Large Scale Renewables Procurement on New York State’s Path to 70% Renewable Energy by 2030 and 100% Carbon-Free Electricity by 2040

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To: Clients and Colleagues
From: Carson Robers, Senior Consultant; John Dalton, President; and Ami Khalsa, Consultant

While the announcement of combined solicitations for 4,000 MW of offshore wind (NYSERDA) and land based renewables (NYSERDA & NYPA) on July 21, 2020 was historic, this is the continuation of a ramp up in renewables procurement in New York State and indicative of what is required for the state to meet its goals established in the Climate Leadership and Community Protection Act.¹ In the last three years, 2017-2019, NYSERDA has contracted about 6,000 MW of large scale renewables. The state’s procurement will not stop in 2020. NYS will continue to be an attractive market for clean energy development offering opportunities for long term contracts.

Additional contracting opportunities to NYSERDA’s centrally administered solicitations (noted in Figure 1) include procurements by the New York Power Authority, Long Island Power Authority and institutional buyers such as the New York Higher Education LSRE. To contextualize this recent procurement and where the state is heading on its path to achieving 70% renewables by 2030 and 100% carbon-free electricity by 2040, Power Advisory offers the following summary timeline highlighting NYS’s climate and energy policies; solicitations and awards; as well as related clean energy announcements from recent years.

Figure 2: New York State Clean Energy Timeline

- **Climate Leadership and Community Protection Act (CLCPA)**
  - Enacted: July 18, 2019
  - To put the state on a path to beyond an 85% reduction in statewide GHG emissions by 2050, in part, the CLCPA increased the Clean Energy Standard to 70% renewable energy by 2030 and 100% carbon-free by 2040. It also formalized expanded procurement targets for 9,000 MW offshore wind by 2035, 3,000 MW storage by 2030, and 6,000 MW of solar by 2025.

- **White Paper on Clean Energy Standard Procurements to Implement New York’s CLCPA by NYDPS & NYSERDA**
  - Released: June 18, 2020
  - Identifies program changes for alignment with the CLCPA; implementation of Tier 1 and offshore wind procurement targets; cost and benefit analysis of RES and OESW achievement; repowering proposal; Tier 4 proposal (new class for delivery to NYS); and competitive Tier 2 for existing resources.

- **NYSERDA LSR Conversion Petition (Voluntary Conversion of Existing Fixed REC to Index REC Price Terms)**
  - Filed: August 10, 2020

- **RESRFP17-1**
  - RFP: June 2, 2017
  - Contracts announced:
    - March 2018: 1,393 MW total (22 solar, 1 hydro, 3 onshore wind)

- **ORECRFP18-1**
  - RFP: November 8, 2018
  - Contracts announced:
    - January 2019: 1,394 MW total (16 solar, 3 wind)

- **RESRFP19-1**
  - RFP: April 23, 2019
  - Contracts announced:
    - July 2019: 1,700 MW total (Empire Wind, 806 MW & Sunrise Wind - 880 MW)

- **RESRFP20-1**
  - RFP: July 21, 2020
  - Contracts announced:
    - March 2020: 1,776 MW total (17 solar, 4 wind)

- **ORECRFP20-1 / NYPALSR**
  - RFP: July 21, 2020

- **ORECRFP20-1**
  - Contract awards: Q4 2020

- **New York Higher Education LSRE**
  - RFP: June 2020

- **Accelerated Renewable Energy Growth and Community Benefit Act [created Office of Renewable Energy Siting]**
  - Enacted: April 3, 2020

  Established an ORES to improve and streamline the process for environmentally and socially responsible, cost-effective siting of large scale renewable energy. Additional elements of the Act include creating a State Power Grid Study and Investment Program for T&D needs as well as a program for “Build-Ready” renewables projects.
At least 25% of the projected 2030 system supply mix has yet to be contracted by NYSERDA. This equates to about 40,000 GWh or 11.5 GW of land-based renewables and 4.1 GW of offshore wind to be contracted. These requirements could be even greater if there is higher than expected load growth with strategic electrification (estimates based on NYSERDA’s 2030 load estimate of 151,678 GWh), attrition of contracted projects, and retirement of baseline and off-contract resources (which produce about 39,000 GWh annually).

Figure 3: New York’s Projected 2030 Generation Mix

Source: NYSERDA August 7, 2020 Offshore Wind Webinar

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