

NYSERDA 246th Board Meeting
April 28, 2020
Clean Copy Transcript

Richard Kauffman:

Okay. I call this meeting to order. This 246th meeting of the New York State Energy Research and Development Authority. Notice of the meeting was provided to the Members and to the press on April 17, 2020. I direct that a copy of the notice and agenda be annexed to the Minutes of this meeting. Welcome to the meeting.

This meeting is being conducted by video conference. The Authority will post a video and a transcript of this meeting on the web.

To confirm that we have a quorum, I would like to ask the Authority's Secretary Peter Costello to conduct a roll call of each of the Members in attendance. Peter?

Peter Costello:

Thank you, Mr. Chairman. I will first note your attendance and now take the remainder of the roll call. When I call each of your names, please indicate "Present."

Authority Vice-Chair Gil Quiniones.

Gil Quiniones:

Present.

Peter Costello:

Shere Abbott.

Sherburne Abbott:

Present.

Peter Costello:

Chuck Bell.

Charles Bell:

Present.

Peter Costello:

Ken Daly.

Ken Daly:

Present.

Peter Costello:

Commissioner Marie Therese Dominguez.

Commissioner Marie Therese Dominguez:

Good afternoon. Present.

Peter Costello:

Good afternoon. Thank you.

Kate Fish.

Kate Fish:

Present.

Peter Costello:

Jay Koh. [Pause] Jay Koh?

Jay Koh:

Present.

Peter Costello:

Thank you, Jay.

Chair John Rhodes.

John Rhodes:

Present.

Peter Costello:

Thank you.

Commissioner Basil Seggos

Commissioner Basil Seggos:

Present.

Peter Costello:

Thank you.

And Mark Willis.

Mark Willis:

Present.

Peter Costello:

Thank you, Mark.

Mr. Chair, I confirm that we have a quorum. All members are present.

Richard Kauffman:

Thank you. First item on the Discussion Agenda is a report from the Authority's President and CEO, Alicia Barton on the Authority's response to COVID-19. Alicia?

Alicia Barton:

All right. Can you, can you hear me?

Richard Kauffman:

Yes, indeed.

Alicia Barton:

Okay, great. Wonderful. Well thank you everyone for joining us today. To the Members of the Authority for being with us in this new virtual format. This is the, the 246th meeting of NYSERDA's Board of Directors, and our first conducted via video webinar. So, you know, please, thanks for everybody's patience with the technology. I think based on the Audit and Finance Committee meeting that we just had should be pretty smooth sailing, but it does require a little bit more formality to the presentation.

So, I'm going to provide the report on the Authority's response. Typically at our meetings we have presentations from a number of different team members, but I think given the format, we decided it would be a little bit easier if I provide the entire report and then we will open it up to questions and comments and feedback from the Members, but we do have the other, I'll note for the record, you know, some of our other officers and team members from NYSERDA on the webinar as well who can help address any questions that I may need help addressing.

And just generally it's, it's good to see everyone's face and see that you're all safe and well. It's been certainly a big adjustment for all of us to conduct our business this way, but by and large, I'm happy to report that NYSERDA is doing very well, all things considered, under the current circumstances. And I'll, I'm just going to jump into the details on that.

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So I'm going to start really just at the, at the top line and not spend a lot of time on it because I, I know everybody is following this information just as closely as we are, but, certainly we are monitoring extremely carefully every single day, the public health circumstance in New York State and following Governor Andrew Cuomo's lead in the State response to this terrible crisis. So, you know, it's heartening to see, of course these trend lines going down as opposed to going up as they were for so long. It really felt like, you know, at certain moments, perhaps last month in particular and earlier in April, that we did not know when we would see the apex or an ability to flatten or go back down the curve. We have been able to do that at this point. And again, that is heartening. However, we still do have a lot ahead of us as a State and, certainly, as a Public Authority before matters will return fully back to normal, but the good news is that the Governor did state the worst is behind us. And at the same time, this is a marathon. We are not quite to the end just yet.

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So, you know, just acknowledging, and I do think it's important for us to acknowledge, how many New Yorkers have been lost in this crisis. And you know, the Governor has done a tremendous job speaking to the heartbreak we all feel for every single New Yorker, and of course, every American and everyone that has been lost in this pandemic. You know, we try to remind ourselves of the importance of the work that we are doing in supporting the State response because of those individuals that have been infected by illness or certainly the families that are suffering a loss of loved ones.

Energy workers have had a significant role to play in this emergency response. And we also want to, you know, recognize and acknowledge our gratitude for the contributions they are making. And in some cases, the significant sacrifices they are making. So, you know, the New York ISO, our colleagues at the New York Power Authority, and, of course, the CEO Gil Quiniones is on the line with us as a Member of the Board of Directors, other generators and utility workers, have been, you know, either in some cases working around the clock certainly to provide energy assurance. And then, in other instances, have also been sequestered onsite to ensure that we can keep the lights on in these unprecedented circumstances, which, you know, is a significant sacrifice and again, one that we want to acknowledge how significant that is, as well as, how important those contributions have been to making sure that our energy systems have been stable during this event. And which I'm pleased to report that they have been. One additional set of energy workers to acknowledge is around the fuel distribution sector, as well as, the electric sector, and we'll speak more about that particularly as to NYSERDA's role in a couple of minutes.

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So, as I believe everyone is likely well aware, we are on pause for, you know, most activities in the State at this point in time. The Governor's executive order directing the pause in many activities does continue until May 15th. And you know, we all, no matter our role as a public employee or whatever our role is, we all have an important job to do as New Yorkers to continue to contribute to the public health response by doing our part to support social distancing and staying home as needed. The Governor has kicked off a social media campaign with the hashtag "I stay home for" and we included on the slide a couple of examples from our NYSERDA team members of their family members that they've acknowledged they want to protect in this situation and why we are all doing our part to contribute to the larger Statewide effort.

