DATE: July 1, 2022

TO: New York State Climate Action Council

FROM: Alliance for Clean Energy New York

**RE: Support for the Climate Action Council’s Draft Scoping Plan**

We are writing to express the strong support of the Alliance for Clean Energy New York (ACE NY) for the Draft Scoping Plan (Plan) developed by New York’s Climate Action Council (CAC or Council) in accordance with the *Climate Leadership and Community Protection Act*, and to urge the Council to finalize it by the statutory deadline of December 31, 2022. Further, we want to urge the Council to prioritize certain aspects of the plan; clarify and strengthen other components; and add specific short-term deliverables to the final plan. This document also includes supporting commentary on various parts of the Draft Scoping Plan from the perspective of the clean energy industry.

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.

# Overview

ACE NY wishes to first highlight the foundational role of building renewable electricity generation facilities in New York. This is obvious, but bears repeating: **the construction of renewable electricity generation facilities is the critical near-term area of focus for implementation of New York’s climate plan.** All sectors rely on electrification to reduce emissions under the proposed plan, and more electricity demand means our State needs more wind, hydroelectric, solar, offshore wind, and fuel cell generation capacity. We view the recommendations in the plan directed at overcoming barriers to the construction of renewable electricity facilities as the highest priority.

We have the following other overarching comments on the Plan:

* We wholeheartedly support the Scoping Plan’s inclusion of such Just Transition principles as equitable access to high-quality, family-sustaining jobs. It is essential that the **New York remains focused on ensuring that new jobs are created** in transitioning communities and Disadvantaged Communities, linking workers to employment opportunities through career services, skills training, and infrastructure investments. We also strongly support the fundamental component and objective of the Climate Act **to ensure NY's transition to a low-carbon economy results in beneficial outcomes for traditionally underserved communities**, and specifically Disadvantaged Communities as defined by the Climate Justice Working Group.
* The scenarios in the Draft Scoping Plan represent possible outcomes from the aggregation and implementation of dozens of individual recommendations and are not put forward as alternative plans per se. Still, to the extent the Plan does reflect optional pathways, **we urge the State of New York to pursue Scenario #4: Beyond 85%**. Scenario #4 reflects a philosophy that these ambitious and transitional goals require pursuit of multiple potential pathways to success, including both accelerated phaseout of combustion and the use of truly renewable fuels for hard-to-electrify uses. At this point in time (28 years from the full goal), policy makers should not foreclose the pursuit of a class of innovative strategies that could facilitate our success, as long as such strategies are consistent with the CLCPA, and it is wise to aim beyond 85% to maximize our collective chance of success.
* The final Plan should include a recommendation for New York to design and adopt an economy-wide economic signal to reduce carbon emissions. This will strengthen the Plan and make it more likely to succeed.
* ACE NY highlights that the projected net benefits of implementation of the Plan are positive, ranging from $90-120B. More convincing is the fact that the costs of implementing the plan, though significant, are less than 1% of New York’s Gross State Product (GSP) in 2030, and less than 2% in 2050. These costs represent a predicted 9-11% of current overall energy system expenditures in 2030, and 25-26% in 2050. The implications of this cost-benefit analysis are: (1) New York should pursue this plan given its net benefit, (2) New York should pursue this plan as long as the costs are modest compared to the GSP and energy system expenditures, and (3) **New York should refine and repeat this cost-benefit analysis over time** to ensure that the plan continues to demonstrate significant net benefits at a cost that is affordable. We recommend conducting, for example, a cost-benefit analysis for 2035 and 2040 in the coming years, and at 5-years intervals thereafter.
* ACE NY recognizes that there is a difference between a societal cost-benefit analysis as was conducted for this Draft Scoping Plan, and an assessment of consumer (or taxpayer, or ratepayers) costs resulting from the implementation of any particular recommendation included in the Plan, although these two have been conflated by certain commentators. Both cost studies are important and should be considered by New York’s decision-makers. The consumer cost impact of a particular measure will be impossible to model until questions are answered regarding timing, incentive levels, voluntary vs. mandatory, et cetera for a particular new policy. Our suggestion is that the final Scoping Plan include a recommendation that recognizes that all implementing **state agencies will assess the consumer costs from individual new mandates** that may be developed as part of their individual policy proposals for plan implementation.
* **There is a role for green hydrogen in New York’s energy future**. Recognizing that this issue has been controversial, the CAC has formed a new workgroup on alternative fuels and we support its work. We firmly believe that if hydrogen is formed using clean, renewable electricity in New York, AND NY achieves its 100% emissions-free grid by 2040, that green hydrogen should rightly be used to meet energy needs in niche, hard-to-electrify uses. New York State should place a high burden of proof with respect to demonstrating the viability of new green hydrogen proposals. With respect to projects and programs already underway, the State should define and require clear goals and outcomes, as well as metrics for assessing learning.
* The waste sector’s contribution to greenhouse gas emissions is significant and needs to be tackled and minimized. For 50 years, New York has been striving to reduce waste generation, as required by law, and has largely been unsuccessful. A renewed attack on reducing the environmental impacts of the waste sector is sorely needed, starting with an update of New York’s legally required, though currently late and outdated Solid Waste Management Plan. Aggressive waste reduction, reuse, and recycling needs to be viewed as a climate issue. All organic waste should be removed from the landfill waste stream and composted, with modern pollution controls and productive and efficient use of the methane generated.
* Thus, the questions of the future uses of green hydrogen and renewable methane should continue to be explored and refined in the plan implementation process, and pursued in circumstances that are in compliance with the CLCPA, facilitate greenhouse gas emissions reductions, and facilitate the transition away from fossil fuels.
* Implementing New York’s Scoping Plan will have numerous co-benefits and **should be designed to maximize these co-benefits.** Reductions in greenhouse gas emissions will also have a positive impact on public health (both directly and indirectly). Reducing greenhouse gas emissions will result in improvements to the overall economy through economic stimulus and job creation, social inclusion and social justice, housing security, accessibility and quality of mobility services, avoided costs, and resources efficiency. The Just Transition Jobs Study shows that implementing the Scoping Plan will create at least 346,000 jobs by 2050.

