

Renewable Energy Long Island

Comments on NYSERDA Draft Operating Plan

“Operating Plan for Investments in New York under the CO2 Budget Trading Program and the CO2 Allowance Auction Program” February 25, 2009

Renewable Energy Long Island (RELI) is a membership-supported, not-for-profit organization promoting clean, sustainable energy use and generation for Long Island. RELI seeks public participation in energy policy decisions to encourage energy efficiency, use of renewable energy sources, and to protect our environment, economy, and public health. Gordian Raacke, RELI’s executive director, serves on NYSERDA’s RGGI Operating Plan Advisory Group and attended both the November 21, 2008 and March 6, 2009 meeting.

We commend NYSERDA and DEC staff for its excellent work in writing the Operating Plan Draft and generally support its recommendations. We submit the following brief comments for consideration for the final Operating Plan.

1. Geographical Equity

In prior comments on the Concept Paper, RELI had urged to ensure that proceeds from the sale of allowances for Long Island generators, which will be paid for by Long Islanders, are invested proportionally in initiatives and programs on Long Island, or in ways that directly and primarily benefit Long Islanders. This is particularly important since programs within the LIPA service territory are typically not eligible to receive proceeds from the state’s Systems Benefits Charge (SBC).

We are glad to see recognition of the need for geographical equity in the Draft Operating Plan as well as indications that NYSERDA will coordinate with LIPA, NYPA and municipal electric providers for customers outside of the SBC territory. The Draft Operating Plan also states that in markets where programs are not fully developed, including Long Island, NYSERDA will offer direct consumer incentives.

We recommend however that the final version of the Operating Plan spell out more specifically what process NYSERDA will use to ensure that proportionate RGGI funds will be spent in the LIPA and other non-SBC service territories. This should also address for example what happens when there are no existing programs and in cases where LIPA or another municipal utility do not plan to offer or expand such programs.

During the meeting of the RGGI Advisory Group we were informed that residential customers in non-SBC funded areas will not be eligible for NYSERDA programs that are funded from both SBC and RGGI proceeds but that commercial customers will be eligible (and that a firewall will be established between SBC and RGGI funds). This should be clarified and written into the final Operating Plan.

2. Program Evaluation and Reporting

In line with the issue of ensuring geographical equity raised above, the final Operating Plan should discuss how equitable spending will be monitored, evaluated and reported by NYSERDA.

In addition, if entities other than NYSERDA are allowed to spend RGGI funds in non-SBC areas, it is important to ensure that data collection, evaluation criteria and methodologies, and reporting of those entities match those used by NYSERDA.

Moreover, it is important for NYSERDA to ensure that RGGI funds flowing to LIPA and other non-SBC entities will be used in accordance with programs and priorities established in the Operating Plan. Furthermore, NYSERDA should evaluate that funds are in fact used by these entities to augment rather than supplant existing or new programs and initiatives.

3. Equitable Representation on RGGI Advisory Group

During the March 6, 2009 Advisory Group meeting a number of people pointed out the fact that the composition of the Advisory Group lacks diversity and does not include enough representation from the environmental justice and other underrepresented communities. We urge NYSERDA to heed these comments and reach out and expand membership of the Advisory Group to ensure adequate representation of such constituencies.

4. Urgent Need for Program Implementation

Given the urgent need for substantial reductions of greenhouse gas emissions and the need to reduce consumer expenditures on wasteful energy consumption it is important to roll out the planned RGGI programs and initiatives as soon as possible. We urge NYSERDA to adopt the final Operating Plan at its next Board meeting and begin implementation as soon as possible.

We appreciate the opportunity to provide input as part of NYSERDA's Advisory Group and to offer these comments today for consideration. We look forward to seeing the final Operating Plan and rapid and successful program implementation.

Respectfully submitted,



Gordian Raacke
Executive Director
Renewable Energy Long Island (RELI)

62 Newtown Ln Ste 103
East Hampton NY 11937
631-329-8888 ext. 5
RELI@optonline.net
www.RenewableEnergyLongIsland.org

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