

From: **Roger Caiazza**

Date: Thu, May 26, 2022 at 3:08 PM

Subject: Draft Scoping Plan Misinformation

To: Paul Shepson

I listened to your comments at the May 26, 2022 Climate Action Council meeting relative to “mis-information” about the Draft Scoping Plan and the reliability of an electric grid powered primarily by wind and solar. I disagree completely with your characterization.

In my retirement I started writing a [blog](#) and I just posted my 200<sup>th</sup> article on the [Climate Act](#). I want to call your attention to two recent posts. While you dismiss the difficulties of a transition to a renewable resource the fact is that the Council has not listened to the reliability experts at the New York Independent System Operator or the New York State Reliability Council. The first article addresses what those experts think about the transition. In my second article I offer the opinion that the biggest disinformation story is that the “cost of inaction exceeds the cost of action by more than \$90 billion”. It is misleading because it does not include a critical caveat and it is inaccurate because they are mis-using the social cost of carbon benefit.

#### [New York Climate Act: What the Experts are Saying Now](#)

On March 24, 2022 the New York Independent System Operator’s Economic Planning Department made a [presentation](#) to the [Electric System Planning Working Group](#) on a capacity expansion modeling analysis that is looking at the generation resources needed to meet the Climate Act mandate for a “zero-emissions” electric system by 2040. The article highlighted two quotes from the presentation: “Significant uncertainty is related to cost / availability of Dispatchable Emissions Free Resource (DEFER) technologies, as well as regulatory definition of ‘zero-emissions’ compliant technologies” and “Some scenarios do not represent realistic system performance but are helpful in identifying directional impacts and sensitivity to key variables”. That is as close as a technical report can come to saying this won’t work as you can get without actually saying it. Furthermore, during the presentation discussion the point was made that the capacity projected numbers indicate an enormous amount of generation is needed to replace the shutdown of fossil-fired generation and implement the transition. That result was described as just “stunning”. Someone asked whether anyone on the Council is looking at what this means. These experts are clearly worried about the enormous resources that have to be built to meet to transition the New York electric grid to a net-zero.

#### [Climate Act Benefits Greater than Costs Claim](#) April 29, 2022

The scoping plan claims that “The cost of inaction exceeds the cost of action by more than \$90 billion” but I believe the statement is inaccurate and misleading. This post consolidates documentation that has been presented in multiple earlier posts that supports my statement that the costs far exceed the benefits.

In brief the statement is inaccurate because the largest benefits claimed are from the avoided cost of carbon benefits. New York [guidance](#) includes a recommendation to [estimate emission reduction lifetime benefits](#) for a plan or goal. I believe that the guidance approach is wrong because it applies the social cost multiple times for each ton reduced. I maintain that it is inappropriate to claim the benefits

of an annual reduction of a ton of greenhouse gas over any lifetime or to compare it with avoided emissions.

The statement is misleading because there is a caveat to the statement that is rarely mentioned. In particular, the costs are relative to the “Reference Case”. The definition of the Reference Case is so difficult to find that it is almost as if the authors did not want readers to find it. The Reference Case includes a “business as usual” projection for future activities and emissions that follows typical modeling practices. However, the “business as usual” scenario does not normally include any activities that would not be in place but for the policy goal. The Draft Scoping Plan perverts that approach by including “already implemented” strategies. The most egregious example is that because the 2035 zero-emissions vehicle law has already been passed none of the \$600 to \$700 billion in the transportation investment category is included as a direct cost of the Climate Act. When Governor Hochul signed that legislation “New York is implementing the nation's most aggressive plan to reduce the greenhouse gas emissions affecting our climate and to reach our ambitious goals, we must reduce emissions from the transportation sector, currently the largest source of the state's climate pollution” specifically referring to the Climate Act.

With respect to the costs of the Climate Act the problem is not so much misinformation. Instead there is a lack of information which creates mistrust. If the Draft Scoping Plan described all the control measures, provided the references for the assumptions made, the expected costs for the measures and the expected emission reductions for the Reference Case, the Advisory Panel scenario and the three mitigation scenarios, then the public would be able to decide for themselves which costs associated with “already implemented” program are appropriate. The Climate Action Council owes it to the public to provide that information.

If you have any questions or comments about any of my analyses do not hesitate to contact me.