Conferral Report Prepared by the Power Authority of the State of New York Pursuant to Public Authorities Law § 1005(27-a)(d) for Conferral Year 2024

(Published October 8, 2024)

Table of Contents

I. INTRODUCTION

The 2023-24 Enacted State Budget amended the Public Authorities Law ("PAL") to require the New York Power Authority ("NYPA" or the "Power Authority"), beginning in 2025, and biennially thereafter, to develop and publish a Strategic Plan that identifies, among other things, NYPA's renewable energy generating priorities.[1] To help inform NYPA's development of each Strategic Plan, PAL § 1005(27-a)(d) instructs NYPA to confer annually with stakeholders to solicit their views on, among other things, how NYPA should implement its expanded authority to build new renewable generation resources, considering the State's progress on meeting the renewable energy goals of the Climate Leadership and Community Protection Act ("Climate Act" or CLCPA"),[2] and the status and timing of the interconnection process of the New York Independent System Operator, Inc. ("NYISO").[3] In November 2023, NYPA completed its first annual conferral process and published its first Conferral Report.[4]

Following the completion of its second annual conferral process, the Power Authority is making this 2024 Conferral Report available to the public in accordance with PAL § 1005(27-a)(d) which provides:

> *No later than one hundred eighty days after the effective date of this subdivision, and annually thereafter, the authority shall confer with the New York state energy research and development authority, the office of renewable energy siting, the department of public service, climate and resiliency experts, labor organizations, and environmental justice and community organizations concerning the state's progress on meeting the renewable energy goals established by the climate leadership and community protection act. When exercising the authority provided for in paragraph (a) of this subdivision, the information developed through such conferral shall be used to identify projects to help ensure that the state meets its goals under the climate leadership and community protection act. Any conferral provided for in this paragraph shall include consideration of the timing of projects in the interconnection queue of the federally designated electric bulk system operator for New York state, considering both capacity factors or planned projects and the interconnection queue's historical completion rate. A report on the information developed through such conferral shall be published and made accessible on the website of the authority.*

This Conferral Report satisfies the above-referenced requirement for 2024, provides background into the conferral process, summarizes the viewpoints of the conferees, and provides the Power Authority's observations and conclusions on the 2024 conferral process. The Power Authority conducts this conferral process annually, and reports information collected through each conferral process, as required by PAL § 1005(27-a)(d).

---

[1] PAL § 1005(27-a)(e).
[2] Chapter 106 of the Laws of 2019.
[3] PAL § 1005(27-a)(d).
[4] Conferral Report Prepared by the Power Authority of the State of New York Pursuant to Public Authorities Law § 1005(27-a)(d) for Conferral Year 2023, available at: https://www.nypa.gov/-/media/nypa/documents/document-library/conferral-report/NYPA-Conferral-Report-Conferral-Year-2023-Final-Publication.

The conferral process continues to underscore both the needs and opportunities for NYPA to help advance the State's progress with the renewable energy goals of the Climate Act. The initial conferral process and the resulting 2023 Conferral Report were only the beginning of a robust and iterative public outreach process. For the 2024 conferral process, NYPA gathered feedback from 33 stakeholder groups, including state agencies and authorities, regulatory entities, climate and resiliency experts, labor organizations and environmental justice and community organizations.[5] Topics covered included progress on the Climate Act's renewable energy goals, the NYISO's generator interconnection process, and State priorities, including green job creation and bringing benefits to disadvantaged communities. NYPA also sought stakeholder input on ideas for training and retraining of the State's workforce to support the State's shift to a clean energy economy.

Both the 2023 and 2024 conferral processes will inform NYPA's draft Strategic Plan, which will be further enriched by upcoming public hearings. As required by PAL § 1005(27-a)(e), the Power Authority will make a draft of the biennial Strategic Plan available for public comment and will incorporate stakeholder feedback into the final Strategic Plan to be published on NYPA's website and submitted to the Governor and the Legislature by January 31, 2025.[6] NYPA expected to release its draft Strategic Plan on October 8, 2024.

Thursday, November 7th, 10am-12pm, 6-8pm- Niagara Power Vista, Niagara

Thursday, November 14th, 10am-12pm, 6-8pm- Holiday Inn Downtown, Binghamton

Monday, November 18th, 10am-12pm, 6-8pm- Albany Capital Center, Albany

Wednesday, November 20th, 10am-12pm, 6-8pm-John Jay College, NYC

Thursday, November 21st, 10am-12pm, 6-8pm- Virtual Open House

Monday, November 25th, 1-3pm, 6-8pm- Suffolk Community College, Brentwood

II. BACKGROUND

A. Climate Act

Enacted in 2019, the Climate Act established pioneering objectives and requirements aimed at addressing climate change and guiding the State towards a sustainable, clean energy-based economy. The Climate Act codified several targets, enhanced through executive action by Governor Kathy Hochul, intended to reduce greenhouse gas emissions and facilitate integration of new renewable resources and energy storage into New York's electric grid, notably:

[5] Please note that NYPA's formal annual conferral interviews generally take place between June and September of each calendar year, while written comments can be received at any time. Conferral Reports will be published in November of each year and will incorporate any feedback received between August 1 of the prior year through July 31 of the year of the report. Insights for the 2025 Strategic Plan are taken from the 2023 and 2024 Conferral Reports.
[6] PAL § 1005(27-a)(e).

- Generate 70% renewable energy by 2030 (the "70% Renewable Energy Goal");
- Install 6,000 megawatts ("MW") of solar capacity by 2025. Governor Hochul and the Public Service Commission ("PSC") have established a more ambitious target of 10,000 MW (or 10 gigawatts ("GW")) of solar capacity by 2030 (the "6 GW Distributed Solar Goal" and the "10 GW Distributed Solar Goal");[7]
- Integrate 3,000 MW of energy storage capacity by 2030. Governor Hochul and the PSC have established an even more ambitious target of 6,000 MW by 2030 (the "6 GW Energy Storage Goal"); and
- Build 9,000 MW of offshore wind by 2035 (the "9 GW Offshore Wind Goal").

Beyond setting renewable energy goals, the Climate Act also set a target that, by 2040, the statewide electrical demand system will be zero emissions (the "100% Zero Emissions Goal").[8]

B. NYPA's Expanded Authority

The 2023-24 Enacted State Budget included amendments to the Power Authority Act (Title 1 of Article 5 of the PAL) that granted NYPA new authority ("expanded authority") to, among other things, plan, design, develop, finance, construct, own, operate, maintain and improve, either alone, or jointly with other entities through the use of public-private agreements, renewable energy generating projects. NYPA may undertake such projects to: (1) support the State's renewable energy goals established in the Climate Act; (2) provide or maintain an adequate and reliable supply of electric power and energy in the State, including but not limited to, high need areas and communities served by the Power Authority's small natural gas power plants; and (3) support the Renewable Energy Access and Community Help ("REACH") Program for the purpose of providing bill credits to low-income and moderate-income ratepayers in disadvantaged communities.[9]

In connection with this expanded authority, NYPA must, beginning in 2025, and biennially thereafter, develop and publish a renewable energy generation Strategic Plan that identifies, among other things, the State's progress towards achieving the Climate Act's renewable energy goals and NYPA's renewable energy generating priorities for the two-year period covered by the Strategic Plan.[10] The Power Authority will publish a draft Strategic Plan for a public comment period of sixty days and hold hearings in geographically diverse regions of the State.[11] Until 2035, the Power Authority will update each biennial Strategic Plan annually after a public comment period of at least thirty days and after conducting at least one public hearing.[12]

---

[7] On April 14, 2022, the PSC expanded the installation target of the NY-Sun program from 6,000 MW to 10,000 MW of distributed solar generation projects. *See* Case 21-E-0629, et al., Advancement of Distributed Solar, Order Expanding NY-Sun Program (April 14, 2022).

[8] PSL § 66-p(2). The Climate Act also established a goal, codified under PSL § 66-p(6), for achieving 185 trillion BTUs of end-use energy savings below the 2025 energy-use forecast.

[9] *See* Part QQ of Chapter 56 of the Laws of 2023, enacting PAL §§ 1005(27-a)-(27-d) and amending PSL § 66-p.

[10] PAL § 1005(27-a)(e)(i).

[11] PAL § 1005(27-a)(e)(vii).

[12] PAL § 1005(27-a)(e)(ix).

To help inform NYPA's development of its biennial Strategic Plans, PAL § 1005(27-a)(d) instructs NYPA to confer annually with stakeholders to solicit their views on the State's progress on meeting the renewable energy goals of the Climate Act. PAL § 1005(27-a)(d) further directs that the conferral process consider the timing of projects in the interconnection queue administered by the NYISO, the capacity factors of such projects, and the historical completion rate of such projects in the NYISO interconnection queue. The statute directs NYPA to publish a report on the information developed through this conferral process on NYPA's website. NYPA completed the initial conferral process called for by the statute on or about November 1, 2023, and published the first Conferral Report on the NYPA website on November 30, 2023. NYPA conducted the 2024 conferral process in July, August, and September.

III. CLIMATE ACT PROGRESS

The CLCPA requires the PSC to issue a comprehensive review of the Clean Energy Standard ("CES") no later than July 1, 2024, and to do so every two years thereafter ("CES Biennial Review"). On July 1, 2024, staff from the New York State Department of Public Service ("DPS") and the New York State Energy Research and Development Authority ("NYSERDA") filed a draft version of the inaugural CES Biennial Review for consideration by the PSC.[13] The analysis of New York's Climate Act progress in this 2024 Conferral Report was developed using information from the draft CES Biennial Review.

The draft CES Biennial Review provides both retrospective and prospective views of the State's progress towards achieving the renewable energy goals of the CLCPA. The first four sections cover progress to date, addressing the policy and regulatory background of the CES and its antecedent program, the Renewable Portfolio Standard, operational renewable energy systems that have come online prior to January 1, 2023, contracted renewables, and factors affecting progress, including inflation, interest rates, transmission congestion, interconnection delays, capacity accreditation, federal incentives, siting reforms, and unforeseen growth in Statewide electric load. The final two sections set forth a prospective view on various pathways to meeting the 70% Renewable Energy Goal (discussed below) and options to reform the CES program.

A. The 70% Renewable Energy Goal

To accomplish the 70% Renewable Energy Goal, the PSC relies primarily upon the CES, originally established in August of 2016.[14] The CES is administered by NYSERDA, with oversight from the PSC and DPS.