# II. Electricity Generation Comments

**Accelerate Growth of Large-Scale Renewable Energy Generation**

* To achieve the 70% by 2030 mandate, New York needs to advance a significant pipeline of projects into the construction phase and overcome any barriers to project development.
* In the near-term, New York’s clear focus should be on getting enough renewable energy projects built to reach 70% by 2030. Indeed, this underscores the need for efficient processes to deploy large-scale renewable generation and improved transmission and distribution systems.
* We applaud the state on the progress already being made toward the 70 percent goal. Projects that have recently begun operation and those in the queue will help communities across the state be part of the climate solution while creating good-paying jobs and realizing key economic and social benefits. Large-scale projects will play an important role in New York State achieving it ambitious renewable energy goals.

**Maximize Procurement of Renewable Energy**

* New York should continue procurement on an aggressive schedule of at least 4,500 gigawatt hours/year, 2021 thru 2026; evaluating and adjusting policies and procurement targets as necessary to achieve the Climate Act requirements and goals and deploy renewable energy systems.
* For developers of wind, solar, hydro, and renewable fuel cell projects, the most critical element is a clear and certain market demand. The Public Service Commission’s directive for NYSERDA to enter contracts for Tier 1 renewables (4,500 gigawatt-hours/year per solicitation) and offshore wind (700 – 1,000 megawatts/year) creates a strong market in New York and should attract the private investment New York needs to get a sufficient number of projects under development.
* New York should continue with its steady procurement strategy to ensure continued momentum and investment with regularly scheduled annual requests for proposals (RFPs).
* New York should continue its policy of relying on the competitive market and independent power producers for the development of renewable energy generation. Utility ownership of generation, whether by investor-owned utilities or by the New York Power Authority, should be prohibited. Investor-owned utilities and NYPA should be key partners in implementation of the Plan, but not via the development and construction of renewable power projects, which should proceed via the Clean Energy Standard structure that has been created by the Public Service Commission.

**Improve Project Review and Permitting**

* We agree with the Draft Scoping Plan that New York and the Office of Renewable Energy Siting (ORES) should continue to improve and streamline the permitting process for the siting of large-scale renewable energy projects across New York; projects that deliver significant benefits to local communities. This can be done while adhering to the State’s strong environmental, public health and safety, and public participation standards.
* We support the Draft Scoping Plan’s strategy/objective that ORES should establish a non-binding metric or goal with respect to MWs of renewable energy that should be permitted by ORES each year in such an amount that complements the Tier 1 request for proposals procurements.

