

NEW YORK STATE 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 INDEPENDENT POWER PRODUCERS OF NEW YORK, INC.

Radmila P. Miletich
IPPNY's Legislative & Environmental
Policy Director

Dated: October 7, 2022

Via Email to secretary@dps.ny.gov

Michelle L. Phillips, Secretary
New York State Public Service Commission
3 Empire State Plaza
Albany, New York, 12223-1350

Re: Letter of Support for “Petition of ReEnergy Holdings LLC for Policy Support for Bioenergy Generation” in Case 15-E-0302: Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard

Dear Secretary Phillips:

The Independent Power Producers of New York¹ (“IPPNY”) provides the following comments upon the July 20, 2022 “Petition of ReEnergy Holdings LLC for Policy Support for Bioenergy Generation” (“ReEnergy Petition”). The ReEnergy Petition demonstrates the urgent need for the Public Service Commission (“PSC”) to act upon the August 18, 2021 “Petition of Independent Power Producers of New York, Inc., New York State Building and Construction Trades Council and New York State AFL-CIO for the Establishment of a Zero Emissions Energy Systems Program under the Clean Energy Standard” (“IPPNY-Unions Petition”) which was filed in the instant case.

The IPPNY-Unions Petition explained that the “Commission has yet to update its CES to establish the 2040 Zero Emission Target” and should “do so now by developing a competitive zero emissions energy systems program to help ensure that target is met.” The IPPNY-Unions Petition urged the PSC to “establish a new competitive program or tier under the Clean Energy Standard (“CES”) to encourage the development of zero emitting electric generating facilities that are not renewable energy systems” and pointed out The ReEnergy Petition asks the PSC to “commence a proceeding to fairly and accurately compensate bioenergy generation for the environmental benefits it provides the state in furtherance of the requirements of the Climate Leadership and Community Protection Act (“CLCPA”).”

The PSC should consider bioenergy (such as potentially ReEnergy’s Black River Facility at Fort Drum), with appropriate emission controls, in the context of a larger proceeding to identify zero emissions resources that qualify for support under the CES to meet the 2040 Zero Emission Target as requested by the IPPNY-Unions Petition. The need for the PSC to act upon the IPPNY-Unions Petition and to decide which technologies should be eligible to meet the CLCPA’s 2040 Zero Emission Target, while ensuring electric system reliability, has never been more urgent. On September 22, 2022, the New York Independent System Operator, Inc. issued its “2021-2040 System and Resource Outlook” (“The Outlook”). The Outlook indicates that, to meet the CLCPA’s targets, new resources, expanded transmission, and 95 GW of new Dispatchable Emission-Free Resources (“DEFR”) need to be added to keep the grid reliable to meet the CLCPA’s 2040 Zero Emission Target. At least 20 GW of DEFR needs to be added in the next seven years. The ReEnergy Petition states that “firm resources such as bioenergy complement high penetrations of intermittent renewables,” and they may qualify as DEFR with appropriate emission controls.

The ReEnergy Petition asks the PSC to “consider support for bioenergy resources generally, or the Black River Facility specifically, either through existing CES programs or through a dedicated incentive that recognizes the role of preserving the state’s existing zero-emission baseload generation, consistent with the CLCPA’s goal” and “to keep existing, strategic biomass facilities operating and generating the

¹ All of the views expressed in IPPNY’s comments do not necessarily represent the positions of each of our members.

environmental attributes that the state has historically recognized” under New York’s previous Renewable Energy Portfolio Standard. IPPNY agrees that the PSC should consider the public interest of providing support now to avoid the loss of existing facilities, such as ReEnergy’s Black River Facility, and to not foreclose the PSC’s consideration of other technologies as part of a broader proceeding, as urged by the IPPNY-Unions Petition, to incent the development of new facilities to meet the CLCPA’s 2040 Zero Emission Target reliably.

Thank you for the opportunity to provide these comments.

Respectfully submitted,

Radmila P. Miletich

Radmila P. Miletich
IPPNY’s Legislative & Environmental
Policy Director

Dated: October 7, 2022