At the heart of the CES is NYSERDA's procurement of renewable and zero-emission energy attributes from generators injecting renewable or zero-emission energy into the New York State Control Area. These attributes, referred to as renewable energy certificates ("RECs") and zero-emission credits ("ZECs"), are purchased by NYSERDA as a centralized procurement agent

[13] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Draft Clean Energy Standard Biennial Review (filed July 1, 2024).
[14] Case 15-E-0302, et al., Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Adopting a Clean Energy Standard (Issued August 1, 2016).

before they are then sold to the State's jurisdictional load serving entities in proportion to their share of the Statewide load.[15] Although the purchase of ZECs advances the 100% Zero Emissions Goal by providing support for nuclear generation, it does not contribute to the renewable energy goals of the CLCPA. In addition to the CES, the NY-Sun program (discussed below) provides incentives for distributed energy resources that also contribute significantly towards both the 10 GW Distributed Solar Goal and the 70% Renewable Energy Goal.

In the 2023 Conferral Report, NYPA reported that New York had enough operating, contracted, and under-development renewable projects to supply 79% of the State's 2030 electricity needs but that recent inflationary pressures may result in some projects failing to deliver on their contractual obligations.[16] On October 12, 2023, the PSC denied petitions requesting additional financial relief to offshore and onshore renewable energy generation projects that were previously awarded contracts by NYSERDA in order to preserve the State's competitive bidding process to procure renewable energy resources in the fairest and most cost-effective manner.[17] Shortly thereafter, Governor Hochul announced the release of a 10-Point Action Plan ("Action Plan") to expand and support the growing large-scale renewable energy industry in New York, reaffirming the State's commitment to achieving the Climate Act goals.[18] Included within the Action Plan was a directive to NYSERDA to launch accelerated procurements to help backfill any renewable energy project contracts that are terminated. Ultimately, renewable energy developers terminated contracts for 88 projects.[19]

In accordance with the Action Plan, NYSERDA launched an accelerated procurement process for both Tier 1 and offshore wind resources on November 30, 2023.[20] After conducting an expedited procurement process, on February 29, 2024, NYSERDA announced the results of the expedited offshore wind procurement, awarding contracts totaling 1.7 GW of planned generation capacity anticipated to reach commercial operation by 2027.[21] Then, on April 29, 2024, NYSERDA announced 24 provisional Tier 1 awards to wind and solar projects totaling nearly

---

[15] S*ee* Case 15-E-0302, et al., Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Modifying Clean Energy Standard Tier 1 Obligations (Issued April 20, 2023).

[16] *See* Conferral Report Prepared by the Power Authority of the State of New York Pursuant to Public Authorities Law § 1005(27-a)(d) for Conferral Year 2023, pages 5-7 (Published November 2023).

[17] Case 15-E-0302, et al., Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Denying Petitions Seeking to Amend Contracts with Renewable Energy Projects (October 12, 2023).

[18] *New York State's 10-Point Action Plan to Expand a Thriving Large-Scale Renewable Industry,* NYSERDA, October 2023. https://www.nyserda.ny.gov/-/media/Project/Nyserda/Files/Programs/Offshore-Wind/10-point-plan.pdf.

[19] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Draft Clean Energy Standard Biennial Review, page 47 (filed July 1, 2024).

[20] *See* RESRFP23-1, available at https://www.nyserda.ny.gov/All-Programs/Large-Scale-Renewables/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts/2023-Solicitation-Resources. *See also* ORECRFP23-1, available at https://www.nyserda.ny.gov/All-Programs/Offshore-Wind/Focus-Areas/Offshore-Wind-Solicitations/2023-Solicitation.

[21] *Two Offshore Wind Project Awards Announced, To Deliver Clean Power In 2026*, Available at: https://www.nyserda.ny.gov/About/Newsroom/2024-Announcements/2024_02_29-Governor-Hochul-Announces-Two-Offshore-Wind-Project_Awards.

2.4 GW of renewable energy capacity.[22] On June 20, 2024, NYSERDA launched the 2024 Tier 1 solicitation, seeking additional renewable energy projects on an expedited basis.[23] In addition, on July 17, 2024, NYSERDA launched its fifth offshore wind solicitation.[24]

Statewide electric load is also a key factor in achieving the 70% Renewable Energy Goal. The draft CES Biennial Review load forecast includes a significantly higher estimate of load, relative to the 2020 CES Order,[25] reflecting anticipated load growth that was not previously foreseen, from 151,678 GWh as estimated in 2020, to 164,910 GWh as estimated in July of 2024.[26] Factors contributing to this forecasted load growth are (1) new large loads from manufacturing, datacenters, and cryptocurrency mining facilities, (2) increased electrification of buildings, and (3) increased electric vehicle usage.[27]

As of the date of this Conferral Report, NYSERDA and DPS now estimate that New York has enough operating and contracted projects to supply 73,292 GWh of renewable energy by 2030, out of an estimated 2030 statewide load of 164,910 GWh.[28] Additional contracted projects from CES solicitations will add to the renewable energy supply as indicated in the draft CES Biennial Review.[29] The State continues to progress towards the 70% Renewable Energy Goal, with recent estimates from NYSERDA and DPS laying out various scenarios and pathways to reaching that goal, one of which illustrates a potential path to achieving the goal by 2033.[30]

B. Expansion to the 10 GW Distributed Solar Goal

To accomplish both the 6 GW Distributed Solar Goal and the expanded 10 GW Distributed Solar Goal, New York State relies primarily upon the NY-Sun solar incentive program,[31] coupled with the Value of Distributed Energy Resources ("VDER") compensation mechanism.[32] In addition, NYSERDA estimates that there are significant contributions from projects outside of the NY-Sun portfolio, some originating in the service territory of the Long Island Power Authority

[22] See RESRFP23-1 Landing Page, available at: https://www.nyserda.ny.gov/All-Programs/Large-Scale-Renewables/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts/2023-Solicitation-Resources.
[23] *See* RESRFP24-1, available at https://www.nyserda.ny.gov/All-Programs/Large-Scale-Renewables/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts.
[24] *See* ORECRFP24-1, available at: https://www.nyserda.ny.gov/All-Programs/Offshore-Wind/Focus-Areas/Offshore-Wind-Solicitations/2024-Solicitation.
[25] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Adopting Modifications to the Clean Energy Standard (Issued October 15, 2020).
[26] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Draft Clean Energy Standard Biennial Review, page 53 (filed July 1, 2024).
[27] Id.
[28] Id. at 56.
[29] Id. at 58.
[30] Id. at 58.
[31] Case 03-E-0188, Retail Renewable Portfolio Standard, Order Authorizing Funding and Implementation of the Solar Photovoltaic MW Block Programs (Issued April 24, 2014).
[32] Case 15-E-0751, et al., In the Matter of the Value of Distributed Energy Resources, Order on New Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters (Issued March 9, 2017).

("LIPA").[33] Together, these programs are on track to achieve the 6 GW Distributed Solar Goal. As of the date of the 2023 Conferral Report, New York State had 5,037 MWDC of distributed solar energy generation in operation. As of June 30, 2024, New York State had 5,889 MWDC of installed solar photovoltaic generating capacity.[34]

With substantial progress towards achieving the 6 GW Distributed Solar Goal, the discussion turns to the expanded 10 GW Distributed Solar Goal. In the 10 GW Order, the PSC noted that the 10 GW Distributed Solar Goal is likely to be met within the existing budget. Accordingly, the PSC required NYSERDA to submit a plan on how best to utilize the excess funds to achieve the development of additional distributed solar projects while leveraging federal incentives and maximizing benefits to low-income customers. In recent compliance filings, NYSERDA, as the NY-Sun program administrator, was confident that not only can the 10 GW Distributed Solar Goal be met, but potentially exceeded.[35] According to recent filings, and the most recent NY-Sun Operating Plan, the NY-Sun Program has enough available funding to meet its goal of 8,363 MW, with projects funded outside of NY-Sun making up the remaining 1,637 MW.[36] As of July 31, 2024, there are 3,412 MWDC of solar projects at an advanced stage of development that are slated to receive NYSERDA incentive awards.

C. The 6 GW Energy Storage Goal

On January 5, 2022, Governor Kathy Hochul announced in her State of the State address an intention to double the State's 2030 energy storage deployment target from the legislated 3 GW to 6 GW of storage capacity by 2030. At its June 2024 Session, the PSC approved an order expanding New York's energy storage target to 6 GW by 2030 with an interim goal of 1.5 GW by 2025 (the "Storage Order").[37] The Storage Order approved the Energy Storage Roadmap entitled "New York's 6 GW Energy Storage Roadmap" as filed by NYSERDA and DPS in December 2022 and updated in March 2024 to account for inflation-related cost increases.[38] The Energy Storage Roadmap included a tally of contracted and awarded energy storage projects totaling 1.3 GW.[39]

To achieve the 6 GW Energy Storage Goal, the PSC directed NYSERDA to procure an additional 4.7 GW of storage consisting of 3 GW of bulk storage (resources above 5 MW), 1.5 GW of retail/community storage (resources up to 5 MW), and 200 MW of residential/behind-the-

---

[33] Case 21-E-0629, In the Matter of the Advancement of Distributed Solar, Report: Impacts of the Inflation Reduction Act and the Incremental Distributed Solar Capacity that Could be Procured Within the Currently Authorized Budget, footnote 28 (filed January 5, 2024).
[34] Statewide Distributed Solar Projects, available at https://www.nyserda.ny.gov/All-Programs/NY-Sun/Solar-Data-Maps/Statewide-Distributed-Solar-Projects.
[35] Case 21-E-0629, In the Matter of the Advancement of Distributed Solar, Report: Impacts of the Inflation Reduction Act and the Incremental Distributed Solar Capacity that Could be Procured Within the Currently Authorized Budget (filed January 5, 2024).
[36] Id. *See also*, Case 21-E-0629, In the Matter of the Advancement of Distributed Solar, NY-Sun 2020-2030 Operating Plan, page 9, footnote 16 (Effective July 31, 2023).
[37] Case 18-E-0130, In the Matter of Energy Storage Deployment Program, *Order Establishing Updated Storage Goal and Deployment Policy*, at 3 (June 20, 2024).
[38] In the Storage Order the PSC also provided its triennial review of the state of storage program implementation (pages 10-24) and acknowledged NYPA's 20 MW storage project in Chateaugay (page 18).
[39] Id. at 6.