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So, the Governor has however, started to begin speaking about what a phase reopening strategy would look like. There's some details that he's put out in press releases about that; certainly, in his daily briefings. We are taking a look at what that will mean specifically for the energy sector, and certainly there's a risk-based priority here. Looking at a focus on those activities that can be conducted at relatively lower risk. Again, just summarizing some of the details here, I'll come back to some of our thinking about this as we go forward specific to energy. The governor did clarify that some of the initial reopening could allow manufacturing and construction with a

low risk assessment to go forward and that's certainly relevant to our work in the energy sector and the projects we support as an Authority here at NYSERDA.

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So, I'm going to shift now from the backdrop for our work, which I just covered in terms of the Governor's leadership in response to this crisis and what's happening on a Statewide level to shift now to what NYSERDA has been doing in light of the current circumstances.

We have, like many others, shifted to telework as directed by the Governor's Executive Orders and by the Director of State Operations relative to essential employees and we did make that shift relatively smoothly. I'm pleased to report to the members. We had actually completed a team remote readiness survey ahead of head the move to telework. So, I think we kicked it off maybe two weeks before we were given the official directive to move to telework and we had every team member and contractor that we work with confirm that they were able to telework should it be needed. That served us well when we had to move relatively quickly to telework in response again to the Governor's directives.

Since that time we have been in regular communication, both with our partners around State government participating and in daily multi-agency briefings as well as, within NYSERDA, and communicating frequently, as frequently as we can, with our team members to make sure that we are staying organized and effective, and able to execute our mission. We've had two all hands meetings since we moved to telework. So, we have been trying to the best of our ability to stay in good touch with team members and make sure everyone understands what are clearly evolving daily conditions. Conditions of course have stabilized a bit more in recent weeks, but given the dynamic nature of the circumstances we're in, we are placing a high priority on over communicating as much as necessary given our inability to be in personal contact with our team.

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And this is, you know, just a quick roundup, and I wanted to take a moment just to emphasize that we have been keeping the trains running and have been executing on many of our core mission imperatives. Of course, we've had to make adjustments and I'll speak to some of the adjustments that we're making in our program offerings as well coming up, but I thought it's also important to acknowledge that as much as we are changing and adapting and doing our best to be nimble in light of the dynamic circumstances, we are also pressing forward on plans and on schedules for many of our initiatives. There's more than we were able to include on the slide and more on this slide than I want to speak to for the purposes of the presentation, but you know, all of our, for example, just to call out, vendor payments, payroll processing, issuance of solicitation, acceptance of bids, et cetera, have continued relatively smoothly.

Okay. Sorry, I was just pausing for a moment. I was getting a little bit of feedback.

The Green Bank has completed financial closings and fundings under the current remote telework environment. And I think, again, that's a great endorsement of our planning ahead of time that put in place the mechanisms for us to be able to execute complex financial transactions

under the current circumstances. Also, good news that those projects are, and some of those closings were, able to be completed just given the economic circumstances that we faced.

We've made a number of filings at the Public Service Commission and again, generally speaking, are by and large moving forward with the bulk of our work. Of course, you know, there are items we are unable to complete in the current circumstances and I'll come back to a few of those, but there is a vast amount of work being done by a vast amount of team members around the Authority that you know, I think, is important to ensuring that we stay on track for our long-term targets and initiatives.

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Just a brief note that we are supporting some of the Governor's initiatives and Statewide response. I think people are generally aware that this, the historic and unprecedented nature of the current circumstances have challenged state government and state agencies in a number of ways. And you know, as much as the challenges are there state government has stepped up and the Governor has ensured that every agency is directing every available resource towards solving the problems that need to be solved, whether that be on the front lines of the public health situation. Some of our staff have supported for many, many weeks now staffing the department of health call center, supporting the Statewide effort to work through the backlog of unemployment insurance claims, and I know that's been covered widely in media. We have lent some significant manpower assistance to that as have many, many, many agencies. I think every agency in New York has participated in that effort, which has been successful at dramatically reducing the historic and unprecedented amount of claims that have unfortunately come in seeking unemployment benefits.

We also did specifically send a dedicated team to help Empire State Development sort through offers, incoming offers, of assistance of things like PPE. Also helped them vet as well some of the opportunities for in-state manufacturers to convert to manufacturing PPE and other important supplies. We had about 30 people working with ESD on that for few weeks, and we were very, very glad to be able to contribute in all of these ways. And these efforts have been broad based at NYSERDA over half of our team members at NYSERDA have participated in one of these efforts to support sister agencies. So, I'm proud to see how our team is stepping up and contributing in the State's moment of need.

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So, I'm gonna transition now to some of our more specific responsibilities as an Authority, related to energy assurance and emergency response.

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So specifically, we are, you know, part of the cohort of agencies that do support energy security and energy reliability for the State of New York. We are a member of the Disaster Preparedness Commission and in that role coordinate closely with a number of other agencies. Certainly, the Department of Public Service, NYPA, LIPA, but as well as, DEC, Ag and Markets, Department

of Transportation, Department of Health. All of that, all of those entities related to for one thing, our roles specifically to monitor fuel supply, market intelligence and dynamics, and again, to ensure an uninterrupted supply of fuels, such as they're needed around the State for things like gas stations and home heating oil. We also serve as the, I think the members of the Authority are well aware, as the Nuclear and Radioactive Materials Coordinator and the State liaison to the Nuclear Regulatory Commission. We are also the steward of the State's interest at the West Valley demonstration site.

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With respect to, you know, really the top line status report, I'm again, I'm pleased to report that the fuel supply system is in stable condition. There are no unmet electric needs as well. Again, we are in a supporting role for the most part on the electric side with our partners at NYISO and DPS and NYPA and the like. And as to the fuel supply system, again, the conditions have been stable. In fact, as I'll talk about in some slides coming up, consumption is quite down. So, there is ample fuel supplies available. We have been working with the industry that is in the fuel delivery industry in order to stay ahead of disruptions, to be in close coordination with them as well as, in some instances, to help them navigate, the challenges of obtaining sufficient PPE, and working with the Governor's team to ensure that these businesses would be designated as essential under the Governor's executive orders to ensure that there would be no interruption to their operations and the like.

