STATE OF NEW YORK

PUBLIC SERVICE COMMISSION

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

COMMENTS OF AES CLEAN ENERGY, LLC

ON

NOTICE SOLICITING COMMENTS

October 31, 2025

I. Introduction

AES Clean Energy Development, LLC ("AES"), submits these comments in response to the New York Department of Public Service's ("Commission") Notice Soliciting Comments ("Notice"),[1] regarding the (2) comprehensive review of the State's renewable solicitation practices. AES requests that NYSERDA remove its requirement that previously provisionally awarded projects are ineligible to bid and quickly issue the 2026 request for proposals ("RFPs"). New York has an urgent need to solicit and award the best, most mature projects in the interest of the ratepayers. Now, more than ever, New York state agencies and New York renewable developers must work together to achieve the state's clean energy goals.

AES continues its active partnership with New York state energy agencies as a solutions provider and builder of the safe, affordable, and reliable renewable energy projects that New York needs for the wellbeing of all New Yorkers.

II. AES Clean Energy

AES was founded in 1981 and is a U.S.-based Fortune 500 global energy company with headquarters in Arlington, Virginia and offices in many locations in the U.S., including New York City. Across the country, AES owns and operates a portfolio of more than 10.6 GW of renewable energy projects including more than 600 utility-scale and community solar, wind, energy storage, and hybrid projects across 29 states. AES is a committed, solutions-oriented climate leader. AES has spent more than two decades building projects in New York as one of the state's leading developers. AES' development pipeline in New York includes more than 2.9 GW of clean energy projects including utility-scale solar, wind, community solar, and energy storage. AES owns and operates one of the largest renewable energy portfolios in New York with 67 projects representing more than 850 MW of energy resources including Valcour Wind, a portfolio of 612 MW of operating wind projects.

[1] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard. Notice Soliciting Comments, ("Notice") Filed July 30, 2025. https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7bC0DF5B98-0000-CA24-9EB1-5755A86F4E11%7d.

III. Eligibility & Evaluation

The most recent NYSERDA Tier 1 Solicitation, RESRFP25-1,[2] released September 26, 2025, includes a new requirement in the *Step One & Step Two Components; Eligibility & Evaluation section*, that provisionally awarded projects from the 2022, 2023, or 2024 solicitations are not eligible to bid into the 2025 RFP ("eligibility requirement").

> "Any project that was the subject of a provisional award under NYSERDA's RESRFP22-1, RESRFP23-1, or RESRFP24-1 solicitations is not eligible under this RFP. For greater clarity, this includes projects that failed to execute NYSERDA's RES Standard Form Agreement for an award in the prior three RES solicitations, or terminated their Agreement from the solicitations... NYSERDA intends to revisit and potentially revise these eligibility requirements in RESRFP26-1." [3]

AES requests NYSERDA return to the previous eligibility requirement with a one-year penalty in future procurements and promptly issue the 2026 RFP. If this new eligibility requirement continues and affected projects are not able to bid immediately in the next solicitation, those projects will be effectively eliminated altogether. The eligibility requirement removes viable and mature projects from the competitive process and, unless amended, will prevent their future development in New York. Excluding these projects prematurely from the competitive process may limit the New York grid's access to affordable and reliable energy solutions, increasing costs for ratepayers.

Harm to the ratepayer: New York should and does care about affordability for its ratepayers. If not removed, the eligibility requirement will effectively stop those previously provisionally awarded projects from being built. There are a few likely ratepayer impacts:

1. ***Encourages higher bids:*** It will discourage competitive bidding in the market because developers will increase their bids due to risk premiums. With one chance to bid, if there are any issues and the project is canceled or the award is handed back, the project is dead. Developers will account for this risk, and it will increase costs for the ratepayers.
2. ***Reduces shovel ready, ITC eligible projects:*** Due to changes to the Investment Tax Credit ("ITC") in the recent budget reconciliation bill[4], the pool of renewable energy projects that can be built and can

[2] Update to Renewable Energy Standard Purchase of New York Tier 1 Eligible Renewable Energy Certificates Request for Proposals (RFP) No. RESRFP25-1 RFP, issued September 26, 2025, updated October 10, 2025. https://portal.nyserda.ny.gov/servlet/servlet.FileDownload?file=00Pcr00000W6t7TEAR.

[3] Id, at p. 24.

[4] https://www.congress.gov/bill/119th-congress/house-bill/1/text

still capture this credit are limited. Projects that are not ITC eligible[5], are expected to be more expensive and these increases will be passed on to the ratepayer.

Reliability Risk: Given the increased load expectations in New York and rising reliability needs,[6] New York needs renewables that can come online quickly and efficiently. Without changing the eligibility requirement, New York could lose late-stage, build-ready projects that could reach notice to proceed in 2026, limiting the pool of mature projects that power the NY grid faster and less expensively than any other sources.[7]

Reduces stability in the market: Developers are making investment and strategic business decisions based on their understanding of the market. Significant changes not brought to stakeholders for comment reduces their ability to operate and plan effectively to successfully build renewables in New York. Changing long-standing requirements also injects uncertainty that may reduce the attractiveness of the New York market for long-term investments.

Reduction in Competition: Punitive actions for projects that took penalties, paid securities, and followed NYSERDA's processes will not solve or improve the urgent energy needs in New York. Removing these projects from the NYSERDA competitive solicitations ensures that these projects will not contribute to the reliability and affordability of the grid.

IV. Conclusion

AES remains committed to providing solutions and bringing reliable and affordable generation online in New York state as it works to quickly meet demand. AES suggests that NYSERDA return to the previous eligibility requirement with a one-year penalty in future procurements and issue the 2026 RFP as soon as possible. AES appreciates consideration of our comments and looks forward to continuing our work together.

[5] Safe harbored, commencing construction by July 4, 2026, or placed in service by 2027

[6] https://www.nyiso.com/-/press-release-nyiso-planning-studies-highlight-grid-reliability-concerns

[7] https://www.reuters.com/sustainability/climate-energy/renewable-energy-remains-cheapest-power-builds-new-gas-plants-get-pricier-2025-06-6/#:~:text=Renewable%20energy%20remains%20cheapest%20power,gas%20plants%20get%20pricier%20%7C%20Reuters