meter storage to be in service by December 31, 2030.[40] For the bulk storage program, the Storage Order directed NYSERDA to conduct at least three solicitations of one GW each to achieve these targets, and to issue the first RFP no later than June 30, 2025.[41] The Storage Order included some specific procurement requirements, including a requirement that 35% of projects be in NYISO Zones G-K, with at least 30% in Zone J, to maximize benefits to disadvantaged communities, and that 20% of bulk storage awards go to long duration (greater than 8 hours) storage projects.[42] In the Storage Order the PSC noted that "[c]ertain regions, such as Long Island and New York City, are especially ripe for the replacement of peaker plants with energy storage resources and the associated emission reduction directly benefiting those communities."[43]

D. The 9 GW Offshore Wind Goal

The draft CES Biennial Review summarizes the challenges faced by the offshore wind industry as follows:

> The offshore wind industry has experienced interest rate, inflation, and supply chain vulnerabilities and constraints. Due to the magnitude of offshore wind projects and the upfront capital required to finance such projects, changes to the costs of capital and the costs of inputs can significantly impact financing models across the industry. Similarly unique to offshore wind projects is the need for suitable ports, installation vessels, and equipment such as turbines, substructures, cables, and electrical components. This includes the offshore wind projects requiring high-voltage direct current (HVDC) transmission equipment, which is in limited supply and shortages of which may impact timelines for projects. Due to the magnitude and complexity of each project, delays in one project can result in a cascading delay to other projects, or even a loss of access to one or more of these resources necessary for construction, which can further extend delays.[44]

As of the date of the 2023 Conferral Report, NYSERDA had awarded contracts to 8,392 MW of offshore wind generation capacity. Since that time, the economic headwinds discussed above led to the attrition of these awarded offshore wind contracts, allowing the offshore wind developers to bid into additional NYSERDA solicitations.

As mentioned above, on November 30, 2023, NYSERDA launched its fourth offshore wind solicitation.[45] On February 29, 2024, NYSERDA announced the results of this fourth offshore

---

[40] Id. at 41, 47, 60.
[41] Id. at 33.
[42] Id. at 58-59.
[43] Id. at 34.
[44] Case 15-E-0302, Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Draft Clean Energy Standard Biennial Review, pages 14-15 (filed July 1, 2024).
[45] *See* ORECRFP23-1, available at https://www.nyserda.ny.gov/All-Programs/Offshore-Wind/Focus-Areas/Offshore-Wind-Solicitations/2023-Solicitation.

wind procurement, awarding contracts totaling 1.7 GW of planned generation capacity.[46] In addition, on July 17, 2024, NYSERDA launched a fifth offshore wind solicitation with public award notifications expected in early 2025.[47] These recent developments will help New York progress towards achievement of the 9 GW Offshore Wind Goal.

IV. NYISO GENERATOR INTERCONNECTION

A. Introduction

In developing its Strategic Plan, NYPA considers "the timing, characteristics and size of the renewable energy generating projects in the interconnection queue of the federally designated electric bulk system operator for New York state."[48] In addition, the Strategic Plan will reflect information developed during the conferral process, which includes "consideration of the timing of projects in the interconnection queue of the federally designated electric bulk system operator for New York state, taking into account both capacity factors or planned projects and the interconnection queue's historical completion rate."[49]

In the 2023 and 2024 conferral processes, NYPA engaged with the New York Independent System Operator ("NYISO") to accurately characterize projects in the NYISO generator interconnection queue and how the interconnection process relates to the State's progress on meeting the renewable energy goals established by the Climate Act. NYPA also discussed with the NYISO the timing of projects in the NYISO's interconnection queue, considering both capacity factors of planned projects and the interconnection queue's historical completion rate. Further, NYPA analyzed numerous public documents to gather additional information about these matters, including the current and ongoing queue reform process.

B. Background

The NYISO, operating under the oversight of the Federal Energy Regulatory Commission ("FERC"), administers interconnection of new generation to ensure that electric system resources (*e.g.*, generation, storage) are supported by the infrastructure necessary to transmit the generated and stored electricity and support reliable operation of the State's electric grid. The process aims to interconnect resources in a manner that meets minimum interconnection standards that are established by reliability standards organizations and at the least cost.[50]

The NYISO's interconnection processes are regulated by FERC and are set forth in tariffs that

[46] *Two Offshore Wind Project Awards Announced, To Deliver Clean Power In 2026*, Available at: https://www.nyserda.ny.gov/About/Newsroom/2024-Announcements/2024_02_29-Governor-Hochul-Announces-Two-Offshore-Wind-Project_Awards.
[47] *See* ORECRFP24-1, available at: https://www.nyserda.ny.gov/All-Programs/Offshore-Wind/Focus-Areas/Offshore-Wind-Solicitations/2024-Solicitation.
[48] PAL § 1005(27-a)(e)(ii)(F).
[49] PAL § 1005(27-a)(e)(ii)(A) (citing to PAL § 1005(27-a)(d)).
[50] The NYISO's interconnection processes are regulated by FERC and are set forth in tariffs approved by FERC and posted on the NYISO's website: https://www.nyiso.com/regulatory-viewer.

are approved by FERC.[51] Generators that seek to interconnect to the transmission system in New York State and to make wholesale sales of electricity must receive approval and an interconnection agreement signed by the NYISO and the connecting transmission owner. Generators sized up to and including 5 MW, and that do not involve federal-jurisdictional transmission or wholesale electricity sales, interconnect to the power system under PSC procedures, which are not part of the NYISO's interconnection queue.

C. NYISO's Interconnection Process Through Class Year 2023

Proposed generation projects have been processed by the NYISO according to a first-come, first-served process. Developers who submit a complete application to the NYISO have their generation projects placed in an interconnection queue. Prior to the recent reforms discussed below, the NYISO interconnection process utilized a series of increasingly specific studies: (1) Feasibility Studies, (2) System Impact Studies or System Reliability Impact Studies, and (3) Facilities Studies, which analyze projects together in a Class Year study for a group of projects. The study processes required the cooperation of the project developers, the NYISO, the connecting transmission owner, affected transmission owners, affected system operators outside New York, and other stakeholders. At the conclusion of the studies, developers knew their interconnection facilities and costs. If they chose to proceed, developers posted collateral to cover their interconnection costs, and signed an interconnection agreement with the NYISO and the Connecting Transmission Owner.[52]

D. Historical Completion Rate of the NYISO Interconnection Queue

The surge in proposed renewable resource and transmission projects together has created a significant backlog in the interconnection of renewable generation projects to the New York transmission system. In 2018, the NYISO interconnection queue contained approximately 120 projects. As of May 2024, over 500 projects were in the NYISO interconnection queue.[53] Based on 2022 data, the median time to complete the NYISO interconnection study process and execute an interconnection agreement was three to four years.[54] Processing time in the interconnection process has varied among projects and has been affected by a number of factors.

Some delays are caused by generation developers. These include:

- Insufficient data: Developers may fail to provide the NYISO necessary data to study proposed projects or may fail to provide required updates to their interconnection

[51] The interconnection provisions were previously housed in the NYISO's Open Access Transmission Tariff ("OATT") Attachments P, S, X and Z. In its Order No. 2023 compliance filing, the NYISO revised and relocated these provisions in a new OATT Attachment HH.
[52] Federal Energy Regulatory Commission, Docket No. RM22-14-000, Improvements to Generator Interconnection Procedures and Agreements, Order No. 2023, 184 FERC ¶ 61,054 (July 28, 2023), at ¶¶ 38-39.
[53] NYISO, 2024 Power Trends Report, available at https://www.nyiso.com/documents/20142/2223020/2024-Power-Trends.pdf/31ec9a11-21f2-0b47-677d-f4a498a32978?t=1717677687961.
[54] According to the Lawrence Berkeley National Laboratory, the NYISO was one of four independent system operators with study times over three years. *See* Queued Up: Characteristics of Power Plants Seeking Transmission Interconnection | Electricity Markets and Policy Group (lbl.gov); PowerPoint Presentation (lbl.gov) at slide 27.

requests and supporting data.

- Timing of election: Developers had the flexibility to make certain elections under the NYISO process through Class Year 2023, which could have extended the timeline for the study process depending upon the developers' elections. For example, developers could choose to wait in the queue for months or years before they enter the final required interconnection study.

- Project modifications: Under the NYISO process through Class Year 2023, developers could propose modifications to their projects during the interconnection study process. Such modifications typically created delays, sometimes significant, in the interconnection study process.

Generation interconnection delay is a national phenomenon and is not unique to New York. In its interconnection reform order, Order No. 2023, the FERC found that:

> As of the end of 2022, there were over 10,000 active interconnection requests in interconnection queues throughout the United States, representing over 2,000 GW of potential generation and storage capacity. This potential generation is the largest interconnection queue size on record, more than four times the total volume (in GW) of the interconnection queues in 2010, and a 40% increase over the interconnection queue size from just the year prior. These trends are not exclusive to any one region of the country. Instead, every single region has faced an increase in both interconnection queue size and the length of time interconnection customers are spending in the interconnection queue prior to commercial operation in recent years. Interconnection customers are waiting longer in the interconnection queues nationwide.[55]

The Class Year 2019 group of projects seeking to connect to New York's electric grid contained over 8,000 MW of nameplate capacity, which included 38 solar projects totaling 1,738 MW, 12 wind projects totaling 3,108 MW, and 26 energy storage projects totaling 1,069 MW.[56] The Class Year 2021 group included over 50 proposed projects, consisting of over 7,000 MWs of renewable energy generating projects, including two offshore wind projects.

In Class Year 2023, the NYISO is studying a group of 70 proposed projects, consisting of over 14,000 MWs of renewable energy. The projects under review consists predominately of wind and solar, which will have capacity factors determined by the number of hours a generator is expected to produce energy over a year compared to its nameplate capability. In September 2024, the NYISO issued the Class Year 2023 Facilities Study System Upgrade Facilities (SUF) and System Deliverability Upgrade (SDU) Report, which identified and allocated costs to

[55] Federal Energy Regulatory Commission, Docket No. RM22-14-000, Improvements to Generator Interconnection Procedures and Agreements, Order No. 2023, 184 FERC 61,054 (July 28, 2023), at 38-39.
[56] *See* Smith, Zachary G. "A new class year: the changing nature of power generation in New York State, and how NYISO is accommodating it," Power Grid International, February 17, 2020, available at https://www.power-grid.com/solar/a-new-class-year-the-changing-nature-of-power-generation-in-new-york-state-and-how-nyiso-is-accommodating- it/?source=email#gref.

reliably interconnect these projects. On Sept. 26, 2024, the report was approved by the NYISO's Operating Committee (OC). The NYISO estimates that the class year study of these projects will be presented to the NYISO's Operating Committee for approval in fall 2024, and will be completed this year. Developers can withdraw from the study process or decide whether to move forward with their projects after the interconnection studies are completed.

