

December 12, 2017

VIA ELECTRONIC FILING

Kathleen H. Burgess, Secretary
New York State Public Service Commission
Empire State Plaza, Agency Building 3
Albany, New York 12223-1350

RE: In the Matter of the Implementation of a Large Scale Renewable Program (15-E-0302)

Dear Secretary Burgess:

The Alliance for Clean Energy New York, Environmental Advocates of New York, Natural Resources Defense Council, Pace Energy and Climate Center, and the Sierra Club (“Clean Energy Advocates”) submit the following request for an accounting of: (1) the total megawatt-hours (MWhs) and contract end date of New York renewable generation procured through the Main Tier that is eligible for selling Renewable Energy Credits (RECs) to a neighboring state; (2) the total MWhs, and percentage of the CES 50x30 goal, and percentage of current electricity demand represented by prior Main Tier projects currently exporting RECs and no longer contributing to the CES 50x30 goal; and (3) the total MWh of electricity generation from CES eligible renewable generation technologies that are currently exporting energy and/or RECs to other states but that came online prior to 2003. This third category is renewable generation that would otherwise count towards New York’s 50x30 goal in the baseline, if it was not already being exported.

Our organizations are requesting this information as we craft public comments on the *Staff Report Regarding Retention of Existing Baseline Resources Under Tier 2 of the Renewable Energy Standard Program* (“Staff Report”), filed by Department of Public Service (DPS) Staff on October 19, 2017. Public comments on this Staff Report are due by January 8, 2018 and this accounting information is critical in informing the position of our organizations and likely other stakeholders. This foundational information was not included in the Staff Report.

While stakeholders have discussed the potential risk of REC exports to achievement of the CES goals, we do not have an adequate understanding of the amount of RECs already being exported that may also be counted under the CES baseline. If these projects leave New York on long-term contracts, there will be no way of counting their RECs toward achievement of the 50x30 goal, and Tier 1 targets must therefore be adjusted upward in light of the reduction of the CES baseline.

It is therefore essential that stakeholders are fully informed about the current and future export of RECs out of the State at the detriment of achieving the CES goal. As the Alliance for Clean Energy New York observed in its Petition for Rehearing or Clarification of the Clean Energy Standard Order, without an accounting of exports of existing renewables and clear

direction that existing resources delivering into other regions *will not be counted*, the Commission risks falling short of the Clean Energy Standard's goals.¹

Without a compensation mechanism for Tier 2, any reduction to the CES baseline will only require a corresponding increase in Tier 1 targets, raising the costs of achieving the CES goals. Therefore, we believe this accounting is necessary "to ensure that cost effective retention of baseline resources is achieved to the extent practicable," as the Commission required.² The accounting will allow for the Clean Energy Advocates and other stakeholders to fully understand the current and future risk of REC exports and how this will affect cost-effective achievement of the 50x30 goal. Consequently, we urge the Commission to complete and release this accounting well ahead of the January 8 comment deadline on the Tier 2 Staff Report, so that all stakeholders may incorporate the results into their comments.

Sincerely,

Alliance for Clean Energy New York
Anne Reynolds
Executive Director

Environmental Advocates of New York
Conor Bambrick
Air and Energy Director

Natural Resources Defense Council
Miles Farmer
Clean Energy Attorney

Pace Energy and Climate Center
Karl R. Rábago
Executive Director

Sierra Club
Lisa Dix
Senior New York Campaign Representative

¹ Case 15-E-0302, Alliance for Clean Energy New York, Petition for Rehearing or Clarification of the Order of August 1, 2016 Adopting a Clean Energy Standard, at 7 (Aug. 31, 2016).

² Case 15-E-0302, Order on Petitions for Rehearing, at 15 (Dec. 15, 2016).