

NEW YORK STATE
PUBLIC SERVICE COMMISSION

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

COMMENTS OF INDEPENDENT
POWER PRODUCERS OF NEW YORK, INC.

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On January 6, 2026, the Coalition for Safe and Reliable Energy (“Coalition”) petitioned the New York State Public Service Commission (“PSC” or “Commission”) to hold a hearing, pursuant to Section 66-p of the New York Public Service Law (“PSL”), to evaluate whether to temporarily suspend or modify the targets under the Renewable Energy Program (“Program”) established as part of the Climate Leadership and Community Protection Act (“CLCPA”) that, by 2030, 70% of statewide electricity generation be from renewable energy systems and that, by 2040, the statewide electric grid be zero emissions (“2040 Target”).¹ Pursuant to the PSC’s January 28, 2026, notice soliciting comments on the petition² and extension of the comment due date until May 1, 2026,³ Independent Power Producers of New York, Inc. (“IPPNY”),⁴ a not-for-profit trade association representing the independent power industry in New York State, hereby comments on the Petition. IPPNY’s members include companies involved in the development and operation of electric generating facilities and the marketing and sale of electric power in

¹ Case 15-E-0302 et al., *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Energy Program and Clean Energy Standard*, Coalition for Safe and Reliable Energy Petition for Hearing to Temporarily Suspend or Modify Renewable Energy Program Pursuant to Public Service Law § 66-P (4) (Jan. 6, 2026) (“Petition”).

² Case 15-E-0302, *supra*, Notice Soliciting Comments Regarding Petition for Hearing to Suspend or Temporarily Modify Renewable Energy Program (Jan. 28, 2026) (“Notice”).

³ Case 15-E-0302, *supra*, Notice Extending Date for Comments Regarding Petition for Hearing to Suspend or Temporarily Modify Renewable Energy Program (Mar. 24, 2026).

⁴ IPPNY’s comments do not necessarily reflect the views of individual members of IPPNY.

New York. Further, IPPNY members produce a majority of the State’s electricity using nearly every available generation technology, including wind, solar, natural gas, low sulfur oil, hydro, biomass, energy storage, and nuclear.

Pursuant to PSL § 66-p(4), the PSC may temporarily suspend or modify the obligations under the Program, after a hearing, if it finds that the Program impedes the provision of safe and adequate electric service or increases energy costs (*i.e.*, if there is a significant increase in arrears or service disconnections). In a series of reports, the most recent issued just two weeks ago, the New York Independent System Operator (“NYISO”) has repeatedly emphasized the need for new or repowered resources in the interim to maintain reliability as the system transitions to the end state envisioned by the CLCPA.⁵ As discussed below, the system has evolved in ways that were not considered when the CLCPA was enacted; its implementation must be realigned commensurately. It is prudent, therefore, for the PSC to convene a hearing under Section 66-p to examine modifying the Program to ensure electric system reliability needs continue to be met by providing investors with adequate investment signals to maintain needed existing facilities and, where needed, take steps required to support the economic viability of repowering needed existing facilities and develop new resources to complement intermittent resource development.

⁵ *Short-Term Assessment of Reliability: 2026 Quarter 1*, NYISO (Apr. 15, 2026), at 4 [nyiso.com/documents/20142/16004172/2026-Q1-STAR-Report-Final.pdf](https://www.nyiso.com/documents/20142/16004172/2026-Q1-STAR-Report-Final.pdf)/ (“[a]s demand grows and older plants retire, new or repowered resources with the necessary set of reliability attributes must be developed to take their place”); *Short-Term Assessment of Reliability: 2025 Quarter 3*, NYISO (Oct. 13, 2025), at 58–59 <https://www.nyiso.com/documents/20142/2248481/2025-2034-Comprehensive-Reliability-Plan.pdf/61984e49-f7a2-eeda-bdd3-176c5ae40ba9>; <https://www.nyiso.com/documents/20142/16004172/2025-Q3-STAR-Report-Final.pdf/beacd093-9e4c-26a6-5318-69a08900b376> (“new resource entry and retaining existing generation can help offset [reliability] risks statewide as well as in each of the localities”); *see also Short-Term Reliability Process Report: 2026-2030 Generator Deactivation Reliability Needs (2025 Quarter 3 STAR)*, NYISO (Apr. 15, 2026) (“STAR 2025 Q3 Process Report”), at 3–4, [nyiso.com/documents/20142/15930753/2025-Q3-Short-Term-Reliability-Process-Report-Final.pdf](https://www.nyiso.com/documents/20142/15930753/2025-Q3-Short-Term-Reliability-Process-Report-Final.pdf).