E. NYISO Interconnection Process Reforms Prior to FERC Order 2023

Prior to FERC Order No. 2023, the NYISO made some changes to speed up interconnection reviews. These include eliminating certain duplicative study requirements, allowing some projects needing additional study to do so outside the class year process so as not to slow down review of other projects, and lowering milestone permitting requirements that must be completed to proceed through the process.

To address the significant surge in proposed interconnections as part of the historic transition that is underway on the electric grid, the NYISO initiated a comprehensive interconnection queue reform initiative with its stakeholders in late 2022.[57]

F. FERC's 2023 Interconnection Reform Order

On July 28, 2023, FERC issued a landmark order on reforming the generator interconnection process nationwide. The order included changes to weed out projects that are not viable and that otherwise delayed the interconnection process. Entitled "Improvements to Generator Interconnection Procedures and Agreements" ("Order No. 2023"), FERC described its reforms as primarily falling into three categories: (1) creating a first-ready, first-served cluster study process; (2) increasing the speed of the interconnection processes of transmission providers for new transmission and generation projects; and (3) incorporating advanced technologies, such as energy storage and transmission devices, into the interconnection process.[58]

On May 1, 2024, the NYISO submitted its Order No. 2023 compliance filing and asked FERC to makes it effective the next day in order to begin implementation right away, in parallel with the completion of its final Class Year Study for 2023 under its prior procedures. The NYISO established a cluster study process that groups projects for a preliminary physical infeasibility screen followed by a two-phased evaluation of the reliability impacts of the projects' interconnections. The first phase assesses the local impacts of proposed interconnections, while the second phase assesses the broader systemwide impacts. Based on the results of the first phase, developers will decide whether to enter the second phase. The cluster study ultimately identifies necessary system upgrade facilities and allocates the costs of those facilities among participating generators.

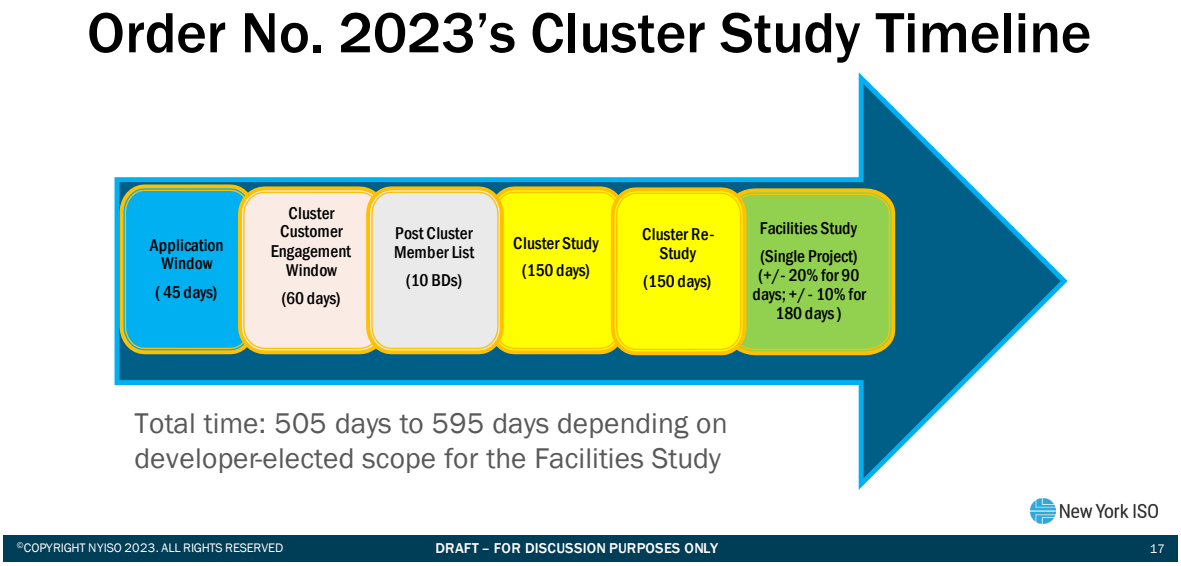
---

[57] *See* Improvements to Generator Interconnection Procs. & Agreements, Reply Comments of the New York Independent System Operator, Inc., Docket No. RM22-14-000 at 2 (Dec. 14, 2022).

[58] FERC Order No. 2023. FERC affirmed its interconnection reforms in Order No. 2023-A, including its stance on the treatment of network upgrades, allocation of upgrade costs, and the cluster study process, emphasizing a proportional impact method for network upgrades cost allocation, and denying requests to revise or eliminate feasibility studies from the interconnection process. FERC reaffirmed that it will impose penalties for late studies, including on ISOs/RTOs, after initial implementation, starting at $1,000 per study per day and increasing to $2,000 per study per day.

The NYISO began implementation of procedures to transition to its new interconnection process on May 2, 2024. It commenced a transition Cluster Study Process under its new standard interconnection procedures on August 1, 2024. Following implementation of the new process in May, 255 generation projects were withdrawn from the NYISO's interconnection queue under transition rules proposed as part of the Order No. 2023 compliance.[59] Those projects have the option to submit requests to enter the transitional cluster study until the application window closes on October 15, 2024.

The NYISO expects the study process to be completed for all projects in the transitional cluster study by the end of July 2026. The next Cluster Study would then commence in September 2026. According to the NYISO, the new interconnection process is expected to be faster, completing in 590 days or about 1.6 years, compared to the previous process that took between three and four years. The timeline below depicts the NYISO's new generation project interconnection cluster study process:



The NYISO's new interconnection process incorporates a myriad of changes in over one thousand pages of new tariff provisions. In summary, the new process seeks to implement the following reforms in Order No. 2023:

- shorten the timeframe for the NYISO's interconnection process in line with the timeframe established in Order No. 2023, by establishing a two-phase Cluster Study Process that incorporates the NYISO's longstanding "first-ready, first-served" clustered Class Year Study into the FERC's new framework and eliminates the stand-alone feasibility and system impact studies;

[59] NYISO Interconnection Queue, July 9, 2024, at line 284.

- establish a pre-application process and a "heatmap," which shows available transmission capability and constraints, to provide interconnection customers with the opportunity to obtain additional information prior to the submission of their interconnection requests;

- screen out projects that are not physically feasible early in the Cluster Study Process to identify physically infeasible interconnections, and permit penalty free withdrawals due to physical infeasibility;

- establish enhanced submission requirements, including more stringent study deposit, technical data and site control requirements, and strict deadlines to cure deficiencies;

- establish several decision periods within the Cluster Study Process with commercial readiness deposits and withdrawal penalties, along with a mechanism for distributing any collected withdrawal penalty funds;

- establish rules to limit project modifications during the Cluster Study Process and provide additional mechanisms for requesting extensions to a project's commercial operation date;

- establish a penalty framework for missed deadlines in the performance of the Cluster Study or an Affected System Study, which would apply to the NYISO take effect in its third Cluster Study Process;

- retain or otherwise incorporate into the Cluster Study Process technology advancement requirements identified in Order No. 2023 related to co-located resources, generator additions, alternative transmission technologies, and modeling and ride-through requirements for non-synchronous generating resources;

- revise operating procedures used to mitigate reliability impacts under the NYISO's Minimum Interconnection Standard so that upgrades are less likely to be required for resources such as energy storage resources;

- address requirements for affected systems located in the New York Control Area and neighboring systems;

- align the treatment of small generating facilities (20 MW or less) with the Cluster Study Process for large generators, incorporating all generation facilities into a single, standardized process;

- establish a transition Cluster Study Process available to all interconnection customers that satisfy the process entry requirements to enable interconnection customers to immediately make use of the new study process without prerequisite studies; and

- provide for additional pro forma forms and agreements to expedite the interconnection process, the negotiation of required agreements, and the construction of required upgrades.[60]

The NYISO summarized its proposed reforms as follows:

> These compliance reforms will collectively drive substantial efficiencies and improvements in the NYISO's interconnection process and are directly targeted at enabling the increasing number of projects seeking to interconnect in New York to do so in a reliable, efficient, transparent, and timely manner. In addition to complying with [FERC] directives, the NYISO's proposed reforms will assist New York State in satisfying its ambitious climate goals.[61]

In sum, the NYISO's reforms of its generator interconnection process are expected to lead to fewer delays and faster completion of the generator interconnections in New York. The success of the NYISO's new interconnection process depends on FERC granting its approval and on the outcome of federal court appeals of FERC Order No. 2023. Monitoring the progress of the new process will be important to determining whether the timing of the interconnection queue meets the expected timeline, and if projects that New York needs to fulfill its climate change targets complete interconnection and enter into service on a timely basis.

V. STAKEHOLDER CONFERRAL

A. NYPA's Approach to the 2024 Conferral Process

This 2024 conferral process continues the many stakeholder and public engagement opportunities between the Power Authority and interested members of the public under NYPA's expanded authority. The Power Authority is conducting further public and stakeholder engagement in formulating its draft Strategic Plan that it will submit to the Governor and the Legislature by the end of January 2025. Each year, and as we progress, the Power Authority will solicit views of interested parties to make sure its work to bring more renewables to New Yorkers is well-informed, effective, and transparent.

As part of the 2024 conferral process, NYPA conducted conferral discussions with or received written comments from over 30 stakeholder organizations from across the State. A list of stakeholders who participated in the conferral process is attached as Appendix A.

[60] NYISO's new standard interconnection procedures are consolidated in a new section HH of its Open Access Transmission Tarff, available at: https://www.nyiso.com/regulatory-viewer.
[61] NYISO Compliance Filing, at 4.

