

STATE OF NEW YORK PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program Case 15-E-0302 and a Clean Energy Standard.

Comments on NYSERDA's Petition Regarding Proposed Year 2023 Clean Energy Standard Funding and Reconciliation of Year 2021 Administrative Costs

October 5, 2022

I. Summary

In response to the New York State Energy Research and Development Authority ("NYSERDA") *Petition Regarding Proposed Year 2023 Clean Energy Standard Funding and Reconciliation of Year 2021 Administrative Costs* ("Petition") filed with New York State Public Service Commission ("Commission") on July 29, 2022 in the above-referenced proceeding, the Alliance for Clean Energy New York ("ACE NY") is hereby submitting these comments in support of NYSERDA's proposal to add additional full-time employees ("FTEs") to its Large-Scale Renewables ("LSR") workforce.

ACE NY is a member-based organization with a mission of promoting the use of clean, renewable electricity technologies and energy efficiency in New York State to increase energy diversity and security, boost economic development, improve public health, and reduce air pollution. Our diverse membership includes companies engaged in the full range of clean energy technologies as well as consultants, academic and financial institutions, and not-for-profit organizations interested in our mission.

Of utmost importance to ACE NY and its diverse membership is for NYSERDA to have the ability to access and collect the funds necessary to cover its ever-growing costs for administering its various Clean Energy Standard ("CES") programs and to have the staff for full, timely, and successful implementation of the CES.

NYSERDA having the appropriate level of staffing is a vital component in New York's efforts to achieve 70% renewable electricity by 2030 and 100% emissions-free electricity by 2040, as required by New York's Climate Leadership and Community Protection Act ("CLCPA").

As New York's CES portfolio has expanded, it has become increasingly difficult for NYSERDA's existing staff to continue to meet their project management workload while also dedicating sufficient time to conduct solicitations. Furthermore, as the solicitations have evolved, their implementation increasingly requires a specialized skillset unto itself and includes many additional requirements, specialized knowledge and expertise, complex evaluation processes and scoring criteria, and rigorous quality assurance and quality control to assure procurement integrity. There is also a larger and growing number of contracts to oversee, as well as more complex requirements with respect to economic benefits and supply chain, labor provisions, and eligibility.

The aforementioned factors result in increased time commitments and necessitates that NYSERDA request additional FTEs. Therefore, ACE NY supports both NYSERDA's request for an increase in its workforce to meet the current and growing needs of renewable energy project procurement within the CES, and supports increased administrative funding as stated within current budgetary projections for fiscal year 2023.

II. Discussion

ACE NY strongly supports NYSERDA's request for additional LSR funding given the volume of projects proposed across New York State. NYSERDA's current staffing level has resulted in both operational and performance challenges. Increased staffing will allow for improved program execution and succession planning. Within the clean energy economy, workstreams are growing in complexity. In Tier 1, additional staff are needed to work on development of solicitations, evaluation of bids, and aid in technical support. For Tier 2, ACE NY believes the program should grow, become more robust, and support additional legacy projects; this would necessitate additional staff time to implement. In the Offshore Wind Tier, the growing number of projects and complexity of contract commitments will require additional staff time. The two significant Tier 4 contracts will require significant staff time.

The volume of procurements across the state continues to increase. Forecasts exhibit that NYSERDA is adding an average of 20-25 new agreements per year. New employees are needed to aid in the procurement process, contract negotiations, contract management, settlement, and provide transmission infrastructure expertise.

In additional to managing the procurement and contracting processes, there are critical support functions. As explained in the Petition, "additional tools, support and analysis are needed to support cross-cutting efforts lead by other State Agencies to help advance clean energy siting projects." This includes continued critical support of the New York State Department of Tax and Finance standardized taxation model and methodology; assistance and educational/technical support on solar development and agricultural co-utilization activities; and further detailed analysis to plan for how to meet the LSR goals to support the work of the Climate Action Council.

The Petition also explains that "workforce development, supply chain and manufacturing support, educational efforts and analysis are also needed to implement training and apprenticeship programs throughout the State and particularly in disadvantaged and environmental justice communities."

ACE NY notes that NYSERDA is one of the most well-respected and effective State clean energy agencies in the nation. Its work and accomplishments have been well recognized. In just one example, NYSERDA was the recipient of the Clean Energy States Alliance 2020 State Leadership in Clean Energy Award which was in recognition of the agency's Offshore Wind Program and its focus and progress on key aspects of developing offshore wind, including supply chain and workforce development; technology research and development; pre-development research on environmental impacts, transmission and grid development; and stakeholder engagement. NYSERDA's LSR team was recognized by POWER Magazine in 2020, selected as the Clean Energy Promoter award winner. To maintain this recognized quality in the face of growing responsibilities, the agency needs to maintain adequate staffing levels.

In the Petition, to manage risk while continuing to expand and diversify the LSR portfolio, NYSERDA seeks a \$4.3 million increase in the Salaries and Overhead budget category as compared to the 2022 CES compliance period approved budget. An increase at this level is necessary to enable NYSERDA to undertake new workstreams that emerged with the evolution of the CES and promote the responsible achievement of the State's clean energy goals.

III. Conclusion

As described in the Petition, and clearly evidenced by the various Orders issued by the Commission in this proceeding in recent years, NYSERDA's workload has continued to dramatically increase as offshore wind solicitations were created, as additional projects were awarded to Tier 1 and 2, and as Tier 4 was created and implemented. In just one example, in 2023, NYSERDA's offshore wind unit will manage a \$2 billion supply chain and infrastructure account. Meanwhile, new legislation [e.g., the CLCPA, Accelerated Renewables and Community Benefit Act, New York Buy American Act (Public Service Law Section 66-r), and Labor Law Section 224-d] all provide direction on how to best advance New York's clean energy economy while also representing historically disadvantaged communities – and also create additional workload for NYSERDA. For these reasons, NYSERDA needs additional staff to get the job done. ACE NY supports this Petition.

ACE NY appreciates the opportunity to comment on NYSERDA's *Petition Regarding Proposed Year 2023 Clean Energy Standard Funding and Reconciliation of Year 2021 Administrative Costs* to indicate our support for the entirety of the Petition and particularly the request for additional staffing resources at NYSERDA to implement the Clean Energy Standard program.