The current reliability risk is caused by a generation supply gap attributable to retirements outpacing new additions and unexpectedly rapid demand growth.⁶ Indeed, the supply gap is in part a direct consequence of the policy uncertainty fossil plant investors have long faced; without clear line of sight into future market conditions and asset longevity, capital has not flowed to repower or replace aging conventional resources. A hearing focused on closing that policy certainty gap—for all resource types—would serve the Commission's reliability mandate. The hearing, if held, should focus on market structure and regulatory reforms needed to accelerate repowering and support the growth and modernization of a reliable grid.

I. It is Prudent for the State to Hold a Hearing Under PSL Section 66-p Given the Absence of Dispatchable Emission-Free Resources (“DEFRs”) at Commercial Scale at This Time, the Benefit of Repowering Existing Resources, and the Need to Maintain Reliability During the Transition Period.

The Coalition cautions that sufficient DEFRs will not be commercially available at scale to meet system reliability needs by the 2040 Target.⁷ Additionally, the Coalition raises the concern that investors will not develop repowered conventional generation that will be needed to maintain reliability because “the 2040 Zero Emissions Target presents a risk that any repowered plant would be forced to retire by 2040, preventing full recovery of the investment.”⁸ In comments filed in this proceeding on April 6, 2026, the New York Energy Consumers Council correctly cautioned: “[w]ithout a recalibration that reflects the practical conditions of the energy

⁶ See *2025-2034 Comprehensive Reliability Plan*, NYISO (Nov. 21, 2025), at 11 (Most plausible combinations modeled in this CRP result in statewide deficits by 2034 in both summer and winter, with shortfalls of several thousand megawatts. Even scenarios that assume mitigation measures—such as new renewable additions, battery storage, and retention of select resources—still fall short under higher demand growth or accelerated retirements of aging generation), <https://www.nyiso.com/documents/20142/2248481/2025-2034-Comprehensive-Reliability-Plan.pdf/61984e49-f7a2-eeda-bdd3-176c5ae40ba9>.

⁷ Petition at 18.

⁸ *Id* at 22.

market, New York faces potentially dire consequences—consequences starkly in opposition to the goals of CLCPA.”⁹

Innovative new DEFRs are promising. As evidenced by the State’s ongoing funding of some of these initiatives,¹⁰ doing so has been—and should remain—a key priority.¹¹ Commercializing these technologies at scale and then subsequently permitting, siting, and bringing them into operation at the levels needed will, however, realistically take many years at best. Maintaining and/or repowering needed existing facilities and developing new, dispatchable, conventional generation, particularly that which can be converted to operate as a zero emissions source in the future, must thus proceed in parallel to ensure system reliability in the interim.¹² Indeed, providing the paths and corresponding market signals to repower existing generation with more efficient ones will substantially reduce emissions in the interim period,

⁹ Case 15-E-0302, *supra*, Comments on Petition for Hearing (Apr. 6, 2026), at 2.

¹⁰ See, e.g., *Hydrogen Innovation Projects*, New York State Energy Research and Development Authority (last visited Apr. 24, 2026), <https://www.nyserda.ny.gov/All-Programs/Hydrogen/Hydrogen-Innovation-Projects>.

¹¹ The Commission could hasten the development of DEFRs by definitively addressing the definition of “zero emissions” and ruling that generation fueled by hydrogen, biogas and carbon capture and sequestration and a variety of other technologies that could help satisfy reliability needs qualify as “zero emissions” in this case. IPPNY, the New York State Building & Construction Trades Council, and the New York State AFL-CIO jointly submitted a petition to the Commission in 2021 requesting that the Commission rule on the technologies that qualify as zero emissions sources under the 2040 Target. See Case 15-E-0302, *supra*, Petition for Establishment of a Zero Emissions Energy Systems Program (Oct. 27, 2021). Most recently, Department of Public Service Staff filed a proposal on defining the term zero emissions in this case on November 4, 2024 (to which IPPNY submitted comments in January 21, 2025) but no further steps have been taken in the ensuing year. See Case 15-E-0302, *supra*, Comments of Independent Power Producers of New York, Inc. (Jan. 21, 2025). IPPNY’s comments urged the Commission to adopt a definition of “zero emissions” that measures emissions on a net basis and rule that a technology that produces emissions that are de minimis in the context of the total emissions reduced by the technology qualifies as a zero-emission source. To support its position, IPPNY submitted a report by Sargent and Lundy demonstrating a variety of resources that the Commission should rule are zero emissions. See Case 15-E-0302, *supra*, Comments of Independent Power Producers of New York, Inc. (Aug. 16, 2023), Exh.1 at ¶¶ 8–33. As IPPNY has further extensively documented in this proceeding, the Commission could also hasten the development of merchant generation in all forms by definitively ruling that utility-owned generation will continue to presumptively be proscribed.

