

State of New York
Public Service Commission

Case 15-E-0302

Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard

COMMENTS OF THE NEW YORK POWER AUTHORITY

The New York Power Authority (NYPA or The Authority)¹ submits these comments in response to the New York State Public Service Commission’s (Commission) *Notice Scheduling Technical Conference and Soliciting Comments* (Notice) on the *White Paper on Clean Energy Standard Procurements to Implement New York’s Climate Leadership and Community Protection Act* (Whitepaper), filed by Staff of the Department of Public Service (DPS) and New York State Energy Research and Development Authority (NYSERDA) (collectively, “Staff”).²

The Whitepaper presents Staff recommendations for a regulatory structure that will address the requirements and targets of the Climate Leadership and Community Protection Act (CLCPA).³ Staff explains that CLCPA codifies the goal of decarbonizing the State’s economy through an electric generation sector that does not emit greenhouse gases (GHGs) and also

¹ More than 80% of the electricity NYPA produces is clean renewable hydropower. The Authority is a corporate municipal instrumentality and a political subdivision of the State of New York, organized under the laws of the State, and operating pursuant to Title 1 of Article 5 of the Public Authorities Law. It generates, transmits, and sells electric power and energy throughout the State. NYPA historically has been authorized to sell low-cost power under numerous State statutory programs for the purpose of supporting economic development in the State. Federal and state law also authorize NYPA to sell power to municipal electric utilities and rural electric cooperatives for resale to end-use customers, and it is authorized under other authority to sell power to other public entities.

² Case 15-E-0302, Large-Scale Renewable Program and Clean Energy Standard, Notice Scheduling Technical Conference and Soliciting Comments (June 30, 2020) (Notice). *See also*, Notice of Proposed Rulemaking, State Register, SAPA No. 15-E-0302SP44 (issued July 1, 2020).

³ Whitepaper, p. 1.

powers more of the State’s economic activity.⁴ The goals will be pursued through a renewable energy program directed by the Commission that helps ensure at least 70% of load in 2030 is served by renewable energy (the 2030 Target), and that there are no emissions associated with electrical demand in 2040 (the 2040 Emission Target) (collectively, the “CLCPA Targets”).⁵ In addition to the overarching goals, the CLCPA also establishes technology-specific procurement targets for different renewable energy technologies. The Whitepaper recommendations would modify the existing Clean Energy Standard (CES) and create new regulatory structures that support achievement of the CLCPA requirements.

For the reasons detailed below, the Commission should approve the proposals described in the Whitepaper, subject to the following recommendations that are discussed more fully herein:

- i. Environmental attributes from NYPA-owned resources should be deemed equivalent to environmental attributes from a NYSERDA CES procurement for purposes of NYPA self-supplying;
- ii. Tier 4 should be approved subject to the clarification that: (1) all “renewable energy systems,” as defined by CLCPA, are eligible regardless of ownership identity; and, (2) a longer-term reference period that accounts for annual variation in water flows is used to determine hydroelectric baseline production;
- iii. The Commission should direct DPS and NYSERDA to work with NYPA on the development of a potential support mechanism for NYPA hydroelectric resources that could be activated if specific metrics are satisfied in the future;

⁴ *Id.*

⁵ Public Service Law (PSL) § 66-p(2); Whitepaper, p. 1.

- iv. The Commission immediately should commence a process to identify and implement measures that mitigate interactive market effects due to increasing renewable penetration that will curtail renewable output statewide;
- v. A process should be commenced to address rate design and related issues so that behind-the-meter (BTM) distributed energy resource (DER) projects may be allowed to choose environmental attribute recognition through either Tier 1, Tier 4, or the Value Stack for generation injected into the distribution system or used behind the load meter; and,
- vi. CES modifications intended to benefit disadvantaged communities should draw on related work by other governmental entities, non-profit organizations, and community stakeholders.

BACKGROUND

Staff recommended using the existing CES with modifications to align with CLCPA and its requirements.⁶ Specifically, Staff: (1) addressed foundational elements of the 2030 Target such as the role of jurisdictional load serving entities (LSEs) and how “renewable energy systems” should be defined; (2) estimated the amount of renewable energy that will be needed to achieve the 2030 Target; (3) addressed Tier 1 procurements of renewable energy certificates (RECs) from renewable energy systems; (4) recommended that the Commission approve the new competitive Tier 2 program for existing baseline renewable energy resources that NYSERDA proposed earlier this year; (5) requested comments on the treatment of NYPA’s hydroelectric

⁶ Whitepaper, p. 1.

assets “given the extent to which they contribute to New York’s baseline of renewable generation”; (6) recommended a series of offshore wind (OSW) procurements to satisfy CLCPA requirements; (7) proposed a new Tier 4 that would procure RECs associated with renewable energy deliveries into New York City (Zone J); (8) suggested a pathway for renewable capacity to gain Tier 1 eligibility through repowering; and, (9) discussed opportunities to ensure that disadvantaged communities benefit from the 2030 Target.⁷ The Whitepaper also advanced proposals relating to the administration of the updated CES program.

In its discussion of proposed modifications to future procurements of Tier 1 RECs, Staff highlighted a critical issue that will grow as the renewable supply portfolio needed to achieve the CLCPA Targets increases. Specifically, they noted that “as the penetration of Tier 1 resources increases cumulatively, NYSERDA will need to pay increased attention to the interactive effects among them, including the potential for economic curtailment, the need for dispatchable resources within the system mix, complementary transmission development, and local reliability dynamics.”⁸ Of particular concern, they continue, is “the prospect for renewable generation to cause the curtailment of, or to be itself curtailed by another renewable resource.”⁹ Staff proposed to change discrete elements of how Tier 1 RECs are procured to address the risk that these interactive effects will cause renewable curtailments.¹⁰

These interactive effects were the impetus for NYPA’s comments on the Competitive Tier 2 Program,¹¹ which NYSERDA proposed in a petition filed on January 24, 2020 that

⁷ Whitepaper, pp. 2-3, 6.

⁸ *Id.*, p. 27 (citation omitted).

⁹ *Id.*, p. 27, n.40.

¹⁰ *Id.*, p. 26.

¹¹ Case 15-E-0302, *supra*, Petition Regarding Clean Energy Standard, Competitive Tier 2 Program for Baseline Renewable Generation (filed January 24, 2020) (Competitive Tier 2 Petition).

remains pending before the Commission. The Whitepaper invites comments on the extent to which NYPA baseline hydroelectric facilities can participate in the Competitive Tier 2 Program. The purpose of the proposed program is to maximize the contributions and potential of New York's existing renewable resources.¹² As proposed, the Competitive Tier 2 Program would provide three-year REC contracts to certain existing wind and hydropower facilities.¹³ NYSERDA, however, proposed to exclude existing hydropower facilities owned by NYPA from program eligibility.¹⁴

In its initial and reply comments on the Competitive Tier 2 Petition, NYPA reported that in 2018, the most recent year for which data was available at that time,¹⁵ the Authority's hydroelectric fleet accounted for approximately 53% of the statewide installed renewable capacity and provided approximately 73% of annual statewide renewable generation.¹⁶ NYPA's Niagara Power Project (Niagara) and St. Lawrence-FDR Power Project (St. Lawrence) have nameplate capacities of 2,860 MW and 1,088 MW, respectively, and account for the vast majority of NYPA's baseline hydroelectric capacity. NYPA explained that evolving market dynamics caused by the increasing proportion of renewable generation in the supply portfolio (*i.e.*, the interactive effects noted with concern in the Whitepaper) would curtail NYPA hydroelectric facilities and erode the State's baseline level of renewable generation. This would

¹² Competitive Tier 2 Petition, 3.

¹³ Whitepaper, p. 5.

¹⁴ Competitive Tier 2 Petition, p. 4; Whitepaper, p. 5 (stating that "eligible facilities would be existing non-state-owned run-of-river hydropower and existing wind generators located within the State").

¹⁵ Updated data indicates that, in 2019, NYPA's hydroelectric fleet accounted for approximately 52% of statewide installed renewable capacity and approximately 70% of annual statewide renewable generation. (*See* 2020 Load and Capacity Data Report, New York Independent System Operator, Inc. (released April 2020), *available at* <https://www.nyiso.com/documents/20142/2226333/2020-Gold-Book-Final-Public.pdf>.)

