy New York (ACE NY) supports S.7027/A.8096 and urges its immediate passage. This bill would allow New York State to maintain its existing baseline of large-scale renewable electricity generators. This support of existing (or legacy) renewable energy facilities will help to maintain the jobs that these generators have created; encourage generators to sell their renewable energy credits (RECs) in New York rather than out-of-state; and enable achievement of the state's clean energy goals at the lowest cost to ratepayers.

In 2019, both houses of the State Legislature passed legislation to create an effective Tier 2 program requiring NYSERDA to procure RECs from all eligible existing renewable resources at a discounted rate (75%) of the current Tier 1 REC price. The proposed legislation, ultimately vetoed by the Governor, rightfully recognized that New York needs to assure that its existing renewable resources are provided with adequate price signals and financial incentives to remain in operation and to sell their renewable energy attributes in New York.

At the Governor's direction, NYSERDA created a new, competitive Tier 2¹ program to recognize the clean energy attributes the state's existing renewable resources provide. In 2020, the Public Service Commission issued an Order to NYSERDA to create a new Competitive Tier 2 Program. Regrettably, the first solicitation in 2020 resulted in two small contracts (just 14 MW, out of a total of over 1,000 MW available), and the second solicitation in 2021 resulted in no contract awards. This makes it evident the new Tier 2 program requires modifications.

Achieving the goal of 70 percent of our electrical demand from renewable sources by 2030 goal will require the building new renewables and retaining existing renewables. NY needs adequate price signals for existing projects to remain in operation, as this bill sets out.

For the above reasons, ACE NY supports this legislation. For more information contact Deb Peck Kelleher, Director of Policy Analysis & Operations, at (c) 518-698-3211. All of ACE NY's memos on legislation are available at <https://www.aceny.org/legislative-updates>.

¹ Tier 2 renewable generators are those that: (1) Have entered commercial operation prior to January 1, 2015; (2) Have had their output originally included in New York State's baseline of renewable resources as of January 1, 2015; and (3) Demonstrate that the renewable energy attributes of these resources are at financial risk.