



NYSERDA

ANDREW M. CUOMO
Governor

RICHARD L. KAUFFMAN
Chair

ALICIA BARTON
President and CEO

April 5, 2018

ELECTRONIC FILING

Hon. Kathleen H. Burgess
Secretary to the Commission
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

RE: CES Financial Status Report - Case 15-E-0302, *Proceeding on Motion of the Commission to Implement a Large-Scale Renewable Program and a Clean Energy Standard*
RPS Financial Status Report - Case 03-E-0188, *Proceeding on Motion of the Commission Regarding a Retail Renewable Portfolio Standard*

Dear Secretary Burgess:

Pursuant to Ordering Clause 5 of the New York State Public Service Commission's *Order Approving Phase 2 Implementation Plan* in the above-referenced proceeding, issued on November 17, 2017, attached please find New York State Energy Research and Development Authority's (NYSERDA) annual Clean Energy Standard (CES) Financial Report for calendar years 2017 and 2016. In addition, also included is the Renewable Portfolio Standard (RPS) Financial Status Report.

The CES Report notes that the Zero Emissions Credit (ZEC) component of program had a cumulative deficit of \$11.3 million as of December 31, 2017, primarily from uncollected payments from Load Serving Entities (LSEs) for their preliminary allocable share of ZEC subsidy payments to nuclear generating facilities. Some of this shortfall will be collected through the reconciliation and settlement process to be completed in August 2018 after the end of the first compliance period (March 31, 2018), with the remaining amount to be covered through other CES revenues or potential through a request for collections through the EDC backstop charge. Although the CES reports a net deficit of \$9.6 million as of December 31, 2017, no Clean Energy Funds (CEF) have been used to fund this shortfall to date, as the timing of ZEC revenues compared to the timing of payments has resulted in sufficient cash balances (\$110.6 million as of December 31, 2017) to temporarily cover this shortfall. As a result, no EDC backstop collections are requested for authorization at this time.

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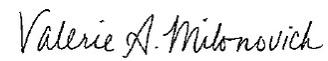
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Cases 15-E-0302 and 03-E-0188, NYSERDA CES and RPS Annual Reports, Cover Letter, April 5, 2018, p. 2

Also attached is an RPS Financial Status Report as of December 31, 2017 summarizing the budget, expenditures, and commitments of the RPS Program as of that date, which is also included as an appendix to the RPS Annual Report filing.

If you have any questions regarding these documents, please contact Doreen Harris at 518.862.1090, extension 3337.

Sincerely,

A handwritten signature in cursive script that reads "Valerie A. Milonovich".

Valerie S. Milonovich
Senior Counsel

Attachments (3)