¹⁶ Whitepaper, p. 5; Case 15-E-0302, *supra*, NYPA Comments (filed May 4, 2020), pp. 2-3, *and* NYPA Reply Comments (filed May 29, 2020).

increase the amount of new renewable generation that must be procured to achieve the CLCPA Targets, thereby increasing the cost and difficulty of achieving them. NYPA thus advocated that its existing hydroelectric facilities should be deemed Tier 2-eligible and the Authority committed itself to self-supplying a voluntary Tier 2 target without seeking to participate in NYSERDA's proposed initial three-year Competitive Tier 2 solicitations.

In the Whitepaper, Staff stated that “[i]t is proper to consider the process by which the treatment of NYPA’s hydroelectric resources will be evaluated in the future given the extent to which they contribute to New York’s baseline of renewable generation.”¹⁷ Staff explained that, if a NYPA hydroelectric facility “becomes financially unviable so as to face sustained, reduced generation, it may be necessary to evaluate actions necessary to retain this baseline hydroelectric generation.”¹⁸ Finally, the Whitepaper invited comments on whether and how NYPA should self-supply RECs to satisfy a Competitive Tier 2 program target and recommended that the Commission resolve the Competitive Tier 2 Petition in the context of its Order addressing Whitepaper recommendations.¹⁹

COMMENTS

I. ENVIRONMENTAL ATTRIBUTES FROM NYPA GENERATION RESOURCES SHOULD BE DEEMED EQUIVALENT TO RECS FROM NYSERDA CES PROCUREMENT PROGRAMS FOR PURPOSES OF NYPA SELF-SUPPLYING VOLUNTARY PROCUREMENT TARGETS

NYPA plans to satisfy any Tier target that it assumes by self-supplying RECs from equivalent resources at an equivalent value to the extent its resources would otherwise meet the

¹⁷ Whitepaper, pp. 5-6.

¹⁸ *Id.*, p. 6, n.6.

¹⁹ *Id.*, p. 6.

Tier requirements. This approach would be equitable for NYPA customers, place NYPA's hydroelectric resources on a level playing field with similar renewable resources owned by other entities, and promote economic development. It also may provide new opportunities to achieve the tiered CES procurement targets.

A. NYPA's Hydroelectric Resource Environmental Attributes Should Be Deemed Equivalent To RECs From Tier 2 Resources in the New York Generation Attribute Tracking System (NYGATS)

NYPA previously supported NYSERDA's Competitive Tier 2 Petition. The Authority proposed to use its existing baseline hydroelectric facilities to self-supply Tier 2-equivalent RECs to fulfill its voluntary LSE obligation under the new program.²⁰ NYPA explained that environmental attributes associated with the State's existing renewable generation baseline should not be treated or valued differently based on the identity of the facility owner. In the Whitepaper, Staff noted NYPA's "unique position" relative to other LSEs and requested comments regarding NYPA's role in the proposed Competitive Tier 2 program.²¹

The environmental attributes from NYPA's hydroelectric units contribute to the State's renewable energy goals in equal measure to any other baseline renewable resource. Still, they would not be deemed equivalent to other hydroelectric RECs under the proposed Competitive Tier 2 Program. As a matter of equity for NYPA customers, the Commission also should recognize that if NYPA voluntarily assumes a Tier 2 target, all RECs produced by existing renewable resources, including NYPA hydroelectric resources, have equal value under the proposed Competitive Tier 2 Program. In 2019, NYPA-owned hydroelectric units accounted for approximately 52% of statewide installed renewable capacity and provided approximately 70%

²⁰ See generally, NYPA Comments and NYPA Reply Comments.

²¹ Whitepaper, pp. 59-60 and n.60.

of statewide renewable electric generation. To continue operating through achievement of the CLCPA goals, this fleet will require substantial capital investment, as demonstrated by the \$1.1 billion Life Extension and Modernization and Controls Upgrade (LEM) Program at Niagara.²² Operation and maintenance costs also are expected to grow as operations change in a market with a high proportion of renewable resources.²³ Thus, NYPA customers have supported the majority of New York's baseline renewable capacity and generation for decades, and they will pay for the capital projects and operation and maintenance costs necessary to ensure the viability of NYPA-owned renewable generation and the State's renewable baseline for decades to come.

NYPA hydroelectric customers should realize the benefit of their support through the recognition that the environmental attributes they support are equivalent to the environmental attributes generated by equivalent hydroelectric resources. If the Commission were to acknowledge NYPA's proposal to assume a voluntary Tier 2 target but decline to acknowledge its proposal to self-supply RECs to satisfy that target, the Authority's customers would be forced to support the State's full renewable baseline (both NYPA-owned and non-NYPA-owned baseline renewable resources).²⁴ Conversely, non-NYPA customers would support a minority of the Statewide renewable baseline by supporting only those baseline resources that are not owned by NYPA. This outcome would be inequitable to customers and must be avoided, as it fails to recognize NYPA's customers' ongoing support of the State's existing renewable resources.

²² The program will replace and rehabilitate aging facility components in order to extend Niagara's remaining operational life. Additionally, the LEM Program will incorporate new backup controls to improve system reliability, install digital sensor technology that allows for real-time monitoring of system conditions and optimization of plant operations, and improve the asset's cybersecurity infrastructure.

²³ Point II, *infra*, explains that Niagara and St. Lawrence likely will experience a substantial increase in ramping events that would increase operation and maintenance (O&M) costs and decrease the useful life of these assets.

²⁴ NYPA Comments, pp. 5-6

Enabling NYPA to self-supply Tier 2 RECs to its customers is important to support the State's economic competitiveness. State law obligates NYPA to provide low-cost power to a wide range of customers. NYPA administers multiple economic development programs for this purpose, including the Recharge New York (RNY), Expansion Power, Replacement Power, and Preservation Power Programs. Businesses participating in these programs comprise a significant portion of NYPA's customer base. NYPA works with its customers to implement any necessary contract changes in a manner sensitive to the Authority's statutory objectives and requirements, including economic development.²⁵ Precluding NYPA from self-supplying Tier 2 RECs to its customers could result in additional costs imposed on NYPA's economic development customers, contrary to the intent of the programs. Critical to the requirement that NYPA provide low-cost power to these customers is the ability to limit unit costs by maximizing the volume of power sales used to recover costs. If NYPA's facilities are not valued at the same level as other Tier 2 resources, however, market forces may cause them to be dispatched less frequently as the State progresses towards the CLCPA Targets.²⁶ This would reduce the amount of megawatt-hours (MWh) over which to recover the cost of operating and maintaining Niagara and St. Lawrence, thereby eroding the State's renewable baseline, increasing the cost of energy, and undermining the intent of the legislation that enables NYPA's commodity sales.

The Whitepaper notes that dispatchability and peak coincidence will be important operational characteristics in a high-renewable system to help avoid curtailment.²⁷ Niagara is dispatchable and peak coincident, and St. Lawrence is generally peak coincident. These operating characteristics will provide important system benefits in a high-renewable system, but

²⁵ NYPA Comments, p. 6.

²⁶ See Point II, *infra*.

²⁷ Whitepaper, pp. 31-32.

as discussed below, they will not be sufficient for Niagara and St. Lawrence to avoid economic curtailment.

Importantly, NYPA also may develop voluntary green products using attributes available from hydropower facilities that are not needed to meet an LSE obligation. This would provide flexibility for NYPA customers to support renewable resources and achieve their sustainability goals. Deeming NYPA's hydroelectric attributes as Tier 2-equivalent in NYGATS would clearly categorize the environmental value of a voluntary customer's renewable energy purchase.

For these reasons, and as discussed more fully in NYPA's Initial and Reply Comments on the Competitive Tier 2 Petition,²⁸ the Commission should deem the environmental attributes of NYPA's hydroelectric units as equivalent to RECs procured through Tier 2 and have them labeled as such in NYGATS.²⁹ This would allow for the appropriate valuation of environmental attributes and cost-effective achievement of the CLCPA Targets. NYPA noted in its prior comments that the Authority is sensitive to the potential ratepayer impacts associated with its participation in the proposed Competitive Tier 2 Program. For this reason, NYPA would not seek to participate in the initial three-year solicitations that NYSERDA proposed.

