

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 ALLIANCE FOR CLEAN ENERGY NEW YORK

The Alliance for Clean Energy New York (“ACE NY”) respectfully submits these comments regarding the Zero Emissions Credit (“ZEC”) 2.0 Implementation Plan proposed by the New York State Energy Research and Development Authority (“NYSERDA”), published on March 16, 2026.

ACE NY recognizes that the proposed ZEC 2.0 Implementation Plan addresses a broad range of issues related to nuclear power generation and compensation mechanisms, many of which fall outside ACE NY’s core expertise and mission focus. Accordingly, ACE NY does not offer comments on the majority of the proposal.

However, ACE NY wishes to comment on one preliminary concept included in the proposal that may have broader implications for New York’s clean energy markets. Specifically, NYSERDA proposes exploring auctions through which voluntary market participants could bid on ZECs at prices below the full ZEC value otherwise paid by NYSERDA.

ACE NY believes this proposal appropriately recognizes two important market realities. First, there may be a meaningful voluntary clean energy market currently sitting on the sidelines in New York that could participate if offered a mechanism at a lower price point. Second, identifying new sources of capital to help share the costs of deploying clean energy resources could provide benefits to New York ratepayers while supporting the State’s long-term clean energy goals.

Voluntary market participants engage in clean energy markets for a variety of reasons, including but not limited to: corporate carbon accounting requirements and sustainability targets; power price hedging strategies; additionality requirements; and compliance with New York State building code requirements for new construction.

ACE NY notes, however, that the auction construct outlined in the ZEC proposal addresses only one subset of these market needs. As such, modifications to the proposed framework may ultimately be necessary to properly incentivize voluntary market participation and ensure alignment with other state policies, including building code requirements and other compliance structures.

Nevertheless, ACE NY commends NYSERDA for exploring new market mechanisms to engage additional participants in New York's clean energy marketplace. ACE NY encourages continued discussion of this concept through technical conferences, stakeholder engagement with voluntary market actors, and further analysis, potentially as part of the ongoing Clean Energy Standard review process.

Further development of these concepts could better serve both New York ratepayers and voluntary market participants while helping enable additional clean energy generation to be developed in New York.

Finally, ACE NY emphasizes that it is not recommending that ZEC and Renewable Energy Credit ("REC") markets be co-mingled, and recognizes that solutions appropriate for ZECs may not be appropriate for RECs. However, given the scale of clean energy procurement and capital deployment necessary to meet New York's long-term climate and energy goals, ACE NY believes new approaches and market innovations are warranted. The auction concept outlined by NYSERDA is a constructive starting point for that discussion.

Respectfully submitted,

Alliance for Clean Energy New York

By:  _____

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