## SAVE ONTARIO SHORES, INC. P.O. Box 382 Lyndonville, NY 14098

June 28, 2022

NYSERDA 17 Columbia Circle Albany, NY 12203-6399

RE: Draft Scoping Plan, Chapter 10 - Benefits of the Plan

To whom it may concern:

Save Ontario Shores Inc. was founded in 2015 in response to a proposed land-based industrial wind project in the towns of Yates in Orleans County and Somerset in Niagara County. For over seven years we have gathered information, provided educational presentations, and advocated on a local and statewide level to ensure that the needs and concerns of our rural residents regarding industrial renewable projects were being heard. We have actively participated in both Article 10 and 94c proceedings. We have hundreds of supporters and are 100% locally funded.

Our extensive experience with siting large-scale renewables in rural towns and our location gives us a unique perspective and we appreciate your consideration of our comments on Chapter 10 of the Draft Scoping Plan.

Sincerely,

/s/

Kate Kremer Vice President Save Ontario Shores, Inc.

## **Chapter 10 – Benefits of the Plan**

## Costs

Chapter 10 is entitled "Benefits of the Plan". It is a chapter about costs and benefits. Yet the word "costs" did not even make it into the chapter title. That is a precursor of what is to come. The discussion of costs and benefits, which is on everyone's mind, is not presented in a clear manner that enables residents to review and comment. The chapter uses the Integration Analysis Benefit-Cost Approach. We have reviewed the financial data found in Appendix G: Integration Analysis Technical Supplement, Section I, Chapter 4, Key Findings, Page 84.

The Draft Scoping Plan (the Plan) gives an estimate of about 300 billion dollars as the cost. Yet, further in the appendices we found that the entire cost for reaching all the State climate goals is 2.7 trillion dollars (what the Plan calls the "reference case") in addition to the \$300 billion. This makes the economic cost for the state three trillion dollars over the 28 years of the plan. It is not clear how this will be financed.

The reference case is important for the cost analysis, but it is poorly defined. There is a list of items but the list does not seem to match such a large sum. It is an enormous figure that looms over the "scenario" costs.

Some of the \$2.7 trillion "reference case" cost is for items that we would purchase even without the state climate goals, such as purchase of a gas-powered vehicle or replacing an old appliance. However, the "reference case" also includes the costs of reaching 70% renewable electricity generation by 2030 with 9 gigawatts of offshore wind turbines and many other climate goals. By hiding many costs in the "reference case", the Plan is not being honest about the costs to New Yorkers. Why is there no clear breakdown of all the items in the reference case? The Plan Appendix does describe that the 70% by 2030 has been included in the reference case and not the scenarios because they are already legislated. But this is misleading. They include many costs that have not been realized. These 70 by 30 costs have yet to be paid for even if the goal was legislated. Have all the 70 by 30 expenses been paid for? I do not think so but due to the skimpy details that are offered about what exactly is included in the astounding 2.7 trillion dollar reference case, it is impossible to tell.

What people want to know, and what is reasonable to know, is what will this plan cost New York residents. Why are the costs associated with earlier legislated goals skimmed out of the scenario costs and placed into the reference case costs even if they are costs that have not yet been paid? The costs of the scenarios up to 2030 are low. Then the scenario costs take a steep climb after 2030. Is that because all the 70 by 30 costs are in the reference case?

Without any clear breakdown of the \$2.7 trillion, it is reasonable and accurate to include this entire amount in the cost of the plan along with the \$300 billion that the Plan discusses in detail. This brings the total cost to 3 trillion dollars over the 28 years of the plan. This cost includes the

2.7 trillion dollar cost of the "reference" case plus the additional \$290-\$310 million in costs for case numbers 2-4 which are assumed to be in addition to the reference case. The financial data is not presented in an accessible manner to citizens. It does not clarify what are government expenses and what are citizen and business expenses. *There is not much that is clear about the cost description for people who are not accountants or economists.* 

Some points of reference can help give a sense of the magnitude of the 3 trillion dollar cost:

Divided across the 28 years the amount is 107 billion dollars per year.

The New York State Budget for 2019-2020 was 175 billion dollars. <u>https://www.osc.state.ny.us/files/reports/budget/pdf/budget-enacted-2019-20.pdf</u> (See page 4, second paragraph.)

New York State population is about 19.9 million. 107 billion divided into the population is about \$5400 dollars *per person annually*.

107 billion is about 6% of the 2019 State GDP.

However, the costs will not be spread out evenly. Some people will experience greater costs and some less. They will be lower at the beginning of the 28 year period and ramp up as we get closer to 2050, leaving our grandchildren with a huge financial burden as can be seen in the tripling costs between 2030 and 2050 in the figure found in Appendix G, Section I, page 68.

The financial data focuses on three scenarios that in many respects are not that different. Focusing on the differences in these three scenarios distracts from the details of the reference scenario that includes most of the costs including the entire cost of meeting the 70% renewable energy generation by 2030 goal. Many reasonable questions go unanswered.

- What is the range of costs for the State government?
- How will costs impact education and local governments?
- What is the plan to manage escalating electricity and fuel costs as this plan is implemented?
- What are the costs for individuals and households?
- What are the costs for small and large landlords? How will this impact rents and the housing market and what will be done to keep both affordable?
- What are the costs for agriculture, manufacturing, businesses?
- We want low and high ranges on an annual basis for each of these categories.
- Who will pay the costs? How will they pay? Higher electricity bills? Higher taxes? Higher cost of appliances, vehicles etc.? How will this impact other prices, such as food? Will they be paid for with subsidies? Where will the subsidy funds come from?
- How will the rising cost of energy prices be managed as the number of natural gas customers is reduced? Those who do not purchase newer equipment will likely be lower income families. As only a small number of gas customers remain, will their costs spike?
- What is the cost of making all gas appliances obsolete?

- What is the cost of replacing appliances and cars before the end of their useful life? What are the disposal/waste impacts?
- Has the cost for replacing the electric car battery every 100,000 miles been factored?
- Have the impacts of battery replacement every 100,000 miles been assessed as to the used car market?

There is a carbon tax. Where will that money go? Why is the money from that tax not given back to taxpayers to assist with the costs of transition?

The cost of transitioning to more renewable energy generation and more electric energy use must be reasonable so that other states and other countries can model the same process. If it is so expensive that no other region will join us then the carbon benefits listed in the Draft Scoping Plan are meaningless. It will be a very expensive example for the world of what not to do.