**Maintain Legacy Renewables**

* New York must create and implement an effective Competitive Tier 2 Program under the Clean Energy Standard to support renewable energy facilities that were in operation prior to January 1, 2015, or design other market measures to keep renewable generating facilities operating in New York (and keep their Renewable Energy Credits in New York) after the projects come off long-term contracts with NYSERDA. This issue is going to continue to be important in the long-term as contracts end and price-formation at the NYISO is influenced by a high level of renewable energy deployment.
* This support of existing (or legacy) renewable energy facilities will help to maintain the jobs that these generators have created; encourage generators to sell their renewable energy credits in New York rather than out-of-state; and enable achievement of the state’s clean energy goals at the lowest cost to ratepayers.
* Over time, New York will need to update and refine its policies with respect to legacy renewables as their contracts with NYSERDA end, in the interest of ensuring a sustainable and permanent system for maintaining a grid that is 100% emissions-free. A carbon pricing policy at the NYISO is one policy tool for achieving these objectives and should be re-examined by the New York State Public Service Commission.
* Further, The Plan should recommend that if there is not an emerging pipeline of repowering projects for renewables, New York should conduct a potential study and barriers analysis for repowering wind, solar, and hydro projects.

**Invest In Transmission and Distribution Infrastructure Upgrades**

* As New York State moves forward in meeting the Climate Act requirements, there will be a need for investments in New York’s transmission and distribution electricity system to allow for the utilization of new resources and to meet a growing electric load due to electrification. Indeed, this need exists today. We applaud the critical steps taken so far by New York and urge steady progress towards approval of Phase 1, 2A, and 2 transmission upgrade projects to facilitate achievement of the CLCPA goals.
* We agree with the Draft Scoping Plan that continued emphasis on the Public Policy Transmission Planning Process is essential to ensuring an electricity system prepared to accept increasing amounts of renewable generation and energy storage resources. The State Public Service Commission should identify a Public Policy Transmission Need (PPTN) with respect to renewables integration in Upstate NY as soon as possible, so that local transmission upgrades proposed by utilities can be compared to projects that come forward as part of the PPTN process.
* The State should identify key transmission and distribution upgrades, improvements, and new line construction needed to deliver renewable energy from where it is built (both upstate and offshore), to where the load demand exists using both the Coordinated Grid Planning Process and the PPTN process.

**Offshore Wind**

* We agree with the Draft Scoping Plan that New York should conduct further transmission planning and pursue system upgrades on Long Island and in New York City to facilitate 9,000 MW of offshore wind and beyond.
* NYOWA encourages the PSC - with the support and involvement of NYSERDA, the NYISO, TOs and other interested stakeholders - to convene a technical working group to consider the technical, regulatory, financial, and contractual barriers to implementation of a meshed grid and other coordinated transmission approaches.
* The State should continue to promote multiport infrastructure investment to support and facilitate the growth of the offshore wind industry in New York. We’d like to see the state continue to incentivize port and harbor revitalization and supply chain development, leveraging both private sector and federal investment, to further burnish New York’s role as a hub for offshore wind manufacturing and development.
* The State should aim for meeting 20% of projected 2040 winter demand – NYISO Projected Winter Energy by Technology – with offshore wind power (to meet 2040 decarbonization targets).
* We are excited to see that the Offshore Wind Master Plan 2.0, under Governor Hochul and NYSERDA's leadership, will provide the research and analysis necessary to better position the State to take advantage of opportunities afforded by floating offshore wind as the “next frontier" in project development.
* We applaud efforts being undertaken by the state, private developers, academia, and the unions to put together workforce development programs to ensure that New York has a ready supply of trained and certified workers to meet the coming demand. We encourage the state, through NYSERDA and the State Department of Labor, to ensure the coordinated delivery of these programs and that the training be designed and delivered to address any specific barriers encountered in environmental justice communities.
* New York should maintain and enhance its leadership position on the resourcing of national and regional wildlife research efforts such as the Regional Wildlife Science Collaborative for Offshore Wind. Such organizations are critical to developing a deeper understanding of offshore wind development and the ocean environment.