¹² See Case 24-G-0248, *In the Matter of a Review of the Long-Term Gas System Plans of The Brooklyn Union Gas Company d/b/a National Grid NY, KeySpan Gas East Corporation d/b/a National Grid, and Niagara Mohawk Power Corporation d/b/a National Grid*, PA Consulting Report on National Grid’s Final Gas System Long-Term Plan Addendum (Aug. 6, 2025), at 7–8 (identifying a “growing trend toward integrated planning of electric and natural gas distribution systems—an area that has traditionally remained siloed”).

providing substantial environmental benefits while also shoring up system reliability and reducing costs.¹³ Accordingly, it is prudent for the PSC to hold a hearing to examine modifying the Program to ensure investors are able to finance and develop conventional resources to timely meet reliability needs in the interim until DEFRs become viable on a commercial scale.¹⁴

The 2025 State Energy Plan echoed the NYISO’s warnings throughout 2025 that the confluence of aging generation, load growth due to CLCPA mandates, and large load projects and slower than projected renewable generation development had put the State at an inflection point. The 2025 State Energy Plan advised that the “State will need to be strategic about the pace of combustion unit retirements and/or replacements as it works toward its clean energy goals and to meet reliability needs as quickly and cost-effectively as possible.”¹⁵ The 2025 State Energy Plan, thus, logically concluded that “[c]ombustion-generating units will remain essential parts of electric grid reliability and affordability and the retirement of these units will not be able to occur until resources that provide the same grid reliability attributes are put in place” and that “New York will seek to carefully manage the retirement of existing assets and evaluate whether there is a need to invest in their repowering or in new generation that is *compatible* with long-term policy targets.”¹⁶

¹³ The NYISO has initiated efforts to enhance its reliability planning processes and make companion changes to its capacity market structure to support the development of adequate resources to maintain system reliability. See *Reliability Planning Process: Challenges and Considerations*, NYISO (Jan. 20, 2026), https://www.nyiso.com/documents/20142/56487677/03_RPP_ESPWG_012026.pdf/02f1d0ef-a6bf-f2f2-6edf-ecb5d53623b9. IPPNY and its members will actively participate in these processes and urge changes that will account for system needs as New York transitions its infrastructure.

¹⁴ See Press Release, N.Y. Indep. Sys. Operator, New York Electric Grid Faces Narrow Reliability Margin Heading into Summer (Apr. 24, 2026), <https://www.nyiso.com/-/press-release-new-york-electric-grid-faces-narrow-reliability-margin-heading-into-summer>.

¹⁵ See *2025 New York State Energy Plan*, New York State Energy Planning Board (Dec. 16, 2025) (“2025 State Energy Plan”), vol.1 at 63, <https://energyplan.ny.gov/-/media/Project/EnergyPlan/files/2025-Energy-Plan/2025-NY-State-Energy-Plan.pdf>.

¹⁶ *Id.* (emphasis added).

The 2025 State Energy Plan opens with a letter from Governor Kathy Hochul, demonstrating the need for a “much-needed all-of-the-above strategy,” which includes, “modern gas infrastructure to keep the system stable during the transition.”¹⁷ The 2025 State Energy Plan further provides that “[a]ll major fuels currently used in New York State are projected to continue to provide meaningful volumes of energy throughout the planning period, while the contributions of clean and renewable energy sources will grow.”¹⁸

Indeed, to reach its findings, the 2025 State Energy Plan cited extensively to the NYISO’s full analysis of the significant system buildout that must occur for the State to achieve its climate change initiatives. The NYISO’s *2023-2042 System & Resource Outlook* (“Outlook”) notes that “[t]he scale of and pace at which new generation will be needed on the system to satisfy [the CLCPA’s target of having the electricity sector be zero-emissions by 2040 (“100 by 40 target”)], projected demand, and estimated capacity reserve margins is unprecedented.”¹⁹ The Outlook also emphasized the fact that the NYISO had already established solar and wind resources cannot alone make up the gap between the forecasted capacity of existing renewable generation technologies and the projected demand because these resources do not provide the same amount of essential grid services currently provided by fossil fuel generators, such as operating reserves, ramping, regulation, voltage support, and black start.²⁰ To replace these

¹⁷ *Id.* at 1–2.

