



PULP

Public Utility Law Project

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March 28, 2002

VIA E-Mail and US Mail

Hon. Eleanor Stein
Administrative Law Judge
Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

Re: Case 03-E-0188 – Proceeding on Motion of the Commission
Regarding a Retail Renewable Portfolio Standard.

Dear Judge Stein:

The Public Utility Law Project (“PULP”) is a not for profit legal services organization representing the interests of low-income residential electric and gas customers and low-income communities in various State and federal forums. We are supplying this letter in response to the February 20, 2003 Ruling concerning Procedure and Schedule and the subsequent march 6, 2002 Ruling Revising Schedule. Together these Rulings sought a statement from each party identifying, to the extent possible, that party’s principal interests.

PULP has participated in several conference calls and in reviewing the drafts used in the development of the Comments being submitted today by the Renewable Energy Technology and Environmental Coalition (RETEC). We support the focus of those comments on the environmental, energy security, and economic benefits to be gained from the implementation of a Renewable Portfolio Standard (“RFP”) in New York. We also recognize and endorse the emphasis in those comments on the enhancement of these benefits where a diversity of resources are used to meet the RPS. PULP supplies these comments to reflect its focus on certain items not necessarily the focus of RETEC statement.

PULP welcomes the significant step to be taken through this proceeding to implement standards by which the generation mix for electricity consumed in New York will be altered to reflect the policy choices represented by the RPS. As the Commission’s

February 19, 2003 Order Instituting Proceeding recognized, only 17% of the New York State's electricity is provided by renewable resources today, and this portion is down from the 25% share for renewables achieved in the State in the 1960s. The current mix of generation sources and any further continuation of this mix imposes significant environmental burdens on low-income communities. This burden arises, first, because the siting of large generating stations, and in particular the siting of such facilities in urban areas, often places these facilities in low-income communities. This historic pattern is likely explained by the existing the land use patterns in these communities which may often favor such development and because these communities often lack the political influence to alter these patterns.

Second, the incremental burden on air and other environmental resources created by fossil fueled generation is additive to the burden imposed by other emissions sources, especially automobile and other transportation sources. Low-income communities in proximity to major transportation corridors often bear a particularly large burden from these other sources and, as a result, the incremental impacts from the current fossil fuel dominated generation mix are particularly acute in these areas.

In short, in PULP's view, the continuation of the status quo will create a significant environmental harm and a harm that is significantly felt by low income communities. Accordingly, PULP welcomes the improvements promised by the implementation of the RPS. We would welcome any acceleration of the schedule by which the initial goal for the program will be met. We are also anxious that the proceeding explicitly reject any suggestion that this initial goal is a cap on the extent to which renewables generation will supply electricity to New Yorkers in this 10-year planning period described by the Commission's Order. It is possible that changes in fossil fuel costs or availability or in renewables technologies may make the further introduction of renewables generation attainable. Nothing in this proceeding should preclude renewables development in such a changed environment.

In these comments, PULP also emphasizes the need to distribute the incremental costs, if any, created by implementation of the RPS across the full range of electric customers. Thus, these costs would be imposed on customers served by ESCOs and those who continue to receive service from the traditional regulated utilities. Similarly, industrial and commercial customers, as well as residential customers, should pay the costs, if any, associated with the RFP. While we believe that implementation of the RPS will provide benefits for low-income customers and communities, the RPS will be fundamentally a Statewide program providing benefits to all customers. Accordingly, the costs of the RPS, if any, must be distributed to all customer classes and to all regions of the State. Within customer classes, PULP recognizes that the costs and benefits of statewide programs have traditionally been distributed on a per kWh basis. The RPS costs, if any, must also be distributed on the same basis.

In the development of the RPS and, in particular, in the use of distributed resources or technologies on the customer side of the meter, PULP anticipates that the aggressive RPS program being designed will focus initial efforts on research and development, pilot

projects or studies focused on specific markets. Historically, similar efforts have deferred or avoided the focus of research and development, or the placement of these pilots or studies in low-income communities. Consequently, complications created by implementation in these communities are often overlooked or ignored. When a broader implementation of the program is at hand, the ability to bring the program to low-income consumers is often far behind in development, stymied by market failure or lack of investment. Consequently, as technologies or initiatives shift out of the pilot or design stage they are often unable to adapt to the needs of low-income customers or communities. In PULP's view, the introduction or support of community or customer based technologies to implement the RPS should be accompanied by targeted efforts to assure that these technologies are adapted to and equally available to low-income customers and communities.

Very truly yours,
/s/

Ben Wiles

Cc: All parties by e-mail