²⁸ See generally, NYPA Comments and NYPA Reply Comments.

²⁹ In its Reply Comments, NYPA rebutted a Joint Utilities' argument that NYPA should not be eligible for Tier 2 because the Authority's customers do not pay the delivery bill surcharges that fund Tier 2 and other State policy programs. NYPA explained that there is no proposal to condition eligibility for the Competitive Tier 2 Program on whether an existing generator does or does not pay for the program. In fact, such requirement is not a condition on eligibility for any of the large-scale renewable generation procurement programs administered by NYSERDA. Historically, program participation has been conditioned on program payments only where program incentives would be invested for the primary benefit of the site owner (*e.g.*, energy efficiency), but not where program incentives support large capital investments where the primary benefit of such investment is statewide (*e.g.*, Renewable Portfolio Standard).

B. All Incremental Hydroelectric Should Be Eligible For Tier 4 Regardless of Owner as Provided By CLCPA

Staff acknowledged that the State will not achieve the CLCPA Targets without displacing the fossil fuel-fired generation that currently serves approximately one-third of the State’s energy demand in New York City (NYISO Zone J).³⁰ They proposed Tier 4 to promote the development of renewable projects that are located within Zone J or deliverable there through new transmission interconnections. As proposed, eligible projects would be those included within the CLCPA definition of “renewable energy systems,” although additional eligibility requirements would be developed for hydroelectric resources to avoid environmental damage from new impoundments and to demonstrate that the renewable energy offered in response to a Tier 4 procurement is incremental to the asset’s historical baseline production. It is critical that the baseline is set using a historical period that reasonably reflects average production. A baseline established on too short a historical period would fail to account for annual and longer-term changes in water flows that drive hydroelectric production. Overestimating baseline production will require NYSERDA to procure new renewable generation to make up for the under-supply attributable to natural fluctuations in water flow. NYPA would self-supply Tier 4 RECs from its facilities based on a realistic baseline of energy production that is based on a long-term historical average. The Commission should approve the proposed Tier 4, subject to the following recommendations.

³⁰ In 2019, Zone J consumed approximately 53 TWh of energy. Approximately 22.5 TWh of this amount was generated by fossil generation also located in Zone J or deliverable in Zone J via a generator lead (*e.g.*, The Bayonne Energy Center located in Bayonne, NJ). Staff thus concluded that the 2030 Target “will be difficult to achieve” unless a substantial portion of this fossil generation is displaced. (Whitepaper, p. 45.)

i. All “renewable energy systems,” as defined by CLCPA, should be eligible for Tier 4 regardless of ownership interests

CLCPA defines “renewable energy systems” based solely on the technology used to generate electricity or thermal energy.³¹ Staff proposed limitations on hydropower eligibility that are designed to ensure incremental renewable production without any restriction based on asset ownership. In remaining open to all resource owners, Staff’s proposed requirements are consistent with the statutory definition, which does not impose any restrictions on the ownership of renewable energy systems. No such limitation should be read into the law. The Commission should confirm that there will be no limitation on Tier 4 eligibility based on who owns the project.

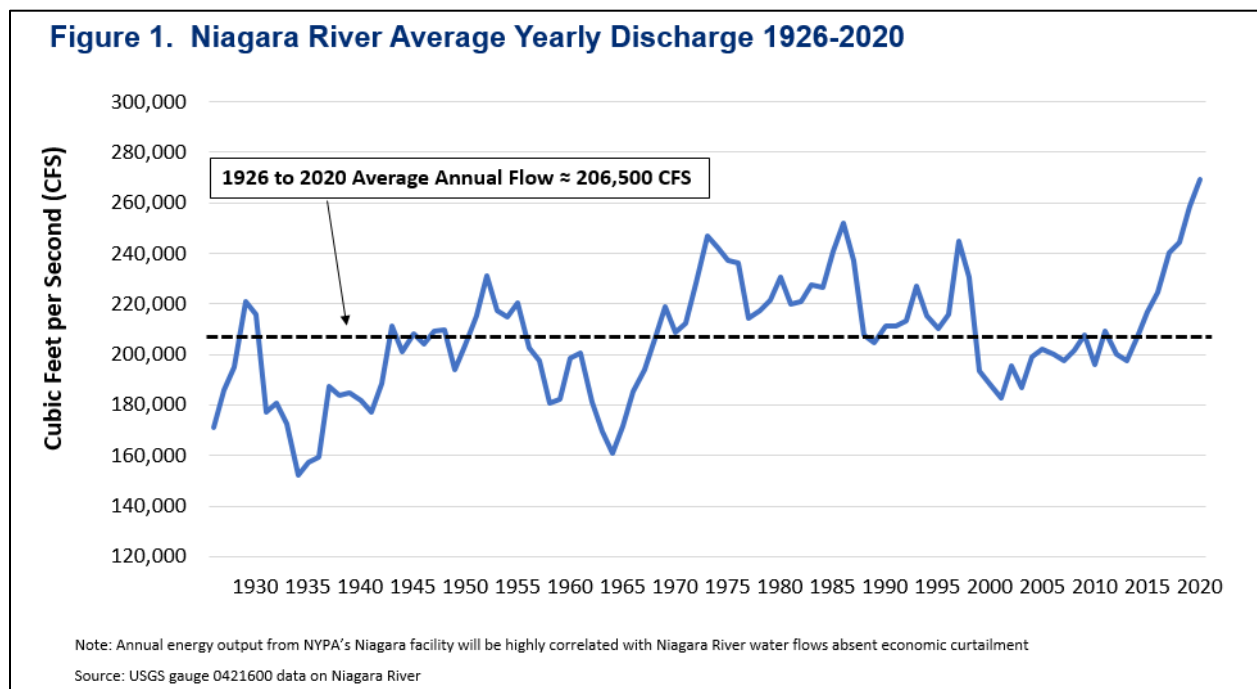
ii. The hydroelectric baseline requirements should be determined with reference to a more accurate approximation of annual output

Staff recommended an additionality requirement for hydroelectric facilities that would limit eligible renewable production to increments above the supplier’s baseline production. As proposed, the supplier energy baseline requirement would be determined using the “average of the three most recently reported years prior to the establishment of Tier 4.”³² The proposed reference period for determining baseline production (and GHG emissions for the supplier GHG baseline requirement) should not be used for hydroelectric facilities because it could significantly over- or under-state actual baseline production and lead to anomalous results.

³¹ PSL § 66-p(1)(b) (defining “renewable energy systems” as “systems that generate electricity or thermal energy through use of the following technologies: solar thermal, photovoltaics, on land and offshore wind, hydroelectric, geothermal electric, geothermal ground source heat, tidal energy, wave energy, ocean thermal, and fuel cells which do not utilize a fossil fuel resource in the process of generating electricity”).

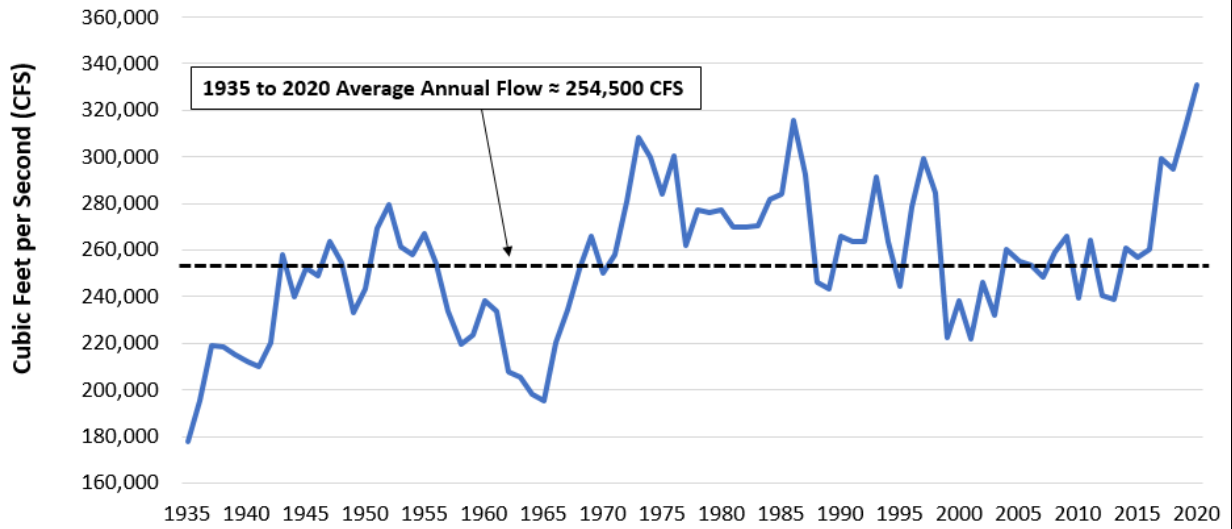
³² Whitepaper, p. 49. Staff also proposed that these facilities satisfy a supplier GHG baseline requirement that would use the same reference period to determine the baseline. The recommendation that a different reference period be used to avoid anomalous results applies equally to both requirements.

