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Public Comment Period – The Electric System

As the Scoping Document moves to public comment, I encourage those planning these sessions to develop simplified diagrams depicting the electric system and where key climate initiatives impact the system.

Discussion on “Cost”

The Integration Analysis provides anticipated benefit-cost covering system investment, GHG, health and so on; we need further discussion on how the energy consumer views cost which tends to be a month over month and/or year over year view of their electric bill. Energy cost trends are utilized by most energy consumers to build their budgets; this is especially true with industry that forecasts unit cost per unit produced used in sales, production and unanticipated risk projections.

Cost related discussions should not be viewed as a barrier or objection to achieving climate goals; we owe energy consumers this information for their planning purposes and for market participants to consider forming alternative proposals (non-wires alternatives) to traditional regulatory/utility asset investment models.

- Presentations made to the CAC indicating a 65 to 80% electric demand increase due to decarbonization efforts could theoretically impact most, if not all distribution feeders
 - A quick view of a utility electric portal, that are now color coded, show feeder capacity in red, yellow and green; red (near capacity), yellow (some capacity) and green (available capacity). Feeders in Buffalo, for example, are mostly red and yellow within the urban core, which I fear is not unique to Buffalo. Overlaying the electrification of our economy in accordance with the Integration Analysis timeline, within the utility portal, should provide a clear picture of feeder investment and priority.
 - As we have advanced the renewable energy agenda, predominately on the supply side of the electric system, generation pockets have resulted bringing into question the resiliency of the system. In response the PSC issued an Order in September to the utilities to perform T&D studies to resolve this issue which will result in a future cost to the ratepayer. As we increase our solar goal from 6 gWs to 10 gWs, we need to ensure that electric system impacts are captured in the SIR and CESIR process so that we are more proactive in avoiding further generation pockets.
 - We need to be proactive in understanding the cost impact on the distribution system ahead of decarbonization as modeled by the Integration Analysis. This may allow community groups, developers, utilities and other market participants to bring forth non-traditional solutions encompassing micro grids, distributed energy storage and other DER solutions to compare against traditional regulatory/utility models.

The Utility Consulting Group (UCG) provided comments prior to receiving the draft Scoping Document; once the UCG updates their feedback in response to the now public draft Scoping Document, I would encourage a follow-up session between the UCG and the CAC to discuss their observations/comments. The UCG represent subject matter experts on infrastructure planning and investment, ratepayer communication and feedback, as well as, a historic resource of past policy initiatives that we must learn from as we finalize the Scoping Document through 2022.

- The CAC should discuss the merits of a PSC Order to develop costs associated with distribution system investment levels and timing to achieve decarbonization targets using the CLCPA Integration Analysis as a guide
 - Capacity constraints on the distribution system that limit economic growth should also be included and integrated into investment needs. Economic Development Agencies can assist on prioritizing where capacity constraints exist based on historical interest of developers and site selectors
- Utilities may also be requested to bring forward alternative distribution investment models based on current and/or proposed regulatory structures.
- Utility input should include DER ownership (short term and long term) perspectives, demonstrations, pilots and so on regardless of past practice/policy.

Jobs Study

NYSERDA's 2021 New York Clean Energy Industry Report

- 157,700 workers employed by clean energy businesses as of the last quarter of 2020
 - Given focus on “disadvantaged communities”, we should consider including clean energy jobs created within disadvantaged communities as a trackable “benefit” metric
- Installation, construction and services accounted for 87% of the jobs cited
- Manufacturing accounted for 2% of the jobs cited

Consideration should be given to expand focus on clean energy-oriented manufacturing supply chain development (beyond solar and wind)

- The Manufacturing Sector tends to be in a position where subsidies, paid volumetrically through electric bills, increase operating cost and reduce competitive positioning. Theoretically, these subsidies may indirectly support an out of state/country competitor of a NY manufacturer while increasing the cost of doing business in NY. We should seek to increase value by developing opportunity for NY manufacturing to see themselves within the CLCPA where possible treating them more as an investor versus cost center.
- Construction and Service positions will continue to grow as a direct result of needing to implement CLCPA goals; manufacturing and energy innovation growth strategy should be more purposeful.
- According to the 2019 Economic Policy Institute Jobs Report – Multiplier Effect
 - 100 construction jobs results in 226 indirect jobs
 - 100 Professional, scientific and technical services add 418 indirect jobs
 - 100 Manufacturing jobs add 514 (non-durable) to 744 (durable) indirect jobs

The Scoping Document should seek to integrate Economic Development, focus on Disadvantaged Communities and NY based clean energy-oriented manufacturing supply chains across all climate objectives

- NY Rust Belt Neighborhoods align with the definition of Disadvantaged Communities and Smart Growth leading to the potential of revitalizing dormant facilities.
- Complements Regional Economic Development Council (REDC) focus on Advanced Manufacturing and local Economic Development Agency's need for shovel ready sites.
- Enhances the Federal infrastructure approach by aligning clean energy, economic development and impact of decarbonization with needed proactive infrastructure investment planning.
- Focus would be to bring sustainable green energy manufacturing jobs to our communities and to explore "build in NY - buy NY" opportunities and challenges.

A component of the Scoping Document and/or mandated action could initiate a green energy supply chain market study

- Define emerging markets/technologies to achieve climate objectives
 - Enhance and/or Capitalize on Regional Market Studies
 - Engage SUNY System – research potential
- Align emerging markets study with REDC and local Economic/Industrial (EDA/IDA) Development Agency objectives and site availability
- Define global climate market potential by economic sector to establish NY as a global market supplier
- Define supply chain opportunities
 - Existing manufacturing – production repurposing
 - Attraction opportunities
- Workforce development alignment
- Incentives for Rust Belt site selection
 - Include zip code hiring practice

Definition of "Benefits"

The presentation made during the December 20th CAC session regarding investments to be made within disadvantaged communities did not appear to include definition of "benefits" which metrics will be derived from. When investment categories are made and not aligned with benefits, it comes across as a spending initiative. Assuming benefits have been defined and will be in the form of trackable metrics, they should be aligned with each of the "investment categories."