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

May 2022

The Alliance for Clean Energy New York opposes S.6453-C/Similar to A.1466-C, a bill to grant the New York Power Authority (NYPA) unlimited ability to purchase, construct, and operate renewable energy projects, without any competitive cost controls. The bill also requires that all power generation owned by NYPA be renewable by 2030; that State buildings receive power from NYPA by 2030; and that all electricity used by municipal buildings be provided by NYPA if electricity costs are below utility rates.

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, ultimately, 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 act 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 ratepayers. Presently, private companies take on the risk of developing renewable energy projects. The switch to a state agency fully places the costs and risks 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 would require 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 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 these bills may have good intentions, it does not address the current barriers to renewable energy development, and instead would suppress 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.

For the above reasons, the Alliance for Clean Energy New York opposes these bills. 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>.