



WESTERN NEW YORK ENERGY

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Ms. Doreen Harris
President and CEO
NYSERDA
17 Columbia Circle
Albany, NY 12203-6399

Mr. Basil Seggos
Commissioner
New York State DEC
625 Broadway
Albany, NY 12233-1011

Re: Comments on the Climate Action Council's draft scoping plan

Dear Co-Chairs Harris and Seggos:

Western New York Energy, LLC, the first bioethanol production facility in the Northeast and currently the only bioethanol facility operating in New York, hereby submits comments on the Climate Action Council's draft scoping plan.

Background

Western New York Energy, LLC (WNYE) is a privately held company located in Medina, NY. WNYE has been producing low carbon, renewable bioethanol consistently for almost 15 years. WNYE purchases almost 20 million bushels of feed grade field corn from local farmers and our zero waste process produces 63 million gallons of bioethanol per year along with high quality co-products.

WNYE has been on the forefront of reducing our carbon footprint over our 15-year history. Reputable research shows that WNYE's bioethanol has been reducing harmful vehicle tailpipe emissions by almost 50% in the Western New York region. In addition to reducing tailpipe emissions, WNYE uses zero emission hydroelectric power at our facility and through direct carbon capture equipment has already captured approximately 1.3 million metric tons of CO₂ emissions since 2008. For more information on the low-carbon bioethanol industry please see [Pledging a Net-Zero Future](#).

Comments

As New York's largest processor of corn, WNYE's future success is directly tied to a strong and robust New York agricultural industry. New York farmers have proven time and again to be

progressive and with proper research funding, outreach, and collaboration critical climate solutions such as nutrient management, cover cropping, and reduced tillage can be incorporated into current farming and soil practices. New York should support agricultural research projects that are focused on sustainability, improved soil health, and carbon sequestration with adequate incentives to encourage widespread adoption by New York farmers. Most farmers understand that their farm's success (today and future) is directly tied to protection of their most critical business asset, soil health. These agricultural research projects also need to target uniform data collection methods and modeling for widespread acceptance. New York farmers in cooperation with increased blending of liquid biofuels (bioethanol and biodiesel) in today's fuel supply provides the best immediate impact solution to reduce carbon emissions in the transportation sector.

With less than 0.5% of New York's light duty vehicles being electric vehicles (EVs), most federal and state agencies agree that we will not see a wholesale change to EVs for at least 20-25 years. The US EIA estimates that current internal combustion engines (ICE) will still be available for purchase in 2050. A widespread fuel change to E15 and E85 in New York's light duty fleet today could lead to a 4.2 million metric ton reduction in emissions – or the equivalent of removing 8.5% of New York's fleet from the road. A switch to higher blends of biofuels can be done without significant investment considering that most newer fueling equipment is warranted for up to E25-E30 bioethanol blends and many older fueling stations in New York are due for 30-year equipment and tank upgrades, regardless. Over the last 12 years, California's Low Carbon Fuel Standard (LCFS) has taught us many lessons that New York can learn from and avoid "reinventing the wheel". A rapid conversion to EVs is cost-prohibitive, unrealistic and unachievable. If the CAC's goal is truly a dramatic reduction in carbon emissions and improved public health in the near term, this can only be achieved with liquid biofuels. In the last 12 years of California's technology neutral LCFS, nearly 80% of the total carbon reduction and credits came from liquid biofuels. California has seen a 2,000% increase in E85 use over that time frame. California Flexible Fuel Vehicle (FFVs) owners are currently saving over \$2.00/gal versus regular gasoline. This would be a low carbon solution that has minimal costs to New York State and saves consumers money at the pump. FFVs running on 100% renewable low to zero carbon fuel is equivalent to the GHG benefits of battery electric vehicles and at a lower vehicle cost to consumers. We propose that the CAC include a requirement for all ICE vehicle sales after 2030 to be FFVs in the final scoping plan.

We applaud the Climate Action Council (CAC) for including a clean fuel standard (CFS) in the draft scoping plan and it needs to be a part of the final scoping plan. A technology neutral CFS program would promote investment in proven low-carbon biofuels and other proven technologies while meeting the CLCPA's goals today with little to no impact on the state budget. Rather than wishful thinking, we need to incorporate proven cost-effective technologies today that substitute lower carbon, renewable liquid biofuels into the existing New York fleet while affordable electrification solutions develop properly over time. The primary goal of the CAC should be to reduce carbon emissions overall today – and not pick technological winners and losers. A CFS program creates the proper framework to promote overall carbon reduction in a diverse New York and allows the market to sort out the technologies that work best for rural, suburban, or metro areas of New York.

As a large utility customer in New York, WNYE is already paying amongst the highest energy-related costs in our industry. While we support low carbon goals related to power generation, a thorough economic assessment is needed to ensure electricity and natural gas that

businesses, like WNYE, need to maintain jobs in New York is available, affordable, and reliable as the CLCPA regulations are developed and implemented. Currently, the draft scoping plan lacks details and no economic impact assessment. For example, WNYE sources our electricity from New York Power Authority (NYPA) hydropower. Without hydropower allocations at current values, WNYE cannot afford to operate in Western New York. Today there is no viable alternatives to natural gas as the uninterrupted heat source for our facility. The final scoping plan needs to clearly define Energy Intensive and Trade Exposed (EITE) industries and provide specific recommendations to prevent economic and emissions leakage. The CAC needs to consider already burdensome energy-related costs being imposed on New York utility customers. NYPA is projecting a substantial increase in hydropower compliance surcharges and overall prices by 2030 that would put thousands of Western New York jobs at risk. A final scoping plan that does not comprehensively protect and provide relief for large utility users but rather piles on additional utility costs or surcharges will have the immediate impact of businesses cutting back New York operations or completely relocating out of the state.

WNYE believes in a low carbon future for our children. For near-term measurable carbon reductions in New York, it is going to take a technology neutral, all-of-the-above approach that includes liquid biofuels.

Thank you for the opportunity to provide comments on the CAC's draft scoping plan. Western New York Energy is available to answer further questions in the development of the final scoping plan. We appreciate the hard work that the Council has put forward so far and look forward to the release of the final scoping plan.

Sincerely,

Timothy D. Winters
President & CEO
Western New York Energy, LLC