



Legislation Text

File #: Res 0366-2024, **Version:** *

Res. No. 366

Resolution calling on the Governor of New York to ensure that the State of New York meets its CLCPA target to obtain 70 percent of its electricity from renewable sources by 2030 without negatively impacting low-income communities and New York City ratepayers.

By Council Members Gennaro, Restler, Nurse, Avilés, Brewer, Krishnan, Cabán, Banks, Hanif, Farías and Abreu

Whereas, The Climate Leadership and Community Protection Act (CLCPA) was passed by New York State in 2019 to address climate change; and

Whereas, In an effort to combat climate change, the CLCPA requires the New York State Public Service Commission, the State's utility regulator, to establish a program to obtain 70 percent of its electricity from renewable sources by 2030 and to have 100 percent of its electricity demand system be zero emission by 2040; and

Whereas, The CLCPA additionally set goals to reduce emissions to 40 percent below 1990 levels by 2030 and 85 percent below 1990 levels by 2050; and

Whereas, Following the passage of the CLCPA in 2019, 90 renewable-energy projects had been granted \$10 billion in subsidies paid for by the State's utility ratepayers to help reach the CLCPA's goals; and

Whereas, As of the fourth-quarter of 2023, the developers managing these 90 renewable-energy projects requested an additional \$12 billion in subsidies, due to rising costs and supply chain disruptions, and expressed that without these additional subsidies the developers will be unable to fulfill their contracts with the State; and

Whereas, On October 12, 2023, the New York Times reported that the Public Service Commission refused to grant the additional \$12 billion in subsidies to the developers of those 90 renewable-energy projects and that New York State Governor Kathy Hochul expressed support for this decision; and

Whereas, According to the Public Service Commission, providing additional subsidies to these developers would adversely create additional costs for New York state utility ratepayers; and

Whereas, According to the New York Offshore Wind Alliance, a coalition of organizations that promote the responsible development of offshore wind power for New York, denying these developers additional funding puts these renewable-energy projects in “serious jeopardy”; and

Whereas, Following the Public Service Commission’s announcement, several developers contracted by the State, including Equinor and Ørsted, backed out of prior bids for offshore wind projects; and

Whereas, On October 12, 2023, The New York State Energy Research and Development Authority (NYSERDA) called for a fourth auction round for several offshore wind power projects, which ended on January 24, 2024, including mechanisms that account for inflation, and resulted in contract rebids from several developers; and

Whereas, On February 29, 2024, Governor Hochul announced that the State awarded two offshore wind projects to developers Equinor and Ørsted/Eversource, who had previously been awarded projects in 2019 for Empire Wind 1 and Sunrise Wind, respectively, and had submitted rebids that will be held to new contract provisions; and

Whereas, In addition to the two projects awarded contracts on February 29, 2024, a third project, Community Offshore Wind 2, has been waitlisted and may be considered for award and contract at a later date; and

Whereas, In a joint letter from environmental and community not-for-profits, New York City Environmental Justice Alliance, UPROSE, and The POINT CDC, the letter stated that “significant delays for critical energy projects disproportionately impact the health and well-being of communities suffering from fossil fuel power generations”; and

Whereas, This joint letter went on to state that “contract adjustments do not have to burden low-income communities” and urged that the State seek “alternative avenues for funding contract adjustments that eliminate

or minimize ratepayer impacts”; and

Whereas, Six natural gas-fired peaker power plants, which emit nitrogen oxide and carbon dioxide, operate in Queens, the Bronx, and the Harlem neighborhood of Manhattan, and there are concerns that environmental justice communities in these neighborhoods could be disproportionately affected by delays in meeting CLCPA goals; and

Whereas, New York State should further the CLCPA’s goals without hurting low-income and utility customers; and

Whereas, The State should research and pursue available federal funding options to offset the cost of contract adjustments without increasing ratepayer expenses, similar to grants included in the Inflation Reduction Act of 2022, which made available approximately \$30 billion in targeted federal grant and loan programs for states and electric utilities to accelerate decarbonization; now, therefore, be it

Resolved, That the Council of the City of New York calls on the Governor of New York to ensure that the State of New York meets its CLCPA target to obtain 70 percent of its electricity from renewable sources by 2030 without negatively impacting low-income communities and New York City ratepayers.

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3/20/2024 1:00 PM