Doreen Harris, Acting President and CEO New York State Energy Research and Development Authority (NYSERDA) Fiscal Year 2021-2022 Joint Legislative Budget Hearing Testimony January 27, 2021

Good afternoon, Chair Krueger, Chair Weinstein, and members of the Committees. Thank you for the opportunity to testify before you today. I am Doreen Harris, Acting President and CEO of the New York State Energy Research and Development Authority (NYSERDA), I look forward to continuing to work with the Legislature on the many critical climate and energy issues facing our state and nation.

2020 was truly an extraordinary year, by any measure, as we witnessed the impacts of the colliding public health and climate crises that have rippled through our economy and our communities, disproportionately impacting our vulnerable citizens.

Under his steady leadership and guided by the state's landmark Climate Act, Governor Cuomo has charted a clear path forward, aligning New York's nation-leading clean energy and climate goals with a new imperative to rebuild our economy back from the devastation of the COVID pandemic. I am highly optimistic as we focus our work in realizing a more equitable clean energy future that we will continue to build on New York's robust momentum in growing our green economy, which has received national and global acclaim.

The Climate Act established the Climate Action Council, which I co-chair with DEC Commissioner Seggos, and is charged with developing a scoping plan to reduce economy-wide greenhouse gas emissions, meet the State's ambitious clean energy targets and place New York on a path toward carbon neutrality – all while centering support for, and delivery of benefits, to disadvantaged communities. This year, the sector-specific Advisory Panels and the Just Transition Working Group formed by the Council began their work providing recommendations to achieve the Climate Act targets and to help ensure an equitable transition for New York's workforce and communities. I am happy to report that despite the challenges we faced in 2020, the work of the Council is well underway, and we are aggressively moving forward with our efforts and actions. And, in accordance with the Climate Act, NYSERDA has taken steps to ensure that we are advancing initiatives that deliver a minimum of 35 percent, with a goal of 40 percent, of benefits to disadvantaged communities.

As we look ahead, advances in offshore and land-based wind, solar, energy storage, energy efficient buildings, and clean transportation will provide new opportunities for NYSERDA to make progress as we fight for healthier communities powered by clean energy and a more resilient and inclusive economy for all — with all those areas buttressed by cross-cutting activities like workforce development and community engagement. We have set our sights on long-term targets to decarbonize our economy aligned with immediate actions to make it clear that New York plans to meet its ambitious goals to fight climate change and build an inclusive clean energy economy at the same time.

NYSERDA is rapidly advancing its critical work to achieve Governor Cuomo's 70 percent by 2030 renewable electricity goal, through the development of 6,000 megawatts of solar, 3,000 megawatts of storage, 9,000 megawatts of offshore wind alongside a 2025 statewide energy efficiency target of 185 trillion BTUs of cumulative site energy savings.

We broke new ground in 2019 with the announcement of NYSERDA's first offshore wind awards to Empire Wind and Sunrise Wind, which will generate nearly 1,700 megawatts of clean renewable electricity. Building on this milestone, Governor Cuomo recently announced the results of our second offshore wind solicitation along with the awards of the co-issued large-scale land-based clean energy standard solicitation. These solicitations resulted in two offshore wind and 24 large-scale land-based clean energy project awards, totaling more than 4,700 megawatts of clean energy, representing enough new renewable capacity to power nearly two million New York homes. The combined awards constitute the largest competitive procurement of renewable capacity in the nation. We are also thrilled that the recent offshore wind awards will launch the first significant in-state manufacturing and assembly operations facilities located at the Port of Albany and South Brooklyn Marine Terminal, in addition to activity already underway at the Ports of Coeymans, Montauk, and Port Jefferson— an embodiment of growing a robust green economy and strong green jobs here in New York.

Combined with public and private investment in New York port facilities, these offshore wind and land-based renewable energy awards are expected to spur nearly \$14 billion in direct investments, while creating over 8,600 good-paying short- and long-term jobs. These projects break new ground, in line with the CLCPA goals, by focusing the economic growth and job creation power of renewable energy to prioritize hiring in environmental justice areas and delivering benefits to disadvantaged communities. All awarded large-scale renewable projects

will be required to meet prevailing wage requirements and the offshore wind developers will negotiate Project Labor Agreements for project construction to help stimulate the State's economic recovery from the COVID-19 pandemic.

