



SUPPORT

S. 23/A. 4294 (Parker/Cusick)

AN ACT in relation to maintaining the continued viability of the state's existing large-scale, renewable energy resources

The New York League of Conservation Voters supports S. 23/A. 4294 (Parker/Cusick), which would create a second tier of Renewable Portfolio Standard (RPS) supports for legacy renewable energy.

New York's Clean Energy Standard (CES) requires 50% of the state's electricity to come from renewable sources by 2030, with several proposals under discussion to make this goal even more ambitious. Much of the progress the state has already made in reaching the CES is due to the Standard's predecessor, the RPS, which contracted for more than 2,400 megawatts of renewable energy, the vast majority of which was added to the grid after 2003. However, the state also benefits from large-scale renewable energy resources, especially hydropower, that were in place prior to 2003 and were not eligible for RPS contracts. A combination of factors including ineligibility for RPS support, eligibility for support from neighboring states' RPSes, and the absence of a price on carbon in New York's wholesale power markets threatens the ability of legacy large-scale renewable energy sources to continue participating in New York's market.

S. 23/A. 4294 would direct the Public Service Commission to create a "Tier 2" renewable energy credit system for legacy renewable energy sources of less than 50 MW to run through 2030. The price of such credits would be set at 75% of the value of the RPS' Tier 1 credits, meaning that the price of preserving existing renewables is less than the price of developing new renewables. This would ensure that legacy renewables can continue to operate in New York's wholesale electricity market and help the state achieve the goals of the Clean Energy Standard.

For these reasons, the New York League of Conservation Voters urges passage of S. 23/A. 4294.

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