



July 1, 2022

Draft Scoping Plan Comments
NYSERDA
17 Columbia Circle
Albany, NY 12203-6399

Dear Climate Action Council Members:

Key Capture Energy (“KCE”) supports the Draft Scoping Plan as a general framework for implementing the CLCPA and commends its recognition of energy storage as an essential technology for achieving New York’s energy and environmental goals. KCE respectfully recommends that the State ensure that a new Energy Storage Roadmap and Order — along with new sustaining programs and market mechanisms to compensate energy storage for its system benefits — are adopted to put New York on the path to achieving Governor Hochul’s stated directive of at least 6 GW of energy storage by 2030.

KCE is an Albany, New York-based battery energy storage developer, owner, and operator, focusing on development of utility-scale, stand-alone energy storage projects at both the distribution and transmission level. KCE has 43 MW of energy storage projects in operation and under construction and 950 MW in development in New York. KCE constructed the first utility-scale battery energy storage system in New York in 2019, a 20 MW project that participated in the State’s Market Bridge Incentive Program. KCE is currently constructing another 20 MW project that is scheduled to come online this year.

Energy storage will provide a number of critical services as New York pursues its clean energy and climate goals, including balancing intermittent renewable energy, accommodating electrification of buildings and transportation, reducing peak demand, and increasing grid reliability and resilience. The energy storage industry is also an engine for economic growth and job creation in New York. According to New York State’s 2018 Energy Storage Roadmap, the deployment of 1,500 MW of energy storage by 2025 and 3,000 MW by 2030 would create 30,000 jobs in the storage sector by 2030.¹

KCE appreciates the inclusion of energy storage in the Draft Scoping Plan and respectfully offers the following additional recommendations to strengthen the Plan with regard to energy storage:

- Continued development of strong markets and policies that encourage and leverage private investment in the State’s green economy and clean energy project deployment in the State.

¹ New York State Energy Storage Roadmap and Department of Public Service / New York State Energy Research and Development Authority Staff Recommendations, Energy Storage – NYSERDA. June 21, 2018. Accessed at <https://documents.dps.ny.gov/public/MatterManagement/MatterFilingItem.aspx?FilingSeq=209590&MatterSeq=55960>.



- Timely adoption of a new Energy Storage Roadmap for achieving at least 6 GW of energy storage on the state’s electric grid by 2030, including new programs and sustaining funding mechanisms to create long-term market certainty to attract investment for bulk and distributed energy storage deployment; programs to facilitate displacement of fossil-fueled generation with energy storage; and legislation to enact a sales tax exemption for energy storage.

The Draft Scoping Plan notes that the 3 GW by 2030 goal in the 2018 PSC Order² was based on a 50% renewable target for 2030 and that “the new Climate Act targets will require significantly higher levels of energy storage as exemplified in the recent Power Grid Study.”³ In her 2022 State of the State address, Governor Hochul called for the original 3 GW goal of energy storage by 2030 to be doubled to 6 GW of energy storage by 2030.⁴

KCE strongly supports a new target of at least 6 GW of energy storage to be included in the Final Scoping Plan. The 6 GW target is ambitious but achievable. In order to finance and deploy the projects under development, it is essential that NYSERDA establish sustaining funding mechanisms for energy storage deployment.

In sum, the Climate Action Council’s Draft Scoping Plan is an excellent step closer to the Final Scoping Plan, and KCE looks forward to contributing to its goals. Thank you again for your support of energy storage.

Sincerely,

Quinn Beckham
Market Design Analyst
Key Capture Energy, LLC.



² State of the New York Public Service Commission Case 18-E-0130 – In the Matter of Energy Storage Deployment Program. Order Establishing Energy Storage Goal and Deployment Policy. December 13, 2018.

<https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterSeq=55960>.

³ NYSDPS and NYSERDA. 2021. New York Power Grid Study. Albany. Accessed at <https://www.nyserda.ny.gov/About/Publications/New-York-Power-Grid-Study>.

⁴ Governor Kathy Hochul Delivers 2022 State of the State. January 5, 2022. Accessed at <https://www.governor.ny.gov/news/governor-hochul-delivers-2022-state-state>.