Water flows used for hydroelectric generation vary annually, and the fluctuations can be significant. Flow is the dominant factor for determining hydroelectric output and, therefore, it is the most important variable to estimate properly. Water flows in the Great Lakes Basin that drive generation at Niagara and St. Lawrence fluctuate significantly on an annual basis and can trend up or down over periods much longer than three years, as shown on the following Figures:³³



³³ The terms “water flow” and “discharge” are sufficiently related to be used interchangeably here for purposes of illustrating the points discussed in the text and accompanying tables and figures.

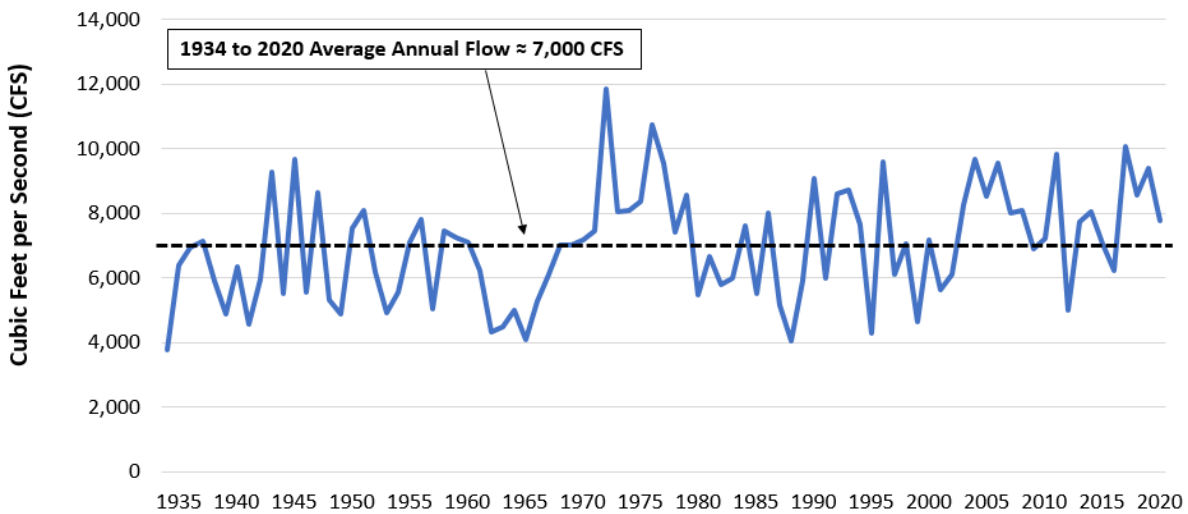
Figure 2. St. Lawrence River Average Yearly Discharge 1935-2020



Note: Annual energy output from NYPA's St. Lawrence facility will be highly correlated with Niagara River water flows absent economic curtailment
Source: USGS gauge 04264331 data on St. Lawrence River

Variable water flows are a natural feature of hydroelectric resources, generally. Figure 3 demonstrates this for the Oswego River that is used to power units that NYPA does not own:

Figure 3. Oswego River Average Annual Flow 1934-2020



Note: Annual energy output from Brookfield's five hydroelectric facilities (\approx 25 MW) on the Oswego River will be highly correlated with water flows absent economic curtailment
Source: USGS gauge 04249000 data on Oswego River

Importantly, the Niagara and St. Lawrence Rivers recently have been at or near historic highs, as summarized in Table 1:

Table 1. Niagara River and St. Lawrence River Water Flows.

Aspect	Niagara River	St. Lawrence River	Note
Gauge Location	Buffalo	Cornwall, ON, Massena, NY	Exact location available
Year of Initial Data	1926	1935	Annual data is available to 1860 for Niagara
Maximum Flow Year	2019	1987	
Minimum Flow Year	1934	1965	
Average Flow (Cubic Feet per Second)	205,800	254,100	Since gauge was installed
Flow In 2019 (CFS)	258,800	304,900	Highest ever for Niagara; third highest ever for St. Lawrence
2017-2019 Flow Average (CFS)	247,800	296,600	All 3 years in top 12 for Niagara and St. Lawrence
2017-2019 Percent Above Average	+20.4%	+16.7%	

Table 1 demonstrates that, in 2019, annual flows on the Niagara River at Buffalo were the highest ever recorded, and the third-highest flows ever recorded were observed on the St. Lawrence River at Massena. Each of 2017, 2018, and 2019 represent annual flow averages that rank among the top-twelve highest ever recorded for these Rivers. If baseline production for Niagara and St. Lawrence were based on an average of the three-most recent years, it would be approximately 20.4% above the long-term average for the Niagara River, and approximately 16.7% above the long-term average for the St. Lawrence River.

Annual water flows near historic highs are not sustainable and likely will regress to the mean, and eventually below it. The same dynamic applies to all hydroelectric facilities –water flows that drive production will vary significantly annually and over longer-term periods. Figure

3 demonstrates that any given three-year period similarly could over- or under-state average annual flows on the Oswego River, thereby leading to an inaccurate representation of baseline production from other hydroelectric units as well.

The baseline requirements instead should reference a time period that reasonably accounts for: (i) annual water flow fluctuations that are often significant; and, (ii) trends of increasing and decreasing flows that occur with a periodicity that regularly extends well beyond three years. For Niagara and St. Lawrence, the most accurate average would consider all years for which data is available – 94 years for Niagara (1926 – 2020), and 85 years for St. Lawrence (1935 – 2020).

At a minimum, it would be more accurate to use the average annual production over no less than a 30-year period than it would be to rely on a three-year average, if there were a preference to accord some weight to the recent period of climate change. It is unclear what impact climate change might have on water flows relevant to hydroelectric production in New York. Consequently, there should not be a need at this time to rely on a shorter historical baseline period to weight the potential recent effects of climate change. Thirty years would be sufficient to account for the longer-term periodicity of variable water flows while remaining consistent with the time frame that many Federal authorities use to forecast water flows.³⁴ It also would be consistent with the temperature data that NYSERDA uses to compare monthly heating and cooling degree days.³⁵ This change in historical reference period would therefore be

³⁴ The U.S. Geological Survey, U.S. Bureau of Reclamation, and USDA Natural Resource Conservation Service each rely on 30-year averages of historical data for long-term water forecasting.

³⁵ Monthly Heating and Cooling Degree Day Data, NYSERDA, *available at* <https://www.nyserdera.ny.gov/About/Publications/EA-Reports-and-Studies/Weather-Data/Monthly-Cooling-and-Heating-Degree-Day-Data>.

consistent with Commission reasoning regarding the appropriate historical period that should be used to provide a reasonable estimate of what a “normal” year should look like.

iii. NYPA would assume a voluntary Tier 4 target that is proportional to its overall share of statewide load

Staff stated that NYPA “would be expected to adopt” a Tier 4 target that is proportional to its load and reflects the Statewide goal of 3,000 MW.³⁶ NYPA will voluntarily adopt a Tier 4 target, with certain clarifications.

