

Comments and Questions Re. the NYS REV

January 29, 2015

I am Roger Cook and am speaking as co-chair of the WNY chapter of the Working Families Party. We would like to thank the PSC for holding this public forum “Reforming the Energy Vision.” Due to the climate catastrophe confronting us, we concur with those in the environmental community that call for a mandated goal of 50% renewable energy for NYS by 2025. We also concur with many of the policy objectives the PSC has outlined and are eager to learn how your proposal helps get us to 50% . And, how can its REV proposal do this by helping us build a Green Economy that makes energy affordable to low and middle income families, provides living wage jobs, and allows small investors such as homeowners, communities, cooperatives, not-for-profits, and small businesses to participate along with larger investors in energy production and energy efficiency measures.

Currently, the fossil fuel industry dominates our energy markets. They are able to do this in large measure, because government policies provide billions of dollars of incentives in the form of tax breaks, permits (such as the one proposed by our president to drill off the Atlantic Coast), and failing to force them to bear the costs of the so-called externalities of their operations (e.g, diseases and mortality from pollution and an increasingly hostile climate replete with droughts, floods, crop failure, habitat destruction, loss of property and life and limb, etc.)

Question: How does the Distributed System Platform provider market model level the playing field for renewable energy investors, both small and large scale? As an instrument that would level the playing field, has a Feed-In Tariff been contemplated to provide an incentive for homeowners, businesses, and larger producers to invest in solar and other renewables? What specific regulatory changes are contemplated? Have you calculated what percent of renewables the DSP will bring on line by 2025 and, if so, what is it?

In a thoughtful energy policy study, Examining the feasibility of converting New York State’s all-purpose energy infrastructure to one using wind, water, and sunlight, by Stanford’s Dr. Mark Jacobson and others, the authors lay out a technical strategy that would allow NYS get to over 50% renewables by 2030 and 100% by 2050. The renewables that we would need to meet demand would include mostly offshore wind and some onshore (meeting 50% of our energy needs) and concentrated solar power systems, and widespread rooftop solar (delivering another 38% with the remainder provided by geothermal, hydroelectric, etc.).

Question: Last month LIPA and the governor rejected a proposal for a 210 MW wind project off of Long Island even though the project enjoyed strong public support including the Area Labor Federation which saw real employment opportunities. In light of that decision which is at odds with the Jacobson study says we must do, how does the state's REV move us toward the 280 MW of new energy that the governor promised in the short term and 50% by 2025?

A few years ago, the Working Families Party and allies proposed and built public support for a Green Jobs-Green New York program that became law. It allows low and middle-income homeowners to make their homes more energy efficient and lower their energy costs. In Buffalo, it has allowed not-for-profit organizations like PUSH Buffalo to reach out to low-income neighborhoods, enroll them in the GJGNY program and assist in energy efficiency projects. In fact, PUSH was the subject of a national television story. GJGNY remains one of the nation's largest home efficiency programs in the nation, allowing more than 5,000 low-income NYers among others to reduce their energy bills.

Question: If one of the aims of the state's REV is to "enable customers to manage their energy bills," why is NYSERDA gradually eliminating the Green Jobs-Green NY program, denying low and middle-income homeowners and allied not-for-profits to improve home energy efficiency in a market that most private investors find insufficiently lucrative? What's the state's REV alternative to this model?

In 2012, the NYS legislature passed and the governor signed an On-Bill Recovery Financing program allowing single family homeowners, small businesses, 2- to 4- unit residential properties, and not-for-profits to obtain loans for all-fuel energy efficiency improvements through NYSERDA and to repay these through a charge on the customers electric and or gas utility bill. The interest rates were low—3.49%--and the financing mechanism made it easy to pay for home energy improvement without paying cash up front.

Question: Again, this program meets the aim of the state REV to "enable customers to manage their energy bills" Why, then, is the NYSERDA now attempting to limit eligibility for this program to those with low-income, and forcing middle income residents and businesses to obtain loans from banks? Why would we want banks to administer this program at interest rates that are likely to fluctuate and on less favorable terms? With the middle class experiencing declining income and rising costs for goods and services, how likely is it that a for-profit bank-funded program would attract customers?

In New York State, as greenhouse gas producing fuels such as coal and natural gas are phased out, the Jacobson study indicates that the green economy will produce far more new jobs than the fossil fuel economy did. However, plant closures such as what is projected to occur at the Buffalo Huntley facility, will result in direct job losses at the plant and millions of dollars of lost property tax revenue for the community, schools and county, contributing to unemployment, income loss and further decline in school and community resources.

Question: What provisions will the state REV make for individual income and community revenue loss as to ensure a “just transition” from the fossil fuel economy to a renewable energy economy? Could NYPA proceeds be used to for temporary income replacement and retraining and as a temporary replacement for lost tax revenue until the community recovers? Other mechanisms?

Thank you. We look forward to answers to the questions we’ve raised.
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