These discussions were conducted in-person and virtually. Stakeholders were also given the opportunity to submit written statements or other materials as part of the conferral process, with the option to submit them electronically via a NYPA conferral email address established for this purpose: NYPARenewablesConferral@nypa.gov. The key themes in the interviews and written submissions are reflected in the summary below. Copies of written submissions are available on NYPA's website at the following link https://www.nypa.gov/conferral-process. NYPA considered all written and oral comments in drawing the observations and conclusions in Section VI of this report.

Conferral process topics of discussion included, but were not limited to, the following areas of discussion, as time and interest permitted:

- Please share your thoughts on the State's progress toward CLCPA goals.
- Please share your thoughts on how NYPA can or should support CLCPA.
- Please share your thoughts on what NYPA is already doing to support CLCPA.

Conferees were also asked to comment on anything else they would like NYPA to consider.

Although the statute does not require this, NYPA also invited commentary on the issue of training and workforce development, including recommendations for creating clean energy jobs, workforce training and re-training programs, and maximizing opportunities for members of disadvantaged communities.

B. Summary of Conferral Process Comments

This section of the Conferral Report summarizes the viewpoints of participating stakeholders. It is not intended to be an exhaustive enumeration of all comments submitted in this process, nor is this summary intended to reflect NYPA's view on any comments received. Although stakeholders provided information on a wide variety of topics, the summary of their viewpoints contained below focuses primarily on those topics discussed or addressed that are germane to the conferral process topics.

Stakeholder feedback from the conferral process is set forth below, with the views of each participating stakeholder sorted into a relevant interest category, such as "Generator Stakeholders" or "Labor Stakeholders." Where possible, similar stakeholder feedback from multiple entities was harmonized into thematic issues of discussion.

1. Community Organizations and Environmental Justice Advocates

NYPA conferred with numerous organizations representing local community interests as well as disadvantaged community and environmental justice interests ("Community" or "EJ" representatives), including Bronx Council for Environmental Quality ("BCEQ"), a Coalition of Attorneys Representing Municipalities and Citizens in New York State Wind and Solar Project Siting Proceedings, NY Renews, El Puente, PEAK Coalition, South Bronx Unite, and Sustainable Westchester.

A key focus for Community and EJ representatives is how disadvantaged communities are affected. While this group of stakeholders generally supports the CLCPA and would like to see the goals achieved, some believe the goals are misguided and that increased reliance on intermittent resources will result in continued use of fossil fuels for firm capacity. They also noted that the State is falling behind on timely achieving its goals, most notably the 70% Renewable Energy Goal and the 100% Zero Emissions Goal.

Some Community and EJ representatives noted that even though the State is moving slower than some of the CLCPA goals may require, the CLCPA framework has been useful to prioritize State action and align regional priorities. Some Community and EJ Representatives suggested that while many causes of delay are external factors, such as supply chain issues, geopolitical tensions, high interest rates, and inflation, others may be more readily controlled. For example, some representatives observed that the historic NYISO interconnection process has been a barrier to the timely integration of renewables that must be addressed without compromising safety or reliability. In addition, some representatives pointed to the acknowledgement in the draft CES Biennial Review that there are perceived gaps in the New York labor market that may negatively impact success.

Community and EJ representatives generally expressed support for NYPA playing an active role in developing new renewable resources, and applauded NYPA for its initial efforts to advance its new expanded authority to develop renewables. Other representatives expressed the view that NYPA is not being aggressive enough and has not taken enough concrete steps toward developing renewable resources and decommissioning fossil generation sites in the last year, which has required those living in certain disadvantaged communities to continue to unequally endure both expensive energy bills and air pollution from power plants located in their neighborhoods.

Some representatives viewed NYPA's role under the expanded authority as filling "gaps" where the private sector falls short or project economics do not work, while other stakeholders saw NYPA as having a broader role in adding new renewable energy resources. One representative noted that NYPA has not publicly set forth a goal of how much renewable energy capacity it plans to build. Another representative noted that it would like to see NYPA develop 15 GW of renewable energy capacity by 2030, while another would like to see NYPA abandon new renewable energy development and develop nuclear energy instead. Most representatives fell somewhere in between these viewpoints, urging NYPA to develop several GW of renewable energy and energy storage capacity.

Downstate Community and EJ representatives expressed concerns at the continued operation and re-permitting of NYPA's small natural gas power plants ("SNGPPs"), also referred to as "peakers." Many of these organizations said that NYPA should prioritize phasing out the peaker plants and transition from burning natural gas to a clean energy source that decreases air pollution. Many Community and EJ representatives in New York City stated that NYPA should replace the SNGPPs with energy storage and support education on the benefits of using energy storage. They stated that there is a need for distributed energy storage throughout the city to support grid reliability and resiliency.

Two commenters representing the Bronx, BCEQ and South Bronx Unite focused predominantly on the topic of NYPA's two SNGPPs located in Bronx County at Hell Gate and Harlem River Yards. BCEQ noted its recent opposition to NYPA's renewal of the air permit for Harlem River Yards and requested that NYPA shut down the Harlem River Yards SNGPP prior to 2030, while South Bronx Unite requested a definitive timeline for the same. BCEQ noted that the CLCPA is intended to bring benefits to disadvantaged communities, however they shared the perception that such benefits have not materialized in the Bronx. In addition, BCEQ expressed support for the greening of NYPA properties in the Bronx. Both of these organizations expressed support for bringing electric vehicle charging stations to the area to help reduce local transportation emissions.

Some Community and EJ Representatives stated that NYPA has a role in distributed solar generation, demand response, and energy storage, especially in disadvantaged communities. These commenters advocated for scaling up distributed, customer-sited technologies, like rooftop solar, batteries, and EV chargers. One EJ representative was encouraged by NYPA's virtual power plant pilot demonstration project and its distributed resource development efforts to date and urged NYPA to continue to scale up these efforts.

Some Community and EJ representatives requested that future conferral efforts have more detailed and pointed questions so that participants can provide more direct and useful insights to help identify actionable commitments to advance the environmental and social justice objectives of the CLCPA. These commenters assert that the conferral process should be more transparent, seek additional community input, and ask more detailed questions to allow NYPA to better identify specific projects to prioritize.

One group of upstate Community representatives maintained its comments from the 2023 conferral process focusing on nuclear power for clean energy production and suggested that NYPA should use its new authority or seek additional authority to build nuclear power to decarbonize the grid in the same manner as France, Sweden, and Ontario. The group pointed out that when the Indian Point nuclear power plant was closed, fossil fuel production increased and decarbonization suffered. They said that reaching 70% renewable energy may be impossible if efforts are just focused on solar and wind, and that there is resistance to solar and wind projects in upstate communities due to land use and visual impacts. The group argued that the State should work to renew the licenses of its existing operating nuclear reactors and plan for the deployment of additional modern nuclear power plants throughout the State, potentially converting shuttered power plants, such as Jamestown and Somerset, to nuclear energy. In addition, the group argued that NYPA should also focus on building high-voltage bulk transmission lines to bring upstate energy to downstate users.

Sustainable Westchester stated that NYPA should make better use of its expanded authority by supplying Community Choice Aggregators ("CCAs"), like Westchester Power, with low-cost energy and engaging more with community groups.

Some Community and EJ representatives expressed their view that NYPA's REACH program should focus on providing bill credits to those rate payers that live near NYPA power plant sites or renewable energy generating project sites.

2. Consumer Interests

NYPA conferred with Power for Economic Prosperity ("PEP") an association of manufacturing companies that rely on low-cost Niagara Project hydropower in order to maintain their operations in the Buffalo/Niagara region of Western New York.

PEP noted that its members are concerned about the changing regulatory landscape in New York, which may impair individual members' decisions to continue to invest in New York. In general, PEP members are not opposed to NYPA playing an important role in the State's pursuit of CLCPA goals as long as the obligations imposed on NYPA are reasonable, as determined by the NYPA Board of Trustees, and do not interfere with NYPA's essential role as a driver of economic development, and protector of jobs, in New York.

With regard to the State's progress, PEP highlighted the recent draft CES Biennial Review, indicating that New York State is behind on meeting the CLCPA goals. PEP supports using this opportunity to pause and conduct a comprehensive assessment of the CLCPA mandates, a comprehensive cost analysis, implementation efforts to date, and future actions. Moving forward, PEP recommends that the State continue to develop and refine carefully structured plans that take into consideration the cost and feasibility of technologies, preserve system reliability, and maintain the competitive advantage of low-cost hydropower enjoyed by its members. PEP believes that NYPA has demonstrated an aggressive approach to date in moving forward with the legislative requirements of its expanded authority, including the conferral process and issuance of the developer RFQ. PEP urged NYPA to find ways to ensure that the cost of new renewables do not impact the cost of hydropower for its economic development customers by "siloing" such costs and obligations.

3. Environmental and Energy Policy Advocates

NYPA conferred with a number of organizations that advocate for environmental and/or energy concerns, including the New York Energy Alliance, New York Energy & Climate Advocates, the New York League of Conservation Voters, Public Utility Law Project, the Public Power NY Coalition, and Rewiring America (collectively, "E&E Policy Advocates").

The E&E Policy Advocates strongly support New York's CLCPA efforts, including efforts to advance offshore wind, onshore wind, solar (both distributed and utility-scale) and energy storage. E&E Policy Advocates felt that the State was falling behind on its progress towards achieving the CLCPA goals, citing to the recent Comptroller audit of the CES and the draft CES Biennial Review. Others felt that the CLCPA goals are unrealistic and were unlikely to be achieved from inception. Some expressed that New York State agencies and authorities should do more analysis on how the actions they take may negatively impact the State's ability to achieve the goals of the CLCPA, including bringing benefits to disadvantaged communities.

E&E Policy Advocates expressed different views on what they believe NYPA's role should be in the context of recent events that have taken place since the 2023 Conferral Report; specifically, a high volume of CES contract and award attrition due to unforeseen inflation, and significantly

larger load growth projections for 2030 than originally contemplated. While some E&E Policy Advocates expressed their belief that NYPA should develop enough new renewable energy to bring the State back into projected compliance with the 70% Renewable Energy Goal, others expressed that NYPA's expanded authority to build renewables does not require NYPA to fill this gap, nor would doing so be feasible. In between these two positions, some E&E Advocates commented that NYPA should take a role to help address the 70% Renewable Energy Goal while taking care to ensure that projects undertaken minimize costs to consumers and that the resulting benefits are shared equitably.