First, NYPA will calculate its share of the Tier 4 target proportional to its overall share of statewide load. This would be the same method that Staff proposed to calculate the Tier 4 targets allocable to each jurisdictional LSE.³⁷ The same methodology should be used to calculate each utility’s share of the Tier 4 target. Second, NYPA will seek to satisfy its voluntary Tier 4 target by self-supplying RECs from its hydroelectric facilities, to the extent that generation from the facilities exceeds the historical baseline and meets other eligibility criteria. Third, NYPA would work with its customers to contribute to the Tier 4 target. However, it does not have the same flexibility as other LSEs to impose Tier 4 costs on its customers.³⁸

II. THE INTERACTIVE EFFECTS FROM INCREASING RENEWABLE GENERATION REQUIRES DEVELOPMENT OF MECHANISMS TO MODERATE THE RISK AND RETAIN BASELINE NYPA RESOURCES

The Whitepaper correctly notes that interactive market effects risk curtailing renewable energy generation as the proportion of renewable generation in the supply portfolio increases. Economic curtailment will pose a risk to Niagara and St. Lawrence, as well as to renewable generation generally. As detailed below, the Commission should direct DPS and NYSERDA to

³⁶ Whitepaper, pp. 55-56.

³⁷ *Id.*, p. 56.

³⁸ *See, e.g.*, Case 15-E-0302, *supra*, Comments of the New York Power Authority (filed April 22, 2016), pp. 9-11.

collaborate with NYPA on the development of a potential support mechanism for NYPA hydroelectric resources that would be activated only if certain metrics or other objective criteria are satisfied for a resource. The Commission also should be evaluating potential options to moderate the risk that interactive market effects could make it more difficult and/or expensive to achieve the CLCPA Targets. Both efforts should begin immediately and proactively, while there is time to develop solutions, rather than waiting for the issue to become acute before reacting to it.

A. Interactive Effects Will Drive Curtailments Of Renewable Energy Systems

Increasing the proportion of renewable energy in the State’s supply portfolio as needed to achieve the CLCPA Targets will have a significant impact on market dynamics and can lead to the curtailment of renewable or zero-emission resources. The Whitepaper noted the interactive effects among increasing numbers of Tier 1 resources as an issue that requires “increased attention” and “adjustments” to the Tier 1 procurement process.³⁹ It also explained that “achieving the 70 by 30 Target will require regulatory structures that give renewable generators the appropriate incentives to design projects in a manner that avoids curtailment and other negative impacts among generators.”⁴⁰ The interactive effects of increased renewables is a critical issue that extends beyond Tier 1 project evaluation to all aspects of the CES and must be addressed in the near-term to enable the achievement of the CLCPA Targets.

Based on current regulatory structures and the Whitepaper proposals, most non-NYPA-owned renewable and other zero-emission resources would be compensated for their environmental attributes via existing (i.e., Tier 1, Maintenance Tier 2, Tier 3) or proposed (i.e.,

³⁹ Whitepaper, p. 27.

⁴⁰ *Id.*, p. 33.

Competitive Tier 2, Tier 4) programs. Those payments, as well as federal production tax credits available to certain renewable technologies,⁴¹ improve the resources' cost structures and enable lower bids in the NYISO wholesale markets, all else equal.

Under these circumstances, the renewable resources that receive the greatest value for their environmental attributes will be able to submit the lowest bids, often negative, and will be selected to run. Conversely, renewable resources that are not compensated for their environmental attributes, such as NYPA-owned hydroelectric generators under the current regulatory regime and NYISO energy market structure, will have to submit comparatively higher energy bids into the NYISO market and will find it increasingly difficult to bid at a competitive level (*i.e.*, renewable energy systems will “cannibalize” each other). Interactive effects such as economic curtailments will make it more difficult and costly to achieve the CLCPA Targets.

This is not a theoretical concern. In 2019, Zone D realized real-time locational based marginal prices (LBMP) of \$0/MWh or less during approximately 470 hours.⁴² Moreover, the NYISO recently concluded that approximately 10 terrawatt-hours (TWh)⁴³ of renewable generation will be curtailed in 2030,⁴⁴ including units with REC contracts. Pockets in the North Country in particular, where St. Lawrence is located, exhibit the highest level of economic

⁴¹ NYPA is not eligible for federal tax or production incentives.

⁴² 2019 State of the Market Report for the New York ISO Markets, Potomac Economics (dated May 2020), Figure A-4.

⁴³ A terawatt-hour equals 1,000,000 megawatt-hours and 1,000 gigawatt-hours.

⁴⁴ 2019 Congestion Assessment and Resource Integration Study Report, New York Independent System Operator, Inc. (issued July 2020), Figure 70, p. 81 (CARIS Report). The CARIS Report examined potential generation pockets and how much renewable curtailment may occur in each pocket. That study confirmed that renewable assets in New York will be curtailed, although it did not project curtailment at Niagara or St. Lawrence. This result is attributable in part to the fact that NYISO priced the variable cost of hydroelectric production to be less than other renewable energy systems. This is an unreasonable and unrealistic assumption because other renewable energy systems will lower their wholesale energy bids to account for REC contracts and federal incentives that currently are not available to NYPA.

curtailment by percentage, the highest curtailed energy by gigawatt-hour (GWh), and the most frequent congested hours.

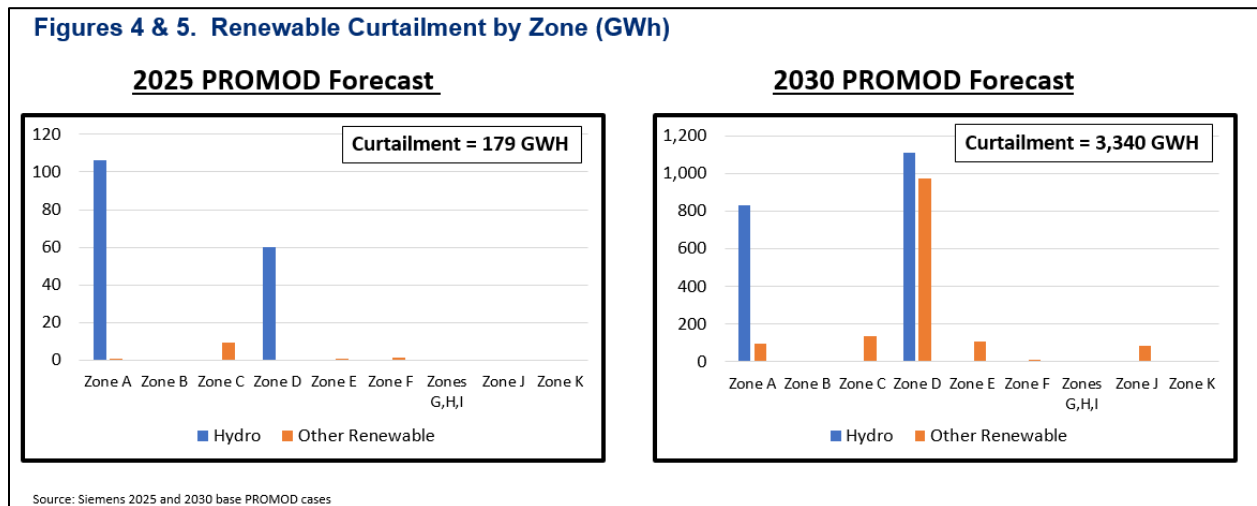
NYPA retained Siemens Power Technologies International (Siemens) to conduct independent analyses using PROMOD, a sophisticated and granular production cost model. Siemens modeled three scenarios: (i) 2025; (ii) 2030 Base Case; and (iii) 2030 Lower Load. Siemens assumed achievement of the 2030 Target in each of the 2030 scenarios and examined opportunities for Niagara to store energy and shift discharges (“retimed” dispatch) to mitigate potential economic curtailments by using upstream pooling capacity and the adjacent Lewiston pumped storage facility.

For both NYPA-owned and non-NYPA-owned renewable assets, economic curtailment will occur when very low energy prices lead to certain renewable energy systems not being selected for dispatch. This is expected to become increasingly common as a larger proportion of the supply portfolio is able to operate economically with bids at or well below \$0/MWh due to the value received for environmental attributes coupled with Federal production tax credits.

Siemens’ analysis also projected a significant level of curtailment from renewable energy systems, generally, in 2030. The results indicate that there would be the curtailment of approximately 3,340 GWh of renewable energy statewide, with the largest curtailment occurring in Zone D. Niagara and St. Lawrence account for approximately 830 GWh and 1,100 GWh of this amount, respectively.