**Outreach and Education**

* We agree with the Draft Scoping Plan that the State should continue engagement, outreach, education, and support for local municipalities, communities, and residents to greatly increase awareness of the Plan and improve public acceptance and support for the clean energy transition that the Plan envisions.
* Given the immediate importance of ensuring that wind and solar projects break ground and get built, an early priority for education and outreach should be combatting disinformation in many communities about renewable energy siting and providing more support and insights to community groups and individuals who support renewable energy. This can include highlighting how renewable energy siting in rural communities can provide construction jobs, landowner payments, tax revenue, and revenue that can help retain farms for the next generation, all benefits important to rural areas that may be struggling economically.
* It is important that the State continue to encourage and facilitate collaboration between the renewable energy industry and Upstate NY farming communities to advance the objectives of the Climate Act while sustaining the State’s vital agricultural sector.
* We look forward to promoting ways to outpace disinformation towards reaching NY’s climate goals and engage communities in supporting New York's transition to a low-carbon economy.

**Support for a Robust Energy Storage Program**

* Energy storage is an essential technology for achieving New York State’s clean energy and greenhouse gas emissions reduction goals, and a key technology for enabling the deployment of renewable energy, improving grid flexibility and resilience, and reducing greenhouse gas emissions.
* Achieving the state’s climate and clean energy goals will require a robust, permanent program to support energy storage development in NYS for both grid scale and distributed storage; and for storage paired with renewables and for stand-alone storage.
* An effective energy storage program should foster geographic diversity, covering the entire state, including the Long Island Power Authority territory, and should foster innovation, given the need for long duration storage as well.
* The program should provide enough long-term market certainty to attract investment and development of storage projects at a level that maintains competition and achieves 6,000 MW of storage in service by 2030, and a continuing industry viability beyond 6,000 MW. The program should provide for financeable projects through long-term contracts or other means of some level of certainty of market revenue.
* The program should be complemented by fair NYISO rules (*e.g*., that support development of a hybrid storage model that provides sufficient flexibility to pair appropriate MWs of storage with MWs of generation).
* The program should incentivize all storage projects at a baseline incentive level sufficient to make cost-effective storage feasible and then use adders for targeted program development in policy-preference use cases or geographic locations.
* The retail sale and installation of energy storage equipment - for both residential and commercial uses - should be exempt from state sales and use taxes. Local governments should have the authority to exempt energy storage from local sales and use taxes if they chose. Currently, energy storage technologies are not eligible for exemption from state sales tax for residential and commercial installation. However other similar clean energy technologies, such as residential and commercial solar energy equipment and commercial fuel cells are eligible. Clean energy technologies should be treated similarly under State tax law, thus creating a level playing field for these technologies. Importantly, this will ensure that “stand-alone” energy storage projects would be eligible for a state sales tax exemption and thereby help to spur deployment of energy storage projects and enable the state’s electric grid to reap the many benefits of this critical technology.

