



February 19, 2012

New York State Public Service Commission
Case 03-E-1088 Proceeding on Motion of the Commission

**Comments of EDP Renewables on the Petition for Modification of the Renewable Portfolio
Standard Main Tier Program Eligibility**

EDP Renewables (formerly Horizon Wind Energy) has been actively developing commercial scale wind farms in New York since 2001. Through the success of the NYSERDA solicitations, EDP Renewables North America (EDPR) has been able to build nearly 400 MWs of wind energy in New York—with total investment of over \$700 million. Through building these projects and others across the US, EDPR has spent over one billion dollars on New York landowners and vendors from our company’s inception through the end of 2012.

EDPR has been able to build projects in New York due to the predictable regulatory environment of the NYSERDA main tier solicitations, and due to the evaluation formula that NYSERDA had previously set that gave weight to in-state economic consideration. This has included:

1. January 2005 – First Main Tier Solicitation. EDPR was a winner in the solicitation with Iberdrola Renewables (formerly PPM Energy) for the 321 MW Maple Ridge Wind Farm.
2. March 2010 – Fifth Main Tier Solicitation. EDPR was a winner in the solicitation with 171 MWs of the Marble River Wind Farm.
2. June 2011 – Sixth Main Tier Solicitation. EDPR was a winner in the solicitation with 45 MWs of Marble River Wind Farm, allowing us to combine with the results from the previous solicitation to build the full 216 MW Marble River Wind Farm.

EDPR also owns the 11 MW Madison Wind Farm, which was built in 2001 as New York’s first utility-scale wind farm. Additionally, we have hundreds of megawatts in the New York Independent System Operator interconnection queue.

EDPR is committed to bringing additional renewable energy to New York, and is in support of NYSERDA’s request to limit eligibility to projects located in New York State.

New York has benefitted greatly from wind and other renewable energy projects having been constructed in state. These benefits include:

- 1. Economic Benefits** – In 2012 EDPR built our Marble River Wind Farm in upstate New York. EDPR is providing to NYSERDA the documentation for significant economic development impact in New York from development through the first three years of Operations. This project, as well as most of the winning projects from NYSERDA auctions over the last six years, are in rural areas of New York where economic development opportunities are otherwise limited. Our project has particularly benefitted the North Country, and through economic development from the ports to local tire companies, have



provided benefits and opportunities for New Yorkers.

While projects built out of state could still lead to some economic development, the amount will not be nearly as much as New York projects.

2. Jobs – The American Wind Energy Association has calculated the New York supply chain has led to over 1,000 New Yorkers employed in 2012 in the wind industry¹. This includes not only developers/operators such as EDPR, but also the supply chain, research and development facilities, environmental organizations, and bankers in New York City.

3. Price Suppression – The 2009 NYSEDA RPS Market Conditions Assessment Report analysis done by the third party Summit Blue estimated that for 2010, each MWh of renewable energy has the effect of lowering electricity prices by \$100/Mwh for each renewable energy Mwh produced². Compared to the \$15-\$23/REC that NYSEDA paid for each MWh of renewable energy produced due to the solicitations through 2010, this demonstrated that paying a premium for NY projects actually saved NY consumers money. While there will still be price suppression benefits from renewable energy projects out of state, they will be considerably less than what they would have been in-state.

As evidenced above, NY has gained, and continues to gain, from the development, construction, and operation of renewable energy throughout the state.

EDPR would understand the need for out of state projects to qualify if New York did not believe there was sufficient quantity of development projects in-state to ensure competition keeps prices down, however, EDPR believes there is sufficient competition in this market.

Our company alone has hundreds of MWs of development projects in the interconnection queue. The areas that we are developing wind farms have the necessary land, wind, and community support to be economically competitive; transmission is the largest constraint. These include:

Project	County	MW
Arkwright Summit Wind Farm	Chautauqua	80
Alabama Ledge Wind Farm	Genessee	80
Rolling Upland Wind Farm	Madison	60
Franklin Wind Farm	Delaware	60
Jericho Rise Wind Farm	Franklin	80

It is not just EDPR that has similar interests in New York. As evidenced by previous solicitation awards, there are many developers and technologies that are competing to ensure New York ratepayers get low cost renewable energy while still getting the in-state jobs, economic development, and price suppression benefit.

¹ American Wind Energy Association Third Quarter 2012 State Fact Sheet.
<http://www.awea.org/learnabout/publications/factsheets/upload/3Q-12-New-York.pdf>

² New York Portfolio Standard Program Evaluation Report, 2009, NYSEDA.
<http://www.nyserda.ny.gov/Page-Sections/Energy-and-Environmental-Markets/Renewable-Portfolio-Standard/~media/Files/EDPPP/Energy%20and%20Environmental%20Markets/RPS/RPS%20Documents/rps-evaluation-final.ashx>



Additionally, the National Renewable Energy Laboratory in 2010 provided estimates of Windy Land Area and Wind Energy Potential that would have capacity factors above 30% at 80 meters. For New York, this was estimated to be 25,781 MWs, and this excluded protected lands (national parks, wilderness, etc.), incompatible land use (urban, airports, wetland and water) and other considerations³. Even with proper siting setbacks, the potential for additional wind energy – the resource that has historically been awarded the bulk of the NYSERDA contracts -- is very significant; this ensures that there is enough competition in the market to protect New York ratepayers.

EDPR is committed to the state of New York, and we support the NYSERDA request to limit the awards of future NYSERDA Main Tier solicitations to the state of New York.

Please feel free to contact me with any further questions.

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³New York 80-Meter Wind Map and Wind Resource Potential.

http://www.windpoweringamerica.gov/wind_resource_maps.asp?stateab=ny