

COMMENTS

ON THE

NEW YORK STATE ENERGY RESEARCH AND
DEVELOPMENT AUTHORITY

OPERATING PLAN FOR INVESTMENTS IN NEW YORK UNDER THE CO₂ BUDGET TRADING PROGRAM AND THE CO₂ ALLOWANCE AUCTION PROGRAM

Submitted by

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Members of the New York City environmental justice community submit the following set of comments to NYSERDA and DEC regarding the Draft Operating Plan for Investments in New York under the CO2 Budget Trading Program and the CO2 Allowance Auction Program. Some of these comments are specific to elements of the programs recommended, while others are more overarching. We are also including comments directed towards the process by which the Operating Plan will be implemented.

COMMENTS ON PROCESS

Outreach and Public Involvement in Process

Public involvement, including public education and outreach, will be essential to ensuring that RGGI revenues are expended effectively. Throughout the RGGI promulgation and implementation process, NYSERDA has failed to prioritize this component and has put minimal effort into providing clear, easily accessible information on the RGGI cap & trade program.

The implementation of the RGGI Final Operating Plan offers an opportunity to learn from and address the concerns raised by community members only belatedly engaged in the RGGI decision-making process because of ineffective outreach. NYSERDA must make a concentrated effort to increase its public outreach and education on RGGI and RGGI-funded programs. Outreach and education requirements are not satisfied by creating a bare-bones website that is public, but not publicized, and useful only to those who have the time, interest and expertise to spend hours navigating the site.

The Draft Operating Plan (“the Plan”) must be revised to include provisions on how NYSERDA will include public outreach and education as a general component of coordinating and evaluating RGGI-funded programs. This plan should speak specifically to how the agency will educate and engage the public on the range of activities that are being considered for and supported by RGGI revenues. At a minimum, outreach should provide the public with accessible information on each program’s name, purpose, location, and monitoring/evaluation results as they become available.

In particular, NYSERDA must significantly update the website to improve navigation and resource access. It is difficult to navigate the single NYSERDA RGGI page even if you have been to it multiple times before and know exactly what you are seeking; it fails to provide clear, accessible information. While updating the website is an important first step, information must be made available in a number of ways, including in pamphlets, flyers or other informational material that the agency can disseminate itself and/or provide to organizational partners to distribute in their communities. This will allow for the broadest possible level of public participation and help ensure the effectiveness of RGGI-funded programs.

Targeted Stakeholder Involvement

To ensure that RGGI remains a truly public program, the agency should make continual efforts to engage a variety of stakeholders in the oversight and decision-making process. The Advisory Group is a starting point but does not go far enough. NYSERDA should clearly state a plan for stakeholder outreach and engagement, including what stakeholders it envisions including within the process. Information about stakeholders should be publicly available so that those entities that consider themselves stakeholders but might not receive outreach from the agency can determine whether a proxy representative of their interest has been included in the decision-making process. Based on this information, the un-included stakeholders can choose to reach out to NYSERDA and attempt to insert themselves into the process or can merely keep tabs on the program and agency through following the clear, accessible public information provided regarding the program and agency.

Advisory Group Structure, Authority and Role

The Advisory Group is another area where structure and governing processes are not adequately illuminated in the Operating Plan. While the Advisory Group may be a group of stakeholders convened by the agency to provide advice and technical expertise on elements of the program, the appointment process used to form the Group as well as the Group's extensive involvement in the program formation process indicate a level of access that justifies more extensive discussion in the Operating Plan.

NYSERDA should revise the Operating Plan to include a governance structure for the Advisory Group. This is particularly important in light of the difficulty that the New York City environmental justice community faced in attempting to gain representation within the Group. The sheer number of parties involved in the multi-week appointment process indicates a conflated governance structure that spans the Executive Office and multiple state agencies.

Providing more information on the Advisory Group is necessary for the same reasons that clarification of many of the programmatic processes included within the Plan is needed. Providing clarity on these processes will reduce the indication that this entire Plan – in addition to the RGGI cap & trade program – was created without deliberate consideration and without the creation of the structural elements necessary to ensure that the program functions effectively. In short, the Plan looks highly rushed because it fails to provide information on the processes for programmatic evaluation and revision, stakeholder engagement, public outreach and education, and the full development of a number of broad program areas.

Moreover, it is important to provide information on the role of the Advisory Group.

