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November 15, 2021

Via email at secretary@dps.ny.gov

Michelle L. Phillips
Secretary to the Commission
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, NY 12223-1350

Re: Case 15-E-0302 - Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard – ***Petition for the Establishment of a Zero Emissions Energy Systems Program***

Dear Secretary Phillips:

NRG Energy, Inc. ("NRG") supports the Petition for the Establishment of a Zero Emissions Energy Systems Program, which was jointly submitted by the Independent Power Producers of New York, Inc., the New York State Building and Construction Trades Council, and the New York State AFL-CIO on August 18, 2021. In the September 15, 2021 issue of the New York State Register, the New York State Public Service Commission ("PSC") announced a 60-day public comment period on the joint petition, and this letter is submitted in response to that comment request and in support of the joint filing.

NRG has approximately 23,000 MW of generation resources throughout the U.S. – and is one of the nation's largest competitive retail energy suppliers, with over six million retail customers. NRG is an active participant in the New York markets, with conventional generation, retail energy services, and a distributed energy management platform which has offices in

Buffalo, New York. NRG is leading a customer-driven change in the U.S. energy industry by delivering cleaner and smarter energy choices. A Fortune 500 company, we create value through reliable and efficient conventional generation while driving innovation in the development of storage projects, carbon capture technology and customer-centric energy solutions. NRG is committed to lowering the carbon intensity of electricity production, as well as increasing the deployment of clean generation technologies. In 2020, NRG announced its commitment to reducing its greenhouse gas emissions by 50% by 2025 and achieving net-zero emissions by 2050.[1]

NRG is committed to New York's Climate Leadership and Community Protection Act ("CLCPA") goals but recognizes the challenges before the State to achieve a zero-carbon grid, specifically the lack of long duration dispatchable resources. As the joint petition discusses and is worth emphasizing, significant quantities of long duration dispatchable resources are needed to support intermittent renewable resources in order to maintain a reliable electric grid. Specifically, the Analysis Group recently prepared a report for the New York Independent System Operator, Inc. indicating that developing fully dispatchable zero emitting resources are crucial to maintain reliability while meeting the CLCPA goals.[2] In addition, the Climate Action Council's (established by the CLCPA) consultant, Energy and Environmental Economics, Inc. also determined that "firm capacity resources will be needed to ensure year-round reliability, especially during periods of low renewable output."[3]

[1] 2020-nrg-sustainability.pdf
[2] 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%20Study%20Phase%202.pdf/89647ae3-6005-70f5-03c0-d4ed33623ce4.
[3] Energy and Environmental Economics, Inc., *Pathways to Deep Decarbonization in New York State* (June 24, 2020), at 37, https://climate.ny.gov/-/media/CLCPA/Files/2020-06-24-NYS-Decarbonization-Pathways-Report.pdf.

Given technologies to provide this service do not currently exist on a commercial scale and due to the extended amount of time to develop, permit and construct new assets in New York and the risks and uncertainties developers face in this very state associated with recovering the sizeable investments needed to achieve meaningful scale, a market-based program to incent these resources is needed now. Moreover, competition drives innovation and incents investment while lowering risks to end-use consumers. Working within a competitive framework to meet emerging State policy needs will protect system reliability but also ensure that the resources that meet the State's needs and goals are incented and rewarded for the services they provide.

NRG looks forward to participating in the stakeholder process for the development of this program, which would include the PSC identifying the types of technologies that would be eligible and how to create necessary and proper signals for private sector investment in them. We welcome the opportunity to offer our expertise and to work collaboratively on the fashioning of a program that will complement the role of renewable energy systems and energy storage and meet the CLCPA's targets.

Respectfully submitted,

s/ Jennifer S. Hsia
Jennifer S. Hsia
Managing Senior Counsel

Counsel for NRG Energy, Inc.