



October 12, 2023

Statement on Renewable Energy Contract Prices

New York City Environmental Justice Alliance (NYC-EJA), UPROSE, and The POINT CDC are concerned about the Public Service Commission's (PSC) rejection of adjustments to contracts for offshore wind, land-based wind, and solar PV projects that have received renewable energy awards under New York State Energy Research and Development Authority solicitations. Renewable energy developers must now work individually with the PSC to evaluate project viability and adjust, rebid, or shift renewable energy awards.

The Public Service Commission is right in rejecting renewable energy contract price hikes averaging 48 to 71 percent without further evidence from developers, but the PSC ought to ensure that New York will be able to meet the 70 renewable generation by 2030 mandate. Inflation and post-COVID supply chain disruptions have impacted every sector in New York. Low-income communities have borne the most from disproportionate public health impacts and rising costs of living. We understand there may be certain cost changes for renewable energy projects, but such a proposal will significantly impact low-income ratepayers.

Significant delays for critical renewable energy projects disproportionately impact the health and well-being of communities suffering from fossil fuel power generation. More years of poor air quality will only exacerbate poor health outcomes for Black and Brown communities, and other communities of color. It is also a lost opportunity for a Just Transition for places like Sunset Park and Hunts Point, where offshore wind projects may be a transformative opportunity to ensure that communities most impacted by pollution can grow and flourish under a new green re-industrialization.

New York can and must pursue a precise strategy regarding price modifications to protect ratepayers and communities from modeling and contractual mistakes made by private renewable developers and state agencies. Price hikes must be justified and issued on a project-by-project basis in order to protect communities already struggling with the compound effects of high energy burden and air pollution.

Projects that are not truly viable could be wholly reevaluated without sacrificing their place in the interconnection queue to achieve the 70% renewable energy by 2030 state mandate, and mature projects must be reevaluated on a project-by-project basis. By focusing resources on more developed and financially responsible projects, New York State can guarantee that the awarded contracts harmonize with the necessary protections for disadvantaged communities.

Contract adjustments do not have to burden low-income communities. As reflected in Public Utility Law Project’s comments to the Commission on this matter, there are alternative avenues for funding contract adjustments that eliminate or minimize ratepayer impacts. Furthermore, New York now has the capacity and capability to utilize the full power of publicly-owned renewable energy and energy storage development through the New York Power Authority and the Long Island Power Authority with incentives from the Inflation Reduction Act of 2022.

NYC-EJA, UPROSE, and The POINT urge all parties involved to carefully chart a path forward on a just transition for the energy sector. Pursuing contract hikes in a surgical manner that protects New York’s most vulnerable communities is necessary for the future of New York and to meet the mandates of the Climate Leadership and Community Protection Act.

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