Program & Initiative Selection Process

As it exists, the Plan details numerous initiatives that will serve the RGGI Program's criteria. The *extent* to which each of these various initiatives will serve Program criteria is unclear, however. Therefore, it is impossible to comment on the appropriate mix of initiatives and distribution of funds among initiatives. While we support a number of

these initiatives, we are concerned that the Operating Plan describes a broad universe of actions within which RGGI funds will be spent without providing sufficient information for evaluating the appropriate mix of programs and initiatives. We recommend that the public in general, and the Advisory Group in particular, be given the opportunity to comment on the Plan as it is fleshed out more specifically and that sufficient information on the potential effectiveness of these programs be provided to enable meaningful evaluation.

The Plan needs greater clarity on the process that led to the selection of the programs, as well as the selection processes that will determine which initiatives qualify for RGGI funding under each program. For each selection process, the process structure must be clearly established before implementation begins. Each individual selection process must be conducted with the utmost transparency, with the agency providing as much information as possible as quickly as possible on which initiatives were selected for funding, the scope of the competition if there was a competitive solicitation and specific information about the individual projects that will receive state funding. Such information will overcome some of the current information gaps existing within the Plan where programs or projects are contemplated but not fully envisioned or explained.

GENERAL COMMENTS ON THE OPERATING PLAN

Criteria Clarification and Utilization

In Section 1.F., Program Criteria are enumerated. To improve clarity within the Plan, the Executive Summary and Introduction should be revised to reflect the fact that the criteria are not weighted.

We also recommend that NYSERDA explicitly weigh initiatives by the extent to which they serve the 6 over-arching criteria, and as part of the evaluation of the overall program, develop specific measures for assessing the extent to which individual criteria are served.

Prioritization of initiatives in environmental justice communities

The initiatives that will be supported through RGGI revenue create a unique opportunity for New York State to target the most burdened communities within the state as it moves forward with its multiple initiatives to reduce energy consumption, increase energy efficiency and promote the use of renewable resources. Directing RGGI funds towards projects located in overburdened environmental justice communities would support existing state and agency programs that are broadly distributed throughout the state. We recommend targeting EJ communities because they bear the brunt of carbon production activities and thus deserve the co-benefits generated by these programs such as reduced electricity costs and improved health.

For urban environmental justice communities, the individual positive benefits will be greater for each action as the number of people impacted and the scope of the positive impacts will be greater than initiatives located in non-environmental justice communities. We propose the following example of the three ways in which these benefits can be seen:

A green building weatherization initiative will provide benefits wherever installed. If the initiative, under the EmPower New York Program, replaced or repaired the oil heating system in buildings in a dense, urban area the number of people that will receive public health benefits from the initiative would be greater than if the initiative were installed in a less dense area. More importantly, the scope of the public health benefit that the building residents and local community members would receive from the program would be greater than it would for residents in non-environmental justice areas because it would create a reduction of the cumulative health burdens that residents suffer from in environmental justice communities. Finally, the scope of the positive impact for individual residents located in the refurbished building would be greater in an environmental justice community than it would in other communities. If the residents were low-income, the economic benefit that they would experience as a result of the weatherization program would be greater than for middle-income and high-income consumers who have more monetary flexibility.

Prioritizing initiatives in environmental justice communities would create the greatest returns in relation to economic equity and public health. While RGGI provides the state with a new pool of money through which to fund many programs, the pool is necessarily limited. As such, it would behoove NYSERDA to prioritize those programs that will create the largest economic, environmental and public health return for the least amount of investment. Prioritizing the placement of RGGI-funded initiatives in environmental justice communities would achieve all three of these benefits while providing statewide benefits in terms of carbon emission reductions.

Percentage of Plan Funding for Low-Income and Multifamily Housing

A significant error that appears throughout the Plan is the statistic that NYSERDA sites as the percentage of residential initiatives benefit low-income and multifamily homes. The Operating Plan touts this statistic at three separate points as a mechanism for demonstrating the Plan's commitment to providing benefits for environmental justice communities. At literally every point where it is mentioned in the Plan, though, a different number is cited as the percentage of initiatives that will benefit low-income and multifamily homes.

The Executive Summary states that 46% of the initiatives will be so dedicated. The number decreases as the Plan becomes more detailed. The section detailing the Residential Space and Water Heating Efficiency Program (Section 3.A.2) states that "the programs allocate nearly 40 percent of funding to low-income programs". Finally, just a few pages later, the discussion of resulting criteria achievements of the program area states that "approximately 43 percent of the proposed funding will be used to support energy efficiency work in low-income homes and multifamily buildings."

These discrepancies are worth noting because the flexibility provided by the varying numbers provides an opportunity for the funded programs to reduce their commitment to environmental justice-dedicated efficiency measures within a nearly 10% range. This could reasonably translate into hundreds of low-income and multifamily buildings being

left out of the program, impacting hundreds of residents. Fixing this discrepancy is not onerous.

