March 29, 2022

Mr. Basil Seggos, Commissioner New York State Department of Environmental Conservation Co-Chair, Climate Action Council 625 Broadway Albany, NY 12233

Ms. Doreen Harris, President and CEO New York State Energy Research and Development Authority Co-Chair, Climate Action Council 17 Columbia Circle Albany, NY 12203

RE: Climate Action Council's public comment period/public hearing schedule/Addressing public comments/ Cost concerns and data -January 4th letter response/ Reliability Concerns

Dear Commissioner Seggos, President Harris and Climate Action Council Members:

We are writing regarding several important items surrounding the implementation of the Climate Leadership and Community Protection Act (CLCPA) and the Climate Action Council's (CAC) draft scoping plan released on December 30, 2021. As you know, our conference has continued to voice our concerns over the potentially staggering costs and subsequent financial impact of the CLCPA to New York ratepayers, taxpayers, families, farmers, manufacturers, businesses and the entire New York State economy. In fact, we have introduced legislation (A.7524A/S.7321A) which would direct the Public Service Commission to conduct a full and independent cost benefit analysis of the technical and economic feasibility of the CLCPA before its full implementation. We believe it is important and right to be fully transparent with the public as to the true financial costs and overall economic impacts of the CLCPA. The Climate Action Council has thus far failed to inform the public about these true financial impacts.

Given the wide-ranging impact the CLCPA, the Draft Scoping Plan, and associated mandates will have on every New York resident, family, business and the State's overall economy we respectfully urge you to:

- 1) Extend the public comment time period beyond the current June 10th deadline, ideally through the end of the year (December 31, 2022), but most certainly through the summer into the fall. In addition, holding in person public hearings in every region of the state, including Buffalo, Rochester, Syracuse, Albany, the North Country, the Southern Tier, the Hudson Valley, Long Island (both Nassau and Suffolk) and the 5 boroughs of New York City to help ensure residents from every corner of the state have a chance to be heard which will help ensure full participation on this important issue. It should be noted that even the Independent Redistricting Commission held 14 public hearings;
- 2) Address, respond to and make publicly accessible all pertinent comments submitted to the Climate Action Council on its Draft Scoping Plan;
- 3) Respond to and address our legitimate cost concerns by providing us with the data and metrics we previously requested from our December 13th letter on your E3 study used in developing your cost/benefit integration analysis; and
- 4) Address the outstanding reliability concerns regarding the significant amount of dispatchable energy resources needed to close the energy supply and demand gap in order to maintain the reliability of the system. It must be kept in mind that due to these serious reliability concerns, under the CLCPA statute, we have the ability to pause in moving forward in implementing these measures.

First, concerning the wide-ranging impact the CLCPA and its mandates will have on every New York resident, family, business and the overall state's economy, it is absolutely critical for you to extend the public comment time period for the CAC's Draft Scoping Plan further (through December 31, 2022) The fact of the matter is, the CAC and the media have done absolutely nothing to help spread the word and educate the public about this far-reaching Plan and the impact it will have on every aspect of life in New York. The full implementation of the CLCPA, with the recommendations adopted by the CAC, needs to be properly vetted, with a public education and outreach campaign, sharing the true financial costs to all New Yorkers, its benefits and the impact on the reliability of our state's energy supply. These important issues are deserving of a longer duration to allow for public input and Climate Action Council responses to issues raised.

Second, the Climate Action Council has not proposed a satisfactory process to address public comments. The CLCPA requires the Climate Action Council to "[e]valuate, using the best available economic models, emission estimation techniques and other scientific methods, the total potential costs and potential economic and non-economic benefits of the plan for reducing greenhouse gases, and make such evaluation publicly available". In order for the Council to do a full evaluation it needs to fully evaluate stakeholder comments. Given that hundreds of comments have already been submitted and there will undoubtedly be many more, staff supporting the Council must get started as soon as possible. Staff must read all the comments, summarize and categorize their contents for the Council, highlight submittals that contain important substantive information for special consideration, and, finally archive the comments.

Third, we have particular concerns related to costs. We respectfully disagree with your response in your January 4th letter in which you stated that "All available information pertaining to the cost of implementing the CLCPA, including the information related to the renewable energy study you reference from the 2017 State of the State, has been shared publicly and is available on the Climate Act website." As shown below, there is missing and inadequately documented information.