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And you know, I think we can report on behalf of the industry, that the companies have responded very well. They, you know, there has been, planning going on for a number of years in all of these sectors to think ahead as to what would happen in case of this type of emergency response situation, and by and large, I think again that preparation has really paid off and we are really just proud to be part of the coordinating set of agencies, utilities and fuel suppliers and other organizations that have successfully worked through the situation to make sure that energy needs have been met reliably, and that we can stay ahead of, you know, those needs, going forward.

Next slide, please.

Just a quick snapshot to keep moving through the presentation. I know there's been some coverage in media around this, but we do track the consumption on both the electricity and the fuel supply side. I know the graphs are a little, the numbers are a little bit small perhaps for everyone to be able to read, but, you know, generally speaking, demand for gasoline has declined by 50% Statewide and even more, 65% actually, in New York City. And electricity consumption is at roughly 10% decline Statewide, and 16% in New York City. So those are substantial deviations from the norm. We'll continue to track those and work again with our sister agencies and the Governor's office to ensure that we have access to real time data and information to allow us to understand trends and needs before they become problematic.

But again, the systems have held up well even though, acknowledging lower demand may seem like an easy thing to accommodate, it is not a simple operational shift to see this type of order of magnitude, you know, deviation from the norm, particularly on the fuels side. And again, as I only touched on briefly on some of the prior slides, we have worked with the industry to try and address some of the regulatory requirements due to the current excess of fuel on hand and switching to a summer blend of gasoline for example.

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And then lastly, I wanted to make sure to give the Members, and of course the public, a status report on conditions at the West Valley site. Paul Bembia I believe is on the line if there are questions about West Valley specifically later. The site is safe and secure. The operation did transition to mission, quote unquote mission essential operations roughly a month ago at this point. And that means cycling down onsite activities, again in order to be able to support and comply with social distancing requirements and the broader pause on work that has been happening around New York State. We are in close coordination daily, with the Department of Energy to ensure that there are no unsafe conditions on site. We do have ongoing monitoring and inspections at the site and surveys, and we've been able to work, you know, with State Emergency Operations to ensure that we have adequate PPE for the workers that do need to be onsite during this time. It's a small amount of work, but it is ongoing.

And same for the State Licensed Radioactive Waste Disposal Area. The SDA is safe and secure. All the inspections, environmental monitoring and other routine activities that are needed for safety are continuing. So, again, I think a testament to some of the forward planning that had been done for the Continuous Continuity of Operations Plan we have at the Authority, and then the continuity of operations planning specifically for the West Valley site that we've been able to you know, make a pretty significant shift in terms of going to this mission essential operations only, but without you know, any unforeseen conditions or greater exposure for public health and safety.

All right, next slide, please.

All right. So now I want to shift focus a little bit from again, I had started with the broader landscape for the State response to COVID-19, then, you know, NYSERDA's direct organizational response, and our shift, our work on energy assurance and now transitioning to our role supporting the clean energy industry.

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So unfortunately, the clean energy industry has already been fairly significantly impacted just as many sectors of the economy have this is certainly not unique to the clean energy industry, but by the same token, our industry is not immune to this downturn as well. As you can see, there was an independent survey done based on March Bureau of Labor statistic data that showed over a hundred thousand jobs lost nationally in the clean energy sector. And that number, although it's small on the slide, I can read, you know, for New York specifically translated almost 4,800 jobs lost and that was just for the month of March. So, we certainly unfortunately will expect

that number to increase once April data is available. That's a 3% decline from the baseline that is represented in that same data. And so again, something that frankly is, you know, heartbreaking and you know is going to create potential not only hardship for certainly the workers and the companies that are impacted, but also, you know, uh, something that we have to monitor carefully in terms of our ability to follow through and meet the mandates that we have in State law here in New York to deliver on the various clean energy outcomes that are directed under the Climate Leadership and Community Protection Act.

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So, we have been, you know, working hard on this closely with, again, our partners across state government and the organizations that participate as members of our as well. So there was a joint letter from NYSERDA, DPS, the New York Power Authority, Long Island Power Authority and the Department of Environmental Conservation or DEC to acknowledge the hardship facing the clean energy industry and our role and our partnership and commitment as a State that we are remained steadfast in our mission and our objective to reduce greenhouse gas emissions and transition to a clean energy economy and that we want to work closely with the industry to understand their needs and adjustments that may need to be made to any of the ways that our organizations support that industry in the months ahead.

We've conducted a number of very detailed surveys and public input webinars to assess the circumstances more, to get as much information as we can about which parts of the clean energy sector have been impacted and what opportunities there are to respond. So, you know, just a couple of examples, but everything from offshore wind and large-scale renewables to distributed energy resources, electric vehicles. And again, our partners at those other agencies participated in many, or all, of those webinars alongside the NYSERDA staff and we've been digesting the input that we have gotten, you know, from these various sectors in order to try and understand what adjustments might be needed.

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And we have instituted a number of near-term adjustments that I'll come back to in a moment. We are also, in addition to the, you know, our first focus on canvassing for information and understanding the magnitude of impacts to operations and companies. We are also hard at work trying to understand, as the next phase of this evolving situation, how to return to work safely for our industry. So again, this is something that will be closely coordinated and led, you know, underneath the Governor's Statewide strategies. As I'm sure many of you noticed, the Governor also announced a multi-state partnership and announced in coordination with several other Northeast Governors, you know, an intention to have a regional reopening strategy, which of course makes a lot of sense given the dynamics of our region and the fact that, you know, we are a regional economy in many ways.

