

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 15-E-0302 - Proceeding on Motion of the Commission to
Implement a Large-Scale Renewable Program and a
Clean Energy Standard.

NOTICE SOLICITING COMMENTS
ON REQUEST FOR CLARIFICATION

(Issued September 12, 2016)

On August 25, 2016, the New York State Energy Research and Development Authority (NYSERDA) submitted a petition requesting clarification of the Clean Energy Standard Order (CES Order) issued by the Public Service Commission (Commission) on August 1, 2016.¹ In its petition, NYSERDA seeks clarification regarding the status of attributes associated with NY-Sun and other Customer-Sited Tier projects in light of the CES Order's filing requirements requesting NYSERDA to publish the number of Renewable Energy Credits (RECs) that will be available for sale for the 2017 compliance period by December 1, 2016. NYSERDA's petition does not seek rehearing of the CES Order therefore the request will be treated procedurally as a motion pursuant to 16 NYCRR §3.6.

In the CES Order at page 92, the Commission set the percentage of the total 2017 load to be served by new renewable resources at 0.6%. That percentage equates to 974,000 MWh of new renewable resources.

PLEASE TAKE NOTICE that Staff of the Department of Public Service (Staff) advises that in setting the 0.6% target, it was estimated that 953,000 MWh of new renewable resources were to be available from NY-Sun and other Customer-Sited Tier

¹ Case 15-E-0302, Large-Scale Renewable Program and a Clean Energy Standard, and Case 16-E-0270, Constellation Energy Nuclear Group LLC, et al. - Facility Costs, Order Adopting a Clean Energy Standard (issued August 1, 2016).

projects to be counted towards the target, and that only 21,000 MWh of RECs from renewable energy projects that were not in operation as of January 1, 2015 were estimated to be available to NYSERDA for sale to Load Serving Entities (LSEs) during 2017. Staff advises that this nuance is not clear from the language of the CES Order, in particular in the language of Ordering Clause No. 3 on pages 154 through 155 of the CES Order, hence, NYSERDA is seeking the clarification described above. Therefore, the Commission is considering whether to clarify that the LSE obligation to purchases RECs for 2017 relates in total only to the estimated number of RECs from renewable energy projects that were not in operation as of January 1, 2015 that will be available to NYSERDA for sale to LSEs during 2017, and that the new renewable resources from NY-Sun and other Customer-Sited Tier projects are to be counted towards the target without further action by the LSEs. It should be further noted that the 21,000 MWh of available RECs was an estimate as of the date of the CES Order, and that by December 1, 2016, NYSERDA shall pursuant to the CES Order [Ordering Clause No. 5, p. 155] publish on its website the actual quantity of RECs NYSERDA expects to have available for sale during the 2017 compliance period.

Comments are not solicited at this time regarding broader behind-the-meter issues that are beyond the scope of a clarification of the 2017 target. As the Commission noted in the CES Order at page 81, at the time the current net energy metering (NEM) compensation mechanism moves to a LMP+D approach based on a more precise determination of the value of distributed energy resources, it will be appropriate to revisit the question of how behind-the-meter resources should be considered. Also, as the Commission noted in the CES order at page 89, customer participation in the voluntary market and the

question of a customer's ability to claim attributes associated with its voluntary projects are issues that are appropriate for further consideration by the Commission, in addition to and informed by the resolution of the transition of behind-the-meter resources from NEM to an LMP+D approach.

Any interested entities are invited to submit comments on the matters raised in this notice by September 30, 2016. Any filings should refer to "Case 15-E-0302" and be submitted to the Secretary by e-filing through the Department of Public Service's Document and Matter Management System (DMM),² or by e-mail to the Secretary at secretary@dps.ny.gov. If unable to file electronically, filings may be made by post or hand delivery to the Hon. Kathleen H. Burgess, Secretary, Three Empire Plaza, Albany, New York 12223-1350.

Instructions related to subscribing to the service list, or otherwise monitoring the status of this proceeding can found on the Department's website at <http://documents.dps.ny.gov/public/MatterManagement/RequestAPStatus.aspx>.

All documents submitted to the Secretary will be posted on the Department's website and become part of the official case record.

(SIGNED)

KATHLEEN H. BURGESS
Secretary

² To register with DMM, go to <http://www.dps.ny.gov/e-file/registration.html>.