**Support Co-Utilization of Renewables and Agriculture**

* New York needs both farms and solar power. New York State should encourage both, so that farmers can have new income and New York can have cleaner power.
* On-Farm Solar can include solar development on a portion of land owned by a farmer, or it can include solar panels and agriculture located on the same parcel of land. This second option is often referred to as dual-use, co-location, or agrivoltaics.
* Collaboration between the renewable energy industry and the farming community can advance the objectives of NY’s Climate Leadership and Community Protection Act while preserving the State’s vital agricultural sector. The State should continue to facilitate this collaboration. We greatly appreciate the state’s leadership on this issue, in particular the work of the State’s Agricultural Technical Working Group (coordinated by NYSERDA).
* On-Farm Solar, including co-location, can deliver a much-needed boost to farm income, and can improve soil health, increase biodiversity protection, stabilize farm revenues, and create construction jobs.
* Solar and wind projects, sited responsibly, offer farmers a steady revenue stream for decades, allowing their farm enterprise to continue in production and to better endure market volatility and economic disruptions. Moreover, with partnership from the agricultural community, solar projects can also be designed as a form of medium-term conservation with strategies to improve soil health, protect pollinators and other species, and reduce runoff and erosion, all of which are essential for the continued production of food.
* Solar and wind projects can be designed to meet the power needs at a farm such as refrigeration systems for milk cooling, and water pumping and irrigation systems. With proper planning and input from stakeholders, solar and wind development offers our agricultural community the chance to reinvest in their operations, remain in farming and provide benefits for their community.
* Solar developers in New York are already required to adhere to New York State Department of Agriculture and Markets mitigation guidelines for solar projects on agricultural land, serving to protect topsoil and prevent any permanent loss of farmland as New York farmers make the choice to take advantage of new opportunities to harvest the sun on portions of their land.
* It’s important to note that solar projects are always built on land owned by willing landowners. The fact is that the landowners that are willing to lease their land to solar developers are often farmers that seek additional income to stay in farming or supplement their revenues.
* Solar is not a primary driver in farmland loss. It’s important to acknowledge that community solar (and grid-scale) are relatively new to the state, and suburban development has been the prime driver of farmland loss for decades. Therefore, restricting solar is not going to solve the underlying issues that are driving the loss of farmland. And in contrast to residential and commercial development, solar projects are reversible so the land can be returned to its pre-project uses. Leases are time limited, the soil beneath the panels needs to be conserved, project components need to be removed and the site restored to pre-project conditions at the conclusion of the project.
* Significant amounts of farmland are already used to produce energy products in the form of biofuels, particularly corn ethanol. Siting solar on farmland is a way to diversity the use of farmland for energy production.
* Solar projects can be a way to reduce the barrier to entry for new farmers, as there may be opportunities to access land for farming in exchange for maintaining vegetation or crops within the project footprint. The land can either be accessed for a reduced cost to the farmer, no cost at all, or the project owner will pay the farmer for his/her services.

# Buildings Sector Comments

* ACE NY supports the Draft Scoping Plan’s vision for buildings for 2030 and applauds the Scoping Plan for including aggressive building weatherization and electrification that will accelerate greenhouse gas (GHG) emission reductions, and for recognizing the need to train over 100,000 workers in energy-efficient construction and clean heating and cooling.
* Energy efficiency is the most cost-effective option in helping to meet our climate goals for buildings. Almost half our energy use can be reduced through energy efficiency and weatherization of our buildings. A recent NYSERDA study found that cost effective efficiency measures in multifamily buildings in the State could save 62 trillion Btus and 1,114 MW by 2030.[[1]](#footnote-1)
* ACE NY is supportive of the specific policy recommendations for homes and commercial buildings to be electrified, for a managed and just gas phase out, and expanded training for the clean energy workforce. It is important to set appropriate signals to the market so manufacturers can increase production of all electric appliances. ACE NY believes that target dates for prohibiting the sale of fossil fuel equipment to replace heat/cooling/cooking appliances needs to be set, and specifically supports the dates outlined in the Draft Climate Action Plan.
* To accelerate the transition to weatherized all-electric buildings, ACE NY supports the immediate adoption of an advanced efficient building code for new construction that includes energy storage and on-site electricity generation for resiliency; the adoption of all-electric building code; strengthening of our appliance standards; the timeline for the transition to all-electric heating and hot water equipment; and building energy benchmarking requirements. ACE NY was pleased to see the Legislature passed a bill to strengthen our building codes and increase our appliance standards, and this should be reflected in the final Plan. ACE NY supports the State Building Codes Council updating, as soon as possible, the building codes to reduce climate emissions. Newly constructed buildings in New York should be energy efficient and all electric.
* The final Plan should stress the importance of weatherization of buildings in reducing heating and cooling needs. In addition to climate emissions reductions and energy cost reductions, properly insulating and sealing a building will result in increased indoor air quality and improved comfort and health. A study by ACEEE found that weatherization can reduce peak demand during the winter and found that weatherization has a lower cost than purchasing power at winter on-peak prices.[[2]](#footnote-2) Weatherization of buildings is important to ensure that heat pumps are right-sized to the building to reduce the cost of the heat pump and reduce future energy usage.
* As we decarbonize our buildings, ACE NY supports the scaling up of public financing alternatives with a focus on low-to-moderate income households, specifically, we support ensuring that any incentive programs offered by utilities have statewide coordination for consistency and expanding the use of energy performance contracting. State and utility programs should send clear market signals to building owners and contractors on the switch to electrification, heat pumps and weatherization.
* ACE NY is requesting that the State launch a sustained statewide public education and information campaign to consumers on the importance of making climate-friendly choices in their building improvements and equipment. Public outreach should include information on incentives, weatherization, and efficiency programs.
* ACE NY is pleased to see that the Draft Scoping Plan includes providing training and workforce development for both code officials and contractors with a priority on disadvantaged communities. Building decarbonization will result in over 100,000 new jobs. New York needs to have a trained workforce to do this important work.
* We support the inclusion of research and development within the Draft Scoping Plan especially for technology transfer, scaling up demonstration projects, and NextGen decarbonization solutions.

