



September 28, 2022

Michelle L. Phillips  
Secretary  
New York State Public Service Commission  
3 Empire State Plaza  
Albany, New York, 12223-1350

Via Email to [secretary@dps.ny.gov](mailto:secretary@dps.ny.gov)

Re: Letter of Support for Petition of ReEnergy Holdings LLC for Policy Support for Bioenergy Generation in Case 15-E-0302: Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard

Dear Secretary Phillips,

The Alliance for Clean Energy New York (“ACE NY”) supports<sup>1</sup> the *Petition of ReEnergy Holdings LLC*, filed in the above-referenced proceeding, to develop a program that subsidizes bioenergy generation and helps to fulfill the ambitious requirements that are set by the Climate Leadership and Community Protection Act (“CLCPA”).

In its Petition, ReEnergy Holdings asks the New York State Public Service Commission (“Commission”) to, “commence a proceeding to fairly and accurately compensate bioenergy generation for the environmental benefits it provides the state in furtherance of the requirements of the Climate Leadership and Community Protection Act”. Fair compensation will allow for the ReEnergy Black River facility to remain operational and continue to provide all of Fort Drum’s electricity needs.

Although sustainable biomass electricity-generating facilities were defined as renewable under New York’s previous Renewable Energy Portfolio Standard, it is not defined as renewable under the CLCPA. Therefore, ACE NY is not suggesting that the definition of renewable energy be changed by the Commission or that biomass should be eligible for support under Tier 1 of the Clean Energy Standard. That said, ACE NY does recognize that the term “emissions-free” has not yet been fully defined by the Commission and that New York will require some (currently unknown) amount of dispatchable emissions-free generation in order to achieve the 100% emissions-free electricity grid that is required by the CLCPA by 2040. As described in more detail in the Petition, bioenergy can potentially “complement high penetrations of intermittent

---

<sup>1</sup> To be clear, while ACE NY supports the ReEnergy Holdings LLC Petition, not all ACE NY member organizations, including those represented on ACE NY’s board of directors, are supportive of the ReEnergy Petition. ReEnergy Holdings is one of ACE NY’s one hundred plus members.

renewables and ‘reduce total electric system costs under zero emission targets’”<sup>2</sup>. The ReEnergy Petition suggests that the cost reductions could range from 10 percent to 62 percent.

While the definition of emissions-free may still be unclear, it is evident that the closure of the 60 MW Black River facility powering Fort Drum will result in increased fossil fuel use and the energy costs for Fort Drum will increase. Fort Drum is a significant economic driver within Jefferson County, and the North Country overall, and provides good-paying local jobs.

Numerous studies by the NYISO have indicated that some amount of dispatchable emissions-free generation will be a necessary component of New York’s electricity system in order to achieve the CLCPA mandates of a 100 percent emission-free grid by 2040 and 85 percent greenhouse gas reductions economy-wide by 2050. While still a source of debate, it is possible that sustainable biomass, as long as it meets rigorous environmental requirements, could be a limited part of the 2040 mix in New York. Furthermore, even a small amount of sustainable biomass electricity generation can provide a valuable market to the forestry industry, for the sale of otherwise-waste biomass, which can assist the industry in remaining active in New York State. This, in turn, can assist with maintaining working forests and the carbon sequestration they provide. (For example, Fort Drum operates under the Sustainable Forest Initiative (SFI) and promotes environmental stewardship of the land on which it resides.)

It is for these reasons that ACE NY supports ReEnergy's request that the Commission commence a proceeding to consider implementation of a program to support bioenergy generation.

Sincerely,

A handwritten signature in dark ink that reads "Anne Reynolds". The signature is fluid and cursive, with a small dot at the end of the last name.

Anne Reynolds  
Executive Director  
Alliance for Clean Energy New York

---

<sup>2</sup> ReEnergy Holdings LLC., Petition for Policy Support for Bioenergy Generation (July 20, 2022), pp 1, <https://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={6A7B07A7-F6A6-4592-A37F-ACC2FF0E5517}>