



10 Reasons the Clean Energy Standard Helps New York

By: Arthur “Jerry” Kremer

New York’s Clean Energy Standard (CES) has faced many distorted attacks from a group of strange bedfellows in recent weeks – select fossil fuel producers and anti-nuclear zealots.

The CES, championed by Governor Cuomo and unanimously adopted by the New York Public Service Commission (PSC) on August 1, is a practical, common sense way for New York to keep clean sources of power and address the challenge of climate change. Under the proposal, 50 percent of New York’s power by 2030 will be from renewable sources in state and carbon emissions will reduced by 40 percent.

The Clean Energy Standard will amount to less than \$2 a month for the average residential customer’s bill.^[i] This includes a zero emissions credit (ZEC) to ensure that, amid very low fuel prices, three upstate nuclear power plants will continue to operate.

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Below are 10 reasons why the CES helps New York.

1. ***It preserves billions in annual economic benefits.*** The PSC analyzed the economic impact of the state’s upstate plants. Bottom line: keeping them online ensures \$4 billion over the next two years in net contributions to the state’s economy, from wages, tax payments, etc.^[ii]
2. ***There are a host of other energy taxes that can be cut.*** Today, 20-25 percent of the typical New Yorker’s electricity bill already consists of taxes and fees, some for general revenues and others for energy programs.^[iii] There are many ways to cut taxes and fees without sacrificing a program that ensures billions in economic value to the state.
3. ***Without the ZEC plants will close, jobs will be lost and communities will be decimated.*** Just as other nuclear plants have closed in the United States, so too would the upstate ones by early 2017. The situation is dire and requires immediate action.
4. ***When fuel prices rise, the subsidies are reduced.*** Today, energy fuel prices are low. Most experts expect them to rise significantly, especially in the coming years. The ZEC is evaluated every two years. As such, with higher prices there will be lower subsidies.
5. ***A diverse, in-state power supply is very positive.*** The loss of the nuclear plants would mean New York will be more dependent on out-of-state fossil fuels. During times of peak demand (the hottest days in the summer and the coldest in winter), it will be harder and more expensive to get this power.

6. ***If New York’s non-emitting nuclear plants close, the state’s carbon emissions will spike.*** Today, nearly 60 percent of New York’s non-carbon emitting power is from nuclear plants. Without these plants, carbon emissions would increase by 31 million tons annually, the equivalent of adding six million cars to New York’s roads.[iv]
7. ***The additional emissions will have a societal cost of \$1.4 billion.*** This is due to public health cost increases and other societal damage from climate change.[v]
8. ***As a large coastal state, it is in New York’s interest to be a leader on climate change.*** By exercising leadership on climate change, as Governor Cuomo has done through the Clean Energy Standard, New York helps to spur actions by others.
9. ***Long and thorough review.*** The PSC held numerous public hearings about the CES, received thousands of comments about it, and spent more than seven months studying the issue before unanimously adopting it.
10. ***The measure has strong public support.*** Among those supporting the CES and ZEC are numerous business organizations, labor unions, environmentalists, and elected officials throughout the state.



ABOUT THE AUTHOR

Arthur “Jerry” Kremer is a former Assemblyman from Long Island who served as chairman of the Ways & Means Committee. He now serves as chairman of the New York Affordable Reliable Electricity Alliance (New York) which represents major business organizations, labor unions, community groups and independent energy experts.

ⁱOffice of the Governor of New York, “Governor Cuomo Announces Establishment of Clean Energy Standard Mandates 50 Percent Renewables by 2030,” August 1, 2016. Item appears in first paragraph. Retrieved on October 25, 2016. <https://www.governor.ny.gov/news/governor-cuomo-announces-establishment-clean-energy-standard-mandates-50-percent-renewables>

ⁱⁱNew York Department of Public Service, Staff’s Responsive Proposal for Preserving Zero-Emissions Attributes,” July 8, 2016. Item appears on page two, second paragraph. Retrieved October 25, 2016. <http://www.area-alliance.com/documents/Staff's%20Responsive%20Proposal%20for%20Preserving%20Zero-Emissions%20Attributes.pdf>

ⁱⁱⁱArthur “Jerry” Kremer and Richard Thomas, New York Affordable Reliable Electricity Alliance, “The Hidden Taxes in New Yorkers’ Electric Bills,” March 9, 2015. Report documents various New York electricity taxes. Retrieved on October 25, 2016. <http://www.area-alliance.org/documents/NYArea-IssueBriefPrint.pdf>

^{iv}Richard L. Kauffman, Chairman of Energy & Finance for New York, Office of Governor Andrew M. Cuomo, Letter to Blair Horner, October 25, 2015. Item appears in fifth paragraph. Retrieved on October 25, 2016. <http://www.nystateofpolitics.com/2016/10/cuomo-energy-czar-blasts-anti-nuke-subsidy-campaign/>

^vIbid