¹⁸ *Id.* vol.1 at 43.

¹⁹ *2023-2042 System & Resource Outlook (The Outlook)*, NYISO (July 23, 2024) (“Outlook”), at 42 <https://www.nyiso.com/documents/20142/46037414/2023-2042-System-Resource-Outlook.pdf/8fb9d37a-dfac-a1a8-8b3f-63fbf4ef6167>. Work is currently underway to complete the next cycle of the Outlook study with similar results produced as of this time.

²⁰ *Id.* at 8.

electrical attributes, the NYISO projected that the system would need to add at least 20 GW, and upwards of 40 GW, of DEFRs by 2040 to complement the renewable resource deployment.²¹

As the NYISO acknowledged, however, no DEFR technology is currently available at a commercial scale.²² Further complicating the timely deployment of DEFRs by 2040, the NYISO noted that, even if such resources were to become commercially viable prior to the CLCPA's 2040 date, "there remains significant work in implementation and logistics that must be overcome to economically justify transitioning the dispatchable fleet to some combination of new technologies in the next 15 years."²³

The NYISO's Outlook and a second independent study²⁴ both confirm that the time required to develop thousands of megawatts of intermittent solar and wind generation will not permit conventional resources to leave the system any time soon. For example, the NYISO has projected that electric demand in the State, which will increase between 50%–90% over the next 20 years, must be matched with the addition of approximately three times the capacity of the current generation fleet to meet that demand.²⁵

The combined effect of factors now undeniably straining system reliability to its near breaking point were not—indeed, could not have been—anticipated much less addressed when the CLCPA was enacted. Given its economy-wide scope and the time over which CLCPA

²¹ *Id.* at 48.

²² Outlook at 9. Examples of DEFR technologies include long-duration batteries, small modular nuclear reactors, hydrogen-powered generators, and fuel cells. *Id.* at 8–9.

²³ *Id.* at 9.

²⁴ See e.g., Paul J. Hibbard, et al., *Climate Change Impact Phase II, An Assessment of Climate Change Impacts on Power System Reliability in New York State*, Final Report (Sept. 2, 2020), <https://www.nyiso.com/documents/20142/15125528/02%20Climate%20Change%20Impact%20and%20Resilience%20%20Study%20Phase%202.pdf/89647ae3-6005-70f5-03c0-d4ed33623ce4>.

²⁵ Outlook at 8. As noted above, the NYISO is currently in the process of completing its 2026 Outlook study. The draft results to date confirm the same order of magnitude of these needs persists.

implementation spans, the CLCPA empowered the PSC to conduct a hearing process for the very purpose of assessing whether changing facts and circumstances warrant modification of the Program to ensure the continued reliable and affordable operation of the electric system.

During the transition from fossil generation to non-emitting resources, the all-of-the-above strategy directed by the 2025 State Energy Plan is demonstrably the viable option available to maintain a reliable system as it evolves to a cleaner footprint.²⁶ The State is in a time of immense federal policy uncertainty, both in terms of tax incentives available to renewable projects through the Inflation Reduction Act and the ability to issue permits for offshore wind projects.²⁷ The federal government has previously attempted to halt construction of the Empire Wind project, expected to deliver over 800 megawatts of non-emitting electricity into New York City.²⁸ The NYISO, in its most recent *Power Trends* report released in June of 2025, advised, “every plausible option and opportunity to bolster both reliability and resource needs should be on the table.”²⁹

The State has taken a number of important steps to animate the Governor’s “all-of-the-above” approach policy including implementing the Zero Emission Credit 2.0 program, pursuing

²⁶ See also 15-E-0302, *supra*, Comments of the New York Independent System Operator, Inc. In Response To The January 27, 2026, Notice Soliciting Comments (Apr. 24, 2026) (“NYISO Comments”), at 21 (“Integrating new efficient fossil generators (which may be capable of operating with lower- or zero-emissions fuels in the future) will immediately improve electric system reliability and reduce total emissions . . . [as reliability needs] are emerging now”).

²⁷ See 2025 State Energy Plan vol.1 at 3.

