

## THE ASSEMBLY STATE OF NEW YORK ALBANY

CHAIR Committee on Energy

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July 19, 2016

Westchester County

Hon. Audrey Zibelman, Chair Public Service Commission of the State of New York Department of Public Service Three Empire State Plaza Albany, New York 12223-1350

Re: Case 15-E-0302 - Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard

Dear Chair Zibelman:

Please accept these comments for filing in the above-referenced case pursuant to the "Notice Soliciting Additional Comments" issued July 8, 2016.

The Department of Public Service ("DPS") submitted "Staff's Responsive Proposal for Preserving Zero-Emission Attributes" on July 8, 2016, which provides additional information regarding the costs and implementation of the proposed nuclear tier of the Clean Energy Standard ("CES"). Because of the unusually tight timeframe for public comment, I have enumerated my questions below and respectfully request that DPS provide answers prior to action by the Commission.

- 1. What would be the actual cost of the nuclear subsidy on an annual basis per reactor?
- 2. Staff's Responsive Proposal states that one of the benefits attributable to the Upstate nuclear plants is that they "provide on average over 2,600 well-paying jobs." What is the per job subsidy? Will there be any job retention requirements for the plants receiving a subsidy?
- 3. When evaluating utilities' rate cases following implementation of the CES, will the Commission require that the cost for the CES be charged at different rates for commercial and residential customers?
- 4. Will there be any accommodations made for low-income ratepayers?
- 5. What is the additional average monthly cost on a residential bill? What is the additional average monthly cost on a low-income customer's bill? What is the additional average monthly cost on a commercial bill?

- 6. Will the cost for the nuclear tier be evenly distributed among all ratepayers in the state, or will there be some accommodation made for ratepayers who are not served directly from the power produced?
- 7. To be completely transparent to ratepayers, did DPS consider cost recovery mechanisms other than incorporating the cost of the CES into commodity charges, such as a separate surcharge or tax approved by the legislature?
- 8. Will you please provide an explanation of how the twelve-year contract period between the nuclear plants and NYSERDA was selected? Will there be provisions for early termination by either party, for example, if a plant closes during the period of contract? What will occur at the end of the contract period? Will there be a process for renewal in the event a plant requires a subsidy to remain in operation for a longer period?
- 9. How are the subsidies for the non-nuclear tier going to be priced?
- 10. Did DPS Staff include in its analysis the proposal to develop offshore wind capacity in New York?
- 11. What effect will the Clean Energy Standard have on municipal energy aggregation/community choice aggregation programs?
- 12. What is the estimated cost of the "adder to cover NYSERDA's incremental administrative costs and fees associated with the ZEC program and ZEC revenue" described on page 9 of the Staff's Responsive Proposal? Will that cost be recoverable from ratepayers?
- 13. Will the factors to be considered for the determination of public necessity be given equal weight? Was the high cost of electricity downstate considered in the development of these criteria? Must a facility claim financial hardship in order to receive a determination of public necessity? Will there be a process to appeal the Commission's determination that a facility does not qualify? Was consideration given to the potential for litigation in the event a facility does not qualify?

Thank you for your consideration of this request.

Sincerely,

Que R. Vaulin

**Amy Paulin** 

Chair, New York State Assembly Committee on Energy