The results of Siemens’ modeling illustrate the urgency of this concern, indicating that curtailment frequency will increase as the State progresses towards the 2030 Target and beyond. Specifically, the production cost model estimated that approximately 179 GWh of renewable energy would be curtailed statewide in 2025, and this amount would increase to approximately

3,340 GWh of statewide curtailment in 2030. The zonal distribution of curtailment is illustrated in the following graphs:



In 2030, the modeling estimated that LBMPs will be negative approximately 1,065 hours (12% of the year) at the Niagara hydro facility and approximately 560 hours (6.3% of the year) at St Lawrence. The Whitepaper acknowledges a concern with negative LBMPs in the context of Tier 1 and Tier 4 procurements, but it does not address the issue fully or quantify the impact it might have between now and 2030.

The prevalence of low and negative energy prices and their impact on the markets should be studied carefully, and measures incorporated into the CES to mitigate them. The factors driving non-economic curtailments also should be identified, and the CES similarly modified to address them.

B. NYPA’s Existing Hydroelectric Baseline Will Experience Economic Curtailments Due To Interactive Effects

The modeling results project a challenging future for Niagara and St. Lawrence as renewable penetration increases to meet the 2030 Target. In 2019, Niagara and St. Lawrence

produced renewable generation of approximately 16.7 GWh and 7.7 GWh, respectively.⁴⁵ As summarized on the following Table, notwithstanding NYPA unit dispatchability and peak coincidence, Siemens’ analyses project modest economic curtailment of NYPA hydroelectric assets in the 2025 base cases that increases through 2030:

Forecast NYPA Curtailment		2025 Base Case	2030 Base Case
Niagara	Base Case	6%	19%
	Retimed	1%	6%
St. Lawrence	Base Case	1%	16%
	Retimed	n/a	n/a

The results clearly demonstrate that Niagara and St. Lawrence will realize economic curtailments in 2025 that grow significantly through 2030. Utilizing the existing storage capacity at Niagara to retime generation can help mitigate, but not eliminate, economic curtailment. Layered on top of the reduced run times, upstate energy prices are expected to decline by as much as \$10/MWh in 2030, thereby making it more difficult for NYPA’s hydroelectric resources to generate the revenues necessary to support their long-term operations. This could have farther-reaching impacts because preserving the financial performance of these plants is necessary to enable NYPA to assist the State in the advancement of energy policy in terms of supporting the development of electric vehicles, energy storage, and energy efficiency.

Interactive market effects also will have an operational impact on Niagara and St. Lawrence. Both facilities currently operate at a high capacity factor without curtailments. St. Lawrence typically has limited ramp downs and, although Niagara experiences a moderate number of ramp downs, it generally maintains an output at or above 1,500 MW. In 2030,

⁴⁵ 2020 Load & Capacity Data Gold Book (April 2020), available at <https://www.nyiso.com/documents/20142/2226333/2020-Gold-Book-Final-Public.pdf>. This amount excludes generation from the Lewiston pumped storage facility associated with Niagara.

however, both St. Lawrence and Niagara are projected to experience extensive ramp downs and frequent stops and starts. These operational changes are illustrated on the following scatter plots that show plant output during each hour of 2019 (actual) and 2030 (forecast):

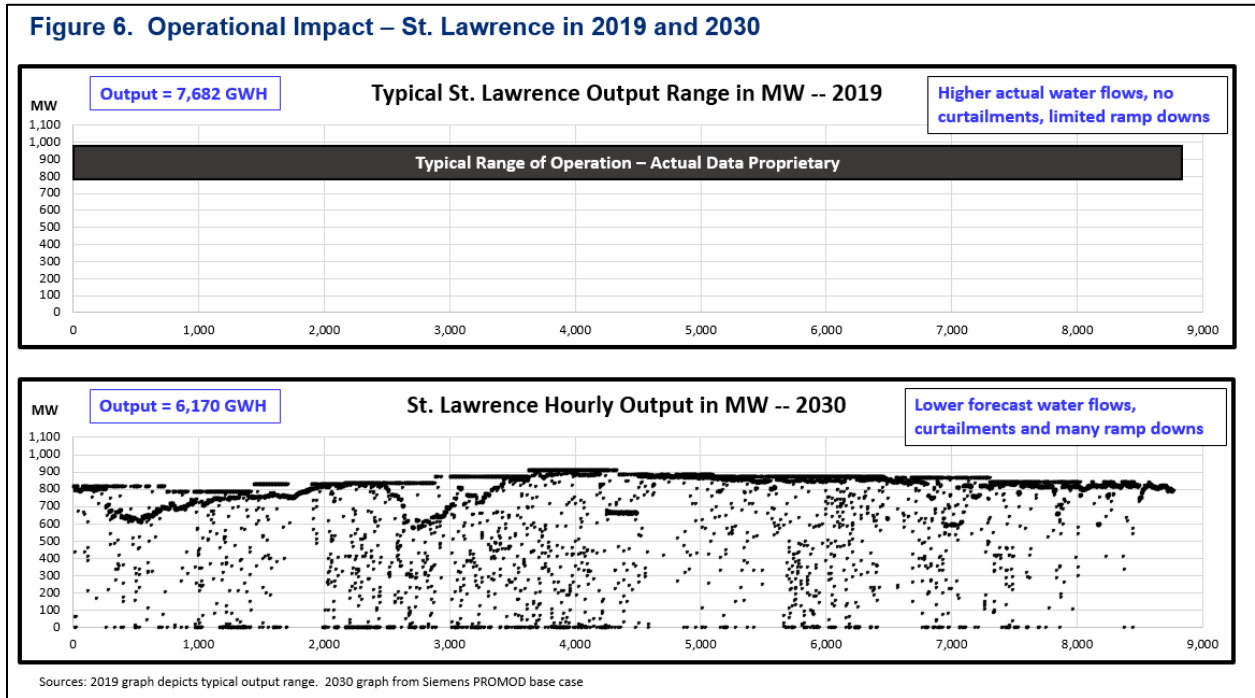
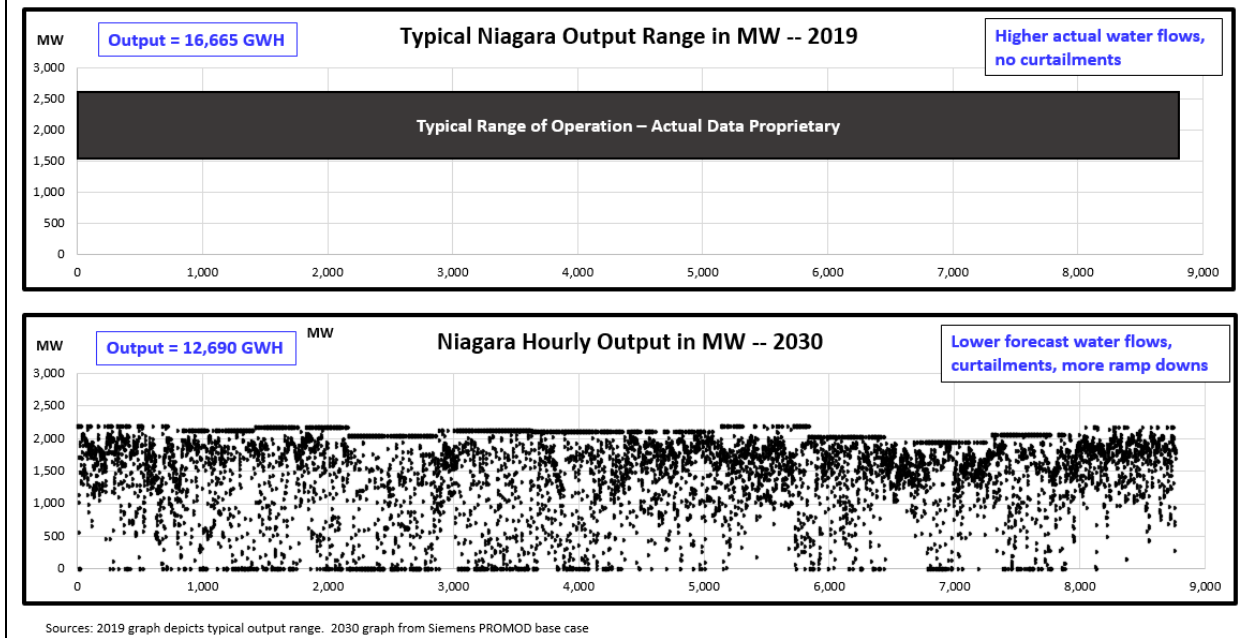


Figure 7. Operational Impact – Niagara in 2019 and 2030



Operational changes induced by interactive market effects would be costly. Extensive ramping would increase mechanical stress on many plant components. This would increase annual O&M expenses and reduce the useful operating life of both assets. Increasing these costs at the same time that the plants are curtailed regularly creates financial pressure and new operational risks.