The Plan purports to benefit environmental justice communities by dedicating nearly half of its efficiency programs to these communities. Yet the buildings that may benefit from the program will not necessarily be located in environmental justice communities. Similar to the critique above, NYSERDA provides a broad definition of programs that claim to benefit environmental justice communities but the definition is written in such a way that it could easily bypass the most vulnerable environmental justice communities in the state.

Multifamily housing does not by definition equal low-income housing and does not necessarily mean housing located in environmental justice communities. There are multifamily houses in the wealthiest neighborhoods in New York City. These are not the buildings that would benefit most from RGGI funding assistance.

Program-dedicated revenues as impacted by the Stimulus and potential revision of Set-Asides

While the Plan details to a large degree the specific amounts of revenue that will be devoted to each program under the five different areas, two recent developments have the potential to significantly impact those numbers; the funds that New York State will receive through the federal stimulus bill and the potential regulatory increase in the number of set-asides provided to long-term contract facilities. While the increase in set-asides could have the greater potential impact – reducing RGGI funds by at least \$18 million – the monetary impact of either action is not the primary concern.

These potential impacts raise particular concern about the process through which the Plan as a whole and the program areas individually will be revised to reflect actual dollars generated through RGGI. It is not clear from the provisions of the Plan how that revision process will occur nor is it clear how stakeholders and the public will be informed of these revisions. There must be some process clearly articulated for how program allocations will be impacted by a decrease or increase in actual RGGI revenue. The agency must revise the Plan to state clearly what *process* will be provided for revenue revisions and how such revisions will be disbursed amongst the RGGI-funded programs.

RGGI-related Taskforces

The Operating Plan should provide clearer information on the taskforces that will be created to assist NYSERDA in fully formulating and implementing each program area. While the Advisory Group serves as a general sounding board for the entire scope of RGGI-funded programs, many program areas would benefit from focused taskforces. In particular, the transportation programs and energy supply/demand programs are likely to suffer from the absence of taskforces. These taskforces should be composed of community, industry, agency and interest group (i.e. environmental, public health, etc) stakeholders who will be able to provide expertise and local contacts for the particular areas.

While the creation of multiple taskforces will increase the coordinating responsibilities of NYSERDA, they are essential to ensuring that there is focused oversight of the individual program areas and that oversight has the expertise that is generated by stakeholders who are engaged in and committed to these areas of work.

SPECIFIC COMMENTS ON THE OPERATING PLAN

Section 1. The RGGI Program and Greenhouse Gas Policy Context in New York
1.F Redesign Criterion Five so that it shows that the agency will consider potential benefits to environmental justice communities when deciding which programs to include within the Plan.

Criterion 5 states: “The initiative can help reduce the disproportionate cost burden and harmful environmental impacts on low-income families and environmental justice communities.”

When applying the fifth criterion to potential programs, NYSERDA must recognize that there are separate and distinct potential resulting benefits included within the criterion. We do agree that addressing the impact of rising energy costs on low-income communities is important, and recommend that programs that are selected for RGGI funding to reduce the cost burden borne by low-income communities should be evaluated based on the economic profile of those served. However, we assert that it is important to understand that Programs that provide reduced economic and environmental burdens for low-income communities do not per se benefit environmental justice communities. Environmental justice communities are those communities that suffer from a disproportionate amount of environmental burdens as a result of systematic societal racism and classism. In short, they are communities suffering from the *cumulative* burden of multiple environmental harms. These communities include low-income communities, communities of color and low-income communities of color. NYSERDA should work with the DEC to identify environmental justice communities, prioritize funding to these communities, and in order to ensure the competitiveness of applicants from EJ communities, should assess the need for technical support from these communities and provide it as necessary.

There is an opportunity for RGGI funds to be used to benefit the communities that have long borne the burden of concentrated toxic environmental burdens, and improve the quality of life, public health and economic livelihood of millions of New Yorkers. While this may be one intention of NYSERDA in promulgating the fifth criterion, it is not the necessary outcome of the application of that criterion.¹

Clarification of Criteria 5 would be helpful for the public, the regulators and the program operators. The environmental justice community urges NYSERDA to rewrite the fifth criteria to clearly state that the agency will consider the positive impacts that an initiative

¹ That is to say, environmental justice communities are not necessarily communities of color and are not necessarily low-income communities. Frequently, though, they are low-income communities of color.

could have on environmental justice communities when considering its inclusion within the Plan and its access to RGGI revenue. The criterion should be rewritten to state: The initiative provides direct benefits to environmental justice communities through reducing the disproportionate cost burden of increased energy prices and/or addressing harmful environmental impacts, including those that may result from the regulation of greenhouse gases.

