



Submitted Comment on the Build Public Renewables Act

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The Empire Center appreciates the opportunity to provide comment on the Build Public Renewables Act. This act desperately needs thoughtful input, because it is an over-reaching and ill-considered bill, surreptitiously designed to undermine energy markets in the Empire State rather than simply to free up NYPA to build more renewable projects. In this respect, the title of the bill is an act of political misdirection designed to fool the public and obscure the purpose of this act.

Below are the various provisions of the BPRA and an assessment of them.

1. NYPA would be authorized and directed to develop any new renewable energy projects.
 - NYPA is already unusual in being not just a public-benefit corporation but one that both owns power generation units and distribution lines. Private firms in New York are generally either independent power producers or power distribution utilities that buy on the market from the power producers. NYPA also purchases power on the open market when its demand exceeds its production.
 - To the extent that NYPA is going to build even more power generation, it is appropriate to *allow* it to build renewables, but it should not be *required* to build anything. It cannot build renewables to meet New York's climate policy goals any faster than private firms can, and would face the same limits on entering the transmission queue that they do (new generating sources are being developed faster than the transmission lines to move that power to where it would be consumed).
 - Electricity markets have served New York well, and should not be undermined by deceptive claims about the supposed superiority of public power.

2. After January 1, 2030, NYPA would only be allowed to generate, purchase or otherwise acquire or plan for renewable energy, unless it can identify a reliability need for a non-renewable source.
 - Reliability needs are paramount, not a secondary need. Renewables like wind and solar are unreliable, so they actively create reliability needs that must be met with reliable dispatchable energy sources. Second, the limitation to renewable power is inappropriate. In meeting the state's goal of achieving a carbon-free electricity supply, nuclear power could play an important role, as well as making the state a center for research and development in advanced nuclear technology. Excluding nuclear power is a poor choice.

3. NYPA would be required to conduct an energy efficiency audit program in coordination with NYSERDA “to identify public buildings most in need of retrofits and efficiency measures,” and “provide for the installation of renewable heating and cooling systems, and, when feasible, other green building projects . . . in public housing and public schools by” by 2035, prioritizing those in disadvantaged communities.
 - Such an assessment is a good idea for those public building NYPA serves. There is potential to secure millions annually in energy savings. But NYPA should not have to bear responsibility for auditing any public buildings it does not serve.
4. After 2030 NYPA would become the sole provider of electricity to all state-owned, leased, or operated buildings, and after 2035 to all municipally owned, leased or operated buildings (municipalities may opt out if the cost is higher than from another provider).
 - NYPA already serves many public buildings in the state. But there is no need to require all public buildings to be served by NYPA, especially given the opt out provision. Each municipality, in particular, should be presumed competent to make its own decisions based not only on cost but on reliability and service.
5. NYPA would be authorized to sell renewable energy to residential customers, community-choice aggregation communities, and the Long Island Power Authority.
 - To the extent these rules are similar to the rules under which other power generators operate, this is appropriate. But NYPA should not be authorized to operate under any rules that give it a politically determined competitive advantage over other utilities.
6. NYPA would be authorized to sell excess energy to low to moderate income households in disadvantaged communities for 50 percent less than the rate of the utility in the customer’s service territory.
 - While everyone wants to reduce energy poverty, if a private firm cut prices so steeply they might be accused of predatory pricing. This sets NYPA under different rules than for-profit firms face. But it could also harm NYPA by forcing them to sell below cost.
7. NYPA would be required to conduct all related work utilizing project labor agreements.
 - Project labor agreements drive up the cost of projects, conflicting with the goals of developing cost-effective energy sources and keeping rate-payer costs low. NYPA should be authorized to pursue the most cost-effective labor agreements it can negotiate.

8. NYPA's Board of Trustees would be expanded from seven to seventeen, specifying representation from labor unions representing employees of NYPA and its contractors, environmental justice advocates, community renewable energy advocates, consumer advocates and building electrification and energy efficiency experts.
 - This more than doubling of the Authority's number of trustees, with required representation of special interest groups, risks drawing NYPA's attention away from its primary responsibility, which is to provide energy reliably and at reasonable cost. No organization performs well when it is pushed and pulled in multiple directions in a vain effort to please every conceivable constituency.
9. NYPA would be required to draft a ten-year climate and resiliency plan (updated annually) that outlines prospective renewable energy projects, the phase-out of non-renewable energy generation assets, and compliance with the CLCPA. The plan must be "designed to minimize costs to ratepayers, while balancing the interests of employees, grid reliability and resiliency, disadvantaged communities . . . and the environment." In drafting this plan NYPA will have to consult with NYSERDA, the DPS, climate and resiliency experts, labor organizations, environmental justice communities, residential and small business ratepayer advocates, and community organizations.
 - This bloated set of requirements is premised on the false belief that we can have all the things we want without any tradeoffs. There are too many goals and too many interests involved in this requirement. The requirements ensure that it will take overly long to develop the plan and that the final product will be a mishmash of unworkable contradictions.
10. NYPA would be required to draft an "energy democratization" plan.
 - The purpose of the energy democracy movement is to socialize energy production, with the ultimate goal of destroying efficient for-profit energy production firms. And what it means for an agency that is already publicly owned to create an energy democracy plan is not clear. But this would add yet more to the bureaucratic burden this bill would foist on NYPA, distracting it from its core mission of producing reliable and affordable energy.

Overall, the Build Public Renewables Act is an effort to expand the New York Power Authority and bind it to a far-left progressive agenda while undermining the private market. The bill should be revised so that it is limited to authorizing – but not requiring – NYPA to build renewable energy facilities and allowing them to continue to compete – but only on an even playing field – with other utility companies. Above all, the bill should allow NYPA to continue emphasizing energy reliability as its primary goal. Anything less is a disservice to the public.