

May 11, 2021
Doreen Harris
President and CEO, NYSERDA
17 Columbia Circle
Albany, NY 12203

Dear President Harris,

We write today to ask that NYSERDA seek to procure as much renewable energy as is feasible under the new Tier 4 of the Clean Energy Standard (CES). As you know, the October 2020 Public Service Commission (PSC) order (“the Order”) adopting modifications to the Clean Energy Standard allows NYSERDA to procure up to 3,000 MW of Tier 4 renewable energy credits (REC)s that feed directly into Zone J -- the portion of the grid that includes New York City -- with a non-binding limit of 1,500 MW on the first Tier 4 procurement.

According to the New York Independent System Operator’s (NYISO) 2021 *Power Trends* report, approximately 77% of the downstate grid’s electricity is produced from fossil fuels, compared to 90% zero-emission fuels for the upstate grid.¹ This has created what many call a Tale of Two Grids, in which the upstate grid has already achieved the Climate Leadership and Community Protection Act’s (CLCPA) 70% renewable energy by 2030 goal and its accompanying benefits to air quality and public health while the downstate grid still has a very long way to go in order to achieve the CLCPA’s goals and reap the air quality and health benefits of cleaner power. The Order noted that the situation is even more stark in New York City, which “is particularly dependent on fossil fuel-fired generation.”² Furthermore, the fossil fuel power plants that generate nearly all of the in-city electricity generation in New York City are predominantly located in environmental justice communities. Thus, the Tale of Two Grids, causes the entire downstate region to have a more polluting power supply, and the location of the power plants tends to concentrate that poor air quality in lower income communities and communities of color.

In addition to moving more clean power into the New York City metropolitan area, the new Tier 4 of the Clean Energy Standard has provided a new opportunity for renewable energy projects to be located in New York State. When a new wind or solar project is located in New York State, it creates new construction jobs in the short-term and O&M jobs over the long-term. Furthermore, the contracting process provides NYSERDA the opportunity to promote development of the supply-chain and workforce in the Empire State. We encourage NYSERDA to recognize these benefits when evaluating proposals under Tier 4.

The private sector has responded to the new competitive Tier 4 with enthusiasm; NYSERDA has received 18 proposals that collectively represent 14,000 MW of transmission capacity in the

¹<https://www.nyiso.com/documents/20142/2223020/2021-Power-Trends-Report.pdf/471a65f8-4f3a-59f9-4f8c-3d9f2754d7de>

² “Order Adopting Modifications to the Clean Energy Standard,” p. 78.

first round of its first Tier 4 solicitation.³ The undersigned organizations do not have a shared position on the merits of each proposal submitted to date. However, in light of New York City's urgent need for more clean energy, the State's policy to encourage in-State economic development and benefits; and the State's need to deliver this clean power in order to meet the 70x30 deadline, we ask you to: (1) approve more than the non-binding 1,500 MW recommended by the Order if satisfactory proposals collectively exceed 1,500 MW; and (2) award contracts to the viable and cost-effective projects that meet or exceed the requirements for Tier 4 established by the Order with all due haste.

Taking these actions will not only accelerate a shift to renewable energy for New York City, but will also provide much needed relief in the portions of New York that do not meet National Ambient Air Quality Standards, which are concentrated in New York City, and the communities that host polluting power sources.

Sincerely,

Julie Tighe
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Anne Reynolds
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Alliance for Clean Energy New York

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Director Climate Mitigation
The Nature Conservancy - New York

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³<https://subscriber.politicopro.com/article/2021/03/30/nyserda-gets-big-response-to-new-york-city-transmission-request-1370590?source=email>

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