In addition to rewriting this criterion, NYSERDA must also include benefits to environmental justice communities within its evaluation plan. NYSERDA should assess the geographic distribution of benefits from the various programs that are selected for inclusion and revamp them as necessary should the goal of reducing impacts in environmental justice communities not be adequately addressed.

Section 3. Residential, Commercial, and Industrial Sectors

Prioritize Implementation of Programs in Environmental Justice Communities

As stated earlier, Equity considerations and benefit returns justify prioritizing the implementation of RGGI-funded programs in environmental justice communities. This general principle finds the potential for direct application in many of the Residential Space and Water Heating Efficiency programs.

We recommend that NYSERDA evaluate whether 40% is a sufficient targeting of funds to low-income communities in light of overall population demographics and in light of the extent to which higher income households are able to implement efficiency measures with lesser funding support. Consistent with our overarching recommendations, we also strongly recommend that specific goals be developed for the amount of funds targeted to environmental justice communities and that NYSERDA measure the extent to which these goals are being met.

Prioritizing environmental justice communities creates a range of public health, environmental and economic benefits for the most vulnerable communities.

The Operating Plan must be clarified to state how the Energy Smart Communities Program and the Energy Smart Target Zones are relevant to environmental justice communities. It suggests that there is an environmental justice component to these programs without detailing what that is. This is again an issue of transparency and taking measures to ensure that the Plan is clear and understandable to stakeholders and the public.

3.A.1.e Provide budget breakdown for Commercial and Industrial programs

The Commercial and Industrial Program budget table (Table 5) fails to account for the exact division of revenues between the different initiatives. For both the technical assistance initiatives and the implementation support initiatives, the budget table provides only the yearly allocation numbers and fails to break down how that yearly allocation will be disbursed amongst the nine different initiative programs.

It is unclear why the Plan is able to clearly allocate the funding commitments amongst the different Residential Efficiency programs but not the Commercial/Industrial Efficiency programs. While the numbers for the funding commitments are likely to change as noted above, the agency should be providing them in as much detail as possible for all programs and not arbitrarily selecting which programs to provide full budgetary accounting for. Alternately, if the failure to include a full budget breakdown for these programs is purposeful, the Operating Plan must clearly state why this exclusion is necessary and justified.

3.A.2 Resolve the differences in budget allotments for Residential Space and Water Heating Efficiency

In this section, the total budget for the Residential Space and Water Heating Efficiency Program varies in some significant ways between Table 7 and Table 8. While the total budget between each table differs by just \$10, many individual program areas have multi-million dollar budget variations. It is not clear whether these variations are a result of the incorporation of outreach funding into each individual program area in Table 8 (while the outreach budget is separated out from all program areas in Table 7). This discrepancy must at least be addressed and explained in the Operating Plan even if there is a justification for the varying numbers.

As stated above, this may seem like a minor point but the inclusion of it within our comments serves to underscore a broader point that the New York City environmental justice community has been making for many months. Our organizations and community members are heavily engaged in the issue of climate change and the New York State adaptation and mitigation initiatives. While our resources are limited, the scope of our investment is not. We are committed to holding NYSERDA and DEC accountable for the programs that the agencies implement to address climate change. We are also dedicated to ensuring that the initiatives resulting from these agencies effectively and adequately achieve carbon reduction while also benefiting those communities that will feel the greatest economic and environmental impacts from climate change and climate change adaptation and mitigation programs. For these reasons, we demand and will continue to demand utmost transparency from the agencies and the programs that receive public funding to address climate change. We will also continue to push for outreach, public education and the prioritization of environmental justice communities, as these are critical components to equitably addressing climate change and protecting the public health and economic stability of communities throughout New York.

3.A.3 Revisit the Competitive Bid Process for the Grade School Education Initiative

While the use of a competitive bid process for agency-funded programs can be an effective and efficient way to receive solicitations and direct funds to the best program, the process can also create hurdles that negatively impact low-income communities and communities of color. Particularly when NYSERDA is looking to encourage innovation and youth engagement on issues of efficiency and renewable resources, there must be inclusion of this consideration when developing the format for outreach and education programs.

The competitive bid process included in the Grade School Education initiative should be removed to ensure that the process does not disadvantage urban schools and teachers that are under-resourced and overwhelmed. The intention of the program is laudable but using a competitive bid process to enable teachers to gain access to climate change-related materials, courses and resources creates the strong possibility that the most well-funded, resourced and equipped schools will be best able to participate in the bidding process and construct successful applications.