In our December 13, 2021 letter (which we again have attached) we requested "All spreadsheets, data, and modeling assumptions and input (including those in draft form) related to the individual recommendations from each working group of the Climate Action Council." As we stated, our primary concern are records pertaining to the cost and benefits of implementing the CLCPA. At the date of this writing, the Climate Act website lists the following relevant documents:

Appendix G: Integration Analysis Technical Supplement [PDF]

- o Appendix G: Annex 1: Inputs and Assumptions [XLSX]
- o Appendix G: Annex 2: Key Drivers and Outputs [XLSX]
- o Appendix G: Annex 3: Health Analysis Supplemental Data [XLSX]

For the most part, there is sufficient information and adequate numeric documentation in the spreadsheets to understand and evaluate the figures in the Integration Analysis Technical Supplement. However, Figures 45 – 56 in Appendix G, Integration Analysis Technical Supplement Section I, do not have similar backup documentation. Figure 47, "Net Present Value of Net Direct Costs Relative to Reference Case (2020-2050)," which shows the most important cost numbers, has no corresponding table or spreadsheet listing the values. All net direct costs for the mitigation scenarios are presented relative to the reference case, but the total costs and sector component costs for the reference case are **not** included.

In addition, the current format of the Integration Analysis Technical Supplement and available supporting spreadsheets does not respond to our request for modeling assumptions descriptions. In order to provide that necessary information, the Integration Analysis must document the flow of information within the spreadsheets used to provide the published numbers. For example, consider the social cost of GHG benefits listed. The IA-Tech-Supplement-Annex-2- Inputs Assumptions spreadsheet lists the annual social cost of GHG values in the "Social Cost of GHG" tab and the IA-Tech-Supplement-Annex-2-Key-Drivers-Outputs spreadsheet lists reference case and mitigation case GHG emissions from 2020 to 2050 in the "Annual Emissions" tab. Presumably that information can be used to calculate the benefit of avoided GHG emission on global warming impacts but using that data does not generate numbers comparable to those published.

Fourth, we note that the emphasis at the March 3 Council meeting was on anything but reliability. Protecting our environment and promoting equity and justice are goals we all share, but we must be responsible in how we reach these goals such that we do not threaten current reliability standards and must protect residents, homeowners and business owners who are already overburdened by high energy costs, which also pose a significant burden to disadvantaged communities both upstate and downstate.

Last summer the Council hosted a Reliability Planning Speaker Session that raised a critically important issue. At that meeting several presenters raised the concern that in order to meet CLCPA zero-emissions targets a new resource that is dispatchable and has no emissions is needed. The most recent evaluation of the capacity for this resource was performed by the NYISO in its 2021-2030 Comprehensive Reliability Plan, The report notes "... under CLCPA" assumptions, the amount of dispatchable emission-free resources needed increases to over 32,000 MW in 2040, approximately 6,000 MW more than the total fossil-fueled generation fleet on the grid in 2021". It goes on to note that "Dispatchable resources that are emissions-free, and on the scale needed, are not yet commercially available or currently in the NYISO interconnection queue." Even the CAC draft scoping plan document acknowledges on page 176, E9 – Investing in New Technology, that "there is a remaining need for 15 GW to 25 GW of electricity generation in 2040 to meet demand and maintain reliability." This is enough to power the homes of every New Yorker and the equivalent of 10 nuclear or 10 hydroelectric power plants. The Climate Action Council needs to reconcile this acknowledged and significant gap to provide reliable dispatchable energy resources to meet the energy demands of the grid to ensure its reliability for all New York families, seniors, farmers, small businesses and manufacturers.

How does the Climate Action Council propose to handle dependency upon a technology that does not exist? The fact that the last meeting discussed near-term dismantling of the gas system and gas-fired peaking generation but did not include reliability as a topic of conversation is worrisome. Wouldn't it be prudent to consider a plan to include conditions in the schedule to ensure that the technologies will work as required at a reasonable cost before shutting down existing technology?

We thank you for your time and consideration and await your immediate response.

Sincerely,

Philip A. Palmesano

Minority Ranking Member

Assembly Committee on Energy

Robert J. Smullen

Minority Ranking Member

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Assembly Committee on Environment Conservation

Will Barclay

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Attachment

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