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SHINES FOR ALL

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Gov Clears Way for C.C.A.

BY CHRISTOPHER WALSH

Gov. Kathy Hochul signed legislation on Dec. 22 that is intended to clear a path for community choice aggregation programs in the Long Island Power Authority's service territory. The new law is to go into effect 90 days after the bill's signing.

Community choice aggregation, or C.C.A., allows a local government to procure electricity and/or natural gas on behalf of its residents, businesses, and municipal accounts from a provider other than the incumbent utility. Options include power produced through 100-percent-renewable sources, power produced through nonrenewable sources, or a blend. Authorized by the state's Public Service Commission, C.C.A. programs are operational in more than 60 municipalities outside LIPA's service area, more than half of them powered entirely by renewable energy.

The commission authorized C.C.A. programs statewide in 2016. But the initial order failed to consider the complexities of LIPA's service territory and rate structure, hampering Long Island municipalities' efforts to implement such programs, Assemblyman Fred W. Thiele Jr. and State Senator Todd Kaminsky, the legislation's sponsors, said in a Dec. 22 statement.

Southampton Town was the first Long Island municipality to adopt enabling legislation to initiate such a program, followed by East Hampton, Southampton Village, and Brookhaven and Hempstead Towns. But advocates, including officials of Joule Assets, which Southampton selected to administer its program, have criticized LIPA's C.C.A. tariff, or terms and conditions, which they say renders the program unworkable on Long Island. Those terms and conditions would not allow for a competitive C.C.A. electricity supply process, Jessica Stromback, Joule Assets' managing director, wrote to Tom Falcone, LIPA's chief executive, last year.

With the governor's signature on legislation addressing many of the complexities not addressed in the initial

Public Service Commission order, Southampton can now proceed toward development of C.C.A., according to a Dec. 22 statement from the town.

"The legislation signed today has laid a path for and expedites the establishment of C.C.A.s in Long Island towns and communities," Mr. Thiele and Mr. Kaminsky said in their Dec. 22 statement.

"The best way to understand the value of this bill is to look back to 2016 when the P.S.C. ordered all New York State gas and electric utilities to put in place a community choice aggregation tariff," said Lynn Arthur, energy chairwoman of Southampton's sustainability advisory committee. The six investor-owned utilities operating in the state complied, she said, but as a public utility, the order did not apply to LIPA. "LIPA makes its own rules and provides oversight of itself, therefore since the fundamental objective of C.C.A. is to competitively bid power supply in order to lower prices and enable local control over the decision to switch to renewable sources, an obvious conclusion is that LIPA did not want to invite competition into the LIPA service area, if it didn't have to."

A LIPA spokesman said on Tuesday that "LIPA actively participates in a collaborative stakeholder proceeding organized by the Department of Public Service, with the objective of identifying and eliminating barriers to retail choice and C.C.A. on Long Island." The LIPA board of trustees adopted a set of tariff changes implementing improvements identified in one such proceeding on Dec. 15, he said. "The legislation is consistent with the existing LIPA tariff, which already permits the formation of C.C.A.s on Long Island pursuant to plans approved by the D.P.S."

"LIPA looks forward to continued collaboration with the D.P.S. and other stakeholders to make C.C.A. available to Long Island customers on the same terms as the rest of New York State," the spokesman said.

Referring to the ill-fated Shoreham

Nuclear Power Plant, built by LIPA's predecessor, the Long Island Lighting Company, Ms. Arthur said that oversight is essential now that the governor has signed legislation clearing a path for C.C.A. on Long Island. "How is it that we didn't learn our lesson about the need for independent oversight?" she said. "And what is the function of the Long Island Department of Public Service office? Are they a watchdog, or a function of the industry whose purpose is to have the industry continue as is?"

Southampton Town Councilman John Bouvier credited Mr. Thiele for clearing the path for C.C.A. "Without him we'd still be struggling to get there," he said on Monday. More than 500 Southampton residents also submitted letters to the governor's office encouraging her to sign the bill into law.

But Mr. Bouvier, too, questioned LIPA's commitment to C.C.A. With the Public Service Commission's 2016 C.C.A. authorization, "They were told that that opened the pathway for C.C.A. for us," he said. "My only concern is, I'm not entirely sure who provides oversight to make that happen. I'm assuming the P.S.C., but that has to be worked out with the municipalities involved as well."

The commission is to deliberate changes to the C.C.A. program over the next six months with stakeholder involvement. "While LIPA will be 100-percent compliant with the bill when it goes into effect, we look forward to them doing the work to remain in compliance," Ms. Arthur said. "This law is significant. It's not like a silver bullet, but it is a foundational building block."

It "will require that LIPA follow whatever rule changes are adopted by the P.S.C. to the C.C.A. program statewide." But "the way the bill reads, it suggests that it's up to LIPA to create a path so that the program on Long Island will operate the same way as it does upstate. But who is going to ensure LIPA does what this bill requires?"