Instead of using a competitive bid process for the program, NYSERDA should commit to disbursing programmatic resources equally throughout the state, perhaps implementing pilot programs in each region. The schools that will host the pilot programs should be chosen through a lottery system. It would be the responsibility of the teacher, school or school district to apply for the lottery but the application process should be limited enough that it is not onerous for teachers and schools located in low-income communities.

3.A.3 Reconsider the scope of the College and University Competition Initiative

While a higher education innovation competition might not constitute the most pressing need for RGGI revenues, the benefits that could accrue through the program might justify dedicating a very limited pool of funds to such a program. If funds are dedicated for this program – and an argument could be made that this is an easily expendable program if RGGI revenues are limited – the competitions should be limited to CUNY and SUNY schools. This would dedicate funds toward the schools that will benefit the most from the funds – those schools with the smallest financial platform from which to run these competitions themselves. In addition, it is likely to ensure that funds will truly go toward encouraging innovation among New York students as opposed to just current New York-based students.

3.B.1.a Provide further information on Multiyear Energy Efficiency Program Schedule

There is a significant information gap in this section, where NYSERDA overviews the implementation schedule of the Multiyear Energy Efficiency program. While this section acknowledges that a schedule or “road map” will be developed for the implementation of this program, no schedule is yet developed. The exclusion of this road map from the Plan would not be a problem if NYSERDA provided information on the process through which the road maps will be developed. It remains unclear who will be responsible for developing the road maps, whether the agency has retained experts to advise on the particular areas impacted by the program (including technology development, commercialization likelihood, biofuels, feedstock), what the timeline for their development is, and whether the road maps will be publicly available once developed. All of this information should be included to the best extent possible in the Plan so that stakeholders particularly interested in this area can work to engage themselves in the process or stay informed about the agency’s actions and the programs.

Section 4. Transportation

4.A.1 Increase collaboration across agencies and focus on public transportation

Given that the transportation sector is the second highest contributor to GHG emissions it is essential that this program be efficiently implemented. Reducing emissions from the transportation sector is a complex endeavor particularly because it is intricately tied to other public policies principally land use and public transportation. The Operating Plan is vague on how to expand public transportation use and services as well as how it will address smart growth. Coordination and cross agency efforts should go beyond the Outreach, Education and Technology Transfer Program. Transportation Demand Management requires the establishment of integrated policies. NYSERDA collaboration with other agencies should also include discussing and facilitating the implementation of comprehensive planning that links housing, economic development, land use and transportation policies. We encourage NYSERDA to research and learn of successful best practices and policies that link land use and transportation at an international level. Expanding public transportation use and services should focus on areas that are currently underserved as well as linking these underserved areas with job clusters outside of Central Business Districts (Commercial and Industrial corridors).

Retrofit school buses instead of funding new heaters in diesel buses

Instead of giving money to put new heaters in diesel buses, NYSERDA should provide money for school bus retrofits to clean fuels. This initiative would compliment work that is happening in NYC and has immediate public health benefits particularly in environmental justice areas throughout the state.

4.A.1.a Clarify enrollment criteria for “other diesel projects”

This section speaks vaguely of open-enrollment solicitations for eligible applicants based on pre-specified criteria. The Operating Plan should be revised to include what those criteria will be.

4.A.1.d Provide more information on education and outreach plan.

It is unclear in this section how and when the education and outreach plan will be developed. Please also explain the role of the Advisory Group in the development of this plan. The Operating Plan mentions collaboration with government agencies, authorities, but does not seem to include any community based organizations. Community based organizations can and should play a vital role in any education and outreach plan in this area.

NYSERDA should include a Transportation Advisory Group of community-based stakeholders in its outreach development as they can bring expertise and local contacts. Community-based stakeholders could add value to many of the transportation programs and should have a stronger role in the outreach and educational aspects of the transportation program.

4.B.1 Where possible, look to other states for collaboration and information-sharing

NYSERDA should take advantage of the rich experiences of other states in technological development and transportation restructuring in developing this program. Where possible, New York should look to set up multi-state collaborative programs so as not to duplicate efforts and waste valuable funding.

Section 5. Electric Power Supply and Delivery

Structure Taskforce so as to ensure accountability

As detailed in the earlier paragraph on Taskforces, transparency must be provided about the taskforces and advisory bodies that NYSERDA is creating to direct its implementation of the programs detailed in the Operating Plan. While the Electric Power Supply & Delivery Taskforce might not yet be created, the Plan can include provisions on the structure and parameters of the taskforces – as well as all other taskforces. In particular, the Plan must clearly direct the Taskforce to provide public documentation of its work that is well publicized and clear.