So, you know, coordinating under that we are trying to think ahead about which facets of the work that has been paused as to clean energy work, which by and large, just to summarize, has been, you know, a pause on energy efficiency programs, a pause on construction of renewable energy. That's both, you know, on premises work as well as outdoor construction work. And

again, there was a broader pause on construction work across the State, not just for the energy sector, but for all construction Statewide. And again, as I alluded to earlier, the governor has signaled that construction and manufacturing, may be amongst the first sectors to be able to get back to work. Of course, he is going to do that based on data and science and facts that are available to him and the other experts at advising him on, on the reopening strategy. And we will stand ready to try and ensure that to the degree that is, you know, and when we are able to resume those types of activities in the clean energy sector, that we can do so safely. So, we have been canvassing national, and nationally, regionally with our Northeast state partners as well and generally speaking, other industries for best practices. We will put a premium on safety and ensuring that the company's doing work on a NYSERDA funded project, you know, have the resources to understand what safe work practices are and that we can all participate in building public confidence that you know, resuming these types of activities will be protective of public health and can be done, you know, with an eye towards safety first.

So that's, it's a work in progress, but, you know, certainly we are thinking hard about what that reopening strategy can look like and we want to get clean energy work, you know, back as quickly as is safe to do and under the conditions where it is safe to do so. So, that's something we're spending a lot of time on and we hope to make announcements about that when the time is right, again, in light of the Governor's larger directives around the broader economy and the regional economy.

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And in addition, you know, in order to respond to the circumstances as quickly as we could and as outlined initially in the joint letter that I mentioned from the agency heads of our sister energy and climate agencies, we have tried to make near term adjustments to our programs to provide really for the industry. You know, in general a lot of these are you know, in the category of relatively easy to do and somewhat common-sense measures under the circumstances. So, extending project deadlines, adding interim milestones and, in some cases, modifying and accelerating incentives for payment on a milestone basis as opposed to at the end of the project is one thing we have done in a number of areas. There are several energy efficiency programs, and there was a letter that went out to energy efficiency and heat pump stakeholders just at the end of last week, signed by myself and Chair Rhodes from the Public Service Commission indicating some of those modifications that had been made.

We had previously announced milestone payments under the New York Sun Program. These measures, again, are, you know, just really providing flexibility within the current program structure, not altering the top line budgets or program boundaries or conditions in significant ways, but I think they have been, and the feedback we've gotten has reinforced, that they have been very impactful to the ability of the industry to adapt. It certainly reduces the pressure of some timelines that are difficult to meet once, with projects being on pause for construction. It also, again, from, you know, the broader economic downturn standpoint implementing milestone payments can help quite a bit with liquidity and flexibility for the companies operating under those programs. So, we've been trying to be flexible where we can do so and where it's possible to do that within the current framework quickly and certainly with an eye towards managing risk and protecting public dollars as we always do.

I wanted to mention we did announce that we are not presently going to open the RFPs for either the next offshore wind solicitation or large-scale renewable solicitations. The important, I think, thing to take away there is, again, that given the way those solicitations are structured and how significant they are, there is onsite and on-premise work that needs to be conducted in order for parties to input, you know, very good bids and that's not something that we believe can be done safely right now, of course, under the executive order that is in place and the pause on on premise activity. So, you know, the message we really want to send is that we stand ready, willing, and able to do that when the time is right.

So, I don't believe this represents an overall setback to our trajectory to hitting our renewable energy goals. This is a delay that may end up being, you know, as short as weeks depending on, again, what, how the reopening strategy evolves and how we are able to work through that reopening strategy. So, I want to make sure you know that that's understood loud and clear that this is only a temporary hold of the opening of those opportunities while the current, you know, pause on economic activity is underway and we will closely assess when it is advisable to open those opportunities and we certainly maintain our usual sense of urgency to continue making progress towards, for example, the 70% renewable energy by 2030 goal. And, you know, we have worked closely with the industry on this approach and took their feedback into close account to say this is not exactly the right time to open those processes, which do require in some cases travel, in some cases onsite work, et cetera. But we do stand ready to do that when conditions have improved to the point where it's safe to move forward.

I'm going to go quickly through a few more of these. I think they're important, but, you know, mindful of the time.

We have waived some of the documentation that is to complete projects where we could substitute, for example remote certifications for onsite certifications in our ground source heat pump program. We did announce that under the Green Jobs - Green New York Program, we would be modifying the terms, and we haven't released the details of this yet, but we'll be supporting the ability of contractors under that program to offer attractive pricing to homeowners who may want to undertake energy efficiency projects, solar projects, or heat pump installations by supporting a low interest rate loan there under our existing program. And we have been working at looking to modify some of our workforce training programs in order to provide more flexibility and extend timelines, et cetera. We also, I just one last note before I move onto the next slide, we have also been trying to help our clean energy companies navigate the federal resources available, including the paycheck protection program, for example, in close partnership with the Business Council of New York State, which has been very helpful and positive, you know, making sure that small businesses get hands on assistance through some of these opportunities like dedicated webinars with the Business Council of New York experts on these issues to get their questions answered. And, again, we are trying really to provide resources, information, and support as much as we can across the board.

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Okay. So, I'm going to keep going relatively quickly, but, you know, I hope it is clear that New York will continue to make climate progress and clean energy progress a priority.

In recent years, as the Board is well aware, the State has put in place nation leading commitments, and we intend to be able to follow through on those, you know, by making the types of adjustments and support of our industry that I just spoke to, but also looking forward. And I think there's, you know, strong evidence that the State remains fully committed to building clean energy and renewable energy specifically including, and I'll come back to this in a moment, the passage of the Accelerated Renewable Energy Growth and Community Benefit Act in the State Budget which was a significant development for accelerating renewable energy in the State. And that's the type of approach that can be a driver for our economic build back as a State eventually. And we will undertake a lot of thought to how to position clean energy and clean energy construction and clean energy manufacturing as part of the economic recovery strategy for our State.

We will also closely monitor developments at the federal level. That's obviously a dynamic issue, but should there be infrastructure stimulus investments that come out of some of the forthcoming federal legislation, we will look to stay on top of that and make sure that New York is well positioned to capture a significant share of that.

