

September 30 2016

**JOINT COMMENTS OF COUNCIL ON INTELLIGENT ENERGY &
CONSERVATION POLICY (CIECP) and
PROMOTING HEALTH AND SUSTAINABLE ENERGY (PHASE) ON
NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT
AUTHORITY (NYSERDA) PETITION FOR CLARIFICATION**

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

Hon. Kathleen H. Burgess
Secretary
New York Department of Public Service
3 Empire State Plaza
Albany, NY 12223-1350

Via email to: secretary@dps.ny.gov

Introduction

These Joint Comments of the Council on Intelligent Energy & Conservation Policy (CIECP) and Promoting Health and Sustainable Energy (PHASE) are in response to the Public Service Commission's notice seeking comment on the August 25, 2016 Petition for Clarification filed in connection with the referenced case by the New York State Energy Research And Development Authority (NYSERDA).

A key question, as we understand it, is whether NYSEDA should have title or claim to the environmental attributes associated with renewable power generated through projects voluntarily undertaken, financed (in whole or part) by corporations, municipalities, universities and other private institutions.

CIECP-PHASE has concern that such an approach – if adopted wholesale and without modification – could impede New York's transition to a truly clean energy economy as well as inadvertently discourage industry investment, innovation, and important academic initiatives.

I. New York Should Strongly Encourage, Not Disincentivize, Voluntary Investment In Clean Renewable Energy

Decades of preferential regulatory treatment and massive governmental subsidization of the fossil fuel and nuclear industries has long led to an unfair playing field for renewables. Despite these unfair market conditions, recent countervailing policies, technological advancements,

sharply declining costs, and a genuine desire to safeguard the environment have enabled renewable power – especially solar PV and wind – to gain a foothold in the energy marketplace.

To a heartening degree, an increasing number of companies, municipalities and colleges/universities are seeking to promote green energy not only through usage, but through generation.

This should be encouraged in every manner feasible by the State. An important mode of encouragement is enabling such good actors to have claim to their on-site produced Renewable Energy Certificates (RECs). Mandating transfer thereof to Load Serving Entities (LSEs) could discourage future voluntary private sector investments.

II. New York’s Energy Market Should Create Beneficial Real World Competition, Not Detrimental Vying For “Ownership” Of Policy Constructs

Stemming climate change and protection of the environment produces benefits to the Commons we all share. Competition beneficial for the State, the nation, and the world would be competition that spurs innovation and rapid advancement towards a truly clean energy system.

Competition over ownership of *constructs* like RECs would, on the other hand, be detrimental – the height of elevation of form over substance.

III. Companies, Municipalities and Colleges/Universities Voluntarily Investing in On-Site Renewable Energy Projects Should Be Able to Reap the Benefits of Their Initiative, As Multiplier Benefits Will Accrue To New York

Encouragement of competition and investment in New York is critical for reasons beyond the goal of technical compliance with Federal rules and regulations promulgated by the Environmental Protection Agency, the Federal Trade Commission, and the Federal Energy Regulatory Commission.

If New York wants to both promote the environment and economic development, it must allow businesses and industry to enjoy the fruits of voluntary private investment in green initiatives. A corollary is that facilities which necessarily – as opposed to wantonly or wastefully – rely on large amounts of electric power (e.g., manufacturing facilities, health care facilities, food processing plants, cloud computing concerns) should not be deprived of the full financial advantage of incorporating renewable generation (solar PV, wind turbines, biodigesters, etc) into their physical installations.

If New York wishes to both combat climate change and remain in the vanguard of the global energy financial market, the New York scheme must stimulate and complement voluntary competitive renewable energy sales and purchases so that these competitive markets, not government mandates, sustain renewable activity. (The importance of stimulating and complementing “green markets” has been emphasized by the State. See, e.g., New York Public Service Commission Order Regarding Retail Renewable Portfolio Standard, Case 03-E-0188, Sep 24, 2004.

[http://www3.dps.ny.gov/pscweb/WebFileRoom.nsf/Web/85D8CCC6A42DB86F85256F1900533518/\\$File/301.03e0188.RPS.pdf?OpenElement](http://www3.dps.ny.gov/pscweb/WebFileRoom.nsf/Web/85D8CCC6A42DB86F85256F1900533518/$File/301.03e0188.RPS.pdf?OpenElement).)

IV. The State Must Support New York’s Municipalities, Colleges and Universities as Models and Experimental Laboratories For Our Collective Green Energy Future

Municipalities, colleges and universities must be enabled to obtain all possible financial benefit from their own renewable generation projects. This objective is crucial for a number of reasons.

First, it enables defrayment of installation and operation costs in a way that reduces “red tape” and the waste of regulatory resources.

Second, municipalities and educational institutions serve as visible models of other institutional, civic and individual behavior. Thus green energy systems on view on town halls, in city brownfields, on campuses, can inform and inspire.

Third, municipalities and educational institutions are venues uniquely well-suited for experimentation and creative incorporation of new – ever changing – clean energy systems and technologies.

Fourth, municipalities and educational institutions enable active participation and of multiple types of stakeholders, including those (e.g., students) which would typically not be involved in energy-related enterprises.

Conclusion

New York’s new Clean Energy Standard scheme must aggressively promote consumer choice, innovation, widely distributed generation, and creation and access to renewable power.

Our State’s small businesses, forward-looking corporations, villages and cities, and – most especially – our colleges and universities are the incubators for innovation and change.

We urge the Commission to allow those entities with the vision and moral purpose to invest in renewable power to derive the full benefits of their projects.

Respectfully submitted,

Michel Lee, Esq.

On behalf of the Council on Intelligent Energy & Conservation Policy and Promoting Health and Sustainable Energy