The Electric Power Supply & Delivery Taskforce should include an environmental justice representative. While environmental justice representatives should be included on all taskforces and advisory groups that are constructed through the Plan, this taskforce is particularly important as it will recommend future long-term investment projects under the Advanced Power Tech Program and will prioritize actions that are sponsored under the program. These decisions have the potential to have broad-ranging impacts over a long period of time. As such, the voice of environmental justice communities must be included in the decision-making process that will occur through this body to ensure that the priorities and concerns of these communities are included in the process.

5.A.1 Ensure geographic equity in the School Power Naturally Program

NYSERDA should ensure geographic equity in the School Power Naturally program by creating preferential rating in application process. Preference should be provided for urban schools and those located in DEC-designated environmental justice communities.

5.B.1. Remove all funding and support for Carbon Capture and Sequestration

No money should be directed toward funding carbon capture and sequestration programs. Carbon capture and sequestration (CCS) is advanced as a potential mechanism for addressing climate change while continuing our unfettered fossil fuel use. The technology for the scale of CCS that would be necessary to adequately reduce carbon emissions to mitigate climate change is not yet available and is not expected to be available – even by ardent CCS supporters – within the timeframe necessary to mitigate catastrophic climate change impacts.

Moreover, the scope of return that can be achieved through investment in CCS technology does not make it a competitive research & development area when compared to other energy sources that could be receiving these funds. While CCS requires millions of dollars of investment to make it a potentially viable option, the return in terms of actual carbon reduced will be minimal. The gravity of climate change is too deep and looming to permit our continued investment in industry-backed schemes that distract time, resources and energy from achieving substantive change that shifts our economy to renewable resources.

CCS is a PR mechanism that has been advanced by the coal industry and has become a seemingly viable energy resource option because this industry has put hundreds of

millions of dollars into advancing the potential technology as a necessary – in fact, the *only* – answer for our energy addiction and climate predicament. There are economic and climate policy arguments against clean coal technology, which have been the primary reasons for the abandonment of CCS plants throughout the country.

The advancement of CCS technology and the creation of clean coal plants raise a number of environmental justice concerns. CCS does not address the entire lifecycle impact of coal use; it merely addresses the *carbon* output resulting from burning coal. Justice issues still exist around the mining, processing and transportation segments of coal extraction and use. Finally, the long-term safety of multi-century carbon gas storage is still unknown – particularly at the level of storage necessary to make CCS a viable and effective carbon reduction strategy. For communities located near these proposed carbon gas storage sites, the inherently untested nature of the methods, as well as the potential catastrophic local impacts that could result from a storage accident make CCS too big of a gamble to justify supporting with public funds.

The groups signed on to these comments do not support CCS or clean coal technology. We request that the Draft Operating Plan be revised to eliminate any programs providing resource support for CCS.

Section 6. Sustainable Agriculture and Bioenergy

Provide further information on the Renewable Fuels Roadmap

The Sustainable Agriculture & Bioenergy program appears to anticipate basing a majority of the future program development on the Renewable Fuels Roadmap. The Operating Plan must provide clarity on this Roadmap and the programs that will be directed by its findings. NYSERDA must provide information on who is crafting the Roadmap and provide the document for public consideration once it is available, even if only in draft form.

Provide further information on Climate-Friendly Farming and other Programs

The information provided in this section of the Operating Plan is another instance where a critical information gap exists and is not acknowledged or addressed by NYSERDA. Failing to fully flesh out the Agriculture & Bioenergy Program because the guiding document for the program is not yet available underscores the impression created throughout the Plan (as well as much of the RGGI program broadly) that the entire implementation and creation process has occurred too quickly without the opportunity to adequately plan the many fundamental elements of the program. The importance of RGGI, as well as the reach and likely impact of these programs, necessitates that the implementing agency move with more deliberation and thoughtfulness than has been evidenced in the RGGI process.

NYSERDA cannot be expected to have every detail of each program fleshed out at this point. The timeline for the development of the Plan and the necessary scope of the work for the agency might make that impossible. Nevertheless, the agency should provide, whenever a critical information gap exists, a clearly stated process through which future information and revisions or additions to the Plan will be provided to the Advisory Group

and the public for comment and deliberation. The effectiveness of the Group and public's engagement in the current comment period is diminished if only a portion of the programs are provided for evaluation and the remaining undisclosed portions (or "information gaps") will be determined later by the agency and implemented without public review. This is not an acceptable method of agency action and should be addressed and rectified by the agency before the NYSERDA Board accepts the Final Operating Plan.