²⁸ See Complaint at ¶¶ 1–3, *Empire Leaseholder LLC v. Burgum*, No. 1:26-cv-00004 (D.D.C. Jan. 1, 2026). The U.S. Department of the Interior’s (“Interior”) December 22, 2025 suspension order is Interior’s second attempt to disrupt construction of the Empire Wind project in 2025. Interior issued a Stop Work Order in April 2025 that delayed construction for one month, causing the project developer to incur an estimated \$200 million in delay costs. See *id.* at ¶¶ 4, 10. Although the project developer obtained a preliminary injunction temporarily halting enforcement of the federal government’s most recent suspension order, the federal government’s repeated attempts to halt construction result in significant uncertainty that must be considered as the Commission addresses NYC’s reliability needs.

²⁹ 2025 *Power Trends*, NYISO (June 2, 2025) at 2, <https://www.nyiso.com/documents/20142/2223020/2025-Power-Trends.pdf/51517a1b-36fa-4f3d-d44d-eabe23598514>.

new nuclear development, proceeding with renewable energy auctions,³⁰ and initiating a review of the most effective steps that can be taken to support offshore wind development to support downstate needs. The uncertainty facing conventional generation and pending development of DEFRs at commercial scale—particularly given the limited supply options available to meet the electric needs of New Yorkers downstate—at a minimum, warrants consideration in a hearing.

Over the past 26 years, the Commission has relied on competitive markets to meet system needs timely and affordably.³¹ Private entities have consistently and effectively responded when market signals have been adequate by providing the needed investment to maintain system reliability.³² The Commission must stay the course it previously has charted and continue its proven policies, now more than ever with the documented very narrow supply margins available to meet New Yorkers’ electric needs, to ensure private investors are given adequate signals and incentives to develop all types of technologies that may meet resource needs effectively and affordably.

The growth and modernization of New York’s reliable grid delivers the greatest cost savings and consumer protections when investors have the long-term policy certainty needed to develop large-scale resources competitively. If that certainty is disrupted, the cost of capital for grid investment increases, and those costs are broadly and ultimately passed on to ratepayers.

³⁰ NYSERDA initiated the latest land-based wind/solar Tier 1 solicitation on April 24, 2026. Step One Eligibility Applications are due on May 19, 2026, Step Two Bid Proposal Non-Price submissions are due on June 25, 2026, Step Two Price Submissions are due on July 30, 2026, and proposers are expected to be notified of initial awards by September 2026. *Solicitations for Large-Scale Renewables*, NYSERDA (last visited Apr. 28, 2026), <https://www.nyserda.ny.gov/All-Programs/Large-Scale-Renewables/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts#:~:text=2026%20RES%20Solicitation%20for%20Tier,%2Dstep%20process%2C%20consisting%20of:>

³¹ See NYISO Comments at 9 (“Utility-owned generation agreements may result in adverse market and reliability impacts because such mechanisms could insulate generators from temporal and location-based wholesale market price signals”).

³² See 15-E-0302, *supra*, Comments of Affordable Clean Power Alliance (Mar. 26, 2025), at 19–20.

A signal also is sent across all energy investment categories that long-term regulatory commitments are subject to revision, thereby chilling investments. Investors will be reluctant to commit capital to repowering projects whose market position and future eligibility are subject to uncertainty. The answer to the supply gap is more policy certainty—not less—and a hearing that productively closes the investment certainty gap across all resource categories would deliver far greater reliability and ratepayer benefits.

II. It is Prudent for the State to Hold a Hearing Under PSL Section 66-p Given the Affordability Concerns that the State is Facing.

Energy affordability concerns have been at the forefront of discussions, especially as New York State’s government engages in negotiations to adopt the 2026 budget. Consideration about how to move forward with reaching the CLCPA’s targets is now occurring with greater awareness about the importance of affordability as energy consumers are experiencing higher electricity bills.³³ Post-COVID, the electric industry has faced skyrocketing inflation, concomitantly high interest rates, severe supply constraints, and significant cost exposure that cannot be hedged.³⁴ These costs are reflected in higher electric prices, seen most visibly in utility rate cases. Utility bills will continue to rise as progress continues toward meeting the CLCPA’s targets, given the essential massive investment in new energy infrastructure to reach the targets.