And we're also thinking long-term about, about pivots we can make in our general programmatic approaches. Of course, you know, there are tools and strategies that we may be looking to adopt now out of necessity, but that actually will serve us well in making our programs more cost effective over the long run. We have already heard a number of reports of companies that have identified and adopted technology solutions to do some of the work they used to do onsite remotely, including assessment of residences for things like installation of heat pumps or solar. And those are the types of things that will actually reduce soft costs and improve the cost effectiveness of our clean energy products for the long-term. So, you know, we're going to be putting a lot of thought into what this situation teaches us more generally and what type of program changes we could implement going forward to do better, not just navigating the short term, but also over the long term.

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So, I just want to provide a very brief update on the enacted, the final state enacted budget. I won't spend a lot of time on this it has been covered in media and, you know, there will also be more to come as we move forward.

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But, you know, I think it is, it really is noteworthy to say that in the midst of this historic, and extremely difficult public health crisis that the State faces, that the Governor and the Legislature were able to come together to pass a budget and that budget had significant components related to climate and clean energy, which, again, I think is just an extraordinary testament to the Governor's commitment to making sure that New York will follow through on these issues. At the top of the list, the Accelerated Renewable Energy Growth and Community Benefit Act,

which I will come back to; the Restore Mother Nature Bond Act, which could be a significant opportunity to make strategic investments for the long term; and key resiliency and other environmental protection initiatives, that work is being led by DEC. We also had green tax credits for green jobs, a number of EV investments. And so again, I think setting us up for the long term, even as we faced, you know, really the depths of the health crisis at the end of March.

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The Accelerator Renewable Energy Growth and Community Benefit Act was a high priority for the Governor in his budget proposal this year and he highlighted this at the beginning of his budget address. And, you know, I'm pleased to say that it did not fall to the wayside. It was in fact enacted at the end, as part of the final State Budget. It significantly establishes the new Office of Renewable Energy Siting. We believe this is a first of its kind nationally to set up an office whose sole mission is dedicated to advancing permitting of renewable energy projects specifically. You know, this will be an important part of the State strategy to ensuring that we not only issue solicitations and contracts for cost-effective renewables, but that they are able to work through the permitting and siting process, which is always difficult for any type of infrastructure, with a tool that is purpose built to support renewable energy in light of the State's goals under the Climate Leadership and Community Protection Act.

I think we'll; you know, I don't want to spend too much time on this bill because, you know, there is a lot that is still to be developed. It's relatively hot off the presses, so to speak, and there's a lot of work happening at NYSERDA as well as a number of other agencies to look to the implementing details on this law. So, we will keep the Board and the public, of course, apprised of those updates. There are significant components related to grid planning and transmission that are really a critically important part of the State's overall strategy to move to 70 by 30 and 100 by 40, so that will be an important effort to follow. As well as, you know, important new initiatives around benefits for communities who host renewable energy projects. And again, we'll be working through the details of how those will be implemented, but making sure that there are direct and tangible benefits for communities was a signature part of the Act and will continue to be a high priority for our work as well as the Siting Office and all of our agencies going forward.

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The Act also directs NYSERDA to stand up a new program, the Clean Energy Resources Development and Incentives Program, which will have NYSERDA leading an effort to really direct and try to help develop renewable energy projects on sites where, you know, they can be really beneficial as a reuse, for example brownfields, landfills, abandoned commercial sites, and other previously industrialized properties. There will also be a number of activities we will undertake to, you know, engage with local communities as directed by the Act for those projects. And the goal really is to try to tap into communities who may have sites they want to nominate or where they have goals for renewable energy development, and we can help steer development via this program to those sites, as opposed, in addition to, I should say, you know, the traditional development process as well, which we think could be a huge win for certain communities. So again, in the interest of time, I'm not going to say a lot more about that, but we look forward to,

you know, unveiling more details about that as they come forward. NYSERDA, we'll be filing a petition at some point with the Public Service Commission to set forth the parameters of that program as directed by the law.

Next slide, please.

So, that was a little bit longer than I intended, but again, with the virtual format, we felt to be easiest to run through the entire presentation and then pause for questions and discussion. So, thank you. Richard, back over to you.

Richard Kauffman:

Alicia, that was a really excellent survey. It's really a great report. So, let's open this up to questions from Members of the Board.

Jay Koh:

I just wanted to add from this Member's perspective, you know, the continued sense of the Board, I think, in appreciating first the efforts of essential workers, particularly in the energy sector, across the board and the healthcare sector. It's a very challenging period of time and without energy reliability I think it would be even more challenging overall. And also heartened to see the focus on resilience and also note that just in the just prior Board meeting, before this one, we happily had completed our analysis of cyber security and our remote operations kinds of activities and a continuity that I think is serving us quite well in this environment and applaud the effort of management to quickly moving into this operational phase. So just wanted to emphasize those two points, and to commend management for continuing to be thoughtful in this very challenging environment. And to continue to suggest that the efforts, particularly around the reliability of energy as we face an extreme weather event season starting to emerge here, continue to be focused on maintaining that level of reliability and security, but also congratulations on the execution so far and I'm sure that our thoughts are with all the employees in the Authority and their stakeholders as to their safety and wellbeing.

Richard Kauffman:

Thank you, Jay.

I can't see everybody, so if you have a question please fire away.

Kate Fish:

All right. This is Kate. Can I fire away?

Richard Kauffman:

Kate, you always fire a way.

Kate Fish:

Alright, here goes. So, one comment and one question. First of all, thank you so much. It's exciting to see what NYSERDA and the other agencies have been doing in terms of supporting New Yorkers and moving back to a kind of more normal way of doing things. And the

documents that you've been sharing, we've certainly been sharing them with our networks up here in the Northern part of the State and much appreciated.

So my comment is given the fact that there's a lot of media attention now and certainly a lot of kind of, you know, people more in the advocacy world talking about the fact that it's been so fast that carbon emissions and air pollution has plummeted around the world, and you just see, you know, people are going in New Delhi, you know, the air is clean, LA you can see. And so, there's this kind of opportunity, a short-term opportunity of moving us towards a much, much more clean energy directed economy and not going back to normal in the old way. So, just in terms of messaging and all that, I just think that is such an important, you know, it's such an important opportunity to see what happens when we stop emitting the pollution in the carbon outputs. So, it's just a comment. It's great that you're looking at that and I just want to hyper emphasize how important it is for helping people to kind of rethink what our energy future looks like.