The information gap existing in this program is in relation to the "climate-friendly farming practices" that will be promoted through the program. NYSERDA appears to set aside three-quarters of a million dollars for the analysis and demonstration of these practices, without ever stating what such practices would be. For the amount of money being provided to support these demonstration projects, the Advisory Group and the public need to be provided with more substantial information on the type of practices that the agency has in mind, where those practices will be located and how they will be distributed among New York farmers.

Section 7. Multi-Sector Programs

7.A.1. *Focus on recruiting workers in environmental justice communities*

We support NYSERDA's comment to interagency collaboration. One area in which this may be especially useful is in the identification of under/unemployed workers. NYSERDA should work with DEC in addition to DOL in identifying workers to train, particularly since DEC's environmental justice map and database will provide information on where to find underemployed communities. Workers in environmental justice communities are disproportionately under/unemployed, and providing these workers with training in energy efficiency industries provides the dual benefit of providing jobs while helping to strengthen the power of the communities they come from. In addition to working with other state-level agencies, NYSERDA should prioritize working with organizations in environmental justice communities. Environmental justice organizations throughout the state have been working with workforce development agencies to promote green jobs training, and will be a valuable asset in this outreach.

It is also unclear as to whether or not NYSERDA will develop specific training programs to target under/unemployed workers. We would encourage NYSERDA to do so, and to prioritize locating training programs in low-income and environmental justice communities. Where possible, NYSERDA should also consider partnering with organizations that provide job-entry training to create a multi-step training program that leads to skilled green careers. This is a critical point for environmental justice communities, as it is all too often that workers in our communities are frequently placed in dead-end jobs with little opportunity for advancement.

Increase public access to information on Workforce Development programs

NYSERDA needs to make public information about what community organizations it is working with to develop its workforce training candidate pool. This will provide interested parties/organizations with the opportunity to become involved if they are not

currently on the list. This will be critical in ensuring that environmental justice and low-income communities are represented among the programs chosen.

Institute mechanism for employee protection

Under 7.A.1, employers who hire NYSERDA-trained green workers will receive “stipends as incentives to provide new staff with important on-the-job skills”. We encourage NYSERDA to maintain strict oversight of this program to ensure that employers comply with the requirement of providing on-the-job skills to newly hired green workers. NYSERDA must ensure that employers are restricting from firing employees once they have received the stipend provided to them by the state.

7.A.2 *Make Greenhouse Gas Bidding Process transparent*

The GHG Bidding process solicitation should be shared with the Advisory Group in addition to other stakeholder groups.

Section 8. Program Evaluation and Reporting

Provide further details on evaluation mechanisms

While NYSERDA has laid out the type of evaluation mechanisms it may use for evaluating RGGI-funded programs, it again paints a critical element of the Plan with inappropriately broad strokes.

8.B- 8.D *Utilize evaluation tools developed by NYC OLTPS*

To implement an effective and relatively transparent evaluation mechanism, NYSERDA would benefit from utilizing tools that have been developed by the New York City Mayor’s Office of Long-Term Planning and Sustainability (OLTPS) in implementing the PlaNYC program. OLTPS uses a business model to closely track the progress of each of its 126 initiatives and provides annual progress reports to the public on the successes and challenges of implementing the program. Notably, the Progress Report is clearly laid out, easy to read and digest by the public (i.e. non-urban planners or policymakers), widely disseminated through the Office’s website and through hard copies given out to all stakeholders, and heavily publicized through press conferences and media coverage.

While PlaNYC might on its face seem more noteworthy than NYSERDA programs, this is not necessarily true. The wide publicity the PlaNYC receives is due, in part, to the Office’s concentrated efforts to cultivate publicity and educate the public on the programs (primarily to garner public support). RGGI is at least as impactful as PlaNYC and arguably more so as it is the first U.S. carbon cap & trade program and a regional program at that. If NYSERDA put the same effort into publicizing the program that is put into PlaNYC publicity, the coverage would likely be similar and the public’s engagement and *understanding* would increase. This is the critical issue. We are not urging the agency to increase publicity for publicity’s sake, but in order to better disseminate information on the program throughout the state and increase the public’s awareness, understanding and appreciation of the program and agency’s efforts.

Beyond increasing publicity and improving the annual progress report to ensure that it is clear and widely distributed, NYSERDA should adopt another process of the OLTPS, namely its use of a Sustainable Advisory Board to guide the creation and implementation of PlaNYC programs. NYSERDA already has such a group in place with the RGGI Advisory Group. Yet, the agency should make better use of this group as a source of expertise and a conduit of information from the agency to the public. The OLTPS achieves these goals through two methods.

