



September 26, 2003

Hon. Eleanor Stein  
Administrative Law Judge  
New York Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

Re: Case 03-E-0188 Proceeding on Motion of the Commission to Establish a Retail Renewable Portfolio Standard

Dear Judge Stein,

Pursuant to your instructions in “Further Ruling Concerning Schedule and Procedure” (September 19, 2003) in this proceeding, RETEC hereby submits the *Comments of the Renewable Energy Technology and Environment Coalition (“RETEC”)*. RETEC is also serving these comments on the Active Party list electronically.

The comments include three parts: 1) the comments themselves, 2) Appendices A through I, and 3) other attachments including affidavits from Allen Hershkowitz (NRDC), Sam Swanson (Pace Energy Project), and Timothy Logan (New York City Environmental Justice Alliance), and copies of U.S. DOE’s *A National Vision of America’s Transition to a Hydrogen Economy* and U.S. EPA’s *Solid Waste Management And Greenhouse Gases, A Life-Cycle Assessment of Emissions and Sinks*. These last two reports are two of the four we have requested be placed in the administrative record. Copies of the other two are included in our appendices.

Please note that we included our opposition to positions taken by the Joint Utilities in their September 15, 2003 letter to Active Parties in this case in Section X of our comments. For ease in accessing our position, it is restated here.

RETEC strongly disagrees with the approach outlined in the Joint Utilities’ letter of September 15, 2003. The Joint Utilities suggest that the Recommended Decision should represent, at most, an “interim” decision subject to change on the basis of an endless loop of working groups. Joint Utilities letter at 5-6. After the submission of three rounds of comments (including factual submissions), extensive information requests and responses, and intensive working group sessions, the record of this decision will contain more than enough information to allow the issuance of a Recommended Decision that will thoroughly explore the policy issues underlying the RPS, answer the questions posed by the Commission’s Instituting Order and make recommendations to the Commission about the central design issues for the New York RPS. In particular, the cost/benefits studies prepared by Staff, Joint Utilities and RETEC, which will have been subject to response and rebuttal by the end of the comment process, will provide more than enough information on the net economic impact of the RPS. There is no need for an

ongoing working group on costs. We understand that the Recommended Decision may not address every detail of the RPS. However, that is not a justification for viewing the Recommended Decision as provisional in any sense.

Neither do we agree with the Joint Utilities' assertion that the proceeding should not move forward prior to more work by the active parties on reliability issues. RETEC believes the NYISO (along with the NYPSC and FERC) is the most appropriate institution to address reliability issues. The NYSERDA/NYISO study on integrating wind resources is underway and can be expected to address any relevant issues that arise. RETEC believes exploring reliability issues in detail within the RPS proceeding would be an unnecessary duplicative administrative effort. In addition, decisions on basic RPS design issues need not wait for completion of the NYSERDA/NYISO study, and doing so would needlessly delay implementation and potentially increase costs. RETEC is confident that the NYISO can and will address any reliability concerns as needed. The RPS targets are set to ramp up over time and will allow for advance planning and system reliability studies, such as those already required of major projects. The question of reliability is really a question of cost and of planning. The need for ancillary services and the changes in market prices that occur as the mix of generation resources change are not unique to renewable resources. Fairly large amounts of wind can be integrated into a system without jeopardizing the reliability of the grid and it can be done at reasonable cost. The blackout should not be used to set back a policy initiative that so clearly can be used to strengthen the State's energy security. While the exact causes of the blackout remain unknown at this time despite much speculation, we do know that it was not caused by renewable resources, nor by a lack of available generation within New York.

We do, however, agree with the Joint Utilities that Working Group 4 might productively reconvene to try to reach further consensus on renewable energy credit trading issues, with the goal of getting a jumpstart on the more detailed decisions that will have to be made during the implementation phase of the proceeding. Issuance of the Recommended Decision, however, should not await the outcome of any further Working Group 4 meetings.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nathanael Greene". The signature is fluid and cursive, with the first name being the most prominent.

Nathanael Greene  
Senior Policy Analyst  
On behalf of RETEC

Cc: Hon. Jaclyn A. Brillling, Acting Secretary  
Active Parties (via email)