And then the second one is just a question. You mentioned that 106,000 clean energy jobs across the United States have been lost almost 4,800 New York. How does that compare to kind of dirty energy jobs, if I can put it that way? In terms of numbers of jobs lost and I'm assuming they're not lost permanently, but they have been kind of on hold for a bit because when you, anybody know the answer to that?

Alicia Barton:

Yes. Okay. Oh thanks. I was going to say; I think you have to put yours on mute while I talk. There we go.

And so yes, the survey that was done as to clean energy jobs actually did also include a survey of traditional energy jobs as well. And I apologize because I don't have that number handy, but I'm trying to find it. I certainly do hope and expect that these are temporary as you suggested, Kate. But of course, you know, they're, it's a little bit unknown. I think the economic conditions will be evolving quite a bit. And it'll be uneven as to the energy sector, as well as the clean energy sector. So certainly oil and gas are facing different challenges and considerations than we are, then the clean energy industry that I was speaking about, you know, have been and at the same, and by the same token, again, I think, you know, residential focused, clean energy companies, whether they be energy efficiency or solar or heat pump installers, for example, are potentially more likely to be impacted for a longer duration, just given potentially significant reduction in consumer demand for those types of products and services. Particularly if consumers are feeling economically insecure themselves, they may be less likely to undertake significant new investments related to their homes. Again, we don't know, the scope or duration of some of that at this time, but that's what we're attempting to monitor closely and why we are looking at things like lowering the cost of financing these types of clean energy home improvements. So that consumers can get better cashflow and savings earlier on, potentially deferring payments for an initial period and the like, all of those things. So, you know, I think it's going to be uneven. It's not one size fits all as to energy or clean energy at this point in time, but we will be, again, continuing to monitor that data closely and in close coordination and dialogue with the industry about needs and trends.

Thank you for also mentioning that you've been sharing some of the information NYSERDA has been putting out. I neglected to mention previously, we do have a COVID resources page on our website that I think is a good resource and compilation for the informational resources we're making available to companies, as well as, the program modifications and other similar announcements that are important for, for stakeholders to follow.

Kate Fish:

Thank you.

Ken Daly:

Alicia it's Ken. First and foremost, great job by you and the team. A lot of pride in everything you're doing. So, thank you so much for that. And also, to NYPA and certainly the utilities. Great job by everyone.

My question is on kind of a bigger picture, the impact now of lower energy bills, lower energy prices. Do you see that as a net opportunity in that there's more headroom now for clean energy investments or potentially a net risk and that we might see at some of the economic dispatch power plants, you know, oil burning again, you know, for the first time, the whole time, that the energy efficiency programs would be harder to achieve net savings? Which way do you see it going with the current drop in energy bills and energy usage? More opportunity or more risk? And likewise, so things like the auctions, do you see that, um, affecting us from a revenue standpoint as we go forward?

Alicia Barton:

Sure. So, a few things there. I'll start and then I'll ask, you know, other members of my team to jump in as well. So, I think you kind of mostly had three parts about it to that question, and apologies if I missed some, but the sort of the opportunity, the challenge and then, you know, what do we foresee in terms of auction revenues?

I think, you know, it truly is, I think, first of all it's a little bit hard to project. Although we are certainly again doing our best to try to monitor and assess quickly the evolving circumstances, but there is definitely a double-edged sword kind of aspect to the fact that energy prices, you know, broadly speaking, are now very low. Demand is very low. So, that, you know, in some sense, does create that window of opportunity that you suggested where, you know, overall bills may be lower. However, you know, the flip side to that is very much, again, that many businesses and consumers are also going to be impacted by the economic downturn and so that, you know, those lower prices and bills may be a benefit. It may also be a time where there's, you know, sensitivity to increasing prices through new investments in clean energy, for example. And again, I think that's something where we're going to have to monitor.

I think in terms of, you know, whether the low fossil fuel prices will create, you know, conditions where we see, you know, greater generation from dirtier sources of electricity, you know, that is, again, I think there's a few trends that may be at play. Some of them are cross cutting, but you know, there's a couple of things. One is that, you know, load is, appears to be flattening out of it. And as you know, a lot of the dirtier generating sources are in the peaking fleet. So, to the degree that load has been flattened substantially, you know, we are not seeing

necessarily, you know, an increase in those less efficient, higher emitting resources being called upon. They will of course also, you know, our entire fleet in the State is also subject to environmental regulations, including DEC NOx emission rules and the like that will continue to be in place and ensure that we are transitioning to, you know, a cleaner fuel mix over time. But the low commodity prices will probably create a challenging operating environment for all types of generators, including renewable energy generators, who will not be isolated from those price impacts entirely, particularly under some of the programmatic approaches we have in New York, including, you know, the VDR tariff or, you know, the NYSEERDA REC agreements, which, you know, to the degree they were issued as fixed RECs, again, will not insulate those generators from low commodity prices.

The last one I'll try and take on, but again, you know, in the absence of a crystal ball, we don't have a good line of sight on what this might mean for RGGI auction proceeds. The team did look quickly and see that there's really a lot of volatility in what the futures market is looking at for RGGI prices right now. So, you know, we had a March auction that was on March 11, so it was just ahead of the significant downturn that we've seen, and that closed at \$5.65. The futures prices have since that time dipped quite a bit and then come back up. So, you know, I don't think we'll have a good data point on that for you until the next auction occurs, unfortunately. And the futures markets are obviously trying to figure out what they think about it as well because it is fluctuating quite a bit.

I don't know if any of my other team members want to want to add or amend or improve anything I said there.

John Williams:

Alicia, its John.