C. The Commission Should Direct Staff To Work With NYPA To Develop A Potential Support Mechanism That May Be Used In The Future If Needed And Specific Criteria Are Satisfied

NYPA respectfully urges the Commission to direct DPS and NYSERDA immediately to begin working with NYPA to develop a framework for future implementation that would compensate NYPA’s hydroelectric units for their environmental attributes and contributions to grid reliability (*i.e.*, dispatchability and peak coincidence) in a high-renewable-penetration system. The Whitepaper acknowledges that it might become necessary to provide a support

mechanism for NYPA's hydroelectric resources.⁴⁶ The framework should include milestones or objective criteria such as financial or other metrics that would trigger full (or phased) plan implementation. The appropriate support mechanism, and how it would relate to other revenue streams, would be described in the plan to be developed by NYPA, DPS, and NYSERDA and submitted to the Commission.

NYPA proposes to develop that mechanism now, before there is an immediate need, so that it may be prepared with ample time for full consideration and activated in the future if needed. Siemens' analyses indicate that NYPA's renewable baseline could erode significantly by 2030, absent market or regulatory changes. Economic curtailment of NYPA hydroelectric units ultimately could make it more expensive to achieve the State's clean energy goals because it likely will be more expensive to procure new renewable resources to compensate for the reduction in the baseline than it would be to preserve NYPA's existing renewable resources. The 3,340 GWh of renewable curtailment forecast by Siemens in 2030 could increase Tier 1 REC costs by approximately \$85 million per year.⁴⁷ This cost could be significantly higher if the NYISO's curtailment estimate of 10 TWh is more accurate. All modeling results have an inherent degree of uncertainty, and it is possible that curtailments and energy price impacts may occur sooner, or more severely, than anticipated. The Commission should take advantage of the time that is available now to address the renewable baseline curtailment and erosion before it becomes acute. The resulting regulatory structure likely will be more effective at addressing the interactive effects and preserving the State's renewable baseline if it is developed when time is

⁴⁶ Whitepaper, p. 6, n.6.

⁴⁷ This estimate assumes a 2030 REC price of \$25/MWh.

available for planning than it will be if action is delayed until the issue ripens and demands rapid action.

D. The Commission Should Act Now To Address Interactive Effects Generally And Mitigate Future Impediments To The CLCPA Targets

The interactive effects noted by Staff are significant issues that will make it more difficult and costly to achieve the CLCPA Targets. There will be no single, simple, or fast solution to this complex problem, and the proposal to develop a potential support mechanism for NYPA similarly would not be sufficient to address interactive effects with a statewide impact on all generation resources. The Whitepaper suggests helpful design elements that should be implemented, but these alone will not be adequate. The Commission thus should act now to identify the interactive effects, determine how they will impact renewable resources, and develop appropriate solutions.

The impact of interactive effects on renewable generation dispatch and viability will develop over time as the supply portfolio evolves to reflect the CLCPA Targets. The Commission immediately should commence a stakeholder process that analyzes the problem and develops solutions that can be implemented in the retail market and/or through regulatory structures rather than wait until the issue becomes acute and demands immediate attention. This issue demands prompt attention to this issue because proposing to adjust the regulatory framework in the future to account for these effects introduces uncertainty into the New York renewable industry. This would impair project development and related initiatives such as port and supply chain investment. This work should be done in collaboration with the NYISO to facilitate the development of wholesale market rules that can reduce the risk of curtailing renewable energy systems.

Fortunately, Staff includes several relevant recommendations in the Whitepaper that should be approved and developed further. First, they recommend that NYSERDA should acquire, at no cost, Tier 1 RECs “generated in hours and at locations where the applicable real-time LBMP is negative,” and Tier 4 RECs “generated in hours in which the real-time zone J energy price averages below zero.”⁴⁸ These proposals would incentivize generation owners to bid at or above \$0/MWh so as to avoid causing negative LBMPs and forfeiting their RECs to NYSERDA. The Whitepaper does not estimate the number of negative LBMP hours that might occur in each Zone in 2025 or 2030, so the impact of the proposal remains uncertain. However, it may be helpful now to adopt this disincentive against negative bids in anticipation of evolving market conditions.

Staff also recommend modifying how Tier 1 project proposals are evaluated as an additional design element to mitigate concerns that interactive effects will frustrate the cost-effective achievement of the CLCPA Targets. Specifically, they propose to create a merged evaluation category that would consider project viability, operational flexibility, and peak coincidence together because the latter two considerations “will be increasingly intertwined with project viability as the penetration of renewable energy increases. Projects that are operationally flexible (dispatchable), provide ancillary services at low marginal cost, and are peak coincident also will be those mostly likely to avoid curtailment, local reliability constraints, and burdensome interconnection requirements.”⁴⁹ The Whitepaper does not specify how a project might satisfy these criteria, or whether it may be compensated for the desired operating

⁴⁸ Whitepaper, pp. 34, 51. The Whitepaper also recommends that the Index REC reference energy price formula applied to Tier 4 RECs “exclude any such negative LBMP hours.” (*Id.*, pp. 51-52.)

⁴⁹ *Id.*, pp. 31-32. Staff explain that merging these criteria “will allow evaluators to better reward projects that are truly exceptional across these metrics.” (*Id.*, p. 32.)

characteristics. Further, although these operating characteristics will be important to support a system with a high penetration of intermittent resources, they will not be sufficient to avoid economic curtailment, as demonstrated by Siemens' and the NYISO's analyses.

The dominant renewable technologies are expected to be wind and/or solar. Solar output aligns more closely with system load shapes but peaks during a narrow window between 12:00 p.m. and 1:00 p.m., then declines gradually. The peak operating profile can be extended to earlier and later hours through the use of single- or dual-axis tracking capability to follow the sun over the course of the day and different seasons. Onshore wind resources are seldom coincident with higher loads. The only way for these resources to avoid "curtailment and other negative impacts" would be to co-locate with a battery energy storage system (BESS) or power to gas technologies that could shift and/or attenuate output to meet grid needs.⁵⁰ Whether the preferred operating characteristics are procured by co-locating wind or solar with BESS or by selecting other technologies, the Whitepaper acknowledges that operational flexibility and peak coincidence are important operating characteristics that need to be reflected in the State's supply portfolio. Operational flexibility and peak coincidence will provide necessary services and benefits and should be compensated accordingly.

⁵⁰ An alternative approach that also might warrant consideration is to make existing demand response programs bi-directional so that participating customers are paid to increase load when prices are low or negative.

III. DER PROJECTS SHOULD HAVE THE OPTION TO HAVE REC RECOGNITION FOR GENERATION INJECTED INTO DISTRIBUTION SYSTEM OR USED BEHIND THE LOAD METER

On July 16, 2020, the Commission issued the *Order Establishing Net Metering Successor Tariff* (NEM Order).⁵¹ The Order adopted Staff recommendations for a successor to the Phase One net energy metering (NEM) tariff. It also declined to adopt a NYPA recommendation that developers of BTM clean energy resources be allowed to opt for compensation for their environmental attributes through Tier 1 RECs.⁵² The Commission explained that the proposal could enable developers to be compensated twice for environmental attributes, “either through the voluntary market or through Phase One NEM.”⁵³ The Commission also suggested that recent orders addressing energy service companies would increase the value of RECs in the developing voluntary market, and thus may increase the demand for renewable generation in New York.⁵⁴

NYPA did not intend to propose that any BTM project be compensated more than once for the same service or benefit provided. The intent instead was to provide more options and flexibility for developers to decide which project design and compensation framework best serves project economics and customer energy needs. Under the current Value Stack program design, customers may opt to sell the environmental attribute to the utility for power injected into the grid or, if power is consumed behind the meter, participate in the voluntary market. Participation in the voluntary market, however, currently does not provide developers with

⁵¹ Case 15-E-0751, Value of Distributed Energy Resources, Order Establishing Net Metering Successor Tariff (issued July 16, 2020) (NEM Order).