First, the OLTPS dedicates a staff member to the Advisory Board. While this is in addition to other duties, the staff member serves as the point person of contact for the Advisory Board members. The structure that NYSERDA appears to have in place for communication between the Advisory Group and the agency is too diffuse and confusing. Agency contacts differ depending on the area in question, providing the Advisory Group with dozens of potential agency actors to contact if they want to discuss a RGGI-related issue. This is an inefficient operating structure. Instead the agency should dedicate a single staff member to serve as the *primary* contact person for the Advisory Group. There should be supplemental experts on staff that the Advisory Group has access to as well, but funneling the Group through one staffer would improve the function and effectiveness of the program and the Advisory Group's engagement in the process.

Second, the Advisory Board is provided rolling updates by OLTPS on the progress of PlaNYC with detailed information on the implementation of different initiatives as they happen in real time. These updates are achieved through a bi-monthly e-newsletter distributed by the dedicated staff members. The e-newsletters are generally no more than a couple of pages long but provide critical information for Advisory Board members who are interested in monitoring the progress of the Plan's initiatives. Getting information at this level of detail allows Board members to remain heavily engaged in PlaNYC beyond the planning process and support those initiatives that they are particularly engaged in or work to ensure that initiatives that are not being effective can be revised to be the best possible.

Adopting these mechanisms should be relatively simple for the agency, particularly if it is willing to reach out to the Office of Long-Term Planning and Sustainability and use some of the tools they have developed. We would welcome the opportunity to assist the agency in making that contact and implementing these mechanisms to improve the efficiency of the Operating Plan. The benefits that this would provide for both Advisory Group members and the public's understanding of and engagement in New York's implementation of RGGI-funded programs cannot be overstated.

Additional Comments

Clarify the Operating Plan Amendment Process

The question of amending or revising the Operating Plan has been raised at multiple points throughout these comments, but is an important enough issue that we address it separately in this section. It is clear from the incomplete nature of much of the Operating Plan that NYSERDA intends to revise the programs and initiatives under the Plan as it progresses forward. These revisions could be substantial for many parts of the Plan,

including the Bioenergy Program, which remains basically undefined until the Renewable Fuels Roadmap is created. As noted in the March Advisory Group Meeting, one particular concern regarding Plan amendments is the shifting of revenues to successful and effective programs. While this will not happen as soon as other amendments might, information on how such an action would proceed can and should be provided at this time.

While the agency may intend to present annual progress reports on the program and implementation of included initiatives, this is an insufficient mechanism for providing public information on the Plan amendments. The importance here, as in many other areas, is for the agency to be deliberate in its actions and provide sufficient public information on the *process* that will direct its future actions. NYSERDA should create a clearly defined amendment process for the Operating Plan and include it within the Final Operating Plan before accepting it. Establishing such a process would improve the transparency of the Plan and increase the public's ability to engage and monitor the Plan's programs.

Provide extensive public reporting on program outcomes

As mentioned at multiple points throughout these comments, NYSERDA must radically increase transparency in its allocation of RGGI revenues and implementation of supported programs. Stating that some programs – primarily those of which provide benefits for environmental justice communities – will serve as “case studies” of RGGI-funded programs is a wholly inadequate method of providing public information on these programs. NYSERDA should not pick and choose what programs, activities, projects or evaluations it shares publicly as “case studies”.

The money that is funding these programs is public revenue being provided to finance public programs. There should be no barriers to the public's access to detailed information on how this money is being spent and the outcomes of the investment. All New York residents have a stake both in the revenue and the supported programs. The public is interested in this issue and invested in ensuring that the allocation of its resources is done in an intelligent and effective manner.

More particularly, New York State environmental justice communities are interested and invested in this process. Despite the hurdles to public participation throughout the many stages of the RGGI process, the environmental justice community has become engaged in RGGI and intends to hold the regulating agencies and regulated facilities accountable. NYSERDA should welcome this level of public investment and oversight and increase the ease of accessing information by providing exhaustive public access to evaluations of individual programs.

The justification for providing more extensive public reporting on the outcomes of RGGI-supported programs is that the public has a right to access information on the programs it is funding. A second justification stems from the actions of the regulating agencies that indicate an awareness of the public's interest in RGGI despite the lack of planning that has been put into engaging the public and providing easily accessible

information. Both NYSERDA and DEC consistently advertise that RGGI is serving as a model for a national carbon cap & trade program. New York State is a leader in the RGGI program, both through currently chairing RGGI, Inc. and through leading the region in carbon emissions. There is an opportunity here for the state to position itself as a national innovator laying the groundwork for a transformative national policy. To truly take advantage of such an opportunity, though, NYSERDA must transform its own outreach and transparency processes to improve access to information and increase public involvement in the decision-making process.