# lV. Transportation Sector Comments

* ACE NY supports the Draft Scoping Plan’s vision for transportation for 2030 and applauds the Plan for including an aggressive and implementable mix of policies to accelerate GHG emission reductions in the transportation sector.
* ACE NY is supportive of the specific policy recommendations for Zero-Emission Vehicle (ZEV) sales requirements and accompanying incentives and investments to help achieve these mandates; investments in expanded public transportation and micro-mobility, enhanced bicycle and pedestrian infrastructure, smart growth development, market-based policies that support lower-carbon transportation choices; and a clean fuel standard that reduces the average carbon intensity of fuels as the transition to zero emissions vehicles proceeds.
* ACE NY supports the recommendation to remove barriers to the sales of ZEVs. Specifically, we advocate for the authorization of direct-to-consumer ZEV sales. As the ZEV market matures and more manufacturers offer a range of vehicles, it is important that New York State consumers have easy access to purchase the ZEV of their choice. In addition, the expansion of ZEV sales will result in new jobs and increased sales tax revenue across the State.
* To accelerate the adoption of light-duty ZEV’s, ACE NY is supportive of all of the components to accelerate Electric Vehicle (EV) adoption – adopting the Advanced Clean Cars 2 regulations, providing enhanced ZEV purchase incentives, enhancing ZEV awareness and removing sales barriers, investing in and removing barriers for ZEV charging and fueling infrastructure, enacting utility rate design, and transitioning the State fleet to ZEV’s.
* We are pleased to see that the plan prioritized medium heavy-duty vehicle transition in air pollution over-burdened communities. ACE NY is very supportive of all strategies to transition medium- and heavy-duty vehicles – adopting California’s Advanced Clean Truck regulations, providing enhanced ZEV purchase incentives, State fleet transition targets and funding, requiring State contracts to require ZEV transition, iand nvesting in ZEV charging/fueling infrastructure.
* ACE NY recognizes the need to support and expand the use of public transportation and supports increasing its accessibility and reliability. ACE NY supports fleet modernization and electrification through investment to acquire vehicles and transition of our municipal transit fleet to ZEVs.
* ACE NY urges the inclusion in the Final Scoping Plan or a recommendation for a transportation cap-and-invest program in New York similiar to the multi-state Transportation Climate Initiative. The required purchase of carbon allowances by fuel suppliers will generate the revenue necessary to invest in mass transit, electric vehicles of all types and purposes, charging infrastructure, and biking and pedestrian infrastructure. Modelled revenue generation in New York State would be up to $1.4 billion for the period 2022 – 2032, with only modest impacts on gas prices. And the cap will provide certainty that emissions goals will be met.
* ACE NY supports the strategy to providing fleet feasibility studies. This detailed information should be readily available to fleet operator, public and private, will ease the decision- making process and speed up ZEV transitions.
* ACE NY actively supports inclusion of the clean fuel standard in the Final Scoping Plan. A clean fuel standard is a high-impact tool for decarbonizing transportation that would reduce emissions and improve public health with only administrative costs to the State.
* ACE NY is pleased that the Draft Scoping Plan recognizes the need to support and further develop the ZEV supply chain. Currently, New York has a robust manufacturing supply industry for fossil fuel vehicles. The State should support these businesses in transiting into supplying EV manufacturers, in addition to encouraging EV supply chain manufacturers to locate in the State.