These awards build on four consecutive years of annual renewable energy procurements that will deliver dozens of large-scale renewable energy projects over the coming decade. New York now has a contracted pipeline of more than 31,000 gigawatt hours (GWh) of large-scale renewable generation projects, with additional contributions expected from distributed energy resources. Once operational, these projects, coupled with the existing renewable generation, are expected to deliver 50 percent of the State's power from renewable sources, in pursuit of the 70 percent renewable by 2030 target codified by the Climate Act.

Over the past decade, our NY-Sun program has helped make New York a national leader in distributed solar development, and despite the pandemic, 2020 was a very productive year for solar installations. We are well on our way to achieving our target of 6,000 megawatts by 2025. We recently crossed the 2,500-megawatt mark for installed projects, which are bringing environmental and economic benefits from Long Island to Buffalo and have an additional 2,000 megawatts in the development pipeline. Under Governor Cuomo's leadership, New York State has become one of the nation's foremost markets for developing Community Distributed Solar generation. New York ranks second among states for overall Community Solar capacity and has a robust pipeline of Community Solar projects underway. In addition, New York was #1 in completed megawatts of Community Solar in the first three quarters of 2020.

Governor Cuomo recently announced the launch of a new large-scale renewable energy procurement program which will allow New York City to decarbonize its electricity supply. The new large-scale renewable energy program, known as Tier 4, is set up to promote environmental justice and reduce carbon emissions to combat climate change, improve local air quality, and support the State's economic recovery.

We are similarly proud of our work and commitment to support increased deployment of energy efficiency solutions and clean heating and cooling technologies. This past July, NYSERDA, in conjunction with the State's investor-owned utilities, launched a new initiative to increase access to energy efficiency and clean energy for low-to-moderate income (LMI) households and affordable multifamily buildings. This statewide framework, which will more than double the number of LMI households and multifamily buildings receiving energy

efficiency services, will invest nearly \$1 billion through 2025. The coordinated effort will result in cleaner and healthier indoor air quality and help residents and building owners reduce energy costs, including more than 350,000 low-to-moderate income households throughout the State. It will also provide increased access to energy efficiency for homeowners, renters, and affordable multifamily buildings by developing clean heating and cooling solutions through advanced research and funding for pilot programs and demonstration projects. This builds on New York's nation-leading building electrification Clean Heat Implementation Plan that will invest nearly \$700 million to advance a variety of heat pump technologies.

As you can see, clean energy is already increasing on a rapid trajectory across the entire State. The 2021-22 Executive Budget recommends up to \$22.7 million in authorized funding for NYSERDA to support critical research and development and new clean energy businesses throughout New York. This funding also supports the State's energy planning functions, such as the State Greenhouse Gas Inventory and the State Energy Plan, and other purposes authorized in the enabling legislation.

This year's Executive Budget also recommends \$20.5 million for ongoing nuclear waste cleanup at the West Valley site in Cattaraugus County, an increase of roughly \$2.3 million. Over the past four decades, NYSERDA has managed and protected New York State's interests at West Valley. Demolition, remediation, and containment work on the West Valley Demonstration Project is ongoing in partnership with the federal government and this funding is critical to ensure responsible decommissioning of this facility. Our costs at West Valley are largely dictated by a federal match requirement and this amount reflects the funding level necessary to meet the federal appropriation and NYSERDA's other commitments at West Valley during the 2021-2022 federal fiscal year.

I am extraordinarily proud of NYSERDA's leadership in advancing clean energy and climate solutions on behalf of Governor Cuomo and the people of this great State, and my pride extends to the great partnerships we have forged with sister agencies. Clean energy is a vital component of New York's economic future, and these historic actions will generate billions of dollars of investment, thousands of new family-sustaining green jobs, and a cleaner, more resilient economy. As we build back our economy better with clean energy infrastructure and people-focused investments, the nation and the world will be watching, and our actions will once

again affirm New York State as a leader in clean energy, environmental protection, and the fight against climate change.

This concludes my opening remarks, and I will now turn it over to Public Service Commission Chair John Rhodes for his opening remarks.

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