

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

- CASE 14-M-0094 - Proceeding on Motion of the Commission to Consider a Clean Energy Fund.
- CASE 10-M-0457 - In the Matter of the System Benefits Charge IV.
- CASE 13-M-0412 - Petition of New York State Energy Research and Development Authority to Provide Initial Capitalization for the New York Green Bank.
- CASE 07-M-0548 - Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard.
- CASE 03-E-0188 - Proceeding on Motion of the Commission Regarding a Retail Renewable Portfolio Standard.

NOTICE SOLICITING COMMENTS¹

(Issued November 6, 2014)

Please take notice that the Commission seeks comments on the Clean Energy Fund Proposal (CEF Proposal), filed by the New York State Energy Research and Development Authority (NYSERDA) on September 23, 2014, and the New York Green Bank Petition to Complete Capitalization (NYGB Petition), filed by NYSERDA on October 30, 2014. This notice provides clarification of the process and schedule for submitting comments.

In its CEF Proposal, NYSERDA requests that the Commission (1) reallocate certain funds in the Energy Efficiency Portfolio Standard (EEPS) and System Benefit Charge (SBC) Programs for continuation of programs in 2015; (2) establish a Clean Energy Fund as described in the proposal and take related

¹ A draft Notice in these proceedings was erroneously posted on November 4, 2014, in electronic form. That Notice was not properly served, was taken down as soon as the error was discovered, and shall be disregarded for all purposes, including by any party that might have received it.

actions; (3) establish annual collections caps, permit collections up to but not exceeding those caps, and permit the use of currently uncommitted funds and collected funds on a "bill-as-you-go" fund management approach; (4) establish collections for the NY-Sun program for the period 2016 to 2023; (5) establish collections for the New York Green Bank (NYGB) program; (6) establish a Market Development program and collections, funding, and management rules for that program; and (7) establish a Technology and Business Innovation program and collections, funding, and management rules for that program. Notices for each of these seven actions were published in the State Register on October 15, 2014 pursuant to the State Administrative Procedure Act (SAPA).

In its NYGB Petition, NYSERDA seeks authorization of \$781.5 million in additional funding to fully capitalize the NYGB at \$1 billion, with \$195.375 million being provided by June 2015 from available cash balances in dedicated clean energy accounts. This funding request was also included as a component of the CEF proposal. NYSERDA also seeks authorization to expand the scope of eligible investments for the NYGB. A Notice of the NYGB Petition will be published in the State Register in the future in conformance with SAPA.

In addition, Multiple Intervenors filed a Petition for Expeditious Relief from Existing Surcharges on June 2, 2014. A Notice of the Petition was published in the State Register on June 25, 2014 and a number of comments were received in response. The petition and those comments will be considered in conjunction with the CEF proceeding.

To facilitate a systematic review by parties, NYSERDA shall: (1) file a "2015 Reallocation Supplement" that corrects errors pertaining to the requested 2015 reallocations of EEPs, and SBC funds and provides further explanation regarding the

purpose of those transfers; and (2) file a "CEF Information Supplement" that provides the additional information and details described below.

Prior to submittal of the CEF Supplement, NYSERDA is encouraged to meet with the utilities to ensure complementary approaches and to meet with other parties, including sponsorship of a broader forum, such as a Technical Conference, to seek input regarding additional areas of the CEF Proposal where clarification and expansion would assist parties in developing comments. The following schedule provides NYSERDA with the opportunity to coordinate with the utilities and conduct additional outreach while providing the parties with the opportunity to have the benefit of reviewing NYSERDA's CEF Supplement prior to submitting their comments. The schedule also identifies due dates for initial and reply comments regarding related items.

- November 17, 2014 - NYSERDA files 2015 Reallocation Supplement;
- December 8, 2014 - Initial comments filed on NYSERDA CEF Proposal to reallocate EEPS and SBC funds for continuation of programs in 2015 and NYSERDA 2015 Reallocation Supplement;
- December 22, 2014 - Reply comments filed on NYSERDA CEF Proposal to reallocate EEPS and SBC funds for continuation of programs in 2015 and NYSERDA 2015 Reallocation Supplement;
- January 12, 2015 - Initial comments filed on NYGB Petition;
- February 2, 2015 - Reply comments filed on NYGB Petition;
- February 20, 2015 - NYSERDA files CEF Information Supplement;

- March 20, 2015 - Initial comments filed on CEF Proposal and CEF Information Supplement;
- April 10, 2015 - Reply comments filed on CEF Proposal and CEF Information Supplement.

NYSERDA CEF Information Supplement - NYSERDA will submit a supplement to the CEF Proposal filing by February 20, 2015 clarifying the following topics and issues:

- CEF Budgets, Expenditures, and Collections for 2016 and Beyond - Information clarifying these three sets of financial numbers; the interconnections between the three; NYSERDA's reported cash balance; current uncommitted funds; estimates of planned future disencumbrances; and any other information that will help clarify the financial aspects of the proposal.
- Programs / Strategies - (1) Identification of the programs NYSERDA intends to transition away from; (2) Identification of the strategies / programs NYSERDA intends to initially offer accompanied by budget and benefit information.
- Portfolio Change Management, Transparency, and Accountability - Information regarding NYSERDA's plans for selecting strategies, measuring and assessing performance, and adjusting the portfolio budgets and metrics in a manner that is transparent and accountable.
- Grid-Tied (RPS Main Tier) Transition - Discuss the options for extending the current NYSERDA administered Main Tier program through 2016 to allow a thorough consideration of alternate approaches and a period of transition in support of increasing grid-tied renewable capacity in New York.

Comments on CEF Proposal and CEF Information

Supplement should be organized using the following section headings:

- Collections, Budgets, Expenditures, Allocation Methodologies;
- CEF Support for NY-Sun;
- Market Development Strategies;
- Technology and Business Innovation Strategies;
- Grid-Tied (RPS Main Tier) Transition;
- Goals, Metrics, and Benefits;
- Fuel Neutrality;
- Other

Interested parties and stakeholders may provide written comments in response to any or all of the topic/program areas described above. In order to ensure that all relevant comments are properly considered comments should include citations to the sections and chapter headings to which they relate in the CEF Proposal, NYGB Petition, NYSERDA "2015 Reallocation Supplement", and/or NYSERDA "CEF Information Supplement".

As described above, initial comments on the NYSERDA CEF Proposal to reallocate EEPS, RPS, and SBC funds for continuation of programs in 2015 and the NYSERDA "2015 Reallocation Supplement" shall be submitted by December 8, 2014 with replies filed by December 22, 2014; initial comments on the NYGB Petition shall be submitted by January 12, 2015 with replies filed by February 2, 2015; and initial comments on the CEF Proposal and CEF Information Supplement shall be submitted by March 20, 2015 with replies to those comments filed by April 10, 2015. Parties and stakeholders are asked to submit comments electronically to secretary@dps.ny.gov. If unable to

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file electronically, commentors may make submissions by post or hand delivery to the Hon. Kathleen H. Burgess, Secretary, Three Empire Plaza, Albany, New York 12223-1350. Information and instructions related to becoming a party, subscribing to the service list, or otherwise monitoring the status of this proceeding can found on the Commission's Web site at:

<http://documents.dps.ny.gov/public/MatterManagement/RequestAPStatus.aspx>

If you have any questions, feel free to contact Theodore Kelly by e-mail at Theodore.Kelly@dps.ny.gov, or by telephone at (518) 473-4953.

KATHLEEN H. BURGESS
Secretary