Maybe just to add, even we do look out, you know, even further futures prices and it is showing in that kind of upper, upper half of the \$5 range. So, if we look at December of this year, it's around five 70. December of next year is still hovering at that same price. Now, what we are in the midst of with RGGI is, you know, we'll be starting to implement some program rule changes that were agreed to by the States a couple of years ago. Those will begin to take effect in January of 2021. So, given that RGGI markets tend to look a little bit longer, you know, those generators and compliance entities are likely looking at what we're anticipating happening with the program over the next several years, reductions in cap and estimating, you know, the availability of allowances. Certainly, I think that, you know, we will likely see still some volatility as Alicia was saying in RGGI pricing, but over the long term I think we're seeing that the market continues to [crosstalk] stay in reductions in the cap over time and [crosstalk] stringency.

Ken Daly:

Great. Thanks, Alicia. Thanks, John. I mean, I think as Kate said, this is clearly a moment in time, and I think it's a huge opportunity as people start to make decisions on the margins as to where to invest as we go forward. So, great job, I loved your slide where it said clean energy as the engine of economic recovery. Really believe that's where it's heading.

Richard Kauffman:

I'd like to call on Gil and John Rhodes if they want to make any comment about the environment or things that they're seeing.

Gil Quiniones:

Thank you. Thank you, Richard. And good to see everyone.

I agree with Alicia. I think it's, on the one hand, a lot of businesses are going to be stressed, you know, in term of just their prospects. So that means that, you know, if they don't really get a lot of stimulus dollars to get them back to shape they will probably less likely to, at least in the short term, to invest in a project that requires upfront investment, even though, you know, we're giving, rebates or incentives to buy down those first costs. So that's my first worry is that businesses who usually are inclined to invest in clean energy may hold back because of the economic shock. You know whether this is a V a U or a Nike swoosh recovery, you know, no one really knows. So, that's one of my concerns and I really would like to commend Alicia. Alicia really took a leadership role in convening all of us energy and environmental agency heads to write that letter. Alicia and her team have been leading in reaching out to the clean energy service providers and really do the surveys, understand where they are and what they need to, you know, help them in these very difficult times. But I think long term, you're right. I think New York, you know, we are, we know, and we believe in our long-term goals in terms of our clean energy and environmental goals. And we will do so, and we will hit the ground running once the un-pause is going to start to be lifted on a regional basis.

NYPA you know, the first thing we did was to make sure we shored up our liquidity, and be able to deal with any uncertainties that may come before us going forward. In fact, as we speak, we're in the process of raising bonds and we're about to price that tomorrow and close in early May. And we are also participating in doing surveys with our customers and clean energy provider partners to make sure that we are ready to hit the ground running once the pause mandate is lifted. So that's kind of where we are at NYPA. We're trying to make sure that the power is flowing to keep our generation and trends and transmission assets going no matter what.

Back to you, Richard.

Richard Kauffman:

Thanks, Gil.

John Rhodes, do you have general thoughts you'd like to share?

John Rhodes:

Thank you. Okay. I've been un-muted. Thank you. Yeah, I appreciate that.

So, obviously, I think that Alicia's already said most of what needs to be said. This is obviously, it's a really awful set of circumstances, but if you're looking for some silver lining, it's that the State, the different parts of the State, in general on the COVID mission and the energy environment agencies together have, we thought we were working closely before, but it turns out we've been able to work even more closely. So, you know, Alicia correctly points out a lot of

great things that we've done. And, you know, those were developed, you know, by all of us. And, you know, Alicia probably doesn't take enough credit for herself, but she of course is a driving force behind the quality of much of that work. And I hate to give a shout out to Gil, but so is he, and so is Basil.

On the environment that we see, I guess there are two main points. I actually believe that there's a mix of headwind and tailwind when it comes to clean energy. I do think that the things that depend on other New Yorkers, households or businesses investing their own money in our agenda that's going to face a tailwind. We're clearly headed for, you know, some, some pretty powerful economic times whether short and sharp or more extended. And we're already seeing the wealth effect happen. And I just think spending will slow down, including on spending on the kind of projects that matter. So that there's probably a headwind for things like energy efficiency and heat pumps and the like, which is going to call for an adjustment for all of our programs in those sectors. Obviously, we need to achieve, but we need to achieve realistically. So, we have to adapt our program design for that reality. And that's really a joint assignment for the utilities and for NYSERDA, both of whom are really significant program administrators in this area.

I actually think that, despite some points of concern, I think on transmission and renewables there's maybe a bit of a headwind, a tailwind. I think that's going to be safer work, that's safe enough to come back early. I think we're going to see host communities with an enhanced appreciation of the stimulative effects for that kind of investment when there may not be great other sources of that kind of investment. And I suspect we'll see, you know, sharp competition. And in many respects, good prices. At the same time, I'm also aware that the financial markets are in turmoil. And to the extent, which is a great extent that finance is really important element in the economic viability of those projects. And there are some, there's some points for concern as well.

And then the final point is that, you know, the State's own, the State is, you know, the fiscus. Its own economic reality is certainly much more damaged compared to when last we met. I believe then the budget deficit was manageable, shy of \$4 billion. Now we're talking much larger numbers. And there's going to be an even more heightened attention on cost effectiveness and the like. So, really in these terrible times, the silver lining is even better teamwork, I think a mix of both headwind and tailwind on our agenda, and an economic reality that's much more, it's going to be much more cost sensitive, even though we were always cost sensitive, but the dial has been turned a bit.

Thank you, Richard.

Richard Kauffman:

Alright, thank you John.

Basil, doors open for you, if you have thoughts.

Basil Seggos:

You guys hear me?

Richard Kauffman:

Yes.

Basil Seggos:

Hi, Richard. Hi, everybody.

I can't say any better than frankly Alicia, Gil, and John. I've already stated we're in a very unique time and I too believe that the State's fiscal picture is going to be very difficult one, but in communicating the importance of the environment and the future through the Climate Leadership Act and all the work we have underway on climate, I think that on us, it's going to be very important for us to come out of this articulating exactly how we think clean energy is part of the solution moving forward with the State's budget and the State's economic picture from now until eternity. So, I think we're well positioned to do that. We've got a great head start. We're not discovering this in 2020. We've been at it for 10 years. And assuming, you know, everything we've done to this date has been accurate and I think it has, you know, notwithstanding the slowdown, I think we've put the State in a good position to rebuild its economy using clean energy principles.

