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March 10, 2023

Ms. Hope Knight
President, CEO, and Commissioner
Empire State Development
625 Broadway
Albany, NY 12245

Dear Ms. Knight:

The Alliance for Clean Energy New York¹ (ACE NY) understands the unique role of Empire State Development as New York State's chief economic development agency, particularly with respect to the newly created Green CHIPS economic development program. In attracting semi-conductor manufacturing to New York State, the Green CHIPS program also strives to have manufacturers make strong commitments to employment, community investment, and environmental sustainability. It is this environmental sustainability piece that presents an excellent opportunity to combine state goals for economic development with state goals for clean energy development.

With respect to ESD's recently issued proposals to modify its Excelsior regulations to incorporate Green CHIPS – and also regarding the Draft Green CHIPS Sustainability Plan Template posted on the ESD website – ACE NY respectfully suggests the insertion of language that clearly states that ESD welcomes the inclusion of existing renewable energy systems – as defined by the Climate Leadership and Community Protection Act – as part of a Green CHIPS applicant's sustainability plan.

In the Draft Green CHIPS Sustainability Plan Template, the ESD notes that Green CHIPS participants will be required to utilize 100% renewable energy for electricity, yet it astutely did not prescribe how an applicant should do so, although it did list examples of specific actions that an applicant could take. That language is below:

1. Electricity - Green CHIPS participants will be required to utilize 100% renewable energy for electricity in their operations and maintain that 100% renewable energy for electricity supply for the duration of the project.

a. How will your project meet this requirement? *Specific actions may include, but need not be limited to, direct renewable energy project investments, renewable project offtake or power purchase agreements, procurement of renewable energy credits, and onsite renewable energy installations – all with appropriate claims of ownership of environmental attributes.*

¹ ACE NY is a not-for-profit membership organization with a mission to promote the use of clean, renewable electricity technologies, energy efficiency, and the electrification of transportation in New York State, in order to increase energy diversity and security, boost economic development, improve public health, and reduce air pollution.

Even though neither the proposed regulations nor the sustainability plan template excludes existing renewables as a type of eligible source of renewable energy or attributes, owners of existing renewable resources in New York have informed ACE NY that it gives Green CHIPS applicants comfort in pursuing such arrangements if the language were to explicitly state this eligibility. Therefore, ACE NY believes that the next paragraph within the sustainability plan provides an opportunity to do so with the inclusion of the proposed additional language:

b) If applicable, discuss any additional measures beyond this requirement you plan to undertake. *ESD encourages applicants to include additional commitments such as, but not limited to, plans to prioritize in-state sources of renewable energy (including non-state owned new and/or existing “renewable energy systems” as defined in the CLCPA), install on-site renewable energy systems and on-site battery storage systems, support for community solar or similar local clean energy projects, and 24/7 or other time matching-based renewable purchase commitments.*

This simple but important change can make a big difference in terms of advancing the CLCPA goals and executing on the Scoping Plans directive of preserving the State’s existing renewable resources as a foundation upon which to build and advance towards the 70 by 2030 goal and beyond.

We greatly appreciate your consideration of our request.

Sincerely,



Anne Reynolds
Executive Director
Alliance for Clean Energy New York