Some E&E Policy Advocates expressed their desire for a sustained focus on energy affordability and equity, noting that low-income households are already struggling with high utility rates, and this struggle could be exacerbated by additional rate increases. Additionally, some E&E Policy Advocates stated that there is a need for transparency around the costs of the energy transition and a need for education regarding funding opportunities that might exist for low- to moderate-income individuals to lower such costs. Other E&E Policy Advocates stated that NYPA should use federal funds to increase energy efficiency in low-income homes, and work with the State to create an umbrella program to show people in different sectors what resources are available to them to help decarbonize. These E&E Policy Advocates applauded NYPA's efforts to date to establish the REACH program and suggested that NYPA should ensure that any renewable energy generating projects it develops do not burden low-income households. They further suggested that NYPA directly engage in communication with low-income households to better understand their views and priorities.

Some E&E Policy Advocates expressed concern with the focus on renewable energy technology, such as wind and solar, arguing that such technologies have lower capacity factors than other generation technologies and require storage and transmission to be effective. On the topic of technology, some E&E Policy Advocates were supportive of NYPA developing more energy storage projects, especially where such storage projects might be located at current fossil generation sites. Other E&E Policy Advocates argue that an over-reliance on wind and solar will require New York to continue to rely upon fossil generation to firm up these intermittent resources when batteries are depleted. As a potential solution to this issue, some E&E Policy Advocates said that NYPA should work to expand the capacity of its existing large and small hydro facilities and work with other small hydroelectric owners to expand their facilities. Other E&E Policy Advocates expressed interest in NYPA developing nuclear generation to help achieve the 100% Zero Emissions Goal and suggested that NYPA may wish to consider a public-private partnership with an existing nuclear generation company. Others, however, stated that NYPA's expanded authority focuses on renewable energy systems and that renewable resources do not include nuclear generation.

The Public Power NY Coalition expressed disappointment in NYPA's 2023 Conferral Report and pointed NYPA to an analysis it developed titled "Mind the Gap: An Estimation of the Renewable Energy Needed to Meet New York's Clean Energy Mandates." They also referred NYPA to a recently issued set of recommendations, created in partnership with the Cornell School of Industrial and Labor Relations Climate Jobs Institute, related to workforce training. Those recommendations urged NYPA to take the following actions: (1) dedicate training funds to provide wraparound services to pre-apprentices and apprentices; (2) prioritize allocating funds

to match projected construction timelines; and (3) allow for flexibility and workers' voices in program design for funded projects. Public Power NY noted appreciation for NYPA's June 17, 2024, reply comments in the REACH proceeding under PSC Case No. 24-E-0084.

The New York League of Conservation Voters emphasized the need for the State to pursue strategies beyond electrification to ensure that the grid can handle the associated increased load, such as advancing thermal energy networks, and doing more to conserve energy and increase energy efficiency. They stated that more work needs to be done on decarbonization of the transportation sector, including deployment, policy, and education. Specifically, they stated that NYPA should strive to deploy charging infrastructure in a more cost-effective manner, build charging infrastructure along highways, develop transmission to assist with electric school bus deployment, and provide combined solutions, such as solar plus storage coupled with EV charging to assist school districts.

Rewiring America expressed enthusiasm for NYPA's expanded authority, viewing it as an opportunity to help low-income households through the REACH program and lead by example with the NYPA-led Decarbonization Leadership Program. Rewiring America also expressed excitement for the potential of a statewide Cap-and-Invest program to help fund the State's decarbonization efforts.

4. Generator Stakeholders

NYPA conferred with several organizations representing the interests of energy generators and developers, including independent renewable energy and energy storage developers, the Alliance for Clean Energy New York ("ACENY"), the Independent Power Producers of New York ("IPPNY"), and the New York Solar Energy Industries Association ("NYSEIA") (collectively, "Generator Stakeholders"). ACENY is a renewable energy advocacy organization with collective membership that includes a large percentage of New York's private sector renewable energy developers. IPPNY is a trade organization representing independent renewable and non-renewable generators and developers representing a large percentage of New York's electricity generators. NYSEIA is a statewide trade association dedicated to advancing solar energy use in New York State with many private sector solar developer members.

Some Generator Stakeholders cited to the recent draft CES Biennial Review to express that the State is not likely to achieve 70% Renewable Energy Goal until 2033. One Generator Stakeholder noted that, contrary to popular belief, the cancellation of a NYSERDA offtake contract does not necessitate the cancellation of the underlying renewable energy project, only the need to find a new offtake arrangement. This stakeholder noted that NYSERDA is currently expediting the Tier 1 and Offshore Wind solicitation processes to contract with many of these projects.

NYSEIA asserted that the anticipated delay in achieving the 70% Renewable Energy Goal calls for policy interventions and new strategies to accelerate deployment of renewable energy resources and energy efficiency. They suggest that this strategy should include raising the distributed solar goal to 20 GW by 2035, calling attention to the fact that New York is ahead of schedule to achieve the 10 GW Distributed Solar Goal. They also suggest that policy

interventions should include interconnection reform, flexible interconnection, siting and permitting reform to expedite local approvals for rooftop and community solar, and improved rate design and incentive programs to advance beneficial siting and utility bill savings for low- and moderate-income households.

Referencing NYPA's recent RFQ for developers and investors, Generator Stakeholders acknowledged increased willingness to partner with NYPA in the development of renewable energy generation and/or energy storage projects. IPPNY urged NYPA to work through public-private partnerships and focus on implementing projects that would not otherwise happen if not for NYPA's participation, including in the upstate municipal utility services territories. IPPNY maintained its position that NYPA should focus on competitively procuring renewable resources and storage resources through the use of long-term power purchase agreements, rather than NYPA developing and owning the underlying resources. It also asserted that NYPA's development of renewable energy would subject NYPA customers to costs and risks currently borne solely by renewable energy companies and storage companies.

Some Generator Stakeholders continue to suggest that NYPA is best able to contribute to New York's climate goals though building next generation transmission lines to address existing system constraints that hamper renewable energy deployment. These commenters cite to the recent completion of the Smart Path and the Central East Energy Connect transmission projects as examples of NYPA's leadership in transmission and its ability to partner with the private sector. Some Generator Stakeholders urged NYPA to explore the build out of the transmission system to better host renewable energy facilities, including the development of renewable energy interconnection hubs in strategic locations.

Many Generator Stakeholders expressed interest in NYPA repurposing some of its SNGPPs for renewable generation, energy storage, hydrogen demonstration pilots, or to support the integration of new renewable energy into the downstate electric grid. One Generator Stakeholder stated that existing thermal generation facilities are attractive sites for energy storage as they can be readily repurposed, often without incurring significant system upgrade costs. One Generator Stakeholders suggested that NYPA should consider using a competitive solicitation process to help facilitate a solution that represents the best value and lowest cost option to transition its SNGPPs. Another Generator Stakeholder suggested that NYPA issue a competitive solicitation for a hydrogen demonstration project at the facility of an independent power producer, sharing experience gained from NYPA's hydrogen blending pilot.

NYSEIA suggested that NYPA could support CLCPA progress by maintaining high performance from its hydroelectric facilities, citing the acknowledgement in the draft CES Biennial Review that baseline hydroelectric production in New York has declined in recent years due to economic challenges and deferred maintenance.

Generator Stakeholders emphasized the need for workforce training and development and noted that NYPA can play a significant role in this regard. ACENY highlighted NYPA's recent Clean Energy Workforce Training ("CEWT") solicitation, which focused on pathways for employment in clean energy for residents of disadvantaged communities in the vicinity of NYPA sites, as an example of how NYPA is already addressing this need. One independent power producer noted

that it is endeavoring to repurpose its existing generation facilities, as opposed to ceasing operations, which will maintain jobs by transitioning and retraining its workforce and suggested that NYPA could do the same. This power producer also noted that a successful workforce development program would lead to opportunities in construction, manufacturing, and operations and maintenance sectors.

IPPNY suggested that NYPA should work with the New York City Housing Authority and help energy consumers in disadvantaged communities. IPPNY stated that NYPA should competitively procure electricity, heating, ventilation, cooling, steam, or hot water from energy service companies for the benefit of disadvantaged communities.

ACENY emphasized the importance of electrification of buildings and transportation and provided a critique of NYPA's EVolve NY Program. ACENY argued that that NYPA should (1) wind the program down and only focus on areas of public need not being filled by private developers now that there is a well-established EV charging industry in the State, and (2) complete Phase I of the National Electric Vehicle Infrastructure ("NEVI") program to allow the State to move onto NEVI Phase II, which allows federal funds to support charging infrastructure for medium- and heavy-duty vehicles such as trucks and buses.

Energy storage advocates submitted comments highlighting the role they say storage should play in the energy transition in New York State. Elevate Renewables F7, LLC ("Elevate") emphasized the benefits of energy storage to the power grid by firming up the integration of variable energy resources, such as solar and offshore wind, and enhancing grid resilience. Elevate said that NYPA should enhance its promotion of energy storage in its Strategic Plan and consider collocating energy storage with renewable energy resources as well as at its thermal generating facilities. Bloom Energy Corporation commented on the potential for non-combustion biogas-powered fuel cells to contribute to advancing the renewable energy goals of the CLCPA.

5. Labor Stakeholders

NYPA conferred with several labor organizations, including the International Brotherhood of Electrical Workers Utility Labor Council of New York State, the New York State American Federation of Labor and Congress of Industrial Organizations, the New York State Association of Electrical Workers, the New York State Building & Construction Trades Council, and the New York State Laborers' Political Action Committee ("Labor Stakeholders").

Labor Stakeholders expressed a continued willingness to work with the Power Authority and the State to help achieve the CLCPA goals. Labor Stakeholders expressed the view that the clean energy economy is a huge opportunity for developing well-compensated, long-term union jobs and career paths. Labor Stakeholders stressed the importance of creating a well-trained and fairly-compensated union workforce to support construction of renewable generation and transmission assets the State will need to meet the CLCPA goals. Labor Stakeholders indicated that they are willing to train workers to learn new skill sets necessary to address new technologies that renewables will present. Some Labor Stakeholders said that they are already preparing workers to support the transition to a clean energy economy.

