



**MEMORANDUM IN OPPOSITION OF
Part EEE of S.8306-B
Labor Provisions for Renewable Energy Systems**

March 2024

The Alliance for Clean Energy New York (ACE NY) opposes Part EEE in the Senate’s proposed Education, Labor and Family Assistance Budget Article VII Bill (S.8306-B). The Senate proposal includes energy storage, transmission, and offshore wind supply chain projects within the existing labor law provisions on prevailing wage and MWBE businesses, and expands the current Buy American provisions in place for steel for renewable projects to also cover component parts for renewables, storage, transmission, and offshore wind supply chain projects.

Although ACE NY supports the existing provisions in the labor law covering renewable energy projects, the amended language the Senate has added in Part EEE will hamper renewable energy development, increase ratepayer costs, and delay the state in meeting ALL of our climate law goals because the electrification of buildings and cars only succeed if powered by green energy. We need to carefully balance the significant expansion of increased labor provisions as proposed in the Senate bill, with project financial viability and the impact to ratepayers.

Twin after-effects of the pandemic, supply chain disruptions and inflation, have impacted renewable construction in the state. Developers of over 12 gigawatts (GW) of renewable projects have recently cancelled their contracts with NYSERDA. Through recent solicitations, the State will recover close to 9 GW of renewable electricity, but we have still lost almost 3 GW of generation from the pipeline. The State and the Legislature need to take concerted action if we want to meet our Climate Law goal of 70% renewable generation by 2030. Even if we assume every project currently under contract will be online by 2030, we are currently projected to produce only 63% of our electricity from renewables by the end of the decade.

Policymakers should be implementing policies to address the manifold barriers to renewable energy development in New York State. The Governor’s proposal of the RAPID Act in her budget bill (S.8308-A) would address one major impediment by reducing the time, cost, and uncertainty of interconnecting renewable projects to the grid. However, the Senate version of the bill, by extending labor provisions to cover ancillary activities (e.g., manufacturing, port redevelopment) and other technologies will erode these benefits and create new obstacles to development.

The effects of climate change are daily upon us in the form of choking smoke from Canadian wildfires, and severe snow and rain storms that just last year left one person dead and caused \$81 million in damage. We cannot accept delays getting renewables constructed. New York State’s recently released Climate Impact Assessment¹ paints a stark picture of how climate change will affect the state, predicting by 2050, 5-9 multiday heat waves affecting the state and all parts of the state will see days with a heat index over 103°F. The Assessment estimates a 1-8% increase in rain and snow across the state by 2030, with an increase up to 12% by 2050. New York State has a world leading climate law, but to keep the title, we need to implement it.

For the above reasons, the Alliance for Clean Energy New York opposes this legislation. For more information contact Deb Peck Kelleher, Interim Executive Director, at (c) 518-698-3211. All of ACE NY’s memos on legislation are available at <https://www.aceny.org/legislative-actions>.

¹ <https://nysclimateimpacts.org/wp-content/uploads/2024/01/Assessment-ch2-NYS-changing-climate-01-09-24.pdf>