



January 5, 2018

VIA ELECTRONIC MAIL

Frank Ciampa
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RE: Comments of the Sierra Club Regarding New York RGGI Fund Allocation

Dear Mr. Ciampa:

On behalf of the Sierra Club, thank you for the opportunity to comment on NYSERDA's Draft Operating Plan Amendment for 2018. Maximizing the success of the Regional Greenhouse Gas Initiative (RGGI) necessitates prudent and appropriate expenditures of states' RGGI proceeds. To this end, we highlight several aspects of NYSERDA's Draft that warrant further attention.

First, we applaud Governor Cuomo's recently stated commitment to "[w]ork with [NYSERDA] to engage the Environmental Justice & Just Transition Working Group convened by the Governor in 2017, to ensure that Environmental Justice communities benefit equitably from investment of RGGI auction proceeds."¹ Given that environmental justice and frontline communities bear the brunt of the pollution impacts from RGGI sources, prioritizing expenditures that will benefit these communities is paramount. We urge NYSERDA to expeditiously engage the Environmental Justice & Just Transition Work Group and, through that collaboration, to ensure that at least 40 percent of New York's allocation of RGGI proceeds is dedicated to projects that directly benefit these communities.

Second, we urge NYSERDA to establish additional criteria for distribution of any funds allocated to the Electric Generation Facility Cessation Mitigation Program to maximize the beneficial climate and community impact of those funds. To supplement the minimum eligibility criteria for receipt of transition funds set forth in the statute, we urge NYSERDA to establish criteria that clarify how distribution of limited funds will be prioritized. Specifically, NYSERDA should require, or at minimum prioritize, allocation of funds to facilities that are permanently retired. Moreover, in furtherance of New York greenhouse gas reductions goals, preference in the distribution of funds should be given to communities based on the carbon intensity of the permanently retired facility, as measured in lb CO₂ per MMBtu.

¹ Press Release: Governor Cuomo Unveils 20th Proposal of 2018 State of the State: New York's Clean Energy Jobs and Climate Agenda (Jan. 2, 2018), available at <https://www.governor.ny.gov/news/governor-cuomo-unveils-20th-proposal-2018-state-state-new-yorks-clean-energy-jobs-and-climate>.

Third, while we strongly support the development of clean transportation infrastructure and the ChargeNY program, we hope and expect that in future, funding for this program will come increasingly from a price on carbon in the transportation sector. In the 2018 State of the State Book, the Governor committed to developing policy approaches to reduce carbon emissions from the transportation sector and to coordinate with other states participating in the Transportation and Climate Initiative to explore potential regional policies and partnerships for states to work together in achieving these emission reductions.² We urge New York to move forward with a regional program that will cap emissions from the transportation sector, price these emissions, and reduce them over time, using the revenues raised to fund clean transportation programs and projects in New York.

² Governor Andrew M. Cuomo, State of the State 2018 (Jan. 2018), at 310-11.