Labor Stakeholders stated that NYPA should integrate requirements for prevailing wage, project labor agreements, labor peace agreements, and domestic content into all renewable energy generating projects. In addition, one Labor Stakeholder urged NYPA to adopt additional standards such as job protections, prompt rehire, and direct assistance for displaced workers. This stakeholder expressed that these requirements are consistent with NYPA's expanded authority and the work of the Climate Action Council and the Just Transition Working Group. Several Labor Stakeholders expressed their desire to see these labor requirements and protections extended from renewable energy generating projects to zero-emissions energy generating projects.

Labor Stakeholders noted that the CLCPA and the energy transition that it contemplates require adaptation of skills to ensure reliability and underscore the critical nature of workforce training and professional development programs. On this topic, one Labor Stakeholder expressed that they are hopeful for the future, but also expressed disappointment in the lack of progress, investment, and communication between the affected unions and government entities, particularly in regard to provisions of the expanded authority relating to operations and maintenance jobs at NYPA renewable energy generation facilities.

Labor Stakeholders commented on what they believe are the most critical components of any potential workforce training programs that NYPA may develop. These recommendations included skills assessments, career counselling, retraining programs, certification programs, State-certified apprenticeship programs, safety training, workshops, courses, on-the-job training, job matching, and hiring preferences. One stakeholder noted that large-scale renewable energy projects are often located in rural areas, where wraparound services such as childcare and transportation are often necessary for individuals from disadvantaged communities to enter into the clean energy workforce. Some Labor Stakeholders suggested that NYPA does not need to develop new workforce training programs, as highly-effective apprenticeship and pre-apprenticeship programs already exist and can be scaled up.

Several Labor Stakeholders recommended that NYPA consider the benefits of establishing an in-State supply chain for new technologies, and how such efforts might dovetail with existing State and Federal domestic content requirements. One labor stakeholder noted that its partner contractors are actively engaged in procuring domestic electrical supplies and are involved in projects related to manufacturing such equipment in the United States. These stakeholders urge NYPA to provide additional demand for domestic content through contract terms, product utilization, and long-range outlook. In addition to attracting new manufacturing opportunities, one Labor Stakeholder noted the importance of existing New York State manufacturing and other industries that currently depend on low-cost hydropower and non-renewable energy, and cautioned NYPA to ensure that the employees of these businesses are protected and their jobs maintained by ensuring that energy remains affordable.

Some Labor Stakeholders suggested that NYPA refrain from competing with private developers, and instead focus on transmission and locating projects in areas where the private sector is unwilling or unable to build. Some Labor Stakeholders suggested that investor-owned utilities should be able to develop and own renewables themselves.

One Labor Stakeholder recommended that NYPA build out 15 GW of renewable energy capacity by 2030 and enable New York to become a leader in the production of green hydrogen. In addition to renewable technologies, some Labor Stakeholders urged NYPA to develop technologies such as advanced nuclear, thermal energy networks, long-duration energy storage, "green" and "pink" hydrogen, renewable natural gas, carbon capture and storage, virtual power plants, and demand response resources.

6. Municipal Stakeholders

NYPA conferred with organizations representing the interests of municipal entities across the State, including the New York Conference of Mayors, the New York State Association of Counties, and the New York State Association of Towns (collectively, the "Municipal Stakeholders").

Municipal Stakeholders expressed a commitment to promoting renewable energy, noting that the goals of the CLCPA must be balanced with the needs and priorities of local communities. The Municipal Stakeholders stated that local governments should have substantial control over the siting of renewable energy and transmission projects within their jurisdiction. They urge NYPA to adopt a structured consultative process that involves local officials, community stakeholders, and public engagement from the initial planning stage through project development to better align NYPA's efforts with local needs and priorities.

Municipal Stakeholders urge NYPA to facilitate Community Benefit Agreements (CBAs) and Payment In Lieu of Taxes (PILOTs) that are fair, targeted, and transparent. These stakeholders assert that such agreements should be carefully targeted to reflect the scale, scope, and impact of the project as well as the individual needs of host communities. These stakeholders suggest that NYPA should establish an oversight mechanism to ensure that promised benefits are delivered in a timely and efficient manner.

Municipal Stakeholders urge NYPA to consider environmental impacts, locating projects where they will cause the least amount of harm to the environment, public health and safety, and minimize the occupation of agricultural land. To this end, these municipal organizations suggest that NYPA should collaborate with equipment manufacturers, developers, and policymakers to establish a comprehensive recycling program for renewable energy equipment, such as solar panels and wind turbines. In addition, the Municipal Stakeholders urged NYPA to prioritize health and safety, including the development of emergency response plans in cooperation with local fire departments, police, and emergency medical service providers.

Municipal Stakeholders emphasized the importance of equity and inclusivity in projects that NYPA advances. To this end, these organizations suggest that NYPA provide tangible benefits and clean energy to disadvantaged communities and involve them in NYPA's decision-making process. The municipal organizations also underscore the importance of training and transitioning New York's workforce, including the need for retraining programs, job placement services, and economic support for transitioning fossil fuel workers. The Municipal Stakeholders further suggest that NYPA work with the PSC to develop strategies to lower utility

costs, especially in disadvantaged communities.

Municipal Stakeholders also noted that navigating the myriad of resources available to their members was daunting and advocated for the creation of a centralized, web-based toolkit where local governments, businesses, and residents can easily access information related to state and federal climate-related programs and resources. The municipal organizations suggest that this effort should be paired with education and training programs to ensure that stakeholders can use that information effectively, particularly when seeking to secure incentives.

7. Public Power

NYPA conferred with the New York Association of Public Power ("NYAPP" or "Public Power"). NYAPP is an association of municipal utilities and rural electric cooperatives serving various communities across New York State.

Public Power representatives commented that their obligations lie with their municipal utility members and end use customers. They said that most of their supply already comes from renewable hydroelectric power in New York, which has worked well for them. Public Power interests stated that they support achievement of the objectives of the CLCPA and have their own independent energy efficiency programs. They raised concerns about cost impacts on their members, for example, the costs of curtailment of hydroelectric resources caused by new renewable energy facilities added to the power system upstate. Representatives commented on the costs of implementing a clean energy standard for their customers, who are already fully or mostly "green" from a power supply perspective.

Representatives of Public Power stated that extending the REACH program to municipal electric utilities could be problematic and there will be a need to define initiative details. It is unclear, they said, how NYPA would implement a bill credit system for their members, how they would identify low-income and moderate-income customers to whom the bill credits would apply, and how they would establish a mechanism to provide the credits on customers' bills.

Public Power representatives stated that they would be interested in NYPA's workforce development programs that could assist their operations.

With respect to interconnection, Public Power representatives said that it is important not to let impatience with the process drive changes that ultimately could be more harmful to outcomes on the power system.

8. Universities

NYPA conferred with Robert W. Howarth, Ph.D., the Atkinson Professor of Ecology & Environmental Biology at Cornell University ("Howarth") and the Sabin Center for Climate Change Law at Columbia University ("Sabin Center").

The Sabin Center was supportive of NYPA's work on transmission development and its new renewable energy generation authority. With respect to transmission, the Sabin Center urged

NYPA to continue its efforts to build out transmission assets, prioritizing projects that (1) "debottleneck" renewable energy in constrained areas of the grid, (2) provide the greatest impact on decarbonization, and (3) and allow natural gas peaker plants to be taken offline as soon as possible, and in the interim, used less. Regarding generation, the Sabin Center strongly encouraged NYPA to be a leader in agrivoltaics, demonstrating the ability of agricultural and energy production land uses to coexist in harmony.

Howarth expressed disappointment at the pace of the State's progress towards meeting the goals of the CLCPA. Specifically, Howarth emphasized the importance of electrifying homes and commercial buildings, noting that these buildings are the single largest source of greenhouse gas emissions in the State, and noted that the State has been slow to adopt recommendations of the Climate Action Council to this end. Howarth stated NYPA should be sure to consider the greenhouse gas emissions associated with its economic development awards, in addition to its efforts to build renewables.

VI. OBSERVATIONS AND CONCLUSIONS

1. Participating stakeholders from around the State provided NYPA with valuable insights and perspectives throughout the 2024 conferral process. NYPA met with and received comments from a broad spectrum of interests, including community and environmental justice organizations, State and local government entities, universities, environmental and energy policy organizations, municipal utilities, consumer interests, labor organizations, and renewable energy and energy storage developers. NYPA will consider this information and additional stakeholder input as it moves forward with the development of its first Strategic Plan and implementation of other responsibilities assigned to NYPA under its expanded authority. Many of the themes from the 2023 conferral process were revisited in 2024. While some themes remained consistent in their trajectory, other topics, views, and concerns have evolved. Accordingly, NYPA's observations and conclusions follow suit.

2. The conferral process confirmed that there is tremendous stakeholder support for achieving the goals of the CLCPA, and strong stakeholder support for renewable energy as a means to address the impacts of climate change through reducing and eliminating greenhouse gas emissions from the State electric system. While all stakeholders embraced these environmental benefits, NYPA observed growing concern about the timeframes in which the CLCPA goals may be achieved, and the affordability of the clean energy transition. In addition, some stakeholders expressed concerns related to feasibility, interconnection delays, system reliability, and environmental and land use impacts of new renewable generation. In contrast, other stakeholders expressed optimism with progress to date and identified a multitude of opportunities related to climate action and leadership, disadvantaged community benefits, economic development, workforce development, energy storage, biogas fuel cells, and agrivoltaics.

3. A common theme of the 2024 conferral process was concern about the State's ability to achieve the goals and objectives set forth in the CLCPA, which has been emphasized by the draft CES Biennial Review. In the 2023 Conferral Report, NYPA observed that there

were, at the time, enough awarded, contracted, and operational projects under the CES to meet and exceed the 70% Renewable Energy Goal. NYPA noted that the PSC had recently denied developer petitions requesting financial relief for previously contracted projects, and the PSC recommended that NYSERDA continue its procurement efforts for land-based renewables and offshore wind on an expedited basis, allowing developers to cancel existing contracts and bid back in with competitive pricing that takes into consideration current market conditions.[62]

4. In the 2023 Conferral Report, NYPA also observed that, consistent with the PSC's recommendation, Governor Kathy Hochul announced the release of the Action Plan, directing NYSERDA to launch accelerated procurements to backfill any land-based renewable or offshore wind contracts or awards that were terminated. In accordance with this Action Plan, NYSERDA launched an accelerated procurement process for both Tier 1 and offshore wind resources on November 30, 2023.[63] In consideration of these circumstances, NYPA concluded that it was possible that the number of contracted and awarded renewable projects may decrease. The Power Authority noted, however, that the withdrawn projects would have new opportunities to secure new contracts with updated competitive pricing, helping to keep New York on track to meet the ambitious goals of the CLCPA.