On January 26, 2026, the New York State Energy Research and Development Authority’s (“NYSERDA”) Board of Directors approved the 2026 Amendment to its Operating Plan for the

³³ See, e.g., *Let’s Get It Done: Governor Hochul Rallies With Leaders in the Southern Tier to Deliver a State Budget That Makes New York More Affordable and Fights for Working Families*, N.Y. Governor’s Office (Apr. 2, 2026), <https://www.governor.ny.gov/news/lets-get-it-done-governor-hochul-rallies-leaders-southern-tier-deliver-state-budget-makes-new>.

³⁴ See Case 15-E-0302, *supra*, Order Adopting Clean Energy Standard Biennial Review as Final and Making Other Findings (May 15, 2025) at 8.

use of Regional Greenhouse Gas Initiative (“RGGI”) monies.³⁵ The amended Operating Plan states that the use of these monies for affordability is not limited to programs that serve low-to-moderate income households. Over the next three years, 62% of RGGI proceeds will go towards affordability. Thirty-four percent of auction proceeds above the amount projected by the Operating Plan would support a new ratepayer cost reduction initiative; remaining additional monies would be provided for purposes, such as supporting studies and analyses of zero-emission technologies. However, it is not clear if these measures will be enough to mitigate consumer cost increases to an acceptable level, which the hearing should analyze.³⁶

The NYISO’s January 2026 white paper detailed the price drivers resulting from this winter’s extreme cold weather operations and indicated that increased heating demand and natural gas exports led to rising natural gas prices throughout the Northeast.³⁷ To maintain adequate electric supply and support energy affordability, dual-fueled power plants were switched from operating on natural gas to low-sulfur oil when gas became either unavailable or

³⁵ 2026 Final RGGI Operating Plan Amendment, NYSERDA (Jan. 26, 2026), <https://www.nyserda.ny.gov/-/media/Project/Nyserda/Files/EE/RGGI/2026-RGGI-Op-Plan-Amendment.pdf>. RGGI funds are generated by the auction of emission allowances to power plant owners.

³⁶ In a February 26, 2026, memorandum from Doreen Harris, President and CEO of NYSERDA, to Jackie Bray, Director of State Operations regarding Likely Costs of CLCPA Compliance, the former recognized these affordability concerns, unequivocally acknowledging that the CLCPA as currently constituted will “yield high costs to New York households and businesses.” A primary cause of CLCPA’s escalating costs are that its “inflexible near term targets” adopted in 2019, “could not have foreseen the substantial reversal in the federal policy landscape, the disruptive and lingering impacts of COVID-19 and the subsequent supply chain crisis, the return of an inflationary economy, and the influence of geopolitical events on energy costs generally.” Many of NYSERDA’s findings in its 2026 memorandum echoed the testimony submitted by NYSERDA in this proceeding in 2023 when the confluence and resulting severe ramifications of post-COVID impacts on renewable energy development was first laid to bare. See Jack Arpey, *NYSERDA memo on state’s 2019 climate law costs is latest signal of coming budget fight over its mandates*, Spectrum News 1 (Feb. 26, 2026), <https://spectrumlocalnews.com/nys/central-ny/politics/2026/02/27/nyserda-memo-foreshadows-budget-fight>; Case 15-E-0302 et al., *supra*, NYSERDA Comments on Petitions Requesting Price Adjustments to Existing Contracts (Aug. 28, 2023).

³⁷ Impact of National & Global Conditions on Electricity Prices in New York, NYISO (Jan. 29, 2026), <https://www.nyiso.com/documents/d/guest/costs-behind-rising-electricity-prices-whitepaper>

more expensive, so that more natural gas supply remained available to keep residential customers warm under such conditions.

The NYISO's white paper explains that recent higher wholesale prices are also due to shrinking reliability margins and increasing reliance on older and less efficient generation. Since 2019, 4,315 MW of capacity has left the system, while 2,274 MW has been added, despite projected increased demand levels.³⁸ Further, the reliability value of the dispatchable assets that left the system surpasses those entering the system. As recently as two weeks ago, the NYISO reaffirmed repowering or replacing older plants with newer and more efficient equipment would more efficiently support system reliability while also helping to limit rising prices.³⁹

III. Conclusion

As discussed above, it is prudent for the PSC to hold a hearing under Section 66-p to examine whether the Program should be modified to ensure safe and adequate service can continue to be provided efficiently and affordably. The hearing also should examine necessary market structure and regulatory reforms to support the growth and modernization of a reliable grid, including investment in repowering and transitional resources that bridge the gap to meet system needs.

Sincerely,

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³⁸ *Id.* at 4.

³⁹ STAR 2025 Q3 Process Report at 3–4.