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**MEMORANDUM IN OPPOSITION TO
S.6453-A (Parker)/A.1466-B (Carroll)
In Relation to the “New York State Build Public Renewables Act”**

May 2022

The Alliance for Clean Energy New York opposes S.6453-A/A.1466-B, a bill to grant the New York Power Authority (NYPA) unlimited ability to purchase, construct, and operate renewable energy projects greater than 25 MW. The bill also grants NYPA the right of first offer and first refusal on the purchase of renewable projects without any competitive cost controls; requires that all power generation owned by NYPA to be renewable by 2026; that all buildings receiving power from NYPA to be heated and cooled by renewable sources by 2030; that all electricity used by the State or municipal buildings and public transit be provided by NYPA; and it repeals current law that requires NYPA to competitively procure power from renewable generators.

NYPA was granted expanded authority in 2019 AND in 2020 to buy renewable energy on behalf of ANY public entity in NYS; to have priority in building new transmission upgrades; to build transmission infrastructure offshore; and to build electric vehicle charging stations. NYPA pledged in 2019 to procure 1 million megawatt-hours of renewable energy with great fanfare and procured zero; and again in 2021 issued a large solicitation and awarded only two solar contracts. In short – NYPA has great breadth and authority to help NY transition to clean energy and has yet to take action or deliver any significant results.

Contrary to the supporters’ claims, NYPA construction and ownership of renewables will result in fewer renewables being built with higher costs for rate payers. Presently, private companies take on the risk of developing renewable energy projects. The switch to a state agency fully places the costs and risk of project development on the backs of ratepayers. The bill has no control for cost overruns, allowing NYPA to pass increased bonding and construction costs on to their customers, and because the bill also requires all municipalities to receive their power from NYPA, our State’s property taxpayers will be paying for renewable construction that the private market currently funds.

Instead of increasing renewables construction, this bill will actually chill and delay private renewable development. NYPA’s ability to issue bonds backed by ratepayers will out-compete market financing for renewable projects, making access to capital for private renewable construction scarcer and more expensive. Also, NYPA projects will not be completed any faster than independent renewable projects since they both need the same permitting and regulatory approvals. NYPA’s role should not be in competition with the private sector, but to help reduce the hurdles facing renewable development, like lack of transmission capacity.

While the sponsors of this legislation may have good intentions, it does not address the current barriers to renewable energy development, and instead would significantly chill the development of new wind and solar projects in New York. This legislation would result in higher energy costs and less investment in renewable energy projects by the private sector. It also has provisions that are simply unworkable.

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