# V. Economy Wide Approaches - Comments

* New York should design and implement an economy-wide economic signal for carbon. The purpose of this policy is to strengthen the Scoping Plan and its likelihood of success in meeting the CLCPA mandates by (1) using an economic signal to affect behavior and reduce emissions, (2) serve as backstop to and complement of other recommendations in the plan, and (3) generate revenue to fund the implementation of the many currently unfunded recommendations in the Scoping Plan. This economy-wide economic signal should not be the only way to reduce emissions in any particular sector nor the only way to fund the Scoping Plan’s recommendations but is an important strategy. The economy-wide signal should be designed and implemented for at least the top four categories of emissions: electricity, buildings, transportation, and waste. Finally, while it is critical that the economic signal cover all of these sectors, it could be either one program that covers all sectors or several separate programs phased in over time. As reflected elsewhere in these comments, these policies could be, for example, a carbon price policy at the NYISO, a clean fuels standard, a cap-and-invest policy for the transportation sector, or a per ton price on waste generation. The Plan should include a schedule for New York agencies to implement these policies.
* ACE NY vigorously supports the Final Scoping Plan including a clean fuel standard (CFS). A CFS is a technology-neutral, performance-based standard that utilizes market forces to reduce transportation sector emissions. A CFS will not only reduce carbon emissions from existing vehicles as the State begins it transition to ZEVs, but also generate revenue to hasten that transition.
* CFS funds should be directed to those areas of our state most affected by medium and heavy-duty vehicle emissions. A CFS will allow the State to hasten the health benefits by reducing particulate matter emissions when low carbon fuels are used and funding the ZEV transition to eliminate emissions from medium and heavy-duty vehicles. A [new report](https://www.esf.edu/communications/news/documents/BBD_RNGwhitepaper.pdf)[[3]](#footnote-3) shows the significant greenhouse gas and co-pollutant emissions reductions from using biomass based diesel and renewable natural gas in niche uses, rather than continuing to rely on harmful fossil fuels.
* ACE NY actively supports the inclusion of a transportation cap and invest program like the Transportation Climate Initiative in the final Climate Action Plan. A cap and invest program will reduce climate and pollution emissions, and generate funding for clean and equitable transportation programs, like enhanced and improved mass transit programs, or transportation electrification and charging of buses, freight trucks, and other commercial trucks. Any such program should incorporate safeguards to guarantee the investments in disadvantaged communities above and beyond the CLCPA requirements.
* A cap and invest program for transportation will provide long-term, stable funding for mass transit, ZEVs of all types and purposes, charging infrastructure, and pedestrian infrastructure.
* ACE NY also supports the implementation of a carbon price within the NYISO market for wholesale electricity. As with the other policies described here, this approach would apply an efficient economic signal to reduce emissions and could be designed to generate revenue for reinvestment in emission-reducing initiatives.

# VI – Conclusion

In these comments, ACE NY has attempted to highlight the many positive recommendations included in the Draft Scoping Plan. The plan is comprehensive and innovative; it is backed up by extensive analyses provided to the Council; and it is ambitious. We have also included recommendations to strengthen the Plan, and we respectfully urge the Council to consider them.

In conclusion, while it is inevitable that this Plan will continue to be debated, reconsidered, and updated between now and 2050, even after it is finalized, it represents a serious and well-founded blueprint for moving New York rapidly down the path to decarbonization, and one that doesn’t fail to consider cost, equity, a just transition, co-benefits, and implementation challenges. We appreciate the work of the Council and State Team in developing the plan, and urge the Council to approve a strong final Scoping Plan by December 31, 2022.

1. https://www.nyserda.ny.gov/-/media/Files/Publications/building-stock-potential-studies/Assessment\_of\_EE\_Potential\_in\_NYS\_MF\_Buildings\_June2021.ashx [↑](#footnote-ref-1)
2. Demand-side Solutions to Winter Peaks and Constraints, Mike Specian, Charlette Cohn, and Dan York, April 2021, https://www.aceee.org/sites/default/files/pdfs/u2101.pdf [↑](#footnote-ref-2)
3. A review of the scientific literature on greenhouse gas and copollutant emissions from waste- and coproduct-derived biomassbased diesel and renewable natural gas by HakSoo Ha, Ph.D., and Tristan R. Brown, J.D., Ph.D., January 2022. <https://www.esf.edu/communications/news/documents/BBD_RNGwhitepaper.pdf> [↑](#footnote-ref-3)