⁵² *Id.*, p. 17; Case 17-E-0751, *supra*, Comments of the New York Power Authority (dated February 24, 2020), pp. 4-7.

⁵³ NEM Order, p. 17.

⁵⁴ *Id.*

monetary value for environmental attributes, but if sold to the utility, the customer is paid the Tier 1 REC price or greater, and the environmental attribute qualifies as a Tier 1 REC for the utility's CES LSE obligation. This imbalance discriminates against BTM DER and, as such, under the Value Stack program design, developers are incented to direct inject all output from DERs into the utility grid.

Many large customers interested in deploying renewable energy are located in a campus setting or on costly sections of the utility system where it is technically challenging to implement DERs that direct inject output. Thus, developing a DER to operate entirely BTM as opposed to injecting electricity into the grid can lead to significant project design and/or interconnection cost savings and make the project technically feasible. Nonetheless, in order to realize these project benefits, the BTM DER project must forego receiving compensation or full CES compliance recognition for its environmental attributes, which may make the project uneconomical.⁵⁵

This mismatch between available compensation and cost savings options, project interconnection costs, and technical challenges limits the development of DERs in New York and the achievement of the State's goal of 6 GW of distributed solar under the CLCPA. Providing customers with the option to receive Tier 1 RECs for DER energy used behind the meter would provide the customer with more options and lead to increased deployment of DER renewables consistent with State policy. The RECs could be used to offset the customer's share of its LSE's CES Tier 1 REC compliance obligation and reduce the volume of RECs that must be purchased from the market. This treatment would be consistent with the policy under the order instituting the Value Stack mechanism, which stated that "the generation attributes of all

⁵⁵ NYPA recognizes that BTM generation reduces the customer load that is subject to a CES requirement, but this only provides a fractional value of the full Tier 1 REC.

renewable resource generation consumed by customers in New York State will contribute towards the Statewide ... renewable resources goal.”⁵⁶ If the attribute counts towards the State’s achievement of a renewables goal, the customer financially supporting the renewable project and utilizing its real estate should also be granted a REC that will count towards the customer’s or its LSE’s contribution to the goal.

The intent of NYPA’s proposal was to support projects that provide environmental benefits and contribute to the CLCPA Targets, including the 6 GW requirement for distributed solar. This includes large clean energy projects in Zone J where, with the proposal of Tier 4, DPS and NYSERDA acknowledge the critical importance of shifting reliance from fossil generation to renewable resources. In Zone J, NYPA is aware of BTM DER projects under active development with an aggregate capacity of approximately 25 MW. The viability of many projects would be bolstered with flexible compensation frameworks optimized to account for the economics and logistical challenges of project development in Zone J, where the State’s goal of promoting clean energy project development continues to be frustrated. For this reason, BTM projects also should be eligible for Tier 1 or 4 RECs if they forego Value Stack compensation and otherwise satisfy the Tier 4 eligibility criteria.

The Value Stack is a carefully constructed compensation mechanism and enabling certain BTM DER to forego Value Stack compensation in favor of Tier 1 or Tier 4 REC compensation could present rate design challenges. Some of these challenges arise when customers on volumetric rates are eligible and there is a need to make adjustments to avoid double counting RECs. These challenges, however, should be surmountable. To ensure that all tools are

⁵⁶ Case 15-E-0751, Value of Distributed Energy Resources, Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters (issued March 9, 2017), p. 64, 66, 67.

available to help meet the CLCPA requirements – and, in particular, the 6 GW of distributed solar required by CLCPA – the Commission should direct DPS to convene a stakeholder process with NYSERDA, NYPA, and other interested parties to develop a framework that could accommodate new compensation options for certain DER in a manner consistent with the policies and goals underlying Value Stack and the Tier 1 and Tier 4 REC programs.

IV. STAFF SHOULD BUILD ON THE WORK OF OTHER ENTITIES WHEN CONSIDERING HOW TO DIRECT CES BENEFITS TO DISADVANTAGED COMMUNITIES

The programs implemented to achieve the CLCPA Targets must “provide substantial benefits for disadvantaged communities ... including low to moderate income consumers, at a reasonable cost while ensuring safe and reliable electric service.”⁵⁷ “Disadvantaged communities” are defined in CLCPA as “communities that bear burdens of negative public health effects, environmental pollution, impacts of climate change, and possess certain socioeconomic criteria, or comprise high-concentrations of low-and moderate-income households, as identified pursuant to section 75-0111 of this article.”⁵⁸

The Whitepaper presents a thorough overview of various efforts to benefit disadvantaged communities through Commission-approved initiatives that relate to clean energy resources, energy efficiency, electric vehicles, and other measures. Staff commits to develop a tracking and reporting framework that CLCPA requires to demonstrate how disadvantaged communities are benefiting from progress towards the CLCPA Targets. NYSERDA also commits to: (1) “explicitly incorporate community engagement and prioritization of benefits to disadvantaged

⁵⁷ PSL § 66-p(7).

⁵⁸ Whitepaper, pp. 12-13 (citing Environmental Conservation Law § 75-0111(5)).

communities into its” project selection process; and (2) “reward” proposals that will benefit disadvantaged communities through job creation and other economic means.⁵⁹

NYPA has a team focused on supporting disadvantaged and marginalized communities located near its facilities and assets. For years, NYPA has engaged with various State entities, community groups, and other stakeholders to provide meaningful programs and services that meet the unique needs of these communities. The proposal to effectuate CLCPA requirements by evaluating projects based in part on how they will benefit disadvantaged communities is an important and laudable step that the Commission should approve with the following recommendations.

First, there have been many efforts to focus State policy on providing benefits to disadvantaged communities. The Commission has embedded this goal in various policy programs, which has given both DPS and NYSERDA experience in this area. Other efforts at the local, regional, and state level have involved many different public and private stakeholders. Work conducted outside of the Commission’s purview has been productive but hindered by overlapping and sometimes competing initiatives that often fail to build on prior work and lessons learned. The Commission should require that Staff inventory the work that has been done in this space by the various community and environmental advocacy groups and use this information when developing both the tracking and reporting framework for how disadvantaged communities are benefiting from progress towards the implementation and project execution.

For instance, Staff and NYSERDA should evaluate the work of the Just Transition Working Group that began before CLCPA and was led by the Governor’s Office. The Just Transition Working Group convened the Environmental Justice Mapping Tool Indicators

⁵⁹ *Id.*, p. 18.

Subcommittee, which included NYPA, New York State Department of State, and several New York City and Western New York environmental justice and environmental advocacy groups. Participants recommended indicators that ultimately would be used for a new statewide mapping tool to better identify frontline/historically burdened/under-resourced/environmental justice communities in New York State. The Subcommittee recommended that the tool be aligned with similar nationwide tools including CalEnviroScreen and EJScreen. It described the limitations of the existing New York State Department of Environmental Conservation (NYSDEC) maps and recommended the inclusion of indicators such as childhood lead (metal) testing data, chronic obstructive pulmonary disease hospitalization and emergency department visit data, children receiving free or reduced-price lunch, energy burden, and housing-owner/renter status. Recommendations also included specific requirements aligned with current GIS data standards. This work should be used to inform the selection of disadvantaged community identification criteria by the Working Group and for purposes of the CES.

Second, Staff proposed to adopt the identification criteria for disadvantaged communities that are to be issued by the Climate Justice Working Group. NYSERDA is a member of this Working Group, which CLCPA tasked with developing the identification criteria.⁶⁰ NYPA respectfully urges NYSERDA to advocate within the Climate Justice Working Group that the work of the Just Transition Working Group should be included in the identification criteria that the Working Group adopts.

Finally, CLCPA tasked the Climate Action Council with preparing a report on barriers to, and opportunities for, access to or community ownership of various clean energy services and commodities in disadvantaged communities. DPS and NYSERDA, in collaboration with NYPA

⁶⁰ Whitepaper, pp. 12-13.

and other members of the Climate Action Council, should ensure that the barriers report is completed on time and is informed by the work of the Just Transition Working Group as well as input from community stakeholders and other entities with expertise in this area.

CONCLUSION

The CES modifications proposed in the Whitepaper will support achievement of the CLCPA Targets. NYPA thus respectfully requests that the Commission approve the Whitepaper proposals, subject to the recommendations presented above.

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Respectfully submitted,

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