5. After the publication of the 2023 Conferral Report, many renewable developers terminated their contracts, but NYSERDA's expedited procurements began to quickly regain ground. On February 29, 2024, NYSERDA announced the results of the expedited offshore wind procurement, awarding contracts totaling 1.7 GW of planned generation capacity anticipated to reach commercial operation by 2027.[64] Then, on April 29, 2024, NYSERDA announced 24 provisional Tier 1 awards to wind and solar projects totaling nearly 2.4 GW of renewable energy capacity.[65] On June 20, 2024, NYSERDA launched the 2024 Tier 1 solicitation, seeking additional renewable energy projects on an expedited basis.[66] In addition, on July 17, 2024, NYSERDA launched its fifth offshore wind solicitation.[67] In sum, while setbacks have resulted in delays to projects coming online, significant efforts are underway to regain ground and great progress has already been made in this regard.

---

[62] Case 15-E-0302, et al., Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard, Order Denying Petitions Seeking to Amend Contracts with Renewable Energy Projects, pages 48-49 (Issued October 12, 2023).

[63] *See* RESRFP23-1, available at https://www.nyserda.ny.gov/All-Programs/Large-Scale-Renewables/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts/2023-Solicitation-Resources. *See also* ORECRFP23-1, available at https://www.nyserda.ny.gov/All-Programs/Offshore-Wind/Focus-Areas/Offshore-Wind-Solicitations/2023-Solicitation.

[64] *Two Offshore Wind Project Awards Announced, To Deliver Clean Power In 2026*, Available at: https://www.nyserda.ny.gov/About/Newsroom/2024-Announcements/2024_02_29-Governor-Hochul-Announces-Two-Offshore-Wind-Project_Awards.

[65] See RESRFP23-1 Landing Page, available at: https://www.nyserda.ny.gov/All-Programs/Large-Scale-Renewables/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts/2023-Solicitation-Resources.

[66] *See* RESRFP24-1, available at https://www.nyserda.ny.gov/All-Programs/Large-Scale-Renewables/RES-Tier-One-Eligibility/Solicitations-for-Long-term-Contracts.

[67] *See* ORECRFP24-1, available at: https://www.nyserda.ny.gov/All-Programs/Offshore-Wind/Focus-Areas/Offshore-Wind-Solicitations/2024-Solicitation.

6. In addition to delays caused by economic headwinds, recently revised statewide electric load projections for 2030 are also affecting CLCPA timelines. A common theme of the 2024 conferral process was the draft CES Biennial Review, which projects that the estimated 2030 statewide electric load is likely to be significantly larger than anticipated four years ago in 2020. If this increased projected load materializes, it will require even more renewable energy to come online to meet the 70% Renewable Energy Goal. As a result, recent estimates from NYSERDA and DPS lay out various scenarios and pathways to reaching that goal, one of which illustrates a potential path to achieving the goal by 2033.

7. Stakeholders were largely supportive of NYPA's expanded authority to develop renewables, establish the REACH program, facilitate a just transition away from fossil fuel, and support workforce development. Many stakeholders embraced NYPA taking a larger role in renewable development and were hopeful that their relationship to such development would be focused on community benefits. Many stakeholders expressed support for NYPA building new renewables to advance progress towards both the 70% Renewable Energy Goal and the 100% Zero Emissions Goal. Stakeholders differed on their opinions and preferences pertaining to the magnitude and pace of such efforts, with many stakeholders, especially Community and EJ representatives, expressing a heightened sense of urgency. To this end, NYPA is working diligently and expeditiously to lay the foundation necessary to deliver significant results under its expanded authority.

8. Once again, almost all stakeholders seemed to agree that NYPA's downstate small natural gas power plants (referred to by some as NYPA's "peaker" plants) should be transitioned away from fossil fuel generation. Although there is still no clear consensus on what should be done with such sites, NYPA has observed increasing interest in battery energy storage being deployed at these sites where feasible. NYPA notes that it is in active negotiations with respect to battery storage at three of its SNGPP sites and recently issued an RFI for its Kent SNGPP site. Still other stakeholders want to see certain SNGPPs replaced with offshore wind interconnections, renewable energy generation, green space, or waterfront access. NYPA will continue to solicit community views on the future of these sites, and will publish the initial phase-out plan required by PAL § 1005(27-c) no later than May 3, 2025.

9. Many stakeholders expressed interest and enthusiasm about the labor-related provisions contained within NYPA's new expanded authority. These stakeholders urged NYPA integrate requirements for prevailing wage, project labor agreements, labor peace agreements, and domestic content into its plans for renewable development. Many stakeholders, especially those representing organized labor, stressed the importance of clean energy workforce training and re-training of displaced workers and provided feedback on the critical components of programs, including consideration of wraparound services such as childcare and transportation. NYPA and the New York State Department of Labor have been actively engaged on these topics, jointly executing a Cooperative Agreement in March of 2024 to collaborate on programs related to workforce training, retraining, and apprenticeship opportunities in the renewable energy

field. NYPA is taking clean energy workforce development very seriously. Since enactment of its expanded authority last year, the NYPA Trustees have approved over $10 million of expenditures for various workforce training initiatives.

10. Some stakeholders again expressed concerns that NYPA's development of renewable energy would adversely affect the low-cost hydropower rates upon which many New York businesses rely. As stated in the 2023 Conferral Report, NYPA's development of renewable energy does not necessitate risks to be borne by existing NYPA customers, as suggested by some stakeholders. Along this same line of concern, one of these stakeholders suggested that NYPA "silo" the risks associated with renewable development to insulate NYPA from potentially adverse financial impacts. PAL § 1005(27-a)(f) authorizes NYPA to create wholly-owned subsidiaries for this purpose, a concept that NYPA is currently evaluating.

11. Some stakeholders expressed concerns related to the affordability of achieving the renewable energy goals of the CLCPA. Several stakeholders recommended that NYPA work to consider ways to lessen the financial impact of electric utility service. NYPA agrees that affordability is a key element of the State's transition to clean and renewable energy and is actively advancing the creation of the REACH program to help provide relief to low-income New Yorker's in disadvantaged communities. In January of 2024, NYPA filed a petition with the PSC to establish the REACH program to provide bill credits for low-income households in disadvantaged communities. The bill credits will be funded from a portion of revenues from new renewable energy generation projects developed or contracted for by NYPA and designated for REACH, and other authorized contributions. NYPA, in collaboration with NYSERDA and DPS, has adopted valuable public feedback to help craft the proposed program which was designed to build upon existing efforts, such as the Energy Affordability Program and Statewide Solar-for-All, to provide meaningful benefits to low-income electricity customers in disadvantaged communities as the State transitions to a clean energy economy.

12. Several stakeholders suggested that the State should focus on other technologies, not just wind and solar, to produce electricity, although we note that these technologies may not qualify as renewable energy under the Climate Act. In 2024, NYPA saw increased advocacy for nuclear energy as a means to achieve the 100% Zero Emissions Goal.

13. Many stakeholders commented on the pace at which renewable energy projects move through the NYISO interconnection process. The 2023 conferral process highlighted that this problem is not unique to New York, and interconnection queues across the United States have seen unprecedented increases in the amount of new proposed generation seeking to connect. In 2023, conferral stakeholders were hopeful that this problem would be resolved through the ongoing implementation of FERC Order No. 2023. As of May 2024, the NYISO has filed amendments to its tariffs and procedures to implement FERC Order No. 2023, which has replaced historic interconnection procedures with annual cluster studies designed to expedite the timeframes in which new generation will be able to interconnect to the New York grid. The NYISO began implementing its reformed process immediately after filing it at FERC. According to the NYISO, the new

interconnection process is expected to be faster, completing in 590 days or about 1.6 years, compared to the previous process that took between three and four years.

14. New York is currently on track to achieve both the 6 GW Distributed Solar Goal and the 10 GW Distributed Solar Goal, thanks in large part to the success of the NY-Sun and VDER programs, as well as significant contributions from LIPA and others. Some stakeholders have advocated for this goal to be expanded, to as much as 20 GW of distributed solar by 2035.

15. Many stakeholders expressed concern about the continued reliability of New York's power system as it becomes increasingly reliant on intermittent resources, such as wind and solar. NYPA notes the State's continued progress on multiple fronts that will help New York maintain a reliable electric system as it progresses toward achieving the CLCPA goals. This progress includes movement toward achieving the energy storage goals of the CLCPA, such as the PSC's recently issued Storage Order, the commissioning of NYPA's Northern New York Energy Storage Project, the advancement of significant transmission upgrades, including NYPA's Smart Path Connect, Central East Energy Connect, and Propel NY projects. In the Storage Order, the PSC noted that Long Island and New York City are well-situated for the replacement of peaker plants with energy storage resources.

APPENDIX A

LIST OF CONFEREES

1. Alliance for Clean Energy New York
2. Bloom Energy
3. Bronx Council for Environmental Quality
4. Coalition of Attorneys Representing Municipalities and Citizens in New York State Wind and Solar Project Siting Proceedings
5. Cornell University, Atkinson Professor of Ecology & Environmental Biology
6. El Puente
7. Elevate Renewables F7 LLC
8. Independent Power Producers of New York
9. International Brotherhood of Electrical Workers Utility Labor Council of New York State
10. New York Association of Public Power
11. New York Conference of Mayors
12. New York Energy Alliance
13. New York Energy & Climate Advocates
14. New York League of Conservation Voters
15. New York Solar Energy Industries Association
16. New York State American Federation of Labor and Congress of Industrial Organizations
17. New York State Association of Counties
18. New York State Association of Electrical Workers
19. New York State Association of Towns
20. New York State Building & Construction Trades Council
21. New York State Laborers' Political Action Committee
22. NY Renews
23. PEAK Coalition
24. Power for Economic Prosperity
25. Public Power NY Coalition
26. Public Utility Law Project
27. Rewiring America
28. Sabin Center for Climate Change Law at Columbia University
29. South Bronx Unite
30. Sustainable Westchester

STATE AGENCIES AND ENTITIES CONSULTED

1. New York Independent System Operator
2. New York State Public Service Commission
3. New York State Energy Research & Development Authority