And I applaud everything that the whole team has done. Alicia's been doing a fantastic job over this month. Gil, as well, protecting these workforces, keeping the energy on. And John for everything he's done to begin adapting. So, it's good to have a strong team. We have a great team here, a great Board. We're all, you know, on edge right now with the virus being as it is and being on lockdown, but I'm confident we have the right or the right energy to pull out of this together.

So, thanks for convening this electronically when we were looking to keep this open.

Richard Kauffman:

Thanks, Basil.

So, are there any questions or comments?

Alicia Barton:

Richard, I was gonna, if I may just weigh in, just it'll be very brief. I wanted to piggyback on one thing that the Basil's comments triggered for me, which I failed to mention before and I don't think came up. But I do think the other, if you're looking for silver linings, kind of a dynamic here is that, you know, the value proposition for clean energy as something that is much better from a public health standpoint than the current, you know, energy mix that we have. Whether we're talking about, you know, power plant emissions or vehicle emissions and the like. I think the, you know, perhaps the broader public focus on public health will be reinforcing to market demand for clean energy products, which again, will have a higher value proposition I think. And, you know, the data, certainly the public health data, is certainly very, very clear about the tie between air pollution and respiratory health. And unfortunately, the conditions that have made the individuals with respiratory conditions even more susceptible to this particular flu

virus. So, I do think there's, you know, again, potentially, you know, a reinforcement of the benefits of clean energy that could come out of this as well.

Kate Fish:

Alicia, could I add just quickly on that? Because I think you're absolutely right on. And as you know, this crisis has kind of illuminated a big crack, two big cracks, in the economy. One of them is the fact that, you know, we're totally reliant on the workforce that is being hardest hit. And this is primarily people of color, people who live in low-income neighborhoods, et cetera, or don't have this flexibility. So, as we come out of this and there's a lot more public discussion about equity in our financial, you know, as we rebuild, I think that's a critically important point that pollution levels now are much lower than they have been. And there's a corresponding, you know, improvement in, you know, in kids' asthma rate and things like that. I think that's something that really needs to be kind of factored in as we think about how to rebuild from this.

Thank you.

Richard Kauffman:

Okay. So, if there aren't any other comments or questions, I'd like to go to the next item on the agenda, which is a report on the items considered by the Audit Finance Committee. The Committee's Chair Jay Koh will present this item. Jay?

Jay Koh:

Thank you. Richard.

The Committee met earlier today, and a quorum was present throughout the meeting.

The Committee heard a detailed presentation from KPMG on its proposed process for conducting the fiscal year 2019 to 2020 independent audit of the Authorities financial statements and the New York Green Banks financial statements. The Committee was able to ask questions and thought the approach was reasonable and that the final financial statements would meet the requirements of the Public Authority Accountability Act and the State Comptroller's regulations, including the delivery of all required opinions.

The Committee also received a report from the Authority's Director of Internal Audit Mary Peck on her proposed Internal Audit Plan for fiscal year 2020 to 2021. Following a discussion, the Committee voted to approve the 2020 to 2021 Audit Plan.

That concludes my report from the Audit and Finance Committee.

Richard Kauffman:

Are there questions for Jay?

Okay, great. Thank you Jay.

So, we now turn to the Consent Agenda. There is one resolution to be considered. Resolution Number 1585 would approve the Periodic Contracts Report, which was included in your meeting

materials. Resolution Number 1585 would approve the Periodic Contracts Report. Counsel's Office has compared the list provided by Members of entities with which each Member is associated that he or she believes may enter into contracts with NYSERDA to the list of contracts in the Periodic Contracts Report. Counsel's Office reports that there are no potential conflicts.

Are there any questions on these items?

In that case, may have a motion approving Resolution Number 1585?

Jay Koh:

So, moved.

Ken Daly:

Second.

Richard Kauffman:

Thank you.

When Peter calls your name, please indicate whether you are in favor by stating "Aye" or opposed by stating "No". Peter?

Peter Costello:

Thank you, Mr. Chairman.

Authority Chair Richard Kauffman.

Richard Kauffman:

Aye.

Peter Costello:

Vice-Chair Gil Quiniones.

Gil Quiniones:

Aye.

Peter Costello:

Shere Abbott.

Sherburne Abbott:

Aye.

Peter Costello:

Chuck Bell.

Charles Bell:

Aye.

Peter Costello:

Ken Daley. [Pause]. Ken Daley.

Richard Kauffman:

You're on mute. There you go.

Ken Daly:

Aye.

Peter Costello:

Thanks, Ken.

Commissioner Dominguez.

Marie Therese Dominguez:

Aye.

Peter Costello:

Thank you, Commissioner.

Kate Fish.

Kate Fish:

Aye.

Peter Costello:

Jay Koh.

Jay Koh:

Aye.

Peter Costello:

Chair Rhodes.

John Rhodes:

Aye.

Peter Costello:

Thank you.

Commissioner Seggos.

Basil Seggos:

Aye.

Peter Costello:

Thank you.

And Mark Willis.

Mark Willis:

Aye.

Peter Costello:

Mr. Chairman, the Resolution is passed.

Richard Kauffman:

Thank you.

Okay. So, the last item on the agenda is other business. Are there any other matters the Members would like to discuss? Going once. Going twice. Okay. In that case, we are going to have another meeting in June, is that correct?

Peter Costello:

Yes.

Richard Kauffman:

Okay. So, Alicia, obviously if there's anything that you need from any of the Board Members between now and June, please let us know. Thank you very much.

So, in that case, I'd like to have a motion to adjourn the meeting.

Jay Koh:

I'll make a motion.

Richard Kauffman:

Yes. And all in favor?

Group:

Aye.

Richard Kauffman:

That's. Okay. Any opposed? [Pause]. Alright. The meeting is adjourned. Thank you all very much.

Various:

Thank you.